

TRADEBEAT

AN INTERNATIONAL & INDUSTRY
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WTO TRADE FACILITATION AGREEMENT

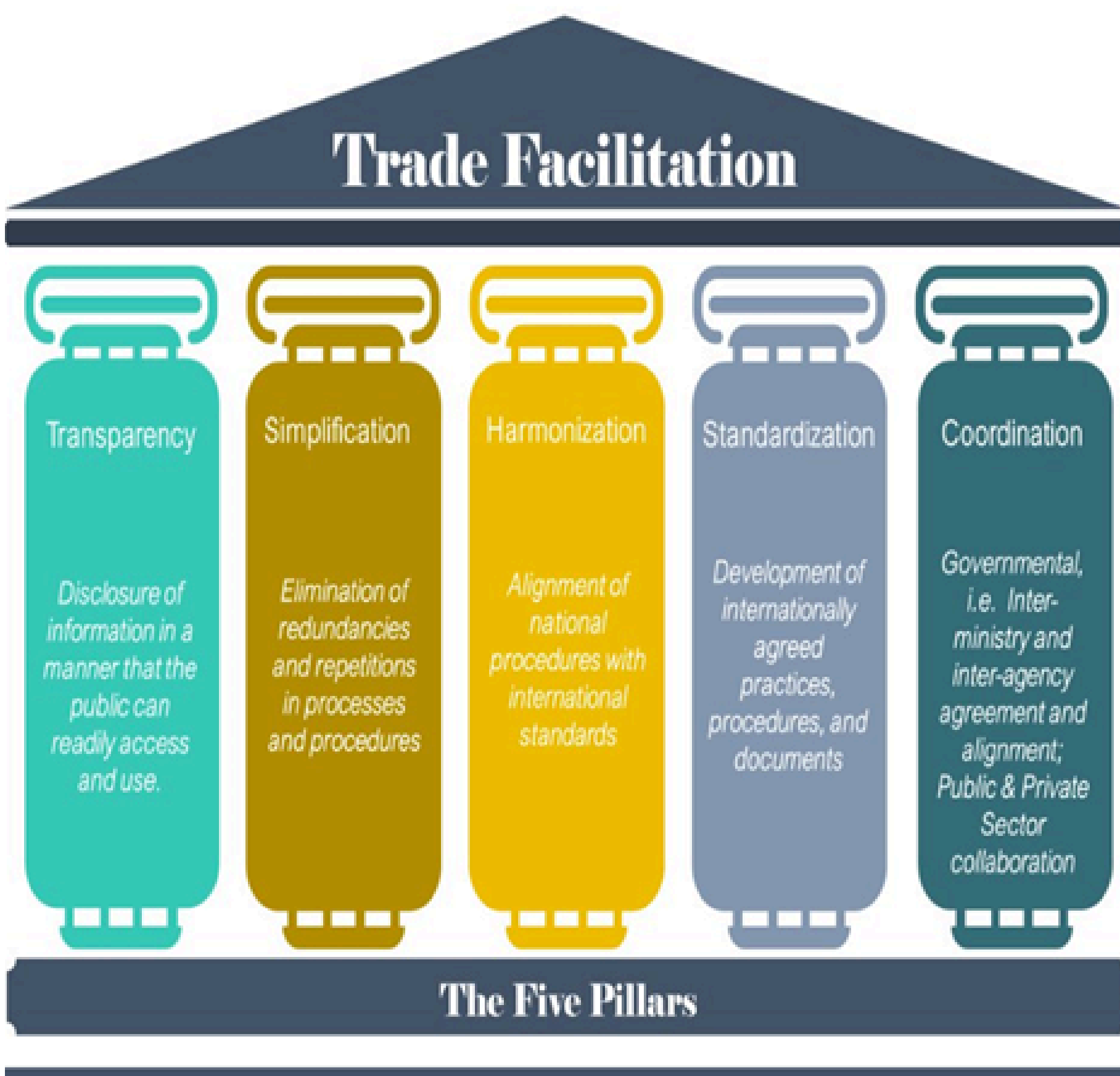
WHERE ARE WE NOW?

IN THIS ISSUE

TRADE FACILITATION
STATUS OF NOTIFICATIONS
REGIONAL STATE OF PLAY
JAMAICA'S IMPLEMENTATION

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TRADE FACILITATION

In its simplest definition, trade facilitation refers to the streamlining of customs procedures and documents. In a broader sense, it encompasses all measures affecting the movement of goods across the international supply chain between buyers and sellers.

