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- 10 global trends in Trade and Logistics
- TF measures
- TF and development
- TF implementation

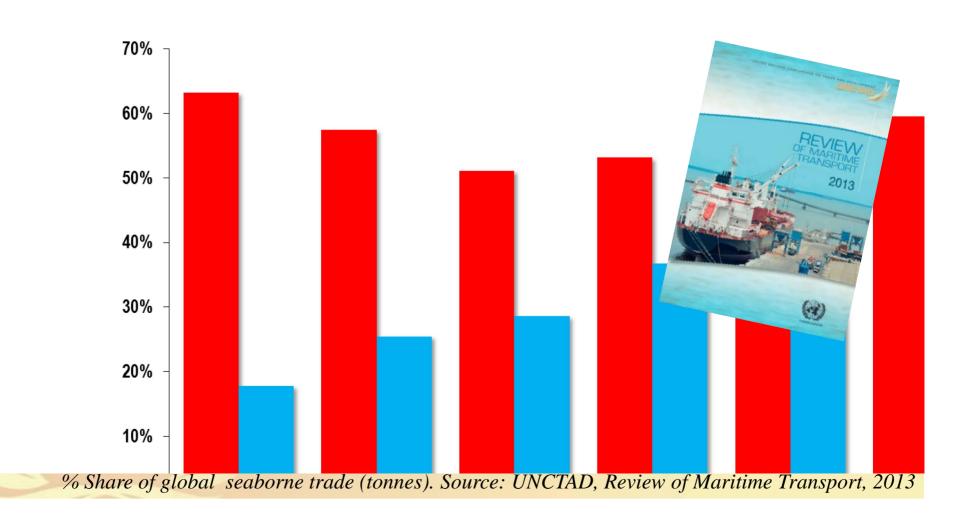
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- 10 global trends in Trade and Logistics
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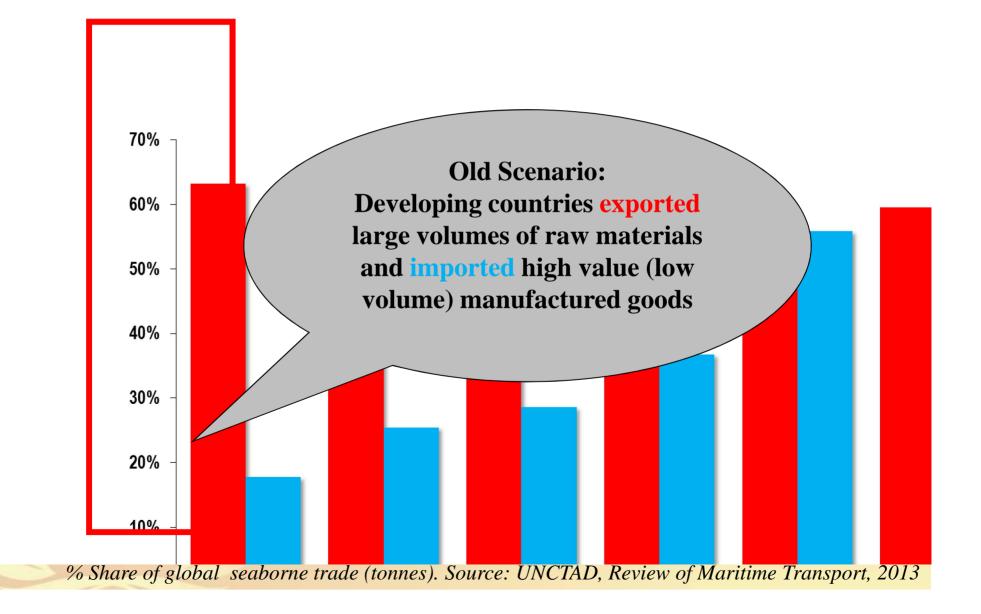
# **1.)**Exports of manufactured goods

# Developing countries have become major exporters of manufactured goods

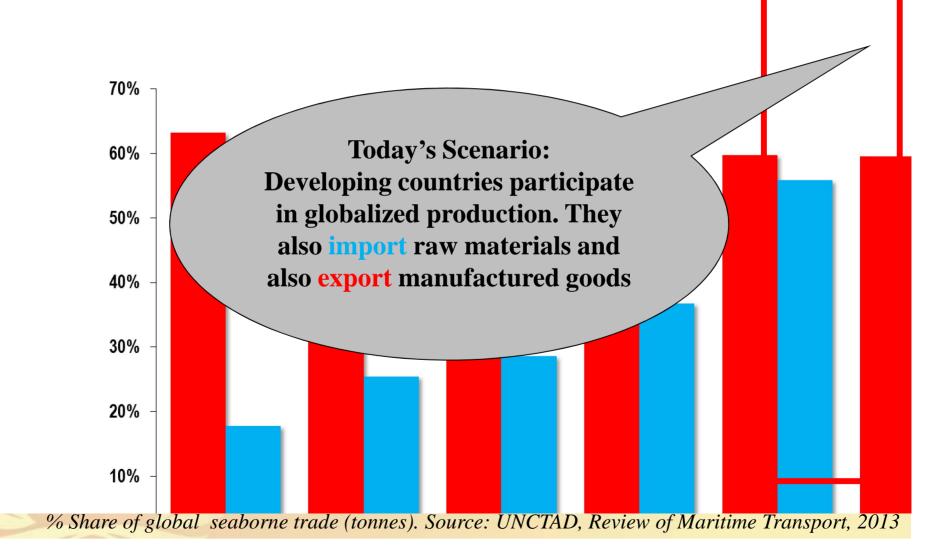
# **Developing countries' share in**



# **Developing countries' share in**



# **Developing countries' share in**



"Developing economies' market share increased the most (...) for the following export products"



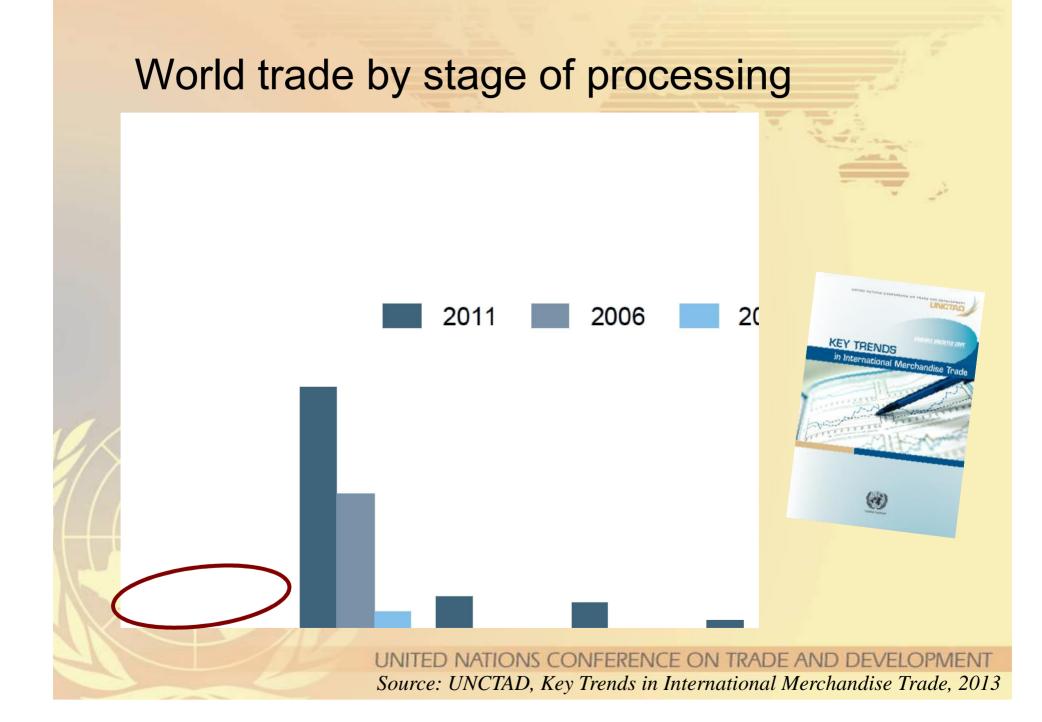
Products	2010-2011 exports average of developing economies (\$ millions)	Share of developing economies into world exports (%)			Principal net exporters in 2011
		1995- 1996	2010- 2011	Share Gain	
Ships, boats, floating structures	114,689	27.3	64.7	37.4	Republic of Korea, China, India
Computer equipment	234,233	35.3	70.0	34.7	China, Hong Kong (China), Singapore
Telecommunications equipment, parts	311,493	31.5	65.5	34.0	China, Republic of Korea, Taiwan Province of China
Valves, tubes, diodes, transistors	389,381	41.4	70.5		Singapore, Taiwan Province of China, Republic of Korea
Office equipment parts and accessories	119,680	1000000 000 0000 0000	60.1		China, Singapore, Taiwan Province of China

