



Committee on Trade Facilitation

**MINUTES OF THE MEETING OF THE COMMITTEE ON TRADE FACILITATION
12-13 FEBRUARY 2019**

CHAIR: HE MS DALIA KADIŠIENE (LITHUANIA)

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I. MATTERS RELATING TO THE IMPLEMENTATION AND ADMINISTRATION OF THE TRADE FACILITATION AGREEMENT

1.1. The Chair welcomed delegations to the meeting of the Trade Facilitation Committee (TF Committee, Committee, or TFC). She recalled that the proposed agenda had been circulated in WTO/AIR/TFA/7/Rev.1 and that it contained four main items to be discussed: First, matters relating to the implementation and administration of the Trade Facilitation Agreement (TF Agreement, Agreement, or TFA), starting with notifications presented since the last meeting, followed by an update by the WTO Secretariat on the state of the ratification and notification processes. The second item referred to experience sharing and thematic discussions, where delegations were invited to share their experiences with a thematic focus on (i) special procedures of processing (inward and outward processing) and temporary admission; (ii) National Trade Facilitation Committees (NTFC), and (iii) advanced rulings. The third item concerned the rules of procedure for the TF Committee. Following that, Members would be updated on recent and upcoming activities. The final item on the agenda was "Other Business", where the Chair planned to raise the issue of the date of the subsequent Committee meeting.

1.2. The representative of Ukraine indicated a wish to make a statement concerning measures by the Russian Federation under "Other Business".

1.3. The agenda was adopted with the addition requested by Ukraine.

1 NOTIFICATIONS BY MEMBERS

A. Notifications under Articles 15 and 16 of the Trade Facilitation Agreement

1.4. The Chair recalled that, since the last meeting, five new notifications had been submitted under Articles 15 and 16 of the TFA. All submissions had been issued as documents in the G/TFA/N series and listed in the airgram. They originated from the following Members: the Kingdom of Tonga (G/TFA/N/TON/1/ADD.1); El Salvador (G/TFA/N/SLV/1); Grenada (G/TFA/N/GRD/1); Viet Nam (G/TFA/N/VNM/1) and Saudi Arabia (G/TFA/N/SAU/1).

1.5. The Chair turned the Committee's attention to the notification from the Kingdom of Tonga (G/TFA/N/TON/1/ADD.1).

1.6. The representative of the United States thanked the government of the Kingdom of Tonga for the notification of their definitive implementation dates for its category B commitments. As Tonga had yet to ratify the TFA, the United States wondered whether the government could provide a timeframe for completing that process.

1.7. The representative of the European Union expressed appreciation of the notification of Tonga's definitive implementation dates of their category B commitments. Tonga had shifted two provisions on risk management and border agency cooperation from category B to C and had detailed their assistance and capacity building requirements. Like the US, the EU would be interested in receiving further information from the Kingdom of Tonga on the prospects and timelines for their TFA ratification process. Having learned that the Kingdom of Tonga had created a National Committee on Trade Facilitation, the EU would be interested in hearing more about their related experiences at a subsequent meeting.

1.8. With respect to Tonga's technical assistance and capacity building needs, detailed in the relevant segment of the notified category C commitments, the EU informed the Committee that under the 11th EDF (European Development Fund), an assistance programme for the Pacific, called "Pacific Regional Integration Programme" and amounting to approximately €37 million would be launched next year. As part of this Programme, there would be a specific TF component of €10 million dedicated to meeting the capacity building needs of six Pacific ACP countries with respect to their category C commitments, as well as to the regional integration and harmonization of their customs procedures.

1.9. Lastly, she noted that the Kingdom of Tonga had designated a provision on customs brokers (Article 10.6 of the TFA) as a category A commitment and encouraged the government of the Kingdom of Tonga to follow up with a related transparency notification.

1.10. The representative of New Zealand echoed the comments made by the US and the EU and thanked the Kingdom of Tonga for the notification of their definitive implementation dates for category B commitments.

1.11. The Chair turned the Committee's attention to a notification received from El Salvador (G/TFA/N/SLV/1).

1.12. The representative of El Salvador explained that, as part of a strategy to integrate into world markets, El Salvador had put considerable effort into participating effectively in the multilateral trading system, consolidating joint initiatives within the Central American region and strengthening relationships with its main trading partners. Those efforts were backed up with tangible attempts to streamline and facilitate trade through cutting trade transaction costs and achieving greater competitiveness for domestic products and services on international markets.

1.13. El Salvador had adopted a number of legal tools reflecting the shared determination with the private sector to move forward towards simplifying, harmonizing and making all processes related to external trade more automatic. The Trade Facilitation Agreement ratified by El Salvador in February 2016 was one of those tools. El Salvador immediately undertook 125 commitments of the 150 included in the Agreement.

1.14. For the remainder of those commitments, in October 2018, El Salvador had notified the Trade Facilitation Committee the outstanding provisions yet to be designated under one of the three categories. El Salvador believed that the notification in question had sent a positive signal reiterating El Salvador's effort to implement the TFA. El Salvador required support for capacity building and was grateful for the technical and financial support provided by various agencies and donor countries. It was hoped that they could continue to support El Salvador in that regard.

1.15. With regard to the capacity building needs identified in relation to commitments designated as falling under category C, El Salvador was requesting technical assistance to understand good practices that had been implemented and followed by other Members within the WTO. It was worth pointing out and understanding what similar Members had done in that area. In other cases, apart from understanding international good practices, it was also proposed to carry out diagnostics of the mechanisms and processes El Salvador was currently undertaking in order to receive recommendations for improving implementation.

1.16. With respect to financial assistance, El Salvador was planning to invest in technological development that would help standardize processes and make them more interconnected and automatic, with a view to providing for enhanced trade facilitation. El Salvador was also extremely interested in receiving technical assistance for human resources capacity building and for improving border cooperation management, such as regarding skills of officials working in the area of border controls.

1.17. As far as notifications are concerned, domestic authorities were currently in the process of drafting a transparency notification on publication and making information available, which would be submitted as soon as possible.

1.18. The representative of the United States expressed her appreciation of the work undertaken by El Salvador. It was great to hear about the ongoing projects, successes, lessons learned, gaps identified and areas where they would like to continue to work.

1.19. The US wished to elaborate on some of the work the United States had been doing with El Salvador. The US Department of Commerce, through its Customs, Border Management, and Supply Chain Program, had held a first workshop in San Salvador in October 2018. The workshop focused on bolstering El Salvador's implementation of TFA-related obligations, especially in the area of commitments contained in Article 2 of the Agreement. The two-day workshop had been attended by 65 representatives from Salvadoran interagency border ministries, as well as by representatives from the private sector and from academia. In addition to that, several Honduran Ministries observed the workshop since Honduras was also developing a framework for notice and comment procedures. The US planned to continue working on this programme and on engaging in a new phase of work in spring 2019.

1.20. The US Customs and Border Protection had also held a 3-day workshop in El Salvador in July 2018. The workshop was centred around increasing private sector competitiveness in the global supply chain and on strengthening the industry's understanding of US-El Salvador bilateral FTA provisions.

1.21. The US Department of Agriculture had also supported projects by the Central American Customs Union (CACU), which included El Salvador, and worked on building the technical capacity of government representatives to deal with SPS measures and trade facilitation policies. The main objective of these efforts was to reduce barriers to trade and to facilitate the movement of agricultural goods.

1.22. The representative of the European Union expressed the EU's appreciation of the notification received from El Salvador and thanked El Salvador for providing the informative context. The EU had noted that a very large share of the TF Agreement's provisions had been designated by El Salvador as falling under category A. In addition, and very exceptionally, no provisions had been placed in category B.

1.23. As regards El Salvador's category A commitments, the European Union encouraged El Salvador to follow up with their transparency notification according to Articles 1.4 and 10.6 of the TFA that had both been listed as category A commitments. The EU acknowledged that work was ongoing in that regard.

1.24. The Chair turned the Committee's attention to a notification submitted by Grenada (G/TFA/N/GRD/1).

1.25. The representative of the European Union commended Grenada's notification of its definitive implementation dates for its category B commitments. The EU noted that Grenada had included Articles 10.6 and Article 12 of the TFA as falling under category A and encouraged Grenada to follow up with related transparency notifications.

1.26. As regards technical assistance, the EU was aware of a seminar held in January 2019 and was interested in hearing more about the possible impact and follow up that would be given to Grenada's TFA implementation strategy. Regarding potential assistance from the EU, the EU had funds available to assist Grenada and was keen to enter into dialogue, taking into account donor coordination and activities by other donors.

1.27. The Chair turned the Committee's attention to a notification originating from Viet Nam (G/TFA/N/VNM/1).

1.28. The representative of the United States appreciated the work undertaken by Viet Nam in preparation for issuing the notification at issue. She mentioned a program held jointly by the United States and Singapore, in Singapore in September 2018, that had aimed at strengthening the implementation of TFA Articles 3, 4, and 6. This program had hosted 26 officials from ASEAN Member States, including officials from Viet Nam and the Philippines. In May 2018, US Customs and Border Protection had held a workshop on authorized economic operators to benefit customs officials from Viet Nam, Thailand and Cambodia.

1.29. The US Department of Agriculture (USDA) had further held a successful event with Viet Nam's Department of Fisheries to improve compliance with SPS laws and standards. Some of that work had been ongoing for the past five years in order to train different producers, inspectors, and farmers. Reducing the number of non-compliant shipments would reduce costs for traders, including time and shipping costs, provide them with greater certainty and ensure cooperation between governments and traders.

1.30. In June 2018, the US Agency for International Development (USAID) had awarded a Trade Facilitation Program (TFP) contract to its implementing partner Nathan Associates, Inc., which would focus on many of Viet Nam's trade facilitation challenges. Over the next five years, USAID would work with the General Viet Nam Directorate of Customs under the Ministry of Finance to help Viet Nam adopt and implement a risk management approach to modernize and expedite its customs procedures.

1.31. The representative of the European Union thanked Viet Nam and recalled that the EU and Viet Nam had concluded a Free Trade Agreement that included, among others, a chapter on cooperation in the area of trade facilitation.

1.32. There was also an EU programme on trade facilitation that covered ASEAN Members and could be tapped into for the purpose of supporting some of the assistance needs notified by Viet Nam. The European Union had noted that Viet Nam had notified Articles 1.4 and Article 10.6 of the TFA as falling under category A and expressed interest in Viet Nam following up with a corresponding transparency notification.

1.33. The Chair turned the Committee's attention to a notification received from Saudi Arabia (G/TFA/N/SAU/1).

1.34. The representative of China commended the notifications submitted by Tonga, El Salvador, Grenada, Viet Nam and Saudi Arabia.