The Government of Jamaica (GoJ), as a part of its Public Sector and Modernization Programme, and towards achievement of the National Development Plan, “Vision 2030”, has sought to create an enabling environment for increased productivity, investment and growth. A key part of this strategy included creating a vastly improved trade environment, which led to the establishment of Jamaica’s Trade Facilitation Reform Programme (TFRP). Out of this Programme, Jamaica’s Trade Facilitation Roadmap and Action Plan was born. The reforms

aim to improve the nation’s business and trading environment through the simplification and harmonization of border regulatory procedures, ultimately resulting in greater efficiencies and improved business competitiveness. This thrust of the GoJ is in alignment with the World Trade Organization (WTO) Trade Facilitation Agreement (TFA) and represents commitment to achieving “TFA Plus” outcomes.

Concluded at the 2013 Ministerial Conference of the WTO, held in Bali, Indonesia, the WTO TFA largely addresses the facilitation of Customs and border-related processes. The TFA contains provisions for expediting the movement, release and clearance of goods, including goods in transit; and aims to create a less discriminatory business environment. The TFA's provisions include:

- improvements to the availability and publication of information about cross-border procedures and practices
- improved appeal rights for traders
- reduced fees and formalities connected with the import and export of goods

The TFA sets forth ground-breaking SDT provisions¹, linking implementation of measures by developing countries and LDCs to the acquisition of the capacity to do so, provided that they designate such measures under the following categories:



Category A

Measures implemented by the date of entry into force (For LDCs by 22 February 2018)



Category B

Measures requiring a transition period



Category C

Measures requiring a transition period, and Technical Assistance and Capacity Building (TACB)

Ugaz, P., 2020. Implementation of the WTO Trade Facilitation Agreement: Not a sprint but a marathon. Retrieved from: <https://unctad.org/es/conference/ntfc-global-forum-2022/news/implementation-wto-trade-facilitation-agreement-not-sprint-marathon>

- faster clearance procedures and
- enhanced conditions for freedom of transit for goods.

It also sets out measures for effective cooperation between customs and other appropriate authorities on trade facilitation and customs compliance issues and provides for technical assistance and capacity building in the areas required by developing countries.

In case you missed it, TradeBeats dated [January 2014, Vol. 5, issue 10](#), [February 2014, Vol. 5, issue 11](#) and [February 2017, Vol. 8, issue 7](#), all focused on the WTO TFA, from inception to ratification, providing a comprehensive foundation for understanding the Agreement, its implications and expected outcomes. These issues can be accessed on the JCA's website at: <https://www.jacustoms.gov.jm/tradebeats-0>.

In this edition, the focus is on providing an update on the status of Jamaica's implementation of the TFA.

Status of Notifications

To date, 157 WTO Members have domestically ratified a Protocol of Amendment, and notified the WTO of their acceptance of this Protocol with Venezuela being the most recent. In January 2016, Jamaica ratified the TFA and made its 'ABC' notification in 2017. In 2018, Jamaica notified the indicative and definitive dates for the implementation of Category B commitments and assistance for implementing Category C commitments. Jamaica made some adjustments in 2019, shifting some commitments from categories B and C, to facilitate some provisions which require the development of new processes and procedures. As of August 2024, Jamaica had implemented 97.5% (14.7% in Category A, 28.2% in Category B, and 54.6% in Category C of the 24 Articles in the TFA.

Regional State of Play

Regionally, there are varying levels of implementation of the TFA's provisions, based on the realities faced by each country and the technical assistance available and accessed by them. At recent meetings between the WTO, the Caribbean Community (CARICOM) and the Organization of Eastern Caribbean States (OECS) regarding the implementation of Category C obligations, that is, those which require time and technical assistance for implementation, there were three (3) clear areas identified to be of specific interest. These areas were:

- Article 3 – Advanced Rulings
- Articles 6.1 and 6.2 – Fees and Charges
- Article 7.6 – Authorised Economic Operator (AEO)



Cross-cutting areas of concern include lengthy legislative processes, fiscal implications, need for dedicated political will, need for appropriate legal and policy frameworks and methodologies for determination of fees and charges across not only Customs but also the other border regulatory agencies (BRAs), to ensure compliance with WTO rules.

¹ SDT provisions refer to special and differential treatment, which was granted to Developing and Least Developed Countries (LDCs), to assist them to meet their obligations under the TFA.



