

**APEC SUB-COMMITTEE ON CUSTOMS PROCEDURES (SCCP)  
CEBU CITY, PHILIPPINES, 26-28 AUGUST 2015**

**REPORT OF THE SECOND MEETING OF SCCP**

**INTRODUCTION**

1. The APEC Sub-Committee on Customs Procedures (SCCP) held its Second Meeting for 2015 from 26-28 August 2015 in Cebu City, Philippines.
2. Delegates from Australia, Canada, Chile, China, Hong Kong, China, Indonesia, Japan, Republic of Korea, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, Philippines, Russia, Singapore, Chinese Taipei, Thailand, United States of America, and Viet Nam attended the Meeting.
3. The Meeting was also attended by Colombia as an invited guest, for a period of 3 years (2015-2017).
4. Other participants are the following: APEC Secretariat, APEC PSU, ABAC , JICA, OECD and the WCO .
5. Deputy Commissioner Agaton O. Uvero, Philippine Bureau of Customs, chaired the SCCP Meeting.

**OPENING**

6. Honorable Alberto D. Lina, Commissioner, Philippine Bureau of Customs, in his welcome address, emphasized that the SCCP has always played a key role in helping attain the APEC objectives of fostering regional economic growth and development.
7. He recalled that the Boracay Action Agenda adopted by the Ministers aspires to make economic growth equitable and inclusive by putting the interests of MSMEs “front and center” in global and regional trade. He mentioned that the agenda will further support APEC’s ongoing work in addressing barriers faced by MSMEs in international trade by opening more markets for the sector and facilitating access into global value chains or direct export. He also stressed that the agenda calls for specific, concrete, and practical interventions among APEC economies to provide MSMEs wider opportunities in global or regional trade.
8. Commissioner Lina encouraged and urged his colleagues to give special consideration and exert effort to include and accommodate MSMEs in formulating SCCP policies, action plans, and work programs. Finally, he thanked and congratulated all the member economies and the Friends of the Chair for their continued support to the 2015 Philippine SCCP hosting.
9. The SCCP Chair welcomed all member economies, observers, and guests, and formally opened the meeting.

**AGENDA ITEM 1: ADOPTION OF THE AGENDA**

10. The SCCP Chair presented the draft agenda and invited the members for any comments.

11. Russia proposed the inclusion of an agenda item on the "Exchange of Pre-Arrival Information" and expressed that he will further provide details on the said proposal.
12. Japan expressed its intention to add a discussion on "Global Data Standards".
13. There being no other comments, the agenda was adopted by the SCCP.

**AGENDA ITEM 2: BUSINESS ARRANGEMENTS**

14. The Philippines outlined the program of activities and administrative arrangements, including side-events, for SCCP 2.

**AGENDA ITEM 3: SCCP1 2015, SOM2 AND MINISTERS RESPONSIBLE FOR TRADE (MRT) OUTCOMES**

15. The SCCP Chair presented the highlights of SCCP 1 2015 outcomes as follows:
  - i. Update by Ambassador Esteban Conejos Jr., Chair of the Preparatory Committee on the implementation of the Agreement on Trade Facilitation;
  - ii. Presentation by the SOM Vice-Chair on the APEC Philippines 2015 hosting themes and priorities;
  - iii. Inclusion of the 3M Strategic Framework as a separate Agenda;
  - iv. Agreement to review the Collective Action Plan as proposed by Japan and supported by New Zealand, Canada, Mexico, Papua New Guinea, US, Viet Nam, and Philippines;
16. APEC Secretariat reported on the key SOM 2 developments and gave updates on projects including budget funding criteria for APEC projects. He reported that several outcomes were reached during SOM2, notably, the APEC Services Framework to facilitate trade in services the region and the Boracay Action Agenda. The APEC Secretariat also mentioned that the difficulties that SCCP members have met in getting APEC project funding is mainly because of the lack of funding available due to the decrease of the members' voluntary contribution in recent years. However, he introduced the three new ASF sub-funds that will be contributed by China later this year, two of which, the Sub-fund on FTAAP and GVCs, and the Sub-fund on Connectivity, would be relevant to the SCCP's work. He suggested that SCCP members could think of exploring more funding opportunities by applying those sub-funds for their projects in the future.
17. The Philippines reported that there were three outcome statements during the APEC Trade Ministers meeting last May 2015, specifically, on the WTO Stand-Alone Statement, the Statement of Ministers, and the Boracay Action Agenda to Globalized MSMEs.
18. The Philippines outlined the results of the Ministers of Responsible for Trade (MRT) relevant to SCCP, as follows:

