



**CARIBBEAN REGIONAL NEGOTIATING MACHINERY
PRIVATE SECTOR TRAINING MANUAL – Trade Facilitation**

A. PUBLICATION AND AVAILABILITY OF INFORMATION	
Context	<p>The provisions contained in Article X of the GATT 1994 seeks to ensure transparency through publishing and making available to all relevant parties, all regulations, laws, rulings and other information affecting and relating to international trade processes, including cross-border procedures and customs administration.</p> <p>Within the context of the negotiations between the EC and CARIFORUM countries for an EPA Agreement countries have agreed to ensure that all legislation, procedures and fees and charges are made publicly available, and as far as possible through electronic means.</p>
Scope of Issues	<ul style="list-style-type: none"> • Publication of trade regulations • Publication of penalty provisions • Publication on the internet • Notification of trade regulations • Establishment of enquiry points and information centres
Summary of Proposals	<ol style="list-style-type: none"> 1. Publish all relevant laws, regulations, administrative guidelines, specific decisions of or having general application, information on customs and other agency processes, conditions and qualifications for different forms of customs treatment, right of appeal procedures, fees and charges, port, airport and other entry point procedures relating to border crossing trade and advance rulings; 2. Information to be made public to include details of customs and other government agencies' implementation plans for WTO commitments or relevant reform and modernization programs; 3. Any amendments to relevant material should be made public in the same way as the original publication; 4. The publication should be made easily accessible through designated medium, including electronically. The availability of paper-based information parallel to electronic versions is important to provide access to information for clients that don't have electronic capacity; 5. Accessibility of information can be improved by developing "compendiums" which are regularly updated in dedicated government publications (paper based and online); 6. The publication should be available to any interested party on a non-discriminatory basis; 7. Fees that are charged for the provision of information to

	<p>interested parties should be proportionate to the cost of providing that service;</p> <p>8. Enquiry points, help desks or hotlines providing information in relation to the subject matter outlined above should be established for the use of governments and/or traders, and also notify to the WTO Secretariat for broader dissemination.</p>
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B. TIME PERIOD BETWEEN PUBLICATION AND IMPLEMENTATION	
Context	<p>The WTO deliberations on trade facilitation has identified that the publication of proposed laws, regulations and rulings prior to their adoption and entry into force contributes to informed compliance by providing an opportunity for those stakeholders who may be affected by the rules to understand the changes and therefore improve their readiness to comply.</p> <p>This position has been similarly upheld in the EPA discussions with consensus that new or amended legislation and procedures and their entry into force are introduced in a way to allow traders to become well prepared for complying with them.</p>
Scope of Issues	Interval between publication and entry into force
Summary of Proposals	<ul style="list-style-type: none"> • Issue notice of proposed rules inviting comment during a defined period before adoption and entry into force; • Adequate time periods between the adoption and entry into force of trade-related rules should be allowed so that stakeholders have an opportunity to comment and have time to adjust to proposed changes; • Include an exception for the standard notice requirement in defined circumstances, such as, imminent threats to national security and health.
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C. CONSULTATION AND COMMENTING ON NEW AND AMENDED RULES	
Context	<p>Public consultation and feedback improves the predictability of the regulatory environment, improves public confidence and support and helps to increase the level of compliance. Such consultation and feedback can be organized under the responsibility of the relevant ministry or regulatory agency. as both</p> <p>The EC and CARIFORUM have acknowledged the need for timely and regular consultation with trade representatives on legislative proposals and procedures related to customs and trade issues. This will facilitate debates and responses to new regulatory measures that affect the trading community.</p>
Scope of Issues	<ul style="list-style-type: none"> • Prior consultation and commenting on new and amended rules • Information on policy objectives sought
Summary of Proposals	<ul style="list-style-type: none"> • Establish provision for consultation between interested parties, both governments and private sector, on proposed new trade-related rules and other procedures affecting import and export administration, before formal adoption or entry into force; • The provision may include a requirement for establishment of a formal and regular consultative mechanism with representative private sector organizations; • The notice of proposed trade-related rules may include details of the policy objectives underlying a proposed measure to further facilitate transparency of the rules. These details might outline what the proposed measure is seeking to achieve, perhaps what alternatives have been considered and even an impact assessment.
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D. ADVANCE RULINGS	
Context	<p>In order to provide the international trading community with greater commercial predictability and certainty, and to facilitate their compliance with regulatory requirements, many administrations have implemented a system of “advance ruling”. These rulings generally apply to tariff classification, valuation and origin. Such rulings are supplied by Customs</p>

