

Unclassified

TD/TC/WP(2002)17/FINAL



Organisation de Coopération et de Développement Economiques
Organisation for Economic Co-operation and Development

11-Apr-2002

English - Or. English

TRADE DIRECTORATE
TRADE COMMITTEE

TD/TC/WP(2002)17/FINAL
Unclassified

Working Party of the Trade Committee

**THE RELATIONSHIP BETWEEN REGIONAL TRADE AGREEMENTS AND MULTILATERAL
TRADING SYSTEM**

TRADE FACILITATION

This paper forms part of a broader study on the relationship between Regional Trade Agreements and the Multilateral Trading System. Together with other chapters and an overall assessment it will be incorporated into a consolidated document to be submitted to the Trade Committee on 28-30 October 2002.

JT00124140

Document complet disponible sur OLIS dans son format d'origine
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Acknowledgement

This paper has been prepared by Evdokia Moïsé of the Trade Directorate. It is declassified under the responsibility of the Secretary General and is available on the OECD website at the following address:
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TRADE FACILITATION

I. Key points emerging

1. The purpose of this paper is to survey trade facilitation provisions in regional trade agreements (RTAs), discuss their conflicting or complementary relationship with the WTO and assess the extent to which RTA provisions may have gone beyond WTO provisions in this area. Trade facilitation can be defined as “*the simplification and harmonisation of international trade procedures*”, understood as “*activities, practices and formalities involved in collecting, presenting, communicating and processing data required for the movement of goods in international trade*” (WTO homepage). In this sense it relates to a wide range of activities such as import and export procedures (e.g. procedures relating to customs, licensing, and quarantine); transport formalities; payments, insurance, and other financial requirements. In some regional trade agreements trade facilitation also covers labour mobility, as well as testing and certification; however, as these issues are beyond the scope of the WTO definition, they will not be covered in this paper. Furthermore, although trade facilitation as defined above does not cover the facilitation of services movements, it should be born in mind that, the liberalisation of transportation, financial and other services related to the movement of goods is essential in enabling goods trade facilitation to occur.

2. The review of trade facilitation provisions in RTAs shows that the degree of facilitation in an RTA may be influenced by a number of factors, such as the **date** when the agreement was concluded, the **type** of the agreement, and the number and **relative level of development** of participating countries (noting that, all other things being equal, it is easier to simplify and harmonise procedures bilaterally, especially where concerned countries display similar levels of development).

3. With respect to the **date** factor, it should be noted that comprehensive trade facilitation endeavours seem to be at a relatively early stage within regional trade initiatives¹. With respect to the movement of goods in international trade, several older RTAs focus exclusively on lowering tariff barriers and do not contain any provisions to simplify and harmonise related **procedures**. RTAs which take some steps towards facilitation commonly aim at simplifying and harmonising certification procedures related to technical requirements and to sanitary and phytosanitary measures. There are very few RTAs in force that tackle more specifically import, export and border-crossing procedures in detail. In general, applicable procedures stay within the ambit of domestic regulation well after preferential tariff treatment has been established by means of an RTA. For instance, EFTA does not contain common procedures and formalities related to the movement of goods in international trade, but simply calls for co-operation between Parties to ensure effective application of its customs related provisions while reducing as far as possible the formalities imposed on trade. Similarly, NAFTA has not affected customs administrations and procedures in Member countries, with the exception of rules of origin and origin determination procedures.

¹ With the notable exception of the European Union, which will be discussed at a later stage.

4. However, the growing awareness of the costs generated by unduly burdensome, inefficient, duplicative or uncertain provisions has prompted increased attention to the issue of trade facilitation within more recent initiatives, even though this attention has not yet led to the formulation of formal engagements. An interesting example is APEC: although Members' co-operation does not entail preferential provisions intended to facilitate trade between them, APEC Members have developed a set of principles on trade facilitation intended to be used on a voluntary basis and in a co-operative manner with the business sector. The principles are supplemented by illustrative examples of such initiatives that would contribute to putting them into practice. They are intended to encourage individual initiatives by APEC Members with a view to gradually suppressing procedural burdens and red tape, saving time and reducing costs for businesses, and more generally improving business conditions in the region.

