



# The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

Joann Peterson

## *Abstract*

On February 22, 2017, the World Trade Organization (WTO) Trade Facilitation Agreement (TFA) entered into force following ratification by a required two-thirds majority (or 110) of the WTO's 164 members. By September 2020, 93.3 percent, or 153 WTO members, had ratified specific provisions in the TFA, setting the stage for full implementation of the agreement. The agreement has three main objectives: to expedite the release of goods that cross international borders; to improve cooperation among customs authorities; and to provide technical assistance and capacity building (TACB) on customs and trade facilitation matters to developing countries and least-developed countries (LDCs). Once implemented, the TFA is anticipated to expand the depth and scope of global trade, especially among developing countries and LDCs. This article provides an overview of the TFA, reviews its implementation status by country and by category, and examines next steps for full implementation of the agreement by TFA members, including progress towards capacity building.

Suggested citation: Peterson, Joann. "The WTO Trade Facilitation Agreement: Implementation Status and Next Steps." *Journal of International Commerce and Economics*, December 2020.

[http://www.usitc.gov/journals/jice\\_home.htm](http://www.usitc.gov/journals/jice_home.htm).

This article is the result of the ongoing professional research of U.S. International Trade Commission (USITC) staff and is solely meant to represent the opinions and professional research of the authors. It is not meant to represent in any way the views of the USITC or any of its individual Commissioners. Please direct all correspondence to Joann Peterson, Office of Industries, U.S. International Trade Commission, 500 E Street SW, Washington, DC 20436, or by email to Joann.Peterson@usitc.gov.

The author would like to thank the JICE Board, as well as Martha Lawless, Arthur Chambers, and Gregory LaRocca (USITC, Office of Industries) for their helpful comments and assistance on this paper.

## Introduction<sup>1</sup>

On February 22, 2017, the World Trade Organization (WTO) Trade Facilitation Agreement (TFA) entered into force after a required two-thirds of WTO members ratified it.<sup>2</sup> The TFA represents the first comprehensive international agreement on trade facilitation and customs reform, and it incorporates key principles on border management developed by the World Customs Organization (WCO).<sup>3</sup> Implementation of the TFA is expected to decrease the costs of trade by as much as 18 percent, with the largest decreases likely experienced by low-income and lower-middle-income countries.<sup>4</sup> The agreement is also estimated to increase global trade by \$1 trillion annually, facilitated by lower transaction costs at the border and the speedier delivery of exports and imports.<sup>5</sup>

Overall, the TFA is intended to expedite the release and clearance of goods that cross international borders, including goods in transit; to improve cooperation among customs administrations; and to provide technical assistance on customs and trade facilitation matters to developing and least-developed countries (LDCs).<sup>6</sup> Developing countries and LDCs comprise the majority of WTO members.<sup>7</sup> These countries are granted special and differential treatment

---

<sup>1</sup> This paper is intended as a summary of progress made by WTO members in implementing the WTO's Trade Facilitation Agreement. The paper is an extension of previously published work on customs reforms and trade facilitation by the author (see Peterson, "An Overview of Customs Reform to Facilitate Trade," *Journal of International Commerce and Economics*, August 2017). The data on TFA implementation rates are self-reported by individual WTO members and are published online through the WTO's Trade Facilitation Agreement Facility, available at <https://www.tfafacility.org/trade-facilitation-agreement-facility>. Where appropriate, the paper includes background on and context for the TFA. However, it is not designed to provide an analysis of individual countries' progress in enacting on-the-ground trade facilitation reforms. This type of analysis, discussed in the above JICE article and highlighted briefly here, has been undertaken by international organizations including, for example, the OECD, the World Bank, and the World Customs Organization (see box 2).

<sup>2</sup> "Entry into force" means that WTO members have ratified the protocol amending the Marrakesh Agreement that established the WTO. The Protocol of Amendment (WT/L/940) is available at WTO, TFAF, "The Trade Facilitation Agreement Enters into Force," February 22, 2017. Further, as of September 2020, 126 WTO members have deposited an "instrument of acceptance" for the Protocol with the WTO. For more information, see WTO, "Members Accepting the Protocol of Amendment," (accessed September 22, 2020).

<sup>3</sup> Trade facilitation refers to a range of measures designed to expedite the export, import, and transit of goods across national borders by removing administrative barriers to cross-border trade. Among other things, these measures address customs transparency, the simplification of customs procedures, and improved cooperation between customs authorities. OECD, "Why Trade Facilitation Matters in Today's Global Economy" (accessed September 16, 2020).

<sup>4</sup> OECD, *Trade Facilitation and the Global Economy*, 2018, 11. For a list of low- and lower middle-income countries identified by the OECD, see OECD, *Trade Facilitation and the Global Economy*, 121, Annex B: "Trade Facilitation Indicators: Country Lists."

<sup>5</sup> OECD, *Trade Facilitation and the Global Economy*, 2018, 11; WTO, "Trade Facilitation" (accessed June 25, 2020). The time period for the estimated annual increase in the value of global trade is not specified.

<sup>6</sup> There are 36 developing countries (DCs) and 89 least-developed countries (LDCs) in the WTO. The remaining 39 WTO members are developed countries. WTO, TFAF, "Trade Facilitation Agreement: Methodology," 2019. For a list of WTO members by development status, see WTO, "Understanding the WTO: Members and Observers," 2020; WTO, TFAF, "List of Developing Countries" (accessed April 24, 2020). WTO members may designate themselves as either developed or developing countries, but these self-designations may be challenged by other WTO members. Separately, WTO members that are designated as least-developed countries must meet the criteria for LDC status established by UNCTAD. WTO, "Who Are the Developing Countries in the WTO?" (accessed June 19, 2020).

<sup>7</sup> WTO, TFAF, "Matrix of Notifications Presented in the WTO Trade Facilitation Agreement," updated February 24, 2020.

## The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

under the agreement—permitting them to implement TFA provisions either immediately upon ratifying the agreement (“category A” commitments in the TFA), after a transitional period (“category B” commitments) or on the condition of technical assistance (“category C” commitments).<sup>8</sup>

The TFA includes measures on technical assistance and capacity building (TACB) under the auspices of the Trade Facilitation Agreement Facility (TFAF), established on July 22, 2014.<sup>9</sup> Technical assistance includes the delivery of training on technical matters to developing and LDC members, primarily to help them notify the WTO of progress on their TFA B and C commitments. Capacity building refers to better enabling these countries to undertake trade facilitation efforts and may include an assessment of their trade facilitation needs.<sup>10</sup> Furthermore, several WTO members—both developed and developing countries—had initiated customs reform before ratifying the TFA. As a result, the agreement provides the impetus for countries to improve or expand customs reforms that were already underway.<sup>11</sup>

As noted, of the 164 WTO members, 153 members had ratified the agreement as of September 2020.<sup>12</sup> In addition, 39 developed countries, and 125 developing and LDC members, had implemented certain provisions in the agreement, advancing the potential for full implementation of the TFA (figure 1). Although implementation of the TFA by developing and LDC members of the WTO is partly contingent on the progress of TACB efforts, notification of dates for category C designations by LDCs is slated to occur by August 2022.<sup>13</sup>

Following an overview of the structure, purpose, and main provisions of the TFA, this article reviews the agreement’s implementation status by country and by category. It then summarizes

---

<sup>8</sup> The implementation of TFA provisions refers to putting in place specific measures identified in the agreement. This may begin with “soft infrastructure” reforms (e.g., the modernization of a country’s customs laws) and then progress toward the institution of “hard infrastructure” reforms (e.g., the development of information and communications technology to facilitate the use of online single customs windows). There may be a lag time between when a TFA measure is implemented and when it results in an actual change to a country’s customs environment. WTO, “Azevêdo Launches New WTO Trade Facilitation Agreement Facility,” July 22, 2014; OECD, *Trade Facilitation and the Global Economy*, 2018, 121. See section on “Technical Assistance and Capacity Building” for further explanation of category B and category C commitments.

<sup>9</sup> WTO, TFAF, “About the Facility,” 2019.

<sup>10</sup> WTO, TFAF. “Assistance to Notify the Categories,” 2019. UNCTAD’s Trade Facilitation Programme, referenced by the TFAF, lists the types of trade facilitation assistance that the program provides. These items include the “elaboration of needs assessments and assistance with the ratification, categorization and notification of national trade facilitation implementation plans; development of project plans; advisory services to national trade facilitation committees; monitoring and evaluation of trade facilitation initiatives; establishing a legal framework for trade-related single windows; undertaking simplification of trade-related procedures; and training national transit coordinators or supporting regional trade facilitation initiatives.” WTO, TFAF, “United Nations Conference on Trade and Development (UNCTAD),” 2020.

<sup>11</sup> OECD and WTO, *Aid for Trade at a Glance 2015*, 2015, 115.

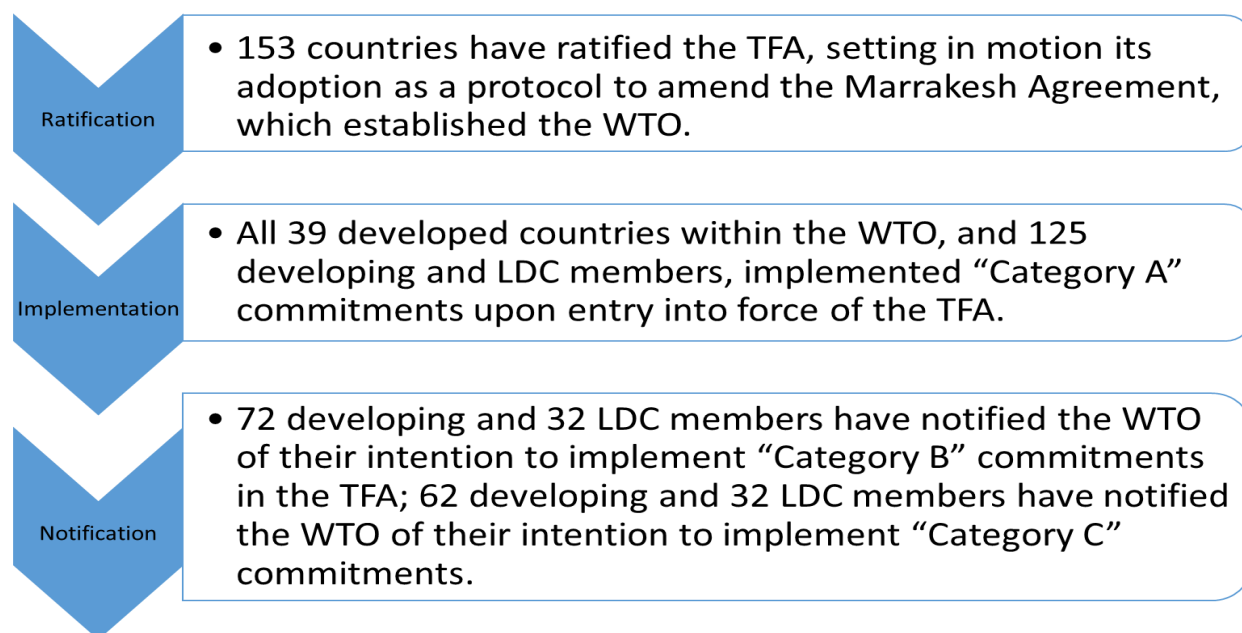
<sup>12</sup> Data are current as of September 23, 2020; see TFAF website at <https://www.tfafacility.org/ratifications> for up-to-date information.

<sup>13</sup> Halloran, “Status of Ratification and Implementation,” October 15–16, 2019. Separately, to address specific issues posed by the COVID-19 pandemic that effect TFA implementation, the WTO has issued new information and guidelines for donors and recipients of TACB support. WTO, TFAF, “Annex D+: TFA Implementation Support Under COVID-19,” July 2020. [https://tfafacility.org/sites/default/files/file\\_or\\_link/annexdcovid19.pdf](https://tfafacility.org/sites/default/files/file_or_link/annexdcovid19.pdf).

## The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

the next steps that WTO members must take to fully implement provisions in the TFA, including participation in capacity building efforts. The article then concludes by reviewing prospects for ratification and implementation of the TFA by all WTO members.

**Figure 1:** TFA implementation status by WTO members, September 2020



Source: Compiled by USITC from WTO, TFAF, “Implementation Notifications (ABC),” 2020, and “Implementation Progress by Member,” 2020.

As of February 2020, 70 percent of developing countries and 45 percent of LDCs had notified the WTO of the types of technical assistance they need to fully implement articles of the TFA. Examples of such assistance include human resources training and support, legal assistance, and the purchase of information and communications technology equipment. However, by early 2020, only a subset of these countries had been matched with potential donors, leading to delays in the administration of TACB efforts.<sup>14</sup> To this end, a 2020 workplan established by the WTO Trade Facilitation Agreement Facility identifies specific tasks to advance matchmaking between donor organizations and recipient countries.<sup>15</sup>

<sup>14</sup> Ugaz, “Implementation of the WTO Trade Facilitation Agreement,” February 21, 2020.

<sup>15</sup> For more information on the TFAF workplan, see WTO, TFAF, “Workplan 2020,” 2020.

## Background on the TFA

### Purpose of the Agreement

The TFA contains provisions that are designed to remove administrative hurdles and bureaucratic delays associated with the movement of goods across international borders.<sup>16</sup> Research indicates that inefficient border procedures, opaque customs clearance requirements, and other burdensome customs practices dampen or deter trade in general, particularly trade by small and medium-sized enterprises (SMEs), landlocked countries, and producers of time-sensitive, high-tech, and perishable goods.<sup>17</sup> Reducing customs-related nontariff measures (NTMs) can increase the export potential, foreign investment, and consumer access to goods in TFA-implementing countries.<sup>18</sup> A simple transition from a paper-based to an electronic payment system, for example, may decrease administrative burdens on shippers, prevent corruption at border crossings, and increase revenue to customs authorities.<sup>19</sup>

The establishment of single electronic windows, in which users can submit transit-related customs documentation through a single online interface (as opposed to disparate websites or paper forms), is important to achieving goals of the TFA.<sup>20</sup> Single windows enable government agencies to authorize the export, import, transshipment, and clearance of goods, often in advance, by exchanging information on a digital platform rather than through physical documentation. This, in turn, greatly reduces the time associated with customs processing and increases the speed with which goods cross borders.<sup>21</sup> For example, in Rwanda, the implementation of a single customs window decreased average clearance times from 11 days in 2010 to 34 hours in 2014. In Peru, the use of a single window reduced customs clearance times by 15 percent between 2012 and 2017.<sup>22</sup> In the United States, the Automated Customs Environment (ACE), an electronic portal, has been established to streamline and enhance the collection of customs-related information, including that related to fees, tariffs, and compliance with export and import requirements.<sup>23</sup> The deployment of newly-developed features of ACE to

---

<sup>16</sup> OECD and WTO, *Aid for Trade at a Glance 2015*, 2015, chapter 4, 115.

