



STRUCTURE AND ROLE OF THE US NATIONAL TRADE FACILITATION COMMITTEE

COMMUNICATION FROM THE UNITED STATES

The following communication, dated 4 April 2018, is being circulated at the request of the delegation of the United States.

The United States has found that three key elements are essential for a well-functioning National Trade Facilitation Committee (NTFC) capable of implementing the WTO Trade Facilitation Agreement (TFA). These elements are:

- Full inter-agency participation
- Clear leadership with political imperatives
- Strong links to the private sector

This paper examines the US experience using its NTFC to optimize TFA implementation and coordinate technical assistance activities. First, this paper seeks to share the United States' experience structuring the NTFC to encourage full participation from a range of technical experts. Second, our experience demonstrates how the NTFC leverages a network of private sector groups to receive input from a diverse group of industry representatives. Finally, the United States will share a case study on using the NTFC to identify implementation needs and to coordinate and mobilize the interagency to support its goals.

1 ESSENTIAL INGREDIENTS TO OPTIMIZE IMPLEMENTATION OF THE TFA

Mission of the NTFC

1.1. The United States established the NTFC to comply with its obligations under the TFA (Article 23.2). The NTFC allows the United States to improve communication among the various agencies on policies and activities related to trade facilitation, set Government priorities for technical assistance and capacity building, and prevent duplication of efforts. The NTFC considers the coordination of the US Government's technical assistance activities as a critical aspect of the NTFC.

1.2. In establishing the NTFC, and pursuant to its TFA obligations, the United States adopted the existing, interagency trade review mechanism to serve as its national committee, taking advantage of institutional knowledge, technical expertise, and established coordination and communication networks and processes. Using an existing mechanism enabled the United States to leverage an established network of technical experts; however, we understand that other WTO Members may prefer alternative committee structures due to the relative emphasis that is placed on implementation rather than monitoring and interagency coordination.

2 THE NTFC STRUCTURE

Establishing a Committee Structure to Leverage an Existing Network of Trade Specialists

2.1. As set out in TFA Article 23.2, Members are required to establish, maintain, or designate an existing mechanism as a national committee on trade facilitation to both enable domestic

coordination and implementation of the provisions of the Agreement. The Office of the United States Trade Representative (USTR) designated an existing mechanism, the National Committee on the WTO, to serve as the NTFC to meet this obligation. The NTFC is a sub-committee of the larger Trade Policy Staff Committee (TPSC), the interagency group that develops and coordinates trade policy implementation across the executive branch of the government.

2.2. USTR has primary responsibility, with the advice of the interagency trade policy organization, for developing and coordinating the implementation of US trade policy. The interagency trade policy mechanism assists with the implementation of these responsibilities. USTR executes its institutional interagency role through the subcabinet interagency trade policy coordination groups that are central to this process and provided for in statute, including the Trade Policy Review Group (TPRG) and the TPSC – both administered and chaired by USTR.

2.3. The Office of Trade Policy and Economics (TPE) within USTR is responsible for convening the twenty federal agencies that make up the TPRG and the TPSC to review policy papers and negotiating documents. The TPE works with USTR staff to resolve policy differences among the agencies, since all decisions require consensus. The TPSC regularly seeks advice from the public on its policy decisions and negotiations through public hearings and Federal Register notices.

2.4. Through the interagency process, USTR requests input and analysis from members of the appropriate TPSC subcommittee or task force. The conclusions and recommendations of this group are then presented to the full TPSC and serve as the basis for reaching interagency consensus. If agreement is not reached in the TPSC, or if particularly significant policy questions are being considered, issues are referred to the TPRG.

2.5. Over 20 federal agencies participate in the NTFC, including the Council of Economic Advisors, the Council on Environmental Quality, the Small Business Administration (SBA), the US Agency for International Development (USAID), the Departments of: Agriculture, Commerce, Defense, Energy, Health and Human Services, Homeland Security (including US Customs and Border Protection), Interior, Justice, Labor, State, Transportation, and Treasury, the Environmental Protection Agency, the National Economic Council, the National Security Council, and the Office of Management and Budget. Representatives of other agencies are invited to attend NTFC meetings depending on the specific issues discussed. Active NTFC participants are senior technical-level experts, which allows the committee to conduct substantive, detailed discussion when necessary.

NTFC Meeting Procedures

2.6. During NTFC meetings, participants share information on activities related to TFA technical assistance, implementation, and general trade facilitative programs. The NTFC meets every six to eight weeks, and has met six times since the TFA's entry into force. USTR schedules the meetings and drafts an agenda based on input from the other NTFC participants. Regular attendees include the Departments of Agriculture, Commerce, Labor, State, and Treasury, USAID, SBA, and US Customs and Border Protection.

2.7. Occasionally, an agency will request that the NTFC discuss implementation and trade facilitation programming in a specific region or country. For example, in 2017, the Department of Commerce requested an NTFC meeting to discuss trade facilitation activities in Central America to receive feedback on its proposal to provide specific technical assistance programming in the region. NTFC participants brought their respective Central America experts to the meeting to discuss Commerce's proposal, and shared information for ongoing regional activities to ensure that the different US agencies did not duplicate efforts and instead pursued priorities in a coordinated manner.

