



TRADE FACILITATION ACTION PLAN 2018 - 2020

Background

- [1] A special topics session was held on the issue of e-commerce at CPM-12. Presentations were given by representatives of NPPOs, relevant international organizations and stakeholders involved in e-Commerce. Following plenary discussion, the CPM requested the Bureau to develop a way forward in the June 2017 meeting, including resource considerations.
- [2] The CPM Bureau recommended a number of actions to address eCommerce issues (Section 9.1 Bureau report, June 2017). A number of these actions involve the World Customs Organization and other collaborators.
- [3] Recommendation (8) proposes an Action Plan for the next 3 years regarding TFA that would include e-commerce recommendations (currently unfunded), and would be discussed during the SPG in October. The Plan would culminate in a 2020 conference/symposium to be dedicated to the implementation of the TFA.
- [4] The draft three year Trade Facilitation Action Plan is attached (Annex 1).
- [5] SPG is invited to:
 - (1) *review* the Action Plan and *advise* the Bureau on next steps.

Trade Facilitation Action Plan

2018 - 2020

Trade Facilitation Action Plan

2018 - 20

Description

The World Trade Organization (WTO) Trade Facilitation Agreement (TFA) was ratified on 22 February 2017. This prescribes rights and obligations on signatories to harmonise border actions to facilitate the movement of goods. The World Customs Organization (WCO) has taken a lead in facilitating the global implementation of the TFA.

Activities of National Plant Protection Organisations (NPPOs) to implement their commitments under the International Plant Protection Convention (IPPC) will intersect with those of other border agencies, particularly around the inspection and clearance of goods, passengers, mail and courier parcels.

The TFA includes elements that are already practiced or under development by the IPPC. These include risk-based intervention, authorization of third parties, e-commerce, electronic transmission of phytosanitary certificates (ePhyto) and systems approaches (safe or trusted traders). The international movement of sea containers is of common interest to many countries.

The IPPC Bureau agreed in June 2017 that a summary of the TFA, with an IPPC Action Plan for the next 3 years be drafted for discussion by the Strategic Planning Group in October 2017. This plan would direct implementation of the TFA with regards to ecommerce, ePhyto, sea containers, the IPPC-WCO Cooperation Agreement and collaboration in capacity building. The plan will culminate in an IPPC hosted 2020 conference/symposium to be dedicated to plant health and the implementation of the TFA.

Strategic context/alignment

This action plan draws on the draft Strategic Framework 2020 – 2030. It incorporates actions and outcomes through 2018 to 2020 for new or existing projects including ePhyto, ecommerce and activities of the Sea Container Task Force.

Outcomes

This action plan will give visibility to activities that are undertaken by the IPPC, alone and potentially in collaboration with the WCO, to facilitate safe trade in plants and plant products, to reduce the international spread of pests.

1. IPPC-WCO Cooperation Agreement

The Cooperation Agreement between the Secretariats of the IPPC and WCO will be signed in October 2017. It promotes cooperation on matters of common interest that help facilitate the international trade of plants and plant products in a safe and efficient manner. It supports the exchange of documents and publications, and information on events and activities that may be of mutual interest, and provides a platform for regular consultation on policy issues. Each organization will participate as an observer at relevant meetings or events and may also agree to engage in joint activities in accordance with internal regulations and rules and subject to available resources.

A joint action plan will be developed and agreed in 2018. This will likely include:

- Joint recognition of roles and opportunities to facilitate trade at a global level, with specific reference to the outcomes directed by the TFA
- Collaboration in the development and implementation of capacity building activities of common interest
- IPPC participation in the Safety and Security subgroup facilitated by WCO to support the global implementation of the TFA and any other relevant forums

- Collaboration to support implementation of this action plan, particularly the recognition of ePhyto in the development of single window systems, access to data systems in support of the tracking and recording of clean sea containers and shared activities with courier service providers to reduce the global movement of regulated plants and plant products through ecommerce

2. *EPhyto*

The IPPC ePhyto Hub will facilitate multilateral electronic certificate exchange based upon a single communication protocol, eliminating the cost and complexity of bilateral exchange protocols. A simple generic web-based system (GeNS) to issue, send and receive electronic phytosanitary certificates, for those countries that do not have an existing national system today is also being developed for global implementation. Ultimately, the combination of these two systems, known as ‘the ePhyto solution’, will make it easier for countries - especially those with limited resources - to exchange electronic phytosanitary certificates.