	<p>on request, and in many cases they are legally binding, provided they are based on complete and accurate information.</p> <p>This approach has been adopted in the EC/CARIFORUM EPA discussions as the Parties have agreed to the adoption of a system for advance binding rulings on customs matters within 3 years of the entry into force of the EPA Agreement.</p>
<p>Scope of Issues</p>	<p>Development and introduction of an advance ruling system covering:</p> <ul style="list-style-type: none"> • Tariff classification • Application rates of duties and taxes • Customs valuation • Tariff preferences • Duty deferral
<p>Summary of Proposals</p>	<p>Advance rulings would be:</p> <ul style="list-style-type: none"> • In the form of a written statement issued by Customs, including reasons for the ruling if so requested by the applicant • Issued upon the written request of traders, producers, or their agents • Issued within a certain time period following receipt of all the necessary information and documents from the applicant (the time period would reflect the specific circumstances of the individual Member) • Effective on the date of issuance or such date as may be specified in the ruling, which is not later than the date of importation of goods • Binding on customs authorities (or any other competent authority) for a period of time specified in the ruling, provided that the facts and circumstances on which the ruling is based remain unchanged • Applied to importation without regard to the identity of the importer, exporter or producer, provided that the facts and circumstances are identical in all material aspects • Inapplicable if it is determined that imported goods differ materially from the goods which were the subject of the ruling or if the person requesting the ruling has failed to act in accordance with the terms and conditions of the ruling • Made publicly available, to the extent possible, and subject to confidentiality requirements • Valid for a specific period of time from the date of the issuance if: <ul style="list-style-type: none"> a. There is no change in the material facts or circumstances on which it is based; b. All of its terms and conditions are complied with; and c. It has not been revoked

	<p>Modification, revocation, postponement and refusal:</p> <ul style="list-style-type: none"> • In identified situations, the customs administration may decline to issue the ruling, such as when the good is already the subject of a review or appeal • Customs may decline or postpone the issuance of an advance ruling where the applicant fails to provide the requested information within the time stipulated • An advance ruling may be modified or revoked at any time if: <ul style="list-style-type: none"> i) The advance ruling is based on an error of fact or law ii) There is a change in law iii) There is a change in the material facts or circumstances on which the ruling was based iv) Inaccurate or false information has been provided • Notice in writing of any modification or revocation of an advance ruling and of the effective date of the modification or revocation should be given to the person to whom the advance ruling was given • The effective date of any modification or revocation may be postponed for a period time, where the person to whom the ruling was issued has relied in good faith on that ruling • A modification or revocation of an advance ruling would only apply to goods that are the subject of the advance ruling and are imported on or after the effective date of the modification or revocation
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E. FEES & CHARGES CONNECTED WITH IMPORTATION & EXPORTATION	
Context	<p>GATT Article VIII paragraph 1(a) establishes certain obligations regarding fees and charges that are limited to the approximate cost of services rendered, and prohibits fees and charges aimed indirectly at protecting domestic goods or having an effect equivalent to an import or export tax for fiscal purposes.</p> <p>CARIFORUM countries have similarly agreed with the EC to ensure that fees and charges are reasonable and not more than the cost of the service provided in relation to any specific transaction.</p>
Scope of Issues	<ul style="list-style-type: none"> • General disciplines on fees and charges imposed on or in

