



Customs Modernisation & RKC

Kyrgyzstan National workshop
April 2017

World Customs Organization
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Organization



Customs ?

Gate Keeper !



Man on the rope !

Environment

WTO TFA

Drug

Product safety

IPR

Enforcement

Trade Facilitation

Security

Export Control

Economic competitiveness

Human trafficking

Business costs

ML & Transfer Pricing

Harmonization

Simplification



Technical/business Innovation



Changes	First Globalization (peak 1880/1914)	Second Global. (peak 1989/2007)	Third Globalization (???)
Changes In Technology	<ul style="list-style-type: none"> - Telegram - Telephone - Steamship, Rail 	<ul style="list-style-type: none"> - Internet, - Computer - Modern trans., Jet, Auto 	<ul style="list-style-type: none"> - New ICT? - Drone
Changes in Customs	<ul style="list-style-type: none"> - Specialized Customs Org. - Keeping pace ? 	<ul style="list-style-type: none"> - Automation - Partnership - AEO, CBM 	<ul style="list-style-type: none"> - Global SW? - Global Customs?
Challenges to Customs	<ul style="list-style-type: none"> - Trade volume - Revenue - Fair System (?) 	<ul style="list-style-type: none"> - Trade volume - JIT - Other duties 	<ul style="list-style-type: none"> - Complexity - Interconnected

What do you think is
‘THE TECHNOLOGY’
challenging Customs ?



The Box





2017-06-09



2017-06-09



2017-06-09

What does this mean?



Changes in Trade/Transport

Before	After
▪ Selected few items	❖
▪ Labor intensive; no scale	❖
▪ Factories near harbor	❖
▪ Many sub-transactions to final delivery	❖
▪ High cost/time delayed	❖
▪ No schedule, accidents	❖



Changes in Trade/Customs, OGAs

Before	After
▪ Manifest shows	❖
▪ Unpredictable delivery : No time demands	❖
▪ Good times for Customs <ul style="list-style-type: none">- Revenue only mandate- Informers	❖ - -
▪ Various smuggling routes ▪ Within trade, smuggling by crew	❖



Hair from Japan

Plastic from Taiwan

Dyeing materials
from U.S.A.

Textile and Labor
from China

⇒ U.S.A, Europe,
Japan...

