



MINUTES OF THE MEETING OF THE COMMITTEE ON TRADE FACILITATION
3-4 MARCH 2021

CHAIRPERSON: MR CHRISTOPHER O'TOOLE (CANADA)

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1 MATTERS RELATING TO THE IMPLEMENTATION AND ADMINISTRATION OF THE TRADE FACILITATION AGREEMENT (TFA)

1.1. At their first meeting under this role, the Chairperson thanked Members for the trust conferred to steer the work of the Trade Facilitation Committee (TFC, the Committee). They would look forward to continuing with the collaborative spirit and Member-driven approach with which matters had been successfully handled these past years.

1.2. The agenda for the meeting had been circulated in WTO/AIR/TFA/15, as well as its revision and corrigendum, circulated in WTO/AIR/TFA/15/Rev.1 and WTO/AIR/TFA/15/Corr.1, respectively.

1.3. The Chair proposed to continue the practice of holding Item 2 of the agenda "Experience sharing/thematic discussions" in informal mode, to allow for frank and interactive exchanges. The Committee agreed to observers attending the informal session.

1.4. It was so agreed.

1.5. The Chair turned to the agenda item, "Other Business".

1.6. The delegate of the United States requested to add an item to inform the Committee of an upcoming paper on the topic of consularization.

1.7. The Chair added three items: (1) the dates for the Committee's meetings in 2021; (2) the E-Subscriptions registration tool, and (3) inviting Annex D partners and the Global Alliance for Trade Facilitation to the next meeting of the Committee.

1.8. The agenda was adopted with the proposed changes.

1.1 Notifications by Members

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

1.9. The Chair informed the Committee that eight notifications had been received from seven Members since the Committee's last meeting of 26 and 27 January 2021.

1.10. Bangladesh had submitted an addendum to its previous notification under Article 16 which had been circulated in document G/TFA/N/BGD/1/Add.4.

1.11. The delegate of the United States thanked Bangladesh for their notification.

1.12. The delegate of the European Union indicated the following:

1.13. The EU thanks Bangladesh for its notification. Moving commitments from B to C can be done in application of Article 19 but to do so, Bangladesh should have stipulated which assistance is required. Could Bangladesh complement its notification?

1.14. For the future, discussions and review of notifications would probably be more efficient if the Committee only reviewed, at each formal meeting, notifications that have been on agenda or notified to Members 2-3 weeks in advance because sometimes notifications are very comprehensive and more time is needed to check the notification and provide useful comments if needed.

1.15. The delegate of Bangladesh indicated the following:

1.16. Thank you and congratulations Chair. Bangladesh thanks the US and EU for their interest in Bangladesh' submission. Bangladesh notified its indicative dates of category C in document G/TFA/N/BGD/1/Add.4 dated 18 February 2021. Bangladesh has been looking for donors to

implement those category C provisions and invites donors and development partners to step in. Regarding the question by EU, Bangladesh will get back soon after hearing from capital.

1.17. The Committee took note of the notification and of the statements made.

1.18. The second notification was from Burkina Faso, circulated in document G/TFA/N/BFA/1/Add.3. The notification provided definitive dates for the implementation of category B measures.

1.19. The delegate of Japan appreciated that Burkina Faso had notified the Committee of definitive dates for implementing the provisions it had designated in category B before the extended notification deadline.

1.20. The delegate of the United States thanked Burkina Faso for their notification.

1.21. The delegate of the European Union indicated the following:

1.22. The EU thanks Burkina Faso for notifying the definitive dates for its category B commitments in line with the extension agreed last year in the February TFC meeting.

1.23. The EU notes that it has in place a West Africa Trade Facilitation Programme that is running for the period 2018-2023 with an indicative amount of EUR 50 million. Therefore, we recommend if Burkina Faso could update on its needs for assistance and contact the EU delegation in the country accredited to cover Burkina Faso so that if there are any issues to raise on assistance, this will be taken care of.

1.24. The Committee took note of the notification and of the statements made.

1.25. The Chair turned to the notification of Cambodia, which had been circulated in G/TFA/N/KHM/1/Add.2. The notification contained information on shifting a measure from category C to category B and provided the definitive implementation date for that measure.

1.26. The delegate of the European Union welcomed Cambodia's notification. For better understanding of this positive development, could Cambodia explain how this was achieved?

1.27. The delegate of the United States indicated the following:

1.28. The US thanks Cambodia for the notification and notes the commendable effort to shift your TFA commitment from category C to category B. We would also be interested to hear Cambodia's story regarding how it was able to accelerate implementation of the Trade Facilitation Agreement (TFA, the Agreement) amidst the challenges of the pandemic. We would encourage Cambodia to share that experience with the Committee at a future meeting.

1.29. The delegate of the United Kingdom indicated the following:

1.30. The UK thanks Cambodia for the notification and the notice of the definitive date of implementation of Article 7:9, as well as redesignating this provision as category B. The UK, through its support from UNCTAD¹ and the World Customs Organization (WCO) has been a supporter of Cambodia's TF implementation efforts, in particular its National Trade Facilitation Committee (NTFC). We feel this is positive. The UK looks forward to seeing further progress from Cambodia on its implementation of the TFA. Like our EU and US colleagues, we really would like to know more from Cambodia about how it decided to shift its commitment from C to B, as we see this was a great development and a good lesson for us all in the Membership as we look towards implementation.

1.31. The delegate of Cambodia indicated the following:

1.32. I congratulate you Chair on your appointment as the Chair of this important Committee. We believe that under your able leadership, the Committee will achieve further outcomes.

¹ United Nations Conference on Trade and Development.

1.33. Cambodia appreciates the efforts and works made by the Secretariat for the notifications. The notification concerns Article 7:9 which was shifted from category C to B, with the definitive date of implementation 31 December 2025.

1.34. Thank you to the European Union (EU) for their point regarding the shifting. I would like to inform them that the reason for shifting Article 7:9 (Perishable Goods) from C to B was because Cambodia is almost compliant and according to the current situation, Cambodia has mostly implemented Article 7:9.

1.35. I also thank the US and the UK for their interventions regarding the information sharing at the next Committee meeting. I will request to my capital to invite an expert to make a presentation regarding the progress that has been made in the implementation of the TFA.

1.36. The Committee took note of the notification and of the statements made.

1.37. The next notification was from Ecuador and had been circulated in G/TFA/N/ECU/1/Add.2. The notification informed of a shift of provisions from category C to category B.

1.38. The delegate of the European Union thanked Ecuador for the notification and the shifting of category. Could Ecuador complement this notification and indicate by when it expected this B commitment to be definitely implemented?

1.39. The delegate of the United States indicated the following:

1.40. We thank Ecuador for your notification and note the commendable effort to shift your TFA commitments from category C to category B. We are also interested in hearing from Ecuador about your experience shifting categories towards a more forward-leaning implementation of the Agreement. We hope Ecuador will share your story with the Committee in the near future.

1.41. The delegate of Ecuador indicated the following:

1.42. Firstly, we echo our congratulations on your appointment. We thank the US and EU on their comments. Regarding our notification, briefly, I wish to respond to the question from the EU, *vis-à-vis* the definitive date. As indicated in the Annex of the notification made by Ecuador, the definitive date is 15 January 2021. Hence, we have already reached the definitive date. To give you some background, and response to the US question, we carried out an analysis jointly with the NTFC and the National Customs Service. Based on this monitoring and follow-up of the activities that Ecuador carried out, as part of the TFA, it was determined that this activity had been implemented and complemented, hence we decided to provide a notification about this change of category. Nevertheless, I will share your interest of having further information with our capital and I hope there could be presentation about this in an upcoming meeting.

1.43. The delegate of the European Union thanked Ecuador for the clarification and apologised as they had missed the definitive date that had been notified. They understood that the provision was implemented in fact. The EU looked forward to a sharing of experience, if this is possible, for any future meeting.

1.44. The Committee took note of the notification and of the statements made.

1.45. The Chair turned to a notification from Lesotho circulated in G/TFA/N/LSO/1/Add.2. The notification informed of an extension of the indicative dates for category C measures.

1.46. The delegate of the United States thanked Lesotho for their notification.

1.47. The delegate of the European Union indicated the following:

1.48. We thank Lesotho for the notification, and we would like to recall that we have an aid programme which covers a SADC (South African Development Community) region and Lesotho in particular for the period 2020-2024 of an amount of EUR 6 million. We have another regional programme which spans from 2019-2023 of EUR 13 million, and we would welcome Lesotho to

update us on its assistance needs and current situation and to contact our delegation in the country concerned.

1.49. The delegate of the United Kingdom indicated the following:

1.50. The UK thanks Lesotho for its notification of its revised indicative dates for implementation of Article 5.3 and 10.3. The UK, through its support from UNCTAD and the WCO, have been a supporter of Lesotho's TFA implementation measures, in particular its NTFC. Timely implementation of the TFA is important to us as a critical tool for Members in their immediate responses to the pandemic, and we look forward to supporting Lesotho and its implementation efforts.

1.51. The Committee took note of the notification and of the statements made.

1.52. The next items were two notifications from Mali which had been circulated in G/TFA/N/MLI/1/Add.2 and G/TFA/N/MLI/2. The first notification provided the indicative dates for the implementation of category C measures, while the second notification contained information on the arrangements and progress made in the provision of technical assistance and capacity building support of its category C designations.

1.53. The delegate of the United States indicated the following:

1.54. We would like to take a moment and acknowledge the informative and instructive notification by Mali of the arrangements and progress in the provision of technical assistance and capacity building support for category C designations. This kind of notification is exactly what we need to see in the Committee, and we commend Mali for establishing best practice and encourage others to follow Mali's lead.

1.55. We are encouraged to see the variety of technical assistance providers already working with Mali to support implementation on a range of provisions. We hope that this document helps Mali identify partners for those remaining provisions where it seeks additional assistance. Providers have a clear signal where there is a need and we hope are open to further discussions with you.

1.56. We encourage Mali to consider sharing its experiences with the Committee in a regular meeting in our dedicated session on assistance and support later this Fall.

1.57. The delegate of the European Union indicated the following:

1.58. Thank you for this notification. We support the statement made by the US. We recall that we have a regional aid programme that covers Mali within the Trade Facilitation West Africa (TFWA) Programme. We encourage Mali to get in touch with our colleagues in charge of this programme to take into account their needs for assistance and see what can be done.

1.59. The Committee took note of the notification and of the statements made.

1.60. Lastly on this agenda item, the Chair drew Members' attention to a notification from Sierra Leone under document G/TFA/N/SLE/1/Add.2. The notification provided the definitive dates for implementation of category B measures.

1.61. The delegate of Japan indicated the following:

1.62. Japan appreciates Sierra Leone's notification to the Committee of the definitive dates for implementing the provisions it has designated in category B with the extended notification deadline. Japan especially recognises the fundamental importance of notifications under Article 16 of the TFA and welcomes all the notifications made by Members today. We encourage the remaining Members to follow suit and submit notifications by their respective deadlines. We also recognise that some LDCs and developing country Members failed to provide certain notifications within the relevant deadline. Japan continues to encourage those Members to submit notifications as soon as possible and to explain the current situation in the Committee.

1.63. The delegate of the United States thanked Sierra Leone for their notification.

1.64. The delegate of Nepal indicated the following:

1.65. I wish to thank the Members that presented these notifications under the Article 15 and 16 of the Agreement.

1.66. I am pleased to share at this meeting that Nepal has submitted its notifications under Article 15 and 16 of the Agreement including indicative dates of category C in a timely manner though it could not be incorporated in the agenda item.

