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EXPO NEWS

Monthly Information Bulletin for Sri Lankan Exporters



Trade Exhibitions



International Price Information



WTO Trade Facilitation Agreement

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- **Trade Exhibitions**
from March to June 2017
- **International Price Information**
International Prices for Foods & Vegetable and Cut Flowers
- **WTO Trade Facilitation Agreement**
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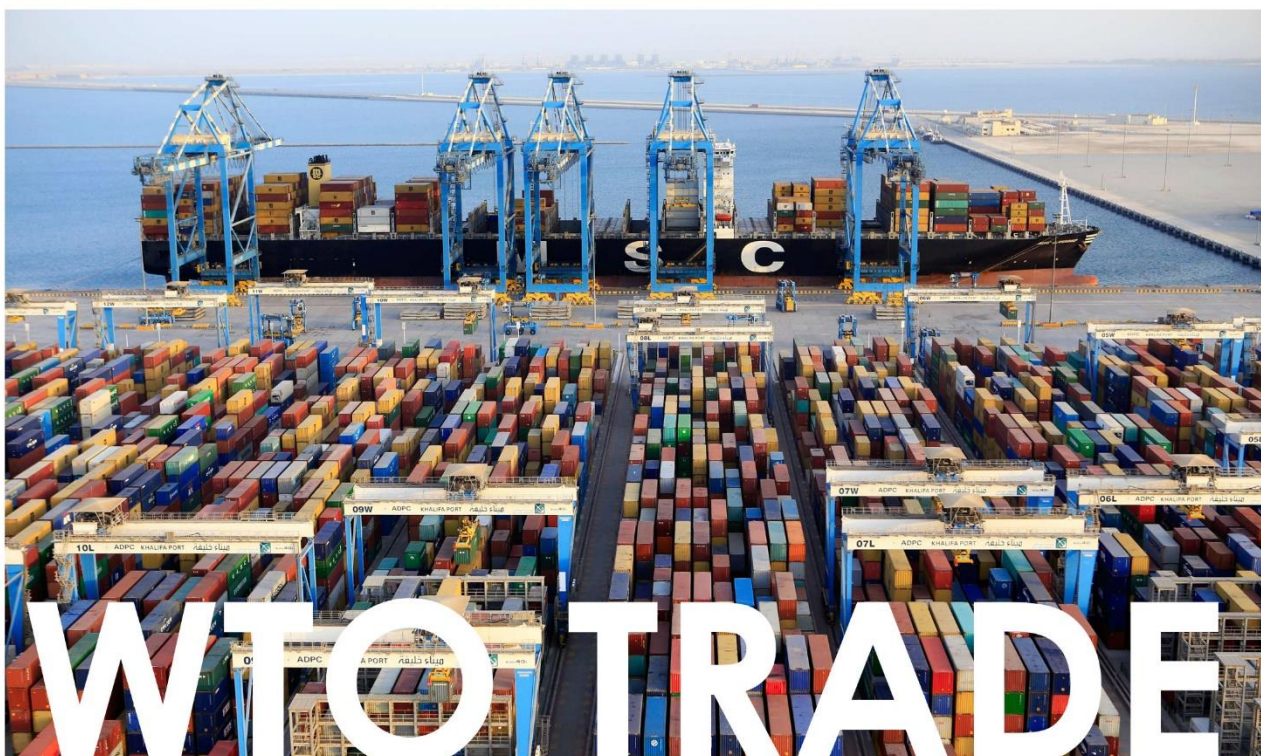
TRADE EXHIBITIONS

1. **14-15 March 2017 - Malaysia**
**International Conference on Marine
Science & Aquaculture 2017**
Kota Kinabalu
Sabah, Malaysia
Web: www.ums.edu.my/ipmbv2/icomsa/
2. **29 March – 01 April 2017 - Indonesia**
**The 6th Indonesia
International Tyre & Rubber Exhibition**
JIExpo Kemayron
Jakarta, Indonesia
GEM Indonesia
Tel: 62 21 54358118
E-mail: info@gem-indonesia.net
Web: www.tyre-indonesia.net
3. **20-23 April 2017 - Indonesia**
Jakarta International Jewelry Fair
Jakarta Convention Centre
Jakarta
Jaya Events
Tel: (62) 21 53161258
Fax: (62) 21 53161259
E-mail: jewellery.jayaevents@yahoo.com
Web: www.indonesiajewelleryfair.com
4. **30 April – 01 May 2017 - Spain**
**5th Euro Global Summit on
Aquaculture & Fisheries**
Madrid,
Spain
Web: www.aquaculture-fisheries.conferenceseries.com/europe/
5. **30 April – 03 May 2017 - USA**
**International Fashion Jewelry
& Accessory Show**
Affinia Manhattan Hotel, New York
International Fashion Jewelry & Accessory Group
Tel: (1) 843 6514543
Fax: (1) 401 2950122
E-mail: agreen@ifjag.com
6. **02-06 May 2017 - UAE**
International Jewellery & Watch Show
Abu Dhabi National Exhibition Centre
Abu Dhabi
Reed Exhibitions FZ-LLC
Tel: (971) 2 4917615
Fax: (971) 2 4917612
E-mail: sherryl.abude@reedexpo.ae
7. **31 May - 04 June 2017 - Thailand**
THAIFEX - World of Food Asia
IMPACT Exhibition and Convention Center
Bangkok, Thailand
Koelnmesse Pte. Ltd., Ms. Lynn How
Tel: +65 6500 6712
Fax: +65 6294 8403
E-mail: l.how@koelnmesse.com.sg
8. **16-17 June 2017 - India**
ATRC 2017
Asian Tyre & Rubber Conference
Hyatt Regency, Chennai, India
Antony Powath
Mobile: +91 9833 901 586
E-mail: antonypowath@rubberasia.com
Web: www.atrc.in

