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Committee on Trade Facilitation

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NOTIFICATION OF ARRANGEMENTS AND PROGRESS IN THE PROVISION OF TECHNICAL ASSISTANCE AND CAPACITY BUILDING SUPPORT OF CATEGORY C DESIGNATIONS

COMMUNICATION FROM TONGA

The following communication, dated 14 June 2022 is being circulated at the request of the delegation of Tonga for Members' information.

Tonga hereby notifies information on the arrangements concluded and progress made in the provision of technical assistance and capacity building support of the following category C designations, in response to Article 16 of the Trade Facilitation Agreement.

Provision	Heading/Description	Category	Indicative date for implementation	Definitive date for implementation
Article 1.2	Information Available through Internet	C	22 February 2020	31 December 2029
Donors: Governments of Australia and New Zealand				
Progress in the provision of technical assistance and capacity building support: Tonga initially requested support to amalgamate all information into a trade portal for the purpose of complying with Article 1 sub articles 2.1 and 2.3. Tonga launched the Trade and Information Portal in 2019 with funding from the Governments of Australia and New Zealand and technical assistance from UNCTAD through the PACER Plus Agreement. The Trade and Information Portal is an online system which allows all cross-border trade related information to be available. These cover applicable laws, administrative procedures, permits, forms and tariff information.				

Provision	Heading/Description	Category	Indicative date for implementation	Definitive date for implementation
Article 2.1	Opportunity to Comment and Information Before Entry into Force	C	22 February 2019	31 December 2024
Donors: To be determined				
Progress in the provision of technical assistance and capacity building support: The Tonga Attorney General's office has published a Drafting Manual that requires consultation before implementing and enforcing new laws. TACB support is still required from Donors for the following: 1. <u>There is still a need for the development of a border agency guideline for formal and regular consultation mechanisms that aligns with the Attorney General's Drafting Manual</u>				

Provision	Heading/Description	Category	Indicative date for implementation	Definitive date for implementation
Article 3	Advance Ruling	C	22 February 2019	31 December 2024
Donors: Governments of Australia and New Zealand				
Progress in the provision of technical assistance and capacity building support:				
Initial request: Customs need establishment of the Legal Framework and need Capacity Building for staff.				
The funding from the Governments of Australia and New Zealand through the PACER Plus Agreement. The Oceania Customs Organisation provided technical assistance for the review of the Customs legislations and draft necessary legislation to enable implementation of the Trade in Goods and Customs Procedures Chapters of the PACER Plus Agreement.				
TACB support is still required from Donors for the following:				
<ol style="list-style-type: none"> 1. Policy and procedure for advance rulings (2024-2025) 2. Publish a Fact Sheet/General Procedure Guide for Advance Rulings (2025-26) 3. Train Customs staff (2025-26) 				

Provision	Heading/Description	Category	Indicative date for implementation	Definitive date for implementation
Article 5.3	Test Procedures	C	22 February 2022	31 December 2029
Donors: To be determined				
Progress in the provision of technical assistance and capacity building support:				
The Ministry of Fisheries and the Ministry of Agriculture, Food and Forests (MAFF) do not have sufficient laboratories for second tests.				
TACB support is still required from Donors for the following:				
<ol style="list-style-type: none"> 1. Develop a guideline for requesting a second test for food safety, agriculture, or other regulatory purposes (2022) 2. Establish lab testing facilities and train officials (2029) 3. Train officials on HPLC machines (2022) 				

Provision	Heading/Description	Category	Indicative date for implementation	Definitive date for implementation
Article 7.4	Risk Management	C	22 February 2018	31 December 2024
Donors: World Customs Organisation (WCO), Governments of Australia and New Zealand				
Progress in the provision of technical assistance and capacity building support:				
Procedures for risk management for customs control are in place. The Customs Automation System (CMS) selectivity criteria is used for the requisite assessment and compliance management thereof. WCO commenced a Mercator diagnostic assessment of Customs as part of its capacity building assistance under the Mercator Programme. This assistance stands to continue with in-country support missions once restrictions on international travel are lifted. This assistance will include RKC (Revised Kyoto Convention) Support.				
Under the PACER Plus ASYCUDA Project, Customs is receiving technical assistance from UNCTAD to enable the migration from the use of the CMS to the ASYCUDA World system.				
TACB support is still required from Donors for the following:				
<ol style="list-style-type: none"> 1. Develop Border Risk Management Strategy agreed between all border agencies (2022) 2. Undertake a risk management gap analysis (based on the Border Risk Management Strategy by agency) (2022) 3. Develop regulations (if applicable), policies and procedures based on the Border Risk Management Strategy (example of possible need for regulation could be access and sharing of information) 4. Create an operational common risk register and mitigation strategy (2023) 5. Identify technologies and interfaces to ASYCUDA World (e.g., x-ray) (2022) 				