1.35. As far as the notification from Saudi Arabia was concerned, China had noticed that all of the trade facilitation measures notified by Saudi Arabia had been designated as belonging to category A. China had also noted that there were still 11 Members who had not presented any notifications and encouraged those Members to implement their notification obligations as soon as possible. Perhaps the Secretariat could keep close contact with those Members to identify the reasons why they had failed to fulfil their notification obligations in time as well as the difficulties they might have encountered, and report to the Committee for further discussion in order to find an appropriate solution jointly.

1.36. The representative of the European Union said that the EU had also taken note that the notification by Saudi Arabia had placed all TFA provisions in category A. The European Union encouraged Saudi Arabia to follow up with the transparency notifications related to these commitments, including, in particular, the notification regarding Article 12.2.2 of the TFA on Customs Cooperation.

B. Notifications under Articles 1:4, 10:4:3, 10:6:2 and 12:2:2 of the Trade Facilitation Agreement

1.37. The Chair turned the Committee's attention to the next group of notifications. They were often referred to as "transparency notifications" and consisted of notifications mandated by Articles 1:4, 10:4:3, 10:6:2 and 12:2:2 of the TFA. She recalled that all notifications had transparency objectives, either in a broader context – such as by calling for information on publication sources – or in relation to particular areas, such as the operation of a Member's single window, the use of customs brokers and customs cooperation. A total of seven new notifications had been issued since the last meeting with respect to the second category, the specific transparency requirements. All of them had been issued as documents under the G/TFA/N series. This meant that, for the first time, those notifications made for the largest of the three groups of notifications mandated by the Trade Facilitation Agreement.

1.38. They originated from the following Members: Philippines (G/TFA/N/PHL/2); North Macedonia (G/TFA/N/MKD/1/REV.2); Pakistan (G/TFA/N/PAK/2 and G/TFA/N/PAK/2/REV.1); Japan (G/TFA/N/JPN/2/CORR.1); Peru (G/TFA/N/PER/3); Chile (G/TFA/N/CHL/2); and Lao PDR (G/TFA/N/LAO/2).

1.39. Members were invited to take the floor on those notifications sequentially, starting with the first notification submitted by the Philippines (G/TFA/N/PHL/2).

1.40. The representative of the European Union commended the Philippines for their ambitious notification, in which all of the TFA provisions had been placed in category A, and for the transparency measures that had been notified. The Philippines had also taken positive steps in their new Customs Modernization and Tariff Act Code and were integrating many of the TFA provisions into the revised national legislative framework. She informed the Committee that the EU's previous Trade Related Technical Assistance (TRTA) Programme had contributed to supporting some of those reforms.

1.41. The representative of the United States joined the EU in thanking the Philippines for their notification. It was a very robust document that provided traders with a clear understanding of how to find the rules, procedures and documents necessary to trade with the Philippines. The links were very helpful for navigating the different forms and procedures. The United States continued to support the Philippines' efforts in TFA implementation and informed the Committee that the US had held a targeting and risk management training based on sea cargo in December 2018 to benefit the Philippines' Customs Service.

1.42. The Chair turned the Committee's attention to a notification received from North Macedonia (G/TFA/N/MKD/1/REV.2).

1.43. The representative of the European Union welcomed the revised notification from North Macedonia. It showed that North Macedonia had made good progress on TFA implementation in 2018, including efforts to set up a National Committee on Trade Facilitation. The concept of authorized economic operators, to which the EU attached great importance, had also been introduced in the form of providing for it in the Customs Code.

1.44. The Chair turned the Committee's attention to notifications from Pakistan (G/TFA/N/PAK/2 and G/TFA/N/PAK/2/REV.1).

1.45. The representative of the European Union welcomed Pakistan's notification of their transparency measures and endorsed the work that had been put into its preparation. The EU was aware that Pakistan was engaged in TFA implementation on a number of fronts, including with respect to the establishment of a single window, and was actively working on refining and detailing its assistance needs in coordination with donors. The EU looked forward to Pakistan's experience sharing presentation later in the meeting.

1.46. The representative of the United States joined the EU in thanking Pakistan for their notification. The notification was very helpful and provided a clear understanding for traders on how to find rules, requirements and documents necessary to trade with Pakistan. The relevant websites helped traders directly navigate to specific forms and procedures. It was a very good notification and the US appreciated the effort.

1.47. The United States was very encouraged by the ongoing programs with Pakistan to improve TFA implementation, particularly in the areas of SPS and agriculture. Over the past 5 years, the USDA had trained farmers and regulators to strengthen the capacity of Pakistan's systems on pest management and other phytosanitary risk management issues. The USDA Programme had trained over 5,500 beneficiaries, 4000 farmers, 1000 technical experts on SPS compliance and trade and agriculture. Furthermore, the USDA Cochran Fellowship Program (CFP) had also provided training in the United States for over 11 Fellows from Pakistan in order to help develop market-driven food systems and to increase trade links with the US agricultural business.

1.48. The Chair turned the Committee's attention to a notification from Japan (G/TFA/N/JPN/2/CORR.1).

1.49. The representative of the European Union thanked Japan for updating their transparency notification and for the integration of Japan's law regarding customs brokers. The European Union further wished to inform the Committee that the EU-Japan Free Trade Agreement, which included a chapter on trade facilitation enabling parties to further cooperate in this area, had entered into force on 1 February 2019.

1.50. The Chair turned the Committee's attention to a notification received from Peru (G/TFA/N/PER/3).

1.51. The representative of the United States appreciated the robust transparency notification prepared by Peru that helped traders find the rules, requirements and documents necessary to trade with Peru. The United States wished to take a moment to highlight some of the bilateral cooperation between the US and Peru, which had been focusing on strengthening the countries' border agency cooperation. In August 2018, the US Customs and Border Protection implemented a program with Peru on targeting and risk management.

1.52. The US Department of Agriculture's Food Safety and Agricultural Sustainability Project (FAST) had worked to build capacity and provide technical assistance for Peru's and El Salvador's institutions, in order to help their traders comply with the US SPS laws and to increase trade. Through this programme, the United States had trained representatives of government ministries, trade associations and universities in an effort to further increase trade. As an outcome of those programmes, companies in Peru had increased their readiness to comply and to export to the US by an average of 17 per cent, which resulted in a substantial cost reduction for exporters and encouraged new trade.

1.53. The representative of the European Union welcomed Peru's notification on their transparency measures and the details provided therein. The EU also noted the active implementation method used by Peru with respect to the TFA. Peru's National Committee on Trade Facilitation had been setup in 2017 and it had since identified various priority measures for implementation. The EU was very appreciative of that.

1.54. The Chair turned the Committee's attention to a notification that had been received from Chile (G/TFA/N/CHL/2).

1.55. The representative of the European Union expressed the EU's appreciation of Chile's very comprehensive notification on its transparency measures.

1.56. The representative of the United States joined the EU in thanking Chile for their notification that provided for a very clear understanding of how traders could find the rules, requirements and documents necessary to trade with Chile.

1.57. Since 2017, Chile had participated with the US, Australia, China, Kenya, Korea, the Netherlands and New Zealand in piloting the e-Phyto Solution Hub, which could be of interest to the Committee, in particular in relation to TFA Article 8. This project was led jointly by the Food and Agriculture Organization (FAO) and International Plant Protection Convention (IPPC). The Hub would allow all plant health certificate information to be exchanged electronically between countries in the form of an e-Phyto. By providing a single point of exchange, the system sought to increase safe trade, enhance connections, improve security, and provide the opportunity for participating countries to exchange those certificates among each other. The US was already exchanging e-Phytos via the Hub with Argentina, Chile, and New Zealand. It was a particularly relevant experience in the area of border cooperation and with respect to reducing formalities.

1.58. The Chair turned the Committee's attention to the last transparency notification on the meeting's agenda, submitted by Lao PDR (G/TFA/N/LAO/2).

1.59. The representative of the European Union commended Lao PDR, an LDC, for having notified a number of transparency measures, including one relating to the establishment of a single window (article 10.4.3 of the TFA). Lao PDR had done an in-depth examination of its needs for capacity building and the corresponding assistance had started to be deployed. The EU had contributed to the Trade Development Facility (TDF) Programme that was managed by the World Bank, as well as other donors, and had ended in September 2018.

1.60. The representative of China joined other speakers in expressing thanks to the Philippines, North Macedonia, Pakistan, Japan, Peru, Chile and Lao PDR for the information provided in their respective notification. China encouraged more Members to implement the provisions of the TFA and to provide updated notifications to the WTO as soon as possible.

1.61. Due to a recent change and restructuring in the Chinese Government, China had provided to the WTO Secretariat the latest information on its contact points and on the official websites. The information in question had been notified previously and would be circulated soon with appropriate adjustments.

1.62. The representative of the United States shared the US' appreciation for the notification submitted by Lao PDR and considered it to be a real inspiration to the region, including Lao PDR's ASEAN neighbours.

C. Notifications under Article 22 of the Trade Facilitation Agreement

1.63. The Chair turned the Committee's attention to notifications under Article 22 of the TFA, which related to technical assistance and support for capacity building. She informed that the notifications received under this heading all concerned paragraph 3 of Article 22, dealing with Members' contact points for coordinating and prioritizing trade facilitation-related assistance and support for capacity building.

1.64. The specific notifications on the agenda of the present meeting originated from the following Members: the Kingdom of Tonga (G/TFA/N/TON/2); Ukraine (G/TFA/N/UKR/2); Peru (G/TFA/N/PER/2) and Guyana (G/TFA/N/GUY/3).

1.65. The representative of the European Union thanked the four notifying Members for having communicated their contact points for aid coordination to the Committee.

1.66. Coordination was crucial and assistance needs had to be efficiently detailed by Members that notified category C commitments, so that the assistance programmes could be well designed, targeted and successfully implemented. In this regard, the EU strongly believed in the vital role of the National Trade Facilitation Committees. Later during the meeting, under the experience sharing agenda item, Costa Rica, Thailand, Togo and Pakistan were meant to be sharing their practices and lessons.

1.67. The EU wished to recall that 22 February 2019 was the deadline for LDCs to notify their assistance requirements for implementing category C commitments. The EU was concerned that there was still a number of LDCs that had not done the categorization of their commitments and had not notified their detailed assistance needs. The EU considered that issue a priority and called on all concerned Members, the Secretariat and international organizations to keep an eye on this, particularly as Members were preparing for the next dedicated session on technical assistance and capacity building later in 2019.

1.68. The representative of Canada recognized the efforts of those Members that had submitted notifications and noted the details of the ongoing activities undertaken on the ground in those Members. He thanked El Salvador for the information provided about their work on implementing the Trade Facilitation Agreement. In his view, that was the kind of information that supported the conversations in the Committee. As Canada's Trade Minister had recently stated, the deliberative function of the WTO was the lifeblood of the organization.