- i. Reaffirmation of the APEC-wide commitment to achieve improvement of supply chain efficiency by the end of this year. Ministers also gave instructions to identify projects that will maximize the SCC fund;
- ii. Encouragement to implement the APEC Customs 3M Strategic Framework;
- iii. Release of a Joint Statement of Ministers on the WTO-ATF to welcome the adoption of the Protocol of Amendment.
- iv. Commitment to submit the Instruments of Acceptance to the WTO.

**AGENDA ITEM 4: OUTCOMES OF THE 2015 APEC CUSTOMS BUSINESS DIALOGUE (ACBD)**

19. The SCCP Chair reported the results of ACBD 2015 which was conducted in August 24, 2015. The following topics were discussed during the said dialogue: WTO-ATF Implementation, Leveraging E-Commerce towards Growth of MSME Trade, Maximizing Trade Opportunities: Ease of Doing Business in APEC, and Authorized Economic Operators. The presentation appears as Document No. \_\_\_\_\_
20. The United States congratulated the Philippines for successfully hosting the ACBD.

**AGENDA ITEM 5: IMPLEMENTATION OF WTO AGREEMENT ON TRADE FACILITATION**

21. The SCCP Program Director read the report of the WTO General Council Chair on Trade Facilitation. The highlights of the report are as follows:
  - i. The work of the Preparatory Committee on Trade Facilitation continued to progress as it has received 68 Category A notifications. The current total number of ratifications is still behind the required 2/3 of the membership.
  - ii. WTO members were updated on the state of support initiatives by the Secretariat, such as operations of the TFA Facility and development of a notifications database.
22. The Philippines shared that it is in the final stages in the ratification process of the WTO-ATF. It also notified to the WTO the list of 27 provisions classified under Category A. The Philippines also added that this is a priority measure and will work to ratify the Agreement at the soonest possible time.
23. New Zealand shared that it is currently undergoing domestic ratification process before it can sign the WTO-ATF.
24. Peru reported that it is currently working on the domestic procedures needed for its ratification and most of its public authorities have submitted their reports to the ministry for review as to whether the trade facilitation agreement can be ratified by its executive branch.
25. The United States announced that it has delivered its letter of acceptance of the WTO-ATF in January, 2015 in Davos, Switzerland. It encouraged customs administrations to actively work within their governments to promote prompt ratifications of the ATF. It

also stressed that ratification and formal acceptance of the said Agreement will also build further political will and commitments in their respective domestic governments to prioritize customs reforms.

