



**Asia-Pacific
Economic Cooperation**

2022/CTI/WKSP6/004

Policies and Initiatives with Digital Technologies for Paperless Trade

Submitted by: New Zealand



**Utilizing Digital Technology in the Field of
Trade Facilitation Under the Current COVID-19
Pandemic and Beyond: Best-Practices
Sharing Workshops (Phase II) – First
Workshop on Technology to Support
Customs Procedures
3 August 2022**

Policies and Initiatives with Digital Technologies for Paperless Trade

New Zealand Customs Service | Te Mana Ārai o Aotearoa



NEW ZEALAND
CUSTOMS SERVICE
TE MANA ĀRAI O AOTEAROA

**Protecting and promoting
New Zealand across borders**

An Industry Overview

What are the gaps?

- › Need predictability and clarity in trade.
- › Digitalisation of trade is a key contributor.
- › Landscape is very fragmented - there are lots of digital islands.
- › Digital standards, systems, regulatory and legal frameworks. Even if Customs authorities are happy to accept paperless trade, they need regulatory settings.
- › Small businesses need infrastructure, skills and capability building.
- › Cross-border free flows of data around the region.

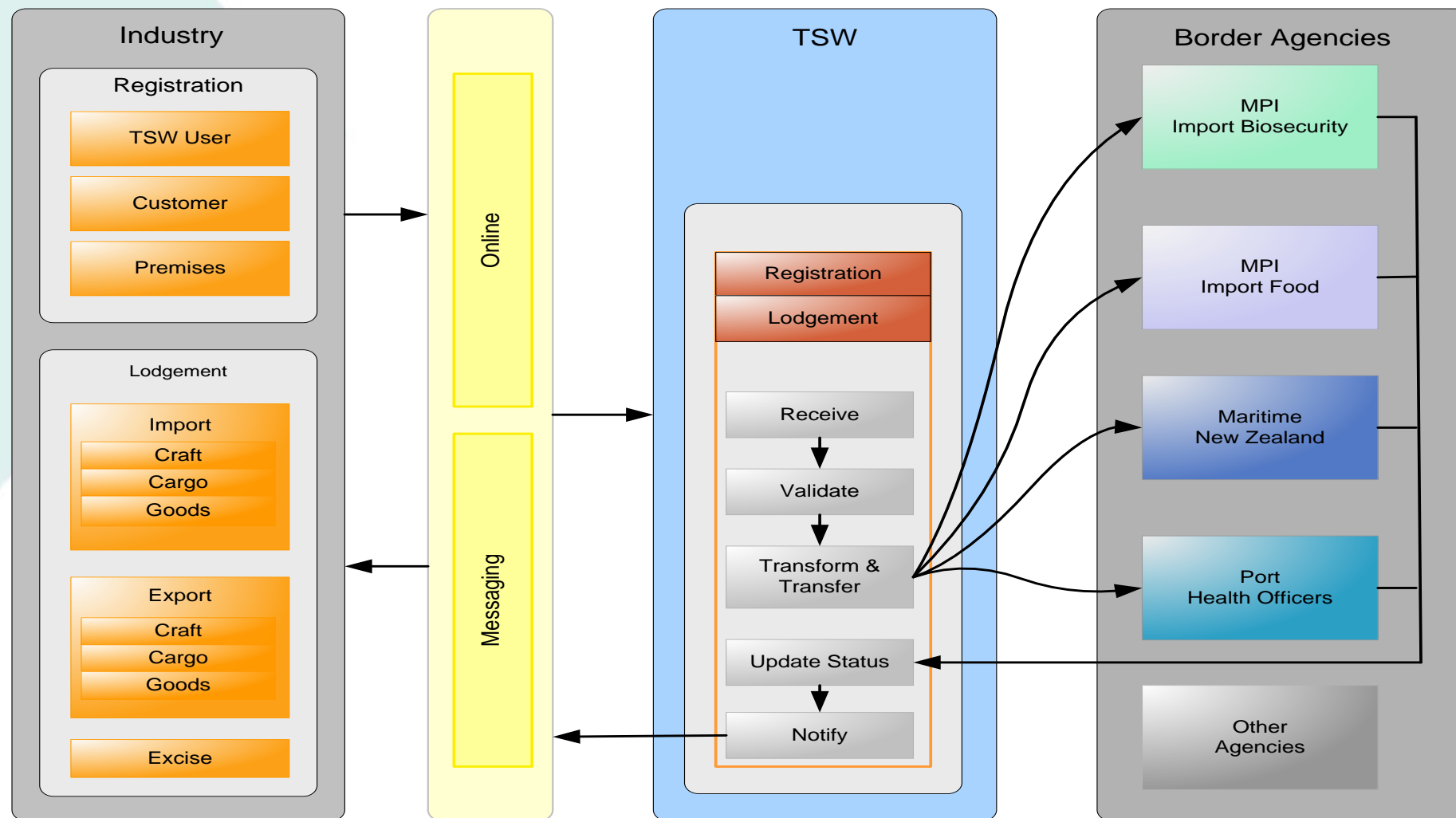
Enablers of paperless trade

- › Automated systems
- › Electronic clearance processes
- › Legislative frameworks
- › Information publication



Automated Systems

Single Window



Benefits of Single Window

Immediate

- › Eliminates data duplication.
- › Options for industry to connect.
- › Reduced transaction costs for industry.
- › Improved response times.
- › More information in advance = earlier confirmation of clearance + more data for better risk management.

Over time

- › Fuller history of information (low risk traders = less intervention).
- › Ability to share more electronic information with industry parties.
- › Facilitation of trade through economy-to-economy data sharing.

For Government

- › Strengthen border management by using advanced risk management tools on fuller, higher quality data.
- › Faster response to change.
- › Multi-agency use of capital assets = better value for money.

Border Agency Cooperation

Economies should ensure that their authorities responsible for border controls and procedures that deal with the importation, exportation and transit of goods cooperate and coordinate their activities in relation to the operation of the single window to more effectively facilitate trade.



Single Window Data Standards

Data standards for single window need to be defined

- › Data is the foundation of every modern transaction.
- › Inconsistent data can be a burden to traders if each economy requires a different standard, or has a different interpretation.
- › Data Standards for Single Window need to be defined to promote interoperability.
