

# ***International Perspective: Trade Facilitation Agreements & International Cooperation***

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# ***Outline***

- ***Commonwealth Connectivity Agenda***
- ***Caribbean-Basics- Economics, Challenges, opportunities***
- ***Regional Trade Agreements***
- ***Preferential Trade Agreements***
- ***Trade Facilitation Index***
- ***WTO TF Agreement- Transparency, predictability, harmonization and standardization***
- ***Caricom***
- ***Case studies***
- ***Way Forward***

# Commonwealth Connectivity Agenda

- April 2018 CHOGM adopted CCA for trade and investment
- 2trillion USD intra-Commonwealth trade by 2030
  - Improving regulatory regimes across the Commonwealth
  - Creating enabling business environment
  - Developing participatory regulatory reform

## Pre-Covid:

- Employment
- 50000 jobs per day (2018 estimates for 53 member countries)
- 17.5 million new jobs to be created each year till 2030 against 12 million annually from 2003-2016
- Employment creation—New investment---Trade flows-- Regulatory integration

# Response

- Augment trade and investment among member countries
- Ensure transparency and predictability
- Harmonize and standardize legal and procedural requirements
- Address trade barriers
- Promote public private partnerships
- Expedite/simplify clearance procedures
- Develop Regional value chains
- Foster digital economy with a view to boosting economic growth and innovation
- Promote regional and intergovernmental cooperation

## Focus

- World Trade Organization (TFA)
- CARICOM
- EU-CARIFORUM EPA
- Organization of East Caribbean states (OECS)

# Caribbean and LA in brief

- GNI per capita- 800USD to 30000USD
- Population 655 million (2021)- annual growth 0.7%
- [Poverty headcount ratio at \\$2.15 a day \(2017 PPP\) \(% of population\)](#): 4.3
- Main exports (27, Mineral fuels, mineral oils, 28, Inorganic chemicals; 29 organic chemicals; 71, precious or semi-precious stones, 61, apparels 72, Iron and steel)
- Main imports (27, Mineral fuels, mineral oils and products of their distillation; 89,- Ships, boats and floating structures, 84,-Machinery, 99, 97, 85)
- Challenges- Climate change, natural disasters, Pandemic affected tourism- economy contracted by 8.6 % in 2020 and by 12.6 % excluding Guyana
- Opportunities: blue economy, tourism, commodity production
- Way forward: investing in people and climate adaptation, improving the investment climate and connectivity, and safeguarding the environment.

# PTAs and RTAs

Canada - CARICOM (Early announcement)

Caribbean Community and Common Market (CARICOM)

EU - CARIFORUM States

United Kingdom - CARIFORUM States

# Preferential Trade Agreements

- Generalized System of Preferences – Armenia
- Generalized System of Preferences – Australia
- Generalized System of Preferences-Canada
- Generalized System of Preferences – Kazakhstan
- Generalized System of Preferences- Kyrgyz Republic
- Generalized System of Preferences- Russian Federation
- Generalized System of Preferences- Switzerland
- Generalized System of Preferences- United States
- Commonwealth Caribbean countries tariff Canada
- Caribbean basin economic recovery act-USA



# Trade Facilitation Index

Countries	Overall	Info Av	Inv Trad Comnty	Adv Ruling	Appeal Proc	Fees & Chrg	Documen ts	Automati on	Procedur es
Antigua and Barbuda	0.765	0.70	1.00	0.000	0.75	1.17	1.13	0.56	1.14
Barbados	0.596	0.79	1.00	0.571	0.57	1.17	0.63	0.56	1.05
Belize	0.518	0.63	0.67	0.000	0.50	1.00	0.88	0.33	0.59
Dominica	0.836	0.90	1.60	0.286	1.63	1.33	1.00	0.33	0.95
Jamaica	0.829	0.90	1.50	0.286	1.44	0.33	0.88	0.67	0.96
Suriname	0.414	0.20	0.83	0.000	0.75	0.50	0.88	0.33	0.64
Trinidad and Tobago	1.104	1.20	1.50	1.429	1.44	1.42	1.33	0.89	0.96
Caribbean	---	1.19	1.25	1.099	1.30	1.40	1.18	1.10	1.27

# WTO-TFA

## WTO TFA Objectives:

- Expedite movement, release & clearance of goods
- Improve cooperation between customs/other authorities
- Enhance technical assistance and build capacity

# WTO-TFA

- Approximately thirty-five technical measures
- Impose obligations on WTO members to:
  - 1) increase **transparency**;
  - 2) improve **governance** through disciplines on rule and decision-making processes;
  - 3) implement streamlined and modernised **border procedures** and control techniques; and
  - 4) enhance the movement of goods in **transit**

## TF Measures

- Transparency and Appeals
  - Publication/internet publication
  - Enquiry Point for trade information
  - Opportunity to comment
  - Consultations
  - Advance rulings
  - Right of appeal
- Transit
  - Restrictions on fees and charges
  - Use of guarantee

## TF Measures Contd

- Import/Export/Transit Fees & Formalities
- Disciplines on fees
- Pre-arrival processing
- Risk management
- Post clearance audit
- Publish average release times
- Authorized operators
- Border agency cooperation
- Review formalities and documents
- Single window
- Eliminate use of PSI for tariff classification and customs valuation.
- Separate release from clearance
- Customs cooperation

