

FRAMEWORK AGREEMENT ON TRADE FACILITATION IN APTA PARTICIPATING STATES
(hereinafter referred to as "this Agreement")

The Governments of the People's Republic of Bangladesh, the People's Republic of China, the Republic of India, the Lao People's Democratic Republic, the Republic of Korea and the Democratic Socialist Republic of Sri Lanka, Participating States of the Asia-Pacific Trade Agreement (APTA) (hereinafter referred to as "Participating States");

AFFIRMING the importance of sustaining economic growth and development in all Participating States through joint efforts in liberalizing trade and promoting intra-APTA trade and investment flows;

RECOGNIZING the growing importance of cooperation with regard to trade facilitation for Participating States and the negotiations on trade facilitation of the WTO's Doha Development Agenda;

RECOGNIZING the importance of implementing the Revised Kyoto Convention;

RECALLING Article 11 of APTA, which provides that Participating States shall explore further areas of cooperation with regard to border and non-border measures to supplement and complement the liberalization of trade including trade facilitation measures;

RECOGNIZING FURTHER the need to operationalize the provisions relevant to trade facilitation which are stipulated in (c), (d) and (f) of Article 12 of APTA and widen the coverage of cooperation;

RECALLING FURTHER the decision of the APTA Ministers in their Ministerial Declaration adopted at the Second Session of the Ministerial Council in Goa on 26 October 2007 to direct the Standing Committee to adopt modalities for the extension of negotiations into other areas, such as non-tariff measures, trade facilitation, services, and investment, as soon as possible;

DESIRING to enhance and sustain trade competitiveness and efficiency of Participating States by taking trade facilitation measures;

MINDFUL of the different levels of development of Participating States;

DESIRING to formulate a framework to deepen and broaden cooperation in trade

facilitation among Participating States and to chart the future activities in this;

REFERRING to Article 11 of the Asia-Pacific Trade Agreement, which states that Participating States shall explore future areas of cooperation with regard to border and non-border measures to supplement and complement the liberalization of trade; and further referring to Article 26 of the Asia-Pacific Trade Agreement on Amendments to the Asia-Pacific Trade Agreement;

HAVE AGREED as follows:

Article 1
Scope

This Agreement shall apply to all Participating States and all goods traded within Participating States in accordance with their domestic laws, regulations and administrative rules.

Article 2
Objective

The objective of this Agreement is to improve the efficiency of the processes associated with trading in goods across national borders by simplifying and harmonizing trade procedures and practices.

Article 3
Principles

Under this Agreement Participating States will be guided by the principles of transparency, consistency, simplicity, efficiency, harmonization and standardization, and enhanced cooperation.

Article 4
Measures for Transparency and Consistency

Participating States shall endeavor to:

1. Make available their relevant domestic laws, regulations, administrative rules and technical information by officially designated or accepted sources relating to

international trade in a non-discriminatory manner to any interested Participating State at no or a minimal cost, and publish the outline of relevant domestic laws, regulations and administrative rules in English;

2. Notify other Participating States and the ESCAP secretariat of the introduction of new trade laws and regulations or the amendment of existing trade law and regulations that may have a significant impact on trade at the earliest possible stage;
3. Introduce the issuance of advance rulings on the main elements of importation, such as tariff classification in accordance with domestic laws, regulations and administrative rules;
4. Establish non-discriminatory procedures at reasonable cost and time for administrative and legal appeal against the decisions by customs and other relevant agencies affecting international trade.

Article 5

Measures for Simplicity and Efficiency

Participating States shall:

1. Consolidate, rationalize and minimize the number and diversity of fees and charges imposed in connection with importation and exportation:
 - (a) Fees and charges shall only be imposed for services provided in direct connection with the specific importation or exportation in question and shall not exceed the approximate cost of the services provided.
 - (b) Each Participating State shall periodically review its fees and charges with a view to consolidating them and reducing their number and diversity.
2. Work towards establishment of a single window allowing the one-time submission of import or export data and documentation requirements;
3. Introduce procedures for filing and examining documents prior to the arrival of goods, in particular, goods of perishable nature, enabling importers to claim their goods immediately after importation unless the goods are subject to a physical examination or the submitted documents need to be reviewed;
4. Establish in a phased manner, risk assessment and risk management procedures;
5. Simplify and reduce the incidence and complexity of import and export formalities and data requirements in accordance with domestic laws, regulations and administrative

rules to the necessary minimum for enforcing legitimate policy objectives, by applying international standards such as Revised Kyoto Convention and relevant recommendations of the WCO, to the extent possible;

6. Promote, to the extent feasible, use of automation and information technology in customs procedures and establish electronic communication system to facilitate their importers and exporters for electronic submission of documents, payment of duties and communication with the customs authorities.