1.69. The representative of China encouraged more developing and least-developed Members who needed assistance and support in the area of trade facilitation to inform of the relevant contact points as soon as possible to support capacity building activities.

1.70. The Chair thanked Members for their interventions and observed that they seemed to have concluded the discussions on the list of new notifications under the current agenda item. She noted that the next opportunity to look at notifications would be given at the subsequent session of the TFC in June.

1.71. With there not being any more requests for the floor, the Chair suggested to move on to the next item - the state of the ratification and notification process.

1.72. The Committee took note of the notifications addressed under items A, B and C and of the information contained therein.

2 STATUS OF RATIFICATION AND NOTIFICATION PROCESS

2.1. The Chair recalled that the WTO Secretariat had received a request to update Members on the latest state-of-play regarding the ratification and notification process.

2.2. The representative of the WTO Secretariat updated Members on latest developments with respect to notifications and ratifications that had occurred since the Committee had last met in October 2018.

2.3. As regards as ratifications were concerned, the Secretariat had received a few more acceptance instruments since the time of its last report. They brought the current overall number to 141 instruments, which corresponded to 86% of the expected total. The figure was likely to go up further over the weeks and months to come. As far as the origin of the ratification instruments was concerned, all regions were well represented. 22 instruments were yet to be deposited, of which a few were in fairly final stages of preparation.

2.4. Given that the outstanding instruments were expected to come from developing countries and LDCs, it might be useful to take a closer look at relevant developments with respect to those two groups. Taken together, the ratification rate for both groups currently stood at slightly more than 80%. Looking at each group individually, one could see that developing countries had a higher ratification rate than LDCs.

2.5. As far as notifications were concerned, the update would first look at input on the implementation side, i.e. the so-called ABC notifications. Members would recall that the TFA set out several deadlines for their submission. The first related to the time when the TF Agreement had entered into force - 22 February 2017. At that point, developing countries had already been obliged to notify their category ABC designations and to provide indicative dates for their category B and C commitments. In addition, they were asked to notify their requirements as far as technical assistance and support for capacity building were concerned. A year later, that information had to be complemented by the submission of definitive implementation dates for category B commitments. Least-developed countries were requested to provide information on their category A, B and C designations no later than a year after entry into force of the TFA, i.e. by 22 February 2018. They were further invited to provide indicative implementation dates for their category B commitments.

2.6. Another deadline was coming up at the end of February 2019. By that time, least developed countries had to hand in their requirements regarding technical assistance and capacity building that those Members had identified in relation to their category C commitments. In August 2019, developing countries would be asked to notify their definitive implementation dates as far as category C was concerned. The next milestone would be 22 February 2020, three years after the TFA had entered into force, when LDCs would have to provide definitive dates for their category B commitments if they had not already done so by then. The Agreement granted more time to those Members for presenting their category C-related implementation dates, which were no due before 22 February 2021. The last deadline set out in the TF Agreement would come up on 22 August 2022 when LDCs would have to hand in their definitive implementation dates for commitments identified as falling under category C.

2.7. According to the latest information collected by the WTO Secretariat, there were 114 Members who had provided the Secretariat with category A-related information – a figure close to the total amount of information expected under this segment. The numbers with respect to category B and C commitments were still lagging behind, even though some catching up was observed. At the time of reporting, 73 Members had provided information regarding category B, and 63 Members had handed in data regarding their category C commitments. Broken down by group of development, one could find an implementation rate of slightly over 60% for developing countries and 23% for LDCs. Developed Members, as delegates would be aware of, were not able to avail themselves of any of the Section II flexibilities and therefore obliged to fully implement the TFA from the moment it had entered into force.

2.8. A break down between the three different categories showed that category A made up for roughly half of the commitments, with the numbers for categories B and C being lower. There was slightly more than 23% of the information yet to be handed in.

2.9. An analysis per region showed that Europe scored the highest with 100% of all relevant notifications, although it had to be recalled that there were very few European Members who were eligible to make use of the A, B and C scheme. Asian and Pacific Members ranked second on the list. Developing countries had a higher notification rate and higher share of category A commitments than their least-developed counterparts with their category C share being lower than that of LDCs, as many might have expected.

2.10. As far as category designations were concerned, roughly three quarters of all developing countries had provided all designations, some had provided a subset of designations and a small share had not yet provided any.

2.11. In the case of LDCs, the number of those who had submitted all designations was lower. The number of those that had provided only some designations was higher than the corresponding number provided by developing countries. The number of Members that had yet to hand in their designations was higher for LDCs than it was for developing countries. When factoring in the ratification process and reflecting the Members that had already completed the domestic work one arrived at higher numbers: for developing countries the number of Members who had submitted all designations would reach 77%, and for LDCs, nearly 75%, which was almost the same as the input recorded for developing countries.

2.12. As regards measures with the highest commitment rates, Article 9 of the TFA was still topping the list with over 80% of Members having committed to immediate implementation; followed by Articles 10.5 and 10.6 of the TFA where numbers were almost as high. The next provisions on the list were Articles 5.2 and 10.9 of the TFA.

2.13. In terms of how much implementation time had been requested and when Members could expect different parts of the Agreement to be implemented on the ground, the data demonstrated a progressive increase in terms of implementation commitments.

2.14. When it came to the average implementation timeframes that Members had self-selected, there were quite a few dates that had already been reached. When looking at category A, B and C commitments together, both for developing countries individually and grouped together with LDCs, one could deduce from the data that the average selected timeframes had already passed. For LDCs that point was coming up later in 2019, which was not that far into the future. If the focus was placed merely on categories B and C, the average date moved to the summer of 2021 with almost no difference for developing countries and LDCs. Focusing on category C timeframes alone, one could find that LDCs, on average, tended to select much shorter time periods than developing countries, i.e. almost a year shorter. The average timeframes for category C commitments alone were somewhere between the end of 2021 and the summer of 2022.

2.15. More information on the analysed aspects could be found in a document that had been prepared in response to a request by the European Union to prepare a table with more extensive information regarding notifications. One of the elements of information the table contained related to indicative implementation dates, broken down by categories. The document was designed to have hyperlinks, which had a direct connection with the database, allowing Members to browse detailed information at their convenience.

2.16. Regarding the assistance area, 98% of developing countries had submitted their technical assistance and capacity building requirements. The corresponding number for LDCs was only 10%, which meant that 90% of LDCs were yet to provide that information. The TF Agreement called for those Members to notify this information no later than 22 February 2019. Members seeking assistance in that context were invited to contact the WTO Secretariat.

2.17. The data collected so far could also be filtered in several ways, including in terms of what type of support had been most frequently requested. An analysis of the submitted information showed that support related to human resources and training was most often solicited, followed by support for legislative and regulatory work, such as for help with the drafting of legislation. Assistance for other areas such support for infrastructure and equipment, as well as for awareness raising, ranked on the lower side of the spectrum as far as frequency was concerned.

2.18. As Members would recall, the TF Agreement obliged the WTO Secretariat to issue reminders in respect of certain deadlines for notifications of implementation commitments. The Secretariat had issued the first reminder in November 2017, which had focused on the notification of definitive dates for the submission of category B notifications for developing countries, as mandated by the TFA. LDCs had not yet been covered as the Agreement granted them more time to notify the relevant information. Since the reminder had been made, the number of developing Members who were yet to submit their definitive category B dates had been shrinking. At the time of reporting, the following developing Members had provided indicative implementation dates for their category B commitments

without following up with a notification of their definitive category B dates: Bolivia, Brunei Darussalam, the Dominican Republic, Malaysia, the Republic of Moldova, Montenegro, Morocco, Nigeria and Uruguay (whose notification was currently in process). Within this group, one Member – Morocco – was yet to complete its ratification process.

2.19. A larger group of developing Members – 22, at the time of the current report – had not notified neither indicative nor definitive implementation dates for category B: Antigua and Barbuda, Barbados, Cameroon, Congo, Cote d'Ivoire, Dominica, Ecuador, Egypt, Gabon, Ghana, Kenya, Kuwait, Namibia, Oman, Panama, Papua New Guinea, Qatar, Suriname, Tajikistan, Tunisia, United Arab Emirates and Zimbabwe. Three of those Members – Suriname, Tajikistan and Tunisia – were yet to conclude their respective ratification process.

2.20. The deadline for developing countries to notify their definitive category C implementation dates was coming up in August 2019. At the time of reporting, the following 28 developing Members had provided indicative category C dates, but had not yet followed up with their definitive implementation dates: Albania (which had provided a partial notification), Armenia, Belize, Bolivia, Costa Rica, Cuba, Dominican Republic, Eswatini, Fiji, Grenada, Guyana, Jamaica, Kazakhstan, the Kyrgyz Republic, Mauritius, the Republic of Moldova, Montenegro, Morocco, Nigeria, Pakistan, Paraguay, Saint Lucia, Saint Vincent and the Grenadines, Samoa, Seychelles, Sri Lanka, Tonga and Ukraine. Two of those Members, Morocco and Tonga, had not yet completed their respective ratification process.

2.21. As far as the transparency notifications were concerned, i.e. notifications relating to articles 1.4, 10.4.3, 10.6.3 and 12.2.2 of the TFA, the largest group was comprised of notifications according to Article 1.4, with 62 related notifications. Notifications relating to the other three TFA articles were in the 50s and 60s range.

2.22. When looking at the notifications relating to technical assistance and capacity building support, it should be recalled that the TFA provided for three different types: the first two related to donor Members who were meant to inform other Members of their programmes and procedures for tapping into available aid. The WTO Secretariat had so far received 15 notifications, some of which covered multiple Members (which implied that the overall number of covered Members was actually larger.) Eight notifications had been received with respect to Article 22.2 of the TFA. The number of notifications submitted under the last type of the technical assistance notifications, which mandated developing countries and LDCs to provide information on the contact points for the receipt of aid, was slowly growing with several notifications in the pipeline.

2.23. As far as the TFA database was concerned, the Secretariat had introduced several new features. One of them consisted of the creation of a tab called "TF Committee". The information on that new page centred around three main areas. First, users would have access to information regarding every TF Committee meeting ever held where they would find a brief report on the meeting, a link to the airgram of the meeting and to all of the experience sharing presentations Members had made in that meeting as well as to statements that delegations had been willing to provide.

2.24. A second new section consisted of a dedicated space for experience sharing. Here, the WTO Secretariat had grouped all presentations that delegations had made by measure or thematic subject. All presentations, videos and additional documents could be accessed in this section. At a quick glance, users could see the main subjects Members had covered in their presentations. If Members wanted to see the same information in table form or run searches according to different criteria, they could do so. In addition, all information could be exported into a word document.