# Caribbean Countries TFA Commitments

	Cat A (%)	Cat B (%)	Cat C (%)
Antigua and Barbuda	37		
Barbados	36.6		
Belize	33.6	15.1	51.3
Dominica	50.8		
Grenada	73.5	8.0	18.5
Guyana	73.1	2.9	23.9
Jamaica	13	23.1	63.9
Saint Kitts and Nevis	67.6	8.0	24.4
Saint Lucia	49.2	29.4	21.4
Saint Vincent and the Grenadines	54.6	8.4	37.0
Suriname	10.1		
Trinidad and Tobago	21.4	8.0	70.6

# CARICOM

- Regional TF Strategy
- Regional Trade potential
- only 12% of CARICOM Trade regional, compared to 50% in Asia and 70% in Europe
- Reduced intra regional trade costs
- Encourage productive synergies and strengthens regional value chains
- Increases region's attractiveness and competitiveness to interested investors
- Mainstreaming Regional best practice
- Identify and address key regional trade constraints

# CARICOM

- Approved by the 45th Meeting of the CARICOM Council for Trade and Economic Development (COTED)
- Regional strategy for TFA implementation
- 18 Priority Category C measures
- Targets (5) Priority areas for implementation -Transparency Provisions  
-Test Procedures -Single Window -Risk Management -Post Clearance Audit
- Implementation modalities
  - Regional support for national implementation
  - Regional support to implementation



# CARICOM

## Regional support for national implementation

- Legal (modal legislations)
- Administrative/operational support (Modal harmonized SOPs Model harmonized forms + documents Guidelines for establishment/operation of national administrative bodies)
- Capacity building (Regional training seminars)
- Regional coordination (Regional committees to monitor and support national implementation )

# CARICOM

## Regional approach to implementation

- Implement Regional and/or Sub-Regional Trade Information Website
- Establish Regional Trade Information Enquiry point
- Establish Regional Risk Management System and Data Exchange
- Establish Regional Advance Rulings Unit
- Publish Practical Guide to CARICOM Harmonized Procedures
- Recognize Findings of Regional Laboratories
- Establish Mechanism for Regional Representation in International Standards Setting Bodies

## **EU-CARIFORUM Cooperation**

- Standards equivalency -CARICOM and Dominican Republic
- Work on standards legislation
- member states supported for adoption of regional standards
- Regional standardisation procedures modernised and regional priorities being elaborated
- ACP-EU TBT Programme- Drafting of technical regulations

# Organization of East Caribbean states (OECS)

- Integrated Border System Project (A Maritime Single Window)
- Dual border system
- Internal border for members of CU
- External border for non members

# Case Studies

The ASEAN-WIDE Self-Certification Mechanism (AWSCM)

[ASEAN-wide-Self-Certification-Guidebook-web.pdf](#)

Under ATIGA (ASEAN Agreement for Trade in Goods), the scheme enables a Certified Exporter to self-certify the origin of the goods to obtain preferential tariff concession. It eliminates the need to apply for a Certificate of Origin or ATIGA Form D

- **ASEAN Solutions for Investments, Services and Trade (ASSIST)**

[What is ASSIST? - ASSIST ASEAN - Solutions for Investments, Services and Trade](#)

- Consultative platform for expedited and effective solution of operational issues related to the implementation of ASEAN preferential agreements
- Regional information portal available for enterprises from ASEAN enterprises covering: tariff and non-tariff measures, cross-border services and measures limiting investment

- ASEAN Single Window (ASW)

### [ASEAN Single Window - ASEAN Main Portal](#)

Enable exchange of trade-related documents, such as ASEAN Customs Declaration Document (ACDD), electronic Phytosanitary (e-Phyto) Certificate and electronic Animal Health (e-AH) Certificate)

- ASEAN Trade Repository (ATR)

### ASEAN Trade Repository

An electronic platform for the public access of regulatory and tariff information of and other trade-relevant information;

Enhances transparency on trade and customs laws and procedures of ASEAN Member States;



- **EAC' s One-Stop Border Post**

[East Africa's One Stop Border Posts and cross border trade efficiency \(theexchange.africa\)](http://theexchange.africa)

- Promotes simplification of controls at borders through a one-time check at the border between two countries
- 13 already fully operational

- **EAC Regional Trade Information Portal**

[EAC Trade Portal](#)

- Electronic Platform outlining step-by-step guides on licenses, pre-clearance permits and clearance formalities for the most traded goods within, to and from the EAC;
- **Trade Facilitation Index (TFI)**
- tool for EAC Member States to track and measure progress on TF measures and exchange good practices (Internal to authorities)

- SACU's Regional Customs Policy

[customspolicy.pdf \(sacu.int\)](#)

- Framework for implementing a regional customs cooperation strategy;
- Coordinates modernization efforts and identifies regional cooperation priorities;
- Outlines the necessary institutional structures to be implemented

# International cooperation

## **Way Forward**

- Institutionalize Stakeholder engagement at the regional level
- Mainstream Regional best practices
- Implement the regional TF strategy
- Fully implement and resource the Regional Trade Facilitation Committee
- Adopt common benchmarks and harmonize performance indicators at regional level
- Integration and digitalization of customs procedures
- Centralize the communication with Donor Agencies and international partners on the implementation of TF projects
- Communicate and learn from other international best practices
- Digitize information, communication and border procedures
- Augment coordination and cooperation among customs authorities

THANKS