INTERNATIONAL PRICE INFORMATION

Product	Specification	Unit	Market	Sales Term	Currency	Price (Min - Max)		Quoted Date
FRUITS & VEGETABLES								
Avocado	Spain	4 kg.	France	Sea Price	Euro	13.50	13.50	13.12.2016
	Chile	4 kg.	Germany	Sea Price	Euro	13.00	14.00	13.12.2016
	Spain	4 kg.	Holland	Sea Price	Euro	8.00	8.50	13.12.2016
Baby Corn	Thailand	12x125gr.	Holland	Air Price	Euro	7.33	7.33	13.12.2016
Mangosteen	Indonesia	kg.	Holland	Air Price	Euro	9.75	9.75	13.12.2016
Tamarind	Thailand	20x500.	Holland	Air Price	Euro	3.45	3.45	13.12.2016
Chille	Morocco	2 kg.	France	Air Price	Euro	1.25	1.40	13.12.2016
	Peru	1 kg.	Holland	Air Price	Euro	18.00	18.00	13.12.2016
Ginger	China	13 kg.	France	Sea Price	Euro	1.70	1.70	13.12.2016
	China	13 kg.	Holland	Sea Price	Euro	1.21	1.33	13.12.2016
Guava	Brazil	kg.	U.K.	Sea Price	Euro	3.48	3.48	13.12.2016
Jackfruit	Thailand	10 kg.	Holland	Air Price	Euro	5.75	5.75	13.12.2016
Lemongrass	Thailand	kg.	Holland	Air Price	Euro	5.83	5.83	13.12.2016
Mango	Brazil	9'.	Holland	Sea Price	Euro	0.88	1.38	13.12.2016
	Brazil	4 kg.	U.K.	Sea Price	Euro	1.65	1.65	13.12.2016
Papaya	Brazil	3-5 kg.	Holland	Air Price	Euro	3.57	3.57	13.12.2016
	Brazil	3-5 kg	France	Air Price	Euro	3.50	3.50	13.12.2016
Passion Fruit	Colombia	2 kg.	Holland	Air Price	Euro	6.00	6.00	13.12.2016
	Colombia	2 kg.	France	Air Price	Euro	6.00	6.00	13.12.2016
Pineapple	Costa Rica	kg.	France	Sea Price	Euro	0.95	1.00	13.12.2016
	Costa Rica	5'.	Holland	Sea Price	Euro	7.00	8.00	13.12.2016
Plantain	Colombia	kg.	France	Sea Price	Euro	1.00	1.00	13.12.2016
	Ecuador	kg.	Holland	Sea Price	Euro	1.03	1.03	13.12.2016
Pitahaya	Thailand	10'.	Holland	Air Price	Euro	7.17	7.17	13.12.2016
Sweet Potato	Egypt	6kg.	France	Sea Price	Euro	1.00	1.00	13.12.2016
Yam	Brazil	kg.	France	Sea Price	Euro	1.60	1.60	13.12.2016
COCONUT								
Fresh Coconut	Cost d'Ivoire	50'.	U.K.	Sea Price	Euro	10.14	10.14	13.12.2016
	Thailand	9' young.	Holland	Sea Price	Euro	10.50	10.50	13.12.2016
	Cost d'Ivoire	15'.	France	Sea Price	Euro	9.00	9.00	13.12.2016
	Cost d'Ivoire	13-4'.	Holland	Sea Price	Euro	2.75	2.75	13.12.2016
CUT FLOWERS								
Anthurium	Thailand-Red	Per Stem	Japan	Air Price	Yen	13.00	250.00	04.01.2017
	Thailand-Pink	Per Stem	Japan	Air Price	Yen	20.00	200.00	04.01.2017
	Thailand-White	Per Stem	Japan	Air Price	Yen	1.00	170.00	04.01.2017
Carnation	Colombia-Standard	Per Stem	Japan	Air Price	Yen	5.00	170.00	04.01.2017
	Colombia -spray	Per Stem	Japan	Air Price	Yen	10.00	80.00	04.01.2017
Heliconia	Pendula-Singapore	Per Stem	Japan	Air Price	Yen	-	333.00	04.01.2017
Orchids	Anna-Thailand	Per Stem	Japan	Air Price	Yen	10.00	100.00	04.01.2017
	Sonia-Thailand	Per Stem	Japan	Air Price	Yen	10.00	75.00	04.01.2017
	Oncidium-Thailand	Per Stem	Japan	Air Price	Yen	24.00	315.00	04.01.2017
Roses	Freedom-Colombia	Per Stem	Japan	Air Price	Yen	10.00	150.00	04.01.2017
	Avalanche-India	Per Stem	Japan	Air Price	Yen	20.00	141.00	04.01.2017
	Gold Strike-India.	Per Stem	Japan	Air Price	Yen	2.00	60.00	04.01.2017

