



Customs Brokers Training

May 2020 | Dominica



TRADE AGREEMENTS



- 1. Definition**
- 2. Explaining Trade Agreements**
- 3. Impact of Trade Agreements**
- 4. Examining Trade Agreements:**
 - i. Revised Treaty of Chaguaramas /
 - ii. Revised Treaty of Basseterre
 - iii. CARIFORUM EU EPA
 - iv. World Trade Organization including TFA



A trade agreement refers to a contractual arrangement between states concerning their trade relationships.

Trade Agreements may be:

- **Bilateral** - between two states
- **Multilateral** - between more than two states
 - Regional Trade Agreements (RTA)
 - International Trade Agreements



Agreement Type: Regional
Contracting Partner(s): OECS Members
Date Signed: June 18, 2010

The Revised Treaty of Basseterre established the **Organization of Eastern Caribbean States Economic Union** was signed by Dominica and the other five independent OECS Member states on **June 18, 2010**.



Organisation of Eastern Caribbean States



Agreement Type: Regional
Contracting Partner(s): CARICOM Members
Date Signed: July 5, 2001

The **Revised Treaty of Chaguaramas** is a revised edition of the original treaty which formed the **Caribbean Common Market (CARICOM)** transforming it into the **Caribbean Single Market and Economy**.



Agreement Type: Bilateral
**Contracting Partner(s): CARICOM members
and the Dominican Republic**
Date Signed: August 22, 1998

A **Free Trade Agreement** signed in **August 1998** and provisionally entered into force **December 1, 2001**. The Agreement grants CARICOM LDCs which includes non-reciprocal preferential market access to the Dominican Republic, while market access for MDCs of CARICOM is on a reciprocal basis.



Agreement Type: Bilateral

Contracting Partner(s): CARICOM members and Venezuela

Date Signed: October 13, 1992

A Non-Reciprocal Preferential Agreement in favour of CARICOM, signed October 13, 1992. Venezuelan exporters do not benefit from preferential access to the CARICOM market. Preferential access for CARICOM exporters is restricted to certain product groups, while others including coconut oil, white rice, broken rice or frozen orange juice, do not benefit from Venezuela's liberalization.



Agreement Type: Bilateral

Contracting Partner(s): CARICOM members and Costa Rica

Date Signed: March 9, 2004

A Free Trade Agreement signed March, 2004 which provides for duty-free treatment for all products except a list of products on which MFN treatment is maintained. Market access for CARICOM’s MDC is based on reciprocity; however CARICOM’s LDCs including Dominica are not required to provide reciprocal preferential market access to Cost Rica.



Agreement Type: Bilateral

Contracting Partner(s): CARICOM members and Colombia

Date Signed: July 24, 1994

A Trade, Economic and Technical Cooperation Agreement signed July 24, 1994. Originally a non-reciprocal preferential agreement in favour of certain products from CARICOM. In 1998, four CARICOM More Developed Countries (MDCs) granted reciprocal preferential market access to a negotiated list of Colombian exports, while CARICOM LDCs which includes Dominica, still benefit from preferential access to Colombia.



Agreement Type: Bilateral

Contracting Partner(s): CARICOM members and Cuba

Date Signed: July 5, 2000

A Trade and Economic Cooperation Agreement signed in 2000 with an additional protocol enabling provisional application signed on December 8, 2002. Negotiations for the expansion of products subject to preferential treatment under the agreement commenced in 2006 but have not been concluded thus far.



- The Caribbean Basin Initiative (CBI), launched in 1983
- Caribbean Basin Economic Recovery Act (CBERA), was expanded in 2000 through the US-Caribbean Basin Trade Partnership Act (CBTPA) expired on 30 September 2008.
- To operate legally under the World Trade Organisation (WTO), the CBERA and CBTPA require a waiver approved by all other WTO Members.
- The waiver on CBERA expired on 31 December 2005 and the request by the US for the continuation of the waiver is still not being agreed to by Paraguay.
- The US is therefore unilaterally implementing CBERA in the absence of the waiver, which also covers CBTPA procedures.



Agreement Type: Bilateral
**Contracting Partner(s): CARIFORUM states
(CARICOM Members, the Dominican Republic)**
and the European Community
Date Signed: October 15, 2008



In accordance with the provisions of Article 37 of the 2000 Cotonou Partnership Agreement, Dominica as a member of the CARIFORUM Region of the ACP Group, participated in the negotiation of new formal trading arrangements with the European Community.

