

**THE INTERNATIONAL FORUM ON TRADE FACILITATION**  
**Geneva, 29-30 MAY 2002**

**CHAIRMAN'S CONCLUSIONS: THE WAY FORWARD TO FACILITATE TRADE**

On 29/30 May 2002, the International Forum on Trade Facilitation provided the opportunity to:

- Define the Trade Facilitation Agenda for 21<sup>st</sup> Century
- Set the framework for this agenda
- Discuss the role of the business community and of the International Organisations
- Analyse the stake of developing and transition economies and Trade Facilitation
- Design the way forward

The Forum expresses its deep recognition to UNECE and other organisers of the event as well as to the sponsors for their contributions for the thorough preparations and the conduct of such a useful and timely event. The Forum also expresses its gratitude to the speakers and rapporteurs for their valuable contributions to the success of the meeting.

**I      Defining the Trade Facilitation Agenda for the 21<sup>st</sup> Century**

(1) The International Forum on Trade Facilitation provided the opportunity to deliberate on how to make the best substantive contribution to the development of global commerce through trade facilitation measures which, when implemented, will increase the economic growth of countries, and contribute to the prosperity of their citizens and to poverty alleviation. The ongoing efforts of all private and public based actors, especially UNECE, to develop and promote trade facilitation have been highly appreciated. The Forum reiterated the commitment of the United Nations Millennium Declaration to develop further an open trading system that is rules-based, predictable and non-discriminatory, as well as the call of the Monterrey Consensus to mobilise resources for the promotion of international trade as an engine for development and the commitments contained in the WTO Doha Development Agenda. They stress that Governments should adopt trade facilitation as a key policy issue in trade, transport, customs, standards and testing procedures, and related strategic development areas for the benefit of producers, distributors and consumers.

(2) The Forum has clearly indicated that delays in clearing goods through customs and transporting them across borders, together with the imposition of burdensome procedural requirements, add costs but not value to the international movement of goods with consequent disadvantage to governments, taxpayers, economic operators and consumers. It was stated that trade facilitation has the potential to improve duty collection and enforcement of justifiable regulatory controls, enhance customs integrity, save time and money for traders, improve the domestic climate for foreign investment, trade and economic activity, and thereby offer considerable benefits to all countries, and particularly to developing countries and small and medium-size enterprises (SMEs). In this sense, it is important to make the best use of the merits, for good governance, of better regulation, transparency, and due process and of the rapidly expanding capabilities in electronic communication. It is important to consider the contribution trade facilitation can make to sustainable development by the more efficient use of infrastructural assets.

(3) The Forum acknowledged the particular difficulties and extra costs born by landlocked countries and note that neighbouring maritime countries may also benefit considerably from helping them expand their trade.

(4) The implementation of agreed international trade rules and procedures will assist in the adoption of the highest standards and best practice, which will facilitate the faster movement of goods and efficient provision of related services, and reduce cost, whilst addressing security concerns;

(5) The Forum stressed that trade facilitation has political, economic, business, administrative and technical dimensions. Accordingly, dealing with trade facilitation issues requires not only addressing rationalisation of trade and administrative procedures and, especially for developing countries and economies in transition, infrastructural problems and capacity weaknesses as well as technological issues at national, sub-regional and regional levels.

(6) In this sense, it will be important that industrialised countries and other countries which have capacity and resources as well as international institutions should ensure that proper provision for technical assistance and capacity building for developing and transition economies is incorporated in their policy strategies and in future work in the WTO. At the same time, it is important that developing and transition countries work on streamlining their border-crossing procedures and requirements (as regards imports, exports and transit). It is important that Governments, the private sector and the broader community make the necessary legal and operational changes to adopt a number of practical steps to facilitate trade:

## **II      Setting the Framework**

(7) The Forum noted that the development of a network of trade facilitators from the private sector, national authorities and international organisations will set the basis for an enhanced common action to further develop a framework of trade facilitation and its implementation.

(8) Both public and private sector organisations involved in trade facilitation today should follow a multi-track approach that focuses *inter alia* on:

- Harmonising and implementing existing standards and UNECE tools, and
- Developing the next generation of rules and standards to facilitate the emerging electronic economy.

It is understood that such efforts can only be beneficial to all stakeholders if the necessary infrastructure is in place and resources are available. International organisations should adopt Information and Communication Technology (ICT) strategies that incorporate open standards, which enable the timely flow of accurate information involved in the life cycle of trade.

## **III     Implementation: the Role of the Business Community**

(9) Public-private cooperation is essential for the successful implementation of trade facilitation. Governments should invite and encourage the involvement of the private sector, for example, through appropriate consultation mechanisms, joint public-private initiatives and the proper support of national trade facilitation bodies. The private sector should develop and strengthen their professional organisations such as chambers of commerce, industry

associations, standards development organisations, and freight-forwarders association to work constructively and imaginatively with public bodies.

(10) The business community as well as governments and international organisations should support further empirical research in such areas as costs and benefits of trade facilitation and benchmarking. New tools, standards and concepts in trade facilitation, such as UNeDocs, ebXML, the Single Window approach, and other measures to support e-business and global supply chains, should be developed and implemented.

