



Customs Responses for facilitating the cross-border movement of goods and conveyances

**Seminar on overcoming border crossing
obstacles, 5-6 March 2009, Paris**
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World Customs Organization



Facts and Figures

- **Established in 1952 as the Customs Co-operation Council**
- **Renamed WCO as working title in 1994**
- **Headquarters in Brussels**
- **6 regional representatives**
- **Currently representing 174 members from all geographic regions and at different stages of development**
- **Members process > 95% of all international trade**



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

**Customs
function**



A 21st CENTURY VISION

- Need for International Standards;
- Need to Link Security with Facilitation;
- Include Customs-to-Customs & Customs-to-Business Standards;
- Standards Must Include Clear Benefits;
- Need “Real-Time” Info Sharing;
- Use Intelligence and Risk-Based Controls;
- Utilize “Single Window” Concept;
- Work with other International Organizations.

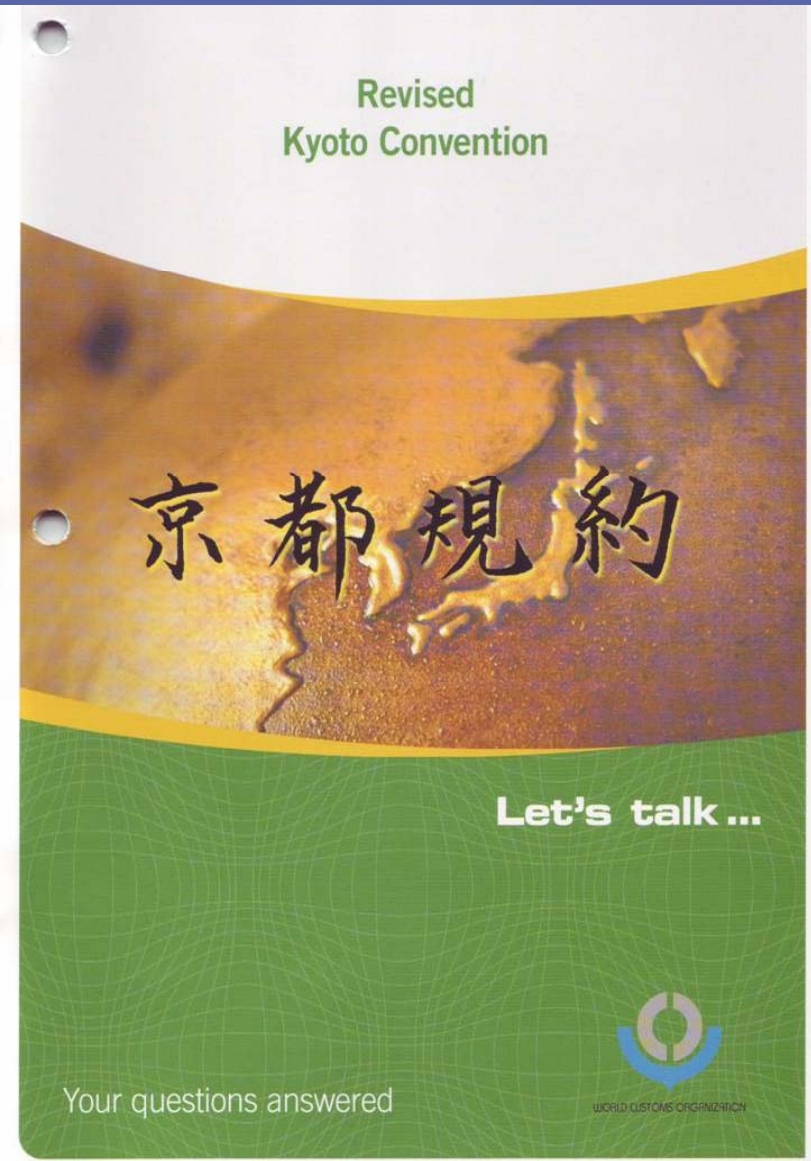


Customs Responses to the Challenging Environment

- **SAFE Framework of Standards**
- **Revised Kyoto Convention**
- **Istanbul/ATA Convention**
- **Time Release Study**
- **WCO Data Model**
- **Immediate Release Guideline**
- **ISCM Guidelines**



Revised Kyoto Convention





Outline

- **International Convention on the Simplification and Harmonization of Customs Procedures**
- **Original Convention agreed in Kyoto, Japan in 1973**
- **Revised in 1999 after 5 years revision work; consultation with the private sector; entered into force in February 2006**
- **Blueprint for modern Customs Administration: implementing effective controls & facilitating legitimate trade**
 - **Highly competitive business environment**
- **Generally applicable core principles are consolidated in the General Annex**



Key Principles (I)

- **Transparency and predictability**
 - **Rules for providing information**
 - **Clear and transparent appeal procedures (Customs, independent authority, courts)**
- **Standardization and simplification of goods declaration and supporting documents**
 - **Minimum data requirements**
 - **Submission by electronic means**
 - **Customs Data Model (supporting initiative)**



Key Principles (II)

- **“Fast track” procedures for authorized persons with good compliance records**
 - **Release of goods with minimum information to identify goods (with later declaration)**
- **Maximum use of information technology**
 - **Use of international standards**
 - **Consultation of all relevant parties when introducing computer applications**
 - **electronic commerce methods as an alternative to paper-based requirements**



Key Principles (III)

- **Minimum necessary control to ensure compliance**
- **Risk management**
 - **Identify high risk consignments based on risk analysis (intelligence)**
 - **Shift from all documentary, physical check to targeted check**
 - **Facilitation of legitimate trade while maintaining effective control**
 - **Effective and efficient deployment of Customs resources**



Key Principles (IV)

- **Audit based controls**
 - **Post clearance audit**
- **Coordinated intervention**
 - **Inspection with other border agencies**
 - **“Single window” concept**
- **Partnership with the trade**
 - **Formal consultative relationships**
 - **Information dissemination**
 - **Memoranda of Understanding (MOU)**



Key Principles (V)

Pre-arrival Processing

- **Prior lodgement and registration of the Goods declaration and supporting documents**
- **Prior lodgement of cargo declaration**
- **Pre-arrival information drives risk management and allows for speedy release**



Benefits to the Trade Community

- **Faster, predictable and efficient Customs clearance**
- **Transparent procedures and transparent appeals procedure**
- **Greater facilitation for compliant traders**
- **Lower business costs**
- **Enhanced competitiveness**
- **Use of information technology**



Thank you for attention

For more information

www.wcoomd.org

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