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Source: UNCTAD, Handbook of statistics 2012

# **2.** Globalized production

- Intra-company trade
- Trade in intermediate products
- Logistics part of production process



# Share of developing countries in value added trade and in gross exports



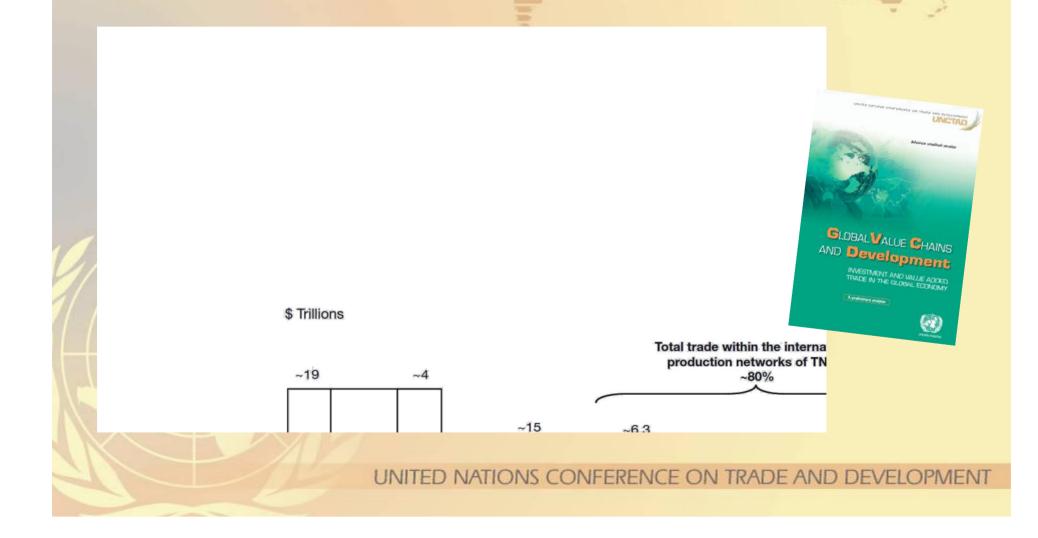
Value added in trade share Export share



GLOBAL VALUE CHAINS AND Development ANESTMENT AND VALUE ADDRO TRADE IN THE GLOBAL EDDNOMY



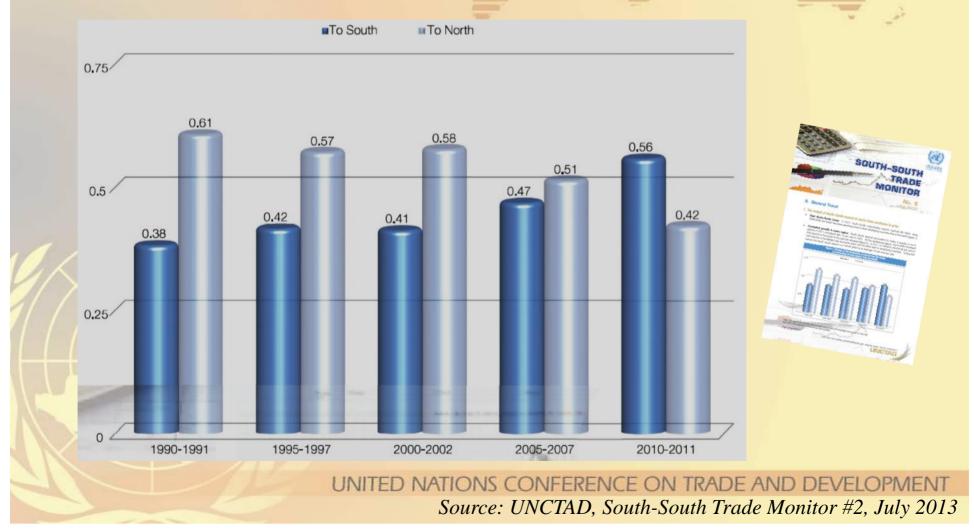
### Global trade (exports of goods and services) by type of TNC involvement, 2010



# 3. security concerns Security measures along the entire supply chain

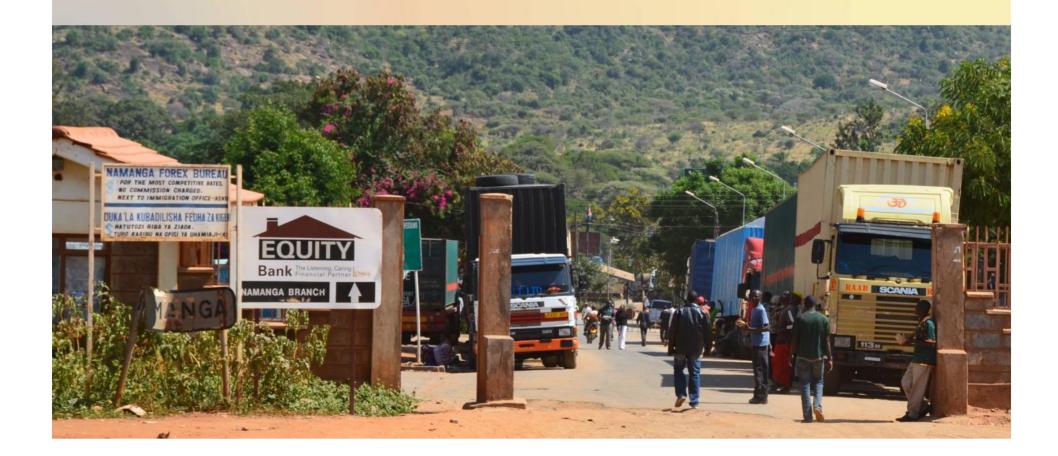


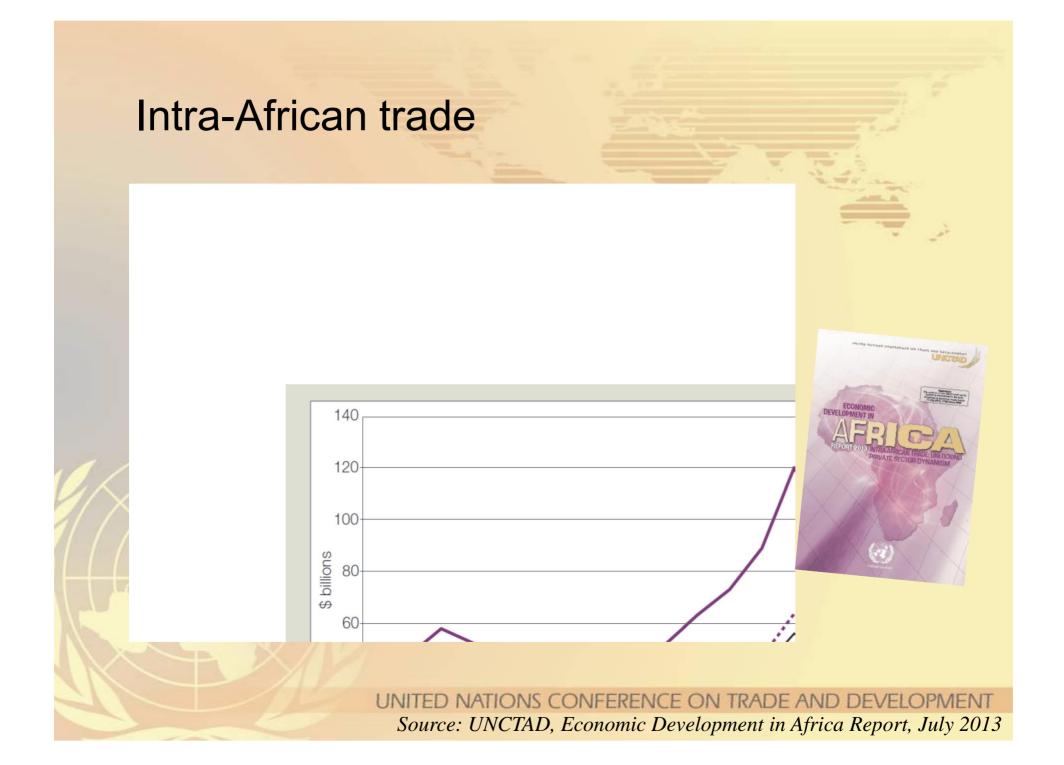
### Growing South-South trade Destination of exports from the South (as share of total exports from the South)