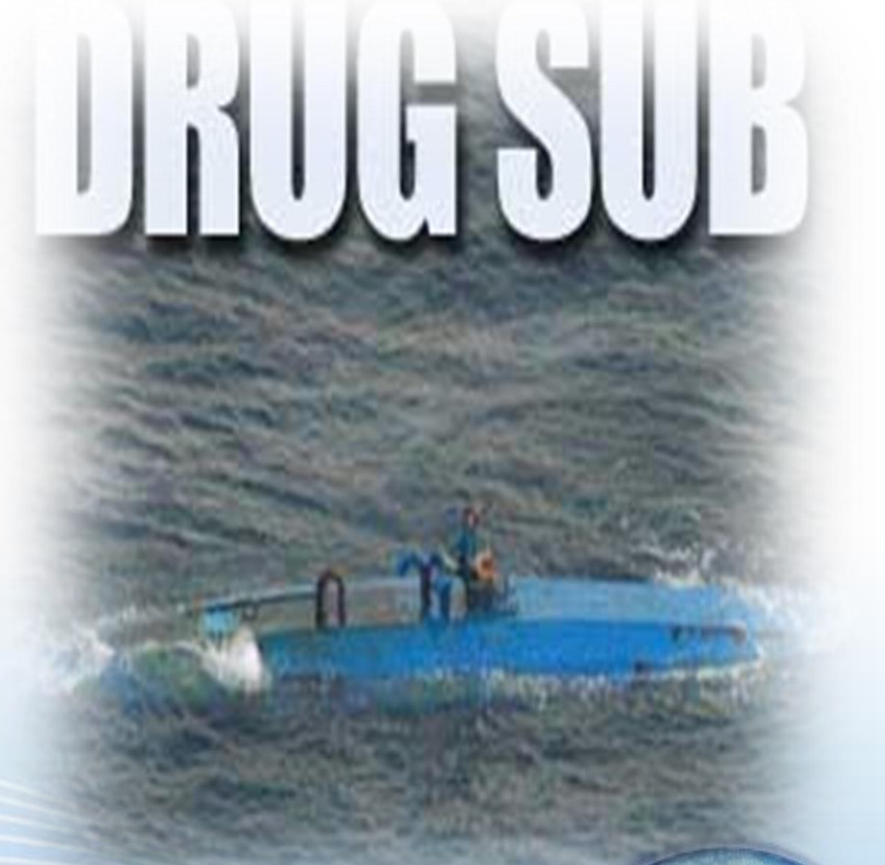


Smuggling Routes



Smuggling Routes

DRUG SUB



Smuggling through trade route



Weakness to Customs



- Trade volume with JIT requirements
No increase in staff, added mandate



Weakness to Customs

- No idea of what's inside (said to contain)
- Identification issues



Snowballing Effect



The World Customs Organization

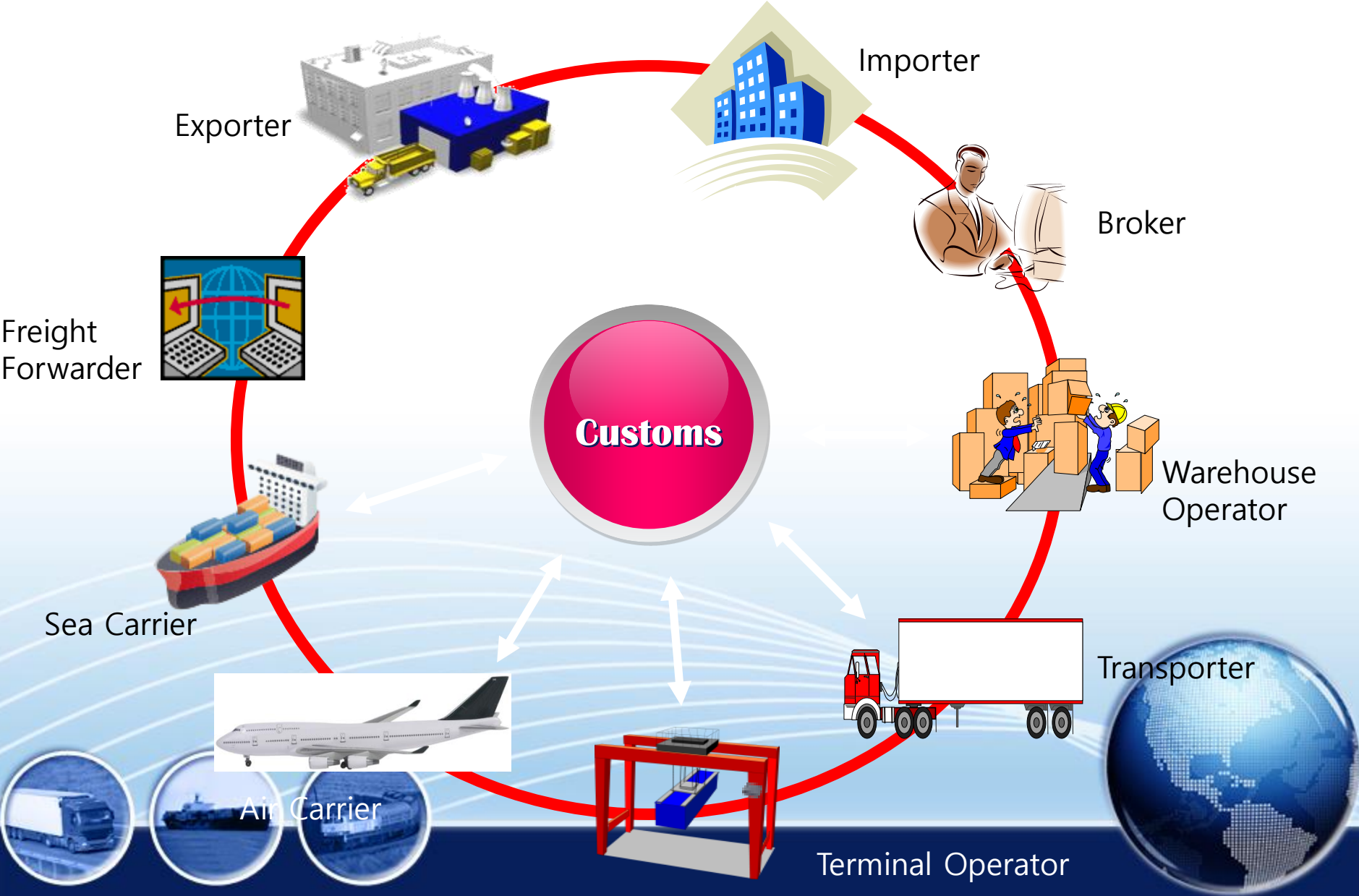
- Intergovernmental organization, 181 Members
- The effectiveness & efficiency of Customs



