July 31, 2013

Ambassador Eduardo Ernesto Sperisen-Yurt
Chairman
Negotiating Group on Trade Facilitation
World Trade Organization
Geneva, Switzerland

Dear Ambassador Sperisen-Yurt:

Predictable, efficient and transparent customs procedures will help manufacturers, service providers, farmers and ranchers to compete more effectively around the world. The undersigned associations, representing large and small businesses with facilities and investments across the globe, applaud the objectives of the WTO Negotiating Group on Trade Facilitation and urge you to conclude a Trade Facilitation Agreement this year. Specifically, we hope a binding Trade Facilitation Agreement will streamline customs procedures, expedite the movement and release of goods, improve compliance, and facilitate advanced rulings on the customs duties to be applied to imports. Improvements to trade facilitation are critical to achieving global economic growth. Enhancing technical assistance to assist developing countries in achieving these goals is another key objective of the agreement.

According to a recent study by the Organization for Economic Cooperation and Development (OECD), comprehensive implementation of the measures currently being discussed as part of the WTO trade facilitation negotiations would reduce total trade costs by 10 percent annually in advanced economies and by 13 percent to 15.5 percent in developing countries. Further, the study found that each percentage reduction in global trade costs gained through the trade facilitation measures would increase worldwide income more than $40 billion – with most of the benefits going to developing countries. Earlier this year, WTO Director-General Pascal Lamy stated that removing barriers to trade and cutting red tape in half, as part of a multilateral Trade Facilitation Agreement, could stimulate the world economy by more than $1 trillion.

The widespread benefits of a multilateral Trade Facilitation Agreement are undisputed, as countries rely increasingly on global supply chains and seek to diversify their customer base. Although developing countries will face modest costs associated with implementing the agreement, study after study shows that developing countries have the most to gain from a Trade Facilitation Agreement. Moreover, multilateral organizations like the World Bank and the United Nations – as well as national governments – have committed to mobilizing the technical assistance and capacity-building resources needed to fully implement the agreement.
The undersigned associations will continue to work with our national trade ministries as well as WTO officials to improve trade facilitation practices. We stand ready to support the Negotiating Group on Trade Facilitation, WTO Director-General Pascal Lamy and future WTO Director-General Roberto Carvalho de Azevêdo in the conclusion and rapid implementation of a comprehensive Trade Facilitation Agreement.

The Australian Industry Group
Business Roundtable
Business New Zealand
Canadian Council of Chief Executives (CCCE)
Canadian Manufacturers & Exporters (CME)
Confederation of British Industry (CBI)
Confindustria
Federation of German Industries (BDI)
KEIDANREN (Japan Business Federation)
Movement of the Enterprises of France (MEDEF)
National Association of Manufacturers (NAM)
Singapore Business Federation
Spanish Confederation of Employers’ Organizations (CEOE)
TechAmerica
Trans-Atlantic Business Council (TABC)
U.S. Chamber of Commerce
U.S. Council for International Business (USCIB)