5. In "new-generation" RTAs recently concluded or currently under negotiation, such as the Japan-Singapore Economic Partnership Agreement (JSEPA) or the Free Trade Area of the Americas (FTAA), trade facilitation is a major focus. Increasingly new generation RTAs adopt common approaches for risk management so as to facilitate the clearance of low-risk² goods with minimal or no documentary verification and physical inspection; they elaborate differentiated, simplified procedures applicable to express shipments; they develop common data sets to be requested in the process of release and clearance. Moreover, one of the main factors stimulating facilitation initiatives in recent RTAs is the attention paid by negotiators to electronic commerce and the increased use of information and communication technologies. Electronic data interchange is an essential feature both in the JSEPA and in the FTAA.

6. In order to assess accurately trade facilitation measures in an RTA it is also necessary to keep in mind the **type** of the agreement and in particular the distinction between *customs unions* and *free trade areas*. The common external tariff of customs unions makes it possible to simplify internal border formalities considerably. The very absence of preferential rules of origin in customs unions is a very significant factor of simplification both for intra-union trade and for third country goods. Simplification and harmonisation is even deeper in customs unions that have taken steps towards overall harmonisation of their trade policy. The most developed example is the European Union, which has long gone beyond the customs union of the 1960s, achieving a Single Market by the end of 1992. Given the degree and extent of economic integration in the EU, it is even inappropriate to refer to a concept of trade facilitation with respect to intra-community trade. The common market implies a suppression of internal borders or border controls and free movement for goods, services and people. As far as import and export procedures are concerned, trade between Member countries does not need to be facilitated, it is totally free³.

7. Finally, the possibility of quick and significant progress in the area of trade facilitation is influenced by the **relative level of development** of participating countries. This is clearly linked to differences in the quality of infrastructure, and scope for extended automation and financing of new facilitation projects, but also to the different priorities that may be attributed to the simplification of trade procedures at different stages of development.

² In the context of customs procedures, risk relates to piracy, smuggling, or fraud with respect to valuation, origin, sanitary requirements, etc.

³ Unlike any other RTA analysed here, the European Union has a common external trade policy, including import and export procedures, that has substituted domestic requirements and procedures in these areas vis-à-vis third countries. Provision-by-provision, detailed comparisons between this common regime and pre-dating individual domestic regimes are impossible, as for most EU Members such domestic regimes ceased to exist more than fifteen years ago. Yet it is fair to say that on balance this single regime is an important trade-facilitating step forward in terms both of harmonisation and simplification of fifteen individual regimes that third-country traders might otherwise have had to face. Because of these fundamental differences, trade facilitation *within* the European Union will not be further analysed here.

8. This leads to an important observation with respect to regional trade facilitation initiatives: with the exception of cases of deep integration, and although they are all more or less inspired by the same multilateral instruments, such as the WCO Kyoto Convention or the UN/EDIFACT initiative, to which they give a concrete expression, RTAs generally stop short of common rules and procedures. This appears to be a deliberate choice. Although harmonisation is high on the agenda in some RTAs, facilitation mostly rests on common principles that are then tailored to the specific circumstances of each participating country. For instance, goods moving between NAFTA countries must still comply with each country's laws, regulations, procedures and formalities. NAFTA provisions on customs matters, mainly covering origin marking, valuation methods, user fees and appeal procedures, have accordingly been given effect within the context of each Member's existing procedures and in line with its own specific legal and regulatory structure. As a result, implementation is somewhat different in each country. Similarly, APEC Members are expected to undertake the implementation of the principles in accordance with their level of economic and technological development, differing legal framework and development objectives, in order to allow quick progress in facilitation despite the large number and different levels of development of participating countries. As a result, the design of the principles is such that they will lead to different implementation outcomes in different APEC Members. Slightly differing national implementation practices allow at least some of the participants to go beyond the lowest common denominator, but entails at the same time a risk of "facilitation *à la carte*".

9. Another broad observation is that measures of simplification of international trade procedures undertaken at the regional level rarely have a preferential effect. Exceptions to this observation include the level of customs fees⁴, origin marking requirements⁵, or certification of conformity assessment⁶. Apart from these provisions it is impracticable, if not outright WTO-illegal, to distinguish between streamlined procedures for RTA-originating goods and more burdensome procedures for third-party goods. Efforts within regional agreements have thus a more generally positive effect on all traders operating in the region, and not only to traders from the countries participating in the RTA. Some RTAs even explicitly refer to "*common approaches towards the world outside the area covered by the agreement*" (ANZCERTA).