1.67. More importantly, Nepal has notified its redesignation of categories by shifting 11 measures from existing category C to category B. As a result, Nepal now has two measures under the category A, 19 measures under the category B and only 15 measures under the category C.

1.68. Additionally, Nepal has also notified the technical assistance requirement for the implementation of the category C measures. This is an indication of Nepal's high level of commitment to the timely and effective implementation of the Trade Facilitation Agreement.

1.69. My delegation wishes to extend sincere appreciation to all donor country Members and international organizations for their continued support and cooperation extended to Nepal and the country expects enriched collaboration mainly to implement the category C measures in the days ahead.

1.70. The delegate of the European Union indicated the following:

1.71. We are grateful to Sierra Leone for its notification. We would like to recall that the EU has supported the TFWA Programme by approximately EUR 50 million. We encourage Sierra Leone to get in touch with our delegation for their assistance needs and to report on their assistance needs.

1.72. The delegate of Niger indicated the following:

1.73. I would like to congratulate you on your appointment of Chairperson of our Committee. We wish you full success in your endeavour in leading our work.

1.74. Niger had made a notification under Article 22:3 regarding the arrangements with donors but it had not been possible to put this information onto the agenda. We would like to thank the assistance provided through the West Africa Trade Facilitation Programme and the International Trade Centre (ITC) as well. We still have a long way to go. Niger was the first LDC to ratify the TFA but the notification of arrangements and progress showed that Niger had not benefitted from the aid that was expected. Our capital is working at present to notify regarding requirements in the area of technical assistance and also transparency as well, Articles 1:4, 10:6:2.

1.75. The Chair indicated that the Committee had received a number of notifications from Members after the agenda had been issued. Those Members were Burundi, Chad, Democratic Republic of Congo, Madagascar, Morocco, Niger, Nepal, Senegal, and Tanzania. Those notification would be reviewed at the next regular committee meeting.

1.76. The Committee took note of the notification and of the statements made.

B. Notifications under Article 17 of the Trade Facilitation Agreement

1.77. The Chair recalled that Article 17 covered the Early Warning Mechanism and the extension of implementation dates for provisions in categories B and C. The text of paragraphs 1 and 2 of Article 17 read as follows:

1. (a) A developing country Member or least-developed country Member that considers itself to be experiencing difficulty in implementing a provision that it has designated in category B or category C by the definitive date established under subparagraphs 1(b) or (e) of Article 16, or in the case of a least-developed country Member subparagraphs 2(b) or (f) of Article 16, should notify the Committee. Developing country Members shall notify the Committee no later than 120 days before the expiration of the

implementation date. Least-developed country Members shall notify the Committee no later than 90 days before such date.

(b) The notification to the Committee shall indicate the new date by which the developing country Member or least-developed country Member expects to be able to implement the provision concerned. The notification shall also indicate the reasons for the expected delay in implementation. Such reasons may include the need for assistance and support for capacity building not earlier anticipated or additional assistance and support to help build capacity.

2. Where a developing country Member's request for additional time for implementation does not exceed 18 months or a least-developed country Member's request for additional time does not exceed 3 years, the requesting Member is entitled to such additional time without any further action by the Committee.

1.78. The Chair turned to the notification from Peru which had been circulated in document G/TFA/N/PER/1/Add.1, in which Peru had requested an extension to the definitive implementation date of 22 July 2021 for Article 3. This notification had been reviewed at the previous Committee meeting, and at that time, it had been agreed to revert to this notification during this session.

1.79. The delegate of the United States indicated the following:

1.80. At the last Committee meeting, the United States made note that Peru's notification of the Early Warning Mechanism was untimely, and we therefore could not accept the notification. Since we cannot agree to accept the notification under Article 17, nonetheless we do see value in this transparency exercise, and we stand ready to offer our assistance in helping Peru make its goals. We would appreciate if Peru could elaborate on how it plans to ensure it meets the new deadline it has set for itself. We look forward to Peru sharing that information with the Committee.

1.81. The delegate of the European Union indicated the following:

1.82. The EU already expressed its position regarding these notifications from Peru and Ukraine. We appreciate the transparency of these notification. We regret that those have not been done during the timeline that is indicated in the TFA pertinent Article. We consider that this would not necessarily be discussed by the Committee, the request for extension, given that Article 17:2 states that

"Where a developing country Member's request for additional time for implementation does not exceed 18 months [*which is the case for these two countries*] the requesting Member is entitled to such additional time without any further action by the Committee.

1.83. Regarding Ukraine, we mentioned last time that the EU is providing assistance to Ukraine and given the COVID-19 difficulties last year, this explains the delay that is currently subject to discussion.

1.84. The delegate of the United States indicated the following:

1.85. Thank you for reading out the actual text from Article 17. I would just like to take a moment to elaborate on our position and reading of the TFA.

1.86. As you stated, the first sentence of TFA Article 17:1(a) indicates that where a developing country Member "considers itself to be experiencing difficulty in implementing" a category B provision by the definitive date established under TFA Article 16:1(b), it "should notify the Committee". That said, the second sentence of TFA Article 17:1(a) clearly stipulates that the Member must do so – "shall notify the Committee" – no later than 120 days before the expiration of the implementation date.

1.87. To consider TFA Article 17:1(a) a 'best endeavours clause', meaning it is not necessary to meet the timelines, as some Members suggest, and therefore accept an untimely notification, renders Article 17 meaningless, because such an interpretation means that a developing country Member can choose whenever it wants to implement a category B provision simply by never telling the Committee that it plans to delay implementation until after the definitive date.

1.88. What is the purpose of Article 17:2, which automatically grants a developing country Member additional time where its extension request does not exceed 18 months, or Article 17:3, which allows the Committee to grant that Member an extension greater than 18 months, if a Member can *sua sponte* grant itself an unlimited extension simply by not filing a request with the Committee?

1.89. What is the purpose of Article 17:4, which requires the Committee to "give sympathetic consideration to granting requests for extension", if a Member can get whatever extension it wants simply by not filing a request for the Committee's consideration?

1.90. To interpret the TFA Article 17:1(a) requirement that a developing country Member may request an extension of implementation dates for category B/C provisions later than 120 days before the expiration of the implementation date of such provisions renders this deadline meaningless. The verb "shall" as it appears in the second sentence of TFA Article 17:1(a), and the basic fact that this second sentence appears immediately after the early warning mechanism, clearly constricts how the first sentence of TFA Article 17:1(a) functions. The deadline is clearly there for a reason and must be given effect.

1.91. This interpretation of TFA Article 17:1(a) is supported by the language of TFA Article 17:3, which stipulates that where a developing country Member requires a first extension longer than 18 months (see TFA Article 17:2), "it shall submit to the Committee a request for an extension containing the information described in subparagraph 1(b) no later than 120 days ... before the expiration of the original definitive implementation date...". It seems incongruous to set an obligatory deadline for requests of greater than 18 months but not for requests of 18 months or less.

1.92. This interpretation of TFA Article 17:1(a) is further confirmed by the TFA Notification Requirements outlined on the WTO's TFA website². The WTO's TFA website clearly informs all WTO Member that Article 17 "is called the early warning mechanism because the request for an extension of category B and category C implementation dates must be notified in advance according to the time frames set forth in Article 17:1. Specifically, for developing countries no later than 120 days before the expiration of the notified definitive date".

1.93. The delegate of Japan indicated the following:

1.94. We appreciate the efforts of these Members (Peru, Tonga, and Ukraine) to implement the relevant provisions by the indicated new dates. Japan regrets that (Peru, Tonga, and Ukraine) failed to provide timely notifications in accordance with Article 17. We hope this will not be repeated in the future.

1.95. Japan thinks it is difficult to accept the request based on the provisions set forth in Article 17. Having said that, we wish to encourage the Members' efforts to implement the relevant provisions of the TFA. Japan is interested to discuss measures for preventing a recurrence of overdue notifications under Article 17.

1.96. The delegate of Norway indicated the following:

1.97. I am taking the floor now regarding the principals that we are discussing. I think the US has gone to the extent of how to read Article 17. I would like to reinforce that we put those rules in there on the early warning mechanism for a reason, including for predictability. Article 17:2 with the automatic extension is the carrot, and that is a positive. So not using that carrot, going further, not abiding by the timeline, the way we wrote and crafted the early warning mechanism is yes, as the US has elaborated on. I do see the argument that the EU makes that these Members would still be abiding by the deadlines as such in the article when it comes to implementation. However, I think that going into a case as such, looking at it from a dispute perspective, is not the way to go, rather

² <https://www.tfafacility.org/wto-tfa-notifications-general-overview>.

to urge Members to abide by those deadlines as they are very important so that we make this Agreement work.

1.98. The representative of Sri Lanka indicated the following:

1.99. First let me join other delegations in commending, certainly appreciating, your ability to come forward and take over the responsibilities of the Chair. Of course we always had a lot of trust in you so thank you for having shown your ability to command this Committee, which we consider a very important committee.

1.100. We consider this Agreement, and also many countries are projecting this Agreement, as a new agreement within the WTO where we see that special and differential (S&DT) provisions have been crafted in a different structure. Most Members are drawing examples and suggesting that this can be replicated in future agreements to be negotiated, including the fisheries subsidies negotiations. Therefore, Sri Lanka is watching very closely the activities of this Committee and what other Members are demonstrating when it comes to the implementation of special and differential treatment provisions.

1.101. My delegation's intervention at this moment is related to a systematic issue where we see Members demonstrating their flexibility in terms of addressing the implementation issues of the developing countries. Looking at the case of Peru, the only mistake that Peru has made is that it failed to notify its intention to ask for an extension to the implementation date and it failed to notify within the 120 day deadline.

1.102. The way Article 17 is drafted right now, it has been considered as an obligation carved in stone. That is the way those who have spoken before me have interpreted this. So, Members do not have any way to get themselves excluded from that obligation because it is stated in two places. Now there are two conditions to be met to consider this request as a genuine request. The first thing is that the request should be submitted before 120 days and the requested time-period to delay the obligation should be less than 18 months. When it comes to the second criteria it does not say anything beyond that. That means that when it comes to the length of time-period for implementation that can be considered under sympathetic consideration, there is a real possibility for the country to get an extended time period beyond 18 months.

1.103. The problem here be is that, even for that, the country should have submitted its request before 120 days. Sri Lanka considers this as a systematic issue because everybody is watching how Members are really addressing TFA implementation issues of many developing countries. If you try to demonstrate this rigid criteria and not giving any sympathetic consideration, it is sending a very wrong signal to the outer world because we are trying to replicate the same mechanism in the fisheries subsidies negotiations. When it comes to these negotiations, which I am covering in very close supervision, we are debating whether this TFA mechanism can be replicated in the fisheries subsidy negotiations discipline as an S&DT provision.

1.104. Countries who are opposing Peru's request should bear this in mind as well. How do you demonstrate that the TFA is a flexible agreement which can be replicated in all future disciplines? In light of this spirit and solidarity, I am requesting the other Members to understand this country's concern. Peru has never approached Sri Lanka to support this, but we are raising this as a systemic issue. Sri Lanka is watching this; we are not going to make any declaration but Sri Lanka's category B indicative dates expired on 31 December 2019. Sri Lanka has not thought about seeking an extension but this will be sending a lot of signals to a lot of countries like us who are not able to really fulfil these category B commitments and even for that matter category C commitments in the future.

1.105. As to how this Committee and other development partners are going to tackle these issues in the future, certainly we will draw a lot of parallels from this Committee's discussion to the fisheries subsidies negotiations and of course as Ambassador of Sri Lanka, I will be making a statement in the fisheries subsidies negotiations as to how and the way in which these TFA S&DT provisions are being integrated and implemented by other countries.