Role of the Private Sector

2.8. The NTFC regularly solicits input from the public through several established mechanisms. The primary vehicle for regular stakeholder feedback on trade facilitation is the Interagency Trade Advisory Committee (ITAC) on Customs Matters and Trade Facilitation. The Customs Matters and Trade Facilitation ITAC provides detailed policy and technical advice, information, and recommendations to the Secretary of Commerce and USTR regarding trade barriers, negotiation of

trade agreements, and implementation of existing trade agreements. The Customs Matters and Trade Facilitation ITAC consists of approximately 15-20 members with relevant experience. The ITAC system includes 14 trade advisory committees that represent a variety of sectors and trade concerns, including Intellectual Property Rights, Consumer Goods, Textiles and Clothing, and Small and Minority Business, among others. At the beginning of 2018, the NTFC used the ITAC's group of specialized experts to collect data for policy planning. The NTFC drafted and circulated a survey to the ITAC on Customs Matters and Trade Facilitation to gain a better understanding of the private sector's priorities and positions on TFA implementation. The NTFC is still collecting this data, and it plans to incorporate the results into the US policy planning agenda upon completion.

2.9. The NTFC is also informed by recommendations from the Commercial Customs Operations Advisory Committee (COAC). The COAC, administered by the US Customs and Border Protection (CBP), advises the Secretaries of the Department of the Treasury and the Department of Homeland Security (DHS) on the commercial operations of CBP and related Treasury and DHS functions. Approximately 20 private sector participants serve on the COAC, representing a group of participants with expertise in customs, logistics, and trade facilitation from companies across the United States.

2.10. For agricultural trade issues, the NTFC relies on the Agricultural Policy Advisory Committee (APAC) and six Agricultural Technical Advisory Committees (ATACs). The ATAC system operates under the same procedures as the ITAC, providing advice to the Secretary of Agriculture and USTR on the administration of US trade policy, including implementation and enforcement of existing trade agreements and the US negotiating objectives for new trade agreements.

2.11. NTFC participants from the US Departments of Agriculture, Treasury and Commerce, CBP, and USTR regularly attend the ITAC, COAC, and ATAC meetings, as well as other trade advisory committees, and report input and recommendations during NTFC meetings. The NTFC incorporates stakeholder recommendations into policy planning and global TFA implementation and monitoring efforts. WTO Members without such institutions may benefit by integrating stakeholder input across a wide range of interests with their NTFC.

3 CASE STUDY: USING THE NTFC TO COORDINATE THE US GOVERNMENT'S TECHNICAL ASSISTANCE AND CAPACITY BUILDING OBJECTIVES

3.1. In 2017, as a result of NTFC coordination, the interagency successfully implemented a government-wide training program for US embassy staff from across the globe on TFA implementation, monitoring, and technical assistance coordination. After the TFA's entry into force, NTFC participants discovered the need to train and educate field officers about the TFA, and in response, coordinated a whole-of-government education campaign. During its early meetings, NTFC participants noted that officials stationed at US embassies and missions abroad reported a significant increase in requests for information about the TFA from local businesses and host governments. In addition, NTFC participants agreed that an essential ingredient for successful monitoring and implementation of the TFA would be an active and engaged corps of field officers on the ground. To address this need, NTFC participants developed a training program for these field officers that would garner full participation across a range of agency representatives, demonstrate clear leadership, and display a unified and consistent message on US global TFA implementation strategy.

3.2. In May 2017, the US Department of State hosted a live online training course on the TFA and the United States' priorities for TFA implementation. The webinar included a panel of experts from USTR, the Departments of State and Commerce, and SBA. Participants were encouraged to ask questions in real-time to the panel using an online chat function. The event was well-attended by a diverse range of US embassy staff and officers from five different government agencies stationed abroad, and also drew attendance from civil servants based in Washington with an interest in trade facilitation.

3.3. Without the NTFC's leadership and coordination, the US Government would have faced considerable challenges in delivering a unified and consistent message on the TFA to field officers across multiple agencies and countries. Furthermore, the NTFC provided a forum for the interagency to discover a need in the Government's efforts towards full TFA implementation, and leverage the entire Government's expertise on trade facilitation to address that need.

4 LINKAGE BETWEEN THE NTFC AND THE WTO COMMITTEE ON TRADE FACILITATION

4.1. The USTR NTFC Chair also leads the US delegation to the WTO Committee on Trade Facilitation in Geneva. Other NTFC participants also attend WTO meetings as appropriate. The NTFC participants prepare for the WTO Committee on Trade Facilitation by recommending agenda items and drafting and reviewing supporting documents. The US delegate to WTO Committee on Trade Facilitation updates the NTFC and relevant ITACs regarding important ongoing work and activities at the WTO.

5 NTFC WORK TO BENEFIT SMALL AND MEDIUM-SIZED ENTERPRISES (SMES)

5.1. Recognizing that SMEs are important beneficiaries of TFA implementation, the NTFC has worked to prioritize SMEs in its work plan and trainings. USTR expanded participation on the NTFC to include permanent representation from SBA, the agency tasked with aiding and assisting small businesses to increase their ability to compete in international markets.

5.2. With input from SBA, the NTFC adopted priorities for global implementation to leverage industry feedback and reported challenges. The SBA provides trainings for its staff on the potential benefits of the TFA for small business; and has invited the NTFC to join in small business consultations on the TFA.

6 CONCLUSION

6.1. The United States encourages Members at all stages of development to likewise share their views and experiences concerning best practices and experiences toward robust, effective NTFCs that include mechanisms for coordinating implementation efforts, soliciting private sector input, and prioritizing small business interests.

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