

Comparing EU free trade agreements Trade Facilitation



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The aim of this *InBrief* series is to provide a synthesis of various chapters of the ten free trade agreements (FTAs) recently concluded by the European Union with developing countries, as well as other relevant trade agreements when appropriate. Each *InBrief* offers a detailed and schematic overview of a specific set of trade and trade-related provisions in these agreements.

Trade facilitation may be defined as a 'comprehensive and integrated method of reducing the complexity and cost of trade processes'. The aim is to reduce the red tape associated with the international supply chain, particularly at the actual cross-border stage. Complicated and unnecessary documentation and data requirements for imports and exports, as well as cumbersome customs and border crossing procedures, are obstacles to international trade flows. And as tariffs are progressively reduced, there are increasing concerns that import and export procedures may create or represent effective non-tariff barriers.

Main issues in trade facilitation

There are essentially two issues with respect to trade facilitation. The first is the multitude of customs systems and procedures, and the second is the huge number of regulations and documentation requirements facing traders. Both issues - i.e. *excessive documentation and data requirements, plus cumbersome customs and border crossing procedures* - constitute significant obstacles to the movement of goods. They result in additional costs and delays for traders and are damaging to the economic interests of governments, particularly those of developing countries.

Various estimations have put the cost of trade procedures at about 4-5 per cent of the overall cost of trade, about the same as the current

average tariff on trade in industrial goods in industrialised countries - 3.8 percent¹. At the same time, several studies have recognised the magnitude of the potential gains from trade facilitation, which can be a win-win issue for all countries. In particular, developing countries stand to gain enormously from such efforts. For instance, the United Nations (UN) estimates the potential savings from trade facilitation to be some USD 490 billion², while Wilson *et al.* (2002)³ show, for instance, that

improved trade facilitation would increase intra-APEC trade by about USD 280 billion. The greatest gains to developing countries come from improvements in ports and customs efficiency and hence the possibility of attracting inward investment. The latter prospers from a climate of transparent and streamlined trade procedures to facilitate the smooth supply of raw materials and components and the efficient distribution or export of goods.

Box 1 Gains from trade facilitation

1. Increased transparency and predictability

- Immediate substantial decrease in administrative costs for companies
- More revenue from customs duties
- Minimisation of costly human errors and fewer opportunities for corruption
- Increase in foreign direct investment (FDI)
- Enhanced overall efficiency of countries' export and import sectors

2. Time

Faster procedures also lead to:

- Fewer storage problems
- Less risk of loss of quality of merchandise
- Reduced threat of substantial penalties
- Less risk of theft
- Fewer delayed payments
- Less interest lost due to capital locked in goods

3. Greater business opportunities

- Efficient Customs and trade procedures enable companies to profit from potential business opportunities
- Fewer 'brain drain' problems for smaller countries
- Indispensable basis for all e-business activities, estimated to be worth trillions of dollars in the future

4. Improved efficiency and security

- Transparency and simplification limits opportunities for criminal activity
- It enables customs to divert resources and manpower previously used for administration to core crime-fighting activities.

Source: SWERPO (2002), *Trade Facilitation - Impact and Potential Gains*, www.kommers.se/documents_show.asp?id=44

Current status in the WTO and the Doha round

Trade facilitation first became part of the work programme of the World Trade Organization (WTO) at the 1996 Singapore Ministerial Conference, when ministers directed the Council for Trade in Goods to undertake exploratory and analytical work on the issue. By the end of the Doha Ministerial Conference in 2001, ministers agreed to negotiations on trade facilitation provided that the Fifth Ministerial Conference would reach an explicit consensus on the modalities of such negotiations. The ministers further agreed that, before the Fifth Session, the Council for Trade in Goods should review and as appropriate, clarify and improve relevant aspects of Articles V, VIII and X of the GATT 1994.

