



**Asia-Pacific
Economic Cooperation**

2017/SOM3/CTI/WKSP5/008

The Pacific Alliance Contribution to APEC Work in Trade Facilitation

Submitted by: Peru



**Workshop on Free Trade Area of the Asia-Pacific
Building Blocks: The Pacific Alliance Contribution
to APEC Work in Services, MSMEs and Trade
Facilitation**

**Ho Chi Minh City, Viet Nam
26 August 2017**

The Pacific Alliance Contribution to APEC Work in Trade Facilitation

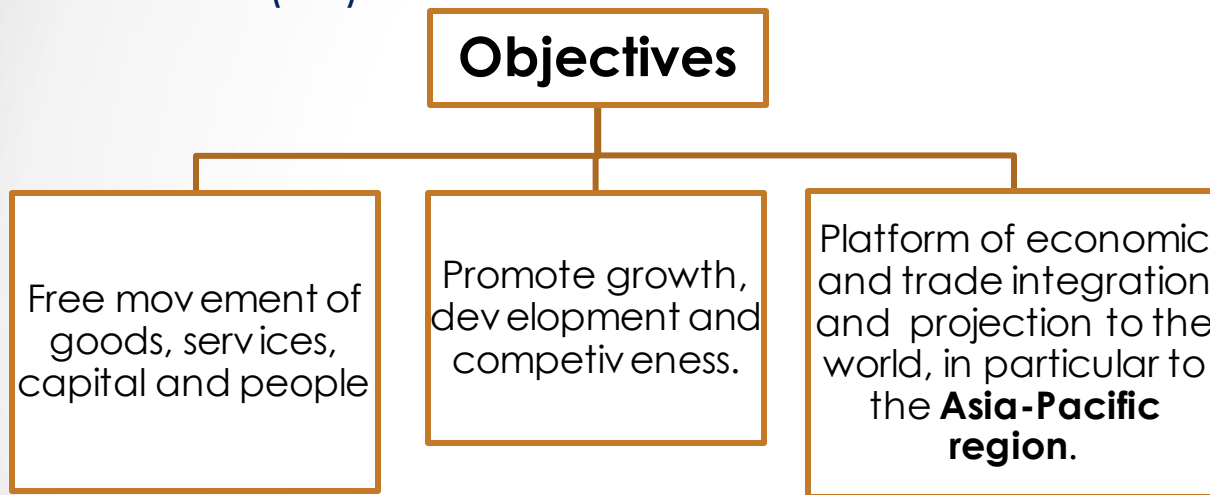
APEC Workshop on FTAAP Building Blocks: The Pacific Alliance contribution to APEC Work in Services, MSMEs and Trade Facilitation



