



United Nations Economic Commission for Europe

Capacity-Building Workshop on the WTO Trade Facilitation Negotiations for WTO Members from Eastern Europe, Central Asia and the Caucasus

12-13 June 2006, Chisinau, Republic of Moldova

(agenda)

http://www.unece.org/trade/workshop/cis_moldova_0606.doc

BACKGROUND

The WTO General Council adopted on 1 August 2004 a Decision on the Doha Work Programme, generally known as a “July Package”, which defines modalities for negotiations in the current round of trade talks. Among others, the “July Package” also includes the “Modalities for Negotiations on Trade Facilitation”, which mandate the WTO Members to launch negotiations on trade facilitation. The Modalities provide that negotiations shall aim to clarify and improve relevant aspects of Articles V, VIII and X of the General Agreement on Tariffs and Trade (GATT) 1994. They also assure that more effective technical assistance and capacity building for developing countries and low-income transition economies should be carried out, and this should be realized as part of a collaborative approach among international organizations. This mandate was directly reflected in the Work Programme of the Negotiating Group on Trade Facilitation that launched its work in November 2004.

Since then the WTO Members started making suggestions for issues to be included in the negotiations for a new agreement on trade facilitation. On this basis, the WTO secretariat prepared an ordered list of proposals, which was submitted to the WTO Ministerial Conference in Hong Kong in December 2005 as *WTO Negotiations on Trade Facilitation: Compilation of Members' Proposals*, document TN/TF/W/43/Rev.4 from 31 October 2005. Further, WTO members are submitting text-based proposals intended for inclusion in a draft WTO Agreement on trade facilitation, which can be prepared in a first draft version in July 2006. The 15-16 February 2006 meeting of the WTO Negotiating Group on Trade Facilitation, its first since the December Ministerial Conference in Hong Kong, saw a flurry of new proposals. The eight new submissions addressed all three articles of GATT 1994, which the trade facilitation negotiations are supposed to clarify: freedom of transit for goods from other Member states (Article V), trade-related fees and formalities (Article VIII), and transparency in the regulation and administration of trade regulations (Article X). From the Compilation of proposals (WTO document TN/TF/W/43/Rev.6) it becomes clear that the scope of proposed measures extends beyond the GATT articles V, VIII, and X, and beyond the interpretation of trade facilitation from the perspective of purely Customs issues.

Four countries of the former Soviet Union acceded to the WTO since 1998, namely: Kyrgyzstan (December 1998); Georgia (June 2000); the Republic of Moldova (July 2001); and Armenia (February 2003). They have expressed the need to understand fully the scope and content of the three GATT Articles, the related proposals put forward at the WTO Negotiating Group on Trade Facilitation (NGTF), and the impact of any negotiated outcome on their domestic policies, including the costs and benefits of the proposed measures. In particular, they must identify their needs and priorities for the implementation of possible binding agreements on trade facilitation under the WTO system, so that these needs are taken into account when they agree on the adoption of the new rules. In this sense, analysis should be made of the impact of potential commitments; and what would be the concrete costs of additional measures needed in each country to comply with the proposed measures. On this basis the countries may develop harmonized policies and requirements concerning their positions on potential assistance, Special and Differential Treatment (S&D), etc., vis-à-vis the negotiations on a new WTO agreement. A vital issue for these countries is to understand clearly the technical issues related to the proposals for developing further Articles V, VIII, and X. The key questions for them are, therefore:

- What are the key technical issues involved?
- What are the potential benefits and constraints for their economies?
- What are the possible commitments reflected in the evolving compilation of proposals?
- What is the cost of additional measures needed to implement each proposed measure in each of the countries concerned?
- What flexibilities can be provided?
- Which proposed measures the countries can address by their own means?
- Which measures the countries cannot cope with alone, and what would be the implications for capacity building and technical assistance?

Armenia, Georgia, Kyrgyzstan and the Republic of Moldova have cooperated with UNECE on trade facilitation issues, including in the WTO setting, and are willing to cooperate in the future. They fully supported the initiative to organize a Regional Workshop with their participation focused on the policies and needs involved in their participation in the multilateral negotiations on trade facilitation at a meeting of the diplomats with UNECE. In support of the idea to organize a workshop on the positions and needs of the countries in the WTO negotiations on trade facilitation, UNECE organized the preparation of a study on the situation in the four countries, which will serve as a background discussion paper at the meeting. UNECE will also offer financing for participants from the countries to the workshop from its UN Development Account project on capacity building in trade facilitation

CONCEPT OF THE WORKSHOP

1. The workshop is scheduled for 12-13 June 2006 in Chisinau, Republic of Moldova. It will be organized for the WTO negotiators on trade facilitation of the four transition countries members of WTO (Armenia, Georgia, Kyrgyzstan and the Republic of Moldova). These will include experts from both the missions in Geneva and the capitals. They will be the owners of the process, and deliberate on their positions vis-à-vis the negotiations on their own. In this sense, the participants will choose whether to keep the proceedings confidential. In addition, there will be one participant from each of the four other countries from the region applying for WTO accession: Azerbaijan, Kazakhstan, Tajikistan, and Uzbekistan.
2. The Republic of Moldova has proposed that the workshop should take two days: one focusing on presentations on the proposed trade facilitation measures in the WTO negotiations and the positions of the countries, and the second on the needs and requirements of the countries. Experts from UNECE, UNCTAD and independent experts will be invited.
3. There are three major objectives of the workshop:

- a. Enhance understanding of trade facilitation negotiators on the technical issues related to the proposals for WTO negotiations on trade facilitation (related to GATT Articles V, VIII and X) and possible implications thereof
 - b. Look at the current situation of implementing the proposed measures
 - c. Identify measures that have to be taken with a view to identify such commitments that cannot be met without external assistance
4. UNECE will provide funding to cover the travel cost for a number of participants from countries other than the host and for experts making substantial presentations from the 4th Tranche of the UN Development Account. CTPL, Canada, will sponsor the Georgian delegates, interpretation and equipment. The host country will provide the hall for the seminar.
5. The results of the background study undertaken under the auspices of UNECE will be presented, in order to provide an opportunity for constructive discussion on the positions and needs of the countries. It should include presentations on trade facilitation instruments available from UN/CEFACT and other sources to address the needs identified in the study.
6. The outcome of the workshop will focus on:
 - a. providing trade facilitation negotiators with technical understanding on the proposals and a broader view of related trade facilitation tools, standards and approaches that should assist them in (1) analyzing and negotiating technical aspects of the proposed measures; (2) assessing needs and priorities to be raised in the negotiation process; (3) determining possible future implementation priorities; (4) linking these issues to the overall strategies for economic development of their countries
 - b. developing recommendations on the harmonization of the countries' policies vis-à-vis the WTO negotiations on trade facilitation.
 - c. identifying priorities for technical assistance to be raised by the countries in the WTO negotiations on trade facilitation. This would include discussions on the possibilities and challenges to making reliable cost estimates of the necessary activities to reach compliance with the trade facilitation measures proposed in the WTO.

Programme

DAY ONE, 12 June 2006

08:30 – 09:00 Registration

09:00 – 09:20 Introductory Remarks and Welcome

Host country representative

UNECE

Moderator: Mario Apostolov, Regional Adviser, UNECE Trade

09:20 – 10:00 Session 1: Setting the Framework: Trade Facilitation and WTO negotiations

Tom Butterly, UNECE Trade Facilitation.

UN/CEFACT's Integrated Model of Trade Facilitation Implementation comprising trade, transport, banking, insurance, telecommunication, etc. Role of Governments and business; specific perspective of transition economies, notably, landlocked. Defining the scope of trade facilitation: is it limited to Customs procedures, GATT articles V, VIII, and X, or is it broader?

Emilia Cainarean, Permanent Mission of the Republic of Moldova to WTO

Why renegotiate GATT articles V, VIII, and X?

Mario Apostolov, Regional Adviser, UNECE Trade Division

What is the essence of the new proposals for negotiation (WTO doc. TN/TF/W/43/Rev.5)¹?

Maxence Orthlieb, UNCTAD Trade Facilitation

What will be the outcome of the negotiations? If a new WTO Agreement, what will be the format?