Several proposals were subsequently tabled by WTO members on how to review, clarify and improve the GATT articles, as mandated by the paragraph 7 of the Doha Declaration. In its submissions, the EU sought to make GATT Article VIII (the core article on trade facilitation) fully operational, since, as the article stands, it imposes no binding obligation.⁴ A compilation by the WTO Secretariat⁵ of members' proposals on the issues also shows broad support for strengthening the general commitments in the GATT articles, as well as for special and differential treatment, and technical assistance and capacity-building for developing countries. Despite these efforts, however, WTO members failed to agree to negotiations on trade facilitation at the Fifth Ministerial Conference in Cancun in September 2003, as discussions on the issue became enmeshed in deeper disagreements over agriculture, the three other Singapore issues (of investment, competition and government procurement), and other difficulties on the Doha Development Agenda.

Trade facilitation in EU agreements

Trade facilitation, in the broad sense as defined above, is not given detailed attention in a number of the free trade agreements (FTAs) recently concluded by the European Union (EU). In most of these agreements, trade facilitation provisions are only in the framework of customs cooperation, with a view to ensuring 'fair trade and compliance with trade rules'. Thus, in terms of depth and specific provisions, the trade facilitation sections of some of the FTAs may be described as shallow, although they are often accompanied by detailed Protocols dealing with the provision of mutual assistance by the administrative authorities of the Contracting Parties.

However, there are one or two exceptions, namely the FTAs with Chile and Mexico, which include a considerable amount of detail as to the trade facilitation measures that the

Contracting Parties are required to implement. The trade facilitation demands made by the EU would appear to depend on the extent of trade liberalisation already in place in the partner country concerned. For instance, the detailed provisions in the EU FTA with Chile can be attributed to the liberal economic culture in Chile, which means that Chile is more willing and able to accept and implement more comprehensive measures than, for example, the Mediterranean (MED) countries with their less liberal (if not illiberal) economic policies. Thus, the willingness and the ability of a particular country to implement certain trade facilitation measures may be a factor in determining the relative depth or shallowness of the agreement in question.

The Euro-Mediterranean Association Agreements

Since the first Euro-Mediterranean Conference held in November 1995, the EU and 12 Mediterranean countries have been engaged in negotiating Association Agreements. The overall objective is to form, by 2010, one

Euro-Mediterranean Free Trade Area out of the separate agreements that are currently in force. To date, bilateral Association Agreements (MED agreements) have been concluded with seven countries: Tunisia (1995), Israel (1995), Morocco (1996), Jordan (1997), the Palestinian Authority (1997), Algeria (2001) and Lebanon (2002).

All seven MED agreements contain similar provisions on trade facilitation or customs cooperation. As stated above, when considered in terms of the broad issues affecting trade facilitation and when compared with the EU FTA with Chile, the trade facilitation provisions in the MED agreements are shallow. The aim of customs cooperation, as stated in the preamble to most of the trade facilitation sections in the MED agreements, is 'to ensure fair trade and compliance with trade rules'. To this end, with respect to all the countries, the agreements provide for:

- The simplification of procedures for the customs clearance of goods. The agreement with Israel specifically includes the 'computerisation' of customs procedures (Article 49 (2)), a word missing in other MED agreements. This particular provision may not be unconnected with Israel's relatively advanced technical capacity.
- The introduction of a single administrative document (SAD) similar to the EU's, though this provision is not included in the agreements with Israel and Lebanon.
- The possibility of interconnection between the transit systems of the EU and of the other Contracting Party (this is a provision included in all the MED agreements except that with Israel).
- The exchange of information among experts and vocational training, as well as technical assistance, 'where appropriate'.

All the MED agreements have a separate Protocol dealing with the provision of 'mutual assistance' by the administrative authorities of the Contracting Parties. These Protocols do not contain specific trade facilitation measures, but rather describe the nature of assistance which one Contracting Party could request from the other, as well as the obligation on the requested authority to give such assistance 'within its competence and available resources'.⁶ There are, however, exceptions to the obligations to provide assistance, and these include situations where such assistance would:

- be likely to prejudice the sovereignty of any of the Contracting Parties; or
- be likely to prejudice public policy, security or other essential interests; or
- involve currency or tax regulations other than regulations concerning customs duties; or
- violate an industrial, commercial or professional secret.