6. *Training to develop capacity in relevant border agencies to ensure understanding and application of border risk assessment and risk management (2024)*

Provision	Heading/Description	Category	Indicative date for implementation	Definitive date for implementation
Article 7.5	Post-clearance Audit	C	22 February 2022	31 December 2024
Donors: World Customs Organisation (WCO)				
Progress in the provision of technical assistance and capacity building support:				
Policies and procedures to manage customs risks through a post clearance audit process are operational, and the audit process has been automated within the customs system. The same principles were envisaged to be applied across all border agencies to ease border congestion and improve regulatory compliance across multiple border agencies. WCO to undertake diagnostic of Customs and pilot of advanced systems-based auditing package.				
TACB support is still required from Donors for the following:				
<ol style="list-style-type: none"> 1. <i>Support to review draft legislation including harmonization with legal framework of all relevant institutions</i> 2. <i>Capacity building in post clearance audit in all relevant agencies</i> 3. <i>Develop an audit programme for desktop and in-premises audit</i> 4. <i>Train on audit skills (e.g., WCO e-click)</i> 5. <i>Provide briefing sessions to trading community on the role of PCA and legislative requirements related to PCA</i> 6. <i>Train Quarantine staff on analysing available transaction data from ASYCUDA World and identifying criteria for high-risk cargo and post clearance audit techniques</i> 				

Provision	Heading/Description	Category	Indicative date for implementation	Definitive date for implementation
Article 7.6	Establishment and Publication of Average Release Times	C	22 February 2022	31 December 2024
Donors: World Customs Organisation (WCO) and the World Bank Group (WBG)				
Progress in the provision of technical assistance and capacity building support:				
World Customs Organisation (WCO) and the World Bank Group (WBG) provided technical assistance to conduct Tonga's Time Release Study in 2020 which has been completed and is a baseline to measure the impact of reforms and initiatives. What remains is to adopt the recommendations of the Time Release Study (2021), schedule the reform actions (2021) and undertake the TRS after the implementation of the ASYCUDA World (2024).				
TACB support is still required from Donors for the following:				
<ol style="list-style-type: none"> 1. <i>Capacity building on designing, planning, and implementing Time Release Study for all relevant agencies</i> 2. <i>Stakeholder engagement to disseminate the results of the study</i> 				

Provision	Heading/Description	Category	Indicative date for implementation	Definitive date for implementation
Article 7.7	Trade Facilitation Measures for Operators	C	22 February 2022	31 December 2024
Donors: World Bank Group (WBG)				

Progress in the provision of technical assistance and capacity building support:

The Heilala Programme (Authorised Operators) of the Ministry of Revenue and Customs (Customs) provides facilitated procedures for selected importers. With the assistance of the World Bank Group, the Customs Division of Customs is seeking to expand its Authorised Operator program by developing an AEO Programme targeting exporters.

Customs had previously received assistance from the Oceania Customs Organisation (OCO) to develop draft legislation to enable the implementation of an AEO Programme for exporters. This program was to be based on New Zealand's Approved Secure Export Scheme.

The World Bank Group is currently assisting Customs and Ministry of Trade and Economic Development (MTED) with the review of the draft AEO Policy.