<sup>17</sup> OECD and WTO, *Aid for Trade at a Glance 2015*, 2015, chap. 4, 110; OECD, *Trade Facilitation and the Global Economy*, 2018, 15.

<sup>18</sup> OECD and WTO, *Aid for Trade at a Glance 2015*, 2015, chap. 4, 111. In general, NTMs refer to non-tariff-related policies that may restrict trade flows, such as the implementation of sanitary and phytosanitary measures or technical barriers to trade. UNCTAD, “What Are Non-Tariff Measures?” (accessed August 19, 2020).

<sup>19</sup> OECD and WTO, *Aid for Trade at a Glance 2017*, 2017, chap. 3, 95.

<sup>20</sup> The TFA addresses the establishment of single windows under Article 10.4.3, “Operation of a Single Window.” See Appendix A for a list of individual measures in the TFA. WCO, “Single Window Concept,” (accessed June 19, 2020). According to the World Customs Organization, a single window is “a facility that allows parties involved in trade and transport to lodge standardized information and documents with a single-entry point to fulfill all import, export, and transit-related regulatory requirements.”

<sup>21</sup> The establishment of a single window is one of five primary mechanisms associated with the automation and digitalization of the customs environment in the TFA. These mechanisms also include risk management, expedited shipments, pre-arrival processing, and electronic payment systems. OECD and WTO, *Aid for Trade at a Glance 2017*, 2017, chap. 3, 96.

<sup>22</sup> OECD and WTO, *Aid for Trade at a Glance 2017*, 2017, chaps 3, 95.

<sup>23</sup> DHS, CBP, “ACE and Automated Systems,” last modified September 4, 2020.

accommodate changes in the trade environment, including requirements under the U.S.-Mexico-Canada Agreement (USMCA), remains ongoing.<sup>24</sup>

Single windows that span multiple countries are also being developed. In October 2015, the Secretariat for Central American Economic Integration (SIECA) began plans for a digital trade platform to facilitate border crossings (including the movement of people) among the countries of Belize, Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua, and Panama.<sup>25</sup> A roadmap for the project indicates completion of customs integration by 2024.<sup>26</sup>

Overall, the need for efficient customs processes in countries where issues such as bureaucracy or lack of infrastructure are a trade barrier has become increasingly evident. Many studies have examined how customs delays result in lost opportunities and higher costs for traders.<sup>27</sup>

According to the Brookings Institution, high costs at border checkpoints can increase the price of finished goods by as much as 15 percent. In addition, each day a good is delayed at the border may decrease trade by 1 percent.<sup>28</sup> For developing countries, the streamlining of border processes through digitalization, along with efficient “behind the border” logistics transport, can increase domestic firms’ participation in global value chains and cross-border e-commerce (box 1).<sup>29</sup>

---

### **Box 1** Using Distributed Ledger Technology for Customs Clearance

---

Following principles outlined in the WTO Trade Facilitation Agreement, the World Customs Organization (WCO), along with industry associations such as Global Express Association (GEA), have recommended the digitalization of the customs environment to expedite the clearance of goods, improve coordination between border agencies, and ensure the security of global supply chains.<sup>a</sup> Many countries currently use inefficient electronic data interchange (EDI) systems for customs processing. These systems permit customs data to be stored and

---

<sup>24</sup> DHS, CBP, “Notional Schedule for Automated Commercial Environment (ACE) Deployments,” last updated September 4, 2020; USTR, “Agreement between the United States of America, the United Mexican States, and Canada 12/13/19 Text,” December 13, 2019, Chapter 7: Customs and Trade Facilitation, Article 7.10: Single Window

<sup>25</sup> WTO, “Secretariat for Central American Economic Integration (SIECA),” 2019, 2. In Central America, SIECA began plans in October 2015 for a digital trade platform to expedite border crossings among the countries of Belize, Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua, and Panama. Brookings Institution, “Why Trade Facilitation Matters Now More Than Ever,” April 2017, 5.

<sup>26</sup> COMIECO, “Hoja de Ruta para avanzar en la Unión Aduanera” (Roadmap to Advance the Customs Union), June 2015.

<sup>27</sup> See Hummels and Schaur, “Time as a Trade Barrier,” January 2012, 29. Hummels and Schaur find that higher costs at border crossings equate to an ad valorem tariff of between 0.6 and 2.3 percent for each day that a good is in transit, effectively increasing the price of intermediate goods in global value chains.

<sup>28</sup> Brookings Institution, “Why Trade Facilitation Matters Now More Than Ever,” April 2017, 6. This figure is roughly in line with the 18 percent decrease in trade costs cited by the WTO.

<sup>29</sup> OECD and WTO, *Aid for Trade at a Glance 2017*, 2017, chap. 3, 84–85; OECD, *Aid for Trade at a Glance 2019: Economic Diversification and Empowerment* (OECD, WTO, 2019), 181, 186. Here, “behind the border” logistics transport refers to the domestic transit of goods before they reach international customs borders. The efficiency of such transit may be affected, in part, by the quality and costs of a country’s domestic transportation infrastructure. See, for example, Sadikov, “Border and Behind-the-Border Trade Barriers and Country Exports,” 2007.



shared electronically, but they have limited functionality compared to distributed ledger technology (DLT), most commonly associated with blockchain.<sup>b</sup> For example, EDI is a centralized data entry system and, in some countries, requires the manual entry or scanning of customs data.<sup>c</sup> The online exchange of such data may be limited where the computer systems of customs offices or other users are incompatible, and the centralized nature of EDI may compromise data security. By contrast, DLT is a decentralized data entry system that permits multiple users to view and input information, in many cases through a digital platform.

In a paper released by GEA, the association recommends the widespread adoption of blockchain or other distributed ledger technology in conjunction with, rather than as a replacement for current EDI-based customs platforms. The use of blockchains or other DLT systems would allow multiple users to access up-to-date customs data; ensure the security, accuracy, and authenticity of such data (by preventing online tampering and permitting digital signatures);<sup>d</sup> and enhance supply chain visibility. For example, some applications allow users to track the location of cargo in real time using Internet of Things (IoT) data.

The OECD has found that the interoperability of IT systems (i.e., the ability for IT systems to operate in conjunction or “talk” with each other) is key to trade facilitation efforts, helping to improve information flows and reduce border clearance times. However, such systems remain nascent in many countries. GEA suggests that countries must first establish common regulatory standards on cross-border data exchange to facilitate the adoption of blockchain or other distributed ledger technology by customs administrations. Customs authorities and individual traders could develop “open and interoperable” standards for the use of DLT systems across multiple organizations, with the short-term goal of piloting these systems in select countries. If successful, DLT-enabled customs systems may increase the efficiency and transparency of global trade, with specific benefits to small firms for whom the costs of trade are especially high.

Notes:

<sup>a</sup> In its vision statement “Customs in the 21st Century,” the WCO stated that its fifth strategic goal is to “promote digital customs to support, in particular, coordinated border management and information exchange between all stakeholders.” WCO, “WCO Programs on Digital Customs,” April 18–29, 2017.

<sup>b</sup> Blockchain is a type of distributed ledger technology.

<sup>c</sup> EDI systems also permit digital data entry.

<sup>d</sup> The use of blockchain technology, in particular, could provide additional data security by requiring the encryption of customs information entered and shared on the system.

<sup>e</sup> The WCO has issued guidance on how to develop these standards for customs activity under its WCO Data Model.

Source: GEA, “Concept Paper on Next Generation Border Clearance Technology,” November 2019; WCO, “WCO Data Model,” (accessed April 28, 2020); WCO, “WCO Programs on Digital Customs,” April 18–29, 2017; Belin, “The Difference between Blockchain and Distributed Ledger Technology,” (accessed June 26, 2019); OECD, *Trade Facilitation and the Global Economy*, 2018, 10. See also UNCTAD, “ASCYUDA (Automated SYstem for CUsoms DAta),” 2020, and OECD and WTO, *Aid for Trade at a Glance 2017*, 2017, 105.

## Technical Assistance and Capacity Building

As noted, the TFA includes special and differential treatment provisions to give developing and LDC members flexible timelines to implement commitments.<sup>30</sup> To this end, each member of the WTO divides specific measures in the TFA into one of three categories: those that a country will implement once the agreement enters into force (“Category A” commitments);<sup>31</sup> those it will implement after a transition period, and for which the country will set its own implementation date (“Category B” commitments); and those that it will implement after a transition period and after it receives technical assistance (“Category C” commitments).<sup>32</sup> When the TFA entered into force in February 2017, both developed- and developing-country members of the WTO automatically implemented “Category A” commitments of the TFA; LDC members implemented “Category A” commitments one year after the agreement’s entry into force (or ratification). As noted, developing and LDC members may require additional time and assistance to implement category B and C commitments.<sup>33</sup>

The TFAF also includes mechanisms to disseminate information among WTO members; to assess the technical, financial, and other capacity-building needs of developing countries and LDCs; and to match national and institutional donors with recipient countries.<sup>34</sup> Illustratively, between September 2007 and December 2010, the WTO Secretariat conducted its first needs assessment to determine the type of assistance required by developing and LDC members to participate in TFA negotiations. In total, 94 members (60 DCs and 34 LDCs) took part in the assessment, which incorporated input from customs administrations, ministries of trade and commerce, and representatives from the private sector.<sup>35</sup> The results of that effort were updated in a second assessment conducted during 2013–14, in which 90 developing countries and 40 LDCs took part.<sup>36</sup>

Following these assessments, the TFAF has sponsored meetings to facilitate knowledge sharing among countries needing assistance, and public and private sector entities. These meetings are designed to answer technical questions about TFA implementation, including how to notify the WTO of a country’s intent to implement a commitment, and how to establish national

---

<sup>30</sup> WTO, “Trade Facilitation Agreement: Special and Differential Treatment Provisions for Developing Countries,” and “Trade Facilitation Agreement: Special and Differential Treatment Provisions for Least Developed Countries (LDCs),” (accessed June 26, 2020). In the WTO, developing countries are granted special and differential treatment that allows developing countries to implement WTO agreements under longer time periods, safeguards their trade interests, and/or provides them with capacity building support. For a full explanation of WTO rules on the special and differential treatment of developing countries, see WTO, “Special and Differential Treatment Provisions,” (accessed August 19, 2020).

<sup>31</sup> WTO, “Protocol Amending the Marrakesh Agreement Establishing the World Trade Organization,” November 27, 2014, 1.

<sup>32</sup> WTO, “The Trade Facilitation Agreement: An Overview,” (accessed April 17, 2020).

<sup>33</sup> WTO, TFAF, “Assistance to Notify the Categories: List of Needs Assessment Conducted,” 2019.

<sup>34</sup> WTO, TFAF, “Assistance to Notify the Categories,” 2019. For a list of donor countries and of national and international organizations participating in TFA needs assessment and assistance, see WTO, TFAF, “Donors and Organizations,” 2019.

<sup>35</sup> OECD, *Aid for Trade at a Glance 2015: Reducing Trade Costs for Inclusive, Sustainable Growth*, Implementing the Trade Facilitation Agreement, 115.

<sup>36</sup> WTO, TFAF, “Assistance to Notify the Categories,” 2019.



committees to advance trade facilitation efforts.<sup>37</sup> In addition to needs assessments and technical assistance, TACB efforts include financial support from individual donor countries and multilateral organizations.<sup>38</sup>

Early outcomes of TACB efforts administered by the TFAF<sup>39</sup> indicate that countries receiving technical assistance have made progress in implementing TFA commitments.<sup>40</sup> According to indicators by the WCO, the OECD, and the World Bank, such progress is especially evident in measures concerning the publication of information on customs rules and regulations; the automation of customs processing; and the timely release and clearance of goods.<sup>41</sup> In particular, the WCO Time Release Studies (TRS) track the progress of trade facilitation efforts by estimating decreases in clearance times for goods that cross international borders (box 2). Overall, WCO-TRS data reveal substantial reductions in customs clearance times for LDCs that have received TACB support.<sup>42</sup> Similarly, the OECD's Trade Facilitation Indicators (TFI) database measures improvements in the ease with which imports and exports are processed at border checkpoints, while the World Bank's Logistics Performance Index (LPI) measures the efficiency with which goods move through and "behind the border" (i.e., from border checkpoints to final destinations). These data show a positive relationship between trade facilitation efforts and a reduction in the time and costs associated with customs processing for all firms, and especially for SMEs.<sup>43</sup>

---

## Box 2 Tracking the Progress of Trade Facilitation Reforms

---

Three databases from the OECD, the World Bank, and the World Customs Organization can help assess the progress of countries' efforts to implement trade facilitation reforms. Although the results of enacting reforms associated with TFA implementation are, in most cases, too early to evaluate, given the agreement's relatively recent entry into force, the databases measure ongoing improvements by countries to their customs and logistics environments.

### *The OECD Trade Facilitation Indicators (TFI) Regulatory Database*

The OECD TFI database tracks on-the-ground trade facilitation reforms by 163 countries.<sup>a</sup> Although the TFI database is not designed to assess countries' compliance with the WTO

---

<sup>37</sup> For example, in November 2018, participants from all 54 African countries took part in an UNCTAD-sponsored African Forum for National Committees on Trade. The forum brought together public and private entities to share best practices on trade facilitation and resulted in additional TFA commitments by African countries. Similarly, a workshop held in early 2019 for members of the Caribbean Community and Common Market (CARICOM) resulted in seven new TFA notifications by CARICOM countries. WTO, TFAF, "TFAF Success Stories," 2019.

<sup>38</sup> WTO, TFAF, "Donors and Organizations," 2019.

<sup>39</sup> WTO, TFAF, "Annual Report 2018," 5.

<sup>40</sup> WTO, TFAF, "Annual Report 2018," 5.

<sup>41</sup> WTO and OECD, *Aid for Trade at a Glance 2019: Economic Diversification and Empowerment*, 161.