Box 2 Trade facilitation in the WTO

Trade facilitation is covered by various WTO agreements:

1. GATT 1994 Articles V (Freedom of transit), VIII (Fees and Formalities relating to import and export) and X (publication and administration of trade regulations);
2. Agreement on Customs Valuation;
3. Agreement on Rules of Origin;
4. Agreement on Pre-shipment Inspection;
5. Agreement on Import Licensing Procedures;
6. Agreement on Technical Barriers to Trade (TBT);
7. Agreement on the Application of Sanitary and Phytosanitary Measures; and
8. Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPs), especially the border enforcement provisions of the Agreement

All articles, as well as summaries and interpretations of these agreements, can be found at http://www.wto.org/english/tratop_e/tratop_e.htm

As for the Doha Round, at the Fifth Ministerial Conference in Cancun (September 2003), members could not arrive at the 'explicit consensus', as demanded by the Doha Declaration, to start negotiations on trade facilitation (http://www.wto.org/english/thewto_e/minist_e/mino1_e/mindecl_e.htm). Ongoing work in the WTO on trade facilitation can be followed at <http://docsonline.wto.org/>

The MED agreements considered above have many similarities. There are, however, differences which appear to reflect the bargaining powers or influence of the Mediterranean country concerned or, as the case may be, its willingness and ability to accept certain obligations. Thus, Israel is not required to introduce a single administrative document or to introduce a link-up between its transit system and that of the EU. On the other hand, the agreement with the Palestinian Authority includes no Protocol on the provision of mutual assistance, presumably because, given its current status, the Authority is not in a position to provide such assistance.

The provisions of the trade facilitation section of the TDCA are not very detailed, and are similar in some respects to the agreements between the EU and its Mediterranean partners. Yet, unlike these agreements, the TDCA lacks any provision that requires the Contracting Parties to implement any specific trade facilitation measures, such as the introduction of a single administrative document. One possible conclusion is that the agreement implies a whole range of trade facilitation measures. Another, more probable, conclusion is that the two parties did not attach great importance to imposing specific trade facilitation obligations on each other.⁷

The EU-South Africa TDCA

The Trade, Development and Cooperation Agreement (TDCA) between the EU and South Africa was signed on 11 October 1999 and has been in force, provisionally and partially, since January 2000, and fully since May 2004. Although the TDCA is, on the whole, a wide-ranging agreement, the provisions on trade facilitation (Article 48) are not very detailed. Article contains few explicit provisions on trade facilitation measures. Article 48.1 simply states: 'The Parties shall promote and facilitate cooperation between their customs services in order to ensure that the provisions on trade are observed and to guarantee fair trade'. The provisions on trade facilitation relate largely to customs duties rather than specific trade facilitation measures. Cooperation between the two customs services 'shall give rise, among other things, to the exchange of information and training schemes'. A comprehensive trade facilitation approach may be implied by the inclusive phrase 'among other things', but this can not be taken for granted in such a legal document.

Article 48.2 requires the administrative authorities of the EU and South Africa to provide mutual assistance in accordance with the provisions of Protocol 2 of the TDCA. The provisions of this Protocol on 'mutual administrative assistance in customs matters' are similar in all material respects to those considered above under the MED agreements.

The EU-Mexico Global Agreement

The Economic Partnership, Political Coordination and Cooperation Agreement, also known as the Global Agreement, between the EU and Mexico was signed on 8 December 1997 and came into force in October 2000. The liberalisation of the trade in goods and services was established by Decisions 2/2000 and 2/2001 of the EU-Mexico Joint Council, and came into force in July 2000 and March 2001 respectively.

Dealing with trade, Title III of the Global Agreement provides for the establishment of a Joint Council to decide on the arrangements and timetable for a bilateral, progressive liberalisation of tariff and non-tariff barriers to trade in goods and services. This decision is to include, among other things, rules of origin and administrative cooperation, customs cooperation and customs valuation (see Article 5 of the Agreement).

