**World Trade Organization (WTO)**

**Committee on Trade Facilitation (TFC) Meeting**

***11-12 February 2020, Geneva***

**Agenda Item IV – Recent and Upcoming Activities**

***(C). Update by the WCO on the WCO Working Group on the WTO Trade Facilitation Agreement (TFAWG) and on the WCO Mercator Programme***

I would like to start by thanking the WTO Secretariat for giving the WCO Secretariat the opportunity to update the TFC on the WCO Working Group on the WTO Trade Facilitation Agreement (TFAWG) and on the WCO Mercator Programme.

***Please let me start with the WCO Working Group on the WTO Agreement on Trade Facilitation (TFAWG).***

The TFAWG was established by the WCO Policy Commission in its December 2013 meeting in Dublin. It was a quick response to the conclusion of the Agreement on Trade Facilitation by the WTO during the Ministerial Conference in Bali, just prior to the Policy Commission meeting.

The 1st meeting of the TFAWG was held in March 2014. In the first five years, there were two TFAWG meetings per year. However, on the basis of the discussions of the December 2018 Policy Commission, it was determined that future meetings of the TFAWG would be organized once a year, back to back with the Capacity Building Committee, having in mind the cross-cutting nature of the discussions in the TFAWG and in the Capacity Building Committee.

12th meeting of the TFAWG will take place at the WCO Headquarters on 4 and 5 March 2020. The TFAWG meeting will bring together WCO Members, represented by Customs administrations and relevant ministries, as well as Trade negotiators from Geneva, donors and other relevant stakeholders such as other global-standard-setting bodies and the private sector. A Joint Session will be held with the Capacity Building Committee on Wednesday 4 March. After the Joint Session, the TFAWG proper will continue on Thursday 5 March 2020.

H.E. Ambassador Mohammad Qurban HAQJO, Permanent Representative of Afghanistan to the WTO and Chairperson of the TFC is invited to the Joint Session as a Keynote Speaker. He will address developments taking place in the WTO TFC and how this relates to the WCO.

In the meantime, the WTO Secretariat, Ms. Sheri Rosenow, will also participate the Joint Session and provide an update regarding the WTO TFC and the WTO TFA state of play including the latest data on ratifications and notifications.

I would like to take this opportunity to thank both the TFC Chairperson and WTO Secretariat, Ms Sheri Rosenow, for their continued support for the TFAWG meetings since the first meeting in 2014.

The draft Agenda of the meeting also includes following topics:

* There will be a report on progress in the overall and the tailor-made tracks of the Mercator Programme.
* The Joint Session will have the opportunity to learn how the interaction between Members and WCO in specific TFA-related areas is taking place in practice and how the lessons learned shape the Secretariat’s ongoing and future work on improving/amending the WCO tools and guidance in different areas. Specifically, the meeting will be informed about the latest initiatives in the area of the Time Release Study, Post Clearance Audit and Transit.
* The Secretariat will present the latest findings on Single Window environment collected through a WCO survey.
* The Secretariat will also report on progress on the development of the “Reform and Modernization – Monitoring Activities and Projects” (RAM-MAP) and “Single Window Interactive Map” (SWIM). Both of them are web-based platforms designed to allow the user to access news articles and information on WCO Technical Assistance and Capacity building activities including information related to the Members’ automated systems such as Single Window systems.
* There will also be a discussion on different aspects of Article 12 of the TFA on Customs Cooperation. It will include provisions on voluntary compliance, exchange of information and bilateral and regional agreements. WCO Members will present their experiences on implementation of Customs cooperation and after that the TFAWG will discuss the topic in break-out sessions.
* Moreover, the TFAWG will discuss the concept of account-based border management, Its applicability to Customs and border clearance processes for enhanced facilitation and effective holistic risk, as well as associated requirements and critical success factors.
* On the other hand, there will be an opportunity to hear about Member(s)’s experience on the implementation of Article 7.3 of the TFA on separation of release from final determination of Customs duties, taxes, fees and charges.
* And finally, the TFAWG Work Programme and Annual Work Plan for the Financial Year 2020/2021 will be discussed and approved.

This is all about the topics that will be discussed in this two days meeting.

Before I finish, I would like to underline that all meeting documents, presentations and also Executive Summary of the meeting will be made publicly available on the WCO official website a few weeks after the meeting.