# **5.** Regional integration

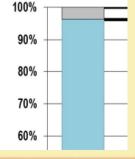
## Increased regional and transit trade





# 6. Changing logistics expenditures

Inventory holdin expenditures decrease, and Transport expenditures increase



UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

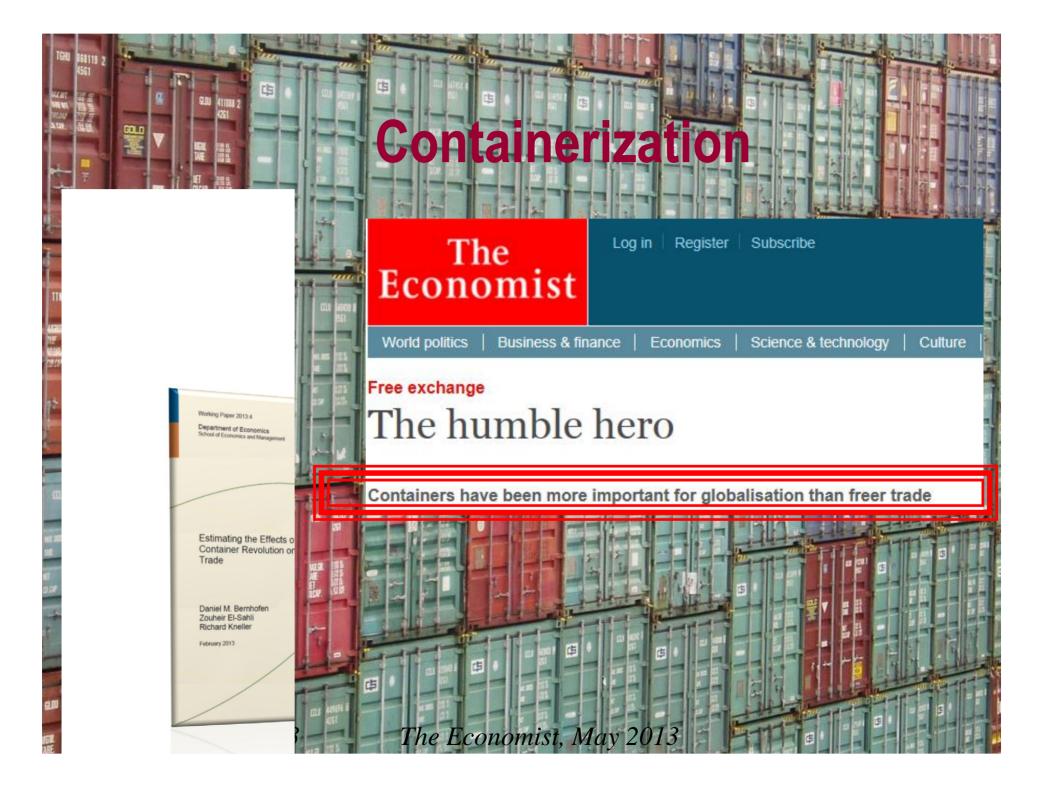
CSCM – State of Logistics Report various issues. Data for United States





- Containerization, shipping networks
- Use of computers and Internet

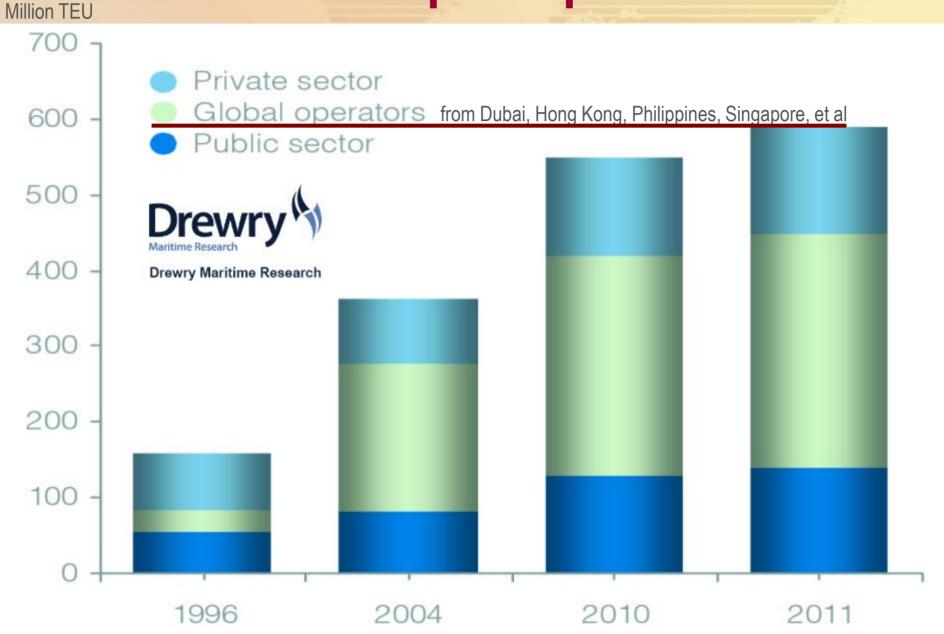




## 8. Private sector participation Port operators, shipping lines, railways, airlines, airports, Customs brokers, banks, ware-houses, traders, freight forwarders...



## **Container port operators**



# **9.** Tariff reductions

For most developing countries' exports, international transport costs are 2 to 3 times higher than Customs tariffs on imports in the destination countries.

2%

St Luci

CONFERENCE ON TRADE AND DEVELOPMENT Source: Miccio/ Perez 2002

**Import Customs duties USA** 



1. Manufactured goods 2. Globalized production 3. Security concerns 4. Trade geography **5.** Regional integration 6. Logistics 7. Technologies 8. Privatizations 9. Tariff reductions 10. WTO TFA

- 10 global trends in Trade and Logistics
- TF measures
- TF and development
- TF implementation

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1. Manufactured goods 2. Globalized production 3. Security concerns 4. Trade geography 5. Regional integratic 6. Logistics 7. Technologies 8. Privatizations 9. Tariff reductions 10. WTO TFA

#### **ARTICLE 3: ADVANCE RULINGS**

1. Each Member shall issue an advance ruling in a reasonable, time bound manner to an an that has submitted a written request containing all necessary information. If a Member declinissue an advance ruling it shall promptly notify the applicant in writing, setting out the relevant shall be basis for its decision.

2. A Member may decline to issue an advance ruling to an applicant where the question raised in the application:

- a. is already pending in the applicant's case before any governmental agency, appellate tribunal or court; or
- b. has already been decided by any appellate tribunal or court.

3. The advance ruling shall be valid for a reasonable period of time after its issuance unless the law, facts or circumstances supporting the original advance ruling have changed.

4. Where the Member revokes, modifies or invalidates the advance ruling, it shall provide written notice to the applicant setting out the relevant facts and the basis for its decision. Where a Member revokes, modifies or invalidates advance rulings with retroactive effect, it may only do so where the ruling was based on incomplete, incorrect, false or misleading information.

5. An advance ruling issued by a Member shall be binding on that Member in respect of the applicant that sought it. The Member may provide that the advance ruling be binding on the applicant.

6. Each Member shall publish, at a minimum:

- a. the requirements for the application for an advance ruling, including the information to be provided and the format;
- b. the time period by which it will issue an advance ruling; and
- c. the length of time for which the advance ruling is valid.

7. Each Member shall provide, upon written request of an applicant, a review of the advance ruling or the decision to revoke, modify or invalidate the advance ruling.<sup>2</sup>

8. Each Member shall endeavour to make publicly available any information on advance rulings which it considers to be of significant interest to other interested parties, taking into account the need to protect commercially confidential information.