10. It could thus reasonably be argued that, in those cases where regional trade agreements contain provisions aimed at trade facilitation, these go beyond and complement existing WTO provisions. In the post-Doha context it should be noted that whether WTO Members decide to undertake the elaboration of specific trade facilitation rules in the WTO framework, or retain existing provisions, enhancing their implementation at the national level, including through technical assistance, the reflections at the regional level seem to be a proven laboratory for testing ideas.

II. Provisions in WTO agreements

11. Specific provisions related to the simplification and harmonisation of trade procedures, including transparency and predictability requirements, are already contained in the WTO legal framework, such as in GATT Articles V, VII, VIII and X, the Agreements on Customs Valuation, Import Licensing,

⁴ Usually RTAs provide for lower or no customs fees in favour of preferential partners. APEC principles, (adopted in the context of an agreement not entailing regional preferences) provide that rules and procedures should not discriminate between like products or services or economic entities in like circumstances, for instance with respect to fees charged for import or export related governmental services.

⁵ RTAs may provide for simplified or cheaper marking requirements for preferential partners.

⁶ Facilitation in the area of conformity assessment is implemented mainly through mutual recognition agreements covering the testing and assessment procedures and/or bodies of the participating countries. Such recognition is preferential. This aspect will be analysed in the proposed section on standards.

Preshipment Inspection, Rules of Origin, TBT and SPS⁷. Among them only the Agreement on Customs Valuation contains specific provisions on customs and border-crossing procedures. So far there exists no comprehensive agreement on trade facilitation as such.

Transparency of applicable requirements

12. *Transparency of trade regulations and due process:* GATT 1994 Article X requires Members to publish promptly all laws, regulations, judicial decisions and administrative rulings affecting imports and exports, and all bilateral agreements affecting international trade policy, so as to enable traders to become acquainted with them. Such laws, regulations, and rulings should be administered in a uniform, impartial and reasonable manner. Measures imposing new or more burdensome requirements, restrictions or prohibitions on imports, or on the transfer of payments have to be published before enforcement. Judicial, arbitral or administrative tribunals or procedures have to be available in order to review and correct administrative action related to customs matters. Obligations set forth in GATT Article X are reaffirmed in the Customs Valuation Agreement and the Import Licensing Agreement.

13. *Trade in services:* Under the General Agreement on Trade in Services (GATS), a general transparency requirement applies to all regulations “of general application” with respect to trade in services.

Harmonisation of procedures and formalities

14. *Valuation for customs purposes:* GATT Article VII lays down the main principles governing the valuation of imports for assessment of duties or other charges (not including internal taxes), in order to enable traders to estimate, with a reasonable degree of certainty, the value of imported products for customs purposes. The assessment should be based on the “actual value” of the imported products or of like products (defined as the price at which the products are sold or offered for sale in the ordinary course of trade under fully competitive conditions) and not on the value of corresponding national merchandise or on arbitrary or fictitious values. The methods of determination should be stable and should be given sufficient publicity.

15. More detailed rules for valuing imports for customs purposes are contained in the Agreement on Customs Valuation, which aims at providing greater uniformity and certainty in implementation. The agreement pursues this objective by establishing specific definitions, rules, procedural requirements and, in particular, a limited number of applicable valuation methods and conditions as to when a specific valuation method is to be applied. The Agreement provides for the establishment of an adequate legal and judicial framework to ensure the right of appeal of importers and calls for customs authorities to release goods to importers with the posting of a guarantee in cases where further investigation is required.

16. The Agreement on Preshipment Inspection (PSI) governs the use by government authorities of private agents to conduct quantity, quality and price inspection of imports. The Agreement does not encourage PSI but harmonises the world-wide use of PSI services by requiring, when PSI entities are employed, that pre-shipment inspection activities are carried out in an objective and non-discriminatory manner and offer sufficient guarantees of uniform, fair and due process. The implementation of these provisions is of course the responsibility of the Members using these private services.

⁷ As noted above, the present text will not discuss any TBT or SPS provisions.