Customs in 21st Century



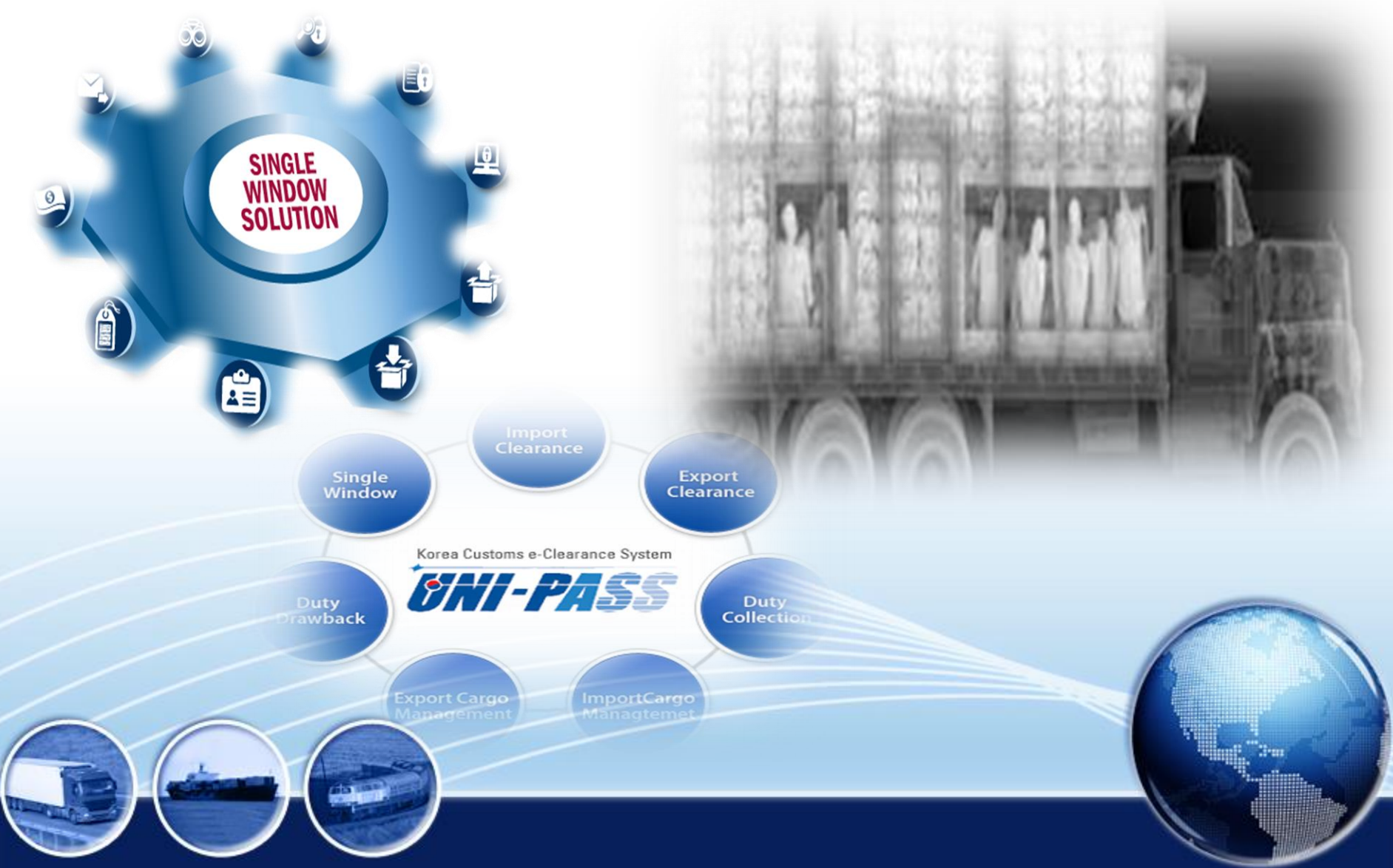
1. Customs Trade Partnership: AEO



2. Intelligence-driven Risk Management



3. Enabling Technology and Tools



4. Globally Networked Customs



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Globally Networked Customs Concept