The World Trade Organization (WTO) is the only global international organization dealing with the rules of trade between nations. The goal is to help producers of goods and services, exporters, and importers conduct their business.



- The GATT 1994 is one of the multilateral agreements annexed to the WTO Agreement. It is an international treaty binding upon all WTO Members.
- The GATT 1994 is only concerned with trade in goods. The GATT 1994 aims at further liberalizing trade in goods through the reduction of tariffs and other trade barriers and eliminating discrimination.



The Valuation Agreement is an integral part of the single WTO undertaking, all WTO Members are Members of the Customs Valuation Agreement.



WORLD TRADE ORGANIZATION



The Marrakesh Agreement establishing the World Trade Organization and its annexes.

- 01** AGREEMENT ON AGRICULTURE
- 02** AGREEMENT ON TRADE IN TEXTILE & CLOTHING (Multi Fiber Arrangement)
- 03** AGREEMENT ON TRIMs
- 04** AGREEMENT ON TRIPs
- 05** GENERAL AGREEMENT IN SERVICES (GATS)



- After nearly 10 years of talks, WTO Members concluded negotiations on the WTO Trade Facilitation Agreement (TFA) at the Ninth Ministerial Conference held in Bali, Indonesia in December 2013.
- The objective of this Agreement is to boost global trade by expediting the movement, release and clearance of goods, including goods in transit.



- The TFA has the potential to reduce trade costs thereby boosting trade between countries and raising world income.

- TFA could reduce worldwide trade costs by between 12.5% and 17.5%
- Developing country exports are expected to grow by between 14% and 22% while becoming more diversified.
- Companies are more likely to become more profitable which should encourage domestic investment.
- Foreign direct investment is likely to be attracted to countries that fully implement the TFA.
- Increased trade means better employment prospects for workers and greater revenue collection by the government.



WORLD TRADE ORGANIZATION



The Trade Facilitation Agreement (TFA), entered into force on **22 February 2017** after two-thirds of members completed their domestic ratification of a **Protocol of Amendment** and notified the WTO of their acceptance of this Protocol.

This Protocol of Amendment was inserted the Agreement on Trade Facilitation into the WTO Agreement.


The Trade Facilitation Agreement contains approximately 40 measures set out in 12 Articles.


These are the new border-related procedures, processes and other obligations that governments are required to implement.


They provide for transparency of laws, rules and procedures, fairness in border agency decisions, streamlined clearance procedures, and help reduce administrative constraints on transit.



Art. 1 Publication and Availability of Information	1.1	Publication
	1.2	Information Available through Internet
	1.3	Enquiry Points
	1.4	Notification

 Art. 2 Opportunity to comment, information before entry into force and consultations	2.1	Opportunity to comment and information before entry into force
	2.2	Consultations

 Art. 3 Advance Rulings

 Art. 4 Procedures for appeal or review



Art. 5
Other measures to enhance impartiality, non-discrimination and transparency

- 5.1 Notifications for enhanced controls or inspections
- 5.2 Detention
- 5.3 Test Procedures



Art. 6
Disciplines on fees and charges

- 6.1 General Disciplines on Fees and Charges Imposed on or in Connection with Importation and Exportation
- 6.2 Specific Disciplines on Fees and Charges for Customs Processing Imposed on or in Connection with Importation and Exportation
- 6.3 Penalty Disciplines



Art. 7
Release and Clearance
of Goods

- 7.1 Pre-arrival Processing
- 7.2 Electronic Payment
- 7.3 Separation of Release from Final Determination of Customs Duties, Taxes, Fees and Charges
- 7.4 Risk Management
- 7.5 Post-Clearance Audit
- 7.6 Establishment and Publication of Average Release Times
- 7.7 Trade Facilitation Measures for Authorized Operators
- 7.8 Expedited Shipments
- 7.9 Perishable Goods