2.25. The third section was work in progress and was meant to contain a link to the notification matrix that had been circulated to Members by email before the current meeting. The relevant information would be available in Word or as an Excel document. Numbers contained in the matrix could be clicked on, using the hyperlinks. Members would have direct access to the TFA database, which was especially useful when considering that it updated on an ongoing basis.

2.26. The homepage of the new TF Committee tab also contained quick links with easy access to notification requirements as well as templates for each type of notification. It also displayed frequently solicited graphs, such as one featuring the top five measures with the highest and the

lowest implementation rates. The database could be accessed at tfadatabase.org. The Secretariat always welcomed Members' feedback on the database and remained at Members' disposal for assistance with their respective notifications.

2.27. The representative of Hong Kong, China commended the Secretariat for the excellent work in presenting very complex information in a user-friendly and meaningful way. The matrix provided a comprehensive picture on notifications and enabled the Committee to focus its efforts on making improvements. Despite many Members having presented their ABC notifications, a lot remained to be done. At the same time, the notification numbers were an achievement. Comparatively high figures were not always seen when analysing the implementation of other WTO Agreements. Hong Kong, China, encouraged Members to keep applicable timelines in mind and to submit notifications as soon as possible.

2.28. As far as transparency notifications were concerned, the overall percentage of Members who had notified their transparency measures was below 38%, hence there was room for improvement. Transparency of information was crucial to traders. Hong Kong, China encouraged Members to give priority to the completion of their transparency notifications. In some cases, the required notification could be very simple, such as with respect to notifying a contact point, or when describing progress made in a particular area.

2.29. The timely submission of a range of notifications under various WTO Agreements could be quite challenging. Hong Kong, China had found the reminders issued by the Secretariat to be a useful tool to plan and coordinate with different domestic government agencies and departments. As for the contents of notifications, Hong Kong, China had benefitted from the templates existing in other Committees as well as from references to other Members' notifications. The Chair of the TFC or the Secretariat could also issue reminders to individual Members who had outstanding notifications, as well as provide a mock-up notification with anonymous examples derived from previous notifications received as reference. Such a sample notification could be passed to capitals to facilitate the preparation of notifications. Hong Kong, China was encouraged by developments relating to the transparency notifications. It would be helpful if Members that had already notified could share their experiences with preparing the related input.

2.30. The representative of Japan appreciated the Secretariat's update on the status of the ratification and notification processes, as well as the compilation of Members' implementation status. The matrix was comprehensive and very beneficial for Members to understand the details of the implementation status, together with the website of the TFA database.

2.31. As a new step, it would be important for the Committee to consider how to utilize the document better and how to assist Members in identifying notification challenges faced by most delegations. That would enhance transparency aspects. Japan encouraged Members who had outstanding notifications to prepare and submit those notifications as soon as possible.

2.32. The representative of Switzerland thanked the WTO Secretariat for the presentation, which was very comprehensive and user-friendly. With the most recent ratification by Ecuador, 86% of Members had completed their respective ratification process. A steadily growing number of ratifications was a positive sign. Switzerland encouraged Members who had not yet ratified to complete the process as soon as possible.

2.33. Notifications were an important instrument for the full implementation of the TF Agreement. Switzerland reminded Members that there were still quite a number of outstanding notifications, for which the deadline had elapsed or was coming up soon. Switzerland called on Members to conclude the notification process as soon as possible and welcomed any insight from Members able to share information on their notification processes and on the related challenges they had faced. The suggestions made by Hong Kong, China on how to speed up the procedure were welcome.

2.34. Switzerland thanked the WTO Secretariat for the useful matrix and noted the correlation between Members that had ratified the TF Agreement and had notified under the Agreement. Switzerland wondered about the share of notifications made by Members that had ratified the Agreement, the number of Members who had not yet ratified the Agreement was and the extent to which notification had been made. Switzerland was interested in understanding whether the ratification process had an impact on the notifications.

2.35. The representative of Singapore thanked the Secretariat for the comprehensive update and for the matrix, which was an important tool to help Members identify and submit notifications. Singapore supported the suggestion to provide reminders and sample mock-up notifications that Members could use when preparing their notifications.

2.36. The representative of the Republic of Moldova expressed appreciation of the matrix by the Secretariat as well as of the presentation made. Both were helpful and informative.

2.37. Moldova had submitted definitive dates for its category B commitments and was about to hand in an updated version, which could then also be reflected in the matrix and the underlying notification database.

2.38. The representative of the European Union thanked the WTO Secretariat for the excellent work they had done in providing Members with a complete picture of the state of implementation of the Trade Facilitation Agreement. The negotiations of the Agreement had taken a lot of time, and the implementation mechanism was very important.

2.39. As far as the ratification process was concerned, the EU agreed with the assessment of there being "slow but steady progress" but was more worried about the "slow" than encouraged by the "steady". Some larger Members that had been very active in the negotiations of the Agreement should be fully aware of the implications of the Agreement and move forward to accelerate the notification process. The EU encouraged those Members to do so and to also update Member on the state-of-play on their ratification process.

2.40. Members needed to make a further effort to comply with the notification deadlines and requirements so that the Agreement was not overshadowed by gaps in implementation. The TF Committee should be the place where Members discuss their difficulties, including challenges related to meeting the deadlines. The EU supported the idea of having a mock notification and other ideas that would serve the purpose of receiving a complete set of notifications in due time. As one of the Members who had requested the matrix, the EU strongly supported the idea of having it in the database. The EU encouraged Members to make use of that document to facilitate progress both on the ratification and the notification front.

2.41. The representative of Canada thanked the WTO Secretariat for having created a very helpful tool for Members to be able to get a quick look on where things stood with respect to the implementation of the TF Agreement. Canada had been one of the delegations that requested such a document and was very appreciative of what the Secretariat had prepared.

2.42. The representative of the United States expressed their appreciation for the matrix prepared by the Secretariat. At the October 2018 meeting of the Trade Facilitation Committee, the United States had expressed some views on possible ways for monitoring implementation, previous notifications and ways to follow up. The matrix presented this kind of information in a readily available and easily understandable way. Moreover, it made it easy to transmit this matrix to capitals and to convey a lot of information at one's fingertips. The matrix took care of the US' concerns expressed earlier. The US commended the WTO Secretariat for the presentation made and encouraged them to keep up with this type of documentation while also making it available online.

2.43. The United States further echoed what had been said by the representatives of Switzerland and the EU. The US welcomed Members sharing updates on their notification and ratification processes in the TF Committee. Washington appreciated Moldova providing an update on their notification status and encouraged all Members to do the same in order to give each other the opportunity to understand if there were any difficulties and where different Members stood in their domestic processes. There were quite a few outstanding notifications and 2019 was a critical year for developing countries to provide the required input for the use of flexibilities relating to categories A, B and C, as well as Section II overall.

2.44. The representative of the Secretariat responded to queries raised by Members. As far as the transparency and implementation notifications were concerned, the Secretariat had already prepared templates. They were available to delegations from the Secretariat and could also be accessed through the TFA database. The Secretariat further sought to support the notification process by complementing the templates with concrete examples of already submitted notifications

as well as with additional information upon request. The templates were separate from the model notifications as the Secretariat usually tried to provide individual tailor-made assistance, targeted to the particular situation of each Member and reflecting aspects such as official language, region, geographical neighbours, main trading partners etc. The Secretariat aimed to be specific and to respond to the particular needs of the individual Member in question.

2.45. With regard to Switzerland's question regarding a potential correlation between notifications and ratification, such a correlation existed indeed. Members that had completed their ratification process tended to have higher notification rates as well. Notifications were frequently prepared during the final stages of the ratification process, possibly as a result of increased awareness and heightened sensitivity towards other outstanding areas of work. In some cases, delegations had waited with the submission of an acceptance instrument until they had their ABC notifications ready as well.

2.46. In terms of specific numbers, when it came to developing Members, 72% had currently provided all designations, irrespective of whether they had completed their ratification process. If one factored ratification into the equation, the number would go up to 77%. Similarly, the numbers would jump from 58% to 75% for LDCs, which suggested a positive correlation between the two processes. A look at the matrix would allow every interested party to see not only what each Member had already done in this respect, but also what was still amiss. The database was updated on a daily basis.

2.47. With there not being any further requests for the floor, the Committee took note of the statements made.

II. EXPERIENCE SHARING/THEMATIC DISCUSSIONS

2.48. This segment of the meeting was conducted in informal mode, with the understanding that information Members were willing to share would be made available on a dedicated website (https://www.wto.org/english/tratop_e/tradfa_e/comm_tradfa_e.htm) with related links also being included in the minutes of the meeting.

2.49. Members addressed the following issues:

A. Special procedures of processing (inward and outward processing) and temporary admission

Presentation by the European Union

2.50. Information on the presentation can be found under the following links: https://drive.google.com/file/d/1KIqCQQB-dIY-2uRS9i1_DPv8NiU3TEFB/view and https://drive.google.com/file/d/1iAafkmKSH8VyGXf-Pr_j-YOqif9h06zI/view.

B. National Trade Facilitation Committees

Presentation by Costa Rica

2.51. Information on the presentation can be found under the following link: <https://drive.google.com/file/d/1hORgHs04MflIzjnFq1BjmaElJz38aUW/view>.

Presentation by Pakistan

2.52. Information on the presentation can be found under the following link: <https://drive.google.com/file/d/1fBSPxOPGio7uVDpjg3AfHwCFpfyj0IT/view>.

Presentation by Thailand

2.53. Information on the presentation can be found under the following link: <https://drive.google.com/file/d/11db9CRLKPFhdEZRrbfSAk5Iy12CTIiPL/view>

Presentation by Togo

2.54. Information on the presentation can be found under the following link: <https://drive.google.com/file/d/176J-RvpT6Pqsn42DgAHm42ljsBZdhhPr/view>

Presentation by Paraguay

2.55. Information on the presentation can be found under the following link: <https://drive.google.com/file/d/1w4dOtWxehqrCGACIzTKrfGU6fy0qZp6v/view>

C. Advanced Rulings**Presentation by Australia**

2.56. Information on the presentation can be found under the following link: <https://drive.google.com/file/d/1byNZxfW4EfrKMHE4Qix0sFS-9kSIVyNz/view>

Presentation by Japan

2.57. Information on the presentation can be found under the following link: https://drive.google.com/file/d/1YsA1_umJWHjV5a4IIGwSNoDWMGJORSfR/view

2.58. The Committee took note of the statements made under agenda item 2.

III. RULES OF PROCEDURE FOR THE TRADE FACILITATION COMMITTEE

2.59. The Chair recalled that work on the Committee's rules of procedure had already started in 2017, right after the establishment of the TFC. At that time, Members had received the first version of a proposal initially tabled by Argentina and Norway. Japan had become a co-sponsor shortly thereafter and was now joined by Paraguay.