### **Advance rulings**

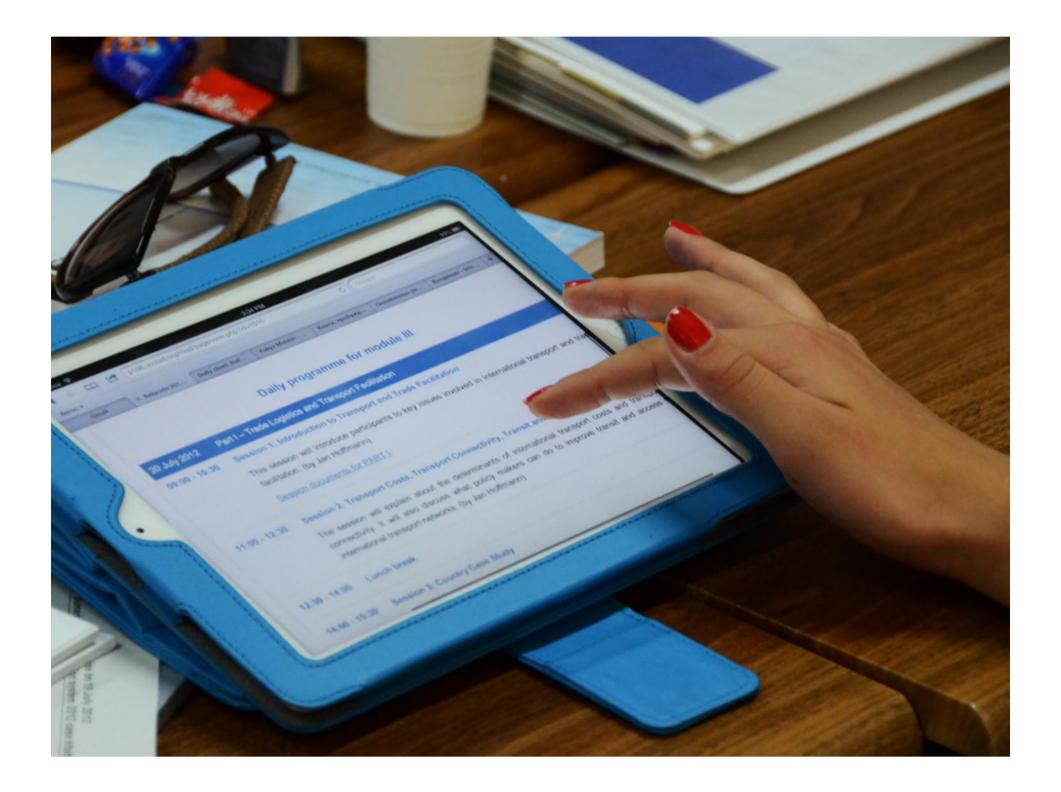
#### WT/MIN(13)/36 • WT/L/911

- 5 -

Definitions and scope:

- a. An advance ruling is a written decision provided by a Member to al importation of a good covered by the application that sets forth t Member shall provide to the good at the time of importation with re
  - i. the good's tariff classification, and
  - ii. the origin of the good;<sup>3</sup>
- b. In addition to the advance rulings defined in subparagraph encouraged to provide advance rulings on:
  - i. the appropriate method or criteria, and the application the determining the customs value under a particular set of facts;
  - ii. the applicability of the Member's requirements for relief or exduties;
  - iii. the application of the Member's requirements for quotas, incluc
  - iv. any additional matters for which a Member considers it ap advance ruling.
- c. An applicant is an exporter, importer or any person with a prepresentative thereof.

<sup>&</sup>lt;sup>2</sup> Under this paragraph: a) a review may, before or after the ruling has been acted upon, be provided by the official, office or authority that issued the ruling, a higher or independent administrative authority, or a judicial authority; and b) a Member is not required to provide the applicant with recourse to Article 4.1.1 of this Agreement.



### 2. Globalized production

### ARTICLE 7: RELEASE AND CLEARANCE

#### 7 Trade Facilitation Measures for Authorized Operators

7.1. Each Member shall provide additional trade facilitation measures related to import, exp transit formalities and procedures, pursuant to paragraph 7.3, to operators who n criteria, hereinafter called authorized operators. Alternatively, a Member may offer s measures through customs procedures generally available to all operators and not establish a separate scheme.

#### 7.2. The specified criteria shall be related to compliance, or the risk of non-conrequirements specified in a Member's laws, regulations or procedures. The specified criteria, which shall be published, may include:

- a. an appropriate record of compliance with customs and other related laws and regulations;
- b. a system of managing records to allow for necessary internal controls;
- c. financial solvency, including, where appropriate, provision of a sufficient security/guarantee; and
- d. supply chain security.

<sup>6</sup> Each Member may determine the scope and methodology of such average release time measurement in accordance with its needs and capacity.

### **Authorized Operators**

WT/MIN(13)/36 • WT/L/911 - 10 -

a to qualify as an operator shall not:

 $\operatorname{ed}$  or applied so as to afford or create arbitrary or unjustifiable discrimination operators where the same conditions prevail; and

ent possible, restrict the participation of small and medium-sized enterprises.

itation measures provided pursuant to paragraph 7.1 shall include at least 3 of res:<sup>7</sup>

nentary and data requirements as appropriate;

of physical inspections and examinations as appropriate;

ase time as appropriate;

payment of duties, taxes, fees and charges;

nprehensive guarantees or reduced guarantees;

ustoms declaration for all imports or exports in a given period; and

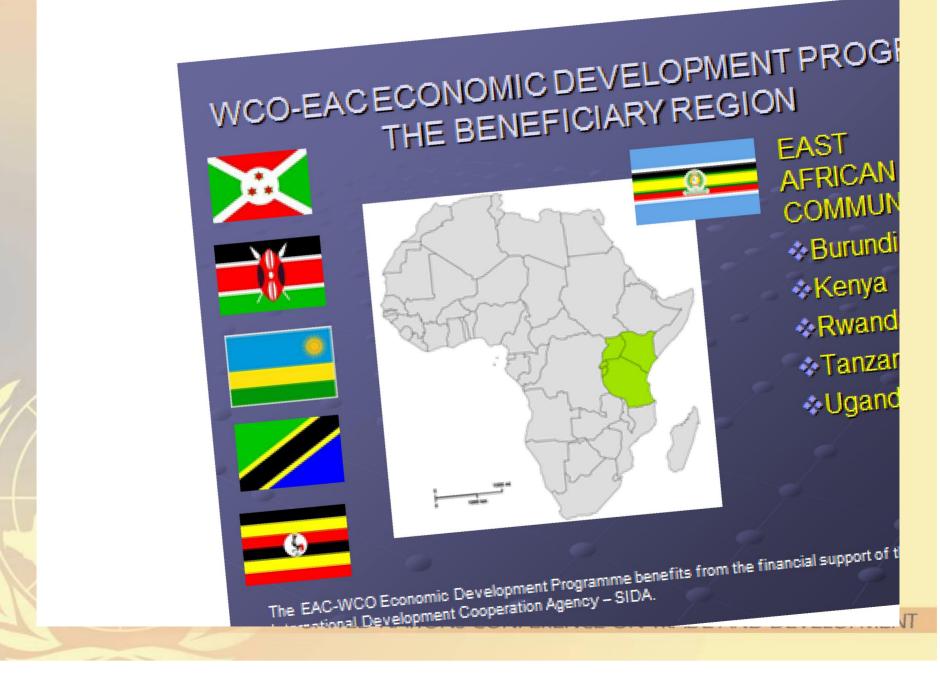
of goods at the premises of the authorized operator or another place  $\operatorname{d}$  by customs.

encouraged to develop authorized operator schemes on the basis of ards, where such standards exist, except when such standards would be an ffective means for the fulfillment of the legitimate objectives pursued.

hance the facilitation measures provided to operators, Members shall afford to possibility to negotiate mutual recognition of authorized operator schemes.

c.o. remotes small exchange relevant information within the Committee about authorized operator schemes in force.

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT



- 2. Globalized production
- 3. <u>Security concerns</u>

### ARTICLE 7: RELEASE AND CLEARANCE OF GOODS

### 4 Risk Management

### **Risk management**

4.1. Each Member shall, to the extent possible, adopt or maintain a risk management system for customs control.

4.2. Each Member shall design and apply risk management in a manner as to avoid arbitrary or unjustifiable discrimination, or disguised restrictions to international trade.

4.3. Each Member shall concentrate customs control and, to the extent possible other relevant border controls, on high risk consignments and expedite the release of low risk consignments. Each Member may also select, on a random basis, consignments for such controls as part of its risk management.

4.4. Each Member shall base risk management on assessment of risk through appropriate selectivity criteria. Such selectivity criteria may include, *inter alia*, HS code, nature and description of the goods, country of origin, country from which the goods were shipped, value of the goods, compliance record of traders, and type of means of transport.

Functions Section Section URIFICATION URIFICATION URIFICATION URIFICATION URIFICATION URIFICATION URIFICATION URIFICATION URIFICATION URIFICATION URIFICATION URIFICATION URIFICATION URIFICATION URIFICATION	References       Mindow       He         Selected       declarations       us         Cus       reference       #         2013       C       3823         2013       C       3825         2013       C       3826         2013       C       3826         2013       C       3830         2013       C       3833         2013       C       3836         2013       C       3836         2013       C       3836         2013       C       3836         2013       C       3846         2013       C       3856         2013       C       3856         2013       C       3856         2013       C       3856         2013       C       3866         2013       C       3866         2013       C       3866         2013       C       3866         2013       C       3869         2013       C       3866         2013       C       3866         2013       C       3869         2013	1p       ASYCUDA         after assessment L       Exam         Lane       Exam         Red       MOJTA         Red       MOJFIR         Red       MOJABR         Yellow       MOJTAD         Yellow       MOJTAD	1479   1479   1

- 2. Globalized production
- 3. Security concerns

## 4. Trade geography

### ARTICLE 1: PUBLICATION AND AVAILABILIT

### 2 Information Available Through Internet

### **Internet publication**

2.1. Each Member shall make available, and update to the extent possible and as appropriate, the following through the internet:

- a. A description1 of its importation, exportation and transit procedures, including appeal procedures, that informs governments, traders and other interested parties of the practical steps needed to import and export, and for transit;
- b. The forms and documents required for importation into, exportation from, or transit through the territory of that Member;
- c. Contact information on enquiry points.