26. Chinese Taipei mentioned that it has proactively adopted measures to comply with the WTO-ATF. It has notified WTO of its list of provisions contained in Article 1-12 of the Agreement classified under Category A.
27. Colombia reported the status of its implementation of WTO-ATF. It shared its strategies aimed to reinforce its full implementation, among others, New Customs Regulations, Strengthening of the Single Window and its interoperability with the Latin American region, and Reinforcing Interagency Coordination Actions. The presentation appears as Document No. \_\_\_\_\_
28. WCO discussed the three Key Objectives of the Mercator Programme which include: (1) Tailor-Made Technical Assistance and Capacity Building, (2) Harmonized Implementation Based on Global Standards, and (3) Effective Coordination among All Stakeholders.
29. WCO reported that 25 members have already established a National Committee on Trade Facilitation or designated an existing body to carry out the role. Customs has a leading role in 80% of members where a National Committee on Trade Facilitation exists. WCO recommended that customs administration should be the central government agency for implementing trade facilitation measures. New guidelines about National Committee on Trade Facilitation will be discussed on 12 October 2015 during the meeting of the Working Group of Trade Facilitation Agreement.
30. Finally, WCO shared updates on the WTO-ATF workshops concluded in Indonesia, Hungary and Bahrain and on the results of the Donor Conference held in Cameroon. Three more WTO-ATF workshops will be organized this year in the Southern African region, American region, and West and Central Africa, respectively. In addition, WCO is planning to conduct donor conferences in South Africa and the United States. The presentation appears as Document No. \_\_\_\_\_
31. The Philippines provided updates on the progress and development of the APEC Trade Repository (APECTR) which is a single on-line reference point for various trade and tariff information for the 21 member economies. It also emphasized that during the SOM 2 and MRT meeting, Ministers welcomed the proposed establishment of the APECTR and that they looked forward to its implementation by the end of 2015.
32. The Philippines also announced that the APEC Secretariat is developing the satellite website to host the APECTR. It is proposed that the responsibility of updating the website lies with the members of the CTI. The Philippines also encouraged that English should be the main language to be used as far as practicable.
33. On the proposed language of APECTR website, Indonesia will provide the translation for main procedures, and the work is in progress.

#### **AGENDA ITEM 6: SUPPLY CHAIN CONNECTIVITY FRAMEWORK**

34. The Philippines updated the meeting that the Boracay Action Agenda to Globalize MSMEs was endorsed by the Ministers at MRT 2015. The Philippines presented the

proposed Implementation Plan which outlines possible Workstreams and Indicators to guide APEC fora and sub-fora in implementing the Action Agenda. Priority Actions No. 1, 2, and 4 are the relevant items for the SCCP. Nonetheless, the Philippines also encouraged member economies to contribute to Priority Action No. 3. It also requested that comments on the proposed Implementation Plan be submitted on 26 August 2015. Finally, the Philippines requested the SCCP to consider the inclusion of the relevant workstreams in its Work Program.

35. Japan expressed its support to the Boracay Action Agenda. However, it raised some concerns regarding the draft implementation plan, as follows:
  - i. Some of the proposed indicators are not aligned with the approved text of the Action Agenda which was agreed after series of negotiations.
  - ii. Japan suggested that the proposed Workstreams should be aligned with the deliverables of the sub-fora.
  - iii. Proposed capacity-Building projects should be discussed first in the SCCP and wonder which economy would sponsor.
36. The Philippines clarified that since there is a common vision and agreement by APEC economies on the priority actions, cooperation elements, and common goals in relation to globalizing MSMEs, it is the intention to come up with an Implementation Plan, which is still a work in progress, based on the agreed Timeplan. The draft Implementation Plan was disseminated through the different sub-fora for consideration and comments by members.
37. Thailand commented that in relation to Priority Action No. 2, member economies may first consider establishing the *de minimis* values that will exempt low-value express and postal shipments from Customs duties.
38. Indonesia raised the difficulty of harmonizing the *de minimis* values in view of what was discussed at the ASEAN Customs Meeting. It also raised concern on the definition of SMEs.
39. New Zealand expressed its support to the customs elements in the Action Agenda including the self-certification, removal of Certificate of Non-Manipulation, and increasing transparency and predictability of import and export processes. It also expressed support of initiatives to help SMEs, including sharing its domestic initiatives to help out SMEs in New Zealand, particularly in the use of FTAs.
40. WCO stated that it will discuss the issue on *de minimis* at the next Revised Kyoto Convention Management Committee on 08 October 2015.
41. The Philippines clarified that there are two aspects of *de minimis* values. The first one refers to duty exemption which is already covered by an APEC pathfinder and referred to in Priority Action No. 2. The other aspect is on Certificate of Origin (COO) exemption which is on RTAs and FTAs. The Philippines assured SCCP that there is no move to harmonize a threshold value for the waiver on the issuance of the COO. The Philippines also clarified that coming up with a commercially-significant threshold value was encouraged by the MRT as a policy option under the Boracay Action Agenda.
42. The Philippines added that definition of MSMEs is based on individual domestic laws of each economy. It was suggested that comparable indicators be worked out instead.

