Marrakesh Agreement establishing the World Trade Organization (WTO): Agreement on Trade Facilitation. Protocol

2015/0029(NLE) - 06/02/2015 - Preparatory document

PURPOSE: to conclude, on behalf of the European Union, of the protocol amending the Marrakesh agreement establishing the World Trade Organization (WTO).

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: the World Trade Organization (WTO) launched the Doha Round of trade negotiations, known as the Doha Development Agenda in November 2001.

The negotiations on trade facilitation were launched in July 2004, based on a commitment to clarify and improve several articles of the General Agreement on Tariffs and Trade 1994 (GATT 1994): such as those concerning: (i) freedom of transit); (ii) fees and formalities connected with importation and exportation); (iii) publication and administration of trade regulations.

Moreover, the mandate referred to provisions for effective cooperation between customs or any other appropriate authorities on trade facilitation and customs compliance issues.

The 9th WTO Ministerial Conference held in Bali on 3-6 December 2013 adopted the Ministerial Decision on Trade Facilitation, which concluded negotiations on the Agreement on Trade Facilitation subject to the legal review of the text.

At its meeting on 26 November 2014, the WTO's General Council adopted the Protocol amending the Marrakesh Agreement establishing the World Trade Organisation and opened it for acceptance by the WTO Members. The Protocol should now be concluded on behalf of the Union.

CONTENT: under this proposal, the Council is invited to conclude the protocol amending the Marrakesh agreement establishing the World Trade Organization.

The protocol includes the Agreement on Trade facilitation and the commitments will become an integral part of the Agreement.

The Agreement contains a set of measures designed to improve the cross-border movement of goods by improving transparency, streamlining customs procedures and eliminating red tape. For developing countries, it also contains innovative flexibilities which may become standard in future rules type agreements.

The Agreement is divided into two sections:

- the first contains provisions for **expediting the movement, release and clearance of goods**;
- the second contains **special and differential treatment provisions for developing and least-developed countries** aimed at helping them implement the provisions of the Agreement.

The OECD Trade Facilitation Indicators estimate that comprehensive implementation of all measures of the Agreement on Trade Facilitation would reduce total trade costs by 10% in developed countries and by 13-15.5% in developing countries.