<sup>42</sup> WTO and OECD, *Aid for Trade at a Glance 2019: Economic Diversification and Empowerment*, 174; WCO, "Time Release Study—Version 3," (accessed June 30, 2020).

Data are derived from WCO, "Time Release Study—Version 3," (accessed June 30, 2020).

<sup>43</sup> WTO and OECD, *Aid for Trade at a Glance 2019: Economic Diversification and Empowerment*, 175–79; OECD representative, email message to USITC staff, March 4, 2020. See also OECD, "Trade Facilitation Indicators," (accessed April 21, 2020).

TFA, the TFI maps core provisions in the TFA to specific trade facilitation indicators developed by the OECD.<sup>b</sup> These indicators correspond to each of the 12 articles in Section I of the TFA and include customs-related items such as information availability, fees and charges, advance rulings, and border agency cooperation. Using the indicators as a framework, the OECD collects information from public sources, country submissions, and questionnaires to construct an inventory of trade facilitation reforms, which can be broken out by country, region, and income group.<sup>b</sup> In addition, the variables that comprise each indicator are given a score by the OECD to allow users to compare the progress of one country's trade facilitation efforts to another.<sup>c</sup>

#### *World Bank Logistics Performance Index*

The World Bank LPI contains data from 160 countries to assess these countries' trade logistics environment. The LPI is composed of six indicators, each of which is assigned a quantitative score. These indicators cover the efficiency of border clearance processes; the quality of trade- and transport-related infrastructure; the ability to secure competitively priced shipping services; the quality of logistics services; tracking and tracing capabilities; and the timeliness of final delivery. The scores assigned to each of these indicators are aggregated to develop an overall index, or benchmark, that can be used to compare the logistics performance across all countries in the database, as well as by region and income group.<sup>d</sup>

#### *World Customs Organization Time Release Study*

The WCO TRS measures the time it takes for goods to clear customs and other formalities (e.g., sanitary and phytosanitary documentation requirements) and be released for export or import.<sup>e</sup> The TRS is designed to help customs authorities identify delays in border clearance processes and to help them find ways to remedy delays. To this end, the TRS collects data from individual customs administrations on the time it takes to complete regulatory procedures associated with border clearance and compiles these data to establish a baseline for each procedure.<sup>f</sup> Customs administrations can use such data to compare their performance with one another and monitor changes in their performance over time. The TRS also helps customs administrations assess the impact of introducing new procedures or technologies, such as single windows, on border efficiency.

#### Notes:

<sup>a</sup> The TFI database includes 28 low-income countries, 42 lower-middle-income countries, 40 upper-middle-income countries, 34 high-income OECD countries, and 19 high-income non-OECD countries. The database also covers the four geographic regions of the Asia-Pacific, Europe and Central Asia, Latin America and the Caribbean, and the Middle East and Africa.

<sup>b</sup> Data in the TFI are current as of 2019, and therefore include some post-TFA implementation reforms.

<sup>c</sup> See OECD, "Compare Your Country," (accessed July 1, 2020). For more information on the TFI, including a template of the questionnaire used by the OECD, see OECD, *Trade Facilitation and the Global Economy*, 2018, Annex C: Trade Facilitation Indicators Questionnaire.

<sup>d</sup> See World Bank, "Aggregated LPI: 2012–2018," (accessed June 30, 2020).

<sup>e</sup> The WCO TRS includes the following regulatory requirements: obtaining an export or import license; providing customs and cargo declarations; administering trade security protocols; and clearing goods for export or import. See WCO, *Guide to Measure the Time Required for the Release of Goods*, Version 3, 2018, 10.

<sup>f</sup> The WCO TRS is mentioned in TFA Article 7.6 as a mechanism for WTO members to measure and publish the average time it takes for their respective customs administrations to clear and release goods at the border.

Source: OECD, *Trade Facilitation and the Global Economy*, 2018, 117–19; OECD, "Compare Your Country: Trade Facilitation Indicators" (accessed July 1, 2020); WCO, *Guide to Measure the Time Required for the Release of Goods*, Version 3, 2018, 10; WCO, "Time Release Study—Version 3" (accessed June 30, 2020); World Bank, *Connecting to Compete 2014*, 2014, Appendix 5: The LPI Methodology, 51–52.; World Bank, "Aggregated LPI: 2012–2018" (accessed June 30, 2020).

## TFA’s Major Provisions

The TFA consists of three sections covering a total of 24 articles. Section I forms the core of the agreement and contains measures on the release and clearance of goods; Section II contains special and differential treatment provisions for developing and LDC members of the WTO; and Section III requires WTO members to establish national trade committees to facilitate implementation of the TFA.

TFA Section I, which includes the first 12 articles of the agreement, focuses on expediting the release and clearance of goods by customs authorities, including goods in transit (table 1).<sup>44</sup> This section also includes measures that relate to primary disciplines, or tenets, of trade facilitation reform, including those on transparency (e.g., the publication and availability of information), improved governance (e.g., procedures for the appeal and review of customs rulings), border clearance (e.g., expedited procedures for the release and clearance of goods), and the movement of goods (e.g., freedom of transit past border checkpoints).<sup>45</sup> Together, these measures are intended to reduce the costs of border delays and facilitate the movement of goods through global value chains.<sup>46</sup>

**Table 1:** Summary of main provisions in Section I of the TFA by primary discipline

Article	Primary discipline
1. Publication and availability of information	Transparency
2. Opportunity for comment and consultation	Improved governance
3. Advance rulings	Transparency
4. Procedures for appeal and review	Improved governance
5. Impartiality, nondiscrimination, and transparency	Transparency
6. Disciplines on fees and charges	Improved governance
7. Release and clearance of goods	Border clearance
8. Border agency cooperation	Border clearance
9. Movement of goods under customs control	Movement of goods
10. Import, export, and transit formalities	Improved governance
11. Freedom of transit	Movement of goods
12. Customs cooperation	Movement of goods

Source: OECD, *Aid for Trade at a Glance 2015: Reducing Trade Costs for Inclusive, Sustainable Growth*, 115; WTO Secretariat, “Status of Ratification and Notification,” October 15, 2019; WTO, TFAF, “Trade Facilitation Committee,” October 15–16, 2019 (accessed November 26, 2019).

Note: Articles 1.4 (“Import, export, and transit procedures”), 10.4.3 (“Operation of a single window”), 10.6.2 (“Use of customs brokers”), and 12.2.2 (“Contact points for customs cooperation”) form core transparency disciplines related to the publication,

<sup>44</sup> The articles in section I of the TFA are derived from articles V, VII, and X under the General Agreement on Tariffs and Trade (GATT). Specifically, these provisions pertain to freedom of transit (GATT Article V), customs fees and formalities (Article VIII), and the publication and administration of trade regulations (Article X). For further information on trade facilitation articles under GATT and how they relate to the TFA, see Peterson, “An Overview of Customs Reform to Facilitate Trade,” *Journal of International Commerce and Economics*, August 2017, 11–15. See also WTO, “The Trade Facilitation Agreement: An Overview” (accessed April 17, 2020).

<sup>45</sup> OECD, *Aid for Trade at a Glance 2015: Reducing Trade Costs for Inclusive, Sustainable Growth*, 112–13.

<sup>46</sup> World Bank, *Global Value Chain Development Report 2019*, 2019, 135.

## The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

dissemination, and exchange of customs-related information. See appendix A of this paper for a list of individual measures under each of the 12 articles in Section I of the TFA.

Section II covers Articles 13 through 22 of the TFA and focuses on helping developing and LDC members of the WTO to commit to measures in section I of the agreement. In particular, Section II contains provisions on technical assistance and capacity building (TACB), including special and differential treatment measures that permit developing and LDC members of the WTO to determine whether they will implement TFA provisions upon ratification of the agreement or over a specified period, in conjunction with TACB efforts.<sup>47</sup>

Finally, Section III of the agreement covers Articles 23 and 24 of the TFA. These articles call for the establishment of a permanent committee on trade facilitation in the WTO and require that individual members set up national committees on trade facilitation<sup>48</sup> to help them implement articles under Section I of the agreement.<sup>49</sup>

## Current Implementation Status

### Summary of Implementation Rates by Measure

Upon ratification and over time, countries are required to notify the WTO when they have implemented specific provisions in the TFA. In total, Section I of the TFA contains 12 articles, representing 36 individual measures (figure 2) and 238 notifiable items (appendix A). As of September 2020, the implementation rate of articles in Section I of the agreement was 100 percent for developed countries, 65.0 percent for developing countries, and 33.6 percent for LDCs.<sup>50</sup> At that time, the implementation rate for all WTO members stood at 66.2 percent.<sup>51</sup>

---

<sup>47</sup> WTO, TFAF, “The Trade Facilitation Agreement: An Overview,” 2020.

<sup>48</sup> WTO, TFAF, “National Committees on Trade Facilitation: Current Practices and Challenges,” (accessed April 15, 2020). Among other things, the national committees are responsible for collecting information on implementation.

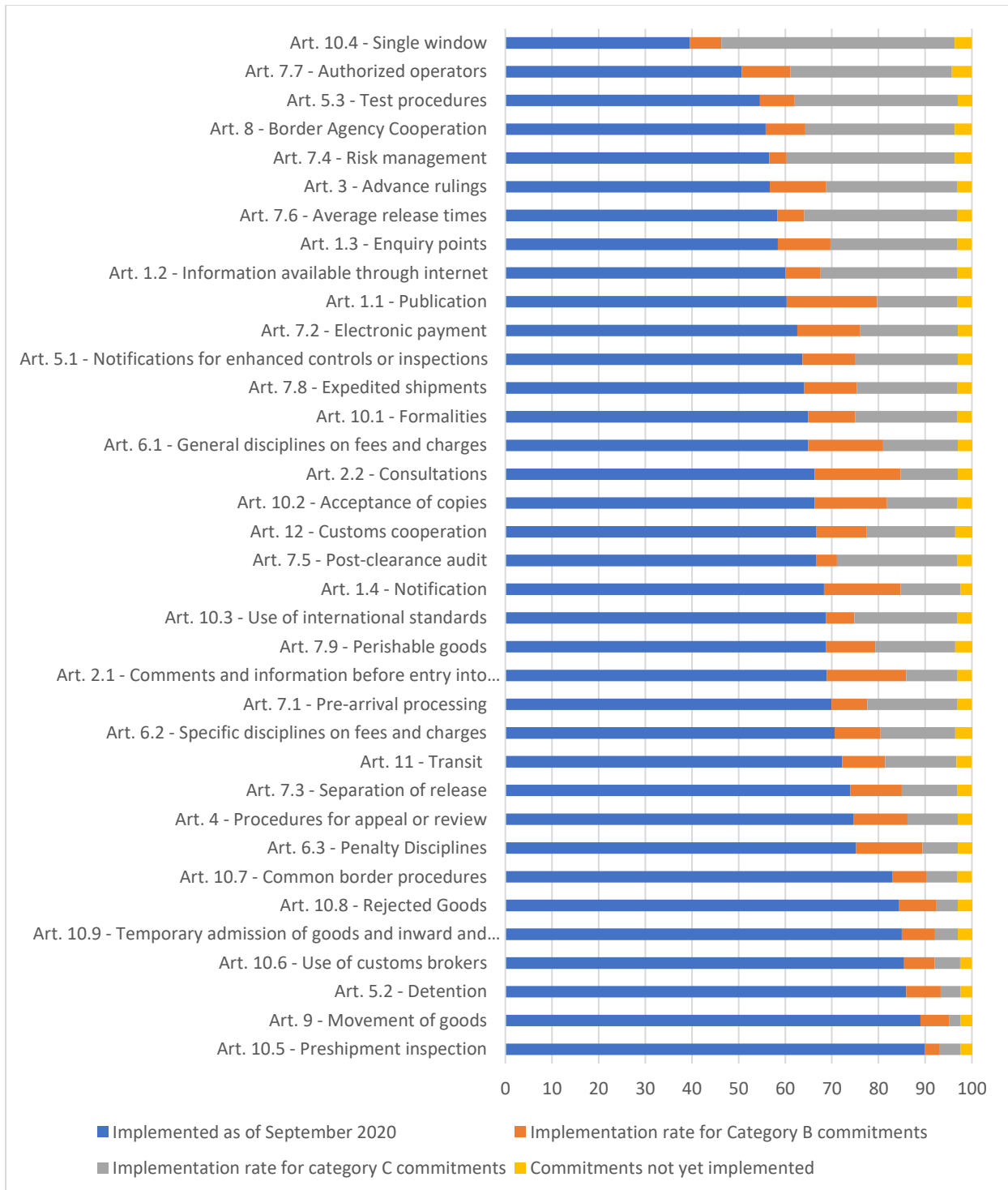
<sup>49</sup> WCO, *National Committees on Trade Facilitation*, March 2016, 7.

<sup>50</sup> See TFAF methodology for a full explanation of how these percentages are calculated. WTO, TFAF, “Methodology,” (accessed April 24, 2020).

<sup>51</sup> WTO, TFAF, “Implementation Commitments by Grouping (Developed, Developing and LDC Members),” 2020.

## The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

**Figure 2:** Implementation rates of TFA commitments, September 2020, percentage



Source: WTO, TFA, “Implementation Progress by Measure,” 2020, and “Methodology,” 2020. See appendix B for a corresponding table.

Note: The figure showing the rate of implementation commitments as of September 2020 is composed of (1) commitments by all developed WTO members; (2) category A commitments by developing members of the WTO that were due on February 22, 2017, and by LDC members that were due on February 22, 2018; (3) any category B

## The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

or C commitments of both developing and LDCs with planned implementation dates. In addition, “Implementation rates for Category B” refers to Category B commitments in the TFA that will be implemented after a transition period, whether a not a final implementation date has been specified; and “Implementation rates for Category C” refers to Category C commitments that will be implemented after a country receives technical assistance, whether or not a date of implementation has been specified.

By individual article, the top five measures in terms of implementation rates across all WTO members involve specific changes to customs rules or procedures that may be less time-consuming and costly to implement than large-scale institutional or infrastructure reforms.<sup>52</sup> These include:

- Article 10.5 (pre-shipment inspection);
- Article 9 (the movement of goods);
- Article 5.2 (the detention of goods at border checkpoints);
- Article 10.6 (the use of customs brokers); and
- Article 10.9 (the temporary admission of goods and inward and outward processing).<sup>53</sup>

The “bottom five” TFA measures—those with the lowest implementation rates among WTO members—were:

- Article 10.4 (the establishment of single windows);
- Article 7.7 (mechanisms to verify authorized operators);
- Article 5.3 (test procedures);
- Article 8 (border agency cooperation); and
- Article 7.4 (risk management).

