



# **CAREC Seminar on Integrated Border Management & Joint Customs Control**

**Guangzhou, 17-19 February 2009**

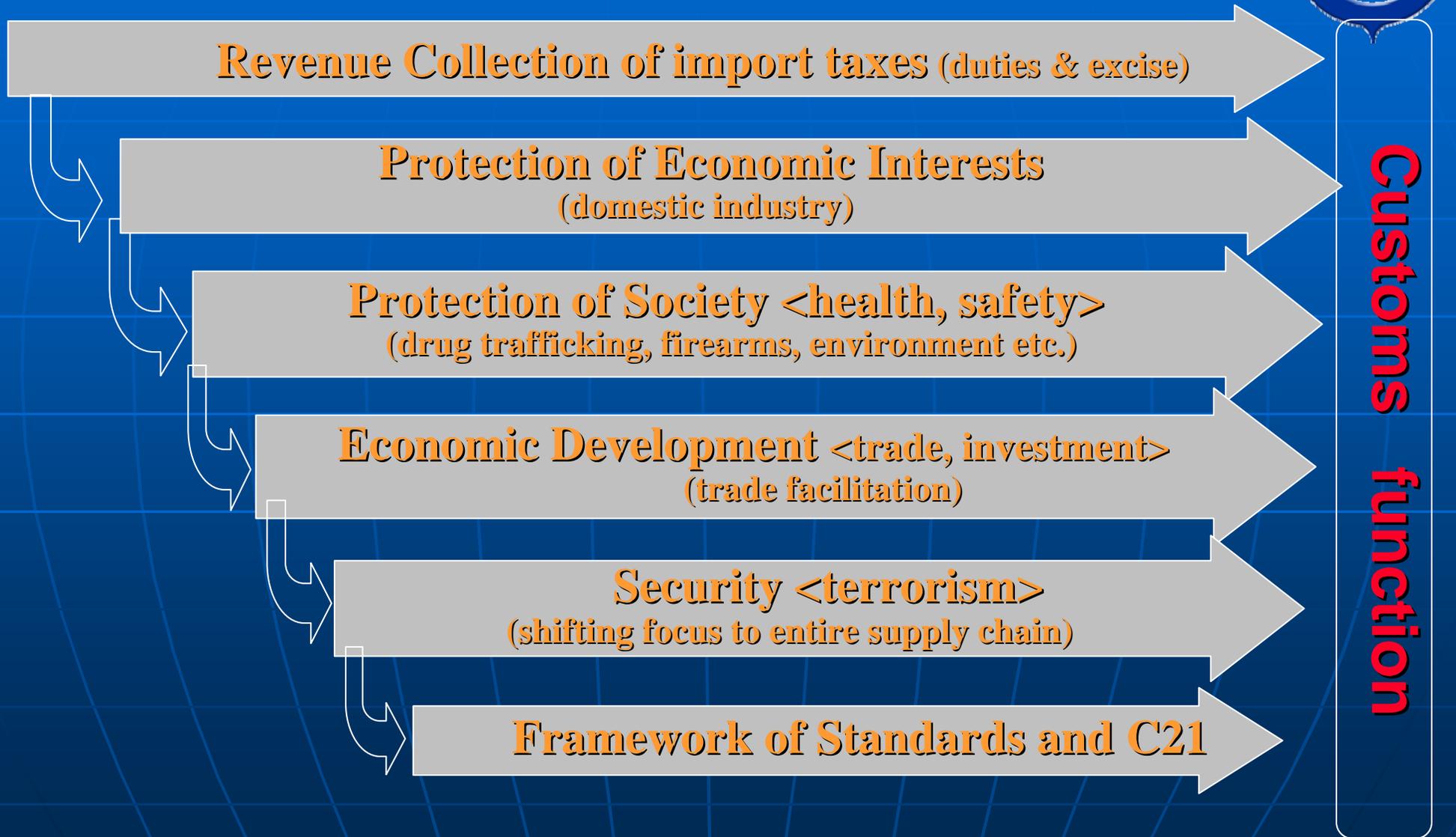
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# Outline



