

Border Agency Cooperation

- Coordinated Border Management -

May 31. 2017



KOREA CUSTOMS SERVICE

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KOREA CUSTOMS SERVICE

I. Overview

<Article 8> **Border Agency Cooperation**

1. Each Member shall ensure that its authorities and agencies responsible for border controls and procedures dealing with the importation, exportation, and transit of goods **cooperate with one another and coordinate their activities in order to facilitate trade**
2. Each Member shall, to the extent possible and practicable, cooperate on mutually agreed terms with other Members with whom it shares a common border with a view to coordinating procedures at border crossing to facilitate cross-border trade.

Such cooperation and coordination may include:

- (a) alignment of working days and hours;
- (b) alignment of procedures and formalities;
- (c) development and sharing of common facilities;
- (d) Joint controls;
- (e) establishment of one stop border post control.

II. Border Agency Cooperation in WTO TFA

The TFA requests

- 1. All national border authorities to cooperate with each other and Coordinate border control and procedures to facilitate trade**
- 2. Such Cooperation and Coordination may include;**
 - alignment of working days and hours,
 - alignment of procedures and formalities,
 - development and sharing of common facilities,
 - Joint controls and establishment of one stop border control

III. Coordinated Border Management

Coordinated Border Management (CBM)

Coordinated approach by border control agencies, both domestic and international, in the context of seeking greater efficiencies over managing trade and travel flows, while maintaining a balance with compliance requirements

2 Key Areas

- physical movements of goods
- flow of information

Tools and Instruments

- **SAFE Framework of Standards**
 - **Pillar 3: Customs to Other government agency**
- **Single window Compendium**
 - **How to Build a single window Environment**
- **Coordinated Border Management Compendium**
 - **Develop and implement CBM**
- **Risk Management Compendium**
 - **Enable Customs and Cross-Border Regulatory agencies to institute a structured and objective system**

4. KCS Best Practice on Border Agency Cooperation

- Joint Inspection System -

Background

Over **70%** of Daily Necessities are Imported goods
There are increased public concerns of **illegal, defective goods**

Examples

1. Import of **Electric Appliances and Baby toys**
 - 1.5 Million import cases worth \$2.6 Billion
 - A Growing numbers of accidents by illegal, defective goods
2. Import of **chemical goods**
 - 58% increase in import cases
 - Growing concerns about safety
3. Import of **health supplements** by individuals
 - 337% increase in import cases
 - 342% increase in values of imports

Background

Challenges – Changing operating environment

- A growing numbers of imported goods affecting **Public safety**
- Customs do not have specialties in **other government agencies' works**
- Customs has no **relevant information on specific items**
- Customs has no **enough human resource**

Existing Safety Management system

Pre-Clearance stage - Customs -

▶ before domestic distribution

- Less than 5% of physical inspection rate
- Documentary(Certificate) audit
- Lack of expertise in specific safety-related items



Clearance

After-Clearance stage - Other government Agencies -

▶ After domestic distribution

- Post clearance intervention during distribution
- Impossible to recall goods due to the lack of information on import clearance