43. The Philippines expressed its intention to join the APEC Pathfinder on Self-Certification. The Philippines added that it is already implementing self-certification through its participation in the Second Pilot Project on Self-Certification under the ASEAN Trade in Goods Agreement.
44. Japan shared its efforts on MSMEs. Since 2013, Japan has conducted 51 seminars in 31 cities in cooperation with the local finance branch of the Ministry of Finance and made efforts to enhance awareness of MSMEs regarding the EPA and Rules of Origin. This presentation appears as Document No. \_\_\_\_\_
45. Chile stated that the improved guidelines, in connection with the proposed amendment of Chokepoint 8, have already been endorsed on the SCCP level and the Ministerial Meeting. This presentation appears as Document No. \_\_\_\_\_
46. The Philippines, New Zealand, and the United States expressed their support and appreciation on the work of Chile on Chokepoint 8.
47. The United States discussed projects being conducted under the supply chain security initiative launched to assist developing economies worldwide in the implementation of WTO-ATF. It also announced the upcoming projects on advance rulings, release of goods and electronic payments

#### **AGENDA ITEM 7: SINGLE WINDOW**

48. Japan, in collaboration with Chinese Taipei, presented the final result of the 2014 Single Window Questionnaire. Key findings of the survey were enumerated in Document No. \_\_\_\_\_.
49. Peru stated that it sent updated information for the 2014 Single Window Questionnaire. Also it expressed commitment with APEC economies to implement and achieve international interoperability of Single Window systems in its region.
50. The United States thanked Japan and Chinese Taipei for their comprehensive effort and committed to continue its phased implementation of its own single window by setting the following goals to reach its deadline by 2016: setting of key milestones, driving accountability through governance, and robust piloting.
51. WCO thanked Japan and Chinese Taipei for the collaborative work and mentioned that it will introduce the result of the survey at the WCO web page.
52. Viet Nam informed that its Single Window is operational and is connected to customs, other government agencies, and ready to connect to other customs administrations.
53. Canada presented its updates on the development of its SW and its support to other economies. As of March 29, 2015, core components were implemented: the Integrated Import Declaration (IID) and the Document Imaging Functionality (DIF).
54. SCCP agreed that the results of the survey will be shared with the CTI and will be included in the Convenor's report of the SCCP Chair.

55. OECD presented the proposed OECD Trade Facilitation Indicators on Single Window. This presentation appears as Document No. \_\_\_\_\_.
56. The SCCP Chair requested the APEC Secretariat to circulate the Questionnaire on OECD Indicators to the member economies, for them to accomplish and submit to the APEC Secretariat by the end of September 2015. The Questionnaire appears as Document No. \_\_\_\_\_.
57. Korea presented a comparative analysis of the findings from Korea's survey in ASEM and Japan's survey in APEC both on the Single Window. The presentation includes the background on both ASEM (as Action 3 of the CBM) and APEC (as part of the Single Window StratPlan), the outlines (where goals are identified, types of questionnaires, and the responses gathered), and key findings and recommendations. This presentation appears as Document No. \_\_\_\_\_.
58. In response to OECD's request, the SCCP agreed to share the results of the survey on the Single Window.
59. The ASEAN Single Window Steering Committee Chair shared information on the progress of the establishment of the ASEAN Single Window (ASW), including the timeline for the pilot project implementation and the action agenda for 2015 to 2016. This presentation appears as Document No. \_\_\_\_\_.
60. On Japan's query on the funding and budgetary requirements for the Cross-Border Data Exchange, the ASW Chair informed that the ASEAN member states has yet to decide on the financial feasibility of the project, based on the ASW sustainability study.
61. Colombia shared its experience that may address Japan's concern regarding the budget to implement a platform of interchange. The Inter-American Development Bank (IADB) will fund the development of the software that will be used for the interoperability of foreign trade documents in the pilot of phyto-sanitary certificate. Colombia offered to share with Japan the Terms of Reference.