SIMPLIFICATION

While each CARICOM member state is responsible for their own TFA obligations, a regional approach was adopted regarding TFA implementation, as provided for by Articles 21 and 24 of the Agreement. The objectives of this approach cover the establishment of a Regional Committee on Trade Facilitation (RCTF), coordination of donor engagement, mobilization of technical assistance and capacity building, regional sharing of best practices, reporting and monitoring, and facilitation of public-private sector dialogue.

The JCA, based on an assessment completed May 2022, achieved an implementation rate of 94.4%, according to the WCO Maturity Model. This means that the Agency is considered to be “sustained”, with full competence for all functions; requires external advice only for highly technical work on an ad hoc basis; and TFA implementation processes are measured, controlled and focused on processes for continuous improvement.

Work in Progress

Acknowledging the strides already made by the Agency in implementing the TFA, there are a few provisions that are work in progress. Work is at an advanced stage regarding these provisions, as represented in the table below:

Article	Provision	Status
3	Advanced Rulings	Awaiting final Parliamentary approval of the Repeal & Replace of the Customs Act
7.6	Establishment & publication of average release times	Time Release Study (TRS) process has been initiated
10.9	Temporary Admission of Goods/ Inward and Outward Processing	Implemented Provision made in the Repeal and Replace of the Customs Act
6.1; 6.2	General Discipline on Fees & Charges	Consultative approach adopted with BRAs to facilitate accurate and harmonized implementation

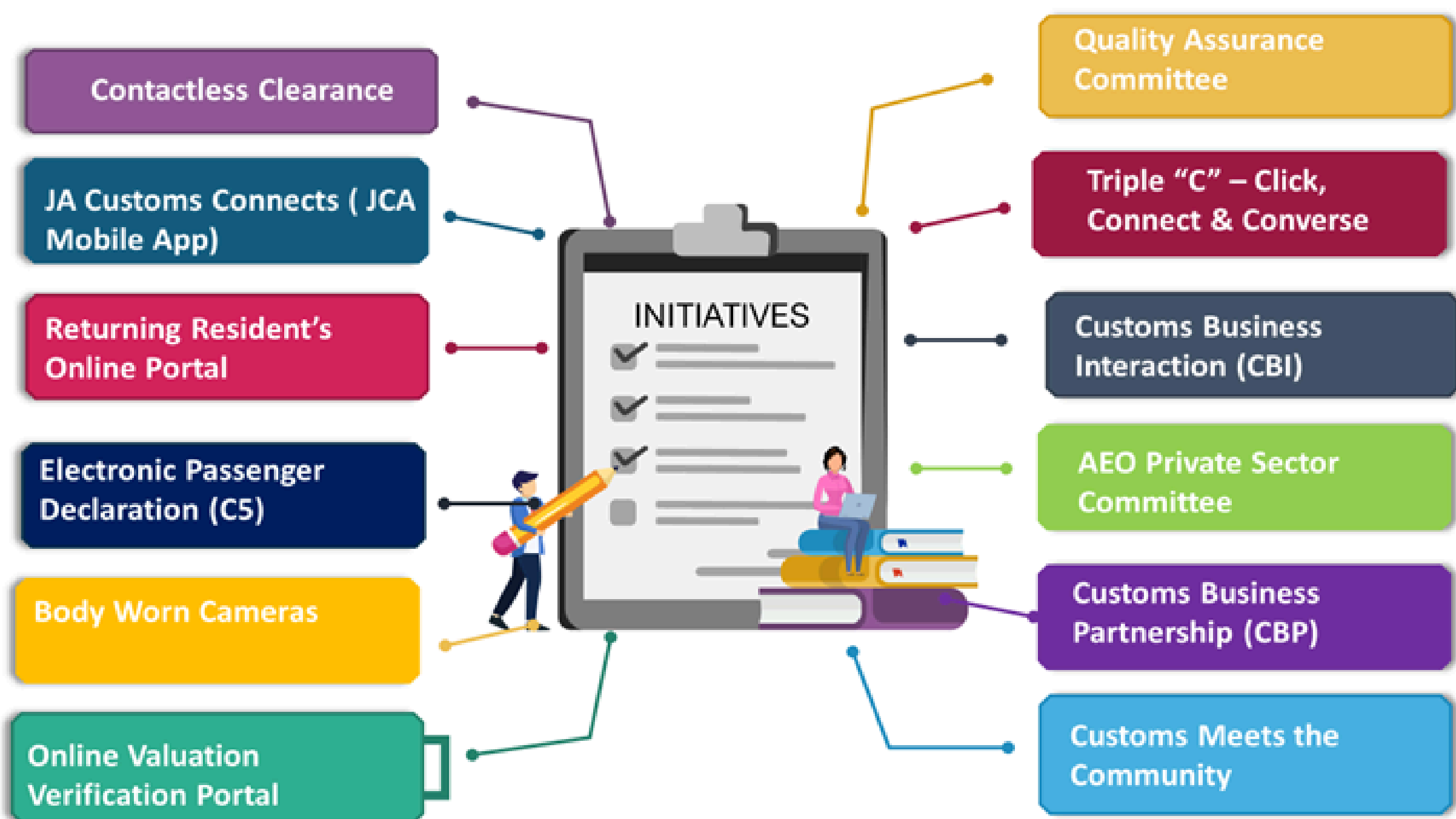
DID YOU KNOW?
THE TRADE FACILITATION AGREEMENT IS THE FIRST MULTILATERAL TRADE AGREEMENT TO BE CONCLUDED SINCE THE WTO WAS ESTABLISHED OVER 20 YEARS AGO.