Simplification and avoidance of unnecessary restrictiveness

17. *Traffic in transit:* GATT 1994 Article V requires freedom of transit for traffic in transit through the territory of Members and MFN treatment with respect to all charges, regulations and formalities. Traffic in transit shall be exempt from customs and transit duties or any unnecessary delays or restrictions other than for failure to comply with customs regulations.

18. *Import and export formalities:* GATT 1994 Article VIII calls for minimising the incidence and complexity of fees and formalities connected with import and export, keeping such fees and charges proportional to the government services rendered, and decreasing and simplifying related documentation requirements. The Agreement on Import Licensing Procedures further establishes disciplines to ensure that import licensing procedures are administered in a neutral and non-discriminatory manner. The Agreement sets up time limits for the publication of information concerning licensing procedures and for the processing of licence applications.

19. *Marks of origin:* GATT 1994 Article IX establishes MFN treatment with respect to marking requirements and calls for the burden stemming from such requirements to be reduced to the minimum necessary for consumer protection. This means *inter alia* allowing marks of origin to be affixed if possible at the time of importation and doing so without damaging the product, reducing its value or increasing its cost.

20. *Trade in services:* MFN treatment applies to all trade in services between WTO members, regardless of whether specific commitments have been undertaken. With respect to those sectors for which a WTO Member has made specific commitments in its schedule, the GATS introduces a series of important obligations, including the administration of measures in a reasonable, objective and impartial manner; the availability of administrative and judicial procedures for the review of administrative decisions affecting trade in services; and the existence of objective and transparent criteria to support qualification requirements, such as competence and the ability to supply the service.

21. Several service sectors provide opportunities and means for facilitating trade, including all types of transport services, telecommunications services (among which *Electronic Data Interchange*), financial services and distribution services. A number of WTO Members have specific commitments in several of these areas.

22. *Trade-related aspects of intellectual property rights:* The TRIPS Agreement establishes minimum standards for intellectual property rights protection and enforcement. It contains a series of specific provisions on *Special Requirements Related to Border Measures*, relating to measures by which intellectual property rights holders can obtain the assistance of customs authorities in suspending the release of counterfeit or pirated goods into free circulation. The provisions contain safeguards aimed at avoiding the creation of barriers to legitimate trade and against the abuse of IP enforcement procedures.

Ongoing work

23. In December 1996 the Singapore Ministerial Declaration (paragraph 21) directed the Council for Trade in Goods “to undertake exploratory and analytical work, drawing on the work of other relevant organisations, on the simplification of trade procedures in order to assess the scope for WTO rules in this area”. Work has focused to date mainly on customs and border-crossing procedures. A Symposium on Trade Facilitation was held in 1998 to explore the main concerns of traders when moving goods across borders, including excessive documentation requirements; insufficient use of information-technology; lack of transparency; unclear import and export requirements; and lack of co-operation among customs

authorities. Additional meetings were held *inter alia* on import and export procedures and requirements, on transport and transit of consignments and payments, on electronic facilities and on technical co-operation and development issues.

24. In November 2001 the Doha Ministerial Conference called for negotiations on trade facilitation after the 2003 WTO Ministerial and subject to agreement on the modalities of negotiation. Until then, “... *the Council for Trade in Goods shall review and as appropriate, clarify and improve relevant aspects of Articles V, VIII and X of the GATT 1994 and identify the trade facilitation needs and priorities of Members, in particular developing and least-developed countries.*”

II. Provisions in Regional Trade Agreements

25. The section below discusses a series of principles and concepts central to trade facilitation and provides illustrations of the way those principles and concepts are given concrete expression in RTAs. Many of these principles and concepts are inspired by existing mandatory or voluntary multilateral instruments, such as the WCO Kyoto Convention, the WCO Arusha Declaration, or the UN/EDIFACT initiative, to which they have usefully given concrete expression in practice. For the sake of illustration, the APEC principles are discussed quite extensively because they are one of the most elaborate examples of reflection on the issue of trade facilitation *per se*; accordingly they could usefully serve as a model for further developments at the multilateral level, despite their non-binding character.