2.60. As far as substance was concerned, there had not been too many changes since the Committee's first debate. A few details had recently been modified in a revised version of the proposal, which continued to be the only written proposal on the matter. The proposal had been circulated in document G/TFA/W/2/Add.2. As delegations would recall from previous exchanges, it was proposed to follow the practice of other WTO Committees of applying the General Council rules of procedure *mutatis mutandis*, with a few adjustments to the particular needs of the TF Committee, which were specified in the document. Most of the proposed modifications seemed acceptable to Members during the last discussion, even though there was some unfinished business the proponents had followed up on and had reported back to the Committee at various occasions in 2018. They now stood ready to update Members on the latest state-of-play.

2.61. The representative of Norway introduced the proposal on behalf of the co-sponsors: Argentina, Japan, Norway and Paraguay. Members were already familiar with the proposal, which had been under preparation for some time. The most recent version of the document had been circulated on 5 November 2018 with an opportunity for Members to provide comments until 5 December 2018. The proponents had received no substantial comments and therefore decided to table the proposal.

2.62. The text contained no surprises: in line with WTO practice, it was built on the rules of procedure of the General Council with some minor adjustments. The only substantive difference with the rules of procedure of the General Council was that the proponents had added already existing rules set out in the Trade Facilitation Agreement, in particular with respect to Article 23.1.5 regarding the invitation of representatives from international organizations to TFC meetings. It was an addition as opposed to a replacement of the well-known provision on observers in Rule 11 of the General Council rules of procedure. While the Trade Facilitation Committee functioned well even in the absence of established rules of procedure, codifying the practice would be an additional small step in securing constructive and predictable cooperation in the future.

2.63. The representative of India thanked the proponents of the draft rules of procedure for the Trade Facilitation Committee. As in the case of many WTO bodies, amendments to the agenda for meetings of the TFC should be based only on submissions from Members and not from the Chairperson, as suggested in the draft rules. In addition, rule 16 of the General Council rules of procedure, which provided for a simple majority of Members to constitute quorum should also apply to the Trade Facilitation Committee.

2.64. The representative of Uganda thanked Norway and other proponents and apologized for not having met the deadline for providing written comments to the proposal. Uganda would like more time to consider some of the proposed rules, as well as to consult with the African Group on the matter.

2.65. The representative of Norway signalled the proponents' availability to consult with concerned Members to answer their questions. He assured Members that they could take their time, as the work had been ongoing for a while and there was no particular rush. He did not foresee any substantive objections but recognised that some Members might need more time to consult internally.

2.66. The representative of Japan thanked India and Uganda for their comments and responded to the question by India regarding Rule six. The proponents saw value in rules of procedure of other Committees. They had simply tried to follow good practices that had been carried out in other Committees and incorporate them into their draft proposal. By way of example, he noted that the rules of procedure for the Committee on Agriculture as well as for the SPS Committee allowed for a chairperson to suggest amendments and additions to the agenda.

2.67. The representative of Argentina joined other proponents in thanking Members for their comments. The proponents were particularly grateful to those who had met with them bilaterally in a very constructive and engaged spirit. They would continue their work in order to provide the requested modifications and remained open to any suggestions from Members.

2.68. The Chair informed that the issue of the Committee's rules of procedure would be revisited at the next TFC meeting.

2.69. With there not being any additional requests for the floor, the Committee took note of the statements made under agenda item 3.

IV. RECENT AND UPCOMING ACTIVITIES

Update on activities of the Global Alliance on Trade Facilitation

2.70. The representative of Canada provided Members with an update on activities of the Global Alliance on Trade Facilitation on behalf of the members of the Alliance.

2.71. The Alliance had started the year 2019 positively by launching its ninth project in Zambia in January, which would support the design and implementation of a modern customs broker licensing framework.

2.72. The Alliance's two projects in Colombia had been progressing. The first project, which focused on implementing a risk-management system for the National Food and Drug Surveillance Institute, was moving to its second phase by addressing medical devices after showing good first phase results on food products. The second project, which aimed at establishing a Centre for Trade Facilitation and Good Practices to process advance rulings affecting the automotive industry had been endorsed by the new Director of Customs.

2.73. In Viet Nam, implementation of a Customs Bond Pilot had begun after receiving approval from the Prime Minister's office. Moving forward, a detailed work plan for the next semester was being prepared, including key decisions for the pilot to become operational.

2.74. In Ghana, the Alliance had been working with the National Trade Facilitation Committee's Technical Working Group for Pre-Arrival Processing with discussions focusing on a proposal for

joint inspections. Support to the World Customs Organization for the implementation of a Time Release Study was also being provided.

2.75. In Kenya, where pre-arrival processing was being implemented, a meeting of the project Steering Committee and a public-private dialogue in partnership with KEPSA, the Ministry of Trade and ICC Kenya was being planned for early 2019. Also, Alliance's cooperation with public and private partners had been formalized with the signature of three Memoranda of Understanding.

2.76. In Sri Lanka, a project aimed to establish a Multi-Country Consolidation hub or an intermediate point where multiple shippers from multiple regional origins consolidated their shipments to build Full Container Loads before sending them to their final destination, was under way. Private sector involvement had been crucial – in particular, public-private dialogues in collaboration with South Asian Global Terminals and the Ceylon Chamber of Commerce that had taken place in December 2018.

2.77. In Brazil, the Alliance's Local Deputy Coordinator had been selected to lead the implementation of a project that aimed at modernizing licensing procedures of the National Standards Agency (INMETRO). As a next step, a study visit of INMETRO technical officials to the Port of Baltimore was being organized for the first quarter of 2019, with support from the US Customs and Border Patrol.

2.78. A project in Morocco had officially been launched at the end of 2018, with a solid implementation work plan focusing on the analysis of the weighing process at the Port of Casablanca, and a mapping of the phytosanitary certification process – both activities would cover imports and exports. The first session of the National Trade Facilitation Committee was planned to be held in early 2019, with the Alliance project as one of the core initiatives for TFA implementation.

2.79. Further project scoping was progressing in Argentina, the Dominican Republic, India and Nigeria.

2.80. The Alliance was also exploring projects possibilities in Bangladesh, Costa Rica, Guatemala, Honduras, India, Jordan, Malawi, Tunisia and Vanuatu.

2.81. As part of the continuous efforts to promote private sector engagement, TF awareness and public-private dialogues, the Alliance had been working with ICC in-country committees to organize a series of events in Asia, Africa, Latin America and Europe that would take place throughout 2019. Also, a seminar with start-up companies working on technology-based solutions for trade facilitation had been held at the margins of the Steering Group meeting in San Francisco in November 2018. Further engagement with those companies was planned for 2019.

2.82. Last but not least, an Alliance-led workshop had taken place during the World Economic Forum Annual Meeting in Davos, where high-level participants from private and public sectors, academia and civil society had discussed the use of technology to facilitate trade and possible implications for the work of the Alliance.

2.83. In the fourth year of its existence, the Alliance was making great strides in supporting developing countries' implementation of the Trade Facilitation Agreement. The Alliance was looking forward to new successes in implementing an ambitious workplan for 2019.

Update on OECD work on Trade Facilitation Indicators

2.84. The representative of the OECD updated Members on work in relation to a tool the OECD had put in place to support trade facilitation work and reforms, called Trade Facilitation Indicators (TFIs).

2.85. The TFIs were an instrument that the OECD had developed upon request from member countries back in 2012, in the middle of the TFA negotiations. The first demand had been to have an evaluation tool that would measure the impact of Trade Facilitation on trade flows, trade costs, productive factors and welfare to inform Members' decisions on what they wanted to do in the Trade Facilitation negotiations. The OECD had realized that those tools could also be used for

monitoring and benchmarking as they provided an overview of country performance, strengths and weaknesses as well as a basis for prioritizing trade facilitation actions and for mobilizing technical assistance in a targeted way.

2.86. The OECD had put in place 11 indicators, which corresponded very closely to Section I of the Trade Facilitation Agreement, so as to ensure relevance for the work of the WTO. The OECD had conceptualized and tested those indicators by 2013, fine-tuned them between 2015 and 2016 and was now collecting data on those indicators every two years, producing 2013, 2015 and 2017 instalments of data.

2.87. Those 11 indicators were grouped together around 130 variables, that referred to the different aspects contained in the TF Agreement. They followed the Agreement very closely and covered issues such as information availability, dialogue with different stakeholders, advanced rulings, appeal procedures, procedures addressed in Articles 7 and 10 of the TFA, automation of the processes, simplification and streamlining of documents, and cooperation of various border authorities, both within a country and across the border. One of 11 indicators, dubbed "Governance and Impartiality", did not match anything in particular in the Agreement but was looked at for the OECD's own analysis. The indicator covered issues like ethics codes, integrity policies and similar aspects. The OECD had been collecting data every two years based on publicly available sources of factual information from the private sector and from governments. When all data had been put together and discrepancies had been solved, it was sent to missions in Geneva.

2.88. She thanked the WTO Secretariat for the help they had been providing throughout the years and reminded Members that there would be a data sheet corresponding to every country. She asked Members to check the accuracy of those sheets with the assistance of experts in capitals.

2.89. Since the last exercise, the OECD had also harnessed help from the World Customs Organization so as to make sure, via the Members present in the WCO, that customs authorities in each country would also see the information and ensured sure that it was available.

2.90. The factual information in question concerned not only the regulations in Member countries but also their implementation on the ground. In this respect, the private sector was not being asked whether a procedure was user-friendly but whether, for instance, there were advance rulings, what aspects they covered, whether they were made publicly available, how long their application was, what the conditions for removing them were, whether there was a possibility for appeals, etc.

2.91. All that information, packed into roughly 130 questions for 166 countries around the world, including most WTO Members, all OECD Members and a couple of WTO observers, allowed the OECD to explore the state of play for each trade facilitation measure and to see the evolution of performance over time. Having a common understanding of all those aspects for different countries, the OECD was also making comparisons by income groups, geographical groups, etc.

2.92. Turning to the state of play of work on trade facilitation indicators in 2017, which was the latest available vintage, by income groupings, the OECD explained information contained in cobweb charts. The closer the country in question was positioned to the centre, i.e. zero, the lower the country's performance was, and vice versa. There were two colours in the chart: white at the centre with a grey area around it, corresponding to TFA provisions that were expressed on a best endeavour basis. It was evident from the graph that WTO Members of all income groups had already made very interesting progress in implementing the various provisions of the Trade Facilitation Agreement.