***Now let me provide with you some information on the WCO Mercator Programme.***

The WCO launched the Mercator Programme in 2014. It is a programme aimed at assisting members in implementing the Trade Facilitation Agreement, but also in implementing trade facilitation measures more broadly.

Five years after its launch, in March 2019, we published a **Report** on the implementation of the programme to take stock of the results achieved.

* The report highlights the approach, people, instruments, tools and partnerships that underpin the Mercator Programme’s success.
* In the meantime it offers specific case studies and lessons learned for the continued roll-out of the Programme.
* Case studies from MY Mercator partnerships demonstrate the connection between the TFA and the WCO’s instruments, tools, standards and approaches, offering insights into the unique potential of the Mercator Programme to support TFA implementation from a global perspective.
* The report is publicly available on the WCO web site, so I would like to invite all interested members to have look at it.
* Now we are working on the next edition of the Mercator Programme Report which will cover additional information for last one year period. New edition will be presented to the WCO Council in June 2020.

The Mercator Programme is possible due to the **donors** who are providing support. There are many on the list and I would like to use this opportunity to thank them all.

With the aim of achieving the necessary coordination of activities, we are also working very closely with the different development partners present here today, including with the **TFA Facility**.

Therefore, today, I would now like to update you on the developments under what we call the **Tailor-Made Track** of the Mercator Programme.

* Tailor-Made Track is specially designed to meet specific needs of the individual members or sub-regions.
* In accordance with the Mercator Programme operating model, adopted in 2017, Tailor-Made Assistance includes needs assessment, strategic planning and implementation planning, followed by monitoring and evaluation.
* Tailor-Made Assistance may come in the form of Multi-Year (MY) Mercator Programme Implementation Plans **or** ad-hoc engagements supporting specific TFA articles.

A growing proportion of TFA related support under the tailor-made track is now being delivered under **Multi-Year (MY) Mercator** partnerships.

* There are currently **52 members** benefiting from the so-called *“Multi Year (MY) Mercator Programme”* under the tailor-made track.
* MY Mercator engagements are based on medium to long-term partnerships with Members and employ a project-based approach.
* There is a significant role for WCO accredited experts, in particular Mercator Programme Advisors (MPAs). The WCO now has a total of **76 MPAs** recorded in the Accredited Customs Experts (ACE) database.
* Many of MPAs are now regularly providing effective TFA implementation support through sustained engagement with beneficiary Members.

Since the commencement of the Mercator operating model **over 40 diagnostic missions** have now been conducted. Further TFA diagnostic missions are planned later in 2020.

From the **10 diagnostic missions** delivered in the last one year period;

* Over 200 strategic recommendations were developed in close collaboration with Members.
* **90%** of those strategic recommendations were related to technical trade facilitation procedures closely associated to specific articles of the TFA. Further analysis of this reveals a continuing high requirement for support in the broad areas of publication and transparency, Customs procedures, compliance and risk management, along with cooperation, collaboration and connectivity with stakeholders.
* The remaining **10%** of recommendations relate to important crosscutting matters associated to organizational development. Experience has shown that in order to achieve sustainability, support under the Mercator Programme needs to extend to those crucial areas considered to be TFA enablers. These areas commonly include project management, donor coordination, human resource development, information and communication technology, integrity, and gender and diversity.

The **Mercator Scoping Missions** use a combination of tools to assess implementation of TFA articles. Depending on TFA notifications, previous diagnostics and other national circumstances, up to 41 measures are analyzed, together with associated organizational, enabling and institutional arrangements.

Complex TFA articles, such as Risk Management, Post Clearance Audit, Measurement of Release Times and Authorized Operators, where sustained and holistic engagement is needed for effective implementation, figure strongly among these WCO-mediated efforts.

Multi-Year Implementation Support also enabled complementary organizational development support encompassing matters of leadership, management, training, e-learning and competency-based human resources management.

In addition to the multi-year implementation support, I have just explained, many WCO Members continue to benefit from **ad-hoc technical assistance missions** focused on individual TFA technical measures. Such as advance rulings, risk management, post-clearance audit (PCA), time release study (TRS), authorized economic operator (AEO), and single window (SW) along with support in areas associated to data harmonization, stakeholder engagement, coordinated border management (CBM), etc. This support is based on over 50 WCO instruments and tools which have been produced by the WCO and its membership through the comprehensive WCO committee structure.

For more information, please address the Mercator Programme Report which is available to the public on our web site.