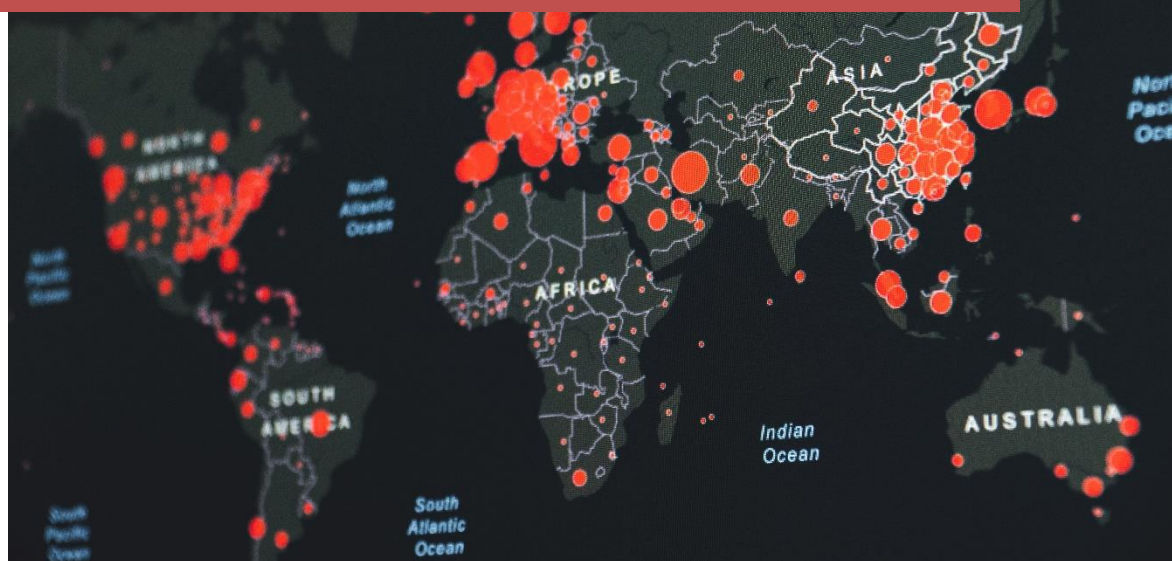


HOW COUNTRIES CAN LEVERAGE TRADE FACILITATION TO DEFEAT THE COVID-19 PANDEMIC





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The COVID-19 pandemic has spotlighted border agencies' challenge to safeguarding public health while avoiding disruptions to the free movement of goods. These agencies are undertaking unprecedented measures to speed up import, export and transit of goods. At the same time, these agencies must cope with recent restrictive measures to trade whilst preserving trade flows and supply chains.

This paper presents trade facilitation solutions, supported by country cases, to defeat trade challenges imposed by the COVID-19 pandemic. The solutions seek to improve efficiency in four main areas: process optimization, cost reduction, transparency and cooperation enhancement, and full display of technology to ensure cross-border trade while reducing face-to-face interaction.

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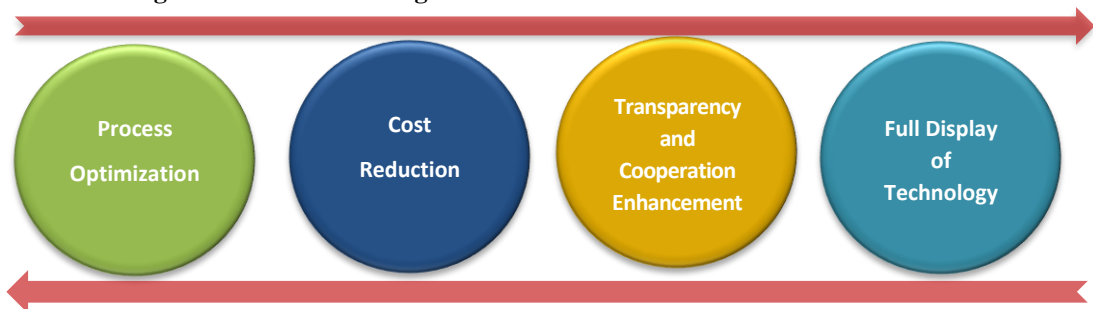
Background

As the COVID-19 pandemic advances exponentially, governments need to ensure that relief goods and other essential products can freely move across borders in the coming months. While many countries live in lockdown, trade channels remain operational. Customs and other border agencies [continue handling](#) the flow of goods.