1.106. This is a very serious issue for us. We all have to look at the request of Peru in a more comprehensive and different way because they had indicated the difficulties. By missing a particular

deadline, for which they have given some reasons, I think that using the provisions as a yard stick to measure the country's capacity is not the right way to deal with this kind of request from developing countries. There has to be more forward-looking thinking because this Agreement, these provisions, will be quoted in other negotiations as well.

1.107. The Chair said that Members' interventions had enriched the discussion as to how the Committee considered the specific request from Peru; how the paragraphs within Article 17 interacted with each other; and also how the Committee should consider requests that were not within the deadlines set out in paragraph 17.

1.108. The delegate of Peru indicated the following:

1.109. I wish to echo the congratulations and we wish you every success. We welcome the comments made by the European Union, Japan, Norway, Sri Lanka and United States with regard to our notification. As WTO Members know, the issue of TF is of the upmost relevance for Peru. Indeed, it is one of the four cornerstones of our national strategic export plan for 2025 which aims to promote consolidation and internationalisation of Peru's overseas enterprises in the long term.

1.110. The TFA has allowed us to put in place measures that aim to ensure transparency on international trade, to streamline processes tied to customs clearance, to decrease hinderances to the flow of goods, and facilitate monitoring work. This has given rise to a decrease in times and cost associated with foreign trade. In 2008 and 2009, Peru put in place a series of regulatory changes on issues tied to trade facilitation and international logistics. We worked on a multi-secretarial level to put in place a new general customs law and relevant regulations. We developed new regulations on multi modal transportation, logistics platforms, coasting, and setting up a logistics module for foreign trade which would help to promote transparency of foreign trade operations when it comes to describing and listing prices of logistic services. In parallel, we developed relevant programmes with support from cooperation partners such as facilitating foreign trade through a one stop shop for foreign trade programme, which has expanded the scope of implementation of the one stop shop. It includes market access, logistical portals, a risk management system, and other aspects. This has allowed us to ensure compliance with Article 10:4 of the Agreement.

1.111. Furthermore, in 2008, we began to structure the efficiency of health management in the framework of the TFA in Peru. Our partners include public and private bodies and the World Bank Group. This initiative aims to ensure implementation and improvement of five concrete measures within the TFA - notification of control inspection, testing, risk management, authorised operators and cooperation amongst customs and border officials. Peru has put in place various measures and instruments to bolster our regulations on trade facilitation which are tied to the provisions of this Agreement. Nevertheless, it was not possible to wrap up all work tied to regulation on preferential rules of origin.

1.112. However, it is important to note that Peru has various measures in place, *inter alia* on preferential agreements. Our notification aimed to share with WTO Members in a transparent manner the fact that Peru is currently carrying out necessary internal coordination to issue regulations that take more time than we expected in our initial notification. In light of the pandemic, which began early last year, it became clear that we would need to seek swift solutions to logistical issues, avoiding physical movement for both operators and users. This gave rise to various standards on digitalisation and transparency in the logistics process for foreign trade. This is why the adoption of the standards tied to early warning were postponed. It is foreseen that this regulation will include a form to request an early warning period of validity and modification, reasons for which an early warning mechanism might not be accepted, and other provisions. Once this standard is put in place, this will ensure full compliance with Article 3 requirements of this Agreement. My delegation looks forward to cooperating with all Members to ensure full compliance with the Agreement and to contribute to boosting transparent, open trade, in line with the guiding principles of the WTO.

1.113. The delegate of Mozambique indicated the following:

1.114. The delegation of Mozambique would like to congratulate you on your appointment as Chair of the Trade Facilitation Committee and wish you success.

1.115. We welcome the developments on the implementation of the TFA and commend all Members for all the efforts being devoted to implement the TFA according to each one's commitments under the Agreement.

1.116. We thank delegations for the exchanges on the requests put forward by the three countries which, having faced difficulties and not being able to cope with their initial commitments, presented requests under the early warning mechanisms of the TF Agreement.

1.117. Having followed the previous interventions, we would like to refer to the one made by HE Ambassador of Sri Lanka and to agree with her points of view, in the belief that Peru, Tonga and Ukraine had to make their requests due to unforeseen circumstances which meant that their actions did not occur as planned.

1.118. It is our point of view that within the implementation process of the TFA, flexibility is also necessary and important even if it has to be on a case-by-case basis, as in life circumstances change and plans have to do also change accordingly.

1.119. The Mozambique delegation would like to use this opportunity to express its recognition and gratitude to all partners who have been devoting resources to technically assist and support our countries in the implementation of the TF Agreement.

1.120. The delegate of Mali indicated the following:

1.121. Mali wishes to thank the donors who helped us to implement the TFA. Concretely, I wish to thank Denmark for the DANIDA Project. They are one of the key partners to date helping Mali to implement the Agreement. We also wish to thank the other partners who helped us to carry out our work, including UNCTAD and the International Trade Centre. We recently shared notifications about transparency measures with as well as notifications pursuant to Article 16. With regard to additional dates, despite the current pandemic we are currently working to flesh out timing and we have put in place a plan which will allow us to appropriately execute our work. We believe that the TFA is of utmost importance to a country like ours which needs support to make progress and ensure daily work in our country. I would like to thank the WTO yet again and thank all partners for their support. I would also like to thank the Chairperson and note that we truly appreciate the work of donors which helps us to ensure implementation of our work.

1.122. The delegate of India indicated the following:

1.123. At the outset, my delegation would like to take this opportunity to congratulate you on your appointment as Chairperson of this important Committee and wish you all the success.

1.124. On the issue of extension of time sought by certain Members, my delegation echoes concerns expressed by Sri Lanka. This is a systemic issue. What we are discussing here is substantive right *vis-à-vis* procedural requirements. My delegation would urge the Committee and Membership to show flexibility, to enable Members to implement this important Agreement.

1.125. The delegate of Nigeria indicated the following:

1.126. Nigeria wishes to congratulate you on your appointment as Chair of this Committee and appreciate all the donors that have given support to Nigeria, particularly UNCTAD and the UK. A lot of activities have been organized in Nigeria, particularly on sensitization, a road map, and a few other activities that have been going on. We are only hopeful that we should be able to access the support under the Trade Facilitation Agreement Facility in the WTO. Thank you Chair. We look forward to working with you to ensure success on the implementation of the TFA.

1.127. The Chair recollected that a number of statements had been made speaking to the flexibility that Members have in terms of considering these requests, while at the same time noting that the provisions of the Agreement were what they were, and the intent was to allow for some additional transparency by Members in advance if they were experiencing some difficulties.

1.128. Several delegations identified a tension between the provisions. There was also an openness to consider how to best help those Members. The conclusion, based on the discussion was twofold—

one, that the Committee was not in a position to accept the extensions requested at this time; Members appreciated the transparency but there was also an interest to discuss possible measures to prevent such an occurrence going forward. It was important to come to some understanding for future situations where Members might consider the need to submit an Article 17 notification.

1.129. In the interest of trying to help the Committee come around to figuring out how best to approach these notifications the Chair offered to assist, should Members wish to hold informal consultations to decide on how best to proceed. There was an openness amongst Members to help all Members implement the Agreement. There was also a need that the Committee understood how Article 17 was to be approached in the future, as well as the current notifications. If there was an interest, the Chair was happy to try to bring Members together to discuss how best to address the tension that exists here.

1.130. The Chair proposed to set up consultations on the matter and report back to the Committee at its next meeting.

1.131. The Committee took note of the notification and of the statements made.

1.132. The next notification was from Ukraine and had been circulated in document G/TFA/N/UKR/1/Add.3. Ukraine requested an extension to its definitive implementation date up to 31 December 2021 for Articles 7:5, 11:3 to 11:8, and 11:10. This notification was first reviewed at the last Committee meeting, and at that time, it was agreed to revert to this notification during this session.

1.133. The delegate of Ukraine indicated the following:

1.134. Please accept our congratulations and best wishes on your appointment. We would like to thank the delegations of EU, India, Japan, Nigeria, Norway, Sri Lanka and US, and others, for the provided comments in regard to the notifications under Article 17, including notifications from Ukraine. We would like to thank the delegation of the US for the bilateral meeting which we conducted in the intersessional period. The comments that we received were quite useful and well noted. To follow on the initiated discussion, we would like to provide some additional information on this issue.

1.135. As it was already mentioned, Ukraine, with support from the EU, within the EU BFM programme is currently implementing measures with a view to improving transit and post clearance audit procedures. These measures include implementation of a new computerised standard system at the national level, its integration into the EU transit system and introduction of a new post clearance audit IT system. Therefore, the measures being implemented seem to go beyond the commitments undertaken by Ukraine under the TFA. We would like to emphasise that Ukraine already maintains post clearance audit as provided for in Article 7:5 of the TFA and ensures freedom of transit as described in Article 11 of the TFA. However, a lockdown caused by the COVID-19 pandemic has delayed the implementation of that project and of Articles 7:5; 11:3 through 11:8, and 11:10 of the TFA, which had been notified by Ukraine as category C commitments. We requested the Membership to take into consideration the circumstances which caused the extension of the implementation. Since one Member expressed their concern about the delayed submission of the request, and taking into account the actual implementation of the relevant commitments, Ukraine, after completion of its internal consultations, will duly inform the Membership of its decision in respect to the request.

1.136. The delegate of Tonga indicated the following:

1.137. Congratulations to you on your appointment. Tonga appreciates the opportunity to submit its notification requesting an extension to the implementation dates under the TFA. Tonga has not yet ratified the TFA. However, to date, Tonga has provided its definitive implementation dates to the Committee and is working on completing its ratification process. During October 2020, Tonga had the opportunity to review its category commitments, and reaffirm the need to extend its definitive implementation dates for provisions reflected in the current notification on the deliberation before the Committee this morning. This was made possible with the technical assistance provided to Tonga by the World Bank Group. Because of COVID-19 restrictions, meetings between the lead team in Tonga and the World Bank Group were conducted virtually. The main reason for the request is that

we now have an update of an aggressive and realistic implementation timetable, first reported to the WTO in 2018, which documents approximately 30 reform actions for categories B and C between 2020 and 2029. Actions, particularly those relating to law, regulations and automation required significant lead time and sequencing of reforms will be a critical component, particularly relating to implementation of activities between 2021 and 2024.

1.138. Most of the request is for the extension of an additional year or two, ending in 2021 this year, or in 2022. There is one exception, which is an additional 6 years by which new legislation is required. The main reason for the extension request is that the resources that were assigned for implementation were relocated and diverted for COVID-19 purposes. We all agree that COVID-19 brought some unprecedented challenges and for small countries like Tonga, required unprecedented responses to put in place the necessary protection at all our borders to contain the virus.

1.139. Tonga therefore kindly requests the Committee to consider the challenges Tonga has faced which has resulted in the TFA not being ratified and the request for the extension of the implementation dates. We hope that the Committee will be sympathetic to Tonga's case to accept the notification.

1.140. The Chair, recognising the comments made for the notification of Peru and to hold informal consultations on the broader issues of Article 17, the requests submitted after the deadline identified in paragraph 1 of Article 17, asked if there were any comments in respect of the notifications of Ukraine or Tonga.

1.141. The delegate of the United States indicated the following:

1.142. I have already made a long intervention so I won't repeat that, but we look forward to talking with you about how to move forward with the untimely notifications because as I said earlier, we really do see value in the transparency exercise and the Committee has a great deal of expertise and donors and assistance providers that perhaps helps countries, and we can share experiences and thoughts to move forward. The one thing I wanted to add and point out in addition to our reading of Article 17, we understand that it is a procedural requirement, but the real on the ground fact of Article 17 is that it will change the actual Agreement. Article 16:5 says that all of these schedules of implementation become integral parts of the Agreement so when Article 17 is invoked, it actually changes the commitments and the Agreement itself unilaterally. So, we see it as having such significant impact. We cannot view it as a mere procedural requirement.