- ❑ **Customs environment**
- ❑ **Customs in the 21<sup>st</sup> Century**
- ❑ **Globally Networked Customs**
- ❑ **Joint Customs Controls**
- ❑ **Coordinated Border Management**
- ❑ **Key Instruments & Single Window**

# Evolution of Customs



# Customs in the 21<sup>st</sup> Century (“C21”)



- ❑ **Approved as the future Customs roadmap**
- ❑ **Visionary/aspirational for all members**
- ❑ **Impact on WCO instruments, technical committees, strategic planning**
- ❑ **10 building blocks**
- ❑ **Priority BB's: Globally Networked Customs and Coordinated Border Management**

# Customs in the 21<sup>st</sup> Century (“C21”)



## □ Globally Networked Customs

- 1<sup>st</sup> building block of C21
- provides the basis of the e-customs strategy
- RKC Chapters 3, 6
- SAFE Framework (1<sup>st</sup> Pillar)
- Data/message standards, UCR
- Focus on exports
- Mutual Recognition/MAA (includes AEO)
- Strongly related to JCC concept

# Customs in the 21<sup>st</sup> Century (“C21”)



## □ Coordinated Border Management

- 2<sup>nd</sup> building block of C21
- based on collaboration/cooperation
- RKC Chapter 3, 7 + risk management
- SAFE (security of supply chain)
- Data/message standards, UCR
- Mutual Recognition (includes AEO concept)
- International Trade Single Window

# JCC/CBM - Background



- **Border control of the import, export & transit of goods, people and conveyances is critical to the integrity & sovereignty of all countries.**
- **The ways in which border controls are managed are in the spotlight.**
- **A JCC/CBM framework improves the efficiency and effectiveness of a country's border control**

# JCC/CBM - Issues



- **Financial, staffing & other savings**
- **Adoption of international standards**
- **Sound legal framework**
- **International coordination**

# Financial Savings



- ❑ **Joint or Coordinated controls**
- ❑ **Common facilities for Customs/OGA's**
- ❑ **Joint use of equipment**
  - ✓ **- X-rays, scanners, dogs**
- ❑ **Accept the equivalence of another country's authority & data to reduce duplication**
- ❑ **Pre-clear people, goods, means of transport**
- ❑ **Harmonize documents & data**

# International Standards



- **Examples include RKC, ISO, WCO & UN Codes, UNTDED, SAFE FoS, UN/ECE Harmonization of Frontier Controls**
- **Use of international standards simplifies job for Customs – trader can't pick and choose standard to use**
- **Traders better informed and in a position to comply**
- **RKC Gen. Annex empowers JCC/CBM – eg: Ch.3, 6, 7**

# International Standards (Contd)



**Standardized and simplified documentation, for example:**

- ❑ **UN/CEFACT Recommendations (UN layout key, codes for measurement, R.33)**
- ❑ **Single Goods Declaration for import and export (European SAD)**
- ❑ **WCO Data Model**

# Sound Legal Framework



- Maintain and publish up to date legislation, regulations and procedures
- Establish an enquiry point
- Define standards clearly
  - ✓ Control procedures
  - ✓ Privacy & data protection
  - ✓ Division of agency responsibilities
  - ✓ Cross border identity management
- Certification processes readily available
- WCO-UNCITRAL Joint Legal Taskforce

# International Coordination



- Multi-lateral exchange of information to combat crime**
- Clear enunciation of mutual responsibilities**
- Common training programmes**
- International Agreements**
  - ✓ **Treaties, conventions & protocols (legally binding)**
  - ✓ **Memoranda of Understanding**

# International Coordination



- **mutual administrative assistance and mutual recognition**
- **equivalence of standards**
- **joint operations, controls, examinations and investigations**
- **contact committees**

# Some WCO Instruments



- ❑ **SAFE Framework**
- ❑ **Revised Kyoto Convention**
- ❑ **UCR**
- ❑ **Data Model**

