

Notes for the WCO Informal Study Group on the WTO Trade Facilitation Negotiations

(Subject: WTO TFNG meeting from 18 to 22 February 2008)

Note: The WCO Secretariat attended the WTO Meeting. These notes are available on the WCO Web site, as requested by the Members participating in the WCO Informal Study Group, and were prepared for my personal use. Members who would like to use the contents of these notes must contact their own information source in Geneva/the Capital (e.g.: Geneva delegation office, Ministry of Foreign Affairs, Ministry of Commerce, etc.) for verification.

28 February 2008
Thierry Piraux

Procedures for the February 2008 WTO TFNG

1. The WTO Chairman set out the following procedures for the WTO TFNG meeting:
 - the week began with a plenary session during the morning of Monday 18 February, at which new and revised WTO documents were presented (TN/TF/W/133/Rev.1 and TN/TF/W/124/Rev.2). The formal plenary session on Monday morning was followed by an informal plenary working session led by the Chairman;
 - the WTO TFNG Chairman organized informal plenary working sessions on the WTO Members' proposals regarding Article V of the GATT (transit), Customs co-operation and special and differential treatment (S&D). Thursday was largely given over to the latest developments on Articles VIII and X issues;
 - informal working sessions on these issues chaired by different WTO Members were also held in the course of the week;
 - the week-long meeting concluded with a formal plenary session on Friday 22 February, which took stock of progress during the week.

Interesting points in the negotiations

Discussions during the formal session

2. Several revised proposals were presented. Firstly, Switzerland gave an explanation of the revised version of Doc. TN/TF/W/133 on transit – Article V. A great deal of time was given over to discussion of this proposal, focusing mainly on issues relating to national treatment, most-favoured-nation treatment, publication, transit formalities, the Customs guarantee and Customs co-operation. A number of comments were made (proposed amendments, clarifications, etc.). The proposal was consequently to be revised once again and resubmitted for debate.

3. The revised proposal on reduction/limitation and periodic review of formalities and documentation requirements – Article VIII (Doc. TN/TF/W/124/Rev.2) was then presented by Hong Kong. This was intended to be a more operational, more specific version, and included a section on S&D, technical assistance and capacity building. Members requested a number of clarifications regarding the use of certain terms (what exactly was meant by terms such as “legitimate objectives”, “less trade restrictive formalities” or “unnecessary obstacle to trade”? Moreover, who would be able to appraise potential alternatives?).

Discussions during the informal session

4. The United States also presented Doc. TN/TF/W/144/Rev.2 on expedited shipments, with revised content and improved drafting. There was no longer reference to a minimum value. While the United States continued to support their proposal and expound its merits, many Members were not convinced that this kind of proposal, covering just one sector of activity, should form part of the Agreement. They believed that there was no need to create a comparative advantage, and that the simplified procedures foreseen in this Agreement and the proposals on the separation of release and clearance, and on pre-arrival processing, were adequate and generally applicable. The reference to the release time (3 hours) in the new version was also problematic, and a number of requests were made for clarification (the reference to the single document instead of the manifest raised a problem).
5. With respect to Customs co-operation, Doc. TN/TF/W/123/rev.1 was widely discussed. In particular, Members asked whether the envisaged form of Customs co-operation was an appropriate response to the trade facilitation objective, and queried the confidentiality of the information exchanged. They also questioned the period fixed for responding to a request (90 days), and the period which could be covered by such assistance (2 years, too long?). Paragraph 10 also posed a problem for some delegations. At the end of the week, Canada presented another informal document on Customs co-operation which led to a brief discussion, mainly of how it was impossible to require a copy of the export declaration as a supporting document for import.
6. Other questions relating to Articles VIII and X were discussed during informal sessions chaired by different WTO Members on the basis of “meeting room documents” such as the Single Window, binding information, and the publication and provision of information. New proposals were likely to result from those discussions.
7. As regards S&D, a number of sessions were devoted to this issue (often chaired by Argentina). Some progress was made, albeit limited. The question of the process of implementing the Agreement and of capacity building remained open (what should be notified – lists A and B – and when? What information should be provided for in the capacity building plan? What about the “best endeavour” provisions? Who was to decide whether deadlines should be extended if they were not met? What if no TA was received?). This discussion also allowed the specific issue of the role of a future Trade Facilitation Committee to be raised. The Members agreed that a certain degree of flexibility should be provided for in this process (e.g. in the event that a needs self-assessment mission had not yet been conducted), and agreed to discuss the content of the capacity building plans.

8. At the end of the meeting, the Chairman welcomed the headway made in the discussions. Overall, as in the two previous meetings, he was satisfied with the progress made during this meeting and the very positive and constructive climate throughout. Nevertheless, he was aware that a great deal of work still had to be done and that there was still a need to eliminate overlaps. The next compilation was to be put together as part of the “Easter process”, and WTO Members had until 7 March to submit any new proposals. The Chairman of the WTO TFNG would then present to the WTO governing body a “Compilation Plus” document taking stock of the work. Many Members wished to do more work on horizontal issues.

Next WTO TFNG meeting

The next TFNG meetings were provisionally planned for the weeks beginning 7 April¹, 19 May and 23 June 2008.

Secretariat comments on the procedures for the WTO Trade Facilitation Negotiations

In order to protect the interests of the WCO and Customs during the WTO negotiations, the Secretariat was continuing to encourage WCO Members to play a greater role in the WTO negotiation process.

By way of reminder, the production of the Annex to Doc. PC0192 was aimed at enabling Member administrations to effectively engage in the WTO negotiation process and to inspire a possible review of the WCO’s instruments and tools.

¹ This meeting has just been cancelled.