

AGREEMENT TO FACILITATE TRADE AMONG WTO MEMBERS

Singapore has notified the World Trade Organization (WTO) that Singapore will implement all the operational provisions of the WTO's Agreement on Trade Facilitation (ATF) immediately when the ATF comes into force.

The ATF is an agreement among WTO Members that aims to reduce red-tape in cross-border trade by simplifying the customs and border procedures of WTO countries. The ATF was concluded at the WTO's 9th Ministerial Conference in Bali in December 2013, after more than nine years of negotiations. When the ATF is implemented, businesses can expect to see trade costs decrease by 10 to 15 per cent, according to OECD estimates, and a boost to the world economy by more than US\$1 trillion, according to the Peterson Institute for International Economics.

The economic benefits of trade facilitation are real and wide-ranging. Transparent and efficient customs procedures help support business supply chains, attract foreign investment and boost domestic development. Businesses save time and cost and will be attracted to invest in economies where business operations are eased. According to estimates from an IBM survey, companies operating in Singapore save up to US\$1 billion annually from Singapore's national single window, through which traders submit documents electronically to reach all relevant authorities at once. Implementing the ATF will also facilitate greater economic integration and growth - goals that are especially pertinent to the ASEAN and Asia Pacific region.

Besides Singapore, a number of other WTO Members, including Colombia, Costa Rica, Hong Kong (China), Mexico and South Korea, have also notified the WTO of their respective commitments to the ATF. For businesses and economies to meaningfully reap the benefits of the ATF, it is important that all WTO Members notify their commitments and ratify the agreement as quickly as possible.

MINISTRY OF TRADE AND INDUSTRY
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ANNEX

Implementation

Under the ATF, a developing country WTO Member may designate all or some provisions for implementation immediately upon entry into force of the ATF (also known as “Category A commitments”). It is anticipated that these Members will notify by end-July 2014 their Category A commitments. Developed country Members do not have to make such notifications to the WTO as they are to fully implement the ATF upon its entry into force.

The ATF will enter into force after at least two-thirds of WTO Members have ratified the Agreement, which is expected to be by 31 July 2015.

Examples of Provisions in the ATF

Some of the key provisions in the ATF that will ease business processes include:

- (I) Ensuring the publication and availability of customs information;
- (II) Issuing traders with advance rulings on their goods;
- (III) Providing traders with appeal and review procedures;
- (IV) Disciplining fees and charges for importation and exportation;
- (V) Ensuring procedures for the release and clearance of goods; and
- (VI) Disciplining formalities on importation, exportation and transit.

The Text of the Agreement

The full ATF text can be found at: www.wto.org