#### **AGENDA ITEM 8: AUTHORIZED ECONOMIC OPERATOR (AEO)**

62. The Policy Support Unit (PSU) of the APEC Secretariat provided updates on its survey of best practices by APEC member economies on their AEO programs. The purpose was to update the APEC AEO Compendium, and to assess divergence/convergence points on the implementation of the AEO. The survey templates is for: (1) previous respondents of the 2010 survey, (2) new AEO programs, and (3) APEC members who have not yet created AEO programs. This presentation appears as Document No. \_\_\_\_\_.
63. The WCO informed the SCCP that the latest version (2015) of the WCO AEO Compendium is now available.
64. Japan clarified that AEO is a WCO concept, and thus, it noted that any recommendation by the PSU on AEO should conform to the WCO SAFE Framework.
65. The Philippines, as proponent of the AEO study, thanked the member economies which submitted their survey responses to the PSU and encouraged others to do the same.

It also reiterated its position that the AEO study is one of the more important priority measures it wants to implement in the soonest possible time.

66. The US thanked the PSU for the comprehensive study on the AEO and provided updates on the status of its work plans in building MRAs within the region.
67. Peru expressed its appreciation of the study as a very important tool for economies who want to implement the AEO program. Also, studies like these help harmonize AEO programs across member economies that follow WCO guidelines.
68. New Zealand clarified that it was not piloting an AEO program as it has already been running one for the past 10 years.
69. The APEC-PSU clarified that it will consult the WCO and APEC members when it writes its final recommendation. It also requested members to submit their written comments by mid-September.
70. Australia presented the progress of its Australian Trusted Trader Program (ATT), which is currently undergoing a pilot-phased implementation since 01 July 2015. Australia emphasized the need for effective accreditation standards which should include both supply chain security and trade compliance. Also, these standards must be aligned with WCO guidelines, such as the SAFE Framework, and harmonized with other accreditation schemes. This is essential in order to create MRAs in the process of building and strengthening the program. It identified 7 member economies which it expects to enter into MRAs once it gets its Trusted Trader Program up and running. The presentation appears as Document No.\_\_\_\_\_.
71. The Philippines thanked Australia for the presentation as it helps economies like the Philippines to build its own Trusted Trader Program and learn best practices from a regional view of AEOs within the Asia-Pacific region.
72. Canada confirmed its support for the AEO concept, and congratulated Australia on its ATT and expressed its support to provide information upon request.
73. The ABAC reported on its initiatives to enhance trade facilitation through AEO programs. It gave an overview on the issues facing trade facilitation, being one of APEC's top priorities, in particular – how imperative it is to balance supply chain costs with the increasing need to impose additional security measures on traders. It then proceeded to tackle the main challenges affecting AEO program implementation caused by incoherent security and procedural controls between APEC economies and the lack of adequate benefits for AEOs to justify the costs of the program. It cited examples of differing, or even lacking, customs clearance procedures among members which result to additional administrative expenses, or even penalties, to companies. In order to move forward, the ABAC recommended that APEC should develop an AEO certification program which is harmonized, transparent, and predictable. Likewise, member economies should consider granting positive waivers to increase AEO adoption. The presentation appears as Document No.\_\_\_\_\_.
74. The US pointed out the different, but complimentary, approaches that are addressed by both regulatory advance information requirements and voluntary Customs/Business

partnership security and compliance practices, which are outlined in respective pillars of the WCO SAFE Framework and provide for globally agreed standards. These approaches are not mutually exclusive and advance information requirements actually AEOs by allowing them to be identified earlier in the supply chain, thereby allowing them to receive facilitation benefits at the earliest possible transactional stage, while also reducing the need for physical inspections, as far as possible.

