



Facts on Global Reform

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WTO Trade Facilitation Negotiations: Win-Win for Development & U.S. Businesses Large and Small

Trade Facilitation Negotiations in the WTO

WTO negotiations on Trade Facilitation were launched as part of the Doha round of negotiations, in accordance with a decision taken by WTO Members in July 2004. The negotiations are aimed at clarifying and improving the WTO rules governing customs procedures, with the objective to enhance the transparency and efficiency of how goods cross the border. The negotiating mandate also includes work on enhancing technical assistance and improving cooperation between customs authorities.

The current WTO rules on how border procedures should be conducted date back to 1947, and are ripe for being updated and modernized through the ongoing negotiations. More than 50 proposals have been submitted toward potential new WTO commitments. Examples include using websites to provide information on the importing requirements of WTO Members, establishing expedited treatment for express shipments, and improving procedural fairness for traders.

U.S. Position

The United States has been in a leadership role, working with key trading partners of all development levels to move the Trade Facilitations forward. Red tape and unnecessary formalities at the border can wipe away any gains made in improving market access through lower tariffs, and uncertainty about import requirements, hidden fees, and slow border release times are among the non-tariff barriers most frequently cited by exporters worldwide. The negotiations are addressing these matters head-on.

Benefits to Small Business

Small and medium-sized exporters are particularly harmed by opaque customs procedures, or an unexpected inability to get custom clearance of a critical shipment to an important customer in an international market. The negotiations are on course for results that could decrease costs and enhance market access opportunities for small businesses, and improve the ability of small businesses to be full participants in the global market place.

Benefits to Development

A real development boost could also result from the Trade Facilitation negotiations, bringing about results that will diminish corruption and improve border efficiencies—key elements for full participation in today's global just-in-time economy. Reform at the border is one of the elements that has historically held back growth in trade between developing countries. The negotiations are also aimed at improving the effectiveness of the vast amounts of technical assistance being provided in this area. WTO Members of all development levels are working together so that the challenge of implementing the results of the negotiations can be met.