Rules on transparency and due process

26. Transparency and due process are essential facilitating measures in most RTAs, especially in order to avoid that persisting differences in implementation jeopardise facilitation. The terms of these provisions parallel quite closely corresponding WTO provisions, such as GATT X, to which several RTAs refer explicitly. For instance, APEC principles call for information on laws, regulations, requirements and procedures affecting trade in goods and services to be made available to all interested parties in a timely and cost-effective manner, for instance through inquiry points and electronic homepages. Stakeholders should be given the opportunity to comment on effective and prospective rules and procedures, so as to increase the degree of confidence and heighten the likelihood of compliance. Stakeholders seeking redress with respect to the implementation of rules and procedures should have access to appropriate appeal mechanisms. EFTA calls for new inspections and formalities to be notified beforehand to the other Parties. Any such new formalities should not render inoperative the trade facilitating measures already adopted.

27. In NAFTA, general provisions on *Publication, Notification and Administration of Laws* require prompt publication of all laws, regulations, procedures and administrative rulings of general application related to the Agreement. They further encourage Parties to publish measures in advance of their adoption and provide interested parties with the opportunity to comment. Persons directly affected by a particular measure or administrative proceeding are to be provided reasonable notice, including a description of the proceedings and any controversial issues and afforded sufficient opportunity to present facts and arguments in support of their position. NAFTA calls for the establishment of impartial and independent judicial or administrative appeals tribunals or procedures for reviewing administrative actions related to the Agreement.

28. RTAs also promote transparency through the collection and dissemination of all relevant information through centralised inquiry points, publications and display on-line. ASEAN has established a Customs website, including information on ASEAN countries' practices for handling complaints and appeals from the trading community. Although still under negotiation, the FTAA already makes available

on-line information on customs procedures, laws, regulations, guidelines and administrative rulings, namely through the publication of a *Hemispheric Guide on Customs Procedures*.

29. **Consistency and predictability** may be seen as corollaries of the principles of transparency and due process. In several RTAs they are not stated explicitly but only implied as objectives to be achieved through the implementation of other principles. In the APEC framework the principle is not limited to advocating the predictability necessary for informed business choices, but stresses the importance of uniform application and the restriction of discretionary interpretation and implementation for promoting integrity and combating corruption in customs services. Reference is made to the Arusha Declaration of the World Customs Organisation with respect to the management of operations and personnel in Customs. The principle also recommends the introduction of commitments to the public with respect to targeted maximum processing times or other service standards.

Harmonisation of procedures and formalities

30. Full harmonisation of procedures and formalities is still limited in RTAs. It would be more appropriate to talk of convergence of the modes of operation of concerned administrations. Such convergence draws both on the momentum of regional integration and on the elaboration of best practices for customs and border procedures worldwide. RTAs commonly refer to relevant WTO provisions, such as GATT Article VII, but the most important reference is the WCO Kyoto Convention on the simplification and harmonisation of customs procedures. RTAs offer useful opportunities for testing those practices in a co-operative setting, transcending the strictly national framework. APEC principles reaffirm the importance of harmonisation and mutual recognition for reducing administrative and compliance costs for business not only in the area of customs procedures and customs tariff classification and valuation, but also with respect to data requirements for import and export procedures. The principles further call for the development of mutual recognition arrangements for standards and conformity assessment results, or for professional qualification and registration.

31. Customs-related provisions in RTAs often provide for the development of a common understanding among concerned administrations on the daily management of applicable requirements and procedures in tariff classification, valuation procedures, clearance documentation and data transmission and storage. In NAFTA, the Customs administrations of the three countries decided to establish a "Trilateral Heads of Customs Conference" (HCC) during the negotiations and implementation phase, in order to co-operatively address issues related to the conduct of business between them. One of these issues was the requirement of NAFTA Article 906 for enhancing the compatibility of standards- and conformity assessment related measures and procedures so as to facilitate trade. In 1993 the HCC established the NAFTA Laboratory Working Group (LWG) to focus on technical and scientific issues of Customs administration. One of the primary tasks of the LWG was to establish harmonised laboratory methods for analytical determinations made in the Customs laboratories of the three countries. A list of accepted methods has already been established for the purpose of determining the specified physical and chemical properties required for Customs processing, including admissibility and classification within the Harmonised Tariff System.

