

WORLD TRADE ORGANIZATION

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Negotiating Group on Trade Facilitation

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COMMUNICATION FROM CANADA

The following communication, dated 16 March 2005, from the Delegation of Canada, is being circulated in advance of the Negotiating Group meeting of 22-24 March.

POSSIBLE COMMITMENTS ON BORDER AGENCY COORDINATION

A Proposal by Canada

I. BACKGROUND

1. Import and export formalities often involve interaction between the customs agency and other domestic agencies or departments that have an interest in the cross-border movement of goods. For example, goods may be subject to other government department requirements and may require special permits, certificates and/or examination.
2. In some instances, customs authorities may administer the import and export interests of a number of relevant departments and agencies involved in border-processes and procedures. In others, these departments or agencies may play a formal role in the import process by administering their acts and/or regulations independently at the border, or in cooperation with the customs agency. In any instance, the objective is to promote transparency and predictability while maintaining flexibility in regulatory and administrative design and organization.
3. Measures are needed to address the increasing complexity, costs and delays that result from the proliferation of procedures and departments involved in cross-border transactions. A more cooperative relationship between customs authorities and other interested agencies or departments, as well as between agencies active on both sides of a border, could greatly facilitate border crossings for the trading community.

II. PROPOSAL

4. We suggest that WTO Members consider commitments on ways and means to ensure that the activities and requirements of all agencies present at borders are coordinated in a manner designed to facilitate trade. Measures could focus on the following objectives:
 - (a) the compatibility or standardization of import/export data requirements of various agencies so as to allow importers and exporters to present all required data to only one border agency, (i.e., a "single window" approach, which could be designed to take into account, where possible, the use of relevant electronic technology);

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- (b) the coordination of procedures and formalities, including agreements (across borders if necessary) that (i) ensure cooperation between customs authorities and other interested agencies on coordinating border controls and (ii) establish technical and operational measures to regulate the functioning of integrated border controls (e.g., controls through a single, shared physical infrastructure in which the neighbouring countries' customs services operate side by side).

5. Special and differential treatment provisions reflecting the specific circumstances of individual Members could be incorporated within commitments, for example through provisions for progressive implementation.

III. BENEFITS

6. Border agency coordination is of key importance to traders, especially small-and medium-sized ones. It could significantly simplify the submission of required documentation, hence reducing the risk of Customs officials denying or delaying entry of goods on grounds of incomplete submission of information. This will, in turn, provides for quicker release of goods and reductions in delivery delays and transaction costs.

7. Governments also benefit from reduced administrative costs while efficiency and transparency are enhanced. In addition, simplified procedures reduce the incentive for traders to circumvent applicable customs laws and requirements. Streamlining and reducing duplicative requirements would reduce the workload involved in the clearance of shipments. Better exchange and sharing of information amongst agencies would also streamline the import process for goods subject to review by those agencies, hence improving custom agencies' performance with respect to time release.

IV. IMPLEMENTATION COSTS

8. For countries without complex inter-agency procedures, or where coordination already exists, implementation costs would be minimal. For others, possible new costs include supplementary training for officers to administer regulatory requirements on behalf of other agencies. At the same time, eliminating duplication of functions is likely to reduce costs.

V. TECHNICAL ASSISTANCE

9. Technical assistance efforts in training and administration of Customs can include elements focusing on ways to improve coordination and reduce duplication among border agencies, so as to enable developing economies to facilitate trade and investment, as well as to enhance efficiency and transparency through improved processes.