1.143. The representative of Sri Lanka indicated the following:

1.144. Since I am not participating regularly in other Committee sessions, I would like to get to know from you if there are agenda items where we can really bring our proposals and inputs, and implementation issues such as this for the Committee's attention. If it is the case, we would like to see how we can proceed because this is very important as we are about to embark on a review process and inputs can be quite useful in understanding what the real implementation issues are for very small developing countries. We recognise our bargaining power to attract technical assistance is less compared to many countries. If you look at the donors, the direction of their assistance is also focused very much on their trade policies so sometimes some countries will not be in the priority list in providing technical assistance. That is an essential element in the meeting of obligations so when we don't have technical assistance, then how do we really implement even our category C commitments because most of the countries will cease the situation. So we have to really prepare ourselves for the future when we are not able to really meet our category C commitments even by the indicated dates that they have to be implemented. Therefore, we should be prepared to have discussions to tackle these implementation issues which are genuine, as Tonga has explained that in its case the challenge to make the deadline of 31 December 2020 is due to COVID-19. I think the Ambassador of Vanuatu indicated the difficulties they encountered and similar small countries may be encountering such difficulties. There has to be a way to recognise these concerns and understand their predicament and accordingly adapt certain good practices within the Committee. Please guide us as to how we can bring these issues to the Committee – outside of the review process that we are due to embark on. That would be useful for us.

1.145. The Chair proposed that further discussions could take place at a future time, but based on past experience, there were two specific opportunities for Members to share experiences. One was

the regular experience sharing item on the Committee's agenda. Members were free to include information related to their experiences in implementing the Agreement. Also, Article 21:4 of the Agreement provided that the Committee will hold at least one dedicated session per year, amongst other things, to discuss problems regarding the implementation of provisions or subparts of provisions of this Agreement. If there were other areas where a Member wished to come forward with a specific topic to discuss within the Committee's mandate, they could add that to the agenda as well. There were some examples of that already in the Committee. The Chair hoped that helped to provide context and going forward, that this opened opportunities for Sri Lanka or other Members to bring forward their experiences in terms of implementing the Agreement and any issues they may have in doing so.

1.146. The Chair recalled that whilst the Committee was not in a position at the moment to accept the extensions requested, recognising the points made by the United States, there was an interest amongst Committee Members and willingness to help Members in terms of the implementation. There was also an interest with all Committee Members to get clarity and understanding regarding the procedures in place and the implications of the utilisation of Article 17.

1.147. The Chair would hold informal consultations in the upcoming weeks to try to help Members to exchange views more thoroughly and seek to come up with a way to address these three notifications but also to discuss how to prevent an occurrence of overdue notifications on Article 17. A report would be provided at the next meeting.

1.148. The Committee took note of the statements made.

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

1.149. Transparency notifications were mandated by Articles 1:4, 10:4:3, 10:6:2 and 12:2:2 of the TFA. They all had the objective of providing transparency, either in a broader context – providing information on publication sources – or providing information on the specific items, such as a single window operation, the use of customs brokers, and customs cooperation. Since the Committee's last meeting, six transparency notifications had been received from five Members. However, as per the corrigendum to the airgram, two of those notifications would not be reviewed during the meeting.

1.150. The Chair drew the Committee's attention to the notification of Mali (G/TFA/N/MLI/3).

1.151. The delegate of the European Union explained they had requested their notifications withdrawn from the agenda as some of the weblinks were not working properly. They were actively reviewing such links and hoped to update and notify them promptly. The EU thanked Members for their understanding.

1.152. The delegate of the United States thanked Mali for the notification.

1.153. The Chair moved to a notification from Mongolia (G/TFA/N/MNG/2/Add.1/Rev.1).

1.154. The delegate of the United States thanked Mongolia for their notification. This document would be invaluable to traders seeking more information on Mongolia's import, export and transit procedures.

1.155. The delegate of Mongolia congratulated the Chair for their appointment and wished him every success. Mongolia thanked the United States for their comments.

1.156. The Chair proceeded to the notification from Myanmar (G/TFA/N/MMR/2).

1.157. The delegate of the European Union indicated the following:

1.158. We have not had sufficient time to review Myanmar's notification; we would like it to be examined further at the next meeting. We can already share that we have some concerns regarding the situation regarding customs procedures that have been reported to the EU. According to our information, there is room for further efforts in combating illicit trade in Myanmar, whilst announcing trade facilitation for legitimate trade. We note that the lack of sufficient resources at certain border

points allow for only limited hours of work for customs clearance, which creates disruption. It has been reported that sometimes trucks spend more time waiting for the cargo clearance than driving. Overnight and day costs due to delays, red channels and other delaying factors are too common and result in added cost for forwarders and losses for trucking companies.

1.159. Import formalities are reported as being often unaligned and time consuming. There are a wide range of practices among customs officers and some examples provided are an insurance policy which will be sent for full assessment if the policy is not provided during the normal customs processes. Customs officers demand a SAFE contract to show the exact quantity of the shipment, whilst SAFE contracts are issued for the total quantity of the orders, while the shipment is done only for partial quantities. It happens also that business operators have been charged with high customs penalties for honest clerical mistakes.

1.160. Myanmar should consider implementing reforms to facilitate business and provide stable regulatory environment. It is also necessary not only to adopt legal text but to ensure a meaningful and genuine implementation by government officials. We would like to note also, that the EU put on hold all development cooperation activities that would support the military authorities, and this includes direct financial support and technical assistance in government ministries. The EU is currently reviewing all development assistance programmes to Myanmar to avoid providing financial and technical support for the military authorities after the coup, while seeking to maintain vital support for the population. The EU, in coordination with our EU Member States on the ground, will maintain to the maximum extent, all actions supporting the population and local communities and avoid taking measures that will negatively affect the most vulnerable. This is an immediate first step. Work is on-going with other partners to review all cooperation programmes on the ground.

1.161. The Chair drew the Committee's attention to the notification of Uruguay (G/TFA/N/URY/2/Rev.2).

1.162. The delegate of the United States indicated the following:

1.163. We note that the links for information listed under 1:1(b), regarding applied rates of duties and tariffs, and 1:1(i), agreements related to import, export or transit, takes the user to a login screen, but we are unable to read the pertinent information. Does Uruguay have plans to update those two weblinks on the notification?

1.164. The delegate of the European Union indicated the following:

1.165. The EU would like to call on the Members who have not yet notified their commitments under the transparency measures to proceed without delay. It is extremely important for operators to have a clear and transparent access to measures that are implemented at the border.

1.166. The delegate of Cambodia indicated the following:

1.167. I would like to thank Mali, Mongolia, Myanmar, Uruguay for their notifications. My delegation would like to inform the committee that Cambodia has already notified under Articles 1:4, and 10:4:3 dated 19 February 2021 which is contained in document G/TFA/N/KHM/5. I was informed that our notification will be in the agenda for the next meeting. In this regard, it would be helpful if Members could send question or comments in advance to the next meeting, so that we can consult with our capital.

1.168. Cambodia also notified, in response to Article 16, the arrangements and progress in the provision of technical assistance and capacity building support of category C dated 19 February 2021, as contained in document G/TFA/N/KHM/4.

1.169. I would also like to take this opportunity to thank donors and development partners for supporting and providing technical assistance to Cambodia.

1.170. We look forward to consulting with donors, the Secretariat and Members on this matter possibly in the coming months.

1.171. The Chair thanked Cambodia for the reminder to Members to send questions on notifications received in advance so that missions could consult with capital before the next formal meeting. The notification of Cambodia, as well as those from the Democratic Republic of Congo, Liberia and Morocco were received after the agenda was issued and they would be reviewed at the next regular committee meeting.

1.172. The Committee took note of the notifications and the statements made.

D. Notifications under Article 22 of the Trade Facilitation Agreement

1.173. Notifications under Article 22 were of two types—Article 22.1 covered notifications by donor Members on their recent capacity building activities; Articles 22.2 and 22.3 provided information on contact points.

Article 22.3

1.174. Since the Committee's last meeting on 26 January 2021, two Members had submitted notifications under Article 22.3.

1.175. The Chair drew the Committee's attention to the notification of Cuba (G/TFA/N/CUB/3).

1.176. The delegate of the European Union thanked Members for their notifications which were useful and pertinent for all the ongoing work and coordination of assistance to recipient Members.

1.177. The Chair indicated that the final notification in the agenda was a notification from Mali (G/TFA/N/MLI/4).

1.178. Notifications from Chad, the Democratic Republic of Congo, Liberia, Morocco and Niger had been received after the closing of the agenda and the Chair indicated that they would be reviewed at the next meeting.

1.179. The Committee took note of the notifications and of the statements made.

1.180. The Chair, on behalf of Cuba, thanked the European Union for their comments.

1.181. The Committee took note of the notifications and of the statements made.

1.2 Status of the Ratification and Notification Process

Update by the Secretariat

1.182. The representative of the WTO Secretariat presented an update since the last Committee meeting held in January 2021. All the information presented had been sourced from the TFA Database website (<http://www.tfadatabase.org>).

1.183. There had been no change in the number of ratifications since the last update and ten Members had yet to notify their ratification.

1.184. To date, 84% of LDCs (26 Members) that had designated category B commitments had also notified their category B definitive dates before the deadline of 22 February 2020. Nine LDCs had requested an extension of time until 21 February 2021 to notify these dates. Seven Members had already done so—Afghanistan, Burkina Faso, Chad, Lao PDR, Senegal, Sierra Leone and Solomon Islands. Two Members had yet to notify these dates—Djibouti and Mauritania.

1.185. The notification deadline for LDCs to notify category C indicative dates was 22 February 2021. Out of the 32 LDC Members that had notified the category C designations, 29 had already notified their category C indicative dates and three Members had yet to do so—Djibouti, Myanmar and Rwanda.

1.186. LDCs were required to inform the Committee of their donor arrangements by 22 February 2021. Out of the 32 Members that had notified category C designations, five Members—Bangladesh, Cambodia, Madagascar, Mali and Niger had notified their donor arrangements. That left 27 Members that had yet to do so.

1.187. Regarding notification deadlines which had already passed and for which notifications remained outstanding, starting in chronological order with the deadlines in 2017 and 2018 for LDCs and developing countries to notify their category A, B, C designations, there were three developing country Members and three LDC Members that had yet to do so. The next deadline of 22 February 2018 was for the notification of category B indicative dates by LDCs and there was one outstanding notification to be presented. The next deadline was that of 22 February 2020, corresponding to the notification by LDCs of their category B definitive dates. Currently, two LDCs had yet to make those notifications. On the developing countries, the notification deadline for category C definitive dates had been 22 August 2019 and three developing country Members had yet to make that notification. Finally, the deadline to receive the technical assistance requirements for their category C designations had been 22 February 2017 and there were four developing country Members that had yet to make that notification. The same notification was required from LDCs by 22 February 2019 and there were eight LDC Members that had yet to make that notification.

1.188. There were 95 Members that had notified category C designations and of those Members, 86 had submitted their technical assistance requirements and ten had notified their donor arrangements and progress made in the provision of technical assistance and capacity building support. So far, there had not been any notifications received on donor arrangements and progress from donor Members.

1.189. Turning to implementation progress, the latest notifications that had been received since the last meeting came from Bangladesh, Burkina Faso, Cambodia, Ecuador, Lesotho, Mali and Sierra Leone.