Art. 8
Border Agency
Cooperation

Art. 9
Movement of goods
intended for import under
customs control

Art. 10
Formalities connected with
importation, exportation
and transit

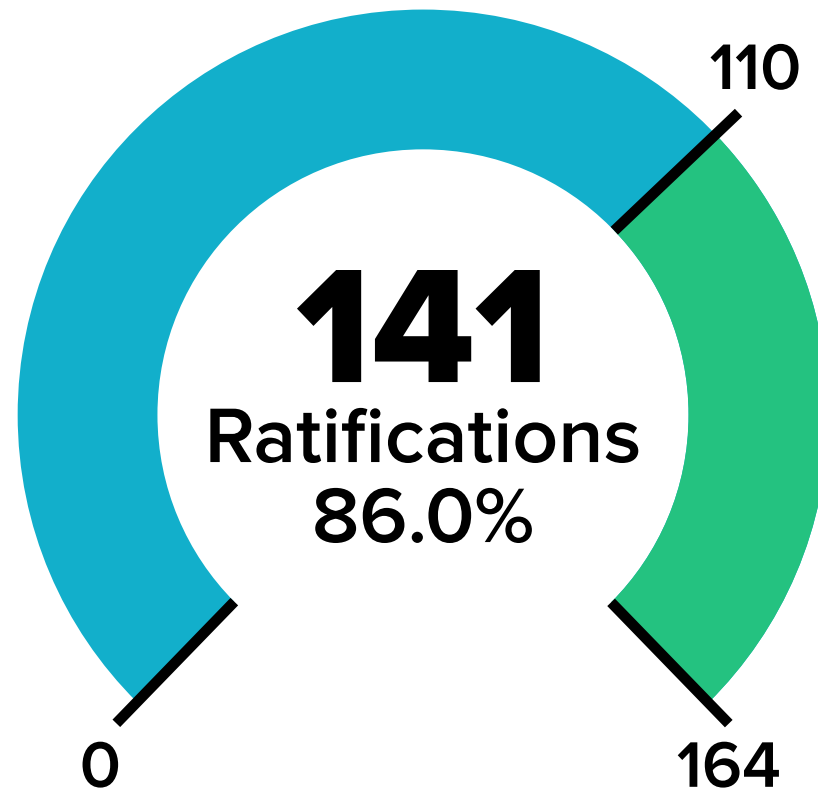
- 10.1 Formalities and Documentation Requirements
- 10.2 Acceptance of Copies
- 10.3 Use of International Standards
- 10.4 Single Window
- 10.5 Pre-shipment Inspection
- 10.6 Use of Customs Brokers
- 10.7 Common Border Procedures and Uniform Documentation Requirements
- 10.8 Rejected Goods
- 10.9 Temporary Admission of Goods and Inward and Outward Processing

Art. 11 Freedom of Transit



Art. 12 Customs Cooperation

Although many provisions apply only to the customs administration, the majority of provisions apply to all border agencies that deal with trade in goods. None of the measures are new- all are being used with success in various countries around the world. They not only benefit trade but can also lead to more effective, efficient and modern government practice.



In the two years since taking effect, 141 out of 164 countries have ratified the agreement, accounting for 86% of WTO membership. 12 out of the remaining 22 countries are LDCs.

Ratification Status of CARICOM Member States

Antigua and Barbuda	Barbados	Belize
Dominica	Grenada	Guyana
Jamaica	Saint Kitts and Nevis	Saint Lucia
Saint Vincent and the Grenadines	Suriname	Trinidad and Tobago

Missing CARICOM States

Bahamas	Haiti	Montserrat
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Section II - Special provisions for developing and least developed countries

There are special provisions that allow developing and least developed country (LDC) members to implement the Agreement at their own pace.



CATEGORY
A

Provisions that the member will implement by the time the Agreement enters into force (or in the case of a least-developed country member within one year after entry into force).



CATEGORY
B

Provisions that the member will implement after a transitional period following the entry into force of the Agreement.



CATEGORY
C

Provisions that the member will implement on a date after a transitional period following the entry into force of the Agreement and requiring the acquisition of assistance and support for capacity building.

Members	% in Cat. A	% in Cat. B	% in Cat. C
Antigua and Barbuda	37.0		
Barbados	36.6		
Belize	33.6	15.1	51.3
Dominica	50.8		
Grenada	73.5	8.0	18.5
Guyana	73.1	2.9	23.9
Jamaica	13.0	23.1	63.9
Saint Kitts and Nevis	67.6	8.0	24.4
Saint Lucia	49.2	29.4	21.4
Saint Vincent and the Grenadines	54.6	8.4	37.0
Suriname	10.1		
Trinidad and Tobago	21.4	8.0	70.6

A summary of outcomes and positive impacts most frequently reported include:

Top Outcomes:

- Reduced customs clearance times
- Reduced other border agency clearance times
- Reduced costs of customs clearance

Top Impacts:

- Increased foreign investment
- Export market diversification
- Increased domestic investment
- Increase in consumer welfare
- Increase in employment

- Review Main Trade Agreements which impact Dominica
- Discuss the TFA / Trade Facilitation
- Any questions???

