

**COMMUNICATION FROM PERU**

The following communication, dated 26 April 2005, from the delegation of Peru, is being circulated in advance of the Negotiating Group meeting of 2 and 4 May.

**I. INTRODUCTION: PROPOSALS RELATING TO ARTICLES V, VIII AND X OF THE GATT**

1. Trade facilitation is one of the most significant issues in the field of international trade for all WTO Members, in particular the developing and least developed countries, given that it is a trade instrument which aims to secure greater market access opportunities for products of export interest to Members. Since 2002, trade facilitation has become one of the key objectives of Peru's national export strategy, known as the Strategic National Export Plan (Plan Estratégico Nacional de Exportaciones, PENX).

2. In this context, Peru considers that a practical approach to the review and assessment of Articles V, VIII and X of the GATT is of the essence, with a view to the submission of proposals intended to improve these Articles or render them more operational. In this respect, an inventory stating, *inter alia*, the facilitation measure applied, the beneficiaries, the sectors involved in its implementation, the regulations governing it (for example, Law, Supreme Decree, etc.), and the economic / trade impact of its application would prove particularly useful.

3. An inventory of the trade facilitation measures currently applied by Members would serve two purposes:

- Provide an overview of the measures in relation to each of the Articles under review. This could include the main trade facilitation measures adopted by Members, which could then be grouped into three categories corresponding to each of the Articles. This would give a picture of the situation with regard to the simplification and streamlining of Members' trade flows and provide an understanding of Members' situations as regards trade facilitation.
- On the basis of such information, decisions could be taken on the following:
  - (i) Which measures currently applied by Members need to be endorsed and encouraged by technical and financial cooperation activities and reflected in WTO provisions; and
  - (ii) which new measures need to be adopted under WTO provisions for further development by Members, with the backing of technical and financial assistance and cooperation.

4. Trade facilitation and proper control of import and export operations are two indissoluble elements of any trade mechanism: facilitating trade between Members while, at the same time, ensuring efficient control of this trade. Such a balance is essential in the current context of global trade. In this respect, technical and financial cooperation is indispensable for Members to be able to develop or maintain trade facilitation measures.

## **II. PROPOSALS RELATING TO ARTICLE V: FREEDOM OF TRANSIT**

1. Promotion of the use of international instruments relating to customs transit, including the possibility of acceding to such instruments, where applicable.

2. Simplification of customs formalities and increased use of electronic and interconnection media for the inspection of goods upon entry to, at subsequent stops within, and on exit from a customs territory to ensure compliance with the customs legislation in force in the territory of the Member.

3. Development and implementation of automated and internationally standardized procedures for the receipt and submission of information on goods, means of transport and persons prior to their arrival at the border post to enable in-advance selection and risk assessment by the competent authorities.

## **III. PROPOSALS RELATING TO ARTICLE VIII: FEES AND FORMALITIES CONNECTED WITH IMPORTATION AND EXPORTATION**

1. Recommendation to establish a single-window mechanism at borders or ports with efficient computer back-up.

2. Recommendation to accede to the conventions administered by the World Customs Organization (WCO) which seek to harmonize and simplify customs procedures, in particular the International Convention on the Simplification and Harmonization of Customs Procedures (Kyoto Convention), the Convention on Temporary Admission (Istanbul Convention) and the Brussels Convention on Nomenclature for the Classification of Goods in Customs Tariffs, *inter alia*, which include mechanisms for the progressive adoption of commitments, selectivity as regards the inclusion of regulations and the possibility of reservations.

3. Establishment of disciplines on the application of risk assessment criteria and on pre-clearance, concurrent, and post-clearance control of goods. Members will be required to grant sufficient authority to customs administration support institutions to safeguard the audit function and effective post-clearance control of goods.

4. Automation of customs and other agency import/export procedures, with the possibility of electronic submission of customs and other declarations, and automated payment of duties and other fees and charges.

5. Establishment of objective criteria for the application of fees and charges by Members to import and export operations.

6. Possibility of establishing an enhanced customs clearance system with provisions on the security (bonds, financial guarantees, etc.) or other forms of collateral required to ensure that the obligations of importers, warehouse operators or international goods carriers towards the customs authorities are properly discharged.

7. Establishment of specific procedures applicable to express shipments in order to facilitate trade in these goods without interfering with customs control.

8. Establishment of border control cooperation and coordination mechanisms between the various authorities at Members' entry and exit points.

#### **IV. PROPOSALS RELATING TO ARTICLE X: PUBLICATION AND ADMINISTRATION OF TRADE REGULATIONS**

1. Establishment of mechanisms ensuring the publication and availability of information on customs procedures to all Members in readily and promptly accessible official media (including, where possible, in electronic form).

2. Establishment of enquiry points facilitating access to trade-related information, for example, the creation of a National Enquiry Point operating a free-of-charge 24-hour service or an informative website providing a broad range of customs information with links to other relevant sites.

3. Publication of all relevant legislation on customs procedures relating to the various customs regimes. Inclusion of the legal basis for administrative decisions would be appropriate.

4. Establishment of minimum time periods before the entry into force of new regulations, thereby enabling trade operators to respond effectively to such regulations and implement them in such a way as to facilitate trade transactions.

#### **V. TECHNICAL AND FINANCIAL ASSISTANCE AND COOPERATION**

1. Technical and financial assistance and cooperation and capacity-building are essential elements of the trade facilitation work programme. These complementary processes are crucial to achieving proper and effective implementation of trade facilitation measures by Members.

2. Technical and financial assistance and cooperation must satisfy Members' need for efficient and transparent import and export procedures which, at the same time, ensure the control required by customs administrations. To this end, technical and financial assistance and cooperation must seek to develop the technical and infrastructural capabilities of each Member as well as to build such capabilities in areas where they are lacking.

3. A detailed assessment of the current situation as regards the trade facilitation measures implemented by Members would enable their needs to be identified and prioritized. This, in turn, would make it possible to determine the kind of technical and financial assistance and cooperation that could be provided, both by the more developed Members and by international organizations, in response to those needs.

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