Mr. Julio CHAN
Viceministry of Foreign Trade
August 26th, 2017

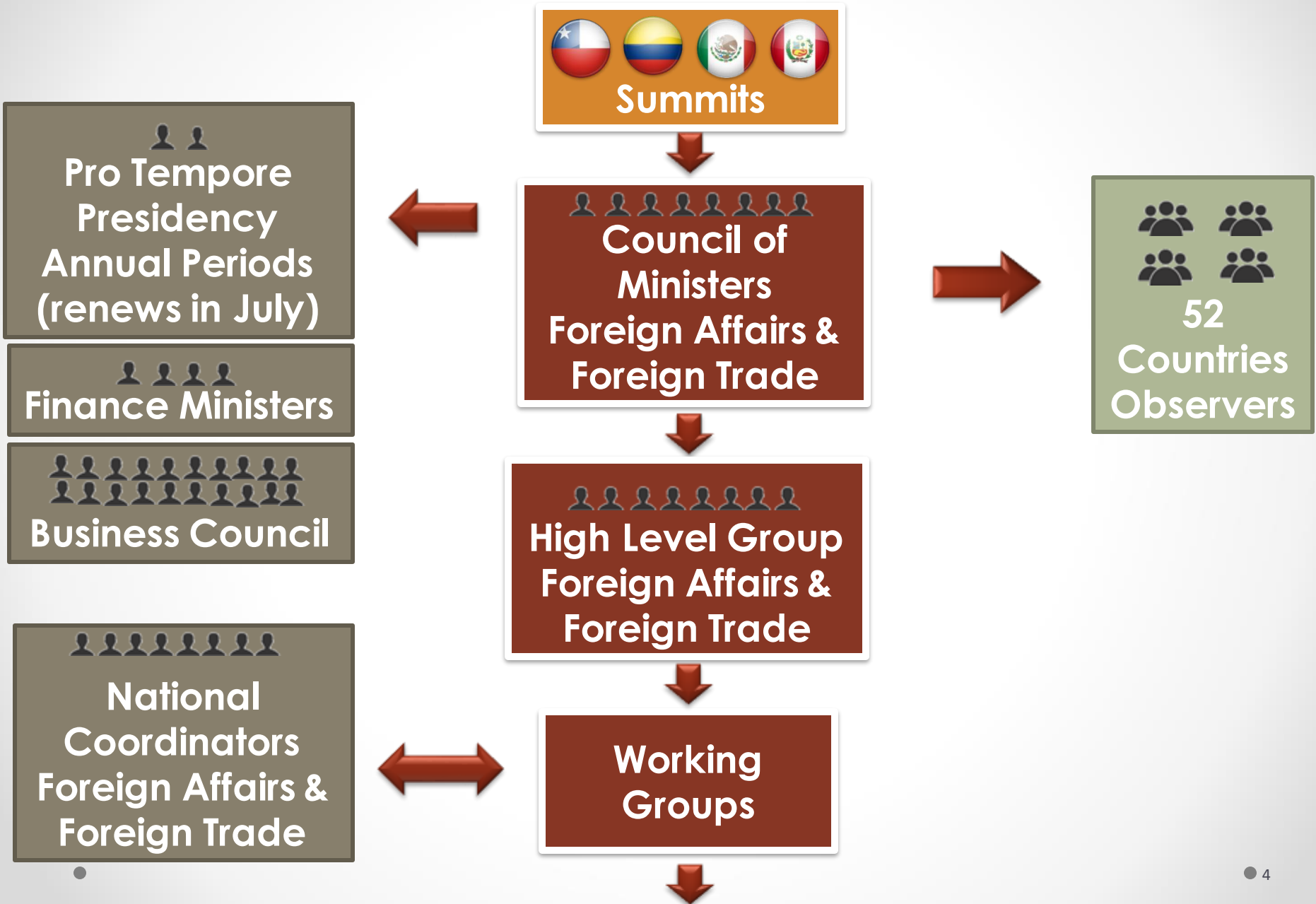
PACIFIC ALLIANCE AS A PROCESS

- Ambitious integration process in 2011 formed by Chile, Colombia, Mexico and Peru to create a deep free trade area among the Pacific Alliance (PA) Members.