Developing and LDC members have identified these measures as the most challenging to implement and most likely to require TACB support before implementation (figure 3). Some of these challenges arise from inadequate information and communications technology infrastructure, poor coordination among border agencies, outdated customs laws, and cumbersome bureaucratic processes.<sup>54</sup>

---

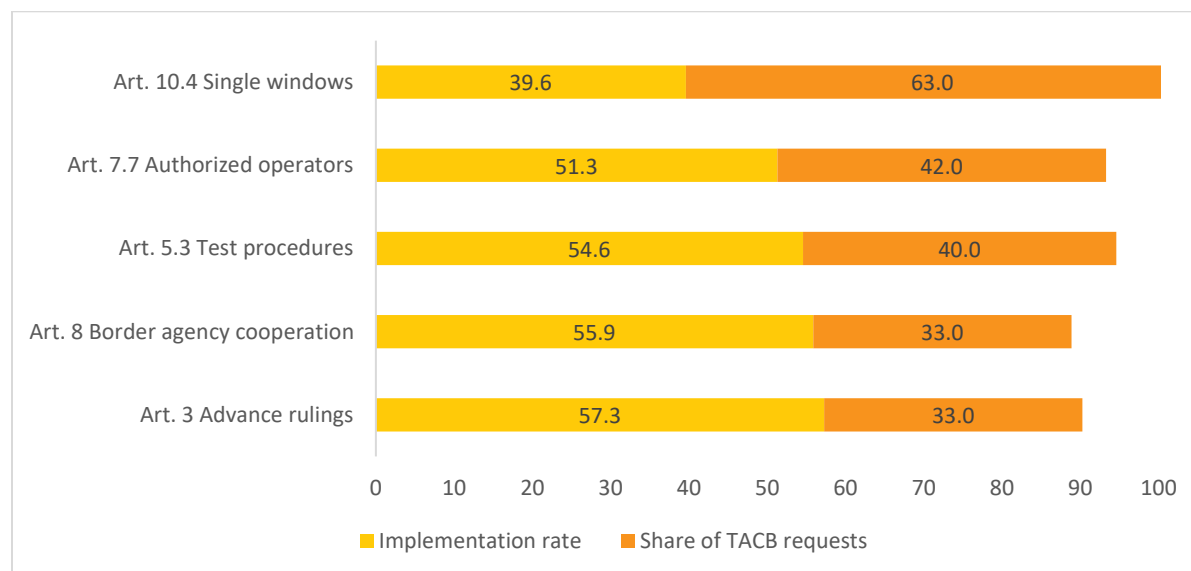
<sup>52</sup> OECD, *Trade Facilitation and the Global Economy*, 2018, 26–27, box 2.1, “Implementing the WTO Trade Facilitation Agreement.”

<sup>53</sup> WTO, TFA, “Implementation Progress by Measure,” 2020.

<sup>54</sup> WTO, TFAF, “Implementation Dashboard: Bottom 5 Measures with Lowest Implementation Rate,” 2020.



**Figure 3:** Bottom 5 TFA measures for all WTO members by implementation rate and their share of TACB requests, percentage



Source: WTO, TFAF, “Trade Facilitation Agreement Database: Implementation Dashboard”; and WTO and OECD, *Aid for Trade at a Glance 2019*, Figure 6.2. TFA Measures: Highest Technical Assistance and Capacity Building Demand, 165. See appendix B for a corresponding table.

Note: The data on TACB requests were compiled by the OECD from the TFAF database. The data represent the percentile share of each TFA measure that is associated with a request for TACB support.

### Transparency and TACB Provisions

Transparency is a central focus of the TFA. Transparency provisions are especially important to trade facilitation efforts because they prevent corruption and the discriminatory treatment of goods (and people) by customs officials at border checkpoints, including requests by customs authorities for facilitative payments and the interpretation of customs rules in an unfair or unpredictable way.<sup>55</sup> Transparency provisions also promote the publication of customs rules and procedures, including through online portals, and encourage cooperation between customs authorities.<sup>56</sup> As a result, these TFA provisions are projected to lead to greater confidence in the global trading system and an increase in cross-border trade and customs revenue.<sup>57</sup> The transparency-related provisions are identified as Articles 1.4 (import, export, and transit procedures), 10.4.3 (operation of the single window), 10.6.2 (the use of customs brokers), and 12.2 (contact points for customs cooperation) in Section I of the agreement.<sup>58</sup> Developed WTO members have the highest average implementation rates across all four transparency disciplines, followed by developing-country members and LDCs (figure 4).

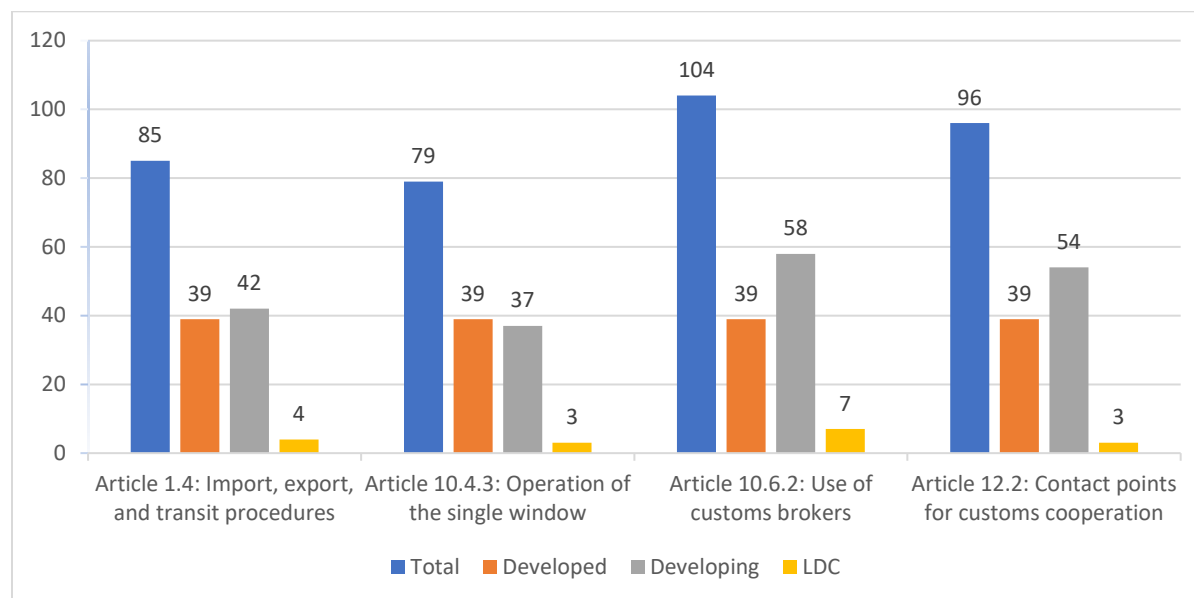
<sup>55</sup> Guicovsky Lizarraga, “Economic Benefits of the TFA,” October 5, 2016.

<sup>56</sup> WTO and OECD, *Aid for Trade at a Glance 2019: Economic Diversification and Empowerment*, 170.

<sup>57</sup> Guicovsky Lizarraga, “Economic Benefits of the TFA,” October 5, 2016; OECD, *Trade Facilitation and the Global Economy*, 2018, 12.

<sup>58</sup> WTO and OECD, *Aid for Trade at a Glance 2019: Economic Diversification and Empowerment*, 170.

**Figure 4:** Transparency notifications by WTO members that have notified all article items, September 2020, number of countries by development status



Source: WTO, TFAF, “Global Status of Notifications,” 2020. <https://tfadatabase.org/notifications/transparency/global-status>. (accessed September 22, 2020). See appendix B for a corresponding table.

Note: Notifications include those pertaining to Category B and C commitments for developing and LDC countries in the WTO. For more information on the transparency notifications of individual WTO members, see <https://tfadatabase.org/notifications/transparency/notifications-by-member>. Data on the website may not match the data in figure 4 due to updates on the TFAF website.

Lastly, a total of 27 developed countries in the WTO have committed to TACB provisions in Section II of the TFA. These provisions are outlined in Articles 22.1 (support for capacity building provided by donor members) (17 countries, including the United States) and 22.2 (process and mechanisms to obtain assistance) (10 countries, including the United States).<sup>59</sup> In addition, 34 developing and LDC members have notified the WTO of their intention to implement Article 22.3 (classified as a “category C” commitment), requiring them to provide contact points for TACB support.<sup>60</sup> Developing and LDC members account for the outstanding TFA measures that have not been implemented. These measures will be implemented after a transition period or on the condition of technical assistance, and therefore rely on the administration of TACB support.<sup>61</sup>

<sup>59</sup> These countries include Australia, Belgium, Canada, China, the EU, Finland, France, Germany, Japan, the Netherlands, New Zealand, Norway, Sweden, Switzerland, Taiwan, the UK, and the United States. WTO, TFAF, “Notifications Matrix: Articles 22.1, 22.2,” 2020.

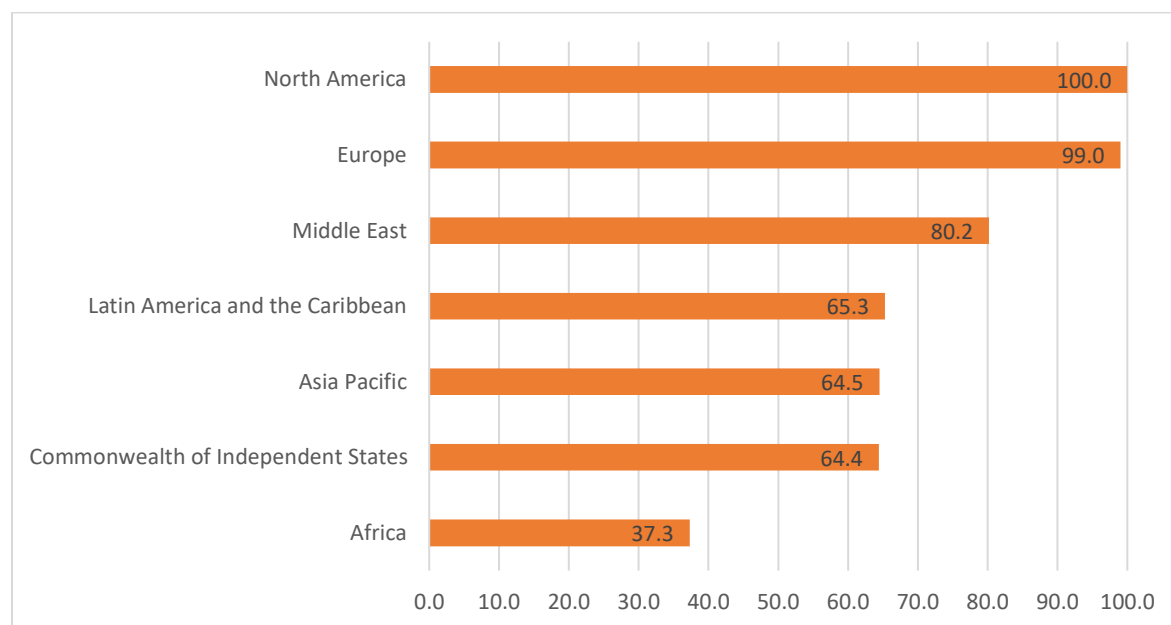
<sup>60</sup> WTO, TFAF, “Notification Tracker,” 2020.

<sup>61</sup> WTO, TFAF, “Implementation Notifications (ABC),” 2020.

## Summary of implementation rates by region and by country

Implementation rates for TFA provisions vary by region and by country, although developing and LDC members of the WTO continue to make progress in this regard. On a regional level, the implementation of TFA measures is most advanced among WTO members in North America (including the United States and Canada) and Europe, which have implemented all or nearly all 12 articles in Section I of the agreement (figure 5). This is followed by the Middle East, at an 80.2 percent implementation rate (led primarily by Oman, Saudi Arabia, and the United Arab Emirates). Europe (led by EU members) ranks third at 99.0 percent, followed by Latin America and the Caribbean (65.3 percent), the Asia Pacific region (64.4 percent), and the Commonwealth of Independent States (CIS) (64.4 percent). Africa has the lowest implementation rate among all regions, at 37.3 percent (with the implementation rate of sub-Saharan Africa (SSA) at 35.8 percent) (box 3).<sup>62</sup> The low implementation rate in Africa, particularly SSA, likely reflects the high number of LDC countries and widespread gaps in the region's customs environment. These gaps include a lack of measures on advance customs rulings, information availability, the automation of customs processing, and governance and impartiality.<sup>63</sup>

**Figure 5:** TFA Implementation rate by region, percentage



Note: Regional groupings are established by the WTO. The percentage for a specific region is based on the total number of WTO members in that region multiplied by 238 (the number notifiable items in the TFA). More information can be found at WTO, TFAF, “List of Regions,” and “Methodology,” (accessed July 24, 2020).

Source: WTO, TFAF, “Implementation Progress,” 2020 (accessed September 23, 2020). See appendix B for a corresponding table.

<sup>62</sup> WTO, TFAF, “Implementation Progress by Member,” 2020 (accessed July 7, 2020).

<sup>63</sup> OECD, *Trade Facilitation and the Global Economy*, 2018, 30.

