



MANAGEMENT
COMMITTEE
Revised Kyoto Convention
15th Meeting
-
16 - 17 November 2016
-

PO0087E1a

Brussels, 14 October 2016

**PANEL DISCUSSIONS ON ACCESSION TO THE RKC:
CHALLENGES AND POTENTIAL WAYS FORWARD**

(Item IV on the Agenda)

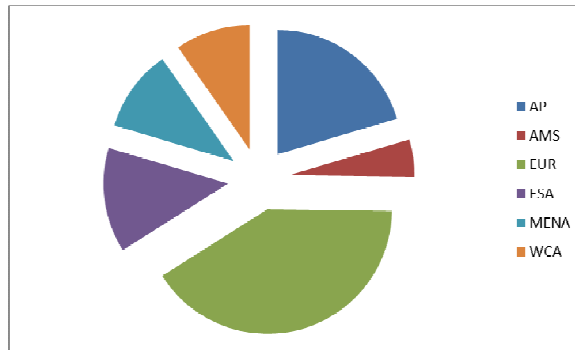
I. Background

1. The International Convention on the Simplification and Harmonization of Customs Procedures (as amended) known as the Revised Kyoto Convention (RKC) was adopted on 18 May 1999 and entered into force on 3 April 2006. Since its adoption, the Revised Kyoto Convention is opened for accession as stated by article 8 *“Any Member of the Council and any Member of the United Nations or its specialized agencies may become a Contracting Party to this Convention (a) by signing it without reservation of ratification; (b) by depositing an instrument of ratification after signing it subject to ratification; or (c) by acceding to it.”*
2. The RKC is a WCO legal instrument considered as the blueprint for modern and efficient Customs procedures in the 21st century. The Convention promotes trade facilitation and effective controls through its legal provisions that detail the application of simple yet efficient procedures. The Convention contributes effectively to the development of trade and commerce by simplifying and harmonizing Customs procedures and Customs practices in partnership with other government agencies and the private sector.
3. At the 3rd meeting of the WCO Working Group on the WTO Trade Facilitation Agreement (TFAWG) held in February 2015 and the 14th meeting of the RKC Management Committee held in October 2015, delegates discussed about the accession process to the RKC and the acceptance of the Protocol amending the Marrakesh Agreement establishing the World Trade Organization (WTO) in order to insert the Agreement on Trade Facilitation (TFA) into it. The discussion was based on the idea of proposing WCO Members to combine their national procedure of accession to the RKC and their national acceptance procedure of the protocol concerning the WTO TFA.
4. During these meetings, delegates supported possible simultaneous ratification of the RKC and the WTO TFA on national level as they acknowledged the synergies between the two international instruments both in terms of accession and

implementation and encouraged other Members who have not yet acceded to the RKC to - where appropriate and without stopping neither of the accession processes - take this opportunity to potentially combine both processes.

II. Current status of the accession to the RKC

5. At the time of writing this document, the number of Contracting Parties (CPs) to the RKC has reached to 104 out of the 180 WCO Members, distributed unevenly over the six WCO regions, as indicated in the below chart :



6. In 2007, the WCO conducted a survey to identify the national status of WCO Members towards the accession to the RKC. The results of this survey demonstrated that some countries were having difficulties to become compliant with certain RKC provisions.
7. According to another survey conducted in 2015 and the figures available, using information reported on the occasion of seminars and workshops as well as collected by the WCO Regional Offices for Capacity Building, Members who have not yet acceded to the RKC are currently at different stages of the process. Some Members have not yet started the accession process because they are currently in a politically instable situation or have been affected by such instability. Other Members have not started the process due to a lack of political will or because they are waiting for the approval of their future new Customs law. Some other Members are facing problems with the compliance to/implementation of specific RKC provisions such as mandatory use of Customs brokers or the “de minimis regime”, to list some.
8. Against this background, the WCO Secretariat is working on possible solutions to address the challenges faced by WCO Members in their process of accession by adopting a multi-pronged strategy including wider outreach and advocacy programmes and tailor made technical assistance. Additionally, considering that the RKC being a core instrument supporting the implementation of the WTO TFA, non-CPs who have either already ratified the WTO TFA or initiated the process of such ratification, are encouraged to explore the possibility to acceding to the RKC to leverage complementarities and associated benefits.
9. To this end, at the October 2016 joint meeting of the TFAWG and the Permanent Technical Committee (PTC), the issue of RKC accession and associated challenges were briefly discussed. The outcomes of this joint meeting held on 11 October will be presented orally during the RKCMC meeting.

III. Suggested Points for Discussions

10. Given the current situation of the accession to the RKC and the above listed challenges based on the preliminary assessment carried out by the WCO Secretariat, the Panel may consider, among other things, the following points:
- What are the opportunities and challenges in terms of accession to the RKC by non-CPs?
 - What challenges were faced by CPs during their accession process and how did they successfully overcome those challenges?
 - What should be key elements of possible strategies to encourage and support non-CPs to accede to the RKC, including the potential role of CPs?

IV. Actions requested

11. On the basis of the foregoing, the participants of the Management Committee meeting are invited to actively participate in the plenary discussion after the panel, having in mind, among others, the following points :
- discuss opportunities and benefits of the accession and implementation of the RKC, leading to harmonized and expeditious implementation of the WTO TFA;
 - exchange views on the respective current national situation concerning the accession to the RKC and related issues , if any being faced by non-Contracting Parties;
 - share national/(sub)regional experiences and successful case studies/examples on the accession to the RKC; and
 - provide any further guidance and/or policy direction on ways forward regarding the promotion of the accession to the RKC by non-Contracting parties. .
-