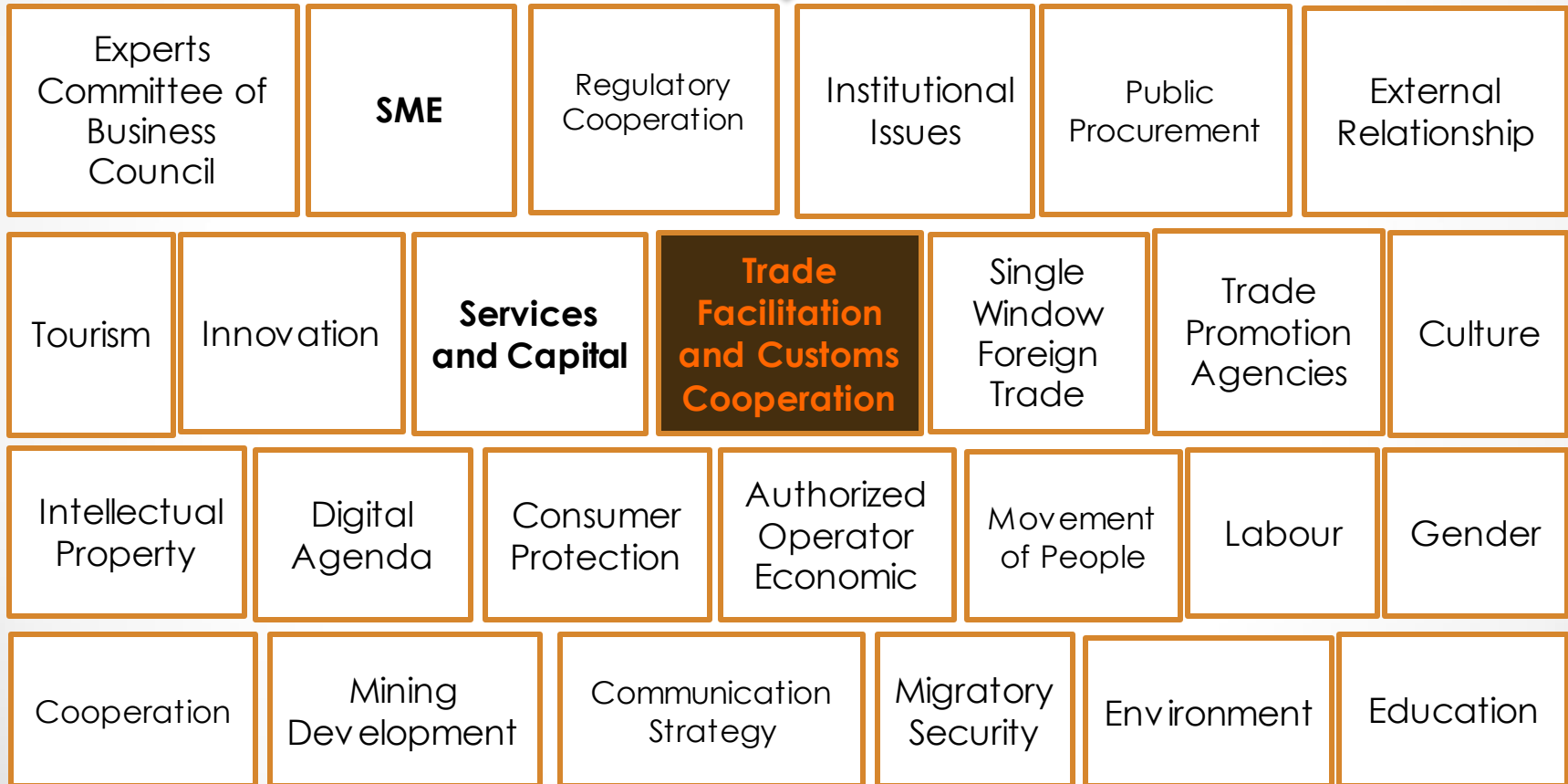
- Specific Members commitments agreed through Presidential Statements.
- **Annual Summits:** Presidents review the progress of the PA agenda and sign Statements in order to strengthen and to consolidate the process both internally and in its external projection to the world.

ORGANIZATIONAL STRUCTURE



ORGANIZATIONAL STRUCTURE

26 Working Groups



PRESIDENTIAL SUMMITS



Framework Agreement



Additional Protocol to the Framework Agreement: Pacific Alliance FTA

- Entered into force on **May 1, 2016**.
- **19 Chapters** on the following areas:
 - market access
 - rules of origin
 - technical barriers to trade
 - sanitary and phytosanitary measures
 - **trade facilitation and customs cooperation**
 - government procurement
 - e-commerce
 - financial services
 - maritime transportation services
 - telecommunications
 - investment and dispute resolution
 - institutional issues.



Additional Protocol to the Framework Agreement: Pacific Alliance FTA

- Members agreements:
 - Eliminate **92% of their tariffs** when the agreement enters into force. The remaining 8% will have tariff reduction periods between 3 and 17 years (except for sugar).
 - Establish a “**cumulative rules of origin mechanism**”, to promote regional value chains.
 - Develop **trade facilitation actions**, such as the reduction of customs procedures through the development of a framework for the interoperability of their foreign trade single windows; customs cooperation and mutual assistance in data interchange.
 - Open **public procurement markets**.