75. Mexico congratulated APEC-PSU, Australia, and ABAC on their presentations. It likewise expressed its interest to expand its AEO program and enter into MRAs with other member economies.
76. Indonesia shared its experience on its AEO program and other program called "Priority Channel Status" that it granted for high compliance importers. It also raised the challenges facing the harmonization of AEOs between different economies in terms of domestic security and compliance and dissimilar levels of development.
77. Peru emphasized that the most important benefit for companies is to secure trade because it gives them competitiveness. Member economies must find a way to work together so government and private sectors can both help increase AEOs companies and secure MSME growth.
78. Russia shared with the SCCP its AEO program.
79. Chinese Taipei shared with the SCCP their Program for implementing WCO SAFE Framework, including single window and AEO Program. For AEO program, it now has around 622 AEO holders. Chinese Taipei would like to have mutual recognition with its trading partners and APEC member economies.
80. The SCCP Chair pointed out that there must be dual approach in AEO development – recruit more MSMEs without compromising AEO standards.
81. The US added that the WCO AEO criteria provides flexibility on the application of these standards and was purposefully developed to be scalable and not overly prescriptive, which allows them to be applied to various business models.
82. China provided update on a new regulation regarding its AEO system which introduced more principles and concepts of the WCO SAFE Framework so as to facilitate the participation of the MSMEs in international supply chain.

#### **AGENDA ITEM 9: INFORMATION TECHNOLOGY AND RISK MANAGEMENT**

83. The WCO presented its recommendations concerning the use of Advance Passenger Information (API) and Passenger Name Record (PNR). It traced the timeline of the adoption of the WCO's revised recommendation, giving specific emphasis on the new sentence, which recommends member economies to effectively support the implementation of UN travel bans against sanctioned individuals. The WCO also explained the regional workshop it conducted on the use of the PNR held last May 2015 in Kashiwa, Japan. The presentation appears as Document No.\_\_\_\_\_.
84. Relative to the WCO's presentation, Japan gave a snapshot of the PNR collected by APEC Customs. This was based on a questionnaire circulated to the participants of the

workshop, which inquired on the degree of utilization of PNRs by customs administrations. Japan suggested the acceptance of the WCO's PNR recommendation and noted that the SCCP actions for PNR already were agreed in principle during the SCCP 1. In moving forward, the findings of the study must be completed and shared with relevant APEC fora and non-APEC meetings. The presentation appears as Document No.\_\_\_\_\_.

85. Indonesia shared its experience on PNR. It also noted that PNR would be useful in improving risk management and expediting passenger process at the airport. Indonesia encouraged other economies to use and utilize PNR.
86. Noting the importance of PNR, SCCP encouraged Indonesia to resubmit its proposal for consideration in the SCCP 2016 Work Plan.
87. The Philippines shared its experience in implementing its own PNR program in coordination with the International Airline Transportation Association and with the WCO Contact Committee.
88. The SCCP Chair raised the possibility of having a consensus of how to require airline companies to provide the information on the PNR. The United States also committed to share the API /PNR lessons learned document developed through the TFI and led by the BMG.
89. Indonesia reiterated its proposal to have the PNRGOV be funded with the help of the other economies. It also expressed its openness to conduct workshops on PNR and share the PNRGOV.
90. The US thanked both Japan and the WCO for their work on this important topic. It also expressed its support for information sharing about the lessons learned from PNR. The SCCP agreed to share the information and findings on the PNR survey with other fora and even non-members through the APEC Secretariat.
91. The SCCP Chair proposed that APEC help fund activities related to this project.
92. The APEC Secretariat stated that it will depend on the availability of the project funding for Session 1 of next year since there has been a decrease/diminishing of voluntary contributions to the APEC project fund.
93. The United States gave an analysis and proposed framework for APEC principles on the movement of humanitarian goods, using data from the SCCP survey assessment on economy legislations and policies. This was aimed at collecting domestic laws and regulations of member economies with respect to movement humanitarian goods. The US recommended and proposed, among others, to promote use of internationally recognized instruments and best practices, foster cooperation through bi-lateral or multilateral agreements streamline movement of relief consignments during disasters, and identify strategies for swift clearance of humanitarian assistance. The guidelines were endorsed by the SCCP and will be reported to the CTI for their consideration. The presentation appears as Document No.\_\_\_\_\_.