1.190. The global overview of TFA implementation commitments for the entire Membership stood at 69.7%. The rate of TFA implementation commitments of developing countries and LDC Members and to date this stands at 60.4%. This was composed by 50.8% of commitments allocated in category A, 7.2% of category B commitments and 2.5% of category C commitments with notified implementation dates that had already passed.

1.191. Since the last meeting, the Committee had received ten notifications under the transparency mandated obligations. In addition, since the last meeting, two notifications had been received under Article 22:3.

1.192. The delegate of Japan indicated the following:

1.193. Japan appreciated if the remaining WTO Members that have not ratified the TFA could share in the Committee any information pertaining to the current situation surrounding domestic processes.

1.194. The delegate of Cambodia indicated the following:

1.195. I would like to thank the Secretariat for the comprehensive effort and for every effort contributed to the set of notifications. I should congratulate Members, especially LDCs who 84% have fulfilled their notification obligations for category B definitive dates. We are very proud of this achievement. We look forward to working closely with Members and the Secretariat especially for further notifications.

1.196. The delegate of the United States thanked the Secretariat for its analysis and presentation today. They always found the data that was provided quite useful.

1.197. The delegate of European Union indicated the following:

1.198. We would like to express our heartfelt thanks for the excellent work that has been provided by the WTO Secretariat. This is very comprehensive but at the same time very focused and precise. It is very useful to provide us with a clear understanding, objective understanding of the state of

play for the implementation of the commitments with regard to this agreement, TFA, and we highly appreciate the effort that has been turned in by the Secretariat. Our thanks once again.

1.199. The delegate of the Central African Republic indicated the following:

1.200. I would like to congratulate the Trade Facilitation Committee for this report on the state-of-play of the implementation of commitments. It gives us a very far-ranging view regarding notifications and the current level of commitments. This is very good work. This allows us to better understand the implementation of this Agreement. Our Ambassador would like to congratulate the Chair of the Committee on his appointment. The Central African Republic notified on 12 February 2021, under Article 22.3, the contact points to coordinate the technical assistance and information. Regarding the arrangements that have been concluded and also when it comes to technical support and capacity building and the provisions for category C, there are some difficulties as you know, but as you said earlier, we could discuss this in the framework of experience sharing. We look forward to being able to share on this when we come to the item on experience sharing.

1.201. The delegate of Norway indicated the following:

1.202. I just wanted to add our thanks to the great work that the Secretariat has been doing on laying out the information accumulated on notifications and notification processes. I just wanted to underline that this information and the presentation is going to be an important building block for the review that we are going to be doing this year so a lot of this information is going to be important to have in that review so thank you very much.

1.203. The delegate of Vanuatu indicated the following:

1.204. I want to thank the Secretariat very much for the presentation which gives us an idea of the progress and it has been most helpful. I would like to think that by the next Committee meeting we will be able to see some movements because despite the earlier agenda item when a number of delegations spoke of some of setbacks that we are experiencing, I think that the overall picture that was just presented gives us a good idea of where we stand on this so I am very encouraged by the analysis that was provided by the secretariat. I thank the Secretariat for the good job.

1.205. The delegate of China indicated the following:

1.206. Firstly, I would like to congratulate you on being elected to the Chair of this Committee. It is a very important Committee for us, and you can count on our full support. I also want to take this opportunity to thank the Members who sent their notification to the Secretariat and would like to take the opportunity to thank the Secretariat for their hard work to prepare this report. When we look at this report there are still some Members who have not sent their notification to the Secretariat and also this morning we talked a lot about some developing or LDCs who have not fulfilled their obligations of this agreement on time. Could the Committee or Secretariat contact each of these Members to see the reason why they are unable to make this notification or the difficulties that they are facing. All these difficulties and the challenges should be discussed this year as this is the year of the review of this Agreement. Maybe we can discuss this one by one and we can try to find a solution and make real progress this year on the implementation of this Agreement.

1.207. The delegate of Mali indicated the following:

1.208. I would also like to take this opportunity to congratulate the Chair on this new responsibility, new function. I would also like to thank the Secretariat of the WTO for this report. It is very focused, and this also stimulates us to move ahead with the implementation of this very important Agreement, the Trade Facilitation Agreement. I know that certain Members have seen that they are being stimulated to move forward and if they are able to do that I think we will be able to attain the various results that we are hoping to reach so I would like to thank you all on behalf of Mali.

1.209. The delegate of the European Union indicated the following:

1.210. We find China's proposal very interesting—that the Secretariat contact Members to see if they have difficulties and how we could further prepare for the next meetings. We are very interested

in this proposal and we also note Norway's statement that this extremely comprehensive, factual, and excellent report by the Secretariat could be a good start for the four year review.

1.211. The Chair suggested that there were opportunities for the suggestion brought forward by China, on which the EU had shown interest. It was best for Members to come forward through the experience sharing exercises and share that type of information. There was an ongoing dialogue between the Secretariat and Members on implementation issues. The Secretariat was available to answer questions that Members had regarding the best ways and how to proceed in certain areas or at least provide some factual background information on how best to answer any questions that Members may have. Without prejudice to Members positions, the topic that China raised was probably going to come up out of review to come over the next years. Perhaps this was an issue that could be considered further, and Members were encouraged to be proactive and come forward with the difficulties they might be having or any questions they might have regarding notifications and the implementation of the Agreement. Members could either come forward to the Committee or ask the Secretariat for assistance.

1.212. The Committee took note of the information provided and the statements made.

2 EXPERIENCE SHARING/THEMATIC DISCUSSIONS

2.1. 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://tfadatabase.org/trade-facilitation-committee/meeting/2021-03-03>) with related links also being included in the minutes of the meeting. If a delegation requested it, their intervention would also be recorded in the minutes of the meeting.

2.2. Members addressed the following issues:

A. Sharing experiences on measures taken to mitigate COVID-19

Communication from the European Union (G/TFA/W/31/Rev.3)

2.3. The Committee held an informal discussion of the EU proposal based on the document G/TFA/W/31/Rev.3, circulated the day before. There was a proposal from India in relation to one sentence in paragraph 7.

2.4. The European Union indicated that it was not acceptable at this time to agree to that change.

2.5. The Chair proposed that the EU and India continue discussions and once an agreement was reached, a fourth revision to the document would be circulated under a silent procedure.

2.6. It was so agreed.

Presentation by the World Customs Organization

2.7. Information on the presentation can be found under the following link:

https://tfadatabase.org/uploads/thematicdiscussiondocument/WCO_intervention_on_item_2.docx

B. National Trade Facilitation Committee (Article 23.2 of the TFA)

Presentation by UNCTAD

2.8. Information on the presentation can be found under the following link:

https://tfa-production.s3.eu-central-1.amazonaws.com/thematicdiscussiondocument/2021-03-03_UNCTAD_WTO_TF_Com_NTFC_support.pptx

C. Time Release Study by the Special Secretary of the Federal Revenue of Brazil (Article 7:6 of the TFA) (G/TFA/W/33)

Presentation by Brazil

https://tfadatabase.org/uploads/thematicdiscussiondocument/TRS_Brazil_Presentation_WTO_TFA.pdf

3 SUPPORTING THE TIMELY AND EFFICIENT RELEASE OF GLOBAL GOODS THROUGH ACCELERATED IMPLEMENTATION OF THE WTO TRADE FACILITATION AGREEMENT - COMMUNICATION FROM AUSTRALIA; BRAZIL; CANADA; COLOMBIA; EUROPEAN UNION; ICELAND; JAPAN; REPUBLIC OF KOREA, MEXICO; NORWAY; SINGAPORE; THE SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU; THAILAND; TURKEY; AND THE UNITED STATES (G/TFA/W/25/REV.3)

3.1. The delegate of the United States indicated the following:

3.2. On behalf of the co-sponsors, the United States is pleased to include on today's agenda document G/TFA/W/25/Rev.3 of the communication entitled "Supporting the timely and efficient release of Global Goods through Accelerated Implementation of the WTO Trade Facilitation Agreement". In revision 3, we welcome six new co-sponsors to the communication Canada, Republic of Korea, Mexico, Singapore, Thailand, and Turkey. This communication asked no Member to make any new commitments or change any existing commitments. In this communication we are asking Members to commit to accelerate their implementation of the TFA where possible as a means to ensure the timely movement of goods across borders which is critical at this time during the global pandemic. We urge all Members to join this communication and we would please to engage and answer any questions you may have.

3.3. The delegate of the United Kingdom indicated the following:

3.4. The United Kingdom would like to thank the United States and the co-sponsors for their work on this communication to date. The pandemic has really highlighted the challenges of maintaining efficient trade in times of pressure. It's brought home for us the need to accelerate the implementation of the Agreement so that trade operates most efficiently. Just to say Chair, that we are supportive of this communication and that we are engaging with the co-sponsors on a few light textual edits.

3.5. The delegate of the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu indicated the following:

3.6. As this is the first time that I am taking the floor I would just like to welcome you in your position and as a co-sponsor of the proposal I would like to welcome Canada, Republic of Korea, Mexico, Singapore, Thailand and Turkey who join the communication as co-sponsors. We would also like to join previous speakers to welcome other Members to join the communication supporting the timely and efficient release of global goods through the accelerated implementation of the Trade Facilitation Agreement.

3.7. The delegate of Japan indicated the following:

3.8. Japan thanks the United States for its updates and welcomes all the new co-sponsors of this communication. We share an appreciate with our fellow co-sponsors for the need for accelerated implementation of the TFA which is our common ground and have great value in the current situation. Japan welcomes further support for this communication from other Members, including developing country Members in the hope of accelerating the implementation of the TFA.

3.9. The delegate of Canada indicated the following:

3.10. Canada wishes to thank the United States for this update and joins other co-sponsors of this to find a means for Members to step up measure on the TFA agreement. Last year we saw that developing Members were able to address essential good and supplies in document G/TFA/W/24 from the Ottawa group. In addition, discussions on that meeting at the informal meeting last fall

took stock of certain measures and we will continue to underscore and support the work of the CTF in order to ensure implementation of the TFA and the best practices in this respect.

3.11. The delegate of Egypt indicated the following:

3.12. Egypt would like to thank the proponents of this communication and we would like to share with the committee some comments on the measures taken by Egypt regarding the implementation of the TFA in relation to this communication:

3.13. Concerning paragraphs (2) and (3) urging Members to expedite the implementation of the Trade Facilitation Agreement, as well as fully implementing Article 23:2 regarding establishing or maintaining a mechanism for the Trade Facilitation Committee, we confirm in this regard the following:

3.14. Egypt joined the Trade Facilitation Agreement in February 2017 but the National Trade Facilitation Committee headed by the Egyptian Customs Authority was created in 2011, with the participation of representatives of all relevant stakeholders including the private sector. The committee is responsible for determination and classification of Egypt's obligations in the Trade Facilitation Agreement, as well as identifying needs required for the full implementation of the Agreement.

3.15. With regard to paragraph (5) regarding dissemination, improvement of transparency and exchange of information between governments and the private sector through a unified website, free of charge and available to the public, we confirm in this regard the following:

3.16. In order to improve the services provided to its clients via the Internet, the Customs Authority has issued Decision No. 95 for the year 2020 regarding the formation of a committee to monitor the electronic services provided by the Customs Authority through its website; this includes the publications of decisions issued regarding the mechanisms of dealing with the pandemic.

3.17. With regard to paragraph (6) regarding the implementation of Article 7:1 of the Trade Facilitation Agreement Customs Law No. 207 of 2020 has been issued, which includes many practices that will accelerate the rates of release time, to implement these procedures, the Customs Authority is in the process of activating the advance cargo information system. Also, in this context, Circular No. 23 of 2020 has been issued, which includes giving priority to shipments of goods that was released according to the pre-arrival processing system.

