



Role of Science Diplomacy in the Framework of Multilateralism: The Case of Uruguay's Accession to Trade Facilitation Agreement



Claudia Natalie Widmaier Müller*

Introduction

Trade facilitation encompasses the simplification, standardisation and rationalisation of procedures and information exchanges corresponding to commercial import and export merchandise operations. The efficiency of the chain that is part of the logistics of international trade is considered as the essence of the concept of trade facilitation, so that concept includes the optimization of the multiple processes involved in the marketing of goods, involving both the public and private s.

In 18 years, the Trade Facilitation Agreement (TFA) was the first multilateral trade agreement successfully negotiated and the first such accord concluded by the WTO. It marked a decisive turning point in several ways. One of those ways was the expectation among all WTO developing countries members about the new topics of discussion that were put on the table.

In the words of Nora Neufel, Counsellor in WTO's Trade Policy Review Division, "...Trade Facilitation Agreement broke new ground in the decentralised, bottom-up way the negotiations were structured, in the manner the capacities and resources of developing countries were explicitly addressed, and in how the Agreement has shifted the system's focus beyond the "software" of trade - policy barriers - towards the "hardware" - process frictions" (World Trade Organisation, 2014).

Importance of Science Diplomacy in the Negotiations of TFA

There are three forms of Science Diplomacy: Diplomacy for Science, Science in Diplomacy and Science for Diplomacy. This last one uses

** Dirección Nacional de Aduanas Uruguay (Uruguay National Customs), Licenciada en Relaciones Internacionales (Degree in International Relations), Foreign Trade Technique Foreign Trade Department Salto - Uruguay.*

science as a tool to build and improve relations between states. Scientific collaboration is used here to provide collaborative relationships that are based upon a non-ideological basis. The goal is here to support foreign policy actions by mobilising scientific networks (Van Langenhove, Luk. 2006).

For a developing country like Uruguay, it is essential to have human resources trained and understood in the subject of Science Diplomacy, and how it works in negotiations about international trade as well as technology and science, especially south-south cooperation" focused on national programs for technological innovation. The aim of this paper is to identify which are the economy and integration challenges of Uruguay to have a proactive connection with other developing countries. Also, how they can work together and the ways to do it using national science and technology.

In the Singapore Ministerial Conference held in December 1996, trade facilitation became a topic of debate, in which Members entrusted the Merchandise Trade Council "to carry out exploratory and analytical work on the simplification of the procedures governing trade [...] in order to assess whether it is appropriate to establish WTO rules in this area" (Singapore Ministerial Declaration, 1996).

In July 2004 the WTO Members formally agreed to start negotiations on trade facilitation, based on the modalities set out in Annex D of the so-called "July Package". After an arduous process of debugging and review that lasted for months, the proposals became part of the final text of the Agreement on Trade Facilitation agreed by Members at the Bali Ministerial Conference held in December 2013.

The Agreement officially entered into force on February 22, 2017, after its ratification by two-thirds of WTO Members (WTC, 2017).

How science diplomacy can help developing countries in the framework of the Multilateralism?

All trade facilitation measures aimed at simplifying the formalities and giving greater transparency to the application of the regulations and accelerating

the control operations are based on the incorporation of ICT.

In addition, another major change has been induced by the development of information and communication technologies (ICTs), which significantly lowered the salience of borders and simulated worldwide flows of goods and information. As a result, the national economies of the sovereign states have become very interconnected. According to Luk Van Langenhove (2006), here were signs that the existing multilateral system that was designed after the Second World War was undergoing a transformation from mode 1.0 to mode 2.0. A multilateralism 2.0 is more open instead of closed, more networked than hierarchical and less state-centric" (Van Langenhove, 2006).

States have now rolled out a global agenda with measurable goals and have agreed up involving the Science and Technology community in both achieving and monitoring the global goals. That is Multilateralism 2.0 in action. ICTs are the central point in the facilitation measures that are being negotiated in the WTO, and in the new multilateralism called "Multilateralism 2.0". Some of the reasons why this is the main issue for the introduction of technology in developing countries are:

- The globalisation of production trade processes
- The growing importance of security in the supply chain that has led to the adoption of the Regulatory Framework to Secure and Facilitate the Global Trade of the World Customs Organisation, among other measures.

One example of science and technology (S&T) as a tool to cooperate and based on the development of electronic information system is the use of a "Single Window" ("Ventanilla Unica" or "VUCE" in Spanish) that provides the service of the presentation only once and before a single authority of all the documentation and information necessary to comply with the requirements associated with imports and exports. The "Single Window" is an instrument for facilitation for foreign trade and involves a substantial transformation of the processes of foreign trade where the state intervenes and without changing the functional conception of the intervening agencies.

