

**Fifth Inter-Agency Meeting on Trade Facilitation
Geneva, May 14, 2004**

Summary Report

As agreed at the Fourth Inter-Agency Meeting (Geneva, November 12, 2003), the fifth meeting was convened by the World Bank. The meeting took place as scheduled and dealt with the following agenda:

1. Adoption of the Agenda
2. Review of Work Accomplished by Participating Agencies since the November 12 Meeting
 - a. Update on projects
 - b. Cooperation among agencies : proposals to strengthen it (shared knowledge pool)
3. Update on the Global Facilitation Partnership:
 - a. Discussion of new updated Memorandum of Understanding
 - b. Update on the GFP/UNTF website (topics list, topics allocation between partners, traffic/ideas to strengthen the team)
4. Proposed Research Projects and Potential Funding Sources
5. Any Other Business

The meeting was attended by representatives of the following agencies: the United Nations Industrial Development Organization (UNIDO), the United Conference on Trade and Development (UNCTAD), the World Trade Organization (WTO), the Economic Commission for Europe (UNECE), the Organization for Economic Cooperation and Development (OECD), and the World Bank (WB). As observers, a representative of the World Customs Organisation (WCO) and of the International Trade Centre were present.

Item 1 of the agenda: Adoption of agenda

The agenda was adopted.

Item 2 of the agenda: Review of Work Accomplished by Participating Agencies since the November 12 Meeting.

UNIDO indicated they have selected nine pilot countries to test implementation of the Memorandum of Understanding signed with WTO, with \$250,000 budget. In Cambodia project documentation is being prepared for implementation of a TBT project. In Cuba, a TBT and SPS projects have been prepared. In Bolivia, a joint-UNIDO/WTO program for

SPS is being prepared, with EU funding requested. Egypt and Mauritania will get started in May and June.

A regional TBT workshop took place in Dakha, Bangladesh, funded by India. A national TBT seminar was organized in Hanoi, Vietnam, on May 6. Joint WTO/UNIDO SPS seminars are planned in the fall in Vietnam and Maldives.

UNIDO also participated in the recent Cotonou Cotton workshop, and contributed to the preparation of the UNCTAD XI Trade Facilitation session.

Finally, UNIDO became a Core Partner within the Global Facilitation Partnership and formally applied during the meeting to become a member of the GFP Steering Committee. The forthcoming GFP Steering Committee meeting scheduled on July 6 in Washington will consider this request.

UNECE announced the issuance of the Recommendation and Guidelines on Establishing a Single Window, on May 7, 2004. In terms of planning for future events, UNECE informed the meeting of the forthcoming Trade Facilitation Capacity Building workshop, now scheduled for October 18-20 in Geneva, targeted at PRO organizations. The World Bank was called upon to help finance the attendance of representatives from countries which could face budgetary problems to do so. The Bank indicated its willingness to facilitate attendance, when requested by its clients, using the Training/Capacity Building components in its on-going projects.

On the e-Docs project, Bulgaria, Mauritius, Pakistan and Turkey already expressed interest in moving ahead with implementation.

On security and facilitation, UNECE indicated international security management standards are still under review. An international Forum on Trade Facilitation and Security will be convened in Geneva in May 2005.

Finally, UNECE, together with ITC have put forward a proposal to cooperate with the World Bank on implementing the Border Gear of the National Export Strategies Project. The World Bank will review this proposal and consider how best to answer by making available the diagnostic tools it is now using and adequate support.

WCO indicated that the Facilitation/Security Taskforce completed its work in April 2004 and WCO work in this field keeps going in the other segments of the WCO. The WCO Council Meetings in June will discuss possible International Security Standards. Relating work will be launched based on the outcome of the discussions. Considering the Revised Kyoto Convention, for which entry into force 40 signatories among the existing contracting parties for the original Kyoto Convention are required, 31 parties have now acceded. The WCO hopes the entry into force of the Revised Convention in this year .