Cooperation

Under Title VI (on Cooperation), Article 19 deals specifically with the issue of customs cooperation (or trade facilitation), and, like similar provisions in the other agreements considered above, this article provides for cooperation in the following areas:

- the exchange of information;
- the development of new training techniques and coordination of activities;
- exchanges of officials and senior personnel from the customs and tax administrations;
- the simplification of customs procedures for the clearance of goods; and
- technical assistance, where necessary.

Typically, these areas of cooperation are not exclusive; however, they are the ones specifically mentioned in the article. The Global Agreement contains no Annex or Protocol on mutual administrative assistance, but the Parties state 'their interest in considering, in the future, the conclusion of' such a Protocol (Article 19.3).

It is, however, important to point out that, in parallel to the general Global Agreement, an Interim Agreement on trade and related matters was also signed in December 1997. The Interim Agreement contains more detailed provisions on customs cooperation and trade facilitation than the final agreement. According to Article 17 of the Interim Agreement, the Parties will seek to achieve the necessary coordination of their customs systems to ensure compliance with the provisions on the free movement of goods and the elimination of customs duties, as they relate to customs matters. The areas of cooperation envisaged in the Interim Agreement include, in addition to the above:

- the introduction of a single administrative document (SAD);
- the improvement of working methods; and
- the respect of transparency, efficiency, integrity and accountability of operations.

Special Committee

Article 4 of the Interim Agreement also provides for the establishment of a Special Committee on Customs Cooperation and Rules of Origin. The functions of this Committee include, among other things:

- (a) providing a forum to discuss all issues concerning customs, 'including in particular customs procedures, tariff regimes, customs nomenclature, customs cooperation and mutual administrative assistance in customs matters'; and
- (b) enhancing cooperation on the development, application and enforcement of customs procedures, mutual administrative assistance in customs matters, rules of origin and administrative cooperation.

The amount of detail in the Interim Agreement and the broad remit of the 'Special Committee' can only confirm the importance the Parties attach to trade facilitation measures and their intention of considering the whole panoply of issues relating to trade facilitation.⁸

Box 3 Where to find articles on trade facilitation in EU trade agreements

MED agreements:

Tunisia (1995) - Article 59; Israel (1995) - Article 49; Morocco (1996) - Article 59; Jordan (1997) - Article 76; the Palestinian Authority (1997) - Article 52; Algeria (2001) - Article 63; Lebanon (2002) - Article 56. http://europa.eu.int/comm/external_relations/euromed/med_ass_agreements.htm

TDCA (South Africa): Article 48. http://europa.eu.int/eur-lex/en/archive/1999/1_3119991204en.html

Global Agreement (Mexico): Article 19 - Title VI - and Article 17 in the Interim Agreement. http://europa.eu.int/comm/trade/issues/bilateral/countries/mexico/docs/en2_annex_16.pdf

Association Agreement (Chile): Article 26.

http://europa.eu.int/comm/trade/issues/bilateral/countries/chile/docs/euchlagr_xxiii.pdf

For other agreements, see the Trade Agreements Database and Archive maintained by Dartmouth Tuck Business School: <http://mba.tuck.dartmouth.edu/cib/research/trade-agreements.html>

In summary, it is clear that the Global Agreement with Mexico contains deeper trade facilitation provisions than the other agreements reviewed so far. The existence of a Special Committee on Customs Cooperation, established by the Joint Council, with specific powers to focus on all issues concerning customs and to enhance cooperation on the development, application and enforcement of customs procedures, etc., can only serve to underscore the importance attached to trade facilitation by the EU and Mexico, and the willingness of both Contracting Parties to consider trade facilitation in a more comprehensive manner. Such a relatively high level of political commitment is missing in the other agreements so far reviewed.

