

# WORLD TRADE ORGANIZATION

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**Council for Trade in Goods**  
**16 March 1998**

STATEMENT BY H.E. MR. R. SABORÍO SOTO,  
CHAIRMAN OF THE COUNCIL FOR TRADE IN GOODS,  
UNDER ITEM I (TRADE FACILITATION)

At the outset, I would like to make a short statement concerning the Symposium on Trade Facilitation. You will recall that the Symposium was organized by the Secretariat on the initiative of the Council for Trade in Goods. The Symposium took place last Monday and Tuesday, 9 and 10 March 1998.

Twenty-seven speakers from private enterprises and industry groups gave an overview of a number of areas where traders face obstacles when moving goods across borders. Speakers from intergovernmental organizations (IMF, ITC, UNCTAD, UN/ECE, World Bank, and World Customs Organization) reported on the experiences in their work on trade facilitation.

350 delegates from around 75 Members and more than 20 observers were present over the two days of the conference. Many delegations included high-ranking capital based experts on Customs and Commerce affairs, as well as interested private sector representatives.

After two introductory presentations explaining the complex details of a typical trade transaction, three consecutive panels (on transport, customs, and financial requirements for trade) provided a platform for the private sector to elaborate on the main practical obstacles they face when moving goods across borders, and to suggest solutions in these areas. A fourth panel, on electronic facilities with potential for trade facilitation, introduced the audience to some of the benefits and possible applications of automation and Electronic Data Interchange between government agencies and traders, and gave an outlook on how business transactions may be conducted electronically in the future.

The main concerns traders voiced during the Symposium could be summarized under five headings:

- Excessive documentation requirements;
- Lack of automation and insignificant use of information-technology;
- Lack of transparency; unclear and unspecified import and export requirements;
- Inadequate procedures; especially a lack of audit-based controls and risk-assessment techniques;
- Lack of modernization of, and cooperation among customs and other government agencies, which thwarts efforts to deal effectively with increased trade flows.

Most speakers and several discussants from the floor suggested that the WTO had a role to play in trade facilitation, be it through strengthening existing WTO disciplines and rules, so that administrative barriers are more effectively tackled, or by bringing the work of other organizations under the WTO rule-based system, thus making them multilaterally binding and enforceable. There were also suggestions that the WTO should play a co-ordinating role or that it should promote adherence to or awareness of existing or future instruments concerning trade facilitation. Some Members drew attention to the important work on trade facilitation currently underway in various WTO bodies, namely on the implementation of the Customs Valuation Agreement, on preshipment inspection, and on rules of origin. They stated that priority should be given to the satisfactory and timely completion of these issues. Some others stated that it would not be appropriate to take up additional work or create new bodies. Several discussants stated that it was important to look closely at the issues that were raised during the Symposium in the context of further work on trade facilitation in the WTO.

I would like to recall that the Symposium was intended to place WTO Members in a position to move to the phase of analytical work on trade facilitation, in order to assess the scope for WTO rules in this area, as set out in the Singapore Declaration. I would like to ask you to reflect on how our work on trade facilitation should continue in the future. In my view, there are two questions to consider:

First, what shall be the immediate follow-up of the Symposium? How should the information we have received be processed in order to be a useful resource on which we can draw in our analytical work?

Secondly, how should the analytical process of our work be structured in the future?

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