Priority areas for the development and integration of ePhyto in trade are harmonization, collaboration, implementation and sustainability. Actions for 2018 – 20 are:

- Completion of the STDF project, proof of concept of hub and GeNS
- Guidance for implementation eg. Legislation, technical specifications, operating model, capacity development and business process change tools
- EPhyto business model, including funding options
- Implementation targets
- A further International Symposium in 2018
- Collaboration with World Bank – integration with single window concepts through global partnerships (WB and WCO)
- Consideration of expanding hub scope to include eSPS certificates

3. *Ecommerce*

In April 2017, the twelfth meeting of the Commission on Phytosanitary Measures held a special topics session on ecommerce and requested the Bureau to develop a way forward in the June 2017 meeting, including resource considerations. Following a teleconference on ecommerce with a number of organisations, it became evident that a lack of knowledge on phytosanitary import and export regulations amongst stakeholders plays a major role in non-compliance of goods that are purchased on-line.

The Bureau agreed [June 2017, Bureau report] that the TFA provided a platform for working through ecommerce issues and suggested the following actions:

- Prepare a concise factsheet on ecommerce addressed to NPPOs
- Collate a contact list stakeholders/websites involved in e-commerce in cooperation with the United States of America NPPO, to be posted on the IPP on restricted pages
- Contact other ecommerce players like Amazon to raise the importance of the issue
- Engage the Universal Postal Union in cooperation
- Draft standardized information for those stakeholders with a list of key commodities that are commonly regulated, and advice to contact relevant NPPO
- Consider adopting a common set of Harmonized System codes (International convention on the Harmonized System) for global application to detect consignments of commonly traded regulated articles purchased on-line, which present a high phytosanitary risk
- Participate in the WCO subgroups for traders representing different stages in trade chains – the IPPC ICDC to select champions for watch topic or use FAO Representatives

- Create an umbrella work programme on e-commerce, ePhyto, PCE, etc. within the TFA/World Bank, work within the 3 sisters, organize the IPPC Seminar during the SPG with the World Bank after which more concrete actions should be discussed again by the Bureau
- Prepare a joint publication with WCO based on the WCO manual.

An ad hoc working group could be convened to establish a work plan and coordinate these and other activities that develop an harmonised global approach for reducing the entry of regulated plants and plant products through mail and parcel courier services from on-line purchasing. The work plan might include:

- A list of commonly regulated goods
- Harmonisation of HS codes for these goods
- A framework for international cooperation with on-line traders
- A formal collaboration mechanism with couriers
- Common communications and advice packages for NPPOs to assist in addressing the phytosanitary issues arising from ecommerce
- A collaborative approach with WCO for sharing intelligence and establishing harmonised or consistent actions in relation to areas of common interest.

4. *Sea Container Task Force*

Also at the twelfth meeting of the Commission on Phytosanitary Measures in April 2017, the CPM agreed a "set of complementary actions", which offer value in assessing and managing the pest threats associated with sea containers. The actions complement the implementation of the IMO/ILO/UNECE CTU Code and the Recommendation CPM 10/2015_01 on Sea Containers to address the risks of sea containers being contaminated and introducing pests and diseases to new areas as they move in trade.

Central to the Complementary Action Plan endorsed by the CPM is the Sea Container Task Force (SCTF), which will operate under the oversight of the CPM Implementation and Capacity Development Committee (IC). The SCTF will measure the impact of the IMO/ILO/UNECE Code of Practice for Packing of Cargo Transport Units (CTU Code) during the next five years, increase awareness of pest risks of sea containers and facilitate the collection and sharing of information to assist NPPOs better manage these risks.

The SCTF will supervise actions in the Sea Container Complementary Action Plan and complement them with any other actions through:

- providing information on pest risks of sea containers and their management;
- coordinating with CPs, RPPOs, industry and other international organizations;
- establishing a mechanism for CPs to report to CPM on their progress and achievements;
- providing advice on how the CTU Code or any other instrument could be updated;
- providing, through the CDC/IC, updates on its activities to be presented annually to the CPM, as well as a final report for presentation to CPM-16 (2021).

