



# World Customs Organization and the Global Security Agenda

P. N. Pandey

Technical Officer

Compliance & Facilitation

World Customs Organization

Email: [pn.pandey@wcoomd.org](mailto:pn.pandey@wcoomd.org)

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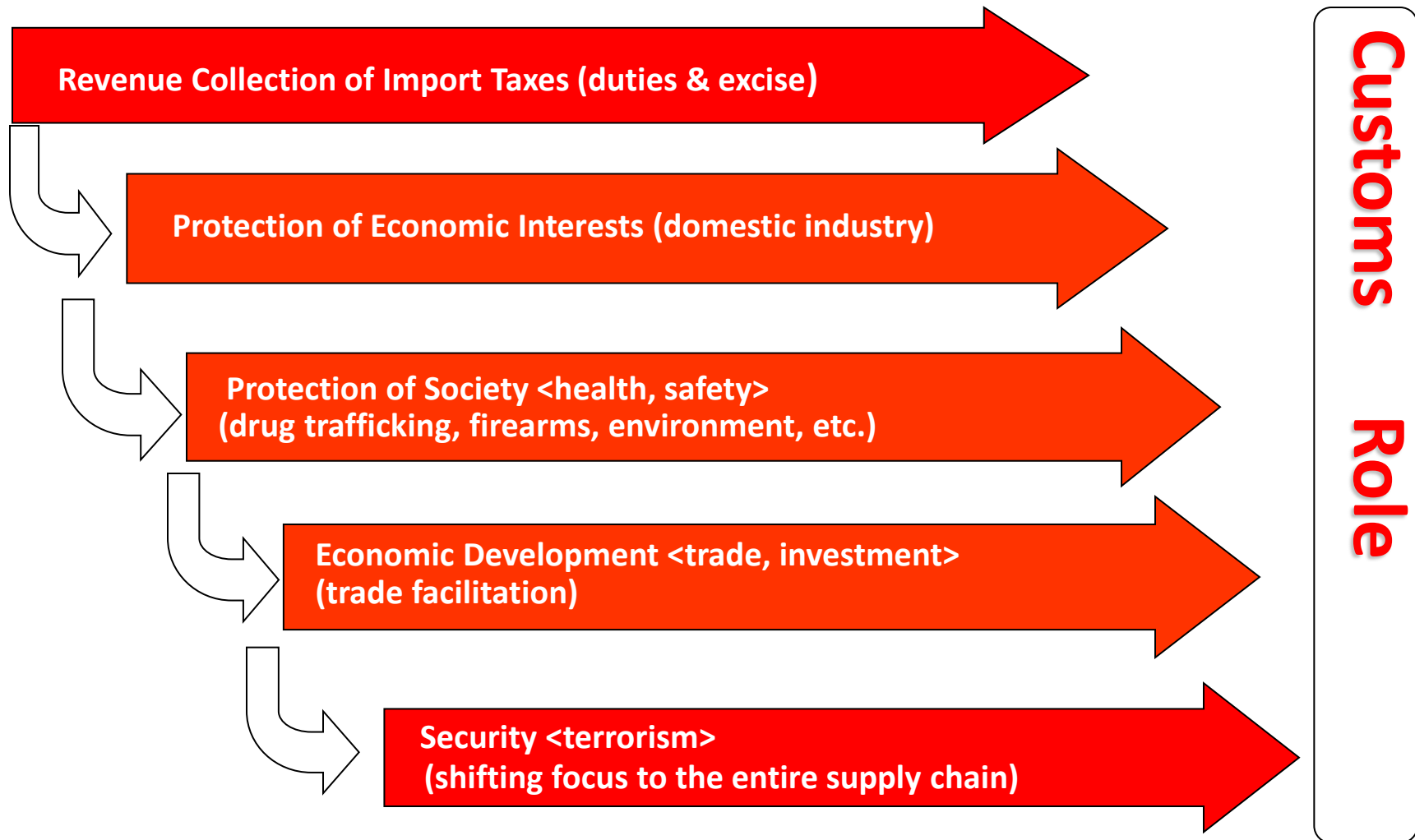


