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Committee on Trade Facilitation

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**SUPPORTING THE TIMELY AND EFFICIENT RELEASE OF GLOBAL GOODS THROUGH
ACCELERATED IMPLEMENTATION OF THE WTO TRADE FACILITATION AGREEMENT**

COMMUNICATION FROM THE UNITED STATES, BRAZIL AND COLOMBIA

The following communication, received 30 September 2020, is being circulated at the request of the delegations of the United States, Brazil and Colombia for Members' information.

1. Communication, cooperation, and automation are three essential elements to ensure the functioning of modern border operations. The WTO is not the forum for providing the health solutions to COVID-19, but it is the forum for providing the roadmap for countries to access and trade medical and health supplies and equipment across borders. The COVID-19 pandemic is a global issue that requires a global response. Cross-border trade is a critical channel for getting essential products to those who need them. As WTO Members, we are called to demonstrate leadership by committing to ensure the smooth and continuous trade in goods.

2. To this end, we urge all WTO Members to accelerate implementation of the WTO Trade Facilitation Agreement (TFA). The TFA provides predictability, simplicity, and uniformity in customs and other border procedures. Ongoing implementation of the TFA is already resulting in greater customs efficiency, more effective revenue collection, and better access for Micro, Small, and Medium Enterprises (MSME) to new export opportunities. Measures that improve transparency in customs practices, reduce documentary requirements, and allow for processing of documents before goods arrive have had an immediate impact on traders. The TFA holds within its mandate the regulatory infrastructure to support global supply chains. Now more than ever is the time to harness and capitalize on the benefits of the TFA through its accelerated implementation.

3. For example, many WTO Members at all levels of development have already fully implemented Article 23.2 to establish, maintain, or designate an existing mechanism as a National Trade Facilitation Committee (NTFC). A key responsibility of an NTFC is to institutionalize domestic coordination among all customs-related agencies and stakeholders. As such, the role of an NTFC is paramount in these fast-moving times because it ensures a whole-of-government approach to allow the efficient movement of goods. An NTFC is the best mechanism to ensure communication, coordination, and automation of border processes. This is only one example of how the TFA is playing a crucial role to help traders respond to the COVID-19 pandemic. There is room for the TFA to contribute more.

4. As WTO Members, we commit to the accelerated implementation of the Trade Facilitation Agreement, in particular:

Article 1: Publication

5. Today it is vitally important to improve transparency and information sharing between governments and the private sector by publishing on a single, free, and publicly available website the information in Article 1.1 and Article 2.1, highlighting where possible those areas that enable traders to access timely guidance about COVID-19 and customs border operations. We urge all Members to utilize electronic means to disseminate this important information, including through accelerated implementation of Article 1.4.

Article 7.1: Pre-Arrival Processing

6. Those countries that already provide for advance filing of electronic import declarations and information are better able to release critical medical supplies and personal protective equipment for home use or consumption. We urge all Members to accelerate their implementation of Article 7.1 in order for all goods to move to their final destinations upon arrival at a port of entry, without hours and days being lost during the border clearance process.

Article 7.3: Separation of Release from Final Determination of Customs Duties, Taxes, Fees, and Charges

7. We urge all Members to accelerate implementation of Article 7.3 in order to release imported goods, which meet regulatory requirements, for home use or consumption -- even when uncertainty exists over the classification of those goods or the duties owed. Article 7.3 also provides that a country may utilize surety bonds to ensure payment; however, if the goods are safe and meet regulatory requirements, the issue of tariff uncertainty should not delay delivery of goods, especially critical medical supplies and personal protective equipment.

Article 7.8: Expedited Shipments

8. Implementation of Article 7.8 is also essential at this time. Those countries that already provide for separate and expedited procedures for the release of goods carried by an expedited shipment provider are in a much better position to pivot during the current pandemic and at other critical times. Expedited shippers already have supply chains in place designed to handle important medicines and medical supplies, including temperature-controlled holds and storage. Expedited shippers have point-to-point visibility into the movement of crucial medical supplies and personal protective equipment as well as the automation to provide advance manifest and customs information and handling systems. These closed-loop delivery services are operating and delivering essential medical supplies and personal protective equipment while most commercial airlines are not operating at full capacity.

Article 8: Border Agency Cooperation

9. Coordination of efforts among regulators to smooth border operations is imperative at this time. We call upon each regulator to make crucial modifications to its operations to respond to the needs of its people. We further call on all Members to strengthen cooperation between authorities responsible for the regulation of trade, including customs authorities.

Article 10.1: Formalities and Documentation Requirements**Article 10.2: Acceptance of Copies****Article 10.3: Single Window**

10. This is the time and opportunity to tackle formalities such as consularization requirements. There is no legitimate trade enforcement purpose served by requiring that traders have invoices, bills of lading, or certificates of origin stamped or signed by foreign ministries and consulates as part of a Member's import process. These formalities are the pinnacle of unnecessary red tape that adds cost and time to imported goods. At a time where countries are desperate for free and fair access to personal protective equipment and medical supplies, requiring that importers visit or mail documents to foreign ministries and consulates is an egregious waste of resources. Even more profound is that so many offices and ministries are closed, and we are all operating under advice to limit our person-to-person interactions.

11. COVID-19 has caused us all to take social distancing seriously and limit our person-to-person interactions. Customs and border operations that are automated and use data and digital images rather than paper documents and document runners make traders, border officers, and citizens safer. We must come to the realization that there is nothing profound about a piece of paper or the colour of ink on that paper. The critical piece is the information, and this is the time and place to pivot away from putting importance on paper, stamps, or the colour of ink used to sign a document.

12. Today, where social distancing is essential to stop the spread of COVID-19, all countries should be taking pro-active steps to automate its customs processes and remove unnecessary interactions among its people. These actions allow the release of goods for home use or consumption without requiring routine paper documents and stamping of documents. We urge all Members to accelerate the implementation of these three articles to reduce documents, formalities, and paper-based processes with a view to automating their operations and processes.

13. There is no doubt that the tools available to implement the TFA are available and there is strong technical assistance and capacity building available to developing countries to help them implement and make these critical changes. COVID-19 only brings our wandering attention back again squarely on why implementation of the TFA is so important and should be part of each Member's plan to achieve the new normal. We look forward to continued dialogue and experience sharing in the Trade Facilitation Committee to further realize the benefits of this agreement.
