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Committee on Trade Facilitation

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**PROPOSAL TO FOLLOW UP ACTUAL STATUS OF IMPLEMENTATION OF THE WTO
AGREEMENT ON TRADE FACILITATION AS PART OF ITS FOUR-YEAR REVIEW**

COMMUNICATION FROM JAPAN

The following communication, dated 18 June 2021, is being circulated at the request of the delegation of Japan.

1 BACKGROUND

1.1. The WTO Trade Facilitation Agreement (TFA) is expected to reduce trade costs in terms of either money or time for border procedures. According to the 2015 World Trade Report, developing countries where trade costs remained relatively high were considered to best benefit from swift and full implementation of the TFA. In this regard, Japan has actively provided technical assistance especially on customs matters for developing and least developed country Members to help them to gain such benefits. The information on Japan's assistance and support for capacity building conducted in 2019 can be found in its relevant notification (G/TFA/N/JPN/6).

1.2. Japan believes that this year's Review of the TFA is providing a good opportunity to further facilitate its implementation. In regard to the progress towards full implementation of the TFA to date, Japan appreciates the efforts made by Members to notify the WTO Committee on Trade Facilitation of categories and indicative/definitive dates regarding provisions in Section I of the TFA. Japan welcomes the fact that the factual report prepared by the WTO Secretariat (G/TFA/W/41) indicates that most Members submitted their notifications by the respective deadlines, most of which fall within the period of four years after entry into force of the TFA.

1.3. Based on the notified definitive dates, many Members now seem to be at the stage of implementation of the provisions in Section I. Thus, Japan considers it of great importance to establish a mechanism to follow-up on how the provisions are actually implemented by Members so that the Committee can properly address any problems that may arise during the implementation of the TFA. Japan hopes that the following proposal could contribute to the discussion on follow-up methods.

2 PROPOSAL

2.1. Japan would like to propose the following two ideas for consideration in the Committee during the Review.

2.2. First, in order to provide support for Members to better manage their implementation plans, Japan proposes that the Committee review the effectiveness of the list of definitive dates prepared by the WTO secretariat (G/TFA/INF/1) on a regular basis (e.g. once a year). The list aims to remind Members of their own definitive dates so that those Members who face difficulties in implementing category B or C provisions can take appropriate actions as stipulated in Articles 17, 18 and 19 of the TFA. It is expected that the Committee could improve the list and the methods for circulating the list by reflecting feedback from Members in order for the list to further contribute to this purpose. Japan believes this would promote better self-management by Members of their own implementation status.

2.3. Second, Japan proposes that the Committee decide to make the following recommended practice for Members who have successfully implemented category B or C provisions. That is, to submit subsequent follow-up notifications to confirm their actual implementation dates as seen in some Members' notifications, or to share their implementation experiences with the Committee while explicitly mentioning the provision they implemented, the notified definitive date and the actual implementation date. It should be noted that in contrast to category C provisions, the implementation of category B provisions is handled by a notifying Member itself and it is difficult for other Members to know whether category B provisions have been implemented properly within a notified timeframe. Therefore, the Committee should encourage those Members who have successfully implemented category B provisions in particular to take the actions above, including submission of subsequent notification.

2.4. Japan expects that these can be effective ways to enhance transparency and contribute to better follow-up on actual implementation status of the TFA.
