



WCO and ADB Partnership in Promoting Customs Cooperation in Central Asia

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World Customs Organization



WCO in brief

- Intergovernmental organization specialized in Customs matters
- Established in Brussels in 1952
- Mission
 - To enhance the effectiveness
 & efficiency of Customs administrations
 - To facilitate trade and secure the international supply chain
- ✓ 176 Members
 - Collectively process over 98% of global trade



WCO main activities

- ✓ Develop standards for Customs procedures
 - ✓ Harmonized System (HS) tariff classification
 - ✓ Revised Kyoto Convention (RKC) trade facilitation
 - ✓ SAFE Framework of Standards security
- ✓ Promote international cooperation
 - ✓ Share information and best practices
- ✓ Capacity Building
 - ✓ Columbus Programme diagnostics for reform
 - **✓** PICARD Programme cooperation with universities
 - ✓ Fragile states
 - ✓ Integrity
 - ✓ Regional approach ownership at the regional level



Global challenges

✓ Economic recovery

Reduction in Customs revenue

Drop in trade volume
Difficulty of accessing trade finance
Increase in fraudulent activities of traders

Customs under pressure on revenue collection

- ✓ Supply chain security and facilitation
- ✓ Health, safety and the protection of society





Economic recovery

- WCO Communiqué to G20 (London, April 2009)
 - ✓ Trade facilitation, capacity building, monitoring
 - ✓ Incorporated in the G20 Communiqué
- From crisis to recovery
 - ✓ Fiscal stimulus/discipline
 - ✓ Trade kept open



- For fair and efficient revenue collection
 - ✓ WCO Revenue package
 - ✓ Trade facilitation
 - Customs modernization





Supply chain security & facilitation

- Risk management approach: WCO SAFE Framework of Standards
 - Customs-Business Partnership
 - → Less intervention for high-compliance operators
 - Certified as Authorized Economic Operators (AEO)
 - Mutual Recognition
 - Customs network arrangement
- Alternative to US 100% scanning law

All US bound cargo before departure (to be implemented in 2012)





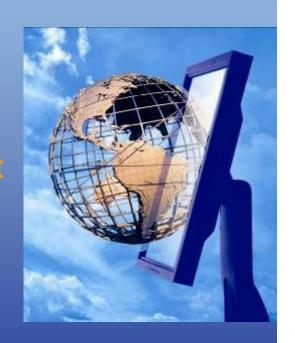
Transnational organized crime

- Trans-border crime: challenges & opportunities
 - Source of illicit profit
 - Major seizure point +70% of national seizures in drugs and counterfeits at the borders
- Customs Enforcement Network
 - Communication and database for Customs seizures
 - Joint operations
 - Drugs in Central Asia, money laundering with 84 countries
 - Global Shield operation
 - Trace and monitor global movement of prec improvised explosive devices
 - In cooperation with UNODC & Interpol



Customs in the 21st Century

- A New strategic direction for Customs
 - ✓ 10 building blocks
 - For better international cooperation
 - → Globally Networked Customs
 - For better coordination at borders
 - → Coordinated Border Management
 - For better business compliance and mutual benefit
 - → Customs-Business Partnership and more ...



Reform and modernization of Customs is an essential platform for social and economic development



WCO-ADB Collaboration

- Since 1993:
- √ 14 joint Technical assistance missions to facilitate Members
- √ 25 conferences, workshops
- ✓ WCO participation in the development of Customs related Chapter for CAREC-ADB new Transport and Trade Facilitation Strategy and Implementation Action Plan
- MOU signed on 4 May 2010 in Tashkent (Uzbekistan)



Scope of Cooperation (MOU)

- ✓ Build operational cooperation in the form of joint technical assistance and/or project/program-based work
- ✓ Enhance information and knowledge sharing
- ✓ Provide an enabling environment that promotes staff cooperation and undertakes joint analytical work including publications in areas of common interest



Implementation

- ✓ Planning of cooperation activities involving two organizations for the next 12-24 months (by November 2010)
- ✓ Implementation
- ✓ Reporting and Evaluation of joint activities



Synergy with CAREC/ADB TF Programmes

- ✓ Common goal: Trade Facilitation (and strengthening Security WCO)
- ✓ Common Objective: "...aimed at reducing trade costs by promoting concerted Customs reform and modernization, supporting integrated TF approach through efficient regional logistics development...enhanced interagency cooperation and public-private partnerships..." (Final ADB Report: TF Support for CAREC)
- ✓ Common reform and modernization principles based on RKC (signatories: Azerbaijan, China, Kazakhstan, Mongolia



Jointly Promoting Customs Cooperation in Central Asia

- ✓ Sharing of information on TTA needs assessment (WCO-CAREC)
- Coordinating Long-term planning and monitoring support
- ✓ Coordinated delivery of TTA events in the region.
- ✓ Coordination efforts through joint meetings
- ✓ Application of WCO CB and training material and tools including E-learning modules

Translation into Russian of WCO materials



Jointly Promoting Customs Cooperation in Central Asia

- Establishment of sustainable and regular communication channels between WCO-CAREC Contact points
- ✓ Mutual participation at key meetings (First WCO CB Committee meeting in September 2010 important for ADB)
- ✓ Enhanced Cooperation at regional level (ROCB-RJC-NJC; CAREC Institute-RTC Astana etc.)
- ✓ Set a pool of experts for the region (by providing the relevant training and workshops
- √ Support ROCB



Jointly Promoting Customs Cooperation in Central Asia

- ✓ Implementation of WCO Diagnostic Mission recommendations (TTFS implementation plan)
- ✓ Project to implement the indentified Columbus Programme objectives
- ✓ Encouraging Members to jointly implement pilot projects (Implement Electronic SW, based on the WCO Data Model (version 3). Pilot project on PRC-RK border (starting from one border post)



THANK YOU FOR YOUR ATTENTION

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