The EU-Chile Association Agreement

The FTA with Chile, signed in November 2002, is the most recent free trade agreement concluded by the EU. Though the Association Agreement goes beyond trade to cover political dialogue and cooperation issues, its trade provisions stand out as the most progressive in EU bilateral agreements to date. Trade facilitation forms no exception in this respect. Nothing so far considered is comparable, in terms of depth and scope, to the Association Agreement. Most of the positions taken by the EU in its various submissions to the WTO on trade facilitation are reflected by this agreement with Chile. Article 26 on Customs cooperation states that the Contracting

Parties will promote and facilitate cooperation between their respective customs services with a view to attaining the objectives set out in Article 79.

The sheer depth of Article 79 on 'Customs and related trade matters' is partly reflected by the fact that the Parties undertake a total of 27 specific obligations in the Agreement. For instance, the Parties agree to ensure compliance with the provisions relating to customs and trade-related matters, and to facilitate trade. To achieve this objective, the Parties undertake, among other things, to:

'simplify requirements and formalities in respect of the release and clearance of goods, including to the extent possible, collaboration on the development of procedures enabling the submission of import or export data to a single agency; and to coordinate between customs and other control agencies so as to enable official controls upon import or export to be carried out, as far as possible, by a single agency' (Article 79.1 (c)).

Single agency

Two issues stand out in this provision, and these are the requirements that

(a) there should be coordination between customs and other control agencies, and (b) import or export data should be submitted to a single agency, which should also carry out official controls on importation or exportation.

These two recommendations have featured prominently in several WTO submissions by the EU on trade facilitation. The EU has identified the lack of cooperation between customs and other government agencies, which result in cargoes being subjected to multiple checks at different times and places, as one of the main issues in trade facilitation that should be addressed. Thus, the inclusion of the provisions dealing with these issues in the FTA is a clear indication of the depth of the agreement.

Article 79.2 emphasises the need to improve working methods and to ensure the transparency and efficiency of customs operations. Here again, the EU positions on trade facilitation in the WTO are clearly reflected. For instance, sub-section 2 (b) of Article 79 provides for the reduction, simplification and standardisation of data in the documentation required by customs, and provides that the Parties shall take steps to ensure 'the use of a single customs entry document or data message and a single customs exit document or data message, based on international standards...'

Detailed coordination and cooperation

Other specific provisions of the EU-Chile FTA, which are conspicuously missing in all the other agreements considered above, but which the EU has variously canvassed include the following:

Table 1 Trade facilitation in EU FTAs

	MED Association Agreements	EU-South Africa TDCA	EU-Mexico Global Agreement	EU-Chile Association Agreement
Technical assistance & exchange of information	✓	✓	✓	✓
Standardisation and simplification				
Introduction of single administrative document (SAD)	✓ ^a		✓	✓
Single window approach & use of single border agency				✓
The computerisation and automation of customs procedures	✓ ^b		^c	✓
Risk management, pre-arrival processing and post-clearance audit			^c	✓
Customs-related judicial or administrative measures			^c	✓

^a Except for Lebanon and Israel.

^b Only for Israel.

^c No explicit provisions; however, the *Special Committee* may propose any provisions to improve working methods and ensure efficiency of operations.

- the computerisation of customs procedures and the possible establishment of common standards (Article 79.2 (e));
- the application of modern customs techniques, including risk assessment, simplified procedures for entry and release of goods, post release controls, and company audit methods (Article 79.3(c)). These are some of the substantive elements of the revised Kyoto Convention on the Simplification and Harmonisation of Customs Procedures; and
- the establishment of common positions in international organisations in the field of customs such as the WTO, the World Customs Organisation (WCO), the UN and UNCTAD (Article 79.2 (g)).

With respect to questions of judicial or administrative measures, the agreement requires the Parties to provide effective and prompt procedures enabling the right of appeal against customs and other agency administrative actions, rulings and decisions affecting imports and exports of goods (Article 79. 2 (h)). Further, the Parties agree that their respective trade and customs provisions and procedures will be based upon, among other things, rules that ensure that any penalties imposed for minor breaches of customs regulations or procedural requirements are proportionate and, in their application, do not give rise to undue delays in customs clearance (Article 79.3 (i)).