	<p>connection with importation and exportation</p> <p>a) Specific parameters for fees/charges b) Publication/notification of fees/charges c) Prohibition of collection of unpublished fees and charges d) Periodic review of fees/charges e) Automated payment</p> <ul style="list-style-type: none"> • Reduction/Minimization of the number and diversity of fees/charges
Summary of Proposals	<ol style="list-style-type: none"> 1. Specify fees and charges payable against identified services in legislation and publish a notification of such fees and charges in advance of implementation 2. Specifically prohibit the collection of unpublished fees and charges by including that prohibition in primary legislation 3. Consolidate and reduce the number and diversity of fees and charges that are imposed 4. Relate the service being provided to the fees being imposed and ensure that the fees levied refer to the approximate cost of those services. The fees or charges cannot, therefore, be calculated on a valorem basis 5. Calculate the approximate cost of services by breaking the costs down into direct costs (that is, costs directly related to the specific services rendered, including labour materials, equipment & utilities) and indirect costs (for example, the costs of supporting labour, equipment and office rent) 6. Include periodic review of fees and charges to ensure that they remain commensurate with the cost of provision of the specified services.
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F. REDUCTION/LIMITATION OF FORMALITIES/PROCEDURES & DATA/DOCUMENTATION REQUIREMENTS

Context	<p>Customs documentation requirements, if excessive, can delay the clearance of cargoes. Documentation – particularly the customs declaration – should be as simple as possible and should conform to international standards. Procedures for the lodgement of declarations should also be kept simple, with electronic lodgement available wherever possible. Fees and charges should be kept to an absolute minimum.</p> <p>In an effort the mitigate against bureaucratic excesses, both EU and</p>
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	CARIFORUM States have undertaken to give legislative effect to the need to ensure that requirements for economic operators are reasonable, proportionate and non-discriminatory in order to safeguard against fraud and provide for further facilitation for high levels of compliance.
Scope of Issues	<ul style="list-style-type: none"> • Minimize excessive documentation • Limit import and export formalities to the least trade restrictiveness level • Remove fees and charges if there is no longer a reason to impose them • Content for goods declarations to be set out in legislation • Conduct inspections without delay upon receipt of documentation
Summary of Proposals	<ol style="list-style-type: none"> 1. The content of the goods declaration should be laid down by Customs, included in national legislation, and conform to international standards 2. The data required in the goods declaration should be limited to such particulars as are deemed necessary for the assessment and collection of duties and taxes, the compilation of statistics and the application of Customs (and other related border agency) law 3. Where a declarant does not have all the required information, customs should permit the lodgement of a provisional or incomplete declaration pending the receipt of the full information 4. To the maximum extent possible Customs should require the lodgement of a single declaration, Multiple copies should not be required unless necessary for risk management purposed 5. Customs shall require only those documents necessary to permit control of the operation and to ensure that all requirements relating to the application of the Customs law have been complied with. Where certain supporting documents cannot be lodged with the goods declaration for reasons deemed valid by the Customs, they shall allow production of those documents within a specified period. Where declarations can be lodged electronically, supporting documents should also be able to be lodged electronically 6. Customs should permit the lodging of the goods declaration at any designated customs office and by electronic means 7. The goods declaration shall be lodged during the hours designated by the Customs, but Customs should consider enabling the lodgement of declaration during extended rather than office hours. Electronic lodgement should be available 24/7 8. National legislation should allow for the lodgement of the declaration and supporting documentation before the arrival of the goods 9. Customs may release the goods from customs control before or immediately upon arrival on the basis of risk assessment of the documents relating to the goods (pre-clearance)
Private Sector Experiences – Inbound	Dominica presently utilizes a single document for importation and exportation. There is no measure in place for electronic submission of importation documentation. Importers experience trade restrictions from the various formalities of all the Government regulatory agencies involved in the processing of a transaction, often with duplication among agencies.
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G. AUTOMATION	
Context	<p>All WTO Member countries both developed and developing have recognized the critical role played by technology inputs in their respective domestic economic prospects. As such, automated clearance systems have been recognized as having the potential to deliver significant facilitation benefits, through reducing the cost and time of clearance procedures. When supplemented with electronic duty payment facilities there can be a rapid duty assessment and collection process.</p> <p>A similar approach has been proposed by the EU within the context of the EPA discussions where CARIFORUM countries have deliberated the need for the progressive development of systems, including those based upon Information Technology, to facilitate the electronic exchange of data between traders, customs administrations and other related agencies.</p>
Scope of Issues	<ul style="list-style-type: none"> • Automation of customs import/export procedures • Electronic submission of declarations and supporting documents • Automated payment of duties, taxes fees and other charges
Summary of Proposals	<ol style="list-style-type: none"> 1. Customs agencies should develop automated clearance systems as a matter of priority 2. Systems should be designed to maximize speed of clearance while ensuring the maintenance of customs control and the strengthening of the capacity to risk manage clearance procedures 3. Electronic funds transfer facilities should also be developed to enable the rapid payment of duty and other taxes and charges 4. Develop automated release procedures to deliver a rapid cargo clearance process, reduce congestion in ports and airports, and greatly facilitate the movement of individual consignments 5. Follow the Guidelines in the Revised Kyoto Convention, General Annex, Chapter 7: <ul style="list-style-type: none"> • The Customs shall apply information technology to support Customs operations, where it is cost effective and efficient for the Customs trade. The Customs shall specify the conditions for its application • When introducing computer applications, the Customs shall use relevant international standards • The introduction of information technology shall be carried out in consultation with all relevant parties directly affected, to the greatest extent possible • National legislation should provide for: <ol style="list-style-type: none"> a) Electronic commerce methods as an alternative to paper-based documentary methods b) The right of the Customs to retain information for their own use and, as appropriate, to exchange such

