Customs in the 21st Century

Submitted by: WCO
Customs in the 21st Century

- Coordinated Border Management
- Single Window
- Capacity Building
- Globally Networked Customs

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Mission Statement

“To enhance the effectiveness and efficiency of Customs Administrations”

Application of trade regulations → Protection of society → Collection of fiscal revenue → Economic and social well-being of nations.
Mission Statement

- Enhance the effectiveness and efficiency of Customs administrations by;
  - Developing and maintaining standards for simple, standardised and harmonised Customs systems and procedures;
  - Assisting in capacity building programmes;
  - Providing training and technical assistance.

WCO Key Instruments

- Revised Kyoto Convention
- ‘SAFE’ Framework of standards
- WCO Customs Data Model &
- UCR
- Istanbul/ATA Convention
- Time Release Study
- Harmonised System
- Integrated Supply Chain Management Guidelines
Evolution of Customs

- Revenue Collection of import taxes (duties & excise)
- Protection of Economic Interests (domestic industry)
- Protection of Society <health, safety> (drug trafficking, firearms, environment etc.)
- Economic Development <trade, investment> (trade facilitation)
- Security <terrorism> (shifting focus to entire supply chain)
- Framework of Standards/C21

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
  - Relationship to single window
- Columbus Program (+ diagnostic studies)
  - Implications of 100% scanning in the US
- Seal Integrity Program
- Integrated Supply Chain Management Guidelines
  - Advance cargo information
  - Legally enabling environment
  - Use of UCR

April 2009
C21: A New Strategic Direction

- Approved as the future Customs roadmap
- From vision, aspiration to implementation
- 10 building blocks for C21
- Priority BBs: Globally Networked Customs and Coordinated Border Management
- Future role of WCO: Standard setting; capacity building; monitor implementation; funding; research

Customs in the 21st Century

- **Globally Networked Customs**
  - 1st building block of C21
  - provides the basis of the e-customs strategy
  - RKC Chapters 3, 6
  - SAFE Framework (1st Pillar)
  - Data/message standards, UCR
  - Focus on exports
  - Mutual Recognition/MAA (includes AEO)
  - Strongly related to JCC concept
Customs in the 21st Century

- **Coordinated Border Management**
  - 2nd 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

C21 – 10 Building Blocks

- **BB3 – Intelligence-driven Risk Management**
  - Scarce resources need to be targeted at the higher end of continuum
  - Involves risk management at the operational and management levels

- **BB4 – Customs-Business Partnership**
  - Understand each other & produce mutually beneficial outcomes
  - Agreements between customs and trusted economic operators (AEO)
C21 – 10 Building Blocks

- BB5 – Implementation of modern working methods, procedures and techniques
- BB6 – Enabling technologies and tools
- BB7 – Enabling (legal) powers
- BB8 – Professional, knowledge-based service culture
- BB9 – Capacity Building (More later)
- BB10 – Integrity

WCO priorities – Capacity Building

- Implementation of WCO standards
- Collaboration with donors & other stakeholders
- Regional approach
- Areas of capacity building
  - Trade security & facilitation
  - Revenue enhancement
  - Counterfeiting & piracy
  - Management issues, including integrity
WCO Priorities – Research

- Understand & manage the challenges
  - Expanded role
  - Coordination with other ministries

- Emerging issues
  - Environment protection – international customs day
  - Regional trade agreements etc.

- Customs in the 21st Century

- Research unit within the Secretariat

Columbus: 21st Century WCO Capacity Building

- Support worldwide adoption and implementation of the WCO SAFE Framework of Standards to Secure and Facilitate Global Trade

- Promote the WCO International Standards, as the Revised Kyoto Convention

- Support implementation of Trade Facilitation initiatives under negotiation at World Trade Organization

- Building sustainable Capacity in Customs Administrations

- Co-operating with international Capacity Building partners
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
WCO Data Model
(Version 3.0 and Single Window)

WCO Data Model Building Blocks

- WCO Data Model - Version 3.0
- Message implementation/XML guidelines
- Data models (info & BP)
- Harmonized maximum data sets
- Code standards, Data Model Principles
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.
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