32. In ANZCERTA a *Memorandum of Understanding Regarding Mutual assistance between Customs Agencies* provides for co-operation to harmonise customs procedures and policies "to the maximum extent practicable". This entails *inter alia* closer alignment of national level tariff structures involving a minimum of national subdivisions and of national legal notes relating to tariffs, formats and phraseology; consultations on interpretations; or elaborating common bases for valuation. Mercosur has established a series of agreements ensuring co-operation between customs authorities, including the 1993 Recife agreement for co-ordinating border controls, which establishes technical and operational measures

to regulate the functioning of integrated border controls⁸; the 1997 agreement on reciprocal co-operation and assistance between customs administrations for preventing and combating contraband; or the 1999 Asunción Programme on measures for simplifying foreign trade procedures and border procedures, setting goals relating to the streamlining of administrative procedures.

33. Alternatively, where the level of regulatory confidence is high, RTAs may provide for mutual recognition of formalities carried out by the competent authorities of the other parties. In the event of goods being imported or entering in transit, the EFTA agreement provides for mutual recognition of inspections carried out and of documents certifying compliance with the requirements of the import country or equivalent requirements of the export country. ASEAN countries have concluded an agreement for the recognition of commercial vehicle inspection certificates for goods vehicles used for transit transport.

Simplification and avoidance of unnecessary restrictiveness

34. In a number of “older” RTAs simplification is limited to measures specifically related to products of preferential origin, such as customs fees or marking. The NAFTA Agreement provides that any measure relating to country-of-origin marking adopted and implemented by the Parties shall be designed so as to minimise the difficulties, costs and inconveniences that the measure may cause. Parties should accept any method of marking used by the other Parties as long as it adequately ensures visibility and permanence, and should exempt from marking requirements goods that cannot be marked without being damaged or only at a prohibitive cost. Furthermore, although some merchandise processing fees are still applicable to imports and exports between NAFTA countries, customs user fees are no longer allowed for originating goods.

35. Other RTAs widen the scope of simplification to cover border inspections and formalities. APEC principles indicate that the streamlining of applicable rules and procedures in order to avoid unnecessary trade restrictiveness may be achieved by minimising documentation and procedural requirements and instituting one-stop-shopping services, expediting customs clearance, or gradually reducing the frequency of conformity assessment controls to match good compliance records. The ASEAN Framework Agreement on the Facilitation of Goods in Transit encourages joint customs inspection for goods in transit.

36. EFTA provides that border inspections and formalities must be carried out with the minimum delay necessary and be centralised at one place only to the extent possible. Parties are expected to promote the use of simplified procedures and data processing and transmission techniques. For instance, they shall allow for the different involved authorities to delegate their inspection powers to a service (preferably the customs service), which will carry out inspection on their behalf; departments shall be organised so as to reduce waiting time; if a disruption occurs with respect to the crossing of frontiers, the relevant authorities shall immediately inform the authorities of the other Parties. Plant health inspections should be limited to random checks and sample testing only, unless duly justified circumstances require otherwise. Frontier posts must operate so that goods in transit can cross them twenty-four hours a day without unloading, unless frontier inspection is necessary for health protection reasons; for goods that are not in transit minimum working hour periods per week are defined. Parties are also encouraged to establish express lanes where technically possible. In order to respond to an EEA requirement for co-operation between Parties in order to simplify the procedures for trade in goods, an EFTA Group of Experts on Efficient Trade Procedures (GEETP) was established, made up of experts in the field of trade facilitation from the

⁸ Controls through a single, shared physical infrastructure in which the neighbouring countries’ customs services operate side by side.

different EFTA countries. GEETP meets regularly to co-ordinate trade efficiency activities within the EFTA structure and participates in international fora such as EUROPRPO and UN/CEFACT.

37. The Agreement on the European Economic Area (EEA) requires Parties not only to simplify border controls and formalities but also to assist each other in customs matters. Two Protocols were adopted on the “*simplification of inspections and formalities in respect of carriage of goods*” and on “*mutual assistance in customs matters*”. EEA Protocol 10 on simplification of inspection and formalities in respect of carriage of goods does not apply to maritime or air transport, nor to inspections and formalities related to the issue of health or plant health certificates. With the exception of rules relating to plant health inspections, trade facilitation measures contained in the Protocol benefit goods crossing EFTA or EFTA-EU frontiers irrespective of the origin of the goods or the nationality of involved traders.