3.18. With regard to paragraph (8) of urgent shipments, the Customs Authority has issued instructions to the various customs points in light of the current pandemic COVID-19 to give top priority to food and strategic commodities, medicines and medical supplies in completing the daily release procedures of imported shipments.

3.19. With regard to paragraph (9) concerning cooperation between border agencies, the Egyptian customs authority has already signed a cooperation protocol with the Sudanese customs to facilitate trade between the two countries in these exceptional circumstances.

3.20. On paragraph (10) regarding reviewing the articles related to the requirements of consular documentation, lading bills or certificates of origin, a ministerial decree was issued to allow accepting the documents submitted by importers without requiring legalization by the chambers of commerce and Egyptian embassies abroad and releasing shipments coming from the European Union and other countries as long as they fulfil the rest of the other requirements along with the importers pledge to the validity of the documents submitted.

3.21. Regarding paragraph (12) urging all Members to take proactive steps to automate customs operations, we confirm that the National Single Window project has already been launched. This is an integrated information platform to achieve integration and coordination of procedures and information between the different competent authorities concerned with foreign trade. This allows the stakeholders to submit all documents and transactions at once through a logistics service centre or via an electronic portal in order to fulfil all regulatory requirements related to the release of goods.

3.22. The implementation of the single window system has actually started gradually in the Egyptian ports, starting with the Cairo Airport as of March 2019, the West Port Said Seaport from May 2019, and the Sokhna Port as of July 2020. The system was opened in Alexandria Port in November 2020 and Damietta Port in January 2021.

3.23. The delegate of Brazil indicated the following:

3.24. I congratulate my colleague from the Federal Revenue for presenting the study and it shows that Brazil is really committed to the full implementation of the TFA. That is why we are one of the first co-sponsors of the document proposed by the United States and we do exhort all Members to join in our efforts to implement 100% of the Trade Facilitation Agreement.

3.25. The delegate of Switzerland indicated the following:

3.26. Switzerland thanks the US and other co-sponsors for their pertinent and very timely communication. Switzerland is supportive of this communication. The implementation of the TFA is very important for the economy and a smooth flow of international trade is even more relevant in the current crisis to fight the pandemic. In fact, the COVID-19 crises showed the relevance of trade facilitating measures. Switzerland itself implemented trade facilitating measures to ensure a smooth flow of potential medical goods. It seems reasonable to my delegation to bring COVID-19 related aspects more intensively to the attention of this Committee.

3.27. The delegate of the Turkey indicated the following:

3.28. The government of Turkey would like to thank the United States for updating the Committee on the communication. As a new co-sponsor, Turkey is honoured to be part of such a valuable initiative. Articles included within the communication are crucial for accelerating protective garments and other medical goods and currently the vaccine. Turkey would like to underline the importance of coordination and co-operation among all government agencies and between private sector stakeholders. TFA provides a great initiative within Article 8 and Article 23:2. The concept of border agencies co-operation all Members coordinate better on the between different government agencies. Article 23:2 brings the private sector to the picture and the COVID-19 crisis showed us that well-functioning NTFCs are not only bodies for implementing trade facilitation reforms but allow countries to overcome great crisis happening on the international supply chain.

3.29. The delegate of India indicated the following:

3.30. My delegation would like to thank the proponents of the paper G/TFA/W/25/Rev.3. My delegation strongly believes in the importance of trade facilitation and the TFA. To optimize the gains of trade facilitation, India has put in place a National Trade Facilitation Committee and also a national trade facilitation action plan. Action points in our trade facilitation plan are mapped to the WTO TFA commitments and aligned to our policy objectives of improving the Ease of Doing Business. Following this proactive approach, India has also implemented some of its category B commitments ahead of their original implementation date. Document G/TFA/N/IND/1/Add.1 provides details of those early implementations. This reflects India's commitment towards trade facilitation. However, when it comes to accelerated implementation of the TFA provisions my delegation believes that we would be better advised to leave it to the Member concerned instead of saddling them with some kind of binding commitment. In fact, our experience so far shows that many of us are already trying to do that to the best of our abilities. As regards to WTO's role in providing health solutions to COVID-19 my delegation believes that WTO has a very important role to play in enabling countries to cope with this unprecedented crisis. In fact, India, along with a large number of Members, has already submitted a proposal for waiver from certain provisions of the TRIPs Agreement for prevention, containment and treatment of COVID-19. Similarly, we believe that the Council for Trade in Services should also examine the need for easier cross border movement of health care professionals and provisions of health care services through other modes to help handle the COVID-19 crisis better.

3.31. The delegate of the United States indicated the following:

3.32. I would like to thank the co-sponsors who took the floor today talking about the importance of this communication and I welcome the comments from India, Egypt, Switzerland, and the United Kingdom. I look forward to engaging with you a bit more on this communication. I would just like to

make one point of clarification in terms of something my colleague from India stated and to be clear that this communication has no binding obligation in it whatsoever. The communication itself is asking Members to reflect on existing commitments and to how they might accelerate their implementation and we heard from Members today that many Members are doing that. I look forward to following up and I welcome any other Member with any questions to please reach out to us.

3.33. The Committee took note of the information and of the statements made.

4 REVIEW OF THE OPERATION AND IMPLEMENTATION OF THE AGREEMENT IN ACCORDANCE WITH ARTICLE 23.1.6 OF THE TRADE FACILITATION AGREEMENT

4.1. The Chair drew the Committee's attention to a proposal circulated by the United States in document G/TFA/W/35 to update the meeting agenda of the Committee on Trade and Facilitation.

4.2. The delegate of the United States indicated the following:

4.3. In light of this year's four year review, the United States welcomes discussion from Committee Members regarding our modest proposal contained in G/TFA/W/35 to update the agenda to accurately reflect current TFA timelines and deadline.

4.4. In summary, we propose to remove the "Review of Notifications Under Article 15 of the TFA" as a standing agenda item, recognizing that the Committee may review new Article 15 notifications on an *ad hoc* basis; and to add a new standing agenda item for Members to provide updates on overdue Section I and Section II notifications.

4.5. The objective of our proposal is to increase the Committee's ability to close the gap in TFA implementation of Section I and II notifications through robust Committee discussion.

4.6. The delegate of Japan indicated the following:

4.7. Japan appreciates the United States' initiative and fully supports the proposal. We especially welcome having a new standing agenda item for Members to provide updates on overdue notifications, which would help Members understand the current situation. It would also facilitate the notifications under Article 16 of the TFA, among others, which Japan believes is fundamental for the implementation of the TFA.

4.8. The delegate of Brazil indicated the following:

4.9. Brazil supports the proposal made by the United States to update the meeting agenda of the WTO Committee on Trade Facilitation since the vast majority of Members have already submitted their notifications based on Article 15 of the TFA. As the deadline for submitting such notifications has already expired, there is no need for it anymore. In addition, there is no impediment for interested Members to request the inclusion of a point on the agenda of future TFC meetings for the submission of new notifications under Article 15.

4.10. The delegate of the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu indicated the following:

4.11. We would like to thank the United States for their efforts on the proposal to update the WTO Committee's TF meeting agenda as part of the four year review of the TFA agreement. How to close the gap between those overdue notifications is an issue worth to discuss at the Committee. We welcome the proposal to be included in the four year review for discussion.

4.12. The delegate of India indicated the following:

4.13. My delegation would also like to thank the delegation of the United States for their paper G/TFA/W/35. We have shared the same with our capital. Depending on the feedback from New Delhi we will revert back to this Committee on this issue.

4.14. The representative of Sri Lanka indicated the following:

4.15. First, I would like to thank the United States delegation for its proposal to remove this agenda item where we continue to have the opportunity to discuss notifications made under Article 15. In light of the provisions in Article 13 paragraph 2, which is a general article with the title "General Principles", we cannot totally exclude that there is a relevance to Article 15 because it has expired. The way that the Agreement has been structured, Section II has Article 13 as the general principle. Whatever the interpretation we may have on subsequent articles has to be read in conjunction with the general principles. For that reason, my delegation is not yet convinced that there is no relevance for Article 15 and that we should not have this agenda item.

4.16. These are very pertinent points that we have to really mull over and come to some understanding whether this has some relevance or not. Until such time, I am not in a position to agree with the solution made by the United States delegation. I think it is a fair perspective from my country's point of view because it has this particular request and if we agree on it, it may have far reaching implications on other articles as well. The moment they become expired everybody will start to make suggestions that we have to remove that particular agenda item because there is no relevance. What we suggest is to have a careful look at the general principles enshrined in Section II Article 13 where it says the developing countries as long as they are experiencing difficulties in implementation, there is always the right for them to take some avenues to address their concerns. In light of this, we are not in a position to agree on this proposal Chair.

4.17. The delegate of Norway indicated the following:

4.18. From our side, we support this proposal, the suggestions and the proposal from the United States. This is a relatively new Committee and there is, as others have said, a lot of energy in it. It is therefore good to also be able to continuously revise what we are doing, including an agenda which should never be set in stone. I think the concern expressed the Ambassador of Sri Lanka pointed out now would in any case be addressed and be able to, in a dynamic form, be able to put these issues back on the agenda when necessary.

4.19. The delegate of the European Union indicated the following:

4.20. We welcome this proposal put forward by the United States. We apologize that we have had no sufficient time to consult the various services involved in the Commission to take a position and we support in principal but we have not formal approach yet so we will get back as soon as possible.

4.21. The delegate of the United States indicated the following:

4.22. I would like to thank those Members who took the floor this afternoon in responding to our proposal. I look forward to having continued discussions about this proposal in future meetings and I am certainly happy to discuss with any Members bilaterally, any concerns they may have.

Consultations on the Review – Report by the Chairperson

4.23. The Chair recalled that Article 23:1:6 stated that "the Committee shall review the operation and implementation of this Agreement four years from its entry into force and periodically thereafter". The Trade Facilitation Agreement entered into force on 22 February 2017; therefore, the first review of the Agreement was required to be carried out this year.

4.24. At the last meeting of the Committee, it had been agreed that the Chair would consult with delegations on how best to conduct this review. In that regard, in a communication sent on 15 February, the following questions had been posed to delegations to get a sense of expectation regarding the process aspects of the review: How will the Committee carry out the review? How will the review be structured? How will the Committee identify the content of the review? What is the Committee's deadline for the completion of the review?

4.25. At the informal open-ended consultations of 26 February, the Chair had provided a report on these consultations and proposed a calendar for conducting a review. The report and proposed calendar had been circulated to Members immediately after the meeting. The consultations had indicated that there was a collective desire to conduct a solid, positive oriented review exercise; one that was not overly burdensome for Members and one that should be carried out in a timely manner. Members wanted to keep the process moving along with the objective of having it completed ahead

of the next Ministerial Conference (MC-12). As for the process, there appeared to be common agreement that the most expedient way of achieving this outcome would be to have a multi-prong approach. Members would be invited to provide written submissions over a specific period of time on topics of interest to them. Informal meetings dedicated to a discussion of these submissions could be held on the margins of the regular committee meetings as required. The Committee would then be updated by the Chair at each regular meeting and there would be an opportunity for additional discussions, especially for those Members that had been unable to participate in the informal dedicated session.