	information with other Customs administrations and all other legally approved parties by means of electronic Commerce
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H. SINGLE WINDOW/ONE-TIME SUBMISSIONS	
Context	<p>Just as a one-stop shop approach to the inspection and clearance of cargo can greatly facilitate trade, so too the concept of a single-window, with just one agency receiving required documentation on behalf of all Government agencies, can greatly facilitate trade.</p> <p>The application of a Single Administrative Document (SAD) has been cited in the EPA discussions as a measure for both the EC and CARIFORUM to develop and implement with a view reduce documentation requirements for traders.</p>
Scope of Issues	<ul style="list-style-type: none"> • Procedures allowing one-time submission of import to export documentation to one authority • Acceptance of single documentary submission for repeated transactions of same products
Summary of Proposals	<ol style="list-style-type: none"> 1. National legislation to require government agencies to maximize cooperation and to simplify procedures for the lodgement of documents at the border 2. There should be a single agency (Customs) designated to receive all documents relating to border clearance procedures 3. Coordination to be based on an agreed inter-agency document (MOU or similar) setting out roles and responsibilities of each agency 4. Performance measurement statistics and reporting to be maintained to enable all agencies to monitor implementation and results of the program
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I. PHASING OUT MANDATORY USE OF CUSTOMS BROKERS	
Context	<p>Customs Brokers are an integral and necessary part of a self-assessed risk managed import/export system. However, traders should not be obliged to use customs brokers if they wish to carry out the transactions with Customs themselves. The view has been given that the mandatory broker systems can lead to corruption in the private trading sector and collusion with Customs, as well as cause delay and additional cost to the clearance of goods.</p> <p>The EPA discussions have identified the need for transparent, non-discriminatory and proportionate rules in respect of the licensing of customs brokers that is open to all appropriately qualified persons, as well as to eliminate all requirements for the mandatory use of customs brokers.</p>
Scope of Issues	<ul style="list-style-type: none"> • Apply non-discriminatory rules to the licensing of Customs Brokers • Phase out requirements for the mandatory use of brokers
Summary of Proposals	<ol style="list-style-type: none"> 1. Maintain a legislated system of licensing for Customs Brokers, based on the demonstrated qualification and competence of the broker 2. Ensure that this licensing system operates in a non-discriminatory way 3. Allow traders to interact with Customs without the mandatory use of brokers 4. Follow the standards set down in the Revised Kyoto Convention, General Annex, Chapter 8, relating to dealing with third parties
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J. BORDER AGENCY COORDINATION	
Context	<p>Some countries currently require multiple steps to clear goods. In many instances there may be several agencies within one country responsible for goods clearance, with each of them undertaking clearance procedures. If these agencies can be coordinated to require only a single stop process that can greatly assist facilitation.</p> <p>At borders, there are usually different processes and customs facilities to clear goods on each side of the border. Improved coordination between the border authorizers of neighbouring countries can greatly reduce the procedures required and time taken to clear goods across the frontiers.</p>