Recently, traders have witnessed the proliferation of export restrictions through new controls and license requirements on medical devices. As a result, border posts are crowded, controls have multiplied, and truck queues are getting longer. Trade is proceeding at a slower pace, in times where agility and efficiency should be the highest priority to ensure an adequate response to the pandemic.

Against this background, trade facilitation emerges as the backbone to support border agencies in matching the safeguard of public health and the uninterrupted movement of goods. This document points out four categories of trade facilitation measures that countries can implement, including *inter alia* process optimization, cost reduction, transparency and cooperation enhancement, and full display of technology. Country cases offer concrete examples.

Figure 1: Four main categories COVID-19 related trade facilitation measures





1. Process optimization

An efficient response to the COVID-19 crisis requires to speed up and to streamline the release and clearance of essential goods. The following measures could prove relevant in further facilitating the process:



1.1. Expediting import procedures

These measures aim at accelerating import procedures to ensure that aid reaches frontlines fighting against the COVID-19 promptly, in line with criteria laid down in Article 7.8 of the [WTO Trade Facilitation Agreement \(TFA\)](#).

a Pre-arrival processing

Traders should be able to lodge, submit, register or check the goods declaration and supporting documents before the arrival of the goods in line with Article 7.1. and 8.1(b) of the WTO TFA. Thus, border agencies have the opportunity to pre-assess, identify and prioritize import procedures.

In [Cameroon](#), relief consignments and humanitarian assistance consignments are eligible for the following procedures: (i) Pre-arrival completion of Customs formalities, with inspection on quayside/runway followed by quick removal of the goods; (ii) Pre-arrival declaration procedure; (iii) Immediate collection subject to lodging of a provisional declaration and security.

b Fast-track lanes

Special counters and green lanes are working 24/7 at all clearance sites across countries, treating goods outside business hours and away from Customs offices. Article 7.8(a) and 11.5 of the TFA requires WTO Members to establish such special infrastructure or facility.

[India](#)'s Customs and Revenue Control Laboratory operates 24/7 to address any congestion, delay or surge, making available results and clearance at the earliest.

[Republic of Korea](#)'s Customs operates a 24/7 Customs clearance system for sanitary products, medical devices/equipment and raw materials imports. It also resolved clearance delays by utilizing channels such as Customs attachés, Customs hotlines of major trading partners, and fostering Customs cooperation.



c Release upon arrival

Customs can release goods prior to the submission of the goods declaration as laid down in Article 7.8.2(b), provided that the declarant will subsequently accomplish all formalities in respect of the clearance of goods.

Italy ordered direct release for devices to fight against the COVID-19, and rapid release of goods useful for limiting the spread of the COVID-19.

Brazil allows the early release of goods, before an inspection and Customs clearance, following the WCO's HS classification reference documents.

d Prioritization

According to [Annex J to Revised Kyoto Convention-Chapter 5](#) (hereinafter referred to as RKC Annex J-Chapter 5), when establishing workloads, Customs and other border agencies must give absolute priority to the clearance of relief consignments. They should carry out clearance of relief consignments for export, transit, temporary admission and import as a matter of urgency.

Japan's Customs prioritizes clearance for relief goods and goods necessary to maintain the lifeline. Besides, importers/exporters and Customs brokers can lodge import/export declarations to Customs offices which are more convenient to them, based on prior consultation with Customs.

Bosnia and Herzegovina provide priority to any shipments related to the fight against the COVID-19 pandemic.

Maldives enables the faster release of medical equipment.

e Trusted traders

Authorized Economic Operator (AEO), as established under Article 7.7 of the WTO TFA, can provide further facilities to expedite the release and clearance of relief consignments and essential goods during the crisis. These benefits multiply when countries mutually recognize the equivalence of their AEO schemes.