2.2. Whenever practicable, the description referred to in subparagraph 2.1 a. shall also be made available in one of the official languages of the WTO.

2.3. Members are encouraged to make available further trade related information through the internet, including relevant trade-related legislation and other items referred to in paragraph 1.1.

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#### News Room

MORE

Chaozhou Customs Supports Wedding Dress Export (with photo)

- Dalian Releases quickly "Sky Dancers" (with photo)
- Gongbei Seized over 5000 Undeclared Automobile Spare
  Parts

Kazakhstan Port and Customs Cooperation subcommittee

. Minister YU Guangzhou Attends the 7th Meeting of the China-

NXiamen Intercepted First Burberry Trademark Infringement Case

#### Policy and Regulation

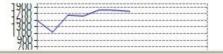
- . Guide to Customs Clearance of Reporting Equipment Carried by Foreign Journalists
- Announcement of the General Administration of Customs No. 59, 2009
- Decree of the General Administration of Customs Decree of the General Administration of Customs No.183
- . Decree of the General Administration of Customs of the People's Republic of China No.176

 Decree of the General Administration of Customs of the People's Republic of China No.175

#### MORE

#### Import and Export Statistics

#### **Import and Export of China**



#### **IPR Enforcement**

. Customs Actions

. Seizure Statistics

. Activities

. Legislation

. IPR Recordation

MORE

#### **Guide to Formalities**

. Guide to Customs Clearance of Reporting Equipment Carried by Foreign Journalists

. Customs Clearance of Inward/Outward Passengers' Carried Baggage

. Guide for Unaccompanied Baggage of Inward

# SPECIAL FEATURES



Framework of Standards to Secure and Facilitate Global Trade



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The Second-step Development Strategy of Building a Modern Customs Regime

#### About China Customs

- · Leadership Resume
- Rank Regime
- Headship
- Department

#### Annual Report

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- 15 -

#### **ARTICLE 11: FREEDOM OF TRANSIT**

1. Any regulations or formalities in connection with traffic in transit imposed by a Member shall not:

- a. be maintained if the circumstances or objectives giving rise to their adoption no longer exist or if the changed circumstances or objectives can be addressed in a reasonably available less trade restrictive manner,
- b. be applied in a manner that would constitute a disguised restriction on traffic in transit.

2. Traffic in transit shall not be conditioned upon collection of any fees or charges in respect of transit, except the charges for transportation or those commensue administrative expenses entailed by transit or with the cost of services rendered

3. Dembers Regelen and residue of the second of the second

4. Each Member shall accord to products which will be in transit through the territory of a Member treatment no less favourable than that which would be accorded to such products if they were being transported from their place of origin to their destination without going through the territory of such other Member.

5. Members are encouraged to make available, where practicable, physically separate infrastructure (such as lanes, berths and similar) for traffic in transit.

6. Formalities, documentation requirements and customs controls, in connection with traffic in transit, shall not be more burdensome than necessary to:

- a. identify the goods; and
- b. ensure fulfillment of transit requirements.

7. Once goods have been put under a transit procedure and have been authorized to proceed from the point of origination in a Member's territory, they will not be subject to any customs charges nor unnecessary delays or restrictions until they conclude their transit at the point of destination within the Member's territory.

8. Members shall not apply technical regulations and conformity assessment procedures within the meaning of the Agreement on Technical Barriers to Trade on goods in transit.

9. Members shall allow and provide for advance filing and processing of transit documentation and data prior to the arrival of goods.

### Freedom of transit. "Transit" also included in several other Articles

#### WT/MIN(13)/36 • W7

- 16 -

11.4 Each Member shall make available to the public t guarantee, including single transaction and, where applic

11.5 Each Member may require the use of customs transit only in circumstances presenting high risks or regulations cannot be ensured through the use of guara convoys or customs escorts shall be published in accorda

12. Members shall endeavour to cooperate and coor enhance freedom of transit. Such cooperation and coor an understanding on:

- i. charges;
- ii. formalities and legal requirements; and
- iii. the practical operation of transit regimes.

13. Each Member shall endeavour to appoint a nation and proposals by other Members relating to the good addressed.



- 1. Manufactured goods
- 2. Globalized production
- 3. Security concerns
- 4. Trade geography
- 5. Regional integration

### 6. Logistics

#### **Separate release from clearance**

OPMENT

#### **ARTICLE 7: RELEASE AND CLEARANCE OF GOODS**

**3** Separation of Release from Final Determination of Customs Duties, Taxes, Fees and Charges

3.1. Each Member shall adopt or maintain procedures allowing the release of goods prior to the final determination of customs duties, taxes, fees and charges, if such a determination is not done prior to, or upon arrival, or as rapidly as possible after arrival and provided that all other regulatory requirements have been met.

- 3.2. As a condition for such release, a Member may require:
  - a. payment of customs duties, taxes, fees and charges determined prior to or upon arrival of goods and a guarantee for any amount not yet determined in the form of a surety, a deposit or another appropriate instrument provided for in its laws and regulations; or
  - b. a guarantee in the form of a surety, a deposit or other appropriate instrument provided for in its laws and regulations.



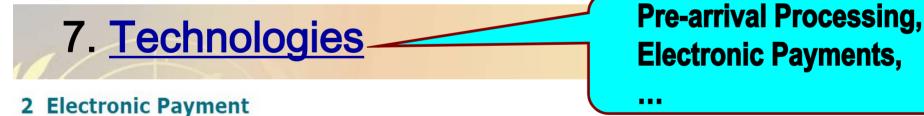
# Manufactured goods Globalized production