4.26. The Chair believed the proposed calendar set out a reasonable pace for the review and provided time for delegates to work with capital-based colleagues to formulate their contributions to the discussion of the review should they wish to do so. Regarding a structure for the report, there was a preliminary agreement that it should mirror the structure of the TFA. Section I covering the TFA provisions, section II dealing with the special flexibilities of the TFA and section III covering any proposals related to the institutional arrangements and final provisions. Members also wished that the Secretariat draft a factual report regarding the first four years of the implementation of the Agreement. As for the substance that goes into the report, that aspect would be driven by Members through submissions and discussions. As the Committee engaged in this work over the coming months, it is incumbent on delegates to decide how best to provide input and support information on the topics they wished to be covered on the report. Lastly, at the consultations meeting on 26 February, a delegation made a suggestion that the Committee move its dedicated capacity building session forward this year from October to the June meeting.

4.27. The Chair asked of delegations if they were ready to adopt this roadmap regarding the calendar and the organization of the sections of the report.

4.28. The delegate of India indicated the following:

4.29. My delegation would like to thank you for your efforts for review mandated under Article 23:1:6 of the TFA. In this context, my delegation's response to the four questions/issues raised by you are:

4.30. As regards the modality for carrying out the review, it may be carried out through dedicated sessions, held on the side-lines of the regular meetings of TFC or otherwise.

4.31. As regards how should the review be structured? Should it be organized around each section of the Agreement? Or should specific themes be identified? – my delegation believes that instead of adopting a section by section approach, this Committee should aim to prepare a report regarding the difficulties/challenges faced by the Members in TFA implementation, with a view to arrive at innovative solutions to address such difficulties/challenges. While doing so, priority needs to be accorded to the least -implemented TFA Commitments. Such a review should also focus on promised assistance to Members for implementing category C Commitments. Further, such a review should also aim to collate a report on benefits of the TFA to developing countries including LDCs, as compared to the past projected benefits of TFA implementation. Such a report would be helpful in outreach efforts of respective NTFCs.

4.32. The content of the review may preferably be on the basis of written proposal/request of Member countries with reference to implementation difficulties/challenges or assistance request(s) pertaining to a particular Section/provision.

4.33. As regards what should be the Committee's deadline for completion of the review, my delegation believes that this Committee may consider completing the review over two to three Sessions with a session spaced every alternate month. The Review timeline should, however, not be linked with the MC-12.

4.34. The delegate of Nepal, on behalf of the LDC Group made the following statement:

4.35. First, I wish to extend my sincere appreciation to you, Chair, for updating on the consultations that you held and also for having consultations with the LDC group with a view to conducting the periodic review in a timely, participatory, and effective manner.

4.36. On behalf of the LDC group, we have already submitted our written responses to your questions to facilitate the review process. It would be highly appreciated if you could please take into account our responses while proceeding ahead.

4.37. The LDC group specifically expects discussions on the agenda of periodic review regularly at the formal meetings the Secretariat's contribution to preparation of summary reports, the opportunity to incorporate Members' view in terms of challenges in the implementation of the Agreement and lessons learnt under submissions from Members, and a background note from the Secretariat, linkages of provisions, implementation commitments, and disbursement of capacity building assistance by donor Members to LDC Members, among other items.

4.38. Furthermore, reflection of impacts of the COVID-19 pandemic, major issues and solutions thereof, and forward-looking recommendations including gaps and future course of action, concluding the review by 2021 probably before the MC-12, are also equally important while conducting the review. The LDC group stands ready to constructively engage with the entire review process of the Agreement.

4.39. The delegate of the European Union indicated the following:

4.40. The EU welcomes this agenda item and the reporting by the Chair on his consultation. The EU considers that the overall review process should not be excessively burdensome nor disproportionate with the objective of implementing fully the Agreement. A factual report produced by the Secretariat would certainly facilitate the process. Informal sessions within the days already booked for the TFC meetings should also be planned, to facilitate progress on this matter.

4.41. Our common objective should be to have a comprehensive consensual report by the end of the year, with success stories for communication purposes

4.42. We should have a comprehensive and realistic image of where we stand in terms of implementation of the Agreement. In light of its timing, the review could also be the opportunity to understand better how COVID-19 has impacted - and continues to affect - operations of customs globally and how Members reacted/adjusted to the challenges.

4.43. In order to start the process, we would welcome that developing countries and LDCs continue updating their notifications on their needs for assistance and their state of play of implementation and the challenges related to their implementation.

4.44. This exercise should also be the opportunity to consider how we can improve our working methods. We mention the need to improve the agenda setting regarding the notifications.

4.45. In addition, to ensure sufficient preparation ahead of the meetings, for specific trade concerns and for dedicated session on aid, the agenda should be set well in advance. In order to ensure that expertise is available during our discussions, we should encourage that experts from Capitals support delegates in Geneva remotely. To do so, we would favour that meetings of the TFC be, whenever possible, back-to-back with the WCO meetings in order to facilitate the presence of customs experts.

4.46. We are open to test and try how an e-agenda (on a pilot basis) could help. Although this committee does not have STCs, we consider that these working arrangements should be considered to improve our efficiency. This system might ensure that agenda points are known earlier which would facilitate the work of this committee.

4.47. We should also encourage the participation of businesses in seminars organized back to back to TFC meetings, to inject some reality check to our work. Econometric analyses can also be of use even if they will never replace the assessment at the border by operators. One may consider extending good working practices implemented by other WTO committees or in the WCO. For instance, we could invite WCO to inform us on its interaction with business, its reports and how these inputs feed into its work.

4.48. The Chair proposed that the Committee conduct a review following the steps and dates presented at the informal consultations of the 26 February and circulated to Members that day.

4.49. It was so agreed.

5 REQUEST FROM THE GLOBAL EXPRESS ASSOCIATION TO ADDRESS THE TRADE FACILITATION COMMITTEE - REPORT ON CONSULTATIONS BY THE CHAIRPERSON

5.1. The Chair recalled that at the Committee meeting of 20 October 2020, a request to address the Committee from the Global Express Association (GEA), which represented DHL, FedEx, and UPS, had been brought to Members' attention. Following the Committee meeting, the GEA had sent a letter to the Chair of the TF Committee outlining their request in more detail. This letter had been circulated to the Committee on 9 December 2020.

5.2. An informal meeting had been convened on 13 January to have a first consultation on the request. The Secretary of the Committee had outlined the practice in other WTO Committees regarding their engagement with the private sector. There followed an exchange of views and there was interest expressed in the Committee to accommodate the request. Different suggestions had been expressed to how that might be done including through thematic sessions. Views had also been expressed that the engagement should not be too narrow by hearing the views of only one sector.

5.3. It was agreed at the Committee meeting of 22-23 January that the Chair would carry out consultations in order to have an exchange of views on how to engage with the private sector, taking into consideration that the GEA was not part of the Annex D organizations. Consultations had taken place between 17 and 24 February as part of the consultations on the four year review of the TFA. Once again, it was clear from delegations that there was general support to accept the GEA's request. Accordingly, the Chair had proposed to hear from the GEA as well as other interested private sector organizations on the margins of the April meeting of the Committee.

5.4. If this was agreeable, the Chair would submit a reply to the GEA and suggest holding a webinar on the margins of the April Committee meeting to which Committee Members could attend if they wished.

5.5. It was so agreed.

6 RECENT AND UPCOMING ACTIVITIES

Update on Activities of the Trade Facilitation Agreement Facility (TFAF)

6.1. The representative of the TFAF indicated that the update covered activities since the last report at the Committee meeting of 20 October 2020.

6.2. The report started with a big thank you to the new donor to the Facility—the Czech Republic. A donation had been received at the end of 2020.

6.3. In the period since October 2020, the biggest focus of the Facility's work had been on the website and grant program.

Website

6.4. Work continued on a much-needed upgrade. It was the first upgrade since its launch in 2014 and would enhance the user experience and allow the TFAF to provide new features and functions. The aim was to have a soft launch of the new version by late spring and an official launch approximately one month later.

6.5. The Facility had continued to add resources and partners to the TF and COVID-19 Repository. The TFAF, working with the International Air Transport Association (IATA), Annex D organizations and other partners, had created a searchable repository to facilitate access to TF and COVID-19 related resources in one location. This repository now contained around 400 resources from approximately 30 organizations and associations. It could be found on the TFAF website under the media and resources tab.

6.6. A new page had been added to the website under "Grants" that provided information on the grants that had been awarded. The page revealed information on the Member or regional

organization that had received the grant, the TFA provisions covered, and the project implementation period. It was also possible to download the application.

TFAF Grant Program

6.7. Seventeen Members had completed an expression of interest (EoI) application. This was the first step of the TFAF grant process in which a Member that applied first provides information on the TFA provisions for which it required support. This information was then circulated to donors and development partners to see if anyone can assist with implementation.

6.8. Of these seventeen EoIs, four had triggered a response from donors that could provide the necessary assistance. In these cases, the Facility put the donor and Member in touch and TFAF stepped out of the picture. The Facility would relaunch the process if the Member later signalled a continuing need.

6.9. Unfortunately, one Member that had applied was in arrears and currently not eligible. Another was a WTO Observer and therefore only eligible for the Expression of Interest process, but not eligible for a grant.

6.10. The remaining eleven requests had moved to the next step of the process which was a TFAF project *preparation* grant. The project preparation grant was conducted by a consultant who worked in close cooperation with the requesting Member. It resulted in a project proposal that could be provided to donors and development partners. An important role of the consultant was to help identify potential donors. If no donor was found, then the project proposal provided the information needed for a TFAF project *implementation* grant. Of these 11 requests:

6.11. One project preparation grant had been completed for Grenada for eight provisions of the TFA. The TFAF, the consultant that prepared the project proposal, and Grenada were currently in discussions with a potential donor. If this was not successful, or a donor/development partner could not assist with all eight TFA provisions, then Grenada could apply for a TFAF project implementation grant for any of the eight provisions requiring support.

6.12. Two project preparation grants would be completed in March for Namibia and the Dominican Republic. The consultants working on these grants were already working to help identify donors for implementation. Two potential donors had already signalled they might be able to assist Namibia.

6.13. Four more project preparation grants had recently been awarded and would finish at various times in the coming months—Guyana (10 measure), CARICOM (regional, one measure), Jamaica (one measure) and Mongolia (four measures) had all been awarded grants, with consultants identified and contracted

6.14. Project preparation grants were ready to launch for an additional four Members. The Facility was only waiting for final approval from each Member before signing contracts with the consultants—Sri Lanka, Bangladesh, Nepal and Kyrgyz Republic

6.15. An additional ten Members had expressed interest in the TFAF grant program but had not yet provided all the information necessary for the Expression of Interest. At this stage, not much information was needed but it was necessary to send donors sufficient information on implementation needs so they could determine if they could assist.

6.16. To provide further clarification on how the grant process worked, following this report, Grenada, Namibia and the Dominican Republic would share their experience with Members.

6.17. So far, the requests were all for multiple provisions of the TFA; some for as many as ten or twelve provisions. It was hoped that donors would be able to provide the necessary implementation assistance. If all the needs signalled by the current applicants became project implementation grants, this would exceed the current TFAF budget. It would then become necessary to reach out to donors to discuss this situation.

Coordination of Partner Organizations

6.18. The Facility had continued to stay in close communication with partner organizations. They had been encouraged to keep information on their assistance programs on the TFAF contact point and profiles webpage.

Activities

6.19. In light of the intervention made by the United States at the Committee meeting in October 2020, the TFAF had curtailed participation in activities and events during this period. They had tried to continue to provide support in other ways. For example, the LDC coordinator circulated the links to TFAF's "How to Prepare Notifications" webpage before the February 2021 deadline and there had been a big increase in hits to this page.

6.20. After consulting with the new Chair, the TFAF had reached out to the United States to begin discussions on their concerns and suggestions. It was appreciated that they had raised their concerns in the Committee given that if any changes needed to be made to the Operational Guidelines then the Membership needed to be involved.