Committee on Rules of Origin and Procedures related to Origin, Trade Facilitation and Customs Cooperation

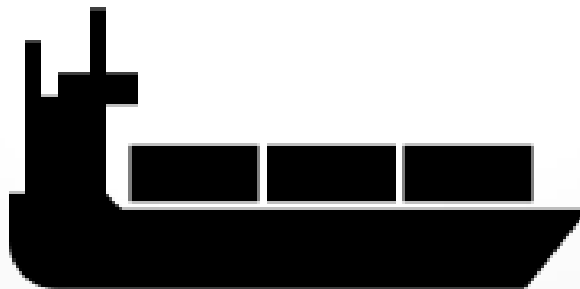
- Functions related to the Trade Facilitation and Customs Cooperation Chapter:
 - a) To monitor the implementation and administration of the Chapter.
 - b) To propose to the Free Trade Commission any modification or interpretation of the Chapter.
 - c) To ensure the application of customs legislation by cooperation and assistance among customs administrations.
 - d) To address any other matter relating to the Chapter.
- Meets once a year (date and agenda previously agreed by the Parties).
- Special meetings determined by the Parties.



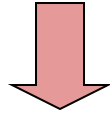
Trade Facilitation Chapter of Pacific Alliance FTA

- **Main tasks:**

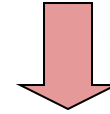
- To give tools and legal instruments to traders especially MSMEs to produce competitive products and services (quality, timeliness, volume and price).
- To promote faster, expeditious and efficient services by reducing paperwork, time and costs in trade and greater ease in collecting taxes on international transactions.



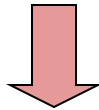
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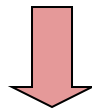
Section A Trade Facilitation



Section B Customs Cooperation



Annex 5.8:
Authorized
Economic
Operator



Annex 5.9:
Single Window
for Foreign Trade

TRADE FACILITATION IN THE PACIFIC ALLIANCE FTA

OBJECTIVES

Technical Group of Authorized Economic Operator

- Implementation and strengthening of Authorized Economic Operator (OAS) programs by the customs administrations of the Parties in accordance with the WCO General Framework for Securing and Facilitating Global Trade.
- Signing of mutual recognition agreements of the Parties' OAS programs.

Working Group of Interoperability of Single Windows for Foreign Trade (known in Spanish as VUCEs)

- Implementation and improvement of Single Windows for Foreign Trade (SWFT) for trade facilitation.
- Securing interoperability among SWFTs for exchanging trade data and verifying information of foreign trade operations.

TRADE FACILITATION WORK IN PROGRESS

- Advancing in interoperability of the **Single Window** for Foreign Trade
 - Electronic exchange of phytosanitary certificates
 - Homologation of digital certificates of origin
- Developing of a methodology to **reduce clearance time.**
- Implementing of the **Action Plan** for the Mutual Recognition of Economic Operators Authorized.
- **External Relationship:**
 - European Union (Trade Facilitation Seminar)
 - MERCOSUR (Customs Cooperation: Roadmap PA – MERCOSUR)



TRADE FACILITATION AND CUSTOMS COOPERATION

AGENDA 2017 – 2018

- Current Coordinator:
Peru (July 2017 – July 2018)
- Identify best practices in risk management and propose for capacity building actions.
- Encourage cooperation among customs administrations through the exchange of information to prevent, detect and combat illegal trade activities and disseminate the results of such actions in order to discourage such practices.

TRADE FACILITATION AND CUSTOMS COOPERATION

AGENDA 2017 – 2018

Technical Group of Authorized Economic Operator – AEO

- Current Coordinator:
Peru (July 2017 – July 2018)
- Sign an AEO Mutual Recognition Agreement.

Working Group of Interoperability of Single Window for Foreign Trade

- Current Coordinator:
Mexico (Jul 2017 – Jul 2018)
- Design, develop and implement actions to adopt an electronic customs data exchange system by 2018.

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