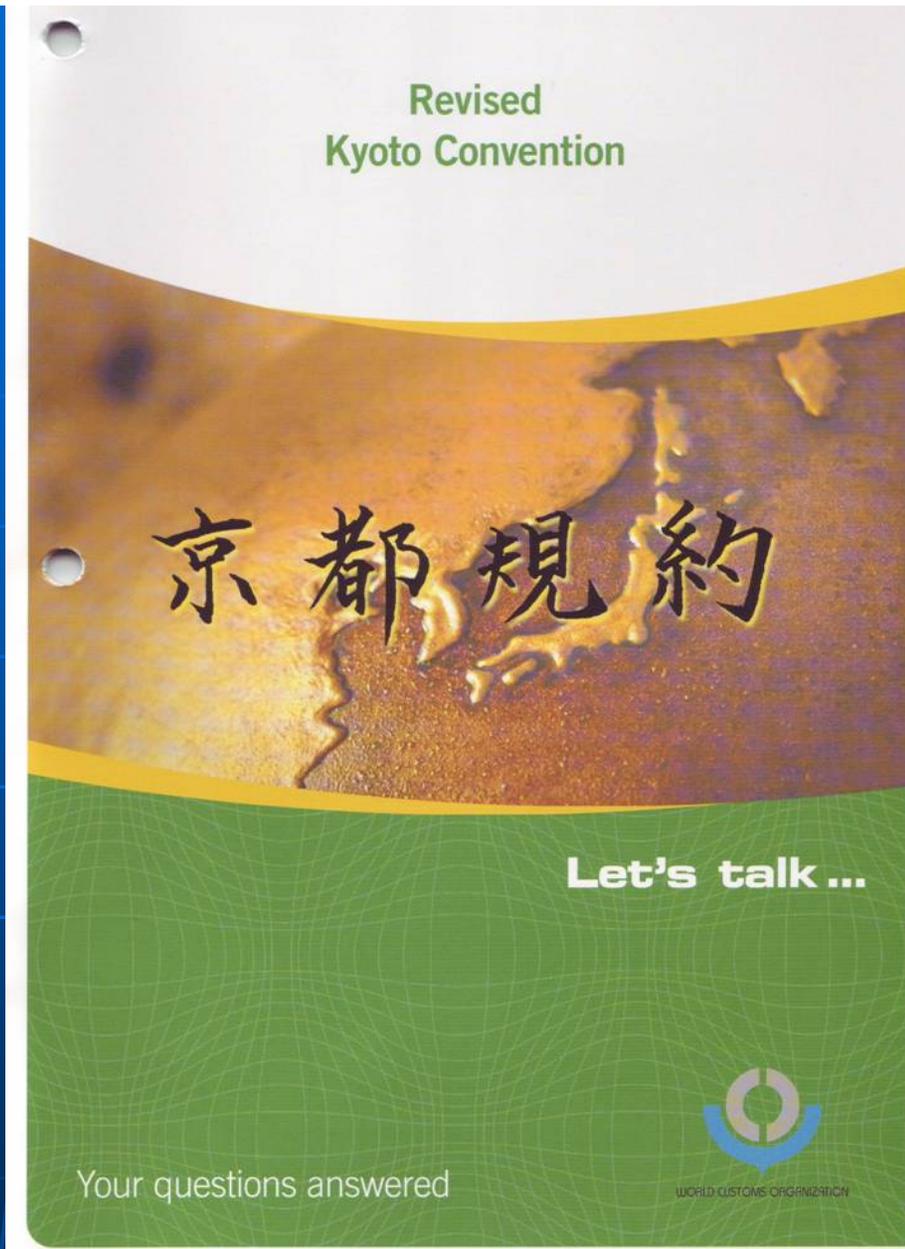
# SAFE Framework Principles



- **Standards to Secure and Facilitate Global Trade**
- **Pillar 1, Customs-to-Customs networking**
- **Pillar 2, Customs-to-Business partnership (AEO)**
- **(Proposed) Pillar 3, Customs-to-OGA partnership**
- **Seal Integrity Program**
- **Integrated Supply Chain Management Guidelines**

