



The World Customs Organization 1952 - 2005



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The World Customs Organization

- © On 1 October 2005 : 168 Members
- © 2 official languages : English/French
- © WCO Headquarters : Brussels, Belgium
- © Budget for financial year 2005/6: €13 million





Definition of its Mission



enhance the efficiency and effectiveness of
Customs services

Application of trade
regulations

Protection of
society

Collection of
fiscal revenue

Economic and social well-being of nations



FRAMEWORK OF STANDARDS TO SECURE AND FACILITATE GLOBAL TRADE

(June 2005)





WCO Framework of standards

- **Agreed strategy of Customs Administrations to prevent terrorist abuse of the global trading system without jeopardizing the flow of trade**
- **Commitment to implement as soon as possible the principles and standards contained in the Framework**
- **Impact on any initiative as a Customs Transit System**



The Core Principles

- **Advance electronic information**
- **Risk management**
- **Outbound inspection**
- **Business partnerships**



The Pillars

➤ Pillar 1 : Customs-to-Customs

Integrated supply chain management, technology, risk management, advance information, integrity, security assessments, Customs co-operation

➤ Pillar 2 : Customs-to-Business

Partnership, security, authorization, technology, communication and facilitation





Objectives of the Framework of Standards

- **Establish standards that provide supply chain security and facilitation to goods being traded internationally**
- **Strengthen networking arrangements between Customs administrations to improve their capability to detect high-risk consignments**
- **Promote co-operation between the Customs and business communities**



KEY ELEMENT IN THE FRAMEWORK OF STANDARDS :

CUSTOMS CO-OPERATION AND MUTUAL RECOGNITION





Mutual recognition of Customs control

- **Integrated Customs control chain ;**
- **Consistent control and risk management standards / sharing of intelligence and risk profiles / exchange of Customs data ;**
- **Seal integrity programme ;**
- **Mutual recognition of Authorized Economic Operator status.**



**INEFFECTIVE AND INEFFICIENT TRANSIT
TRANSPORT SYSTEMS ADD SIGNIFICANT
COST TO INTERNATIONAL TRADE THEREBY
AFFECTING THE ECONOMIC DEVELOPMENT
OF A COUNTRY**





International Instruments

- **Article V – GATT which refers to freedom of transit of goods**
- **Convention on the International Transport of Goods under cover of TIR Carnets (TIR Convention, 1975)**
- **Revised Kyoto Convention (Specific Annex E, Chapter 1)**





International Conventions on Transit

- **Political will and sustained commitment for co-operation with neighbouring countries (joint administrative committee)**
- **One set of international procedures rather than procedures dictated by each country**
- **Harmonization, simplification and standardization of rules and documentation (e.g TIR Carnet, guaranteeing systems)**



KEY ELEMENT IN AN INTERNATIONAL / REGIONAL AGREEMENT ON TRANSIT :

CUSTOMS CO-OPERATION AND MUTUAL RECOGNITION





Mutual recognition of Customs control

- **Customs control measures taken in the country of departure should be accepted by the countries of transit and destination**
- **No examination of sealed load compartments, except special cases**
- **Control access to the transit system (for transport operators or guaranteeing association)**
- **Approval of vehicles and containers**



International Guarantee

- **National guaranteeing association any duties and taxes in the event of any irregularity**
- **National guaranteeing associations form international chain**
- **The guarantee covers all transit operations in a country irrespective whether they are carried out by national or foreign transport operators**





Other elements

- **Government commitment to allow goods to transit their territories**
- **Appropriate transportation infrastructure**
- **Appropriate banking and insurance infrastructure**
- **Appropriate information**
- **Communications technology and infrastructure**





THANK YOU FOR YOUR ATTENTION

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