TACB support is still required from Donors for the following:

1. *Conduct Time Release Study for Export (2022)*
2. *Develop Customs AEO Policy and Guidelines for exporters (2022)*
3. *Review Customs Bill to ensure alignment with this article (2022)*
4. *Train Customs and Quarantine staff on implementation of a risk-based approach in the clearance of import & export cargo including measures for authorised operators (2023)*
5. *Publish transparent guidelines for Heilala Programme participation (2024)*

Provision	Heading/Description	Category	Indicative date for implementation	Definitive date for implementation
Article 8	Border Agency Cooperation	C	22 February 2018	31 December 2024

Donors: World Customs Organization (WCO)

Progress in the provision of technical assistance and capacity building support:

WCO to support Customs by facilitating an interactive stakeholder engagement workshop, focusing on effective and meaningful private sector engagement.

TACB support is still required from Donors for the following:

1. *Develop a framework and strategy for border agency cooperation (2022)*
2. *Implement one-stop-shop clearance Customs, MAFFF, and Port Authority (2022)*
3. *Implement a virtual one-stop-shop for customs, quarantine, and food clearances in ASYCUDA World (2023) - see Art. 10.1*
4. *Implement joint inspection procedures at the approved warehouses based on joint risk management (2024)*

Provision	Heading/Description	Category	Indicative date for implementation	Definitive date for implementation
Article 10.1	Formalities and Documentation Requirements	C	22 February 2020	31 December 2024

Donors: Governments of Australia and New Zealand

Progress in the provision of technical assistance and capacity building support:

The Governments of Australia and New Zealand will fund e-phyto training and will be facilitated by the SPC. Phase 1 of e-phyto TACB involves staff training and the test run to be completed by the end of June 2022.

TACB support is still required from Donors for the following:

1. *Review documentary requirements as part of the Trade Facilitation Strategy and in preparation for implementing automation*
2. *Implement a virtual one-stop-shop for customs, quarantine, and food clearances in ASYCUDA World (2023) - As per Art. 8*
3. *Undertake a legal analysis and implement any required changes to enable offshore payment of duties, fees, and charges (2023)*

Provision	Heading/Description	Category	Indicative date for implementation	Definitive date for implementation
Article 10.2	Acceptance of Copies	C	22 February 2018	31 December 2024
Donors: To be determined				
Progress in the provision of technical assistance and capacity building support: Yet to be provided.				
TACB support is still required from Donors for the following:				
<ol style="list-style-type: none"> 1. Review documentary requirements as part of Trade Facilitation Strategy and in preparation for implementing automation 2. Implement a virtual one-stop-shop for customs, quarantine and food clearances in ASYCUDA World (2023) - As per Art. 8 3. Undertake a legal analysis and implement any required changes to enable offshore payment of duties, fees, and charges (2023) 				

Provision	Heading/Description	Category	Indicative date for implementation	Definitive date for implementation
Article 10.3	Use of International Standards	C	22 February 2022	31 December 2024
Donors: World Customs Organisation (WCO)				
Progress in the provision of technical assistance and capacity building support: <i>As abovementioned, the assistance offered to Customs through the WCO Mercator Programme will also include RKC Accession Support. This will see Customs adopting Customs international standards and best practices of the Revised Kyoto Convention on the simplification and harmonisation of custom procedures.</i>				
TACB support is still required from Donors for the following:				
<ol style="list-style-type: none"> 1. Capacity building for agencies on relevant international standards, testing procedures and international best practices 2. Awareness campaigns on use of international standards 				

Provision	Heading/Description	Category	Indicative date for implementation	Definitive date for implementation
Article 10.4	Single Window	C	22 February 2022	31 December 2029
Donors: Governments of Australia and New Zealand				
Progress in the provision of technical assistance and capacity building support: Tonga has yet to implement and set up a single window system, this will be considered upon when the ASYCUDA World is fully stood up and operational. ASYCUDA World is funded through the Governments of Australia and New Zealand and technical assistance from UNCTAD through the PACER Plus Agreement.				
TACB support is still required from Donors for the following:				
<ol style="list-style-type: none"> 1. Implement one-stop-shop clearance Customs, MAFFF, and Port Authority (2021) - as per Art 8 2. Undertake a Single Window Visioning Worksop with public and private sector (2023) 3. Undertake a Single Window Feasibility Study (to be reviewed as a result of the visioning workshop) (2024) 4. Prepare a Single Window Blueprint (to be reviewed as a result of the Single Window Feasibility Study) (2026) 				