Source: ITC Market Insider



WTO TRADE FACILITATION AGREEMENT

A POTENTIAL CATALYST FOR ECONOMIC GROWTH IN SRI LANKA



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THE WTO TRADE FACILITATION AGREEMENT (TFA)

Trade facilitation became a topic of discussion at the WTO in December 1996 at its Ministerial Conference in Singapore, when members directed the Council for Trade in Goods to undertake exploratory and analytical work, on the simplification of trade procedures in order to assess the scope for WTO rules in this area.

After several years of exploratory work, WTO members formally agreed to launch negotiations on trade facilitation in July 2004 and established the Negotiating Group on Trade Facilitation (NGTF) in October 2004. Hundreds of proposals made by members were submitted for consideration by the Negotiating Group.

After almost ten years of streamlining and revisions, the members concluded negotiations and the proposals became part of the final text of the Trade Facilitation

Agreement agreed by the Members at the Ninth Ministerial Conference held in Bali, Indonesia in December 2013. Sri Lanka had been actively contributing to the negotiation process during this period.

A Protocol of Amendment to incorporate the Trade Facilitation Agreement into the Marrakesh Agreement establishing the WTO, was adopted by the members in November 2014.

SCOPE AND OBJECTIVES OF THE TFA

According to the World Trade Report 2015, although traditional trade barriers such as tariffs have come down, and innovations in transportation and communications technology have shrunk the distance between nations, trade costs remain high, particularly in developing countries. High trade costs isolate developing countries from world markets, limiting their trade opportunities and impeding growth. High trade cost also appear to disproportionately affect small and medium-sized enterprises (SMEs), time-sensitive products and goods produced in global value chains. Trade procedures that are more cumbersome than necessary and delay in the movement, release and clearance of goods constitute a significant part of these trade costs. Trade facilitation is intended to relieve these bottlenecks at the border.

The TFA contains provisions for expediting the movement, release and clearance of goods, including goods in transit. It represents an important milestone by creating a multilateral framework for reducing trade costs and provides greater legal certainty to the changes in measures and procedures. It also has provisions for special and differential treatment that allow capacity-constrained developing and least-developed countries flexibility in terms of timelines in implementing the provisions of the TFA and provides for technical assistance and capacity building to enable such countries to fully implement the provisions of the TFA. It also sets out measures for effective cooperation between customs and other appropriate agencies involved in clearance of goods at the borders.

STRUCTURE OF THE TFA

The TFA contains 3 Sections divided into 24 Articles with provisions for expediting the movement, release and clearance of goods, including goods in transit. It also contains provisions for technical assistance and capacity building for developing and

least-developed countries to implement the provisions of the Agreement. It further sets out measures for effective cooperation between customs and other appropriate border control agencies on trade facilitation issues.

SECTION I is the key part of the Agreement which has 12 Articles with approximately 42 technical measures for trade facilitation. Articles 1–5 of the Agreement provide for crucial steps in promoting transparency and predictability in laws, regulations, procedures and practices related to border clearance processes. Similarly, Articles 6–11 of the Agreement focus on simplification, harmonization and automation of customs and other border agencies procedures and documentation with a view to expedite the clearance processes at borders. Article 12 provides for customs cooperation and encourages voluntary compliance of the traders by sharing information on best practices.