The Lack of Safety Management system on Imports

Background

Previous Safety Management system



Customs Inspection

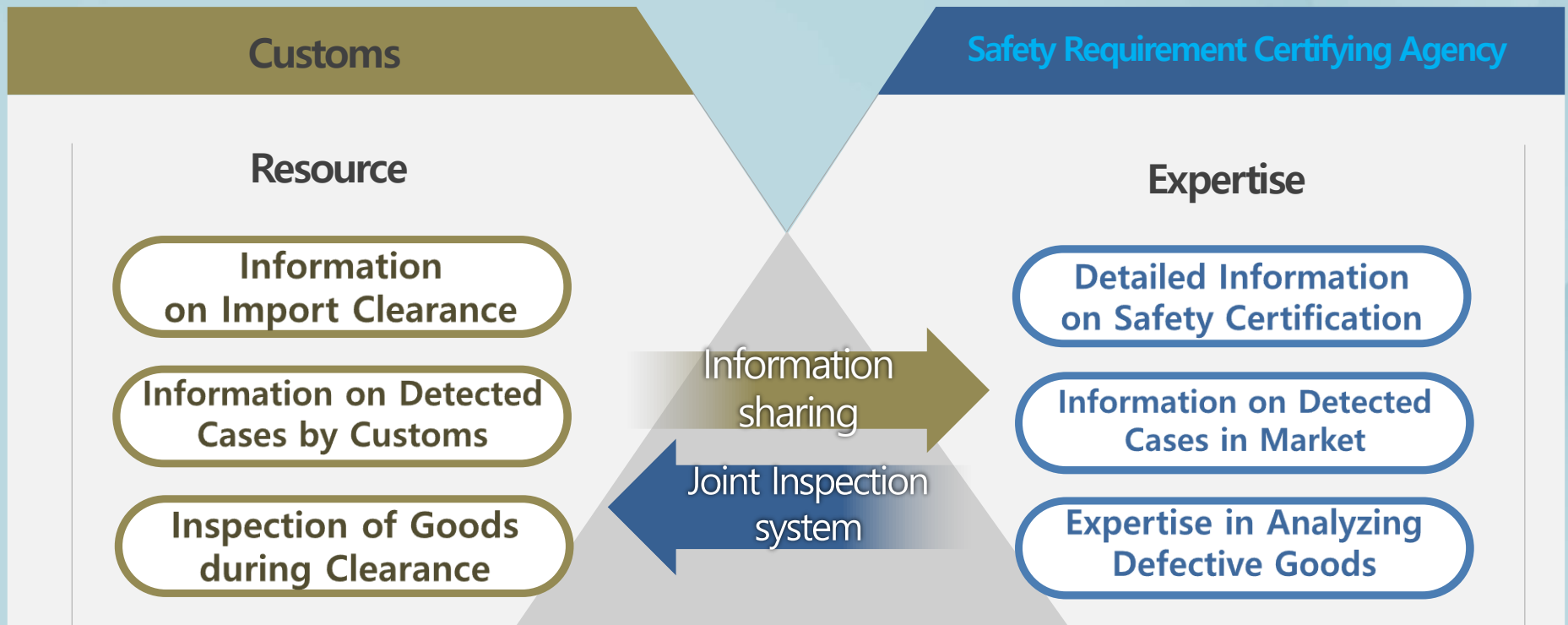
- Inspection focus on **document (Certificate)**
- ➔ difficulties in detecting illegal / defective goods

Crack down In Market

- Safety check **during distribution (by each agency)**
- ➔ Low recall rates of illegal or defective goods (no clearance information)

Joint Inspection System

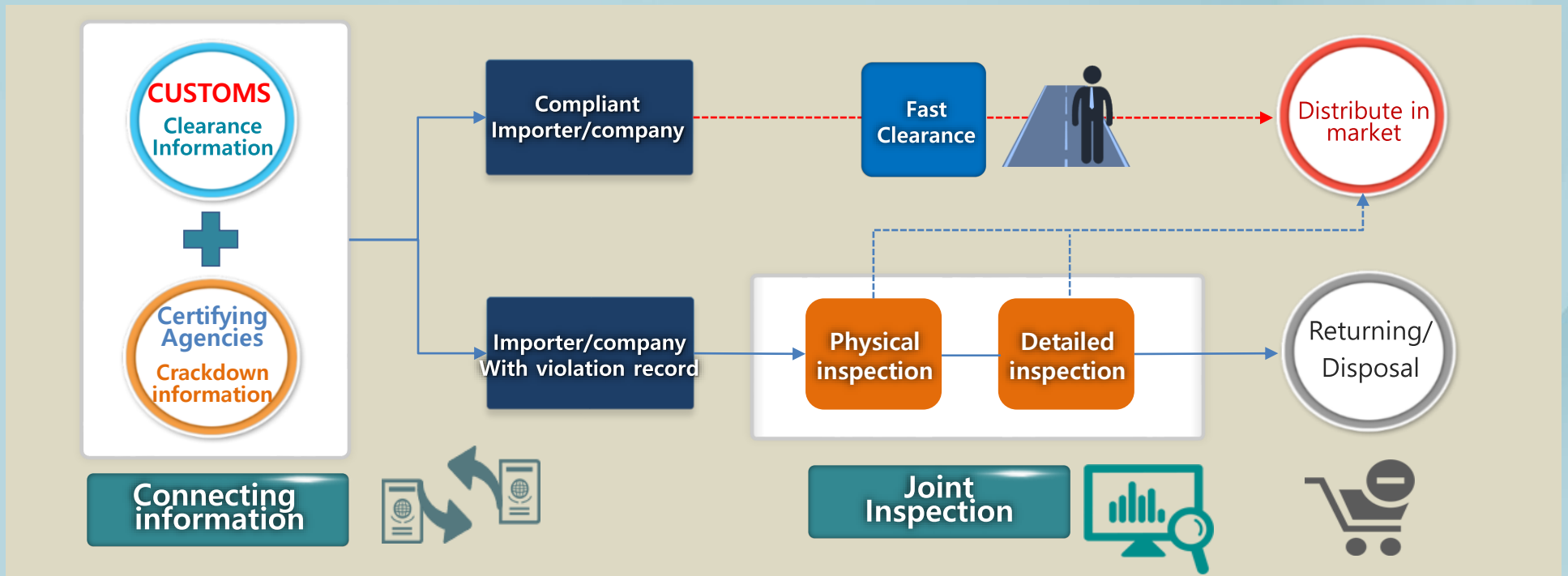
「Joint Inspection during Import Declaration」 is Most Effective to ① Prevent Harmful Goods ② Reduce Costs for Crack-Down