2.93. Most income groups, apart from the OECD countries, had commitments that were not expressed on a best endeavour basis. The progress that was still expected to be made would bring those countries into the best endeavour area of the Agreement. In areas such as procedures or information availability and transparency, the gaps between income groups were very small. All countries, whether they were richer or poorer, had made very significant progress in those areas. There were other areas, such as advanced rulings, where the gaps between income groups were bigger, which was also reflected in the fact that this provision was one of the least notified Articles of the TFA.

2.94. On another graph, one could view the same information by regional groupings. As an average, Asia Pacific was one of the areas that had made the most significant progress, followed by Europe and Central Asia. Another possibility was to view comparisons between the data from 2015 and 2017. There was a noticeable impact that the ratification of the Trade Facilitation Agreement had brought in terms of momentum for putting in place trade facilitation reforms in different countries.

2.95. It was evident from the charts that for all income groups, in all areas covered by the Agreement, there had been significant progress. In certain areas, such as advanced rulings, more progress had been observed than in others. One could also see significant progress in the areas of automation, procedures and internal and external border agency cooperation. One could view the percentage of different income groupings that had already implemented parts of various TFA Articles on the ground and the percentage of countries that had not yet implemented them or were in the process of implementation.

2.96. One of the online tools the OECD had developed was called "Compare your Country" where one could get a snapshot of the situation on trade facilitation implementation around the world by TFA Article. The darker colour signified more advanced performance, whereas the lighter colour meant less advanced performance. The grey areas were those countries for which the OECD did not have data. One could also view data by country in the format of cobweb charts showing what their strengths and weaknesses were and what countries could do to address those weaknesses.

2.97. factual information on what the situation was in various countries where they operated. Whenever there was a discrepancy between the reports from governments and the data provided by the private sector, the OECD always tried to understand what the real situation was.

2.98. Turning to other types of work the OECD had been able to do with the indicators, she noted that, at the beginning, they had used them to assess the impact on trade flows or trade costs. The WTO Secretariat had used them for the same purposes, including in one of its World Trade Reports. One of the recent types of work the OECD was doing with the indicators related to understanding the impact of trade facilitation measures on SMEs and on their capacity to engage in export trade.

2.99. The OECD updated the indicators every two years, which made 2017 the last available vintage. The OECD was about to start the collection for the 2019 vintage. By the next TFC meeting in June 2019, the OECD would have collected the information for each country and would have sent each country and each delegation in Geneva their data sheet for fact checking. By the fall meeting of the TFC, the OECD should be able to present the state of play.

2.100. The representative of the European Union thanked the OECD for a very interesting presentation on its TF indicators work and noted that the EU would be following it with interest. This work was complimentary to the work carried out in the TF Committee.

2.101. As far as OECD data collection methods were concerned, the EU wondered how the OECD was sourcing data from the private sector, whether the private sector received the data sheets, who exactly the OECD reached out to, how they ensured that the input that came back was comparable and whether the private sector had to provide data in the same format as the governments. The EU also wondered about the OECD's definition of private sector.

2.102. The representative of the OECD explained that in terms of inputs from the private sector, the OECD had worked with worldwide logistics operators who were aware of issues such as whether there were advance rulings or whether there was pre-arrival clearance, what guarantees were used to separate release from clearance etc.

2.103. In order to have comparable data, information had to be sourced from companies that were present worldwide. The companies received a questionnaire that excluded questions that only governments would have been capable of answering and were offered to respond to questions on issues they would know first-hand because they were the ones who had to clear merchandise through customs every day. The OECD had also been in contact with the International Federation of Customs Brokers Associations, the data from which had not yet made it into the 2017 vintage but was likely going to be included in the 2019 instalment. The OECD used the information from the private sector as an additional layer to be checked against information coming from other

sources. The final checking of the data was however always conducted by the different agencies in the government, in particular by customs. Country data sheets were not shared with the private sector. Moreover, the datasheet of each country was only seen by the country concerned.

2.104. The representative of Hong Kong, China thanked the OECD for their presentation. In her view, the work on TF Indicators complemented the work of the TFC. She hoped to hear more from the OECD in future exchanges about using the TFIs to better understand the impact on SMEs and their capacity to engage in export trade.

2.105. The representative of the OECD elaborated on the OECD's SME-related work. While small and medium-sized enterprises played a very important role in generating employment in all countries, they were much less represented in international trade. An OECD study had shown that this was partly due to fixed and variable costs at the border and that the absence of trade facilitation was hitting small and medium enterprises the hardest. The fixed costs at the border were the costs that had no relation to the quantity of goods that were traded – those were costs of better understanding the exporting market, registering and certifying oneself as a trader, etc. Reducing those fixed costs, along with variable costs, would benefit SMEs more than bigger enterprises. In other words, the TFIs had shown that, on the ground, trade facilitation benefitted SMEs more than larger firms and even more so in developing economies. Because of such a disproportionate impact on the fixed costs, the trade facilitation reforms not only led to efficiency gains for small firms, but also levelled the playing field between large firms and small firms.

2.106. The measures that seemed to play the most important role were streamlining and automation of border processes and simplification of fees, as well as the constant dialogue with the private sector, as per TFA Articles 7 and 10. Consultations with traders appeared to play a very important role in closing the gap between small and large firms. The SME study would appear on the OECD website shortly.

Update by the WTO Secretariat on activities of the TFAF

2.107. The representative of the Secretariat provided an update on the activities of the TFA Facility since the last Committee meeting. For the last TFC meeting in October 2018, TFAF had funded the participation of 65 capital-based officials to take part in the meeting as well as in additional workshops.

2.108. In October 2018, Facility officials had also participated in the WCO Trade Facilitation Agreement Working Group meeting. The 2-day meeting had featured a keynote address by the TFC Chair. The WTO Secretariat had provided an update on the state of play and notification requirements. This was followed by experience sharing sessions from WCO members. All the presentations that had been made at the WCO were publicly available on the WCO website under "Procedures and facilitation", tab "Resources".

2.109. The next WCO TFA Working Group meeting was planned for 4-5 March 2019. Geneva delegates were welcome to attend. The topics that would be covered there would include experience sharing sessions on the time release study, performance measurement, border agency cooperation, internet publication, enquiry points and a discussion on draft guidelines for regional and plurilateral mutual recognition arrangements for AEOs.

2.110. Facility officials and the WCO had participated in the Inter-Subregional Forum on Enhanced Implementation of the TFA that had been organized by the Asian Development Bank in Bangkok, Thailand. The role of the WTO was to provide an update on the state-of-play and to introduce seven TFA provisions, for which various participating countries presented their experience. This event was attended by around 65 officials from 26 countries in Asia, Pacific, and Central Asia, of which 7 were LDCs. Participants were primarily from customs, but also from Ministries of Trade and other agencies, as well as from the private sector. The event boasted resource persons from 14 agencies and donors, together with a large team of ADB officials.

2.111. In November 2018, TFAF had attended the World Bank's Trade Facilitation Support Program (TFSP) Steering Committee meeting to provide an update for their donor partners and to help ensure that World Bank programs were working in a coordinated manner with the Facility and with other partner organizations.

2.112. In November 2018, the Facility and partners had conducted a regional workshop for English speaking Southern African countries that was hosted by South Africa. It was attended by approximately 85 participants from 13 countries, of which 6 were LDCs. The objective of that workshop was to improve border agency cooperation in implementing the Trade Facilitation Agreement at both the national and regional levels by raising awareness on the roles, procedures, mandates, risks and fears of the various border agencies. It explored ways to coordinate border clearance processes to facilitate trade, while still ensuring safe trade. Attention was also given to issues of landlocked least-developed countries and transit countries with a focus on the TFA and the Vienna Program of Action. TFA notification requirements were likewise covered at the workshop. This event was organized and delivered in cooperation with the STDF and other WTO officials, WBG, WCO, IPPC, CODEX, OIE & UNHORLLS. It was funded by the Facility, the World Bank TFSP, and the OIE, who had funded the veterinarians.

2.113. At the activities organized by the Facility, participants were asked to provide their main takeaways from the event. At the event in South Africa on border agency cooperation, the top three most common takeaways reported by participants were: first, that the National Trade Facilitation Committees needed to have a 'whole of government' approach; second, that there was a need to provide training or a training manual on the TFA for traders so they could be fully involved in the process; and third, risk management coordination amongst agencies - and training on risk - were essential because of the different approaches, mandates and risks of different agencies.

2.114. A symposium on National Trade Facilitation Committees had been held in Geneva in early 2017. Annex D partners had organized a follow-up for all African countries that was hosted by Ethiopia in November 2018. UNCTAD had taken the lead in organizing the event with the cooperation and funding from the Facility, the WBG, the WCO, ITC and the Global Alliance, as well as the participation of the UNECA, UNECE and several donor partners. The goal of the event was to provide an opportunity for members of African National Trade Facilitation Committees to share their best practices in the operation of their committees and to discuss outstanding issues and opportunities. It was a very large event, as was the one in Geneva, which had been attended by 250 participants from 44 African countries. The participants included officials from trade, customs, the national donor coordinators or persons responsible for donor coordination, as well as from the private sector – and at least one of those must have been the chair of the National Trade Facilitation Committee. The Facility had funded 27 participants from 7 countries, of which 4 were LDCs. At the event, UNCTAD reported good progress on the establishment of the National Trade Facilitation Committees. Globally 110 National Trade Facilitation Committees had already been established and another 20 were in progress. It was also noted that only 21% of these 110 committees had a budget.

2.115. The top takeaways from participants of the event in Ethiopia were: the lack of a legal basis and political backing in some countries for their National Committees and the lack of sustainable funding for the Committees in many of the countries. Many participants noted the fact that the private sector uniquely combined technical expertise and partnership in reform and had an important role in monitoring implementation, as well as with respect to lobbying. Ultimately, the private sector was the end user and beneficiary of the TFA. This conclusion came from evaluations and reports directly from the participants at the event.

2.116. In January 2019, a 2-day national workshop was held in St. Kitts to help government officials and private sector better understand the Trade Facilitation Agreement including TFA notifications and when they were due, with particular focus on category C provisions. In addition to the WTO, resource persons included officials from the St. Kitts National Committee, the OECS Commission and the DHL Caribbean-based representative.

2.117. The event had been held immediately before a regional workshop hosted by St. Lucia for 14 CARICOM countries. It was funded by the Facility and organized in cooperation with the CARICOM and OECS Secretariats. The OECS Secretariat was planning to make a report on this event shortly. The event lasted for one week and focused on providing a better understanding of the transparency notifications, the top category C provisions in the region and border agency cooperation. It was attended by officials from customs, trade and agriculture – both plant and veterinary, private sector, and a few officials from standards agencies. Many other organizations were also in attendance. The event focused on regional implementation issues and featured the inaugural meeting of a regional Trade Facilitation Committee.