SECTION II of the Agreement contains 10 Articles with special and differential treatment (SDT) provisions that allow developing and least developed countries flexibility in implementing the provisions of the Agreement. To benefit from SDT, each member country will have to identify individual technical measures that the country will implement when the TFA enters into force, and identify measures for which additional time and technical assistance or capacity building support required to implement, and notify such measures to the WTO with timelines for implementation.

SECTION II of the Agreement contains 2 articles with provisions to establish and maintain a National Trade Facilitation Committee (NTFC) to ensure effective implementation of all of the provisions of the Agreement through enhanced coordination and cooperation of all the stake-holders.

ENTRY INTO FORCE OF THE TFA

The TFA will enter into force once two thirds of the total number of members (164) ratify the Agreement. 100 members have already ratified the Agreement and when 10 more members complete their ratification process, the TFA

will enter into force and the Agreement will become binding on the members for implementation, in the manner each member country determined the individual provisions of the Agreement and notified the WTO.

KEY STEPS TAKEN IN SRI LANKA WITH REGARD TO TFA

In March 2016, the Cabinet of Ministers granted approval to ratify the Trade Facilitation Agreement and the ratification was notified to the WTO by Sri Lanka in May 2016. The cabinet also granted approval to formally establish the National Trade Facilitation Committee (NTFC) co-chaired by the Director General of Customs and the Director General of Commerce with the participation of the Heads of 12 key border agencies and 7 representatives from the private sector groups. The provisions and facilitation measures Sri Lanka will implement when the TFA enters into

force, and the measures, for which additional time and technical assistance or capacity building support required to implement, have already been identified by the NTFC that will have to be notified to the WTO with timelines for implementation before the TFA enters into force. TFA awareness programmes for stake-holders and workshops on self-assessment of the implementation capacity of the provisions of the TFA also have been conducted jointly by Sri Lanka Customs and Department of Commerce assisted by experts from the World Bank.

PROSPECTS OF IMPLEMENTING THE TFA IN SRI LANKA

The Government of Sri Lanka has identified the need to reform its National trade policies and practices in order to support a more business-friendly environment and use the strategic position of Sri Lanka to benefit from foreign direct investment and integration into global value chains for economic growth in the country. However, in spite of a strategically located and globally competitive port, Sri Lanka's performance on global trade facilitation indicators in the region needs to achieve improved standards.

Sri Lanka ranks at 110 in the Ease of Doing Business and 90 in trading across border indicators suggesting much potential for reform and modernization of its trade facilitation regime. Poor trade facilitation performance results in high transaction costs for traders, discourages investment, and lowers national competitiveness particularly in manufacturing and agricultural value chains where opportunities for export growth exist.

Ease of Doing Business Ranking, Sri Lanka and comparators in the region, 2017 (Rankings are benchmarked to June 2016)

Country	Trading Across Border Rank 2017	Overall Rank 2017
Bhutan	26	73
Nepal	69	107
Sri Lanka	90	110
India	143	130
Maldives	147	135
Pakistan	172	144
Bangladesh	173	176

Source: World Bank, Doing Business data



The Trade Facilitation Agreement is a timely opportunity for Sri Lanka rather than an obligation, especially, when the Government focuses its efforts on development strategies on international trade. Sri Lanka being a developing country, the special and differential treatment provisions of the Agreement provide a unique opportunity to take

country's development into consideration, when planning for mobilization of funds from development partners for implementation of the Agreement. Full and speedy implementation of the provisions of the TFA will contribute to improve on Sri Lanka's performance on trade facilitation indicators, thus taking the country

high on global rankings. Effective implementation of the provisions of the Agreement has been estimated to reduce the trade costs ranging from 9 to 23 per cent and to lead to an increase in average economic growth in developing countries by almost 0.9 percent annually (WTO, 2015a).

CONCLUSION

Timeliness and predictability in the delivery of goods are essential to the successful management of international trade and global value chains. The TFA will reduce both delays and variability in delivery time, which should increase the competitiveness of Sri Lanka in international trade and global value chains. By implementing the TFA, Sri Lanka will be able to diversify its exports, entering new markets. Exports by Small and Medium Enterprises (SME) are more sensitive to delays. Since, TFA will reduce delays at the border, it increases the opportunity for SMEs to become more integrated in international trade.

Implementation of the TFA in Sri Lanka could be interpreted by

foreign investors as a signal of improvement in the overall investment climate, which would induce inward FDI flows. In a nutshell, the TFA represents a strategic tool to create an appropriate business environment that unlocks new doors of opportunities for economic growth, development and job creation whilst ensuring more efficient and reliable tax collection.

Finally, it is important to monitor the implementation of the TFA to gauge its progress and to evaluate the economic outcomes in order to provide a better picture of how the TFA is working to reduce trade costs and increase the volume of trade.

Source: Business Lanka – Vol.30 - Issue: 01/2017