# Revised Kyoto Convention

(A Blueprint for Modern  
Customs Administration)



# THE REVISED CONVENTION

## CHAPTERS OF THE GENERAL ANNEX



- 1 - General principles
- 2 - Definitions
- 3 - Clearance and other Customs formalities
- 4 - Duties and taxes
- 5 - Security
- 6 - Customs control
- 7 - Application of information technology
- 8 - Relationship between the Customs and third parties
- 9 - Information, decisions and rulings supplied by the Customs
- 10 - Appeals in Customs matters

# Juxtaposed Customs Offices and Joint Controls

- **Standard 3.3** : “Where Customs offices are located at a common border crossing, the Customs administrations concerned shall correlate the business hours and the competence of those offices.”
- **Standard 3.4** : “At common border crossings, the Customs administrations concerned shall, whenever possible, operate joint controls.”

# Joint Controls (cont)



- Standard 3.5 : “Where the Customs intend to establish a new Customs office or to convert an existing one at a common border crossing, they shall, wherever possible, cooperate with the neighbouring Customs to establish a juxtaposed Customs office to facilitate joint controls.”

# Joint Controls (cont)



- Standard 6.7 : “The Customs shall seek to co-operate with other Customs administrations and seek to conclude mutual administrative assistance agreements to enhance customs control.”

# Joint Controls (Cont)



- Standard 7.4 : “New or revised national legislation shall provide for:
  - ✓ the right of the Customs to retain information for their own use and, as appropriate, to exchange such information with other Customs administrations and all other legally approved parties by means of electronic commerce techniques.”

# Coordinated Border Management

- Standard 3.35 : “If the goods must be inspected by other competent authorities and the Customs also schedules an examination, the Customs shall ensure that the inspections are coordinated and, if possible, carried out at the same time.”

# Coordinated Border Management

- Standard 7.3 : “The introduction of Information Technology shall be carried out in consultation with all relevant parties directly affected, to the greatest extent possible.”

# Coordinated Border Management

- Standard 7.4 : “New or revised national legislation shall provide for:
  - ✓ the right of the Customs to retain information for their own use and, as appropriate, to exchange such information with other Customs administrations and all other legally approved parties by means of electronic commerce techniques.”

# UCR



- **Critical part of WCO's Integrated Supply Chain Management Guidelines/FoS**
- **Resolution & Implementation Guidelines passed by Council in 2004**
- **Several proof-of-concept projects**
- **Currently under review – but important to JCC and CBM if used properly**

# Data Model



- ❑ **JCC enhanced by the routine exchange of Customs information (ISCM)**
- ❑ **Implies the need for a common language**
- ❑ **DM Version 3.0 to be completed 2009**
- ❑ **Covers Import, Export, Transit Declarations and Cargo reports**
- ❑ **Cargo, Means of Transport, Transport equipment and Crew**
- ❑ **Extends beyond the Customs-only domain**

# Single Window to Government



- ❑ **The Single Window environment is a complex technical issue, but it cannot work without the political, administrative, policy and legal issues being examined first.**
- ❑ **Be sure to get the policy, legal and administrative frameworks analysed and sorted before looking at technical options.**