Article 6 **Measures for Harmonization and Standardization**

Participating States shall:

1. Use for tariff purpose a tariff nomenclature based on the updated Harmonized Commodity Description and Coding System (HS) elaborated under the auspices of the WCO;
2. To the extent possible, apply the standards and recommendations of the Revised Kyoto Convention for Simplification and Harmonization of Customs Procedures;
3. Apply the WTO Agreement on Implementation of Article VII of the GATT 1994.

Article 7 **Measures for Cooperation**

Participating States shall:

1. Endeavor to provide interested Participating States, including the private sector, with an opportunity to comment on prospective new or amended trade-related laws and regulations prior to implementation or entry into force of the changes;
2. Endeavor to cooperate on effective exchange of customs information and data to improve customs compliance and to facilitate legitimate trade.

Article 8 **Institutional Arrangements**

1. The Ministerial Council shall review the implementation of this Agreement every two

years.

2. The Standing Committee shall supervise and coordinate the implementation of this Agreement and submit its recommendations for review to the Ministerial Council.
3. For the purposes of implementing Article 8.2, the Standing Committee shall establish a Working Group on Trade Facilitation (WGTF) comprising officials from Customs and/or other relevant agencies, which shall review the implementation of this Agreement and report to the Standing Committee for deliberation.
4. Each Participating State shall designate a focal point(s) to facilitate communications among them on any matter covered by this Agreement, including the exchange of information relevant to the implementation and operation of this Agreement. Any change in a focal point(s) shall be promptly informed.
5. The ESCAP Secretariat shall be the secretariat to the Working Group on Trade Facilitation.

Article 9 Settlement of Disputes

Any dispute regarding the interpretation and application of this Agreement shall be resolved through the procedures and mechanism as set out in Article 21 of APTA.

Article 10 Assistance for the Least Developed Country Participating States

Participating States shall assist with special consideration in providing the least developed country Participating States with adequate technical assistance and cooperation arrangements in building their trade facilitation capacity to implement this Agreement and thereby enabling them to take advantage of potential benefits by developing practicable measures such as training programmes, courses and seminars for information sharing, and any relevant activities to the extent possible. LDCs shall be required to apply this Agreement after their acquisition of the necessary capacity to implement this Agreement.

Article 11 Final Provisions

1. By agreement of all Participating States, this Agreement may be modified through amendments to the Agreement.
2. Annexes may be introduced to this Agreement and shall form an integral part thereof. Any reference to this Agreement is deemed to include also a reference to the Annexes.
3. Participating States shall undertake appropriate measures to fulfill the agreed obligations arising from this Agreement.
4. Participating States shall make no reservations with respect to any of the provisions of this Agreement.
5. This Agreement shall enter into force upon the deposit of instruments of ratification or acceptance by all signatory governments with the Executive Secretary of ESCAP, who shall promptly furnish a certified copy thereof to each Participating State. The signatory governments undertake to deposit their instruments of ratification or acceptance within 6 months after the date of signing of this Agreement.
6. In accordance with Articles 11 and 26 of the Asia-Pacific Trade Agreement, this Agreement shall form an integral part of the Asia-Pacific Trade Agreement, by becoming Annex III-A thereto.

IN WITNESS WHEREOF, the undersigned, duly authorized representatives of the signatory States, have signed the present Agreement on behalf of their respective Governments.

Done at Seoul, this day of , two thousand and nine, in one single copy in the English language.

FOR THE PEOPLE'S REPUBLIC OF BANGLADESH:

FOR THE PEOPLE'S REPUBLIC OF CHINA:

FOR THE REPUBLIC OF INDIA:

FOR THE LAO PEOPLE'S DEMOCRATIC REPUBLIC:

FOR THE REPUBLIC OF KOREA:

FOR THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA: