

A close-up photograph of a white flag with a blue and grey logo, mounted on a wooden flagpole. The logo consists of a stylized 'C' shape with a circle inside, representing the World Customs Organization. The background is blurred, showing what appears to be a conference room or a similar setting.

World Customs Organization and the Global Security Agenda

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Customs Cooperation Committee and Private Sector Dialogue
Central Asia Regional Economic Cooperation Programme
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Outline

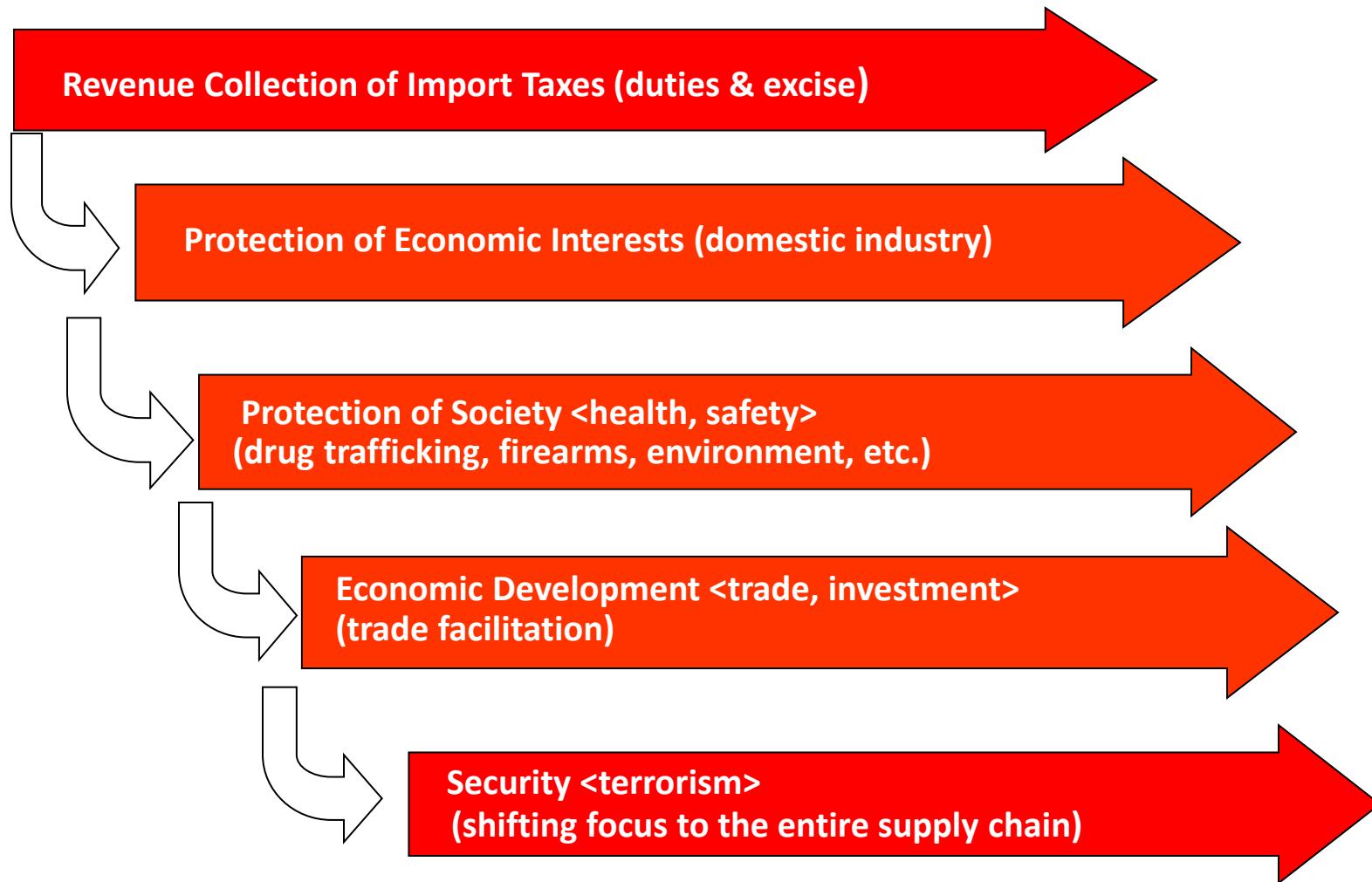


- **Future of Customs**
 - Changing Dynamics
 - Global Drivers
- **SAFE Framework of Standards**
 - Updated Edition 2015
- **Border Security Issues**
 - WCO's Response