- Joint Inspection between Customs and Other Agencies for Crack-Down

Joint Inspection System for Safety Management

Information sharing & Joint Inspection



1. Selection

By information sharing

2. Joint Inspection

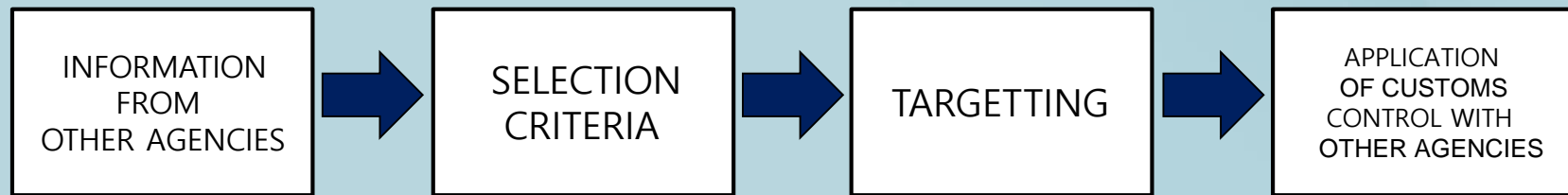
Physical inspection, Verification of certificate Document, Analysis

3. Returning / Disposal

Illegal / defective / harmful goods

Current Status of Joint Inspection System

Risk Management by information exchange



- Informed through Integrated Risk Management system
- Risk Criteria Developed by Intelligence Officials
- Sharing of inspection results with other government agencies for feedback

Current Status of Joint Inspection System

Cooperate with 7 government agencies for 662 items in 8 areas (2016)

Agencies	Item types	Related law	Effective Since
KATS (Korean Agency for Technology and Standards)	Toys, Electronic Appliances (361 Items)	Product safety Act	Sep. 2014
Ministry of Environment	Chemical Substances (148 Items)	Chemicals control Act	May. 2015
Ministry of Food and Drug safety	Foods Directly Purchased Overseas by individuals (1)	None	July. 2015
Ministry of Employment & Labor	Goods containing Asbestos (62 Item)	Industry safety Act	November. 2015
Korea Forest service	Pellet (1 Item)	Timber control Act	March. 2016
National Radio Research Agency	Communication equipments (88 Items)	The Radio wave Act	June. 2016
Ministry of Trade & Industry and Energy	Strategic goods (1 Item)	Foreign Trade Act	July. 2016

Designated 4 main joint inspection Centers

1. Incheon Main Customs

- ① Port joint inspection Center
- ② Air port Joint inspection Center

2. BuSan Main Customs

- Port joint inspection Center

3. Pyeongtaek Customs

- Port Joint inspection Center

Achievements of Joint operations

Detection Statistics

(Cases)

Agencies		2014	2015	2016
Korea Agency for Technology and Standards	Toys	18	293	146
	Electric Product	49	753	374
Ministry of Environment			568	278
Ministry of Food & Drug safety			396	6,272
Ministry of Employment & Labor			4	1
Korea Forest Service				18
National Radio Research Agency				139
Total		67	2,014	7,228

Achievements of Joint operations

Cooperation with Other government Agencies



Government Agencies Meeting for Cooperation



Agreement for Joint operation



Opening Ceremony for joint operation Office



Working level meeting for joint operation

Achievements of Joint operations

Detected Items



Achievements of Joint operation

Not Certified Product

KATS

(Korea Agency for
Technology &
Standards)



TOY

Containing Over **184 times** of more
Plasticizer than allowed level



TOY

Containing Over **11 times** of
Lead than standard

Achievements of Joint operations

Not Certified Products

**The Ministry
Of
Environment**



Prohibited Chemicals

2-Naphthylamine



limited Chemicals

Hexavalent Chrome

Achievements of Joint operations

Not Certified Products

**The Ministry of
Employment
&
Labor**



BRAKE PAD

Containing 12% of White Asbestos
(Cancer causing substance)



BRAKE PAD

Containing 15% of White Asbestos
(Cancer causing substance)

Q & A

Thank you!