94. The Philippines and Japan supported the proposal of the US to further review and discuss the principles among the member economies and to elevate the same to the CTI.
95. The United States reported on the results of the workshop on Wildlife Trafficking held on 22 and 23 August 2015, which focused on Customs best practice. The topics included wildlife inspections and identification, selectivity and interviewing techniques, risk analysis, evidence handling, investigative techniques and sources of information. It repeated that wildlife trafficking is a critical preservation concern and a national security threat. There were 45 participants in the two day workshop. It recognized that many governmental and non-governmental components are key to success in combatting this problem.
96. Japan shared the information on CTI Pilot Project on Global Data Standards that its main purpose is the proof of concept of connectivity efficiency. It also announced that some of the Pilot Projects may refer to customs risk management and customs might want to contact their ministry of trade to take part on how the GDS work and how it could contribute to customs risk management.
97. Hong Kong, China explained that the topic is already being discussed in the CTI and if any of the SCCP members are interested, they may consult with the CTI representative of their economy.
98. The SCCP Chair suggested that SCCP members may continue paying attention to such topic if necessary in coherence with the CTI agenda.

#### **AGENDA ITEM 10: INTELLECTUAL PROPERTY RIGHTS**

99. Japan provided updates on the IPR Border-Enforcement Check Sheet. It is trying to complete the work within two weeks after the SCCP meeting, and will send the check sheet to member economies for comments.
100. Hong Kong, China thanked Japan and expressed its continuing efforts to work with Japan to complete the check sheet. It also encouraged member economies to contribute to the check sheet.
101. The SCCP Chair stated that the SCCP will work on the matter intersessionally.

#### **AGENDA ITEM 11: CROSS-BORDER E-COMMERCE**

102. China presented its preparatory work on upcoming APEC workshop on customs control over cross-border E-Commerce, which will be held from September 16 to 18 in Hangzhou City, China. It requested member economies to confirm their participation to the workshop. The presentation appears as Document No.\_\_\_\_\_.

#### **AGENDA ITEM 12: COLLECTIVE ACTION PLAN**

103. Japan reported on the status of the intersessional review of the Collective Action Plan (CAP) 2015 items. It stressed that the purpose of the guiding principles is for the CAP to represent each economy's interest preventing the small group to dictate and dominate. It required that the new CAP be actionable and measurable. It also

requested that the guiding principles which were circulated several months ago be adopted formally. The presentation appears as Document No.\_\_\_\_\_.

104. New Zealand agreed with Japan that the guiding principles be updated in a way that is actionable, measurable and meaningful. New Zealand also suggested to engage with the private sector.
105. SCCP agreed to adopt the guiding principles and the CAP template. Member economies were requested to submit their respective action plan which they would intend to lead, within three weeks.
106. Japan supported New Zealand's idea of engaging the private sector. It inquired on the responsibility for coordinating with the private sector.
107. The US informed that they are willing to distribute CAP items when finalized to the list of VWG private sector in collaboration with the New Zealand and Japan.
108. SCCP Chair summarized by declaring that the SCCP adopts the CAP Guiding Principles and that in three weeks' time the proposals will be expected through the APEC Secretariat. The private sector will be included through the VWG.

#### **AGENDA ITEM 13: REVIEW OF SCCP TERMS OF REFERENCE**

109. The APEC Secretariat presented the Terms of Reference with proposed revisions from Peru and Japan. Following discussions, the SCCP adopted the revised TOR. The presentation appears as Document No.\_\_\_\_\_.

#### **AGENDA ITEM 14: COLLABORATION WITH APEC COMMITTEES, SUB-FORA, AND WORKING GROUPS**

110. Russia proposed to introduce the creation of a new experts group and an extension of customs-to-customs cooperation between member economies. It also proposed to study the exchange of pre-arrival information of goods and vehicles moving between economies.
111. Russia shared that it has developed a draft protocol on the subject which was distributed through the APEC Secretariat and members will exchange their views intersessionally. SCCP agreed to continue the discussion in the next meeting in Peru.
112. The United States updated on the Travel Facilitation Initiative. The US highlighted that the APEC Travel Facilitation Initiative (TFI) was launched in 2011 as a cross-cutting initiative to expedite the movement of travelers across the Asia Pacific Region with the goal of making a travel become easier, faster, and more secured. The United States also noted that the TFI Steering Council has undertaken a mid-term assessment of the initiative to determine the path forward for the TFI. The presentation appears as Document No.\_\_\_\_\_.
113. The US announced that there will be a CTWG Workshop on Secure Travel: Combatting Foreign Terrorist Fighters on August 30-31, 2015.