Changing dynamics

Customs
Role





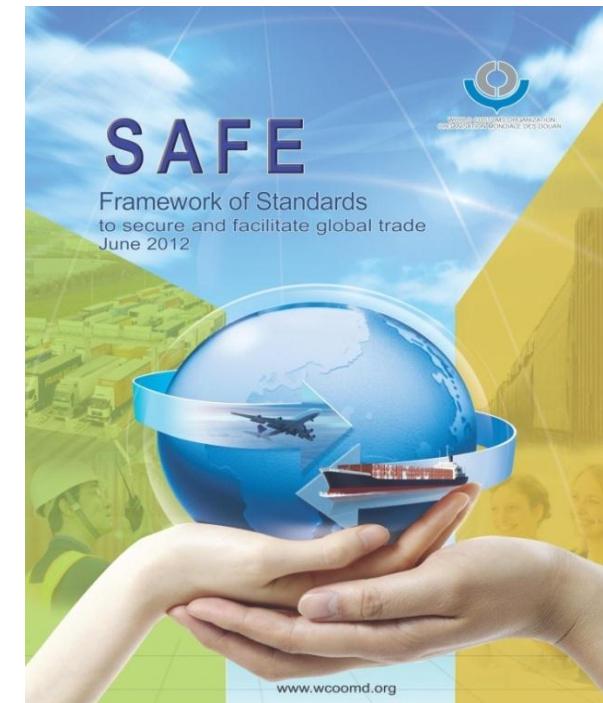
Global Drivers

- Increasing complexities of global value chain
 - Made in world
- Innovative and disruptive technologies
 - 3D Printing
- Industry 4.0
 - Cyber Physical Systems
- Economic and Customs Unions
 - No Customs borders
- Multilateral/Plurilateral/Bi-lateral Free Trade Agreements
 - Tariff Reductions
- E-Commerce
 - Increased vulnerabilities
- Foreign Terrorist Fighters (FTFs)

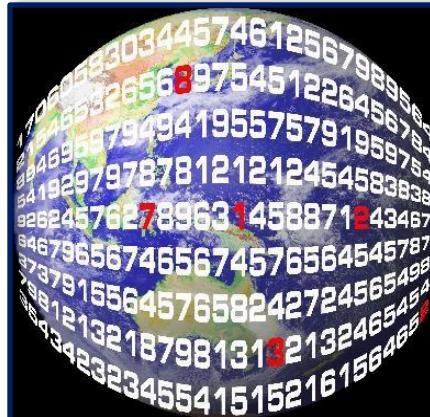
Background: SAFE Framework of Standards



- The global supply chain is vulnerable to terrorist exploitation.
- Customs administrations well placed to provide increased security to the global supply chain.
- SAFE adopted by WCO Council in June 2005.
- 168 Members have signed letter of intention to implement SAFE



SAFE Framework of Standards to Secure and Facilitate Global Trade



ADVANCE ELECTRONIC INFORMATION	RISK MANAGEMENT	OUTBOUND INSPECTION	BUSINESS PARTNERSHIPS
Harmonizing advance electronic information requirement on inbound, outbound and transit shipments.	Commit to employing a consistent risk management approach to address security threats.	Outbound inspection of high-risk consignments being exported, preferably using non-intrusive inspection methods.	Customs will provide benefits to businesses that fulfils supply chain security standards and best practices.