The five year action plan of the SCTF will be developed in November 2017 at its first meeting. However, there are several areas where the implementation of the SC Action Plan potentially connect with the WCO. This includes access to the container database maintained by the WCO to record container maintenance and safety; integrating any proposed programs to better manage container hygiene at sea ports with Customs operations; identifying and using any shared communications and/or messaging with national governments for safe and secure movement of sea containers.

5. *International Trade Facilitation Conference 2020*

An IPPC hosted conference/symposium in 2020 that is dedicated to plant health and the implementation of the TFA will provide a focal point for short to medium term outcomes that may be included in the

joint IPPC-WCO Cooperation Agreement, as well as providing a mechanism to assess the current status and future directions of programs such as ePhyto, ecommerce and sea containers.

The conference in 2020 could be recognised as an element of the global focus on plant health and trade facilitation in the International Year of Plant Health and one of the strategic outcomes of the IPPC.

Benefits

The outcomes sought will contribute to harmonising management of phytosanitary risks in the interests of facilitating trade

Collaboration platform with other border agencies, particularly Customs functions

Approach

This action plan will provide the frame of reference for activities that will contribute the effective implementation of the TFA in collaboration with other border agencies, including Customs.

Products

Products developed from priority activities in the lead up to proposed the September 2020 International Trade Facilitation Conference are as follows:

Action	Who	When
1 IPPC-WCO Cooperation Agreement Joint work plan	Secretariat	October 2017 April 2018
2 EPhyto <ul style="list-style-type: none"> · Hub prototype available for piloting · GeNS prototype available for piloting · International Symposium · Hub – go live · GeNS – go live · ePhyto business model · Expansion of country participation · Scope expansion of Hub to eSPS 	Shane Sela and ePhyto Steering Group	October 2017 April 2018 January 2018 Mid-late 2018 late 2018 2019 Ongoing
3 Ecommerce <ul style="list-style-type: none"> · Draft project plan · Convene ad hoc working group · Establish and implement work program. Activities may include: <ul style="list-style-type: none"> - A list of commonly regulated goods - Harmonisation of HS codes for these goods - International cooperation framework with on-line traders - Formal relationship with couriers - Common communications and advice packages - Collaborative approach with WCO for harmonisation, common elements and approach re intelligence sharing 	Bureau Ad hoc working group	February 2018 May 2018 June 2018
4 Sea Container Task Force <ul style="list-style-type: none"> · Implement 5 year work plan agreed in November 2017 	SCTF	Per work plan
5 International Trade Facilitation Conference <ul style="list-style-type: none"> · Seek expressions of interest to host the conference · Establish a coordination committee · Formulate program 	Secretariat	September 2020 (tbc) May 2018 July 2018 September 2019

Dependencies

A number of activities are integrated into existing or developing projects. Delivery of trade facilitation outcomes may be dependent on completion of these projects. Similarly, a number of activities will be dependent on availability of extra-budgetary resources and relevant expertise.

Risks

Risks

Description

Lack of available resources

Shortage of available expertise

Treatment

Extra-budgetary resources required, identify and engage with non-traditional funding sources eg. World Bank and others

Develop strategic partnerships with other organisations with a common interest in facilitating trade eg. Exporters, other regulators, transport industry

Others?

Budget (if needed – but a summary sufficient where a separate project plan is in place)

		Proposed Expenditure (USD)		
		Year – 2018 - 2020		
	Source	2018	2019	2020
IPPC-WCO Cooperation Agreement				
Joint work plan	Secretariat			
EPhyto				
[Insert proposed activities]	STDF and extra-budgetary			
Ecommerce				
[Insert proposed activities]	Extra-budgetary			
Sea Container Task Force				
As agreed in the SCTF work plan	Extra-budgetary			
International Trade Facilitation Conference				
Planning and organising Conference	Extra-budgetary	In-kind	50,000	200,000
Total				

Governance

The Bureau will oversee actions in the work plan, and a summary report will be provided in the Secretariat annual report. More detail on actions are provided to CPM through the specific projects.

Attachments

Project summaries (or by link)

Attachment 1 Joint work plan – IPPC-WTO Cooperation Agreement

Attachment 2 EPhyto

Attachment 3 SCTF

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Attachment 4 Ecommerce work plan- when developed

Attachment 5 Conference program – when developed