114. US mentioned that in the next several months, it will be compiling Annual TFI Progress Reports to be submitted at SOM. The draft will be circulated to the SCCP for comment and endorsement. It also asked the working group to nominate their 2016 TFI representatives by the end of the year. Also, it mentioned that it will provide information to anybody who is interested to serve at the TFI Council.
115. Japan suggested to include Passenger Name Record in the API as PNR has been an evolving issue and considered to be the member's interest. It suggested to make API into API/PNR.
116. The APEC Secretariat reported on the result of the Joint EGILAT-SCCP Meeting held on August 24, 2015.
117. The APEC Secretariat also shared that the EGILAT designed a template which will be distributed to the members for them to just fill up the data. The template also provides a harmonized definition of illegal logging which will serve as a guide to end-users.
118. The APEC Secretariat requested to consider possibilities of holding another EGILAT and SCCP Joint Meeting in the margins of SOM1 in 2016.
119. The CTI Chair delivered a message commending SCCP for its contribution and initiatives to the work of the CTI. He reminded the members on the requirements of some notable SCCP projects.

#### **AGENDA ITEM 15: OTHER MATTERS**

120. The US presented the result of the review of the Terms of Reference of the SCCP Virtual Working Group (VWG). The TOR was adopted in May 2015 by the SCCP and also CTI will be up for review again in May 2017. The VWG officially met on August 11, 2014 to discuss priorities and the future direction of the group. Some of the suggested priorities of the group included the immediate release of the WTO-ATF guidelines, de minimis, E-Commerce, trusted trader, single window, global data standards, and data privacy.
121. The US also mentioned that it will work with Chile to distribute the Chokepoint 8 guidelines that were adopted last year.
122. New Zealand thanked the US for the update. It expressed its support for further cooperation and engagement with the VWG members and the VWG Secretariat.
123. JICA presented its technical assistance outcome to developing member economies on trade facilitation matters, inter alia, including assistance to Malaysia in its AEO program, support to Viet Nam in its customs modernization efforts, and development of the risk management system for the Philippine Customs.
124. The SCCP Chair added that JICA has long been helping the Philippine Customs in its post entry audit and risk management systems. The SCCP Chair also recognized USAID, EU, and ADB as its partners in these matters.

125. The SCCP Chair introduced Peru as the incoming Chair for the APEC SCCP in 2016. New Zealand, US, China, Indonesia, Canada and Japan all volunteered to be Friends of the Chair (FOC). The Philippines, as the outgoing Chair, and Viet Nam, as incoming Chair in 2017, are automatically FOCs.
126. Peru delivered a short message. It expressed its pleasure in inviting members to the next SCCP session in Peru in 2016. Also, it thanked the Philippines for the excellent organization of this year's SCCP meetings. A short video showcasing the sights and sounds of Peru was shown.

#### **AGENDA ITEM 16: ADOPTION OF SCCP 2015 WORK PROGRAM**

127. The APEC Secretariat presented the updated 2015 Work Program for consideration of the SCCP. Following further discussions, the updated Work Program was adopted.
128. The WCO introduced its recent achievements related to the 2015 Work Program. They include revised SAFE, Customs-Business Partnership Guidance, and IT Guide for Executives.

#### **AGENDA ITEM 17: ADOPTION OF THE 2015 SCCP 2 MEETING REPORT**

129. The SCCP Chair called upon the members to review and adopt the summary report of the 2<sup>nd</sup> Meeting of SCCP 2015. After providing their comments, the SCCP adopted the summary report.

#### **DOCUMENT ACCESS**

130. Member economies determined the confidentiality of meeting documents and reports.

#### **CLOSING REMARKS**

131. The SCCP Chair expressed his gratitude to all delegates and Friends of the Chair of SCCP 2015 for their support during the meeting.