Jamaica’s Implementation Status

The JCA has employed the use of the WCO’s Maturity Model to measure the status of the Agency’s implementation TFA obligations. The Maturity Model is an objective self-assessment, which allowed the Agency to assess its implementation of TFA provisions using best practice against a clear set of external benchmarks. These benchmarks can be independently verified and allow continuous development and progress towards full implementation.

Trade Facilitation Agreement

ON THE ROAD TO IMPLEMENTATION: NOTABLE JCA INITIATIVES



The JCA continues to chart its course towards embodying a “modern, world-class Customs administration”. As a part of this journey, the Agency is committed to meeting its obligations under the TFA. The Agency will continue the work to achieve compliance with outstanding provisions of the Agreement and will strive towards optimizing synergies and collaboration with other BRAs, sustaining and improving the leverage of technology, and implementing modern Customs legislation.

These combined efforts will see the JCA and its stakeholders reaping the benefits of an enhanced trade environment and increase the ease of doing business, thus contributing towards making Jamaica “the place of choice to live, work, raise families and do business.”

References

- <https://www.tfadatabase.org/en>
- Ugaz, P., 2020. Implementation of the WTO Trade Facilitation Agreement: Not a sprint but a marathon. Retrieved from: <https://unctad.org/es/conference/ntfc-global-forum-2022/news/implementation-wto-trade-facilitation-agreement-not-sprint-marathon>
- <https://www.tfafacility.org/trade-facilitation-agreement>

JCA's Next Steps



Future Initiatives towards TFA Implementation

01

New Website

02

Use of Blockchain
Technology

03

Appeals Module in ASYCUDA

04

Advanced Rulings

05

Mobile App - Electronic Passenger
Declaration (C5)

06

Accession to HS Convention

07

Express Courier Module





N	R	A	T	I	F	I	C	A	T	I	O	N	L
O	H	A	R	M	O	N	I	Z	A	T	I	O	N
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A	I	S	R	T	Z	A	Z	G	A	T	C	I	A
T	N	I	M	N	T	O	I	R	D	I	Y	C	N
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WORD SEARCH
 FIND THE FOLLOWING WORDS

- EXPEDITE
- FORMALITIES
- LEGISLATION
- NOTIFICATION
- HARMONIZATION
- CONSULTATION
- CAPACITY
- TRADE
- RATIFICATION
- TRANSPARENCY
- TRANSIT



Jamaica Customs Agency Head Office located in Kingston, Jamaica

The International & Industry Liaison Branch (IILB) is committed to raising awareness on topics relating to the International Trade, as well as issues concerning the Caribbean Community which may affect our internal and external stakeholders. Our quarterly Newsletter seeks to highlight global trade topics and their importance to Customs Administration worldwide, specifically as it relates to the Jamaica Customs Agency.

As we realize our vision to becoming a modern customs administration delivering excellent service, we recognize the importance of knowledge transfer in delivering our objectives and use this forum as one way of contributing the vision of Jamaica Customs Agency (JCA).

The IILB is located at JCA's Head Office, and our officers are available to respond to your trade-related queries. Contact us at: iilu@jca.gov.jm.