Cooperation between customs administrations and economic operators is often strongly emphasised in EU positions on trade facilitation. It is therefore not surprising that there are provisions in the Association Agreement dealing with this issue. In Article 79.4 (a), the Parties agree to establish appropriate consultation mechanisms between their administrations and economic operators so as to ensure timely consultation with the operators on substantial matters concerning legislative proposals and general procedures relating to customs. They are also supposed to 'make publicly available general information of interest to economic operators, such as the hours of operation for customs offices, including those at ports and border crossing points, and the points of contact for information enquiries' (Article 79.4 (b)). Furthermore, new legislation and general procedures related to customs, as well as any modifications, are to be published and publicised 'no later than the entry into force of such legislation and procedures' (ibid.).

The Agreement provides for the establishment of a Special Committee on Customs Cooperation and Rules of Origin to, among other things, monitor the implementation and administration of Articles 79 and 80 (dealing with customs valuation) and 'any other customs matters related to market access' (Article 81. 2). Equally provided for in the Agreement is the provision of mutual assistance between the two administrative

authorities under the Protocol of 13 June 2001 on Mutual Assistance in Customs matters.

The Association Agreement with Chile is undoubtedly deep and wide-ranging on trade facilitation. It reflects many of the positions that the EU has advocated on many occasions on trade facilitation, and includes several of the measures recommended or proposed by a number of international organisations, including the World Customs Organisation (WCO). It clearly indicates a strong desire by the two Contracting Parties to attach the utmost importance to trade facilitation.

On the part of Chile, the depth and coverage of the agreement show how far Chile is prepared to go in further liberalising and reforming its economy, for the agreement certainly commits Chile, a developing country, to considerable reform and modernisation. Chile, indeed, is already a model for trade and investment liberalisation in the developing world. Its trade institutions are relatively strong and sophisticated and there is a general climate of pro-free trade ideas in the country, which is reflected by Chile's positive attitude towards its trade partners and in trade negotiations. It is thus hardly surprising that Chile has undertaken deep commitments in its FTA with the EU, which can only help to lock in its domestic economic and institutional reforms.

Conclusions

The ten EU FTAs with developing countries reviewed above are of various degrees of depth and scope. One discernible trend is that, generally, the developing countries with less elaborate trade-related institutions and/or a less liberal trade and economic policy framework have accepted fewer detailed commitments on trade facilitation, while those whose trade-related institutions are relatively more developed and/or who are already engaged in substantial trade and economic reforms at home have accepted far deeper commitments. Thus, there are questions both of capacity and willingness. The first relates to whether a country has the institutional capacity to implement measures that may require technical expertise and a huge capital outlay, while the second is a question of economic culture and ideas. It would seem that the more vigorously a developing country is committed to pursuing liberal economic policy and institutional reforms at home, the more willing it should be to accept international obligations that involve even deeper institutional and policy reforms. The fact that recent trade facilitation provisions (such as in the EU-Chile and EU-Mexico agreements) are more detailed than those in the earlier EU FTAs may also suggest a trend towards deeper trade facilitation provisions in light of the importance now generally attached to the simplification of trade and customs procedures.

As for the EU, it is a key *demandeur* in the WTO on the issue of trade facilitation, and its position is clear: the exponential growth in world trade must be matched by strong and effective trade facilitation measures. The EU, however, recognises the need for special and differential treatment for developing countries. In particular, it has proposed an asymmetrical arrangement, which allows for differentiation in commitments, as well as for longer transitional periods. The EU has argued, for instance, that certain trade facilitation commitments might not apply until such time as some developing countries are in a position to implement them.⁹

However, the EU has also pointed out that this notion of variable speed is only a second-best option, as it risks creating 'a semi permanent 'two-tier' (WTO) membership and may contain insufficient incentives for the member in question to implement what are at the end of the day valuable improvements to its trading potential'.¹⁰ Nevertheless, the EU appears to a certain extent willing to accept relationships structured asymmetrically, although the MED agreements reviewed above would not appear to contain such asymmetry. Clearly, the developing countries concerned were not allowed to accept every trade facilitation commitment only on the basis of their individual compliance capacity. There are still some trade facilitation measures in the agreements (such as the introduction of a SAD or the possibility of interconnection between their transit systems and that of the EU), which, arguably, may pose implementation problems for some of these Mediterranean countries.

