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**UNICE POSITION ON TRADE FACILITATION**

In the fierce competition resulting from globalisation, companies need greater certainty in the administrative handling of their international transactions. Therefore, UNICE supports the strategy set out in the 20 August 1997 EU paper on trade facilitation submitted to the WTO. UNICE firmly believes that the existing variety of customs procedures and lack of documentary standards are often at odds with today's administrative business systems and form obstacles to legitimate trade.

Not only modernisation of customs legislation and, parallel to this, modernisation of the customs administrations are necessary, but also standardised customs procedures and documents should be introduced that tie in with business practices. This will result in more cost-effective and efficient (electronic) interaction between the customs administrations and companies, allowing the effectiveness of controls to be strengthened through risk assessment and targeted checks on commercial records.

More specifically, UNICE is of the opinion that marked improvements could be sought in the following areas:

- . simplification and harmonisation of forms and data required for customs clearance;
- . obligation on customs administrations to give operators advance and binding information about the currency, value, origin and other information essential for customs clearance;
- . easing of constraints imposed for customs clearance (duration and form of controls, taking of samples, guarantee and surety requirements, etc.);
- . allowing more flexibility when laying down transition terms for introduction of changes to tariffs and rules;
- . standardisation of dispute settlement procedures (proportionality of fines and sanctions, seizure of goods, etc.).

UNICE welcomes the fact that the Secretariat of the World Trade Organisation presented a global picture of work already done in other international organisations on the subject of trade facilitation, in its Background Note (G/C/W/80 of 23 May 1997). With the EU, however, UNICE believes that the WTO, as a global organisation, should give political impetus to the promotion of trade facilitation and its implementation. UNICE also believes that the EU should have a leading role in this process.

Although UNICE agrees that a new WTO Agreement on Trade Facilitation has the advantage that it would be backed by a binding Dispute Settlement mechanism, thought should be given to the institution of a specific international arbitration procedure which would be more flexible and allow companies to settle rapidly and easily technical customs disputes resulting from non-observation of customs commitments made by States.

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