

COMMUNICATION FROM NEW ZEALAND, NORWAY AND SWITZERLAND

The following communication, dated 4 October 2005, from the Delegations of New Zealand, Norway, and Switzerland, is being circulated in advance of the Negotiating Group meeting of 5-6 October 2005.

**CLARIFICATIONS AND IMPROVEMENTS IN GATT ARTICLE VIII
(FEES AND FORMALITIES CONNECTED WITH
IMPORTATION AND EXPORTATION)**

Follow-up to TN/TF/W/36 on Simplification, Reduction and Standardization of Trade Documents

I. INTRODUCTION

1. It should be recalled that New Zealand, Norway and Switzerland put forward a proposal to the Negotiating Group meeting in May, on Simplification, Reduction and Standardization of Trade Documents (TN/TF/W/36). The main element in that proposal was that *all Members commit to use standardized documentation requirements for export, import and goods in transit*.

2. The main aim of this proposal is to set out in concrete terms how achieve the objective in Article VIII paragraph 1(c) of the GATT 1994 of "minimising the incidence and complexity of import and export formalities and ... decreasing and simplifying import and export documentation requirements."

3. In a number of other proposals under Article VIII, or dealing with transit issues under Article V, the use of standard documents is mentioned as a key factor to facilitate trade.¹ While each of the proposals is written with a slightly different focus, a careful reading of these proposals shows that *they share the one common target namely that Members should commit to the use of standardized documentation requirements*.

II. COMMITMENTS

4. Research carried out shows that many countries already today to a great extent use standardized documents. This includes a large number of developing countries, many of whom have adopted standardized documentation requirements through recent customs reform. Over 115 countries have documentation requirements that are aligned with the UN Layout Key.² In addition more than

¹ See for example the following working documents: TN/TF/W/17, W/18, W/30, W/36, W45, W/46 as regards Article VIII, and TN/TF/W/28, W/30, W/39 and W/35 as regards Article V.

² We note that this includes those countries who have put in place the Standard Administrative Document (SAD), or have implemented compatible systems with the UN Layout Key through products such as ASYCUDA (UNCTAD), TATIS, TIMS, or others.

80 countries have National Associations affiliated to the International Federation of Freight Forwarders Association (FIATA).³ In other words for many countries the proposal would not imply any change from existing practices. We recognize that for other developing countries technical assistance could be needed.

5. We have indicated in our previous submission TN/TF/W/36, that the use of standardized documents should, of course, not stop Members from enforcing legitimate policy objectives. In fact, the range of existing standardized documents that are available already provide for significant flexibility for Members to achieve these legitimate objectives.

6. We do not in this submission propose any concrete text on how to regulate the use of standardized documents. We do, however, briefly indicate alternative options for approaching this issue.

- Reference to *relevant international organizations* that have developed standardized documents, for example, WCO and UN including UNCTAD.
- An obligation to use documents that are *aligned with the UN Layout Key*.⁴
- Reference to a *bank of standard documents* run by a relevant international organization which Members must draw from.
- A *list of standard documents* that must be used.

III. BENEFITS

7. Small- and medium-sized enterprises (SMEs) and businesses in developing countries in particular should benefit from such a commitment because it would reduce the number and variety of documents they have to use when exporting to or transiting through third markets. In our view the proposal is a relatively simple improvement, but it is at the same time an important one that could bring major benefits for the trading communities and governments involved.

IV. CONCLUSION

8. There is real value and wide support for the proposal that Members should commit to using standardized documents in relation to goods being imported, exported or in transit.

9. It should be underlined that we do not propose that the WTO or the Negotiating Group should develop any standardized documents. Nor do we not suggest that the WTO should develop standardized data elements. We would, however, underline the additional benefits that use of standard data elements would have. Both these tasks should continue to be left to organizations best suited to carry out such a job. However, an understanding within the WTO that the best way to simplify life for our traders and to get the maximum benefits from the existing standard documents would be to have all Members commit to using them.

³ This gives these national associations access to the FIATA Multimodal Transport Bill of Lading (FIATA BL or FBL) which is also aligned with the UN Layout Key.

⁴ The UN Layout Key is by far the most widespread basis for standard documents. Since 1985 the UN Layout Key has become an ISO standard (6422).