Acronyms

APEC	Asia-Pacific Economic Cooperation
FDI	Foreign Direct Investment
EDI	Electronic Data Interchange
EU	European Union
FTA	Free Trade Agreement
GATT	General Agreement on Tariffs and Trade
MED	Mediterranean countries
NAFTA	North American Free Trade Agreement
OECD	Organisation for Economic Cooperation and Development
SAD	Single Administrative Document
TDCA	Trade, Development and Cooperation Agreement
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
USD	United States Dollar
WCO	World Customs Organisation
WTO	World Trade Organization

Notes

- 1 European Commission, *Trade Issues*, http://europa.eu.int/comm/trade/issues/sectoral/facilitation/index_en.htm
- 2 Swedish Trade Procedures Council (SWEPRO) (2002), *Trade Facilitation - Impact and Potential Gains*, August 2002, www.kommers.se/binaries/attachments/1646_Trade_Facilitation_-_Impact_and_Potential_Gains.pdf
- 3 Wilson, J., Mann, C., Woo, Y., Assanie, N. and Chio, I. (2002), *Trade Facilitation: A Development Perspective in the Asia Pacific Region*, Asia Pacific Economic Forum, October 2002.
- 4 See WTO (2002), *Review, Clarification and Improvement of GATT Articles V, VIII and X*

- 5 *Proposals Made by Delegations*, Document G/C/W/434, 15 November 2002.
- 6 Ibid.
- 7 See, for example, Article 7.1 of Protocol 5 (Israel) and of Protocol 7 (Algeria).
- 8 It should be said, however, that South Africa has been undertaking a unilateral reform of its customs operations, with the recent introduction of Electronic Data Interchange (EDI) to facilitate cargo clearance. See South African Revenue Service - Annual report 2003: www.sars.gov.za
- 9 Any confusion that might arise as a result of these parallel agreements is, perhaps, resolved by Article 60 of the Global Agreement, which states that the wide-ranging functions of the Joint Council established by the Interim Agreement, as well as the

- decisions of the Council are deemed to have been adopted by the Joint Council established by Article 45 of the Global Agreement. The logical conclusion is thus that the trade facilitation measures provided for in the Interim Agreement are all as valid as those in the Global Agreement and form part of that Final Act.
- 10 See European Commission (2002), *WTO Trade Facilitation - Improvement to GATT Article VIII on Fee and Formalities Connected with Importation and Exportation*, Submission from the European Communities, 11 July 2002, http://trade-info.cec.eu.int/doclib/docs/2003/june/tradoc_113122.pdf

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www.acp-eu-trade.org

Doha Round Briefing Series: update of Doha Round negotiation (no. 6), www.iisd.org/trade/wto/doha_briefing.asp

WTO Customs Valuation Gateway: www.wto.org/english/tratop_e/cusval_e/cusval_e.htm

Text of the Revised Kyoto Convention (World Customs Organisation) www.wcoomd.org

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This *InBrief* series on trade is an initiative by the European Centre for Development Policy Management (ECDPM), under the editorial supervision of Sanoussi Bilal (sb@ecdpm.org) and Stefan Szepesi.

This *InBrief* on trade facilitation has been developed in cooperation with International Lawyers and Economists Against Poverty (ILEAP).

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The ECDPM acknowledges the support it receives for the 'InBrief' from the Department for International Development in the United Kingdom, the Ministries of Foreign Affairs in Sweden, Finland and the Netherlands, the Directorate-General for Development Cooperation in Belgium, the Swiss Agency for Development and Cooperation and the Instituto Português de Apoio ao Desenvolvimento in Portugal.

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ISSN 1571-7542