---

**Box 3** TFA Measures on Goods in Transit Support Trade Facilitation Efforts in SSA

---

Sub-Saharan Africa (SSA) has the lowest implementation rate of TFA measures among all regional groupings in the WTO.<sup>a</sup> This low rate reflects a range of factors, from lack of physical infrastructure (e.g., for information and communications technology and for logistics) to opaque and burdensome customs procedures that slow cross-border trade.<sup>b</sup> Such factors may also affect goods in transit (i.e., exports or imports that must pass through a third-party country to reach their final destination).<sup>c</sup>

TFA measures on goods in transit are an important focus of the agreement and have particular relevance to SSA's 13 landlocked developing countries (LLDCs) that are members of the WTO.<sup>d</sup> Article 11 ("freedom of transit") forms the centerpiece of disciplines on goods in transit in the TFA. This article requires that WTO members permit the transport of goods in transit through their territories without imposing additional customs fees, formalities, regulations, or controls in a way that restricts trade.<sup>e</sup> In addition to Article 11, Article 7 ("release and clearance of goods"); Article 8 ("border agency cooperation"); and Article 10 ("movement of goods under customs control") promote the timely and coordinated release of goods that cross multiple borders.<sup>f</sup>

All SSA LLDCs in the WTO have notified their intention to implement Article 11 of the TFA.<sup>g</sup> Of these 13 countries, 4—including the Central African Republic, Malawi, Mali, and Rwanda—implemented Article 11 upon ratifying the TFA (i.e., as category "A" commitments), while Botswana, Burundi, Chad, Lesotho, and Zimbabwe indicated that they will implement Article 11 after a transition period (i.e., as category "B" commitments). Burkina Faso, Niger, Uganda, and Zambia will implement Article 11 after a transition period and the receipt of technical assistance and capacity building support (i.e., as category "C" commitments).<sup>h</sup> At the same time, data from the WTO Trade Facilitation Agreement Facility indicate that an additional 26 non-LLDCs in SSA have made partial or full commitments to implement Article 11.<sup>i</sup>

Researchers have observed that commitments by and cooperation between landlocked and transit countries are needed for SSA to fully realize the benefits of Article 11 provisions.<sup>j</sup> These benefits include increasing the export competitiveness of goods made in SSA LLDCs by reducing the costs of border delays, and enhancing economic welfare through cheaper and faster access to imports. Measures to help facilitate the movement of goods in transit, including through cooperation between border agencies, are already part of regional trade agreements in SSA, as well as the African Continental Free Trade Area (AfCFTA).<sup>k</sup>

Notes:

<sup>a</sup> Several SSA countries have high implementation rates including, for example, Benin, the Democratic Republic of the Congo, and Liberia.

<sup>b</sup> UNCTAD, *Economic Development in Africa Report 2019*, 29.

<sup>c</sup> OECD, *Trade Facilitation and the Global Economy*, 2018, 26—2, Box 2.1, "Implementing the WTO Trade Facilitation Agreement."

<sup>d</sup> There are 16 LLDCs in SSA: Botswana, Burkina Faso, Burundi, Central African Republic, Chad, Ethiopia, Lesotho, Malawi, Mali, Niger, Rwanda, South Sudan, Eswatini (formerly Swaziland), Uganda, Zambia, and Zimbabwe. Ethiopia and South Sudan are observers but not yet members of the WTO. WTO, "Members and Observers," (accessed July 10, 2020). For further discussion of LLDCs and transport corridors in SSA, see Powell, "The Sub-Saharan Services Economy: Insights and Trends," July 2017, 72–79; and Peterson, "Transport Corridors Have Improved Trade in Sub-Saharan Africa," October 2015.

---

## The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

<sup>e</sup> WTO, TFAF, “Freedom of Transit,” 2020. Customs authorities may levy additional fees concerning “charges for transportation or those commensurate with administrative expenses entailed by transit or with the cost of services rendered.” See also UNECE, “Article 11: Freedom of Transit,” 2012.

<sup>f</sup> OECD, *Trade Facilitation and the Global Economy*, 2018, 36–37.

<sup>g</sup> WTO, TFAF, “Notifications List,” 2020.

<sup>h</sup> Burkina Faso, Niger, and Zambia partially implemented provisions in Article 11 when they ratified the TFA. WTO, TFAF, “Notifications List,” 2020.

<sup>i</sup> WTO, TFAF, “Notifications List,” 2020.

<sup>j</sup> UNCTAD, “Trade Facilitation and Transit,” February 26, 2019; UNCTAD, *Economic Development in Africa Report*, 2019, 32–33.

<sup>k</sup> UNCTAD, *Economic Development in Africa Report 2019*, 9. As further illustration, the Tripartite Cooperation between the Common Market for Eastern and Southern Africa (COMESA), the East African Community (EAC), and the Southern African Development Community (SADC) includes the implementation of measures to harmonize trade and transportation among member-countries. Southern African Development Community, “Tripartite Cooperation,” 2012.

Source: UNCTAD, *Economic Development in Africa Report 2019*, 2019, 9, 29; OECD, *Trade Facilitation and the Global Economy*, 2018, 26–27, Box 2.1, “Implementing the WTO Trade Facilitation Agreement,” and 36–37; WTO, “Members and Observers” (accessed July 10, 2020); WTO, TFAF, “Freedom of Transit,” 2020; WTO, TFAF, “Notifications List,” 2020; UNCTAD, “Trade Facilitation and Transit,” February 26, 2019; and UNCTAD, *Economic Development in Africa Report*, 2019, 32–33; Southern African Development Community, “Tripartite Cooperation,” 2012; and UNECE, *Trade Facilitation Implementation Guide*, “Article 11: Freedom of Transit,” 2012.

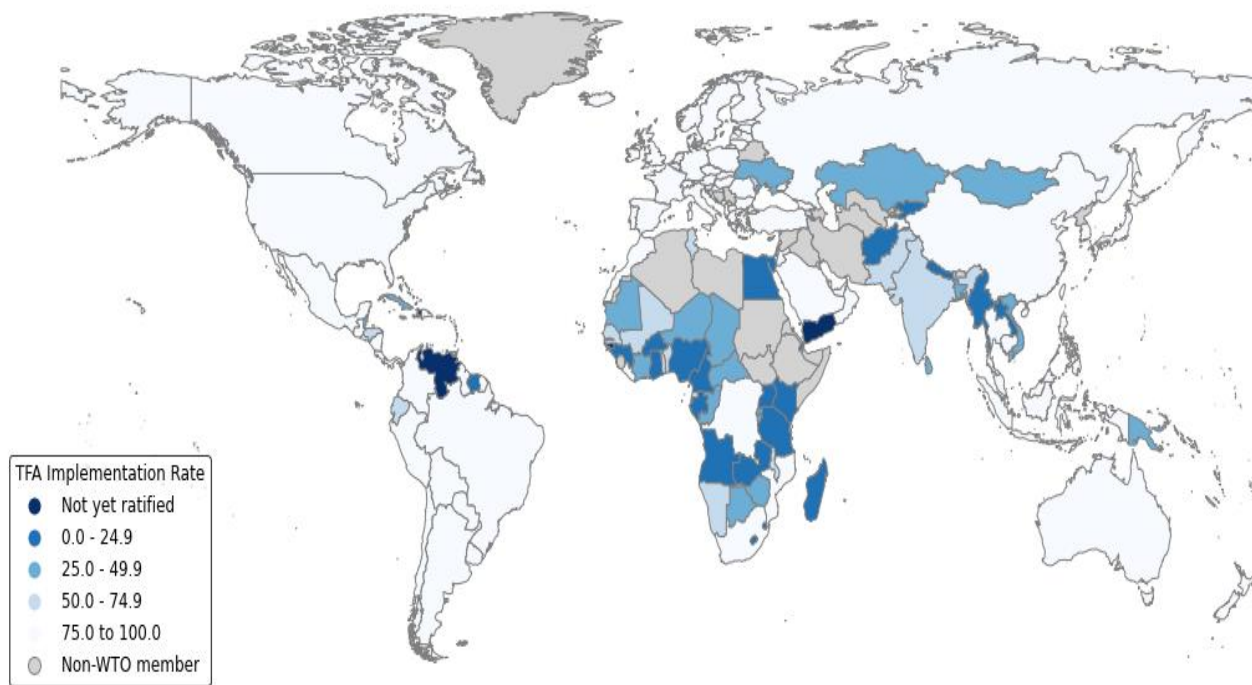
At the country level, progress in TFA implementation is most pronounced among developing members of the WTO. Brazil, China, Mexico, Singapore, and South Korea are among WTO developing countries with implementation rates of 100 percent (meaning that they have fully implemented all measures in Section I of the agreement) (figure 6).<sup>64</sup> By contrast, the implementation rates of Cameroon (11.3 percent), Ghana (9.7 percent), Kenya (7.6 percent), Suriname (10.1 percent), and Tonga (12.2 percent) are significantly lower.

Least developed countries have the lowest average TFA implementation rates among all WTO members, but these rates show substantial variation by country (figure 7). For example, the implementation rates in Djibouti (1.7 percent), Madagascar (8.8 percent), Myanmar (5.5 percent), Nepal (2.1 percent), and Tanzania (5.9 percent) are each below 10 percent, while those in Benin (70.6 percent), Cambodia (84.9 percent), the Democratic Republic of the Congo (81.9 percent), Liberia (77.3 percent), and Mozambique (76.1 percent) range from 70 percent to nearly 85 percent.<sup>65</sup>

<sup>64</sup> TFAF, “Implementation Progress by Member,” <https://tfadatabase.org/implementation/progress-by-member> (accessed September 24, 2020). Mexico, Singapore, and South Korea submitted category A, B, and C designations at the time the TFA entered into force.

<sup>65</sup> Both the Democratic Republic of the Congo and Senegal were among countries receiving financial assistance from the WTO’s Trade Facilitation Agreement Facility to attend the UNCTAD-sponsored African Forum for National Trade Facilitation Committees in November 2018. WTO, TFAF. “Annual Report 2018,” 2020, 9.

**Figure 6:** TFA Implementation rates among all members of the WTO, percentage

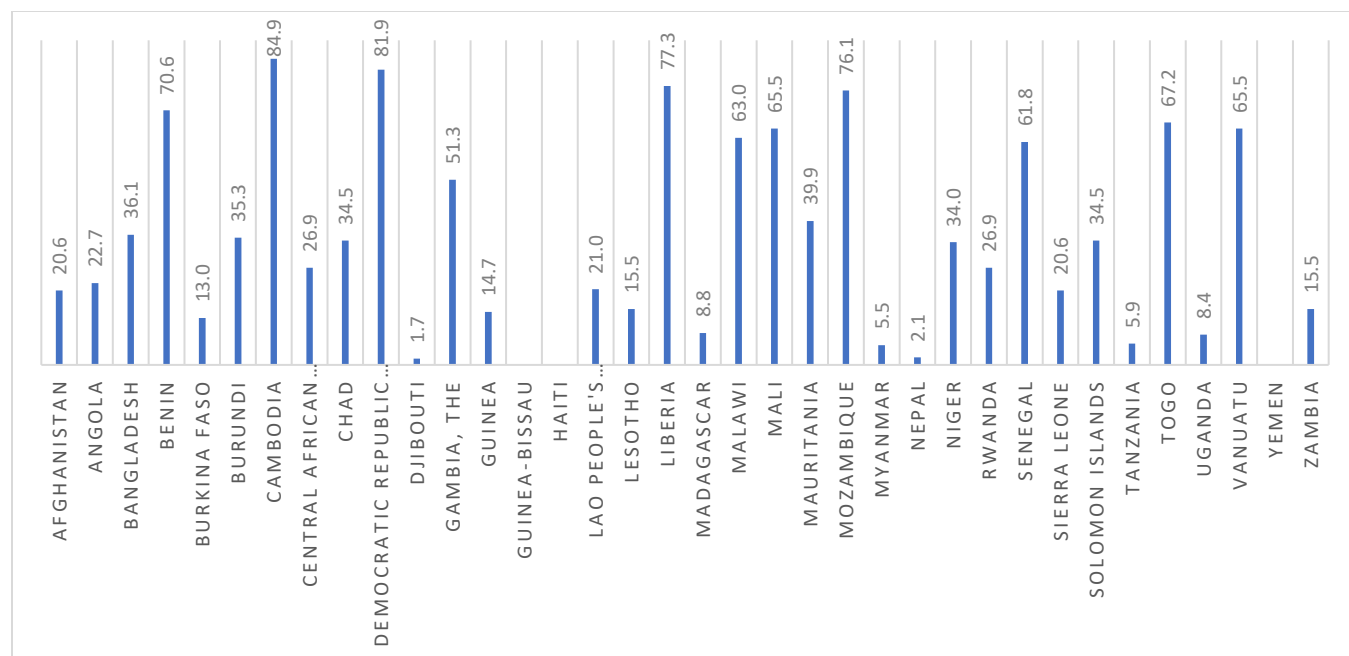


Source: TFAF, “Implementation Progress by Member,” (accessed September 24, 2020). See appendix B for a tabular presentation of implementation rates by country.

Note: There are no data for the following WTO members: Guinea-Bissau, Haiti, Venezuela, and Yemen.



**Figure 7:** TFA Implementation Rates: Least Developed Countries in the WTO, percentage



Source: TFAF, “Implementation Progress by Member,” (accessed September 24, 2020). See appendix B for a tabular presentation of implementation rates by country.

Note: There are no data for Guinea-Bissau, Haiti, and Yemen.