2.118. The main takeaways that the participants had reported were: the urgency of the transparency and ABC-related notification deadlines and the need to fulfil those deadlines, the vital nature of the National Committees having roadmaps, the ongoing need for systematic/formalized border agency cooperation, the importance and value of full implementation of the Trade Facilitation Agreement and the relevance of a regional approach.

2.119. In light of the importance of the issue of transparency, at the St. Kitts and CARICOM workshops, the presenters had circulated the transparency notifications of Belize and Guyana to show examples from Members in the region with the Chairs of the Committees from Belize and Guyana explaining to the participants how they had gone about collecting the information for those notifications. In addition, the organizers had circulated notifications of several Members from outside the region that included the single window notification, so that the participants could see examples of good notifications. The takeaway from those events was the pleasant surprise that the notifications, while requiring some work to gather the information, were quite straightforward. On this basis, a significant number of countries had pledged to begin work on the notifications right away.

2.120. With assistance of the OECS communications officer, the TFAF had taken advantage of the opportunity to record video interviews with various participants and speakers on both the CARICOM event and more generally on TFA implementation issues. Those videos would shortly be posted on the Facility's website TFAFacility.org.

2.121. As regards the TFAF grant program, Members of the Selection Committee were finally in place. TFAF was waiting for a couple of the Selection Committee members to get final approval of their governments for the participation in the Committee. The Members would be announced in the near future and definitely at the next TFC meeting. To date, TFAF had received an expression of interest from two countries. Unfortunately, one request was from a WTO Observer who was not eligible for a Facility grant. The request in question was however circulated to the database of 75 donor representatives to determine if anyone could provide the assistance requested. The second request was from a WTO Member, however, some essential information was missing, so TFAF was waiting for a complete application form to be submitted.

2.122. An explanatory session on the grants was held in late September 2018 with the African, the LDC and the ACP Groups. TFAF was planning to contact the various group coordinators to see if another session would be useful. TFAF was also organizing a national needs assessment in Mauritania in March 2019.

2.123. Members were invited to attend a workshop on ensuring that the Trade Facilitation Agreement supported the implementation of the Customs Valuation Agreement, that would be held back-to-back with the current Committee meeting. At the last TF Committee meeting, the Chairperson of the Customs Valuation Committee, Mr. Yuichiro Okumura, had spoken about the interlinkages between the Trade Facilitation Agreement and the Customs Valuation Agreement and how implementation of both agreements was mutually beneficial. The workshop in question, organized through the Valuation Committee, would explore the interlinkages and benefits through a sharing of national experiences. For this workshop, the Facility was funding nine capital-based officials, primarily from LDC and low-income countries.

2.124. The representative of Nepal made a statement on behalf of the LDC Group. The LDC Group thanked all presenters, the WTO Secretariat, the OECD and the Global Alliance for Trade Facilitation for the updates on their work. All those initiatives played a significant role in the effective implementation of the TFA.

2.125. It was noteworthy that 86 % of Members had already submitted their acceptance instruments and that many Members had notified their respective implementation categories.

2.126. Nepal was grateful to developed Members and development partners for the support provided so far in the process of Nepal's implementation of the TFA. Broader perspectives should be applied while providing the required support. The support should not be confined to software and border level issues, such as documentary requirements, harmonization, standardization, simplification of customs procedures and advanced rulings. It should also focus on behind-the-

border issues, including on building an integrated and efficient transport network and should address physical and digital divides.

2.127. Section II of the Trade Facilitation Agreement explicitly mentioned that LDCs were not required to implement TF measures unless they had acquired capacity to do so. Given that most LDCs were still fighting poverty, a significant portion of their national budgets was being spent on programmes targeting the elimination of poverty and ensuring basic health and educational services. It could be difficult for LDCs to implement the TF Agreement if additional resources were not made available by the international community in a balanced way. The implementation of the TFA should contribute to transforming the economies and diversifying the export performance of LDCs. TF issues were multi-dimensional and involved many stakeholders, including the ministries of trade, customs, agriculture, health, transport and the like.

2.128. The representative of the Republic of Moldova thanked the representatives of the Global Alliance, OECD and the WTO Secretariat for their informative updates.

2.129. Several recent trade facilitation activities had been conducted by the Republic of Moldova together with foreign donors. Moldova was grateful to the US government for its assistance project implemented through USAID, with whom Moldova was currently exploring the opportunities of modernizing and expanding the customs web portal called TARIM in order to transform it into an integrated trade portal, comprising relevant information from all national authorities.

2.130. A broad range of activities, including the one described above, were performed together with external partners under a structural reform programme, designed to improve Moldova's business and trade enabling environment, help governmental institutions and the private sector accelerate the implementation of the trade liberalization mechanism and improve strategic communications between private and public sectors. Through a flexible demand-driven approach, developed in consultation with a wide range of stakeholders including USAID, Moldova's structural reform would help improve policies, regulations, institutions and processes that could lead to sustained and inclusive economic growth in Moldova.

2.131. Moldova also wished to thank the European Union for the implementation of the TWINNING project, supporting the organization of the customs service of Moldova in accordance with the requirement of the Association Agreement with the European Union, launched at the end of 2017. The construction of the Palanca border crossing point operated jointly by Moldova and Ukraine in the territory of Moldova had been funded and implemented by the Moldovan Government with the support from the European Union and the UNDP.

2.132. Moldova further wished to thank the government of China for providing the scanners that were received and installed last year in the Chisinau International Airport. Moldova deeply appreciated the support it had received from donors for the implementation of the integrated border management system along the Moldovan-Ukrainian border launched in 2018.

2.133. Moldova currently had about 20% of the TFA provisions to implement as category C provisions. The government was exploring opportunities to partner with interested external donors in this respect, particularly in the area of food security and customs terminal infrastructure.

2.134. The representative of Sri Lanka informed the Committee that as per Article 7.6 of the TFA, which Sri Lanka had categorized under category C, a time release study had been successfully conducted in 2018 with the participation of various stakeholders. The results would soon be published. Sri Lanka thanked the Secretariat for coordinating the donor assistance and the ITC and the EU for providing donor support.

2.135. The representative of the United States thanked the TFAF for the very detailed update. During the October 2018 TFC meeting, the United States had posed some questions to the Secretariat and to broader membership, trying to understand the administrative division and the organizational structure of the TFAF and its relationship to the Secretariat. While TFAF staff had made themselves available to work with the US bilaterally and had responded to a number of questions, the situation remained somewhat unclear.

2.136. At the same time, there were examples of successful funds in the WTO, such as the STDF. As a path forward, the US therefore requested an informal meeting where the SDTF would be invited to share with Members and TFAF how it was created, who was a member, what its documents and terms of reference looked like and how it managed the relationship with the membership, the Committee and the Secretariat. If there were any differences with TFAF, Members could identify them and ensure that TFAF followed by an example that had proven to be successful.

2.137. The representative of the Secretariat said that the Facility would arrange for such a meeting with the STDF.

2.138. The representative of the European Union thanked TFAF for the update on its recent activities since the last meeting. The update had provided practical information on developments regarding ratifications and notifications. The EU further appreciated the work on creating a user-friendly website. The European Union attached great importance to the fact that the activities of TFAF were strongly aligned with and based on the needs and priorities expressed in the TF Committee.

2.139. The EU would like to take the opportunity to flag the forthcoming deadline of 22 February 2019 for LDCs to provide their technical assistance and capacity building requirements for their category C commitments and encouraged TFAF to pay particular attention to that deadline when planning their activities.

Other

2.140. The representative of the OECS delivered a statement on behalf of the member States of the Organization of Eastern Caribbean States: Antigua and Barbuda; Dominica; Grenada; St. Kitts and Nevis; St. Lucia; and St. Vincent and the Grenadines. The OECS had noted the encouraging comments received from the EU delegation with respect to the notification from Grenada, a fellow OECS Member State, and was encouraged by EU's desire to support the OECS with the implementation of their remaining commitments.

2.141. A WTO Regional Workshop aimed at supporting the strategic and effective implementation of the TFA in CARICOM had been convened from 28 January to 1 February 2019 in Saint Lucia. The Workshop was organized by the CARICOM Secretariat, the OECS Commission and the WTO Trade Facilitation Agreement Facility in cooperation with the Caribbean Agricultural Health and Food Safety Agency (CAHFSA), the Global Express Association (GEA), the Latin American Association of Express Delivery Companies (CLADEC), the Inter-American Institute for Cooperation on Agriculture (IICA), the International Trade Centre (ITC), the World Organization for Animal Health (OIE), the United Nations Conference on Trade and Development (UNCTAD), the World Bank Group (WBG) and the World Customs Organization (WCO).

2.142. The major objectives of the workshop were to increase compliance of CARICOM WTO Members with Trade Facilitation Agreement-related notification obligations; assist policymakers in designing, implementing and monitoring regional trade facilitation reform; enhance awareness of the roles and responsibilities of the National and Regional Committees on Trade Facilitation; assist Members in improving border agency co-operation; enhance participation of the private sector in the implementation of the TFA; support full and effective implementation and secure ownership of the TFA and TFA-related reforms by CARICOM Member States.

2.143. An overview of the TFA had commenced the workshop, followed by a working group session where each country delegation reviewed a number of scenarios to determine their applicability and compatibility with the TFA provisions. The session had proven to be a good refresher for those participants who were familiar with the TFA and provided a deep dive for those participants who were relatively new to the Agreement.

2.144. During the following session, the WTO facilitators had provided participants with a brief overview of the TFA and the state of play of the WTO Members' ratification of the Agreement. The presentation also outlined the notification status of developing and least-developed Members' transparency obligations, and technical assistance and capacity building needs. The session provided participants with a global and regional perspective of the implementation process, highlighting the measures that were most commonly being implemented in certain regions, as well

as those measures that most commonly required technical and resource assistance. The session also provided participants with a clear understanding of the notification process for transparency requirements and further provided useful examples of how to complete the process.

2.145. This session was followed by one facilitated by the CARICOM Secretariat and the OECS Commission – the two principal regional integration organizations in the CARICOM region. The CARICOM Secretariat and the OECS Commission presented the regional strategy for the implementation of 18 measures which CARICOM WTO Members deemed to be of high priority and best suited for regional approaches to facilitate implementation. In the Caribbean region, there was support at a high political level to seek common modalities for the implementation of the TFA, which was validated by a ministerial decision.

2.146. This presentation had outlined the steps taken to develop the ministerial-mandated strategy, which was also supported by assistance from the World Bank Group. The presentation highlighted the rationale, core principles, and expected outcomes of the strategy and the proposed activities geared towards developing regional approaches to implement seven of the priority measures and regional activities to support national implementation of the priority measures, as well as the resources that would be required. The presentation also outlined the role of the Regional Committee on Trade Facilitation (RCTF) and underscored its role and functions toward driving the regional implementation strategy.

