**THE IMPLEMENTATION PROCESS OF THE TRADE FACILITATION AGREEMENT IN THE PACIFIC ALLIANCE**

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| Dorotea López G.  [dolopez@uchile.cl](mailto:dolopez@uchile.cl)  WTO Chair  Institute of International Studies  University of Chile | Felipe Muñoz N.  [fmunozn@uchile.cl](mailto:fmunozn@uchile.cl)  Institute of International Studies  University of Chile |

**ABSTRACT**

The Pacific Alliance (PA) has become one of the main regional integration schemes in Latin America, with a discourse focused on actions, where trade facilitation is one of the most important elements in the work agenda. In this sense, the implementation of the Trade Facilitation Agreement (TFA), approved at the Ninth World Trade Organization (WTO) Ministerial Conference held in Bali in 2013, marks a point where, on the one hand, we can appreciate the commitment of member countries, and the Alliance with the WTO; on the other, their capacity to establish joint actions for shared objectives. This article reviews the implementation process of the Trade Facilitation Agreement in the countries of the Pacific Alliance, with the objective of analyze the existence of common actions among the four partners to carry out the process. We look out how Aid for Trade can help the implementation process of the TFA, and determine the convergence of trade facilitation policies and cooperation in this sub regional scheme, establishing, if in ​​trade facilitation, the Pacific Alliance acts as a building block of the multilateral system.

**KEY WORDS**

Trade Facilitation Agreement – Pacific Alliance – Aid for Trade – Customs cooperation

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**EXTENDED ABSTRACT**

**Introduction**

The Pacific Alliance (PA) has become one of the main regional integration schemes in Latin America, with a discourse focused on actions, where trade facilitation is one of the most important elements in its work agenda. Launched by the Presidential Declaration for the Pacific Alliance (Lima Declaration), in April 2011, and officially established throw the Framework Agreement signed in Paranal, Chile, in June 2012, it stated as its aim to deepen the integration process among participants by speeding up measures for the free circulation of goods and financial flows, the delivery of services and the movement of people across borders ([Wilhelmy, 2013](#_ENREF_16)).

While the nature of the PA has eluded precise definition, it shares elements of a free trade zone (built on the foundations of bilateral treaties among members) and an agreement for greater facilitation, cooperation and partnership ([López & Muñoz, 2012](#_ENREF_4); [Wilhelmy, 2013](#_ENREF_16)). It is characterized for seeking a model based on the open regionalism, i.e. a process that aims to create economic interdependence between countries through preferential trade agreements that increase their competitiveness. It has shared values regard to the respect for rule of law, democracy, and protection of human rights, though the current focus on liberalizing and increasing trade and investment ([Villarreal, 2014](#_ENREF_14)).

The Pacific Alliance recognized that bureaucratic delays and “red tape” reduce the mobility of goods across borders. Therefore, trade facilitation and customs cooperation such as the simplification, modernization and harmonization of export and import processes has emerged since its establishment a central topic of action for the Pacific Alliance, and constitutes a chapter of the Trade Protocol.

Acknowledging the importance of trade facilitation, and as result of the blocked Doha Round negotiations, this issue was taken out of the Doha Development Agenda and negotiated independently. During the Ninth World Trade Organization (WTO) Ministerial Conference held in Bali in 2013, members concluded the Trade Facilitation Agreement (TFA). The TFA contains provisions for expediting the movement, release and clearance of goods, including goods in transit. It also sets out measures for effective cooperation between customs and other appropriate authorities on trade facilitation and customs compliance issues. It further contains provisions for technical assistance and capacity building in this area ([WTO, 2017](#_ENREF_17)). The TFA entered into force on 22 February 2017, when two thirds of WTO members ratified it, including Chile (21 November 2016); Mexico (26 July 2016); and Peru (27 July 2016), leaving Colombia as the only PA country not concluding this process.

The paper is organized as follows. After this introduction, section two analyzes the WTO’s Trade Facilitation Agreement. The third section reviews the trade facilitation agenda in the Pacific Alliance. The fourth section studies the implementation process of the TFA in the Pacific Alliance with the objective of analyze the existence of common actions among the four partners to carry out the process. We look out how Aid for Trade can help the implementation process of the TFA, and determine the convergence of trade facilitation policies and cooperation in this sub regional scheme, establishing, if in ​​trade facilitation, the Pacific Alliance acts as a building block of the multilateral system.

**Trade Facilitation Agreement**

This section will review the TFA, its negotiation process, identifying the position of PA members and their commitments.

References

([Neufeld, 2014](#_ENREF_7))

([Hoekman, 2014](#_ENREF_3))

([Neufeld, 2016a](#_ENREF_8))

([Neufeld, 2016b](#_ENREF_9))

**Pacific Alliance´s trade facilitation agenda**

This section will review the Pacific Alliance and how trade facilitation is incorporated in its working agenda.

References

([Alianza del Pacífico, 2012](#_ENREF_1))

([Ramírez Robles, 2013](#_ENREF_10))

([Bouzas & Zelicovich, 2014](#_ENREF_2))

**TFA implementation process in the Pacific Alliance: convergence and cooperation**

This section will study the implementation of the TFA in the pacific alliance countries. Special attention will be given to the identification of those programmes and projects related to the TFA implementation process and whether AFT actions had been established.

Through the analysis of relevant documentation and in depth interviews with key actors in charge of implementing the TFA in the Pacific Alliance we will measure the degree of cooperation amongst PA members in this process.

References

([Volpe, 2015](#_ENREF_15))

([Zeledón & Isabel, 2015](#_ENREF_18))

([Tremolada Álvarez, 2014](#_ENREF_12))

([Medel Fuentes, 2015](#_ENREF_6))

([Low & Ming, 2016](#_ENREF_5))

([Valensisi, Lisinge, & Karingi, 2016](#_ENREF_13))

([Rojas & Teran, 2016](#_ENREF_11))

**Final remarks**

This section will contain the conclusion and policy recommendations that arise from the paper.

Likely Results

* TFA implementation has mainly been an individual process in each country.
* Spaces of cooperation emerge from the implementation of TFA and other trade facilitation actions, where AFT could play a key role in its success.

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