10th Anniversary of the SAFE FoS

- Continued evolution -



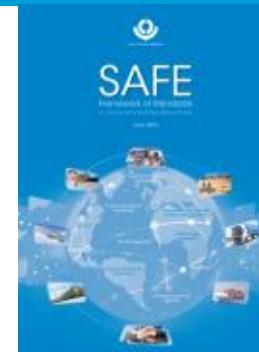
2005



2007



2012



2015

2005 - Adopted

2007 - AEO Requirements

2010 - SAFE Package: Compilation of all relevant tools

2011 - 10+2 data element

2012 - Coordinated Border Management, Trade Continuity and Resumption and definition of key terms

2015 - Adopted by WCO Council on 11 June 2015



The SAFE FoS 2015

**What's
new?**

Pillar 3 – Customs-to-Other Government Agencies and Inter-Government-Government Agencies

Provision for ‘Pre-loading Advance Cargo Information (PLACI)’ for air cargo

Updated objectives and provisions related to risk management

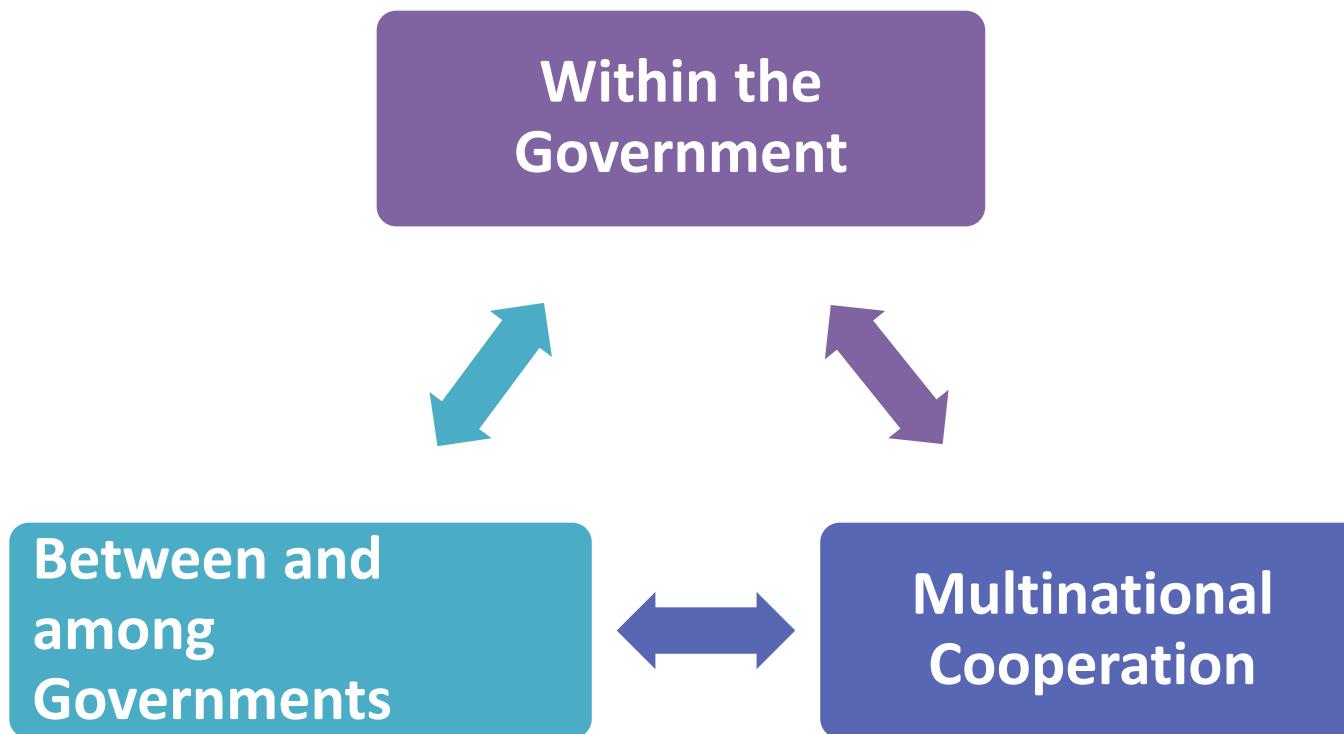
Definitions of ‘Risk Management’ and ‘Container’

