

# WTO AGREEMENT ON TRADE FACILITATION

## WTO Agreement on Trade Facilitation

- In December 2013, WTO members concluded negotiations on a Trade Facilitation Agreement at the Bali Ministerial Conference, as part of a wider "[Bali Package](#)".
- On 27 November 2014 WTO members adopted a Protocol of Amendment to insert the new Agreement into Annex 1A of the WTO Agreement.
- The Trade Facilitation Agreement will enter into force once two-thirds of members have completed their domestic ratification process.
- ***The Trade Facilitation Agreement contains***
  - provisions for expediting the movement, release and clearance of goods, including goods in transit.
  - It also sets out measures for effective cooperation between customs and other appropriate authorities on trade facilitation and customs compliance issues.
  - It further contains provisions for technical assistance and capacity building in this area.

## WTO Agreement on Trade Facilitation

The Trade Facilitation Agreement  
has **three** sections

### Section I

- contains provisions for expediting the movement, release and clearance of goods, including goods in transit. It clarifies and improves the relevant articles ([V](#), [VIII](#) and [X](#)) of the General Agreement on Tariffs and Trade (GATT) 1994. It also sets out provisions for customs cooperation.
- **Article V** – Freedom of Transit
- **Article VIII** - Fees and Formalities connected with Importation and Exportation
- **Article X** - Publication and Administration of Trade Regulations

## WTO Agreement on Trade Facilitation

### Section II

- ❖ Contains special and differential treatment (SDT) provisions that allow developing and least-developed countries (LDCs) to determine when they will implement individual provisions of the Agreement and to identify provisions that they will only be able to implement upon the receipt of technical assistance and support for capacity building.
- ❖ To benefit from SDT, a member must categorize each provision of the Agreement, as defined, and notify other WTO members of these categorizations in accordance with specific timelines outlined in the Agreement

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### Description of the Categories of provisions

- **Category A:** provisions that the member will implement by the time the Agreement enters into force (or in the case of a least-developed country member within one year after entry into force)
- **Category B:** provisions that the member will implement after a transitional period following the entry into force of the Agreement
- **Category C:** provisions that the member will implement on a date after a transitional period following the entry into force of the Agreement and requiring the acquisition of assistance and support for capacity building.
- For provisions designated as categories B and C, the member must provide dates for implementation of the provisions, as outlined in the factsheets for :
  - [Special and Differential Treatment for LDCs](#)
  - [Special and Differential Treatment for Developing Countries](#)

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### Section III

- ❖ Contains provisions that establish a permanent committee on trade facilitation at the WTO, require members to have a national committee to facilitate domestic coordination and implementation of the provisions of the Agreement.
- ❖ It also sets out a few final provisions.

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### IV. Protocol of Amendment

- WTO members adopted on 27 November 2014 a Protocol of Amendment to insert the new Agreement into Annex 1A of the WTO Agreement.
- The Trade Facilitation Agreement will enter into force once two-thirds of members have completed their domestic ratification process.

## WTO Agreement on Trade Facilitation

### Members and dates of acceptance of the Protocol of Amendment

- Hong Kong, China (8 December 2014)
- Singapore (8 January 2015)
- United States of America (23 January 2015)
- Mauritius (5 March 2015)

**Section VI** deals with notifications of Commitments

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### VII. Technical assistance and capacity building

- Technical assistance for trade facilitation is provided by the WTO, WTO members and other intergovernmental organizations, including the World Bank, the World Customs Organization and the United Nations Conference on Trade and Development (UNCTAD).
- In July 2014, the WTO announced the launch of the [Trade Facilitation Agreement Facility](#), which will assist developing and least-developed countries in implementing the WTO's Trade Facilitation Agreement.
- The Facility became operational with the adoption of the Trade Facilitation Protocol.

## WTO Agreement on Trade Facilitation

### WTO Trade Facilitation Agreement Facility

- The Trade Facilitation Agreement broke new ground for developing and least-developed countries in the way it will be implemented.
- For the first time in WTO history, the requirement to implement the Agreement was directly linked to the capacity of the country to do so.
- In addition, the Agreement stated that assistance and support should be provided to help them achieve that capacity.
- The aim of this new initiative, entitled the WTO Trade Facilitation Agreement Facility (TFAF), is to help ensure that this assistance is provided to all those that require it.

## WTO Agreement on Trade Facilitation

### WTO Trade Facilitation Agreement Facility

- ❖ A new initiative unveiled at the WTO on 22 July 2014 to deliver support to LDCs and developing countries
- ❖ International organizations pledge their support for implementing Trade Facilitation Agreement
- ❖ Will help developing countries and least-developed countries reap the benefits of the WTO's new Trade Facilitation Agreement, which was agreed at the Bali Ministerial Conference in December 2013.

Thank You For Your Attention