# Outline



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

# Changing dynamics



# Global Drivers

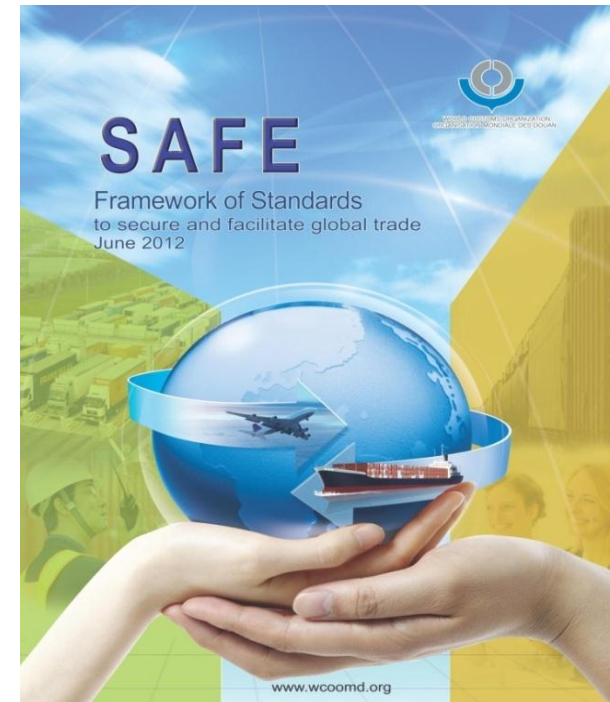


- Increasing complexities of global value chain
  - Made in world
- Innovative and disruptive technologies
  - 3D Printing
- Industry 4.0
  - Cyber Physical Systems
- Economic and Customs Unions
  - No Customs borders
- Multilateral/Plurilateral/Bi-lateral Free Trade Agreements
  - Tariff Reductions
- 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



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



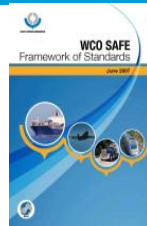


# 10<sup>th</sup> Anniversary of the SAFE FoS

## - 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'**

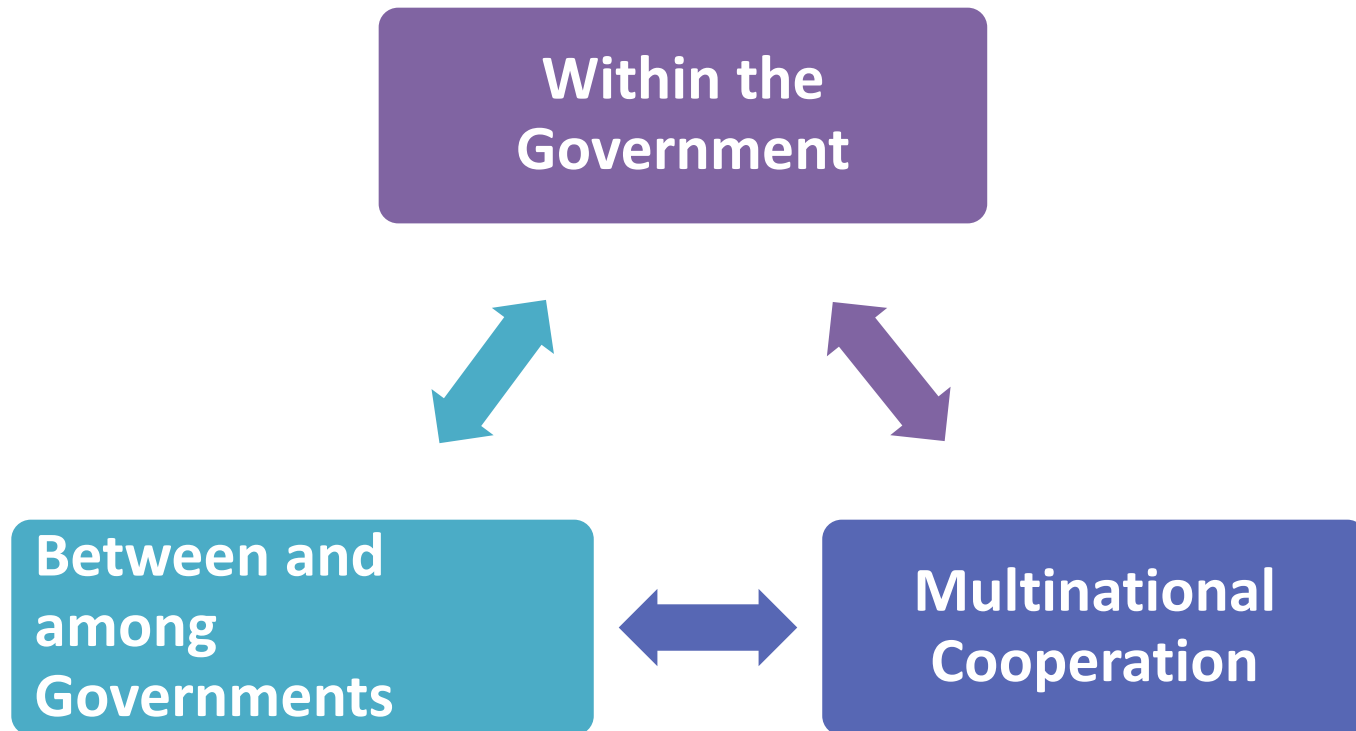
**Restructured – user friendly**



## 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!**