Mario Apostolov, Maxence Orthlieb, country representatives

What will be the obligations for the transition economies, WTO members, present at the seminar?

Questions & answers

10:00 – 11:00 Session two: Proposed measures for negotiation: Best practice examples

Tom Butterly, UNECE Trade Facilitation, Mario Apostolov, Regional Adviser, UNECE Trade Division

Transparency, publication of laws, procedures, documentary requirements, etc. (GATT article X). What kind of information needs to be published? Presentation of a possible solution. Is a single entry point an option? Could it be part of a Single Window system? Should advance rulings be published prior to their formal adoption?

The Single Window concept, standards for interoperability and options for implementation.

Article VIII (fees and formalities): should trade procedures and information flows be simplified and harmonized with international standards? Is it advisable to adopt a minimum standard data set? What are the standards and tools available?

¹ A Russian-language summary of this document will be distributed in advance of the meeting.

Presentation by Czech Customs on the practical implication of the measures proposed in WTO in a post-transition European Union Member State

11:00 - 11:15 *Coffee break*

11:15 – 13:00 Session two (cont'd)

Tom Butterly, UNECE Trade Facilitation, Mario Apostolov, Regional Adviser, UNECE

Electronic documents

Development of aligned paper and electronic documents based on the United Nations Layout Key for Trade Documents (ISO 6422) and the UN/EDIFACT (ISO 9735).

Maxence Orthlieb, UNCTAD, Mario Apostolov, UNECE, country representatives

Transit (GATT article V): What is meant by “reasonable charges”, “unnecessary delays”, “most convenient route”, etc.? Is it advisable to provide national treatment to goods in transit? Should MFN be provided to all modes of transport? How to address the problems of landlocked countries?

A representative of Moldova and/or Kyrgyzstan

Special and Differential treatment

Discussion

13:00 – 15:00 *Lunch break*

15:00 – 16:30 Session two (cont'd)

Current situation in the countries, country presentations:

Ms. Asmat Abesadze, consultant: Presentation of the Discussion Paper for this Workshop

Armenia

Georgia

Kyrgyzstan

Republic of Moldova

Non-WTO member countries

Discussion

16:30 – 18:00 Session three: Harmonizing the countries' positions in the WTO negotiations

Moderator: representative of the Republic of Moldova

Country statements:

Armenia

Georgia

Kyrgyzstan

Republic of Moldova

Non-WTO member countries

General Discussion on the harmonization of the countries' positions

The expected outcome of this day's sessions will be recommendations for harmonizing the positions of the countries vis-à-vis the WTO negotiations on Trade Facilitation.

DAY TWO, 13 June 2006

9:30 – 13:00 Session four: Technical assistance: constraints and needs of the countries

Moderator: Representative of the Republic of Moldova to WTO

9:30 – 9:50 Maxence Orthlieb, Trade Facilitation, UNCTAD

Implementation of possible binding rules likely to come out of the WTO negotiations on trade facilitation.

9:50 - 10:40 What have the countries already accomplished?

Armenia

Georgia

Kyrgyzstan

Moldova

Non-WTO member

10:40 – 12:30 For which measures the countries would need assistance from abroad?

Maxence Orthlieb

Armenia

Georgia

Kyrgyzstan

Moldova

Non-WTO member

Discussion

12:30 – 13:00 What would be the cost of additional necessary measures? What would be the cost of required technical assistance?

Statements of participants

Discussion

13:00 - 13:15 Capacity-building tools related to UNECE's standards on trade facilitation.

13:00 – 15:00 *Lunch break*

15:00 – 16:30 Session five: Technical assistance: constraints and needs of the countries (cont'd)

Statements of participants

Discussion

The expected outcome of this session will be a text for a proposal for technical assistance measures to the WTO members present at the meeting (to be submitted to the Governments of the countries) for consideration under the "Aid-for-Trade" framework, the WTO Negotiation Group on Trade Facilitation, various donors, etc. It may serve as a position paper of the countries in the negotiations on the new Agreement.

16:30 – 18:00 Concluding Panel Discussion on Policy, Priorities and Coordination

18:00 End of the workshop
