

Transit issues for LLDCs in the aftermath of the WTO Trade Facilitation Agreement

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The multi-dimensional nature of transit trade

- Customs dimension linked to the need for transnational cross-border instruments to regulate transit
- Transport dimension linked to services trade and technical requirements for road transport
- Infrastructure: existence of suitable roads, bridges and their maintenance

The customs dimension and the attempts to address transit trade at regional level

- LLDCs are members of Regional Trade Integration Arrangements (RTAs) that are aiming at fostering intraregional trade
- In each of these RTAs there have been attempts in the last decades to address transit issues by providing common regulation on regional customs bond guarantees, road transport standards for trucks and insurance
- All major African RTAs like SADC, COMESA, ECOWAS and now the TFTA have made attempts to address transit issues with limited success

The WTO Trade Facilitation Agreement and transit trade

- **ARTICLE 11: FREEDOM OF TRANSIT**
- This articles provides for a number of trade facilitation procedures that ,if implemented correctly, will ease considerably the transit procedures
- Ex:Single windows, common border management
- Most of the obligations are already contained in the regional conventions under the different RTAs

Conclusions

- The WTO Trade Facilitation Agreement should be considered as an opportunity rather than a challenge by LLDCs
- The TFA contains a number of provisions and related objectives that are already contained in the regional conventions like the Interstate Road Transport Convention of ECOWAS while the TFTA is looking into the following:
 - ◆ **Harmonisation of Third Party Motor Vehicle Insurance Schemes:**
 - ◆ **Design and implementation of a harmonised Regional Customs Bond:**
 - ◆ **harmonizing and Enforcing Axle Load and Vehicle Dimension Limits**

Possible way forward

- Analysis should be carried out to identify where the TFA and regional transit conventions in RTAs contains similar language and objectives
- These identified areas and disciplines may be fast -tracked by LLDCs in their implementation of the TFA and receive priority support by Donors in a coordinated manner
- Language to this effect may be inserted in the LLDCs Declaration