- › The WCO Data Model (WCO DM) provides all competent cross-border regulatory agencies with a common standard and technology neutral regulatory data exchange model.
- › APEC Customs administrations should adopt the technology neutral WCO DM in a single window environment to provide all competent cross-border regulatory agencies with a common standard for regulatory data exchange, enabling the timely sharing of information with Single Windows in individual economies with the same data standards, thus opening up new perspectives for networking for global trade.

Structured data provides enhanced risk management capabilities for border agencies

- › The adoption of the WCO DM will provide border agencies with options to make compliance easy and hard to avoid while achieving high assurance. This will enable a focus on high-risk illegal border activity.
 - › The adoption of the WCO DM will allow customs administrations to use an intelligence-led, targeted risk management approach to managing the border. This involves intelligence products (such as risk profiles, specific information about commodities, entities, or persons, and analytic modelling used to identify trends and anomalies in data) being applied in advance of the physical movement of goods across the border to identify risk items.
-

Legislative Frameworks

- › Legal frameworks for paperless trade need to be flexible.
- › Much of the detail in legislation can become outdated over time due to changes in business practices and technology.
- › Accommodating changes such as existing information becoming outdated, new information requirements, and changing technologies, provides flexibility for customs administrations and certainty for traders.
- › A principles and outcomes-based legislative framework will support an agile approach that enables border processes to be amended to respond efficiently to changing trade, travel and revenue collection environments, as well as information, intelligence and enforcement requirements.





Electronic clearance procedures

- › Submitting electronic import and export declarations.
- › Submitting Electronic Inward Cargo Report (Air and Sea).
- › Electronic application and issuance of import and export permits.
- › E-payment or refund of Customs duties and fees.



Compliance and Customs Service Framework

TRADERS, TRAVELLERS,
PRIVATE IMPORTERS,
SUPPLY CHAIN PARTNERS

SERVICE AND ENFORCEMENT
FOR COMPLIANCE

ATTITUDE TO COMPLIANCE
AND ENFORCEMENT



We aim to:

- › Provide high assurance with a light touch.
- › Make compliance easy to do and hard to avoid.
- › Use technology to manage volumes, identify risk and intervene as efficiently and effectively as possible.



Ngā mihi Thank you

Brett Collett
Principal Policy Analyst
New Zealand Customs Service
Brett.Collett@customs.govt.nz



NEW ZEALAND
CUSTOMS SERVICE
TE MANA ĀRAI O AOTEAROA

Protecting and promoting
New Zealand across borders