2.147. Another key session focused on providing an introduction to key WTO Agreements, which were also relevant to the TFA. The Session was facilitated by a senior representative from the Inter-American Institute on Agriculture with support from CAHFSA, the OIE and the OECS Commission. During the session, customs and trade officials were divided into groups to review and discuss a number of trade-related scenarios and determine whether they were compatible with the WTO SPS Agreement and conducive to facilitating trade. This key session focused on how the TFA could benefit the private sector and enhance the operations of business and the business community. Private sector representatives had also participated in the discussions by sharing experiences and provided practical examples of how the elements of the Agreement had already aided the business community.

2.148. During subsequent sessions, participants were trained on elements of the priority measures Member States had identified. Each session also included a presentation from pre-selected participants who outlined their respective country's perspective on the importance of the priority measure to their country. Presentations elaborated on the state of compliance and challenges, ongoing and planned activities to address identified challenges, as well as the resources required for full implementation.

2.149. Some of the main themes encountered during those presentations included the need for inter-agency cooperation to maximize the usage of scarce resources, the need for more detailed and better project proposals ahead of engagement with development partners, the importance of greater dialogue between the public and the private sectors, the need for greater political buy-in and support of national implementation of TF reforms, public awareness and sensitization aimed at both public and private sector, the need to engage change management strategies to assist border and regulatory agencies involved in trade facilitation reforms and the imperative for functioning National Trade Facilitation Committees.

2.150. Private sector representatives from five CARICOM countries also shared their experiences and perspectives on the current trading environment and outlined measures already taken, both individually as well as collectively, to overcome challenges and to influence policy reforms to improve trade facilitation. Some of the challenges identified included: lack of inclusion of the private sector in policy development and procedural reform, limited and defunct private sector associations to advocate for and champion trade facilitation reforms, the fact that SMEs were not sufficiently represented on umbrella bodies engaged in a dialogue on trade facilitation, such as the Chambers of Commerce, conflicting priorities of public and private sector agencies with no platform for resolving and conflict or compromise.

2.151. Some of the solutions already undertaken provided and proposed the establishment of regional private sector bodies to drive trade facilitation reforms and influence policy development at the regional level, active participation in NTFCs and national capacity building programmes

geared toward facilitating trade and business reforms. The OECS made significant progress towards taking regional approaches for rectifying and addressing those identified challenges.

2.152. The session on the monitoring of TFA implementation was coordinated by the WCO and focused on the importance of a concrete monitoring and evaluation framework to assess the implementation process of the TFA. The WCO outlined a number of possible tools that could aid in this process, including the SAFE package and WCO time release study. Special emphasis had been placed on the MERCATOR Programme which was tailor-made to suit individual Member States' needs.

2.153. The next session had focused on the mandate of the national and regional TF Committees and strategies for defining a roadmap for those Committees. The session had explored how the TFA could be leveraged to implement and strengthen national and regional Trade Facilitation Committees. Emphasis had been placed on approaches through which the Regional TF Strategy and international best practices could guide the development of national and regional TF committees that were properly constituted and composed of an appropriate mix of Members guided by concise terms of reference and rules of procedures.

2.154. During the session, guidance had also been provided by UNCTAD regarding strategic approaches to developing and executing achievable national roadmaps, which would feed into a regional roadmap to support the work of the Regional Committee on Trade Facilitation and facilitate the implementation of the regional TF Strategy. The core elements outlined for the development of those roadmaps were: a precise vision statement, clear goals and key performance indicators, defined activities, resource mobilization strategy and an effective monitoring and evaluation system. The session had been very useful and the participants thoroughly benefitted from the suggestions made.

2.155. A dedicated session had been held to give donors and development partners an opportunity to present the technical and resource assistance available to support the implementation of the WTO TFA at both national and regional levels. Presenters highlighted the types of TF projects they were currently supporting, the terms and conditions for accessing resources, timeframes for doing so and expected outcomes from those support programmes. Discussions were also held with key donor agencies, such as the EU and the Caribbean Development Bank regarding the development of strategic partnerships for implementing the regional initiatives in the Regional TF Strategy. The Workshop was a resounding success, both from the standpoint of participants, as well as from the standpoint of the participating and supporting agencies.

2.156. The content of the training had been impactful and extremely useful to participants. The workshop had also benefited from the insights and perspectives of the private sector, which highlighted their commitment to TFA implementation and a more seamless trade logistics supply chain. The buy-in and support of the private sector was critical for ensuring the effective implementation of the TFA. The emphasis placed on the regional dimension of the TFA implementation was critical in engendering a regional solutions-focused approach. The dialogue with donors was an important outcome for both government representatives, as well as donors themselves. The workshop provided the opportunity for the inauguration and inception meeting of the Regional Committee on Trade Facilitation. During this launch meeting, Committee members garnered a better appreciation and understanding of the terms of reference of the Committee and made useful recommendations for developing the rules of procedure for conducting the business of the Regional Committee. The OECS were thankful to the Secretariat for its steadfast commitment and the hard work in ensuring a smooth and efficient running of the programme. The OECS were also thankful to the donors who had been extremely generous in supporting the work, especially Austria, Australia, the People's Republic of China, the EU, Finland, France, New Zealand, Norway and the UK. It was important to know that those resources had been impactful and were working towards providing the support, which was required for the implementation of the TFA – an agreement critical to development.

2.157. The representative of Japan announced an upcoming experience sharing workshop which would address the implementation of the Customs Valuation Agreement (CVA) and ensuring that the Trade Facilitation Agreement supported the implementation of the CVA, including through technical assistance and capacity building. The purpose of the workshop was to have a sharing of experiences on the challenges experienced by LDCs in a number of areas and of experiences of other Members that had successfully addressed similar challenges. The linkages between the TFA

and the Customs Valuation Agreement underlined how the implementation of both the TFA and the CVA would be mutually beneficial.

2.158. The topics that would be covered during the workshop included implementation challenges, especially for LDCs, customs cooperation, domestic legislation and transparency, consultations with the private sector, and support for overcoming implementation challenges. The choice of topics was driven by Members' interest, their experiences and challenges. The workshop would feature a number of speakers from developed, developing and LDC Members, as well as from regional and international organizations, which would ensure a very technical and professional discussion. He hoped that the workshop would be of benefit to all Members.

2.159. The representative of Nigeria flagged that his delegation considered a Member's capacity to implement the Trade Facilitation Agreement as being linked to the capacity to implement the Customs Valuation Agreement. It was also very important to look at Members' capacity to implement regional agreements. Members of the WTO, especially developing ones, might not be able to implement agreements they were willing to become signatories to. Examples for such a situation could be found in the case of several West African countries and ECOWAS. If it was not possible to implement an agreement within ECOWAS, it certainly would not be possible to implement a WTO Agreement.

2.160. Members needed to closer examine what was happening at the regional level. If a Member was putting in place a National Trade Facilitation Committee, it was important to examine how it translated into cross-border transaction facilitation. It was not enough to simply have a National Trade Facilitation Committee, one had to think about how that Committee organized other government agencies to facilitate cross-border transactions with other Members. If Members could not establish trade facilitation at the border, the national TF Committee was not functional and not effective. Trade Facilitation was not limited to national issues but extended to cross-border matters. As Members discussed countries' implementation capacities, it was important to look at cross-border transactions and to examine what capacity was available within regional arrangements.

2.161. The Committee took note of the statements made.

V. OTHER BUSINESS

2.162. The representative of Ukraine drew Members' attention to a new transit restriction imposed by the Russian Federation on 29 December 2018 by government resolution no. 1716-83. Goods originating from Ukraine had been subjected by the Russian Federation to various import bans and transit restrictions for the last few years. The latest measures prohibited, inter alia, the importation into the Russian Federation of certain agricultural and industrial goods if such goods had been in transit through the territory of Ukraine. This meant that the measures also applied to products originating from other WTO Members. While the list of banned products included a wide range goods, including items such as tractors, chocolates, turbines, wheat or wallpaper, it should be noted that, in 2018, products of only five tariff headings accounted for about 75% of the total transit via Ukraine to the Russian Federation as their final destination. Those products were vegetable preparations, fruit juices, wines, organic surface-active agents and sanitary towels and napkins. In 2018, the volume of the mentioned products (except for wines) exported by other countries to the Russian Federation via Ukraine was eleven times greater than that of Ukrainian exports of those products to the Russian Federation. Therefore, this specific restriction seemed to primarily target products originating in other WTO Members. The measure appeared to be inconsistent with Article 11.4 of the Agreement on Trade Facilitation, as well as with Article V:6 of the GATT, which prohibited discrimination against products because they had been or would be in transit through the territory of another WTO Member. The Russian Federation had also published merely an extract from the decision imposing those new measures. The published decision lacked at least one paragraph, which was an issue in the light of Article 1 of the Trade Facilitation Agreement, as well as Article X of the GATT. Ukraine urged the Russian Federation to adhere to its commitments under the Trade Facilitation Agreement.

2.163. The representative of the Russian Federation reminded the representative of Ukraine that the issue was subject to an ongoing dispute between Ukraine and the Russian Federation. As a result, she was not in a position to comment on the matter under dispute.

2.164. The representative of Ukraine noted that their statement described a new measure introduced by the Russian at the end of December 2018 concerning of transit through the territory of Ukraine, not from the territory of Ukraine. Ukraine did not see any links to the ongoing dispute settlement process, which involved another matter.

2.165. The representative of the Russian Federation informed that the message would be conveyed to capital but maintained the position of the Russian Federation that the matter raised by Ukraine related to the issue under dispute.

2.166. The representative of Egypt informed Members that the parliament of Egypt had recently approved the presidential decree regarding the ratification of the Trade Facilitation Agreement. Egypt would therefore deposit its acceptance instrument in the not too distant future.

2.167. The Chair turned the Committee's attention to the subject of the next Committee meeting. She recalled that Members had already agreed in October to hold the subsequent session of the TFC in June, followed by a meeting in October. With this in mind, she proposed to schedule the meeting during the second half of June, followed by a meeting in the first half of October, the latter taking place back-to-back with the dedicated session on assistance and support for capacity building that the Agreement called on Members to schedule every year. She also asked Members if it was agreeable to them to invite representatives of the Annex D organizations to participate in the next Committee session.

2.168. The representative of the United States asked that the invitation be extended to a representative from the Global Alliance for Trade Facilitation in order to allow the Alliance to participate in the next TFC meeting. They had contributed to many meaningful projects and could report on some of the successes achieved, as well as on what they were planning to do next.

2.169. It was so agreed.

2.170. The Committee took note of the statements made.

2.171. The meeting was adjourned.