The first WCO Regional Liaison Office will be set up in Bangkok, Thailand, in July 2004.

WCO also carries on with the development of its Distance Learning program, the Risk Management module now being available. On the WCO Data Model, version 1.1 is completed, and version 2.0 underway, to be completed by June 2005.

UNCTAD informed the meeting of the publication in April 2004 of the document on Container Security.

In terms of Technical Assistance, four projects are now ongoing: (i) Trade Facilitation Platforms (electronic Single Window, Pro-Committees, Clusters); (ii) Prioritization Tools for TF Programs; (iii) Pakistan Trade and Transport Facilitation Project, which will likely go into a 1-year extension (in association with the World Bank), and (iv) Afghanistan Emergency Customs Modernization and Trade Facilitation Project (in association with the World Bank).

Future projects will focus on the implementation measures for LLDCs, under the umbrella of the Almaty Programme of Actions, following a corridor approach, based on three pilot corridors: (i) Laos-Thailand-Vietnam; (ii) Botswana-Namibia; and (iii) Bolivia-Chile. This exercise is expected to start this year and to be completed by 2007. The World Bank expressed its interest in cooperating, in particular on the corridor involving Laos, since a Trade and Transport Facilitation audit will be carried out in this country in the fall, as part of the Integrated Framework studies.

UNCTAD Trade Logistics Branch has been of course deeply involved in preparing the UNCTAD XI Conference, and in particular the Trade Facilitation session. The TLB will also participate in a joint University of Sao Paulo/World Bank seminar on Trade and Development, and will hold a special session for the launching of ASYCUDA World.

Finally, UNCTAD informed the meeting that an Experts Meeting on Transit Transport Arrangements will take place in Geneva in November 2004.

OECD recently launched an assessment of the cost of implementing trade facilitation measures, as defined in the relevant GATT articles. Data collection is underway in cooperation with the WCO, and missions are planned to Latvia, Uganda, Morocco and Chile. The first draft of this assessment is expected to be discussed in the September 2004 OECD meeting. Since the World Bank has programmed the same research exercise for its coming fiscal year (July 1, 2004 –June 30, 2005), OECD agreed to share its terms of reference with the Bank so as to ensure the best complementarities possible between the two initiatives.

An OECD/APEC seminar on Market Openness and Regulatory Reform is scheduled on May 25 in Chile. A regional workshop on Non-Tariff Barriers and Trade Facilitation is planned in Southern Africa in the fall.

WTO is working on helping to re-launch negotiations on the Doha Development Agenda, and is organizing a number of technical assistance and training activities on Trade Facilitation to increase awareness on the issues and benefits at stake, the most recent one in Zagreb, Croatia.

The World Bank has just organized on May 13 in Geneva, in cooperation with UNCTAD, a one-day seminar on Trade Facilitation to illustrate how it supports operations in the field, in association with UN agencies and specialized institutions. The Bank now has 32 projects with trade logistics and facilitation components under implementation, and another 36 under preparation.

In cooperation with the WCO, the Bank has completed the Customs Modernization Handbook, which will be officially launched during the 2004 WCO Council Meeting at the end of June. Cooperation with UNCTAD on projects, has exemplified in Pakistan and Afghanistan, is working extremely well and is due to increase as new operations come on stream.

Overall, as these minutes suggest, cooperation between agencies is strengthening across the board, and the momentum is clearly sustained by all participants.

Item 3 of the agenda: Update on the Global Facilitation Partnership.

The Bank opened the discussion on the proposed updated GFP Memorandum of Understanding based on the amendments suggested by the WCO on the latest version circulated by the Bank as an attachment to the invitation to the present meeting. A few additional adjustments were proposed and a new updated version, now called MoU 5, is circulated as an annex to these minutes for review by all agencies. Comments should be sent to the Bank by June 30, 2004, so that a final version of the updated MoU could be submitted to the GFP Steering Committee on July 6, 2004. The next full GFP meeting will take place in the Bank in Washington D.C. on July 7, 2004.

Progress under the joint GFP/UNTF website were briefly presented. Traffic on the website has been increasing, reaching about 3100 visitors in April 2004, although the site has not yet been actively promoted. The majority of visitors comes from Northern and Central America at this stage. The site has 153 registered partners and 8 Core Partners. Both UNIDO and TIACA joined as Core Partners. About 50 topics are presently displayed and are at different stages of completion. More than 400 documents and 200 international recommendations have been posted. The topics of the month are to be

proposed by Core Partners and selected on a rotating basis. The site is undergoing a software upgrade to address some of the comments received to date. The site will be formally released during the GFP meeting of July 7. (A dedicated meeting was organized in the afternoon regarding the website.)

Item 4 of the agenda: Proposed Research Projects and Potential Funding Sources.

There was not sufficient time to discuss under this agenda, but the costs of compliance studies such as that undertaken by OECD was mentioned by the World Bank as a candidate, which would be discussed in the next Inter-Agency Meeting.

Item 5 of the agenda: Any Other Business.

UNIDO proposed to host the Sixth Interagency Meeting in November 2004 in Geneva. This kind offer was accepted with thanks by all participants. The precise dates will be communicated later.

**GLOBAL FACILITATION PARTNERSHIP
For Transportation and Trade
(GFP)**

Memorandum of Understanding

WHEREAS, GFP Partners seek to promote international trade and develop commercial exchanges, in particular in developing and transition countries, through facilitating trade and transport procedures;

WHEREAS, GFP Partners seek to help developing and transition countries improve their external trade competitiveness by enhancing cost-efficiency in delivery of transport services at border interfaces;

WHEREAS, GFP Partners desire to cooperate in executing activities conducive to the development and implementation of more efficient and effective international trade and transport procedures;

NOW THEREFORE, GFP Partners agree on joining the Global Facilitation Partnership for Transportation and Trade (GFP) operating under the following provisions.

1. Purpose of this MOU

This Memorandum of Understanding is concluded between all organizations and companies which are listed in the Partners List on the GFP/UN Trade Facilitation Network website (<http://gfptt.org>), concerning collaboration on the Global Facilitation Partnership for Transportation and Trade (GFP). The objective of this Memorandum of Understanding is to provide the framework for collaboration, under which collaborative activities and projects would be undertaken and specific program areas agreed between these organizations and companies. This Memorandum does not constitute a binding obligation by any GFP Partner to provide support for any individual project, activity or product. Partners can join the GFP in different categories, which are described here below, all Partners being asked to adhere to the provisions of the present Memorandum of Understanding.

2. Purpose and Scope of the Partnership

The GFP will aim to pull together all interested parties, public and private, who want to help achieve significant improvements in transport and trade facilitation, in particular, in developing and transition countries. The Partners will then design and undertake specific programs towards meeting this objective, making use of their respective comparative advantage in the subject matter in a coordinated fashion. In furtherance of this purpose,

the areas of collaboration are expected to include the following: (i) sharing agendas of common interest; (ii) pooling resources and expertise, where appropriate, to carry out research work or design and implement pilot projects; and (iii) sharing knowledge and ideas.

3. Categories of Partners

3.1 Regular Partners

Regular Partners are Institutions, Corporations, Associations or Individuals joining the GFP without making any commitments beyond adhering to the present Memorandum of Understanding. Regular Partners will be given the right to enter information about themselves and to submit information related to their activities to the GFP Core Partners for posting on the GFP website. To do so they will need to nominate a main contact person and a web contact person, responsible for the data provided by the Partner and related individuals. For any questions on membership, please contact admin@gfptt.org.

3.2 Core Partners

Core Partners are Institutions, Corporations, or Associations joining the GFP and undertaking to take charge of specific areas of the GFP agenda, as listed on the GFP website. Core Partners will manage specific knowledge topics as defined in the GFP agenda and on the GFP website, upload new information whose details may be available on the website of the Core Partner concerned, define internal information flows to update the GFP site, and conduct a quarterly review of the site. If needed, the Core Partners are eligible to receive assistance in uploading their content. Individuals associated with Core Partners will receive automated notifications on the topics and activities of interest, indicating changes that took place during the previous month.

3.3 Authorized Partners

Authorized Partners are Regular Partners authorized to upload information related to their activities directly onto the GFP website. Rules for authorizing partners are maintained and administered by the GFP Secretariat, and are subject to changes, based on requests of the Steering Committee, defined below.

4. Governance

4.1 Steering Committee

The GFP is managed by a Steering Committee, the membership of which is presently as follows: International Chamber of Commerce, World Customs Organization, United Nations Conference on Trade and Development, United Nations Economic Commission for Europe, and the World Bank. Membership of the Steering Committee may evolve to adequately represent the membership of the Partnership at large. The Steering Committee will meet at least twice a year ahead of the full GFP meetings. Any strategic decision of the GFP, including those relating to rules for new partnerships and members of the Steering Committee, will be made by Steering Committee by consensus. Each

Steering Committee member will designate a main contact person, entitled to make decision between the meetings.

4.2 Secretariat

The Secretariat supports the Steering Committee, particularly, in the relationship with the Partners, in implementing the management rules defined by the Steering Committee, in maintaining the electronic mailing list and the GFP website, in preparing the agenda for and organizing Steering Committee and GFP meetings, and in producing annual progress reports.

The GFP Secretariat is presently hosted by the World Bank in Washington D.C. However, subject to agreement of the Steering Committee, the Secretariat could be relocated at any time with any of the GFP Steering Committee members.

4.3 Full GFP Meetings

Full GFP meetings, comprising of all GFP Partners, will take place twice a year in order to review progress and the results achieved. For the time being, one meeting will be held at the World Bank in Washington, and the other at the World Customs Organization in Brussels. If changes are needed, the venue of meetings of full GFP meetings will be decided by the Steering Committee six months in advance.

5. Reports

The Secretariat will produce an annual report of progress against objectives with related recommendations. Subject to the respective policies of GFP Partners on the disclosure of information, these reports will be exchanged, shared with the senior management of GFP Partners, and form the basis of joint annual reviews of activities. After review and approval by the GFP Steering Committee, the annual report will be made available in June of each year, before one of the bi-annual full GFP meetings, and subsequently made public.

6. Contributions and Agreements

6.1 Primary Objectives

In keeping with the GFP purpose and scope as defined in Art.2, all Partners find it to be in their mutual interest to promote international trade by lowering trade barriers and, in particular, by facilitating international transport, external trade procedures and cross-border processes. Consequently, all GFP Partners will give consideration to pursue:

- The development of a comprehensive framework of transport and trade facilitation benchmarks, combining qualitative assessment with a holistic set of data on efficiency of trade and transport transactions;

- The definition of systematic approaches to measurement, based on a set of facilitation indicators on transportation and cross-border processes, to be systematically collected;
- The monitoring and publishing on a regular basis of data on these facilitation indicators;
- The design and implementation of suitable capacity building programs;
- Any commonly agreed initiative aimed at promoting trade and transport facilitation through education, training and targeted technical assistance activities;
- Sharing and dissemination of knowledge regarding the various GFP topics, and posting relevant documents on the GFP website.

6.2 *Under this Memorandum of Understanding, the GFP Partners will give consideration to:*

- Contributing to agreed programs of action either in kind (staff time, travel, technology), or in budgetary means;
- Providing intellectual collaboration on research and development programs related to the GFP purpose; in doing so, each GFP Partner will cover its own expenses, to the extent feasible.
- Continuing to manage the development of the GFP initiative;
- do their utmost to leverage additional means of support for the purpose of GFP by using respective comparative advantages, as for an example in the case of the World Bank, through its relationships with major donor countries.