#### **IV Achieving an Open and Inclusive Environment: the Role of the International Organisations**

(11) International organisations should work together in an open and fully transparent environment to develop appropriate strategies and mechanisms of coordination and cooperation in order to enhance synergies and mutually supportive actions. This will be cost-efficient, fully coordinated, and will enhance policy coherence in tackling the issues of development and peace.

(12) Governments should consider integrated and targeted sub-regional, regional and international approaches to broadening the scope and enhancing the benefits and cohesion of customs, trade and transport facilitation projects. In this context, the United Nations agencies including the Regional Commissions should play a strong role in supporting and developing technical cooperation initiatives for the implementation of trade facilitation measures and instruments, in cooperation with the other relevant international organisations. The Forum recognises the importance of the cooperation of the United Nations regional commissions in the area of trade facilitation. It recommends the regional commissions to develop, in collaboration with relevant UN agencies, a common project on capacity building for trade facilitation that would address the following components on an incremental approach, making the best use of the existing infrastructure:

- Trade facilitation policy and implementation issues;
- Technical assistance to governments;
- Capacity building for small and medium-size enterprises (SMEs) in electronic business;
- Support to countries, sub-regions and regions formulating negotiating objectives and strategies on trade facilitation.

(13) The better implementation of trade facilitation will be significantly reinforced by future work in the WTO. This future work may assist various countries to use trade facilitation to strengthen the rules-based, equitable and predictable multilateral trading system. The ongoing GATS negotiations provide an opportunity to address specific facilitation issues, such as speeding up transit and transport, lessening the cost of financing, increasing competition and transparency in the services sector.

(14) Furthermore, the ongoing work in WIPO contributes to trade facilitation actions in the implementation of Intellectual Property Rights (IPRs).

(15) Anticorruption practices in Customs administrations and in other related organisations must be addressed by national authorities and international cooperation be strengthened in this field, namely within the framework of the Revised Kyoto Convention on Customs Procedures

and the Arusha Declaration of the WCO, as well as within the other relevant international organisations, both governmental and non-governmental.

(16) The relevant international organisations, especially UNCITRAL, UNCTAD and UNECE, should effectively collaborate in order to ensure that the legal dimension of facilitating trade procedures is given due consideration.

(17) Information and Communication Technologies (ICT) meeting the needs of developed as well as developing countries and vulnerable economies in transition are a key tool for trade facilitation. The ITU, UNECE and ISO/IEC should strengthen and streamline their contribution to making ICT standards and tools facilitating trade. The United Nations ICT Task Force for Development should support this work and raise these issues at the World Summit on the Information Society.

## **V      The stake of Developing and Transition Economies in Trade Facilitation**

(18) Trade facilitation is a multi-faceted phenomenon and it is a complex, time- and resource-consuming issue. Therefore, infrastructure development and capacity building is a critical requirement for developing countries, transition economies, landlocked and small island states. Different countries face different constraints and have different needs. These should be identified and analysed to provide tailor-made solutions to enable these countries to comply with improved standards, to render cross-border transactions more efficient and to build infrastructure and ICT capacity. In this task, the importance of an integrated approach was highlighted, as well as the need for collaboration between public and private sector, bilateral donors and inter-agency work programmes.

(19) Donors should incorporate adequately designed, funded and coordinated trade facilitation activities into ongoing and new trade and transport related programmes for technical assistance and capacity building in this area. Beneficiary countries should clearly identify and prioritise their assistance needs. United Nations agencies and other relevant international organisations should also address this issue. Beneficiary countries should be proactive in this respect.

## **VI     The way forward and conclusions**

(20) Strong political will from both governments and the business community is a prerequisite for the successful development and implementation of trade facilitation strategies and initiatives. National and international business and government organisations are encouraged to collaborate to deepen the awareness of key decision makers regarding the issues and opportunities related to trade facilitation.

(21) With the support of international organisations, governments and the business community should work cooperatively to develop strong national, regional and international trade facilitation implementation plans, focussing on the establishment of an appropriate legal and administrative framework and the removal of impediments to trade.

(22) UNECE is invited to convene a second Forum in June 2003 to assess the progress achieved by then. In the meantime, other Regional Economic Commissions, in collaboration

with the UNECE, may wish to organise regional fora with the participation of all key stakeholders in their regions in order to enhance the awareness of the importance of trade facilitation for developing countries and economies in transition.

**As chairman of this closing session, I note that:**

- **The two-day Forum has highlighted the need for supporting the implementation of the recommendations and standards developed by UNECE for trade facilitation on a global basis;**
- **Work in WTO should:**
  - **contribute towards the implementation of trade facilitation instruments developed in other fora;**
  - **examine WTO provisions and instruments in the light of trade facilitation objectives;**
  - **develop an instrument on trade facilitation; and**
  - **contribute to technical assistance and capacity building in the area of trade facilitation;**
- **all international organisations should increase their cooperation with a view of achieving greater coherence in trade facilitation activities and should define a common strategy at a round table of trade facilitation stakeholders;**
- **the private sector should enhance its dialogue with all governmental actors in the field of trade facilitation in order to establish national trade facilitation focal points and a more active involvement of all governments in international activities on trade facilitation.**

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