#### **ARTICLE 7: RELEASE AND CLEARANCE OF GOODS**

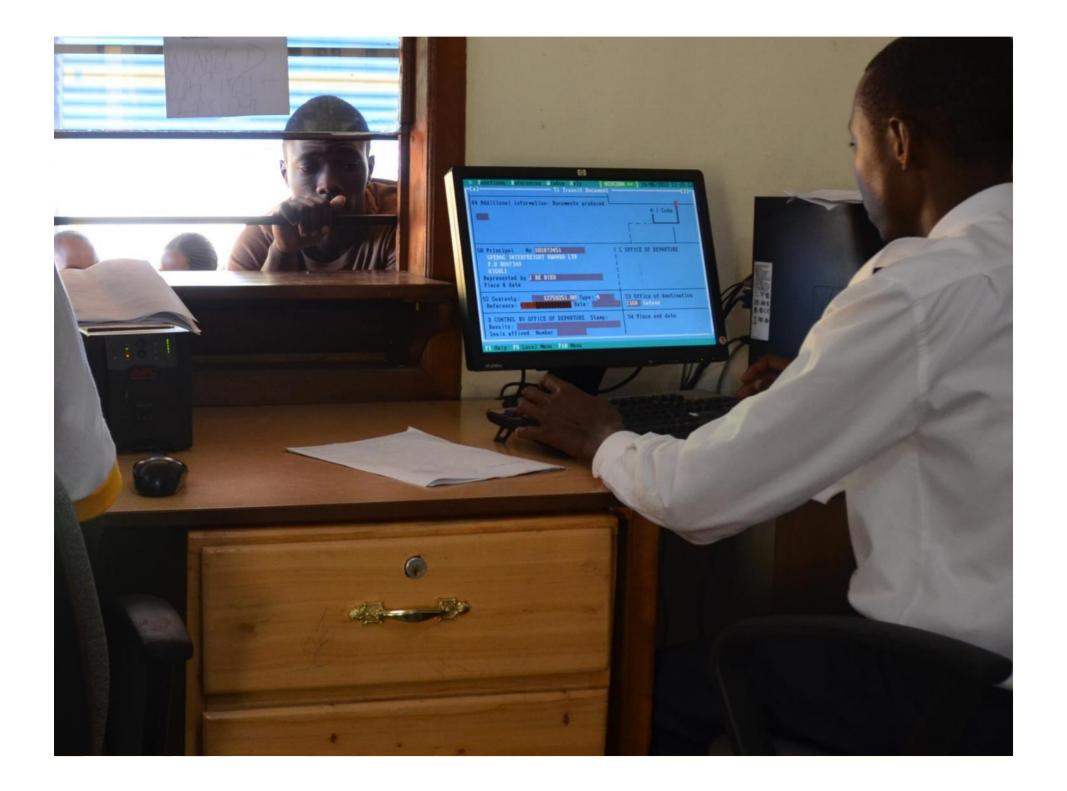
#### **1** Pre-arrival Processing

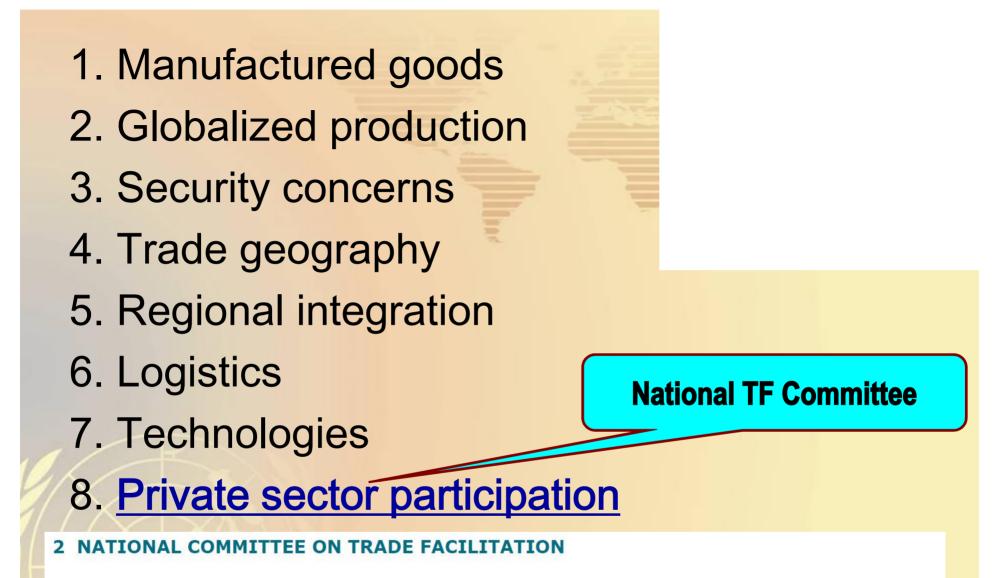
1.1. Each Member shall adopt or maintain procedures allowing to the submission or import documentation and other required information, including manifests, in order to begin processing prior to the arrival of goods with a view to expediting the release of goods upon arrival.

1.2. Members shall, as appropriate, provide for advance lodging of documents in electronic format for pre-arrival processing of such documents.



Each Member shall, to the extent practicable, adopt or maintain procedures allowing the option of electronic payment for duties, taxes, fees and charges collected by customs incurred upon importation and exportation.





Each Member shall establish and/or maintain a national committee on trade facilitation or designate an existing mechanism to facilitate both domestic coordination and implementation of provisions of this Agreement.

1. Manufactured goods 2. Globalized production 3. Security concerns 4. Trade geography **5.** Regional integration 6. Logistics 7. Technologies 8. Privatizations 9. Tariff reductions **10. WTO TFA** 

Transport costs and trade facilitation more important than tariffs !

1. Manufactured goods 2. Globalized production 3. Security concerns 4. Trade geography **5.** Regional integration 6. Logistics 7. Technologies 8. Privatizations 9. Tariff reduction 10. WTO TFA

... a *response* to trends in international trade, transport, logistics and technologies !

### **Trade Facilitation and Development**

- 10 global trends in Trade and Logistics
- TF measures
- TF and development
- TF implementation

0

# **Developing ICTs**

The introduction of ICTs by Customs encourages SMEs to also connect to the internet

# **Developing e-commerce**



Reforms of legal regimes that facilitate the use of electronic documents help modernize other business practices

# **Developing Transit**

A framework for bank guarantees for transit trade helps improve the financial system



# **Developing trust**

# Increased transparency is good for good governance in general

# **Developing Single Windows**

### A single window experience for trade may help to introduce single windows elsewhere



# Developing Trade Facilitation Committees

Mechanisms to consult with stake holders are good practice not only for trade facilitation



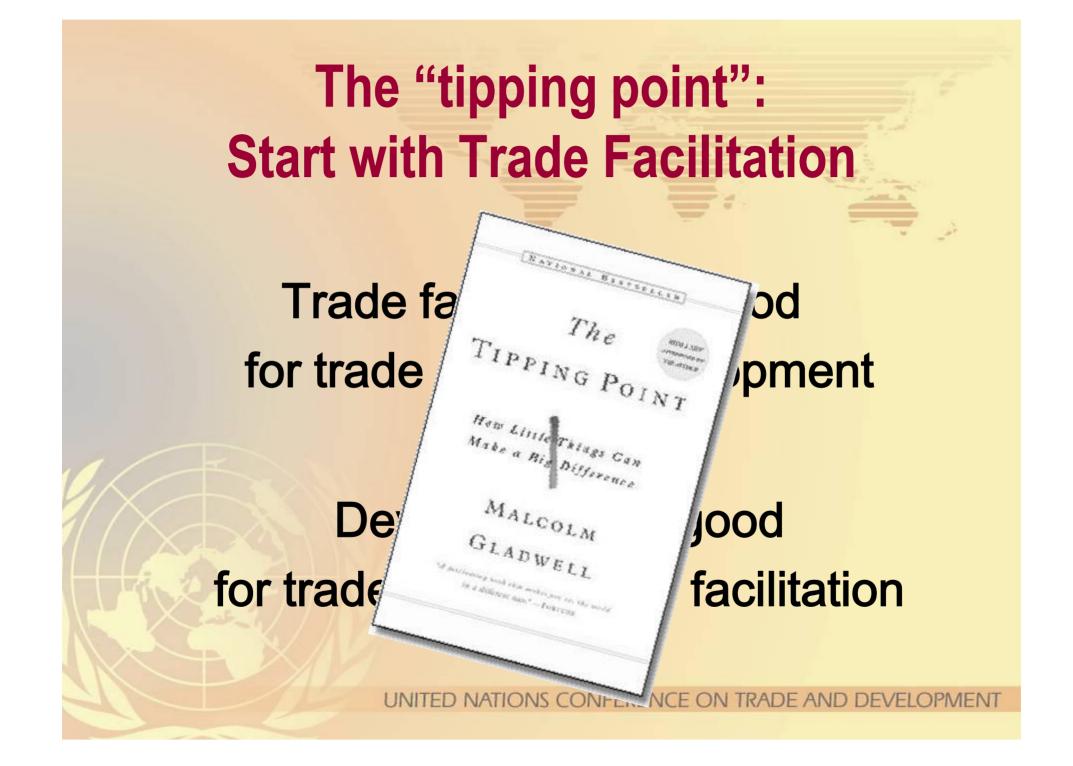
## Is red tape an obstacle to development? OR Is red tape the result of a lack of development?

### **ANSWER: It is both**







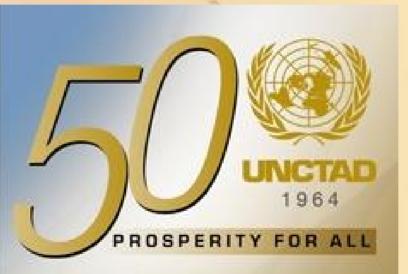


### **Trade Facilitation and Development**

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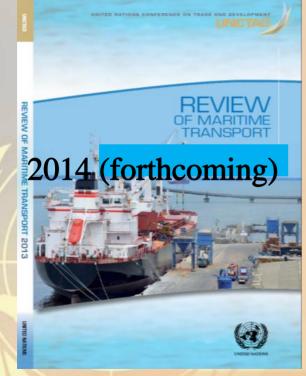
# UNCTAD's Trade Facilitation Programme



# UNCTAD's Trade Facilitation Programme (1)

### Research

Basic data, annual and quarterly reports



UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

PROSPERITY FOR

# **UNCTAD's Trade Facilitation Programme (1)**

### Research

- Basic data, annual and quarterly reports ullet
- **Technical Notes** •
- National trade facilitation committees •
- **Regional agreements and TF**
- Multilateral negotiations
- **Implementation plans**

UNITED NATIONS CONFERENCE ON

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TRADE FACILITATION RANDBOOK

al Facilitation Bodies as from Experience

# UNCTAD's Trade Facilitation Programme (2)

**Consensus building** 

- Multilateral
- Regional
- National task forces



# UNCTAD's

# **Trade Facilitation Programme (3)**

**Technical Assistance and Capacity Building** 

• Donors:

European Union, Norway, Spain, Sweden, Switzerland, United Nations Development Account, World Bank.

Programmes:

Multilateral, regional, national support groups

## **3 levels of TF implementation**

- 1. The TFA
  - Categories
  - Notifications
  - Ratification
- 2. Compliance with the TFA
  - National TF committee
  - Implementation plans
    - Almost 40 individual measures
- 3. Ambitious TF reforms, beyond the TFA

# UNCTAD Trade Facilitation Implementation Plans

- 30 countries so far
- in 2012-2013
- LDCs and DCs;
   LLDCs, transit, and SIDs;
   LAC, Africa, and Asia
- In collaboration with other Annex D

## **Programme per country**

- 1. Introductory seminar and recruitment of a national UNCTAD consultant
- Systematic interviews and production of draft national implementation plan by consultant (2-4 months)
- 3. Validation conference with all stakeholders
- 4. Finalization of report by UNCTAD
- 5. Handing over to government



# Outcom

# National TF implementation plan

EU-TBAY-PLAN NATIONAL-REPUBLICA DOMINICANA-2012

#### CONTENIDO

#### I. INTRODUCCION.

A.	PRESENTACIÓN DEL PROYECTO DE LA UNCTAD SOBRE LOS PLANES NACIONALES DE
	IMPLEMENTACIÓN DEL ACUERDO SOBRE LA FACILITACIÓN DEL COMERCIO EN LOS PAÍSES E
	DESARROLLO 3

- B. REPUBLICA DOMINICANA Y LA FACILITACIÓN DE COMERCIO
- C. EL PLAN NACIONAL PARA REPUBLICA DOMINICANA: EL CONTENIDO, LA METODOLOGÍA Y EL MECANISMOA A SEGUIR

#### II. LA FACILITACIÓN DEL COMERCIO EN REPUBLICA DOMINICANA SITUACIÓN ACTUAL

- A. DESCRIPCIÓN DETALLADA MEDIDA POR MEDIDA: LA SITUACIÓN Y LAS RAZONES PRINCIPALES QUE LA EXPLICAN.

#### III. PLAN NACIONAL DE IMPLEMENTACIÓN DEL FUTURO ACUERD SOBRE LA FACILITACIÓN DEL COMERCIO EN EL MARCO DE LA OMC......

- B. SECUENCIA RECOMENDADA PARA LA IMPLEMENTACIÓN DE MEDIDAS......

#### NCE ON TRADE AND DEVELOPMENT

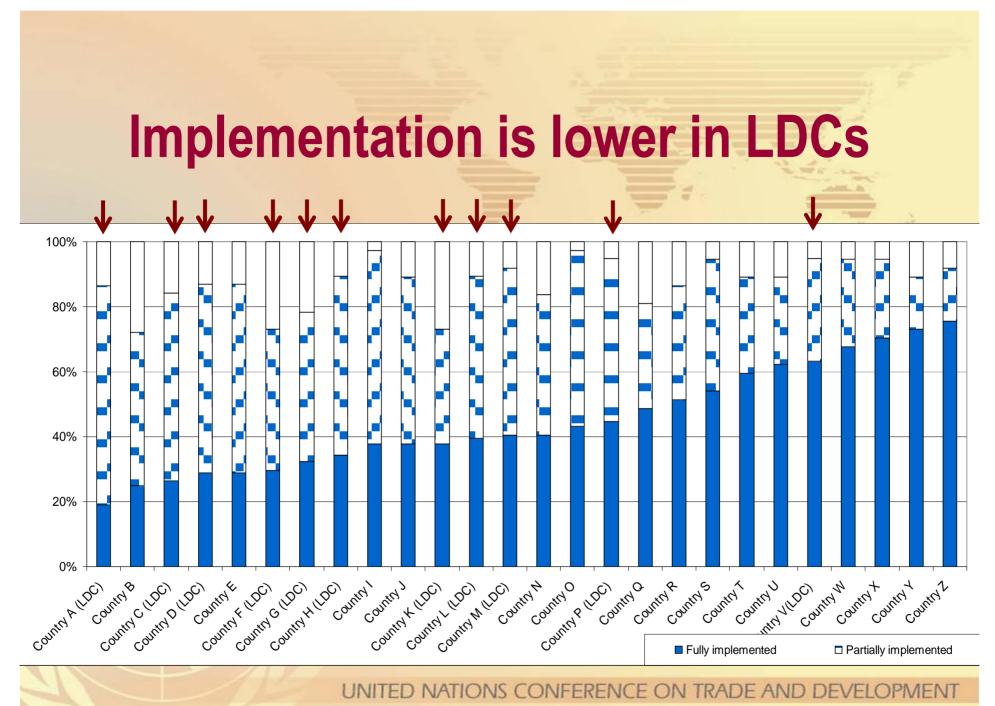
## Outcomes

- National TF
   implementation plan
- Strengthened national capacity and national trade facilitation committee



