

FIATA

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FIATA PUBLIC STATEMENT

THE TRADE FACILITATION AGREEMENT Main instrument of development for better global trade

The World Trade Organisation's (WTO) Trade Facilitation Agreement (TFA) reached in Bali in December 2013 is a major step in favour of greater facilitation in global trade. FIATA applauded the agreement precisely at the time it was taken having travelled to Bali on that occasion. Consequently FIATA also welcomed the successful breakthrough in November 2014, which enabled the WTO, their members and other International Organisations to continue the implementation work required by the treaty.

FIATA, the International Federation of Freight Forwarders Associations today represents an industry covering approximately 40,000 forwarding and logistics firms, employing some 10 million FTE's in 160 countries. FIATA maintains its full support to the WTO as this historic Agreement is expected to deliver greater facilitation to trade in times when better trade could lift more and more countries out of poverty, increase the welfare of the more developed nations and contribute to better health and human conditions all over the world, coming to assist the process of establishing the new sustainable development goals of the post-2015 agenda.

The TFA's implementation offers a crucial opportunity to achieve important trade facilitation commitments on a global scale and is, in so doing, importantly assisted by the instruments that have been prepared by the patient work of the World Customs Organisation with their revised Kyoto Convention and other Customs and facilitation related instruments. A swift implementation of the agreement would promote simplification of Customs procedures globally and it could contribute to creating an even more collaborative approach in the contracting parties on many levels.

Trade facilitation initiatives, aiming to facilitate international trade transactions by reducing border-related impediments to the multimodal flow of goods, are of paramount importance to the international multimodal freight forwarders' and logistics providers' industry. Trade facilitation measures provide economic benefits to all participants in the supply chain and support economic growth in a win-win relationship for all parties involved, there including the authorities which are best placed to reap the benefits of the cost saving that facilitation provides.

The TFA text contains significant trade facilitation obligations and recommendations for its signatories with regard to cross border operations, notably with regard to the use of information technology; FIATA takes the view that a harmonised, forward looking and compliant implementation of these provisions is the key factor which will afford sustainable growth to the countries that will swiftly implement the agreement. FIATA further notes that the link between advance cargo information for security and the data required to fulfil other regulatory requirements, e.g. fiscal and revenue related declaration may be connected, but are not the same and may obey to different constraints, in particular in regards of timing. FIATA has always supported such an outcome and is pleased that the WTO had put this

forward as a facilitation aspect, now awaiting economies which have not yet availed themselves of this instrument and are WTO members to work in this direction.

FIATA also noted with interest the recent commentary in the Report of the World Customs Organisation (WCO) Policy Commission as to its Working Group on the *WTO Trade Facilitation Agreement*. The WCO commented in particular as to members of the WCO (the Customs administration in member economies) as to the creation of a National Committee on Trade Facilitation to give effect to Article 23.2 of the Agreement on Trade Facilitation. This is a crucial step that can significantly contribute to increasing the awareness of the effectiveness of the Agreements by giving measure of their reach.

All FIATA Members have been alerted and encouraged to provide their input and assistance in the establishment of these committees and to significantly contribute to their success.

FIATA sees that improvements in the regulatory interface with logistics service providers to international traders could be part of the Committee outcomes and in terms of facilitation would see the WTO TFA signatory states should constitute such National Committees and determine their terms of reference and membership by making sure that logistics and supply chain related services are appropriately represented by freight forwarders and Customs agents in their formation.

FIATA therefore strongly encourages the WTO signatory countries competent authorities (e.g. Customs, Department of Trade, Department of Foreign Affairs, Ministry of Finance, etc.) to engage with FIATA Association Members in their own countries to further assist the swift and efficient implementation of the agreement as widely as possible in the world.

FIATA is naturally available for all parties concerned to assist with information and suggestions with a view to achieving a harmonious implementation of the agreement.

For more detailed information please contact the FIATA Secretariat.

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About FIATA

FIATA, the International Federation of Freight Forwarders Associations was founded in Vienna, Austria on May 31, 1926. It is a non-governmental organisation that today represents an industry covering approximately 40,000 forwarding and logistics firms, employing around 10 million people in 160 countries. FIATA has consultative status with the Economic and Social Council (ECOSOC) of the United Nations (inter alia ECE, ESCAP, ESCWA), the United Nations Conference on Trade and Development (UNCTAD), and the UN Commission on International Trade Law (UNCITRAL). It is recognised as representing the freight forwarding industry by many other governmental organisations, governmental authorities, private international organisations in the field of transport such as the European Commission (through CLECAT), the International Chamber of Commerce (ICC), the International Air Transport Association (IATA), the International Union of Railways (UIC), the International Road Transport Union (IRU), the World Customs Organisation (WCO), the World Trade Organisation (WTO), etc.