6.21. The Operational Guidelines set out the TFAF structure, activities, and reporting requirements to the Membership, and they met the requirements of the donors that provided funds to the Facility trust fund. In creating these guidelines, various groups had been consulted and had provided inputs: the LDC Group, African Group, ACP Group, and the broader donors. Draft copies of the Guidelines had been made available at Trade Facilitation Preparatory Committee meetings to ensure all Members had been reached.

6.22. Creating the Guidelines had been a yearlong process and it had involved numerous revisions based on Members' input that each had to be circulated again for comment. This process had continued until all Members were satisfied with the result. The Facility was happy to repeat this process, if necessary, if it would lead to changes that would help TFAF better serve the Members.

Reports

6.23. The Facility was preparing the annual report for 2020 and would aim to make it available on the TFAF website well before the end of June 2021 deadline, as required in the Operational Guidelines.

Aid4Trade – panel

6.24. At the request of the LDC group, the TFAF, along with the World Bank Group, were collaborating on a panel for the Aid for Trade Stocktaking event on trade facilitation and COVID-19.

6.25. The A4T event would be virtual for the first time. The organizers of the individual panels were required to advertise and manage registration for their panel through their own website. The Facility was pleased to coordinate this panel through the TFAFacility.org website. The information could be found through the homepage. The LDC focal point from Nepal would provide details about this TF and COVID-19 panel session.

6.26. The delegate of Nepal, also on behalf of the LDC Group, indicated the following:

6.27. I wish to thank the TFAF for the reporting update. I am pleased to inform that the LDC Group, in collaboration with the World Bank Group and the WTO Trade Facilitation Agreement Facility are organizing a session entitled "Trade Facilitation, Critical for COVID-19 Recovery" during the upcoming Aid for Trade Stocktaking Event. In this session, participants will learn from a variety of experts about the challenges faced by border agencies when COVID-19 started and how trade facilitation was critical in overcoming these challenges. The speakers will share lessons learned that will also provide guidance for the distribution of vaccines and COVID-19 recovery phase. The session will focus on issues and solutions in developing and least-developed countries and small island developing states. The session will take place on 25 March at 15h30–17h00. It will be held on Zoom and we will have interpretation in the 3 WTO official languages. Participants need to register online

in order to attend the session. More information, registration link can be found www.tfafacility.org webpage.

6.28. The delegate of Namibia indicated the following:

6.29. We thank the Facility for the report, and we are very glad that two donors have shown interest to assist Namibia. Namibia is fully committed to implement all categories of the Trade Facilitation Agreement. However, for the implementation of some of these categories, especially B and C, Namibia still has challenges to implement some of the commitments. For example, the online trade information portal used to be under the Ministry of Finance which does not function anymore. On the recent and upcoming activities, Namibia received a project preparation grant from TFAF for eleven category C provisions. The consultant is working on the project proposals for these provisions. The TFAF Team during this time worked with Namibia under very extreme conditions.

6.30. As you are aware, COVID-19 has made it difficult especially when it comes to meeting face-to-face. Once the consultant is done with the proposal, it will be submitted to the National Trade Facilitation Committee of Namibia for inputs and approval before the application of TFAF for the implementation of the grant. The project proposal resulting from this grant will be finalized on 31 March 2021. We hope that this project proposal will help Namibia to find donor support for the implementation of the identified provisions under the TFA Agreement. The consultant has already undertaken some initiatives to engage donors both in Namibia as well as in the SACU region. To conclude, Namibia has eleven activities under category B and C that are due for implementation in December 2021. Hence it is very important that assistance through donor funding is provided in order to implement them. In addition, Namibia is currently in the process of establishing the National Single Window Facility to complement the implementation of the TFA. In this regard Namibia is currently identifying areas in which assistance is required to implement all the project.

6.31. The representative of Sri Lanka indicated the following:

6.32. We thank the TFAF and the Secretariat for this very detailed and comprehensive presentation. We heard the other interventions where they were suggesting or indicating rather very positive pictures about the usefulness of the Facility. Sri Lanka's experience has not been quite so rosy. I should not say disappointing but it has not been so positive. The reasons are twofold - because we had certain category C commitments where deadlines are due to expire toward the end of this year and in addition, we have some categories which run to 2023-2024 and even beyond that. There, I think we may have a lot of time but when it comes to articles that are due to expire at the end of this year, we are quite concerned as to how we are going to implement them if we do not receive the requested technical assistance.

6.33. We began this exercise by first registering areas of interest with the Secretariat. They suggested that there wasn't any positive feedback from the donors, so they wanted us to benefit ourselves from the Project Preparation Grant. Our experience suggests that there have been many experts which we have gotten from other donor assistance programmes. I should here of course mention the EU, which is the largest grant provider, I think amounting to EUR 8 million which spanned over a 4-year period. Then we also must acknowledge the assistance granted by the United States government, the World Bank Group, the Australian government and the government of Germany. Some of this assistance had enabled us to establish our trade information portal because originally it was meant to provide only the information to the importers. However, with the funding we got from GIZ and ITC, we modified the structure which enabled us to provide additional features to the information to be used by the exporters. I think that we can certainly make a presentation in the days to come about that particular modification, where not many countries have looked at the information provision to the exporter because we had also to take care of both sectors, not only importers interests, so like that I think that we have got funding. Those have really been helpful to us.

6.34. However, this PPG aspect, our capital-based officials say that there have been a lot of experts/consultants that have come and presented many ideas and some proposals. I think we are wasting a lot of money on this consultancy, but actual implementation of those project proposals is the key. The question is how do we utilize the fund to give us some additional value in meeting our requirements? Because under this PPG each country is entitled to receive 30,000 USD and I presume, that it is not in regard to the implementation of a particular article but maybe it comprises an area

of requirements. We do not have much clarity whether such consultancy will be available for the implementation of all commitments or only for an "x" number of commitments. I think we are a country that faces a dichotomy as to how we should proceed further when it comes to getting the technical assistance because as we stated, we have certain deadlines to meet by the end of this year.

6.35. Regarding the single window, the World Bank carried out many studies and there had been a lot of delays in releasing the feasibility studies. This has really put us in difficulty. The World Bank were supposed to come up with a suitable model for Sri Lanka to adjust when it comes to implementing the single window. We have a lot of delays when it comes to the releasing of such studies. Sometimes when there are delays, the kind of models that they have proposed become absolutely redundant so again we have to look at the new environment like the COVID-19 challenges.

6.36. Our experience has not been very positive when it comes to attracting technical assistance under the TFA and we would like to register these valuable points under this agenda item. Again, we are not blaming anyone but we will have to really look at where things have gone wrong and to address them. We hopefully wish to work with the Secretariat and our donors as to how we can resolve this issue.

6.37. The delegate of Vanuatu indicated the following:

6.38. Vanuatu is a very small country in the Pacific. With regard to the Trade Facilitation Agreement Facility, the constraints raised by the previous speaker are noted and I wanted to express the view that of course there is funding limitation under the TFA Facility. My understanding is that for us in Vanuatu, we have received some funding support from the Enhanced Integrated Framework (EIF), from Australia, from UNCTAD, from the EU, from New Zealand and our PACER Plus Agreement. We are very grateful for that and thank you to the TFAF representative for the report that you have just done.

6.39. I thank all the countries who have given so generously to the Facility and I ask that more give in this Facility because we know that the WTO is managing the funds in a very prudent manner and we like that. However, we think there should be more funding. Donors who are listening, please provide more funding to the Facility.

6.40. The delegate of the United States indicated the following:

6.41. The United States thanks TFAF for its report and looks forward to the Secretariat circulating the TFAF guidelines for Members' review. The United States is happy to meet again to discuss this issue, and in the meantime, we ask TFAF to maintain its current approach and only fund grants.

6.42. The Chair read the following statement from the Dominican Republic, on its behalf:

6.43. The Dominican Republic recently received a project preparation grant from the WTO's Trade Facilitation Mechanism for three provisions of the Trade Facilitation Agreement that we notified under category C. After circulating our needs to donors in an expression of interest, the TFAF team worked with the Dominican Republic to prepare a project preparation grant for the WTO's Trade Facilitation Mechanism.

6.44. After circulating our needs to donors in an expression of interest, the TFAF team worked with us during the period of COVID-19 restrictions and distance work to finalise our grant application information. The grant was approved, and the WTO TFAF hired an expert consultant with extensive experience in the region to work with us to prepare project proposals that will help us secure donor support.

6.45. The consultant is working directly with the relevant ministries and agencies of the national trade facilitation committee and has contacted donors working in our country and in the region to see if they can help. Some potential sources of support are being explored.

6.46. Before finalizing the project proposal, the consultant will meet with us to get our input and approval on the way forward, including the unmet needs that have been drafted as grant applications for the implementation of the TFAF.

6.47. This exercise has also served to further refine the needs in order to give the necessary continuity to the implementation of the measures that had already started to be implemented; foster teamwork by working towards concrete goals; deepen the existing cooperation between the actors involved; to increase the capacities of the actors involved in the implementation of each measure; to raise the awareness of a larger number of actors of the existing needs of their country in order to complete the implementation of these measures.

6.48. The project proposals resulting from this grant will be finalised by 31 March 2021. We hope that these project proposals will help us to find donor support for the implementation of the three provisions of the TFA.

6.49. The representative of the TFAF responded to Sri Lanka and indicated that the grant for the provisions they had requested was ready to launch and TFAF would contact them to see if they wanted to move forward or not, given their past experiences with PPGs. The Facility was also happy to discuss Sri Lanka's feedback with donors and see if they already had project proposals ready that could perhaps move directly into the project implementation grant as well. The TFAF would contact Sri Lanka directly.

7 OTHER BUSINESS

7.1. The delegate of the United States indicated the following:

7.2. The United States is pleased to take the floor to preview a paper we will be circulating for the next Trade Facilitation Committee meeting entitled, "Revisiting the Need for Global Action to Eliminate Consularization Requirements."

7.3. During today's unprecedented global health crisis, Members are called to utilize the tools provided in TFA Article 10.1; namely, to review trade requirements and minimize unnecessary and costly formalities, including consularization requirements.

7.4. Traders, in particular MSMEs, are struggling to operate amid disrupted supply chains, hampered cross-border mobility, and sharp increases in trade costs due to the pandemic.

7.5. The US paper will make the case for eliminating consularization. We look forward to having future discussions on this very timely and important issue.

7.6. The Chair thanked the United States for the preview on their paper and looked forward to seeing it and discussing it in future meetings. As for the dates of the next Committee meetings, as agreed by the Committee at its last session, as well as considered in the roadmap for the four year review of the TFA, the next confirmed dates of the next meeting will take place on 22 and 23 April, 22 and 23 June, 27 and 28 July and 19 to 21 October.

7.7. The Chair reminded Members of the new feature with respect to the e-registration system. The e-registration delegation coordinator was now able to identify the delegates for Councils, Committee, or other bodies. This information would show up when scrolling through the directory. It was also possible to sort the delegate list by Council, Committee or Body and create a mailing list to simplify reaching out to groups of colleagues. It was appreciated that this information would be shared with colleagues in each delegation and also that delegation coordinators, if they have not already done so, would provide that information through the e-registration system. It was to be a handy tool to identify who the counterparts were in specific committees or councils and it was quite user friendly. He encouraged delegates to register the WTO Committees and Councils or other bodies for which they were responsible.

7.8. The Committee agreed to invite the Annex D organizations as well as the Global Alliance on Trade Facilitation to the next meeting.

7.9. The meeting was adjourned.