Modernisation and the use of new technology

38. RTA provisions increasingly acknowledge that technological developments may render inefficient procedures that used to be well adapted to prevailing circumstances. APEC principles call for the regular updating of applicable rules and requirements to match changed circumstances, and for maintaining the efficiency of procedures through the introduction of modern techniques and new technology. Examples of such technology are advanced risk management and systematic cargo-profiling techniques which curtail the physical inspection of shipments; or computerisation, electronic data interchange (EDI) and internet technology which provide an environment for paperless trading, including the use of secure on-line technology to facilitate certification procedures. Authorities should ensure the interoperability and/or interconnectivity of such technologies

39. NAFTA countries are also in the process of developing a concept of trade automation (North American Trade Automation Prototype or NATAP) that implies introducing standardised trade data elements, harmonising customs clearance procedures and promoting the electronic transmission of standard commercial data using UN/EDIFACT MESSAGES and advance processing by governments. NATAP will use advanced technologies such as the internet for the transmission and receipt of data and Intelligent Transportation System transponder technologies to electronically identify conveyances.

40. New technologies are central in RTA endeavours to achieve a “paperless” clearance environment. Australian and New Zealand Customs have developed a common format to expedite cargo clearance, accessible either from client’s own facilities, via community data networks or via facilities in Customs premises. In the framework of the JSEPA, the participating authorities aim to establish a paperless trading system allowing the electronic transfer of all trade-related information and documents (including invoices, bills of lading etc.) between importers and exporters. A Joint Committee on Paperless Trading will work to implement such a system by 2004 and see that electronic trade-related information exchanged between enterprises may be used as supporting documentation by the trade regulatory bodies of the Parties.

GLOSSARY

AFTA (ASEAN Free Trade Area): Brunei Darussalam, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam.

ANZCERTA (Australia-New Zealand Closer Economic Relations Trade Agreement): Australia and New Zealand

APEC (Asia Pacific Economic Co-operation Forum): Australia; Brunei Darussalam; Canada; Chile; China; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Mexico; New Zealand; Papua New Guinea; Peru; the Philippines; Russia; Singapore; Chinese Taipei; Thailand; United States; Vietnam.

CARICOM (Caribbean Community): Antigua and Barbuda, the Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Haiti, Jamaica, St Kitts and Nevis, St Lucia, St Vincent and the Grenadines, Republic of Suriname and Trinidad and Tobago. The Bahamas does not participate in the common market and Haiti is not yet a full member.

CEFTA (Central European Free Trade Agreement): Bulgaria, Czech Republic, Hungary, Poland, Romania, Slovakia, Slovenia.

COMESA (Common Market for Eastern and Southern Africa): Angola, Burundi, Comoros, Democratic Republic of Congo, Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Madagascar, Malawi, Mauritius, Namibia, Rwanda, Seychelles, Sudan, Swaziland, Zambia, Zimbabwe.

EEA (Agreement on the European Economic Area): Austria, Belgium, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, the Netherlands, Norway, Portugal, United Kingdom, Spain, Sweden.

EFTA (European Free Trade Association): Iceland, Liechtenstein, Norway and Switzerland.

EU (European Union) : Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, United Kingdom, Spain, Sweden.

Europe Agreements: The EU has concluded these with Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovak Republic, Slovenia.

Euro-Med (Euro-Mediterranean Association Agreements) (First-generation): The EU has concluded these with Cyprus, Malta, Turkey.

Euro-Med (Euro-Mediterranean Association Agreements): The EU has concluded these with Tunisia, Israel, Morocco and the Palestinian Authority.

Euro-Med (Euro-Mediterranean Co-operation Agreements): The EU has concluded these with Algeria, Egypt, Jordan, Lebanon and Syria.

FTAA (Free Trade Area of the Americas): Antigua and Barbuda, Argentina, Bahamas, Barbados, Belize, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Dominica, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, St Lucia, St Kitts and Nevis, St Vincent and Grenadines, Suriname, Trinidad and Tobago, Uruguay, United States, Venezuela.

Group of Three: Colombia, Mexico and Venezuela.

MERCOSUR (Mercado Común del Sur/Southern Common Market Agreement): Argentina, Brazil, Paraguay and Uruguay.

NAFTA (North American Free Trade Agreement): Canada, Mexico, United States.

SAARC (South Asian Association for Regional Co-operation): Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka.

SADC (Southern African Development Community): Angola, Botswana, Democratic Republic of Congo, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia, Zimbabwe.