Strategic Value

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5. Coordinated Border Management



6. Capacity Building



Capacity Building



8. Enabling Powers

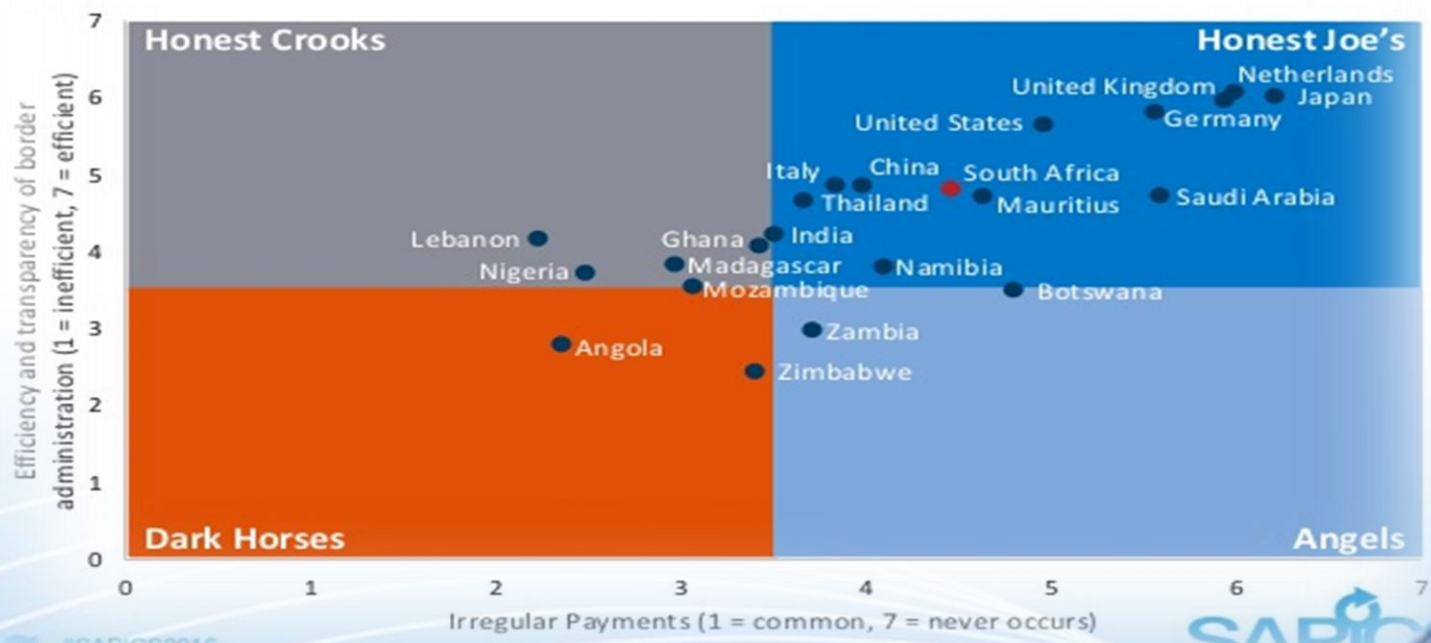


9. A professional, knowledge based service



10. Integrity

Customs “integrity” of SA’s biggest trade partners



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@scguydan

SAPIC
Annual Conference



Good Balance!

Enforcement
Revenue

IT
RM

Trade
Facilitation

Partnership
Capacity Building



Revised Kyoto Convention

Customs made (International Customs law)

- Faster release and lower trade costs
- Increased revenue
- More FDI and economic competitiveness
- Enhanced security
- Establishment of sound base for other international instruments





2017-06-09