	The EC and CARIFORUM have agreed to the standardisation of data and documentation required by customs and other related agencies as a major strategy for effective trade facilitation.
Scope of Issues	<ul style="list-style-type: none"> • Standardization of import/export data requirements • Single stop processing, that is, coordinated procedures for clearance of goods by all responsible border agencies • Shared border facilities • Integrated border controls • Special and differential treatment reflecting the specific circumstances of countries • Technical assistance to improve coordination and duplication among border agencies
Summary of Proposals	<ul style="list-style-type: none"> • National legislation to require government agencies to maximize cooperation and to simplify procedures for the clearance of goods at the border • Clearance of cargo using risk management. All Government agencies should use the same systematic risk management approach to determine those cargoes which require examination. • This risk management programme should be based on international best practice. • There should be a single coordinated inspection process for those cargoes identified as high risk. A single agency (customs) should be designated to coordinate all inspections to ensure there is no duplication. • Standard operating procedures to be developed for all agencies concerned and to be endorsed by all agencies involved. All agencies to be consulted in the development and implementation of these procedures • Coordination to be based on an agreed inter-agency document (MOU or similar) setting out roles and responsibilities of each agency • Performance measurements, statistics and reporting to be maintained to enable all agencies to monitor implementation and results of the programme
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K. EXPEDITED PROCEDURES FOR EXPRESS SHIPMENTS	
Context	<p>The proliferation of door-to-door delivery services has influenced discussions within the WTO and EPA to give recognition to the time-sensitive nature of air consignments on the basis that Customs should provide separate expedited procedures for those classified as “express.” Generally, Customs will grant immediate release to all consignments provided that the conditions laid down by Customs are met and that the necessary information is communicated prior to the arrival of the consignment.</p> <p>In addition to the standardisation of data and documentation required by customs and other related agencies, CARIFORUM countries will be expected to simplify requirements and formalities wherever possible, in respect of the rapid release and clearance of goods.</p>
Scope of Issues	<ul style="list-style-type: none"> • Provide specific expedited procedures for express shipments for four specific categories of shipments: <ol style="list-style-type: none"> a. Correspondence and documents b. Low value consignments for which no duties and taxes are collected c. Low value dutiable consignments d. High value consignments
Summary of Proposals	<ul style="list-style-type: none"> • Simplified procedures for express consignments using as a reference the WCO Customs Guidelines for Express Consignments, in particular: <ul style="list-style-type: none"> - “De minimis” threshold values - Simplified declaration for low-value consignments - Use of risk management techniques for examination - Periodic goods declaration for authorized persons - Providing financial guarantees for expeditious release procedures without the payment of customs duties - Flexible customs hours of operation
Private Sector Experiences – Inbound	
Private Sector Experiences – Outbound	
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L. RISK MANAGEMENT & ANALYSIS / AUTHORIZED TRADERS	
Context	<p>Risk management within the context of WTO and EPA trade facilitation discussions refers to the systematic application of management procedures and practices that enable Customs to mitigate risks presented by particular activities or consignments.</p>

	<p>Customs border activity is characterized by a high volume of transactions and finite resources that means it is impossible to check all transactions. The effective application of risk management will enable the facilitation of trade while maintaining appropriate regulatory controls.</p> <p>Authorized traders programmes on the other hand are based on the principles of risk management and the concept that businesses and other involved in the supply chain that are known and trusted by Customs authorities because of a positive compliance record of accurate declarations and timely payments.</p> <p>CARIFORUM Member States has endorsed the need to apply modern customs techniques, including risk assessment, and objective procedures for authorised traders that are transparent, efficient and simplified, in order to reduce costs and increase predictability for economic operators, including small and medium sized companies.</p>
Scope of Issues	<ul style="list-style-type: none"> - Establishment of disciplines on the application of risk assessment criteria - Introduce simplified import/export formalities for authorized traders which have high levels of compliance with trade-related laws and regulations
Summary of Proposals	<ul style="list-style-type: none"> - Apply risk assessment and risk management procedures, minimizing customs interventions in the flow of legitimate goods - Use of risk analysis methods based on relevant international standards and practices, in particular, the WCO Revised Kyoto Convention - Systems for authorized traders should use transparent, objective and non-discriminatory criteria and should not exclude the participation of small and medium-sized enterprises
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