Restructured – user friendly

Pillar 3: Customs-to-Other-Government and Inter-Government Agencies



➤ Coordinated Border Management (11 Standards)



Provisions for 'Pre-loading Advance Cargo Information (PLACI)' under Standard 1 of Pillar



Purpose

- air cargo (including mail) security risk analysis

Data

- 7+1 data elements

Timeline

- as soon as the information becomes available but no later than prior to loading onto the aircraft

Referrals

- Request for additional information
- Request for additional screening
- Do Not Load (DNL)

Border Security Issues



- Foreign terrorist fighters (UN report)
 - Over 25,000 fighters from over 100 States
 - Threats to returned States



- Smuggling of weapons
 - Weapons of mass destruction (WMD)
 - Small Arms and Light Weapons (SALW)



- Illicit trade
 - Terrorist funding

Customs response to Global Security



- Focus areas
 - Commodity based initiatives:
 - Existing initiatives: Global Shield, STCE Project
 - New initiatives: Small Arms and Light-Weapons, Passenger Controls (utilization of API/PNR), Terrorist financing
 - Technical assistance:
 - WCO Border Security Initiative



Programme Global Shield (PGS)



- Programme Global Shield – 94 participant countries
- WCO-UNODC-INTERPOL
- Interdiction and capacity building against illicit trafficking of IED precursor chemicals
- Activities:
 - Awareness-raising
 - Technical assistance and training
 - Operations
 - Delivery of detection technologies

Strategic Trade Controls Enforcement (STCE)



- STCE Project
- 89 countries on board
- Activities:
 - A training curriculum
 - 6 regional awareness-raising seminars
 - Operation Cosmo (2014)
- Technical assistance and training programme for Customs will follow as of June 2016

Small Arms and Light-Weapons (SALW)



- Drivers:
 - UN Transnational Organized Crime(TOC) and the Protocols
 - UN Programme of Action (PoA) on small arms and light weapons
 - UNODA Arms Trade Treaty (ATT)
- WCO SALW Strategy and Action Plan were endorsed in March 2015
- Main activities:
 - Legal analysis of border implications underway
 - Production of a training manual
 - Delivery of training
 - Organization of an operation



Passenger controls

➤ UN Security Council Resolution 2178 (2014)

- preventing the international flow of terrorist fighters to and from conflict zones

➤ Foreign Terrorist Fighters (FTFs)

➤ API/PNR information

➤ Activities:

- 2015 WCO Council Recommendations
- Updated API Guidelines
- A Customs Guideline on the utilization of API/PNR information (under development)
- 6 regional workshops (under planning)





Terrorist financing

- Focus on smuggling of cash and bearer negotiable instruments
- Cooperation and alignment with FATF and its work
- A new action plan will be delivered to the Enforcement Committee in March 2016

E-commerce- opportunities & challenges



✓ **Trade facilitation and security**

- Increasing volumes – Faster clearance required
- B2C & C2C – Limited knowledge on importers and supply chain
- Data Quality: Accuracy and adequacy

✓ **Fair and efficient collection of duties and taxes**

- Splitting, under-invoicing and mis-declaration
- *De minimis*
- High-value dutiable and excisable goods

✓ **Society Protection - Criminal exploitation of e-commerce**

- Illicit trade and smuggling
- Drug trafficking
- Counterfeited and pirated goods
- Illicit financial flows & Money laundering





Considerations...

- Developing a new security culture within Customs - mandate and functions
 - Strategic level
 - Operational level
- Enhancing supply chain security, visibility and transparency
- Supporting other agencies in improving border security measures including the effective implementation of security related UN Conventions, Treaties, Protocols, Resolutions and programmes
- Implementation of the SAFE FoS and AEO programme
- Implementation of API/PNR system
- Enhancing capacity the WCO Border Security Initiative
- Strengthening risk management based on advance electronic information
- Use of other WCO tools – Cargo Targeting System, Container Control Programme and CEN, etc



Thank you for your attention!