# Single Window Offers



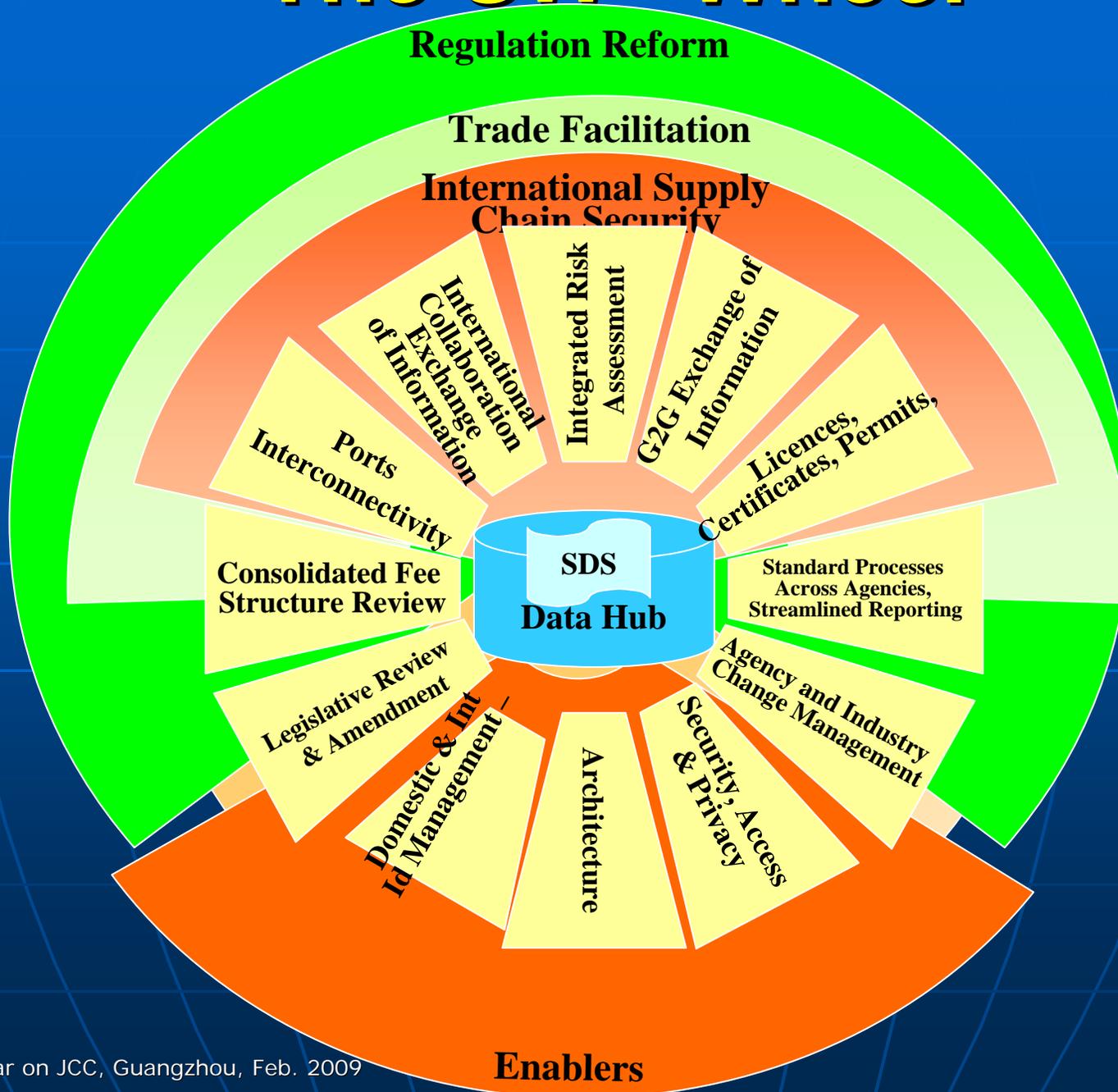
- ❑ **Single point of data submission**
- ❑ **Integrated Risk Assessment (?)**
- ❑ **Transmitted to appropriate authorities**
- ❑ **Ability to reuse data – “submit once use many times”**
- ❑ **Single point of response**
- ❑ **Data standardisation**
- ❑ **Combined online trans. status**
- ❑ **Online report capability**

# Customs and Single Window



- ❑ Customs has dominant border role
- ❑ US ITDS and SAFE Port Act
- ❑ Similar legislative/administrative arrangements in CA, AU, KO, NL etc.
- ❑ Technological neutrality for data standards
- ❑ Adopting a whole-of-government approach to border regulatory processes and associated data

# The SW "Wheel"





# THANK YOU

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