The [WCO](#) affirms that benefits are twofold. Initially, AEO's compliance record will allow expediting procedures relating to the entry or exit of international assistance. Then, AEO will mitigate the risks for the importing country while ensuring that the humanitarian assistance is tailored to requirements because of the assisting group's expertise.



1.2. Relaxing procedures

Handling goods against the clock requires Customs and other border agencies to drop some requirements. Risk management and post-audit controls must complement to prevent any misuse of these facilities.

a Simplification of goods declarations

Customs can provide whether a simplified goods declaration or a provisional or incomplete goods declaration provided that traders add any missing information or documents within a specified period, according to [RKC Annex J-Chapter 5](#). Another modality is a single goods declaration whenever cleared by the same person.

The [EU](#) provides for the possibility to use commercial, port or transport documents as an Entry Summary Declaration provided that these documents contain the necessary information (Article 127.7 of the [Union Customs Code](#), hereinafter referred to as UCC). Following the release of goods, the declarant may request the amendment of the Customs declaration within three years of the date of its acceptance (Article 173.3 UCC).

[Chile](#) is granting reasonable deadlines to complete documentation that is missing at the moment of release.

b Minimizing requirements

In accordance with Article 7.8.2(a) of the WTO TFA, documentation requirement can be minimized to speed up the release of expedited-shipments. With this purpose in mind, Customs and other border agencies i.e. Sanitary and Phytosanitary (SPS) or Standard agencies must work hand-in-hand to adapt requirements temporally. For instance, Sanitary agencies could validate SPS certificates issued by exporting countries for critical supplies.

[Colombia](#) and [China](#) have suspended sanitary registration for donated medical items.

[Republic of Korea](#)'s Customs and the Food and Drug Administration exempted the importation of masks from import requirements foreseen in the Pharmaceutical Affairs Law, such as attaching the import requirement approval procedure.



Obtaining representation from consignees may pose a significant additional administrative burden for all these categories of economic operators. Thus, Customs can ease this onus by using the presumption of empowerment.

The [EU](#) allows Customs to waive the requirement to prove of the empowerment from postal operators, express carriers or Customs agents for Customs clearance activities they are carrying out on behalf of the consignee.

As the COVID-19 pandemic hinders several services, border-regulatory agencies may consider extending or suspending timeframes to avoid disruption of ongoing procedures.

The [EU](#) requests Customs no to invalidate declarations for the export, re-export or outward processing procedure unless the declarant explicitly requests it of the declaration concerned.

[Japan](#) is extending exporters and importers' certificates by offering only a written statement in which traders themselves explain the reasons for the extension.

[El Salvador](#) suspended legal terms and deadlines for 30 days, related to administrative procedures on taxes liquidation, sanctions imposition, Customs value determination, origin verifications or revision appeal.

[Brazil](#) suspends for 12 months the compulsory certification procedure of surgical and non-surgical gloves of natural rubber, synthetic rubber and synthetic rubber mixtures.



c Flexibilities regarding inspections

According to [Standard 3-RKC Annex J-Chapter 5](#), border agencies should conduct inspections of relief consignments on an exceptional basis when considered indispensable, i.e. security, narcotics or contraband control purposes. Such inspections should sleeve to the extent necessary to ensure compliance with laws and regulations of the importing country.

[Republic of Korea](#)'s Customs has mitigated Customs investigations, foreign exchange inspections and origin verification.

Inspections and release of relief consignment can take place outside the Customs office. For instance, they can be carried out at the importer's premises provided it counts with the appropriate equipment. Other options could be a Customs office different to the Clearance office, or the place of destination.

[Chile](#) authorizes physical inspections of merchandise without the presence of the employees or auxiliaries of the Customs Agents upon electronic request. The removal of goods in Customs warehouses may be carried out by employees of a Customs agency other than the one responsible for their dispatch, who must issue a pure power of attorney and adopt the necessary control measures. The validity of the Customs cards that expire during the period of special measures established by the Customs resolution is also extended.

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