## IV. Next Steps

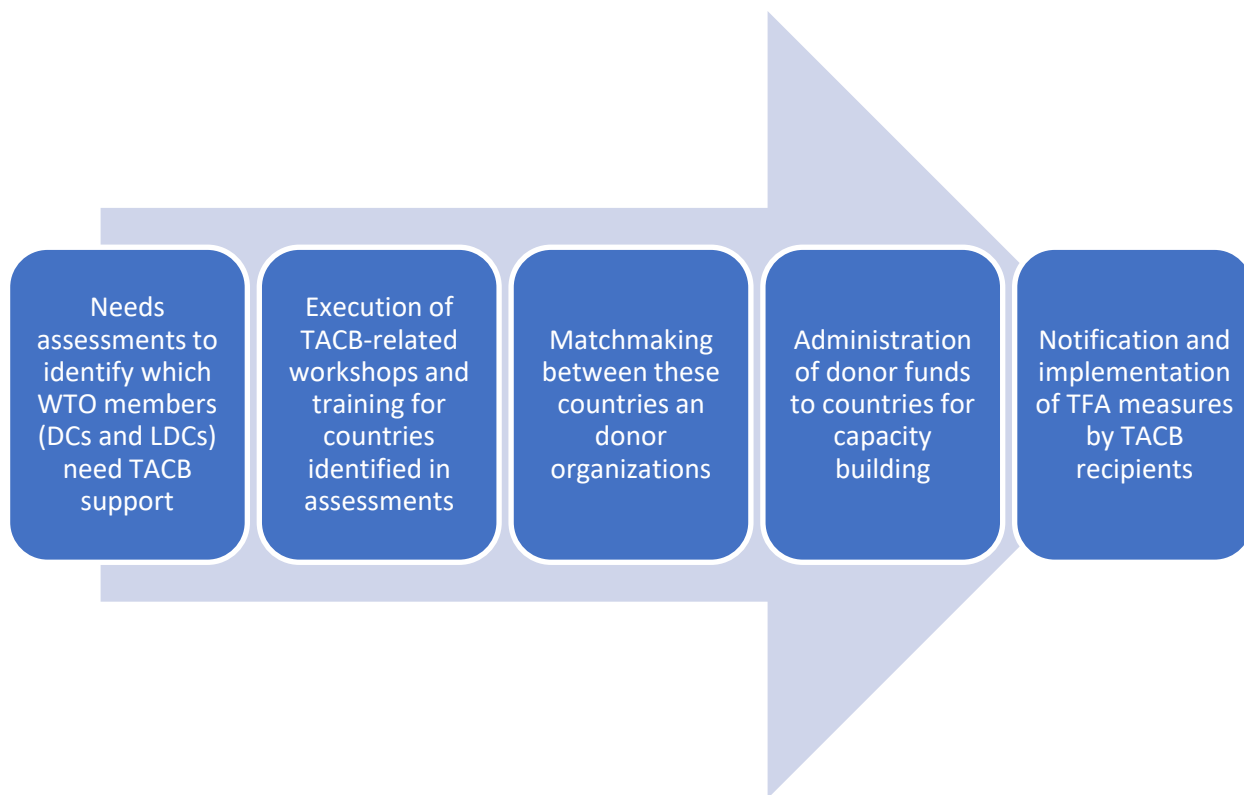
Looking ahead, full ratification of the TFA is largely contingent upon the efforts of developing and LDC members in the WTO to implement all measures in Section I of the agreement, and the corresponding execution of TACB support. To this end, the WTO’s trade facilitation workplan for 2020 outlines four objectives with respect to developing country (DC) and LDC members: (1) acquire the assistance they need to implement TFA measures; (2) advance the operation of their national committees on trade facilitation; (3) submit TFA notifications by the established deadlines (including commitments under categories A through C); and (4) ratify the agreement.<sup>66</sup> The steps to achieving these goals are illustrated in figure 8 below. These steps may be iterative, with definitive dates for the implementation of category C measures (the final set of measures to be implemented by TACB recipients) due by August 22, 2022.<sup>67</sup> The Trade Facilitation Committee had been scheduled to meet in Geneva in May 2020 to review progress by TFA members and advance ongoing efforts towards TFA ratification. However, due to the global pandemic, that meeting was postponed.<sup>68</sup>

<sup>66</sup> WTO, TFAF, “Workplan 2020,” 2020.

<sup>67</sup> WTO, TFAF, “Timelines for Notifications,” 2020 (accessed April 27, 2020).

<sup>68</sup> WTO, TFAF, “Trade Facilitation Committee: 19 May 2020–20 May 2020” (accessed April 27, 2020).

**Figure 8:** Steps to facilitate the full implementation of TFA measures by WTO members



Source: Compiled by USITC staff from WTO, TFAF, “Workplan 2020,” 2020.

## V. Conclusion

The WTO Trade Facilitation Agreement represents a comprehensive effort at trade facilitation reform among WTO members and is expected to benefit the global trading system. WTO members have made significant progress towards full implementation of the TFA, which entered into force on February 22, 2017. As of September 2020, 153 countries, representing 93.3 percent of WTO membership, have ratified specific measures in the TFA. While the implementation rate for the 39 developed countries in the WTO is 100 percent, the implementation rate for developing countries is currently 65.0 percent, and for LDCs, 33.6 percent as of September 2020.<sup>69</sup> To aid developing and LDC members with TFA implementation, both public and private sector entities have sponsored various forms of technical assistance and capacity building (TACB), including workshops, training, and financial donations. Research by the OECD and World Bank suggests that advances in TFA implementation by developing and LDC members of the WTO will partly depend on the successful execution of TACB programs.<sup>70</sup> Hence, continued emphasis on TACB efforts, with the goal of enabling developing countries and LDCs to notify

<sup>69</sup> To access up-to-date information on TFA implementation rates by country, see TFAF, “Implementation Progress by Member,” 2020.

<sup>70</sup> OECD, *Trade Facilitation and the Global Economy*, 2018, 38–39.

## The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

the WTO of outstanding category B and C commitments, remains the primary objective in the near to middle-term.<sup>71</sup>

---

<sup>71</sup> Although the current COVID-19 pandemic resulted in the cancellation of a May 2020 meeting of the WTO's Trade Facilitation Committee, the crisis has underscored the importance of TFA measures, such as expedited border clearance and online customs portals, to ensure the delivery of goods in times of critical need. UNCTAD, "COVID-19: A 10-Point Action Plan," April 2020.

## Acronyms

AfCFTA	African Continental Free Trade Area
ASCYUDA	Automated SYstem for CUstoms Data
CARICOM	Caribbean Community and Common Market
CBP	U.S. Customs and Border Protection
CIS	Commonwealth of Independent States
COMESA	Common Market for Eastern and Southern Africa
DC	developing country
DHS	U.S. Department of Homeland Security
DLT	distributed ledger technology
EAC	East African Community
EDI	electronic data interchange
GATT	General Agreement on Trade and Tariffs
GEA	Global Express Association
ICT	information and communications technology
LDC	least-developed country
LLDC	landlocked developing country
LPI	Logistics Performance Index (World Bank)
NTM	nontariff measure
OECD	Organisation for Economic Co-operation and Development
RTA	regional trade agreement
SADC	Southern African Development Community
SIECA	Secretariat for Central American Economic Integration
SMEs	small and medium-sized enterprises
SSA	sub-Saharan Africa
TACB	trade assistance and capacity building
TFA	Trade Facilitation Agreement

## **Acronyms (cont'd.)**

TFAF	Trade Facilitation Agreement Facility (WTO)
TFI	Trade Facilitation Indicators (OECD)
TRS	Time Release Study (WCO)
UNCTAD	United Nations Conference on Trade and Development
UNECE	United Nations Economic Commission for Europe
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
USITC	U.S. International Trade Commission
WCO	World Customs Organization
WTO	World Trade Organization

## Bibliography

- Belin, Oliver. “The Difference between Blockchain and Distributed Ledger Technology.” TRADEIX. <https://tradeix.com/distributed-ledger-technology> (accessed June 26, 2019).
- Brookings Institution. “Why Trade Facilitation Matters Now More Than Ever.” Policy Brief, April 2017. [https://www.brookings.edu/wp-content/uploads/2017/04/global\\_20170405\\_trade-facilitation.pdf](https://www.brookings.edu/wp-content/uploads/2017/04/global_20170405_trade-facilitation.pdf).
- El Consejo de Ministros de Integración Económica Centroamericana (Council of Ministers for Economic Integration) (COMIECO). “Hoja de Ruta para avanzar en la Unión Aduanera: 2015–2024” (Roadmap to Advance the Customs Union), June 2015. <https://www.sieca.int/index.php/integracion-economica/integracion-economica/hoja-de-ruta-union-aduanera-2015-2024/>.
- Global Express Association (GEA). “Concept Paper on Next Generation Border Clearance Technology,” November 2019. <https://global-express.org/assets/files/bc/GEA%20BC%20Concept%20Paper%20final%20Nov%202019.pdf>.
- Guicovsky Lizarraga, Ezequiel M., “Economic Benefits of the TFA, Implementation Status, and Private Sector Involvement.” PowerPoint presentation at World Congress, International Federation of Freight Forwarding Associations (FIATA), Dublin, October 5, 2016. [https://fiata.com/fileadmin/user\\_upload/documents/recent\\_views/RAMNS/FIATA\\_World\\_Congress\\_2016\\_-\\_Region\\_Americas\\_-\\_Economic\\_benefits\\_of\\_TFA-Status\\_of\\_implementation\\_5OCT.pdf](https://fiata.com/fileadmin/user_upload/documents/recent_views/RAMNS/FIATA_World_Congress_2016_-_Region_Americas_-_Economic_benefits_of_TFA-Status_of_implementation_5OCT.pdf).
- Halloran, Dolores. “Status of Ratification and Implementation.” PowerPoint presentation at WTO Secretariat meeting, October 15–16, 2019. [https://tfadatabase.org/uploads/thematicdiscussiondocument/WTO\\_-\\_Dolores\\_Halloran.pptx](https://tfadatabase.org/uploads/thematicdiscussiondocument/WTO_-_Dolores_Halloran.pptx).
- Hummels, David, and George Schaur. “Time as a Trade Barrier.” NBER Working Paper Series, January 2012. <https://www.nber.org/papers/w17758>.
- Organisation for Economic Co-operation and Development (OECD). “Compare Your Country,” <https://www1.compareyourcountry.org/trade-facilitation> (accessed July 1, 2020).
- Organisation for Economic Co-operation and Development (OECD). *Trade Facilitation and the Global Economy*, 2018. [https://www.oecd-ilibrary.org/trade/trade-facilitation-and-the-global-economy\\_9789264277571-en](https://www.oecd-ilibrary.org/trade/trade-facilitation-and-the-global-economy_9789264277571-en).
- Organisation for Economic Co-operation and Development (OECD). “Trade Facilitation Indicators.” <http://www.compareyourcountry.org/trade-facilitation> (accessed April 21, 2020, and July 1, 2020).



## The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

- Organisation for Economic Co-operation and Development (OECD). “Why Trade Facilitation Matters in Today’s Global Economy.” <https://www.oecd.org/trade/topics/trade-facilitation/> (accessed September 16, 2020).
- Organisation for Economic Co-operation and Development (OECD) and World Trade Organization (WTO). *Aid for Trade at a Glance 2015: Reducing Trade Costs for Inclusive, Sustainable Growth*, 2015. [https://www.wto.org/english/res\\_e/booksp\\_e/aid4trade15\\_chap4\\_e.pdf](https://www.wto.org/english/res_e/booksp_e/aid4trade15_chap4_e.pdf).
- Organisation for Economic Co-operation and Development (OECD) and World Trade Organization (WTO). *Aid for Trade at a Glance 2017: Promoting Trade, Inclusiveness and Connectivity for Sustainable Development*, 2017. [https://www.wto.org/english/res\\_e/booksp\\_e/aid4trade17\\_chap3\\_e.pdf](https://www.wto.org/english/res_e/booksp_e/aid4trade17_chap3_e.pdf).
- Organisation for Economic Co-operation and Development (OECD) and World Trade Organization (WTO). *Aid for Trade at a Glance 2019: Economic Diversification and Empowerment*, 2019. <https://www.oecd-ilibrary.org/docserver/18ea27d8-en.pdf?expires=1587049205&id=id&accname=ocid45123543&checksum=AA977E52E18099B3A9570DE54EEDF4F1>.
- Peterson, Joann. “An Overview of Customs Reform to Facilitate Trade.” *Journal of International Commerce and Economics*, August 2017. [https://www.usitc.gov/publications/332/journals/jice\\_customsreformstofacilitatetrade/rson\\_508\\_compliant.pdf](https://www.usitc.gov/publications/332/journals/jice_customsreformstofacilitatetrade/rson_508_compliant.pdf).
- Peterson, Joann. “Transport Corridors Have Improved Trade in Sub-Saharan Africa, but Issues Remain.” U.S. International Trade Commission (USITC). Executive Briefing on Trade, October 2015. [https://www.usitc.gov/publications/332/executive\\_briefings/peterson\\_ebot\\_ssa\\_transit\\_corridors\\_1014.pdf](https://www.usitc.gov/publications/332/executive_briefings/peterson_ebot_ssa_transit_corridors_1014.pdf).
- Powell, Jennifer. “The Sub-Saharan Services Economy: Insights and Trends.” USITC Office of Industries Working Paper ID-046, July 2017. [https://www.usitc.gov/publications/332/sub-saharan\\_african\\_id-17-046\\_final\\_071217sae.pdf](https://www.usitc.gov/publications/332/sub-saharan_african_id-17-046_final_071217sae.pdf).
- Sadikov, Azim. “Border and Behind-the-Border Trade Barriers and Country Exports.” IMF Working Paper, 2007. <https://www.imf.org/external/pubs/ft/wp/2007/wp07292.pdf>.
- Southern African Development Community (SADC). “Tripartite Cooperation,” 2012. <https://www.sadc.int/about-sadc/continental-interregional-integration/tripartite-cooperation/>.
- Ugaz, Pamela. “Implementation of the WTO Trade Facilitation Agreement: Not a Sprint but a Marathon.” UNCTAD, *Transport and Trade Facilitation Newsletter* No. 85 (First

The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

Quarter 2020), article 43, February 21, 2020.

<https://unctad.org/en/pages/newsdetails.aspx?OriginalVersionID=2283>.

United Nations Conference on Trade and Development (UNCTAD). “ASCYUDA (Automated SYstem for CUstoms DAta),” 2020. <https://asycuda.org/en/>.

United Nations Conference on Trade and Development (UNCTAD). “COVID-19: A 10-Point Action Plan to Strengthen International Trade and Transport Facilitation in Times of Pandemic.” Policy Brief No. 79, April 2020.

[https://unctad.org/en/PublicationsLibrary/presspb2020d3\\_en.pdf](https://unctad.org/en/PublicationsLibrary/presspb2020d3_en.pdf).

United Nations Conference on Trade and Development (UNCTAD). *Economic Development in Africa Report 2019*, 2019.

<https://unctad.org/en/pages/PublicationWebflyer.aspx?publicationid=2463><https://unctad.org/en/pages/PublicationWebflyer.aspx?publicationid=2463>.

United Nations Conference on Trade and Development (UNCTAD). “Trade Facilitation and Transit in Support of the 2030 Agenda for Sustainable Development.” Note by the UNCTAD Secretariat, February 26, 2019.

[https://unctad.org/meetings/en/SessionalDocuments/cimem7d20\\_en.pdf](https://unctad.org/meetings/en/SessionalDocuments/cimem7d20_en.pdf).

United Nations Conference on Trade and Development (UNCTAD). “What Are Non-Tariff Measures?” <https://unctad.org/en/Pages/DITC/Trade-Analysis/Non-Tariff-Measures/What-are-NTMs.aspx> (accessed August 19, 2020).

United Nations Economic Commission for Europe (UNECE). “Article 11: Freedom of Transit.” *Trade Facilitation Implementation Guide*, 2012.

[http://tfig.unece.org/contents/TN\\_Article\\_11.htm](http://tfig.unece.org/contents/TN_Article_11.htm).

U.S. Department of Homeland Security (DHS). Customs and Border Protection (CBP). “ACE and Automated Systems,” modified September 4, 2020.

<https://www.cbp.gov/trade/automated>.

U.S. Department of Homeland Security (DHS). Customs and Border Protection (CBP). “Notional Schedule for Automated Commercial Environment (ACE) Deployments,” updated September 4, 2020.

[https://www.cbp.gov/sites/default/files/assets/documents/2020-Sep/ACE%20Development%20-%20Deployment%20Schedule%202020\\_1.pdf](https://www.cbp.gov/sites/default/files/assets/documents/2020-Sep/ACE%20Development%20-%20Deployment%20Schedule%202020_1.pdf).

U.S. Trade Representative (USTR). “Agreement between the United States of America, the United Mexican States, and Canada 12/13/19 Text,” December 13, 2019. Chapter 7: Customs and Trade Facilitation.

[https://ustr.gov/sites/default/files/files/agreements/FTA/USMCA/Text/07\\_Customs\\_Administration\\_and\\_Trade\\_Facilitation.pdf](https://ustr.gov/sites/default/files/files/agreements/FTA/USMCA/Text/07_Customs_Administration_and_Trade_Facilitation.pdf).

The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

World Bank. “Aggregated LPI: 2012–2018.” <https://lpi.worldbank.org/international/aggregated-ranking> (accessed June 30, 2020).

World Bank. *Global Value Chain Development Report 2019: Technological Innovation, Supply Chain Trade, and Workers in a Globalized World*, 2019. <https://www.worldbank.org/en/topic/trade/publication/global-value-chain-development-report-2019>.

World Bank. *Connecting to Compete 2014: Trade Logistics in the Global Economy*, 2014. <https://wb-lpi-media.s3.amazonaws.com/LPI%20Methodology.pdf>.

World Customs Organization (WCO). *Guide to Measure the Time Required for the Release of Goods*, Version 3, 2018. [http://www.wcoomd.org/-/media/wco/public/global/pdf/topics/facilitation/instruments-and-tools/tools/time-release-study/time\\_release-\\_study.pdf?db=web](http://www.wcoomd.org/-/media/wco/public/global/pdf/topics/facilitation/instruments-and-tools/tools/time-release-study/time_release-_study.pdf?db=web).

World Customs Organization (WCO). “Single Window Concept: The World Customs Organization’s Perspective.” <http://www.wcoomd.org/~media/wco/public/global/pdf/topics/facilitation/activities-and-programmes/tf-negotiations/wco-docs/info-sheets-on-tf-measures/single-window-concept.pdf> (accessed June 19, 2020).

World Customs Organization (WCO). “Time Release Study—Version 3,” <https://www.wcoomd.org/en/topics/facilitation/instrument-and-tools/tools/time-release-study.aspx> (accessed June 30, 2020).

World Customs Organization (WCO). “WCO Data Model,” <http://www.wcoomd.org/DataModel> (accessed April 28, 2020).

World Customs Organization (WCO). *National Committees on Trade Facilitation*, March 2016. <http://www.wcoomd.org/-/media/wco/public/global/pdf/topics/wto-atf/national-committees-on-trade-facilitation/guidance/nctf.PDF?db=web>.

World Customs Organization (WCO). “WCO Programs on Digital Customs.” WCO-UNESCAP 3rd UNNExt Masterclass, presentation by Mr. Kim Sung Sig, World Customs Organization, April 18–29, 2017, Republic of Korea. <https://www.unescap.org/sites/default/files/19%20Apr%202017%20-WCO%20Digital%20Customs.pdf>.

World Trade Organization (WTO). “Azevêdo Launches New WTO Trade Facilitation Agreement Facility to Deliver Support to LDCs and Developing Countries,” July 22, 2014. [https://www.wto.org/english/news\\_e/news14\\_e/fac\\_22jul14\\_e.htm](https://www.wto.org/english/news_e/news14_e/fac_22jul14_e.htm).

The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

World Trade Organization (WTO). “Members Accepting the Protocol of Amendment to Insert the WTO Trade Facilitation Agreement into Annex 1A of the WTO Agreement.” [https://www.wto.org/english/tratop\\_e/tradfa\\_e/tradfa\\_agreeacc\\_e.htm](https://www.wto.org/english/tratop_e/tradfa_e/tradfa_agreeacc_e.htm) (accessed September 22, 2020).

World Trade Organization (WTO). “Members and Observers,” [https://www.wto.org/english/thewto\\_e/whatis\\_e/tif\\_e/org6\\_e.htm](https://www.wto.org/english/thewto_e/whatis_e/tif_e/org6_e.htm) (accessed July 10, 2020).

World Trade Organization (WTO). “Protocol Amending the Marrakesh Agreement Establishing the World Trade Organization,” November 27, 2014. [https://www.wto.org/english/tratop\\_e/tradfa\\_e/tradfatheagreement\\_e.htm](https://www.wto.org/english/tratop_e/tradfa_e/tradfatheagreement_e.htm).

World Trade Organization (WTO). “Protocol Amending the Marrakesh Agreement Establishing the World Trade Organization.” WT/L/940, Decision of November 27, 2014. <https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/WT/L/940.pdf&Open=True>.

World Trade Organization (WTO). “Secretariat for Central American Economic Integration (SIECA),” 2019. <https://www.tfafacility.org/central-american-economic-integration-sieca>.

World Trade Organization (WTO). “Special and Differential Treatment Provisions.” [https://www.wto.org/english/tratop\\_e/devel\\_e/dev\\_special\\_differential\\_provisions\\_e.htm](https://www.wto.org/english/tratop_e/devel_e/dev_special_differential_provisions_e.htm) (accessed August 19, 2020).

World Trade Organization (WTO). “The Trade Facilitation Agreement: An Overview.” [https://www.wto.org/english/tratop\\_e/tradfa\\_e/tradfatheagreement\\_e.htm](https://www.wto.org/english/tratop_e/tradfa_e/tradfatheagreement_e.htm) (accessed April 17, 2020).

World Trade Organization (WTO). “Trade Facilitation Agreement: Special and Differential Treatment Provisions for Developing Countries.” [https://www.wto.org/english/tratop\\_e/devel\\_e/dev\\_special\\_differential\\_provisions\\_e.htm](https://www.wto.org/english/tratop_e/devel_e/dev_special_differential_provisions_e.htm) (accessed June 26, 2020).

World Trade Organization (WTO). “Trade Facilitation Agreement: Special and Differential Treatment Provisions for Least Developed Countries (LDCs).” [https://www.wto.org/english/tratop\\_e/devel\\_e/dev\\_special\\_differential\\_provisions\\_e.htm](https://www.wto.org/english/tratop_e/devel_e/dev_special_differential_provisions_e.htm) (accessed June 26, 2020).

World Trade Organization (WTO). “Trade Facilitation.” [https://www.wto.org/english/tratop\\_e/tradfa\\_e/tradfa\\_e.htm](https://www.wto.org/english/tratop_e/tradfa_e/tradfa_e.htm) (accessed June 25, 2020).

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “About the Facility,” 2019. <https://www.tfafacility.org/about-the-facility>.

The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Annex D+: TFA Implementation Support Under COVID-19,” July 2020. [https://tfafacility.org/sites/default/files/file\\_or\\_link/annexdcovid19.pdf](https://tfafacility.org/sites/default/files/file_or_link/annexdcovid19.pdf).

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). *Annual Report 2018*, 2020. <https://www.tfafacility.org/annual-report-2018>.

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Assistance to Notify the Categories,” 2019. <https://www.tfafacility.org/wto-assistance> (accessed April 14, 2020).

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Assistance to Notify the Categories: List of Needs Assessment Conducted,” 2019. <https://www.tfafacility.org/notifications>.

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Donors and Organizations,” 2019. <https://www.tfafacility.org/implementation-support>.

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Freedom of Transit,” 2020. <https://www.tfafacility.org/article-11>.

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Global Status of Notifications,” 2020. <https://tfadatabase.org/notifications/transparency/global-status>.

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Implementation Commitments by Grouping (Developed, Developing and LDC Members),” 2020. <https://tfadatabase.org/implementation/commitments-by-grouping>.

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Implementation Dashboard: Bottom 5 Measures with Lowest Implementation Rate,” 2020. <https://tfadatabase.org/implementation>.

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Implementation Notifications (ABC),” 2020. <https://tfadatabase.org/notifications/implementation>.

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Implementation Progress,” 2020. <https://tfadatabase.org/implementation/progress>.

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Implementation Progress by Measure,” 2020. <https://tfadatabase.org/implementation/progress-by-measure>.

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Implementation Progress by Member,” <https://tfadatabase.org/implementation/progress-by-member> (accessed April 3, 2020, and September 22, 2020).

The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “List of Developing Countries.” <https://tfadatabase.org/developing-countries> (accessed April 24, 2020).

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “List of Regions.” <https://tfadatabase.org/region-list> (accessed July 24, 2020).

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Matrix of Notifications Presented in the WTO Trade Facilitation Agreement,” updated February 24, 2020. <https://www.tfadatabase.org/notifications-matrix>.

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Methodology.” <https://tfadatabase.org/methodology> (accessed April 24, 2020).

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “National Committees on Trade Facilitation: Current Practices and Challenges,” summary of the experience-sharing workshop of June 8, 2016. [https://www.tfafacility.org/sites/default/files/news/tfa\\_national\\_committees\\_trade\\_facilitation\\_web\\_e.pdf](https://www.tfafacility.org/sites/default/files/news/tfa_national_committees_trade_facilitation_web_e.pdf) (accessed April 15, 2020).

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Notifications List,” 2020. <https://tfadatabase.org/notifications/list>.

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Notifications Matrix: Articles 1.4, 10.4.3, 10.6.2, 12.2.” <https://tfadatabase.org/notifications-matrix#tab2> (accessed March 16, 2016).

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Notifications Matrix: Articles 22.1, 22.2.” <https://tfadatabase.org/notifications-matrix#tab3> (accessed April 22, 2020 and September 22, 2020).

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Notification Tracker,” 2020. <https://tfadatabase.org/notifications/assistance>.

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Ratifications,” 2019. <https://tfadatabase.org/ratifications>.

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “TFAF Success Stories,” 2019. <https://tfafacility.org/success-stories>.

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “The Trade Facilitation Agreement,” 2019. <https://www.tfafacility.org/trade-facilitation-agreement-facility>.

World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “The Trade Facilitation Agreement Enters into Force,” February 22, 2017. <https://www.tfafacility.org/how-signal-ratification>.



## The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

- World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Timelines for Notifications,” 2020. <https://tfadatabase.org/timelines-for-notifications> (accessed April 27, 2020).
- World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Timeline of Ratifications Received to Date,” 2019. <https://tfadatabase.org/ratifications/over-time> (accessed April 23, 2020).
- World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Trade Facilitation Agreement: Methodology,” 2019. <https://www.tfadatabase.org/methodology>.
- World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Trade Facilitation Committee: 19 May 2020–20 May 2020.” <https://tfadatabase.org/trade-facilitation-committee/meeting/2020-05-19> (accessed April 27, 2020).
- World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Trade Facilitation Committee,” 15 October 2019–16 October 2019. <https://www.tfadatabase.org/trade-facilitation-committee/meeting/2019-10-15> (accessed November 26, 2019).
- World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “United Nations Conference on Trade and Development (UNCTAD),” 2020. <https://www.tfafacility.org/united-nations-conference-trade-and-development-unctad>.
- World Trade Organization (WTO). Trade Facilitation Agreement Facility (TFAF). “Workplan 2020,” 2020. <https://www.tfafacility.org/workplan-2020>.
- World Trade Organization (WTO). “Understanding the WTO: Members and Observers,” 2020. [https://www.wto.org/english/thewto\\_e/whatis\\_e/tif\\_e/org6\\_e.htm](https://www.wto.org/english/thewto_e/whatis_e/tif_e/org6_e.htm).
- World Trade Organization (WTO). “Who Are the Developing Countries in the WTO?” [https://www.wto.org/english/tratop\\_e/devel\\_e/d1who\\_e.htm](https://www.wto.org/english/tratop_e/devel_e/d1who_e.htm) (accessed June 19, 2020).



## Appendix A: List of TFA Measures

<b>Table A.1</b> List of Measures in Section I of the WTO Trade Facilitation Agreement		
	<i>Section I articles</i>	<i>Title of measure</i>
	Article 1: Publication and Availability of Information	
1	1.1	Publication
2	1.2	Information Available through Internet
3	1.3	Enquiry Points
4	1.4	Notification
	Article 2: Opportunity to Comment, Information before Entry into Force, and Consultations	
5	2.1	Opportunity to Comment and Information before Entry into Force
6	2.2	Consultations
7	Article 3: Advance Rulings	Advance Rulings
8	Article 4: Procedures for Appeal or Review	Procedures for Appeal or Review
	Article 5: Other Measures to Enhance Impartiality, Non-Discrimination and Transparency	
9	5.1	Notifications for Enhanced Controls or Inspections
10	5.2	Detention
11	5.3	Test Procedures
	Article 6: Disciplines on Fees and Charges Imposed on or in Connection with Importation and Exportation and Penalties	
12	6.1	General Disciplines on Fees and Charges Imposed on or in Connection with Importation and Exportation
13	6.2	Specific Disciplines on Fees and Charges for Customs Processing Imposed on or in Connection with Importation and Exportation
14	6.3	Penalty Disciplines
	Article 7: Release and Clearance of Goods	
15	7.1	Pre-arrival Processing
16	7.2	Electronic Payment

The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

17	7.3	Separation of Release from Final Determination of Customs Duties, Taxes, Fees and Charges
18	7.4	Risk Management
19	7.5	Post-Clearance Audit
20	7.6	Establishment and Publication of Average Release Times
21	7.7	Trade Facilitation Measures for Authorized Operators
22	7.8	Expedited Shipments
23	7.9	Perishable Goods
24	Article 8: Border Agency Cooperation	Border Agency Cooperation
25	Article 9: Movement of Goods Intended for Import under Customs Control	Movement of Goods Intended for Import under Customs Control
	Article 10: Formalities Connected with Importation, Exportation and Transit	
26	10.1	Formalities and Documentation Requirements
27	10.2	Acceptance of Copies
28	10.3	Use of International Standards
29	10.4	Single Window
30	10.5	Pre-shipment Inspection
31	10.6	Use of Customs Brokers
32	10.7	Common Border Procedures and Uniform Documentation Requirements
33	10.8	Rejected Goods
34	10.9	Temporary Admission of Goods and Inward and Outward Processing
35	Article 11: Freedom of Transit	Freedom of Transit
36	Article 12: Customs Cooperation	Customs Cooperation

Source: WTO, TFAF, "Article Resources: Section I," 2019 (accessed April 23, 2020); WTO, "Protocol Amending the Marrakesh Agreement," Decision of November 27, 2014.

## Appendix B: Data Underlying Figures

<b>Table B.1</b> Rate of implementation commitments for TFA articles, September 2020, percentage				
Measure	Implemented today	Rate of implementation commitments for category B	Rate of implementation commitments for category C	Not Implemented
Art. 10.5 - Preshipment inspection	89.9	3.1	4.6	2.5
Art. 9 - Movement of goods	89.0	6.1	2.5	2.5
Art. 5.2 - Detention	85.9	7.4	4.3	2.5
Art. 10.6 - Use of customs brokers	85.5	6.5	5.5	2.5
Art. 10.9 - Temporary admission of goods and inward and outward processing	85.0	7.1	4.9	3.1
Art. 10.8 - Rejected goods	84.4	8.0	4.6	3.1
Art. 10.7 - Common border procedures	82.9	7.3	6.7	3.1
Art. 6.3 - Penalty disciplines	75.2	14.2	7.6	3.1
Art. 4 - Procedures for appeal or review	74.6	11.6	10.8	3.1
Art. 7.3 - Separation of release	74.0	11.0	11.9	3.1
Art. 11 - Transit	72.2	9.2	15.3	3.2
Art. 6.2 - Specific disciplines on fees and charges	70.6	9.8	16	3.7
Art. 7.1 - Pre-arrival processing	69.9	7.7	19.3	3.1
Art. 2.1 - Comments and information before entry into force	68.9	17.0	11.0	3.1
Art. 7.9 - Perishable goods	68.7	10.6	17.1	3.7
Art. 10.3 - Use of international standards	68.7	6.1	22.1	3.1
Art. 1.4 - Notification	68.3	16.4	12.9	2.5
Art. 7.5 - Post-clearance audit	66.7	4.4	25.8	3.1

The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

**Table B.1** Rate of implementation commitments, September 2020 (cont'd.)

Measure	Implemented today	Rate of implementation commitments for category B	Rate of implementation commitments for category C	Not Implemented
Art. 10.2 - Acceptance of copies	66.3	15.5	15.1	3.1
Art. 2.2 - Consultations	66.3	18.4	12.3	3.1
Art. 6.1 - General disciplines on fees and charges	64.9	16.1	16.0	3.1
Art. 10.1 - Formalities	64.9	10.1	21.9	3.1
Art. 7.8 - Expedited shipments	64.1	11.2	21.6	3.1
Art. 5.1 - Notifications for enhanced controls or inspections	63.7	11.2	22.1	3.1
Art. 7.2 - Electronic payment	62.6	13.5	20.9	3.1
Art. 1.1 - Publication	60.3	19.4	17.2	3.1
Art. 1.2 - Information available through internet	60.0	7.6	29.3	3.1
Art. 1.3 - Enquiry points	58.4	11.3	27.1	3.1
Art. 7.6 - Average release times	58.3	5.8	32.8	3.1
Art. 3 - Advance rulings	56.7	12.0	28.2	3.1
Art. 7.4 - Risk management	56.6	3.7	36.0	3.7
Art. 8 - Border agency cooperation	55.8	8.5	32.0	3.7
Art. 5.3 - Test procedures	54.6	7.4	35.0	3.1
Art. 7.7 - Authorized operators	50.7	10.4	34.6	4.3
Art. 10.4 - Single window	39.6	6.7	50.0	3.7

Source: WTO, TFA, "Implementation Progress by Measure," 2020 (accessed April 21, 2020 and September 22, 2020).

## The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

**Table B.2** Transparency notifications by WTO members, September 2020, percentage share by development status

	Total	Developed	Developing	LDC
Article 1.4: Import, export, and transit procedures	85	39	42	4
Article 10.4.3: Operation of the single window	79	39	37	3
Article 10.6.2: Use of customs brokers	104	39	58	7
Article 12.2.2: Contact points for customs cooperation	96	39	54	3

Source: WTO, TFAF, “Global Status of Notifications,” 2020 (accessed September 22, 2020).

**Table B.3** Bottom 5 TFA measures by implementation rate for all WTO members and their share of TACB requests (i.e., the percentage share of all TACB requests by developing and LDC WTO members attributed to particular TFA article)

TFA Measure	Implementation rate (percent)	Share of TACB requests (percent)
Art. 3 Advance rulings	57.3	33.0
Art. 8 Border agency cooperation	55.9	33.0
Art. 5.3 Test procedures	54.6	40.0
Art. 7.7 Authorized operators	51.3	42.0
Art. 10.4 Single windows	39.6	63.0

Source: WTO, TFAF, “Trade Facilitation Agreement Database: Implementation Dashboard,” (accessed April 24, 2020 and September 22, 2020); and WTO and OECD, *Aid for Trade at a Glance 2019*, Figure 6.2. TFA Measures: Highest Technical Assistance and Capacity Building Demand, 165 (Statistical link at <http://dx.doi.org/10.1787/888933953470>).

**Table B.4** TFA Implementation rate by region, percentage

Region	Percentage
Sub-Saharan Africa	31.8
Asia Pacific	53.5
Europe	75.6
Commonwealth of Independent States	50.8
Latin America and the Caribbean	63.6
Middle East	83.4
North America	100.0

Source: WTO, Trade Facilitation Agreement Facility (TFAF). “Implementation Progress,” 2020 (accessed September 23, 2020).

The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

**Table B.5** Rate of implementation commitments: Developed, Developing Countries and LDC members of the WTO, percentage

<i>Country</i>	<i>Implementation rate</i>
Afghanistan	20.6
Albania	75.6
Angola	22.7
Antigua and Barbuda	37.0
Argentina	97.5
Armenia	72.3
Australia	100
Austria	100
Bahrain	87.0
Bangladesh	36.1
Barbados	33.2
Belgium	100.0
Belize	34.0
Benin	70.6
Bolivia	86.1
Botswana	28.2
Brazil	100.0
Brunei Darussalam	91.6
Bulgaria	100
Burkina Faso	13.0
Burundi	35.3
Cabo Verde	37.4
Cambodia	84.9
Cameroon	11.3
Canada	100
Central African Republic	26.9
Chad	34.5
Chile	100
China	100
Colombia	96.6
The Congo	29.8
Costa Rica	97.9
Cote d'Ivoire	34.0
Croatia	100
Cuba	40.3
Cyprus	100
Czech Republic	100
Democratic Republic of the Congo	81.9
Denmark	100

The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

**Table B.5** Rate of implementation commitments: Developed, Developing Countries and LDC Members of the WTO, percentage (cont'd.)

<i>Country</i>	<i>Implementation rate</i>
Djibouti	1.7
Dominica	55.0
Dominican Republic	76.5
Ecuador	63.4
Egypt	23.1
El Salvador	77.3
Estonia	100
Eswatini	10.1
European Union	100
Fiji	69.3
Finland	100
France	100
Gabon	13.9
Gambia, The	51.3
Georgia	100
Germany	100
Ghana	9.7
Greece	100
Grenada	73.5
Guatemala	97.9
Guinea	14.7
Guinea-Bissau	NA
Guyana	83.2
Haiti	NA
Honduras	58.8
Hong Kong, China	100.0
Hungary	100.0
Iceland	100.0
India	72.3
Indonesia	88.7
Ireland	100
Israel	100
Italy	100
Jamaica	30.3
Japan	100
Jordan	84.5
Kazakhstan	44.5
Kenya	7.6
Korea, Republic of	100



The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

**Table B.5** Rate of implementation commitments: Developed, Developing Countries and LDC Members of the WTO, percentage (cont'd.)

<i>Country</i>	<i>Implementation rate</i>
Kuwait	59.2
Kyrgyz	16.4
Lao People's Democratic Republic	21.0
Latvia	100
Lesotho	15.5
Liberia	77.3
Liechtenstein	100
Lithuania	100
Luxembourg	100
Macao, China	100
Madagascar	8.8
Malawi	63.0
Malaysia	94.1
Maldives	16.4
Mali	65.5
Malta	100
Mauritania	39.9
Mauritius	78.6
Mexico	100
Moldova	62.6
Mongolia	26.5
Montenegro	87.0
Morocco	91.2
Mozambique	76.1
Myanmar	5.5
Namibia	51.7
Nepal	2.1
Netherlands, The	100
New Zealand	100
Nicaragua	81.1
Niger	34.0
Nigeria	18.9
North Macedonia	100
Norway	100
Oman	100
Pakistan	70.2
Panama	83.6
Papua New Guinea	41.6
Paraguay	80.7

The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

**Table B.5** Rate of implementation commitments: Developed, Developing Countries and LDC Members of the WTO, percentage (cont'd.)

<i>Country</i>	<i>Implementation rate</i>
Philippines	94.1
Poland	100
Portugal	100
Qatar	92.9
Romania	100
Russian Federation	100
Rwanda	26.9
Saint Kitts and Nevis	69.7
Saint Lucia	49.2
Saint Vincent and the Grenadines	63.0
Samoa	63.4
Saudi Arabia	100
Senegal	61.8
Seychelles	73.5
Sierra Leone	20.6
Singapore	100
Slovak Republic	100
Slovenia	100
Solomon Islands	34.5
South Africa	90.3
Spain	100
Sri Lanka	31.5
Suriname	10.1
Sweden	100
Switzerland	100
Taiwan	100
Tajikistan	76.5
Tanzania	5.9
Thailand	97.1
Togo	67.2
Tonga	12.2
Trinidad and Tobago	21.4
Tunisia	59.7
Turkey	100
Uganda	8.4
Ukraine	43.3
United Arab Emirates	97.9
United Kingdom	100
United States of America	100

The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

<i>Country</i>	<i>Implementation rate</i>
Uruguay	97.1
Vanuatu	65.5
Venezuela	NA
Vietnam	26.5
Yemen	NA
Zambia	15.5
Zimbabwe	34.9

Source: TFAF, "Implementation Progress by Member," (accessed September 24, 2020).

Note: There are no data for Guinea-Bissau, Haiti, Venezuela, and Yemen.

The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

**Table B.5** Rate of implementation commitments: Developed, Developing Countries and LDC members of the WTO, percentage

<i>Country</i>	<i>Implementation rate</i>
Albania	75.6
Antigua and Barbuda	37.0
Argentina	97.5
Armenia	72.3
Bahrain	87.0
Barbados	33.2
Belize	34.0
Bolivia	80.7
Botswana	28.2
Brazil	100.0
Brunei Darussalam	91.6
Cabo Verde	37.4
Cameroon	11.3
Chile	100.0
China	100.0
Colombia	96.6
The Congo	29.8
Costa Rica	97.9
Côte d'Ivoire	34.0
Cuba	40.3
Dominica	55.0
Dominican Republic	76.5
Ecuador	63.4
Egypt	23.1
El Salvador	77.3
Eswatini	10.1
Fiji	69.3
Gabon	13.9
Georgia	100
Ghana	9.7
Grenada	73.5
Guatemala	74.4
Guyana	83.2
Honduras	58.8
Hong Kong, China	100
India	72.3

The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

<b>Table B.5</b> Rate of implementation commitments: Developed, Developing Countries and LDC Members of the WTO, percentage (cont'd.)	
<i>Country</i>	<i>Implementation rate</i>
Indonesia	88.7
Israel	100.0
Jordan	84.5
Jamaica	28.6
Kazakhstan	44.5
Kenya	7.6
Korea, Republic of	100.0
Kuwait	59.2
Kyrgyzstan	16.4
Macao, China	100.0
Malaysia	94.1
Maldives	16.4
Mauritius	78.6
Mexico	100.0
Moldova	62.6
Mongolia	26.5
Montenegro	87.0
Morocco	91.2
Namibia	51.7
Nicaragua	81.1
Nigeria	18.9
North Macedonia	100.0
Oman	100.0
Pakistan	68.5
Panama	83.6
Papua New Guinea	41.6
Paraguay	68.5
Peru	95.0
Philippines	94.1
Qatar	92.9
Saint Kitts and Nevis	69.7
Saint Lucia	49.2
Saint Vincent and the Grenadines	63.0
Samoa	65.5
Saudi Arabia	100.0
Seychelles	73.5
Singapore	100.0
South Africa	90.3

The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

**Table B.5** Rate of implementation commitments: Developed, Developing Countries and LDC Members of the WTO, percentage (cont'd.)

<i>Country</i>	<i>Implementation rate</i>
Sri Lanka	31.5
Suriname	10.1
Taiwan	100.0
Tajikistan	76.5
Thailand	97.1
Trinidad and Tobago	21.4
Tunisia	59.7
Turkey	100.0
Ukraine	42.9
United Arab Emirates	97.9
Uruguay	97.1
Venezuela	NA
Vietnam	26.5
Zimbabwe	34.9

Source: TFAF, "Implementation Progress by Member" (accessed April 23, 2020).

Note: There are no data for Venezuela. All developed country members of the WTO have implementation rates of 100 percent.

The WTO Trade Facilitation Agreement: Implementation Status and Next Steps

<b>Table B.6</b> Rate of implementation commitments: Least Developed Countries in the WTO, percentage	
<i>Country</i>	<i>Implementation rate</i>
Afghanistan	20.6
Angola	22.7
Bangladesh	36.1
Benin	65.5
Burkina Faso	13.0
Burundi	35.3
Cambodia	84.9
Central African Republic	26.9
Chad	34.5
Democratic Republic of the Congo	81.9
Djibouti	1.7
Gambia, The	51.3
Guinea	14.7
Guinea-Bissau	NA
Haiti	NA
Laos	21.0
Lesotho	15.5
Liberia	75.2
Madagascar	8.8
Malawi	63.0
Mali	65.5
Mauritania	39.9
Mozambique	76.1
Burma (Myanmar)	5.5
Nepal	2.1
Niger	34.0
Rwanda	26.9
Senegal	70.6
Sierra Leone	20.6
Solomon Islands	21.0
Tanzania	5.9
Togo	67.2
Uganda	8.4
Vanuatu	65.5
Yemen	NA
Zambia	15.5

Source: TFAF, "Implementation Progress by Member," (accessed September 24, 2020).

Note: There are no data for Guinea-Bissau, Haiti, and Yemen.