All results of research, surveys and studies carried out with GFP funding or support will be shared between all GFP Partners as soon as they become available.

7. Monitoring and Reporting

Progress on action plans and use of resources agreed under the GFP will be reported on a semi-annual basis to the Steering Committee and update reports will be posted on the GFP website.

8. Procurement Policy

Any program of actions under the GFP shall be consistent with the procurement requirements of the funding body for the program. Necessary and appropriate procurement rules, requirements and guidelines will be circulated by the funding Partners, where appropriate.

9. Rules of Entry and Exit

9.1 Any candidate willing to apply to enter the GFP will submit a request to the GFP Secretariat through the GFP website (<http://gfptt.org>). Regular Partnership will be granted subject to assessment of the candidate status and activities in terms of compliance with the content of the Memorandum of Understanding.

9.2 Core Partners are, as of June 1, 2004, the International Road Transport Union, the World Customs Organization, the United Nations Conference on Trade and Development, the United Nations Economic Commission for Europe, the United Nations Industrial Development Organization, TIACA and the World Bank. Actively contributing Regular Partners may become Authorized or Core Partners. The submission of a request to become a Core Partner implies a commitment to manage specific knowledge topics as defined by the Steering Committee. The Steering Committee will consider such requests and, if appropriate, adopt them by consensus.

9.3 Any Partner wishing to leave the GFP may do so at any time, upon written notice to the GFP Secretariat.

10. Publicity

GFP Partners may mention their collaboration with the GFP under this Memorandum of Understanding in their internal reporting and in press releases to the public, but shall not make any reference to the collaboration with individual partners, such as the World Bank, in any manner in their advertising of their commercial products or services or in the solicitation of any contracts or other business, whether to be financed by the World Bank or not. GFP Partners understand and agree that the name of any GFP Partner may not be used in any manner whatsoever that conveys or suggests, directly or indirectly, this Partner's endorsement or support of their products or services. Use of any Partner logo is to be strictly limited to documents published by the GFP Secretariat with the explicit consent of the Partner concerned for such use. All draft reports prepared by the GFP Secretariat will be circulated to GFP Partners for their review, within a defined period of time, before being made publicly available.

11. Intellectual Property

Any intellectual property rights arising from any work managed by the GFP Secretariat under the collaborative activities agreed and carried out under this Memorandum of Understanding shall belong to the GFP unless the Steering Committee and funding party agree otherwise. Any industrial or commercial exploitation of any intellectual property rights, including the ownership of know-how, arising from the work shall be designed for the purpose of the GFP. Nevertheless, when the work/know-how/products are developed by one or more Partners and made available to the GFP, their intellectual property rights will be fully respected.

12. Modification and termination of this Memorandum of Understanding

A request for the modification of this MoU may be made at any time by Core Partners or Steering Committee Members, by means of a notification in writing addressed to the GFP Secretariat. The Secretariat shall decide upon the steps, if any, to be taken in respect of such request.

This MoU is concluded for seven years. Its duration will automatically be extended for a further seven years if none of the Steering Committee Members object at the latest one year before the expiration of the first seven year period. This MOU will enter in force upon approval by the Steering Committee.

13. Implementation Responsibilities

The offices responsible for the coordination of all matters related to the implementation of this Memorandum of Understanding are the GFP Secretariat:

Presently the World Bank:

Marc Juhel
The World Bank
1818 H Street, N.W.
Washington, D.C. 20433, USA
Tel: 1 (202) 473-2392
Fax: 1 (202) 522-3223
mjuhel@worldbank.org

Gerald Ollivier
The World Bank
1818 H Street, N.W.
Washington, D.C. 20433, USA
Tel: 1 (202) 458-4023
golliver@worldbank.org

For GFP Partners:

Data as indicated on the Partners List on the GFP website (<http://gfptt.org>).