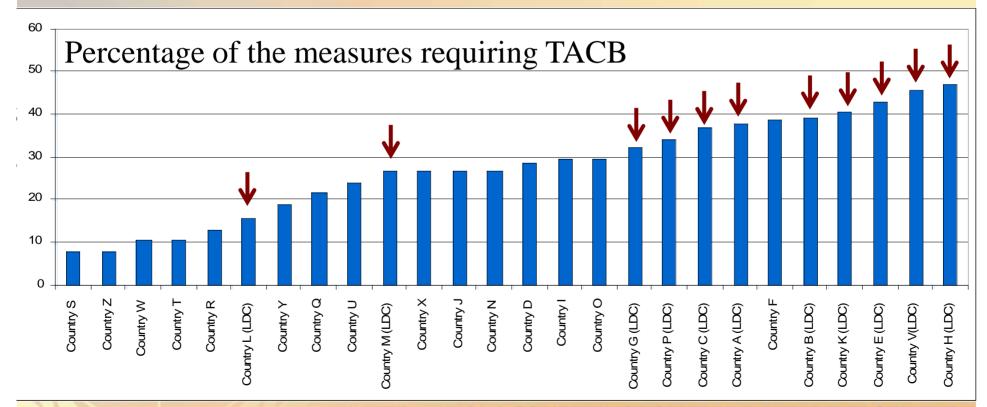


## **Lessons** learned

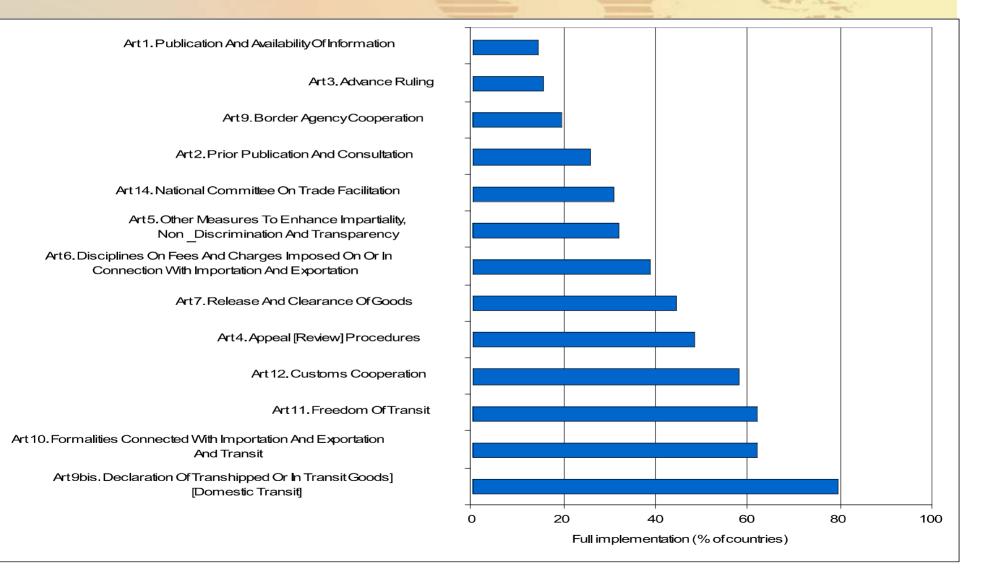


**Preliminary results – not to be quoted** 

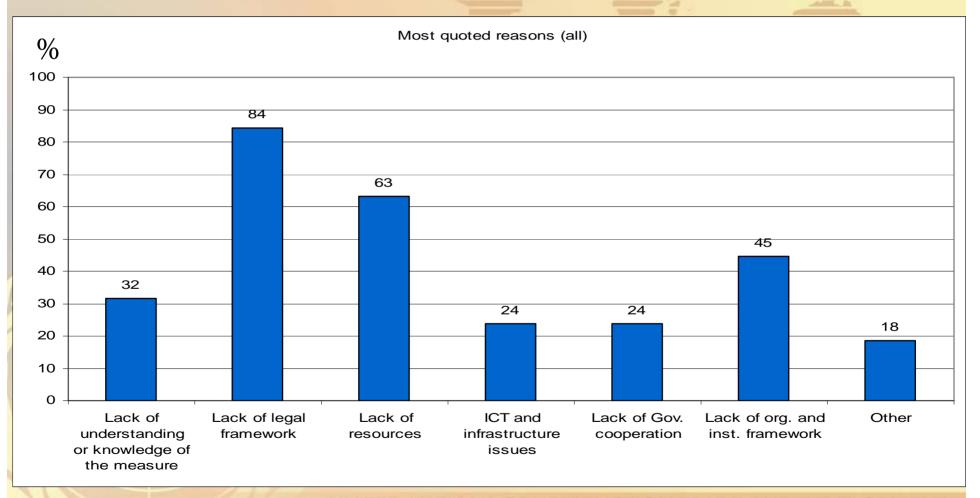
# LDCs require more TACB



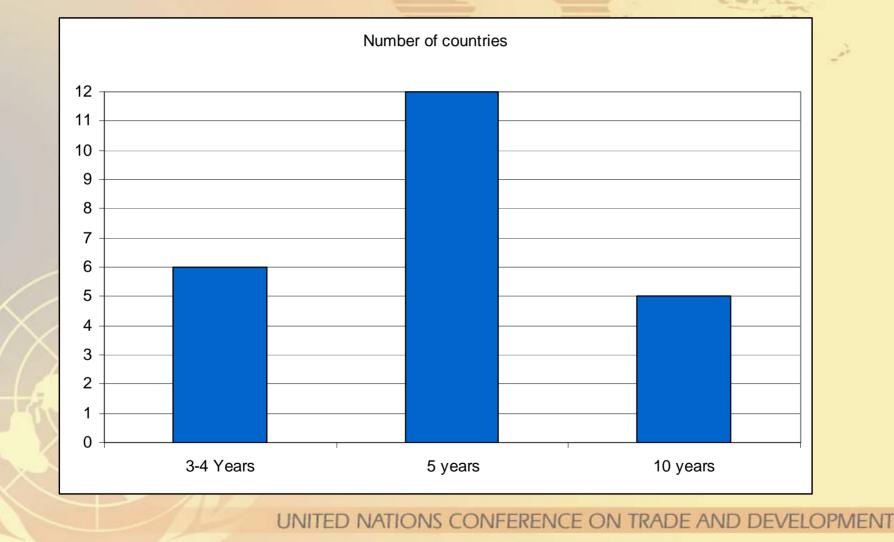
## Least implemented measures



# **Main hurdles**



# How long would it take?

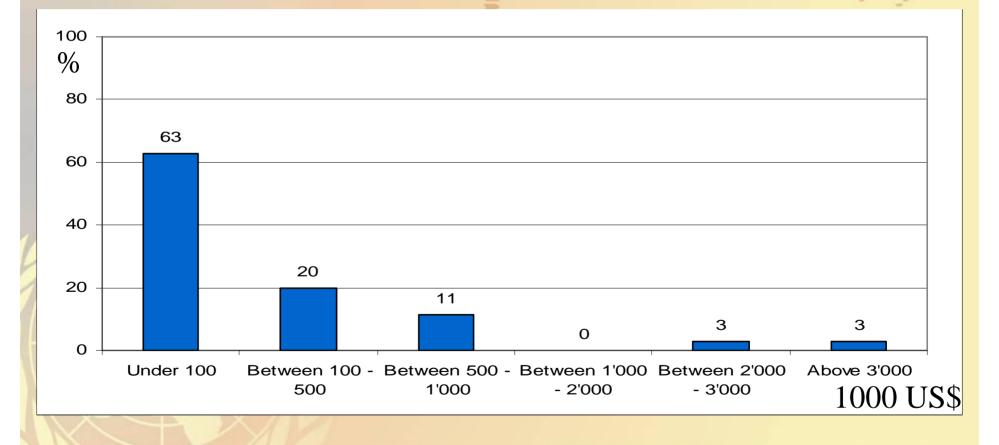


## How much would it cost?

It depends...

- Starting point
- Each country is different (size, geography...)
- Ambition
- Trade-offs (time/money; national/international financing)

# How much would it cost? (per measure, average)



## **Trade Facilitation and Development**

- 10 global trends in Trade and Logistics
- TF measures
- TF and development
- TF implementation

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## **Motivations for TF**

- 1) It's good for trade. And trade is usually good for development.
- 2) It is also good for Customs: It increases revenue collection and saves resources.
- 3) Plus: Most measures, on their own, are good for development

#### Trade Facilitation reforms help to ...



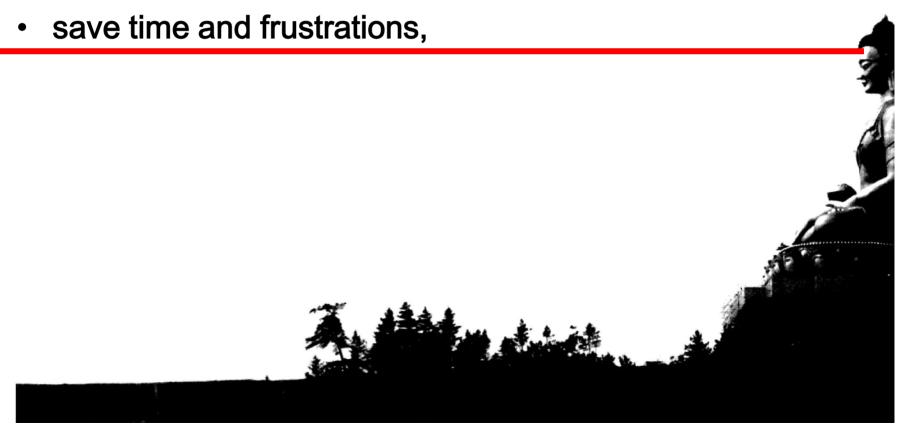
#### Trade Facilitation r

formalize trade,



Trade Facilitation reforms help to ...

formalize trade,



#### **Trade Facilitation reform**

- formalize trade,
- save time and frustra
- improve governance,



Astrology Training Center

Trade Facilitation reforms help to ...

- formalize trade,
- save time and frustrations,
- improve governance,
- empower women entrepreneurs,





#### Trade Facilitation reforms help to

- formalize trade,
- save time and frustrations,
- improve governance,
- empower women entrepreneurs
- strengthen regional integration,





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- modernize public administrations





#### **Trade Facilitation refor**

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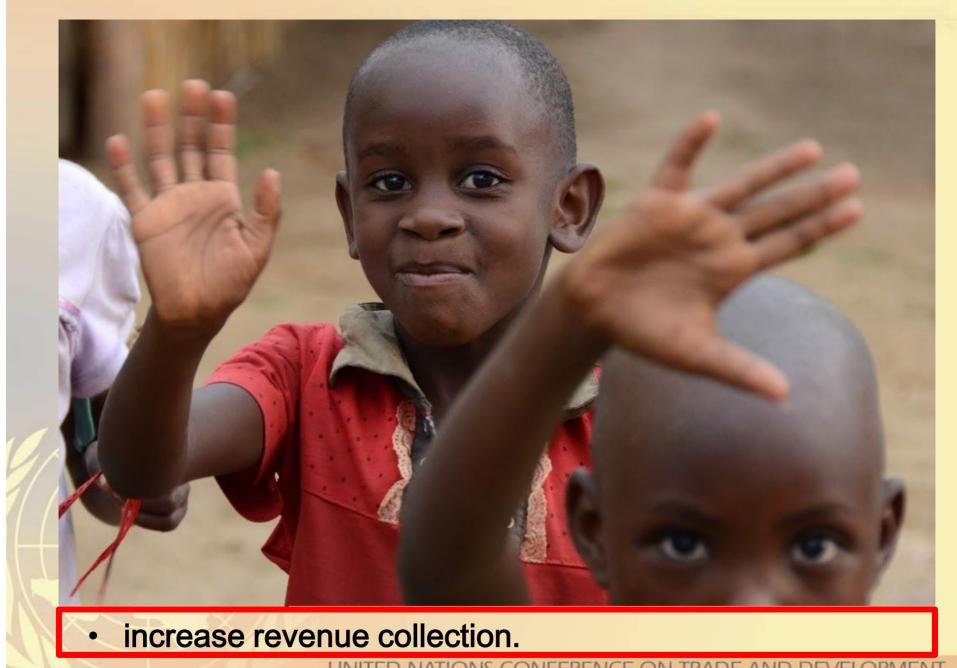
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increase revenue collection.



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### **Trade Facilitation and Development**

- 10 global trends in Trade and Logistics
- TF measures
- TF and development
- TF implementation

## **Trade Facilitation and Development**