Influence of Science Diplomacy in Uruguay's Technological Development and Innovation

In October 2011, Inter-American Development Bank (IDB) approved a loan of US\$10.85 million to improve the quality of e-government services provided to citizens and businesses in Uruguay, and to advance in the simplification of procedures. The Electronic Government Management Support Program-II has the specific objectives of improving the internal coordination of the Uruguayan State in the development of electronic government solutions and new digital public services. The program components include support for e-government projects with a high impact on citizens and businesses (Inter-American Development Bank News, 2011).

With this background, the Foreign Trade Single Window or "VUCE" project is created, which formally commenced with the signing of the Project Constitution Act in March 2011. Subsequently, in January 2012, the Constitution Act is passed for the second phase of the project, where the structure, the source of financing and some relevant milestones are formalised. (Inter-American Development Bank News, 2011)

Under the project, the modernisation of the Uruguay National Customs is led by the Interministerial Commission for Foreign Trade Affairs (CIACEX), a commission that brings together the main Ministries involved in Foreign Trade. This program is executed by Uruguay XXI, a non-state public organisation that aims to internationalise the Uruguayan economy through the promotion.

From the promulgation of the Uruguay National Law of Accountability N° 19.149 on the 11th November 2013, the "Single Window" of Foreign Trade ("VUCE") is formally created, which integrated the Institute for the Promotion of Investments and Exports - Uruguay XXI and remaining within it the power of implementing this facilitation mechanism. It is a clear example of how science and technology can help to not only multilateralism but also "south-south cooperation". This relates to two of the five modalities of development compact, namely "capacity building" & "technology" (Chaturvedi, 2020).

The project "VUCE" seeks to comprehensively redesign the foreign trade processes including the *revision of the regulations and the incorporation of the necessary technology for operability into a single platform*. Actually, "VUCE" has been integrated with Uruguayan Customs, which allows automatic crossing with customs information. Likewise, certificates of origin can be verified electronically and those issued by other countries can be reviewed.

In addition, technology has been used and negotiated in the framework of "south-south cooperation" in MERCOSUR agreement between Brasil, Paraguay, Argentina and Uruguay, and associated states such as Bolivia, Chile, Colombia, Ecuador, Guyana, Peru and Surinam. In this aspect, Science Diplomacy is the main way to make agreements on platforms like "VUCE" because it is necessary to discuss common issues. Technology in this aspect is used for public and private interaction, as well as international, but it has to be used responsibly and proactive, "...challenges requires two things: (i) a deep understanding of the problems in order to generate ideas about possible solutions and (ii) policy actions by different governance actors at both local and global level" (Van Langenhove, 2006).

Actually, there is a **preferential trade agreement between MERCOSUR and the Republic of India**, signed in January 2004, which aims to:

- strengthen relations
- promote foreign trade
- establish conditions and mechanisms to promote such trade
- create free trade areas

The MERCOSUR-India foreign trade preferential agreement eliminated tariff rates for about 900 products. Some of the national objectives of Uruguay in the accession of TFA were:

- Design, plan and carry out the agenda of Uruguay as a Non-Permanent Member of the Security Council of the United Nations
- Administrative simplification and modernisation Technological at the service of the compatriot
- Strengthen the political dimension of the international cooperation and the promotion of cultural activities as a tool Foreign policy
- Specify new cooperation actions that extend the

action coverage of Uruguay in those regions defined as Strategic

- Contribute to the improvement of education and promotion of scientific knowledge and Technological through technical exchanges
- Improvement of a Human Resources policy that responds to the needs and objectives raised

Although TFA was signed and internalised by Uruguay after the creation of “VUCE” project, the framework, within science and innovation could not be concluded. The context in which TFA was being negotiated is much different after its entry into force, therefore, incentives to create innovations using human resources in science and technology as well as other agencies like Inter-American Development Bank, were necessary to cooperate with developing countries. For example, Uruguayan customs created “VUCE” platform together with CIACEX, the Inter-Ministerial Commission for Foreign Trade Affairs. Without this, some aspects of the TFA such as technology and innovation could not be concluded by Uruguay in the multilateralism aspect.

Conclusion

The TFA represented a new way of negotiating a multilateral trade agreement. The novel Science and Diplomacy terms clearly broke new ground and infused new confidence in the negotiation process. However, they also raised countries’ expectations that were not always easy to manage. Indeed, the reason why the negotiations took so long to conclude can often be traced back to the problem of expectations. Much of 10 years of negotiations were spent on finding a commonly accepted way of making the Science Diplomacy segment work.

In the framework of Science Diplomacy and how it works together with technology, “VUCE” is a clear example of “south-south cooperation”, and how developing countries have to create new proactive relations based on science and innovation, using “capacity building” and “technology”.

Despite Uruguay used international resources to create “VUCE” project, the importance is how it works in the national level, how the country create a technological platform using national human resources as well as national e-government, and also,

how it is used in international trade in the framework of “south-south cooperation” in the MERCOSUR agreement. Uruguay National Customs is now in a modernisation process, which is being successful by using national technology, and science diplomacy to insert our national projects in the framework of international relations. Uruguay is a country that does not have a lot of money but human resources to improved science and technology.

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