



WELCOME !

World Customs Organization and it's Trade Facilitation Instruments

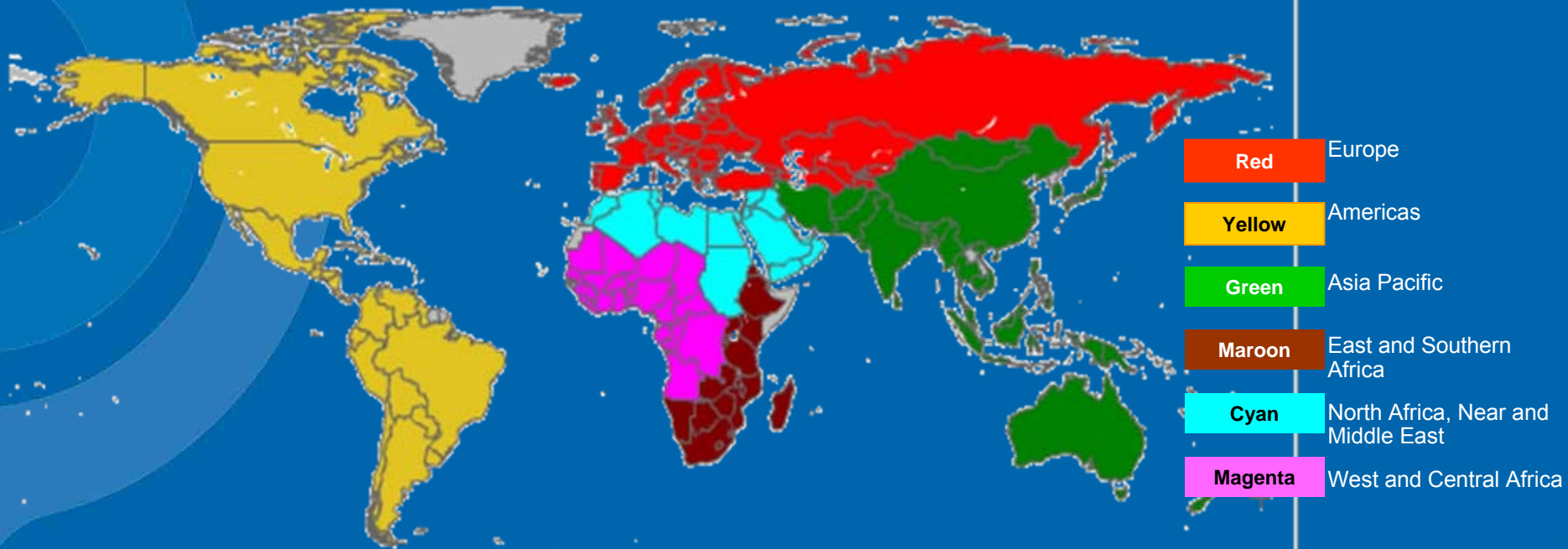


WORLD CUSTOMS ORGANIZATION
ORGANISATION MONDIALE DES DOUANES

The WCO, an Organization with global reach...

Headquartered in Brussels

177 Members, processing 98% of international trade





The WCO Mission



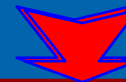
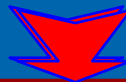
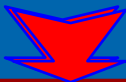
Enhancing the effectiveness and efficiency of Customs
...by improving member's ability to

Trade regulations
& Facilitation

Protection
of Society

Collection
Of Revenue

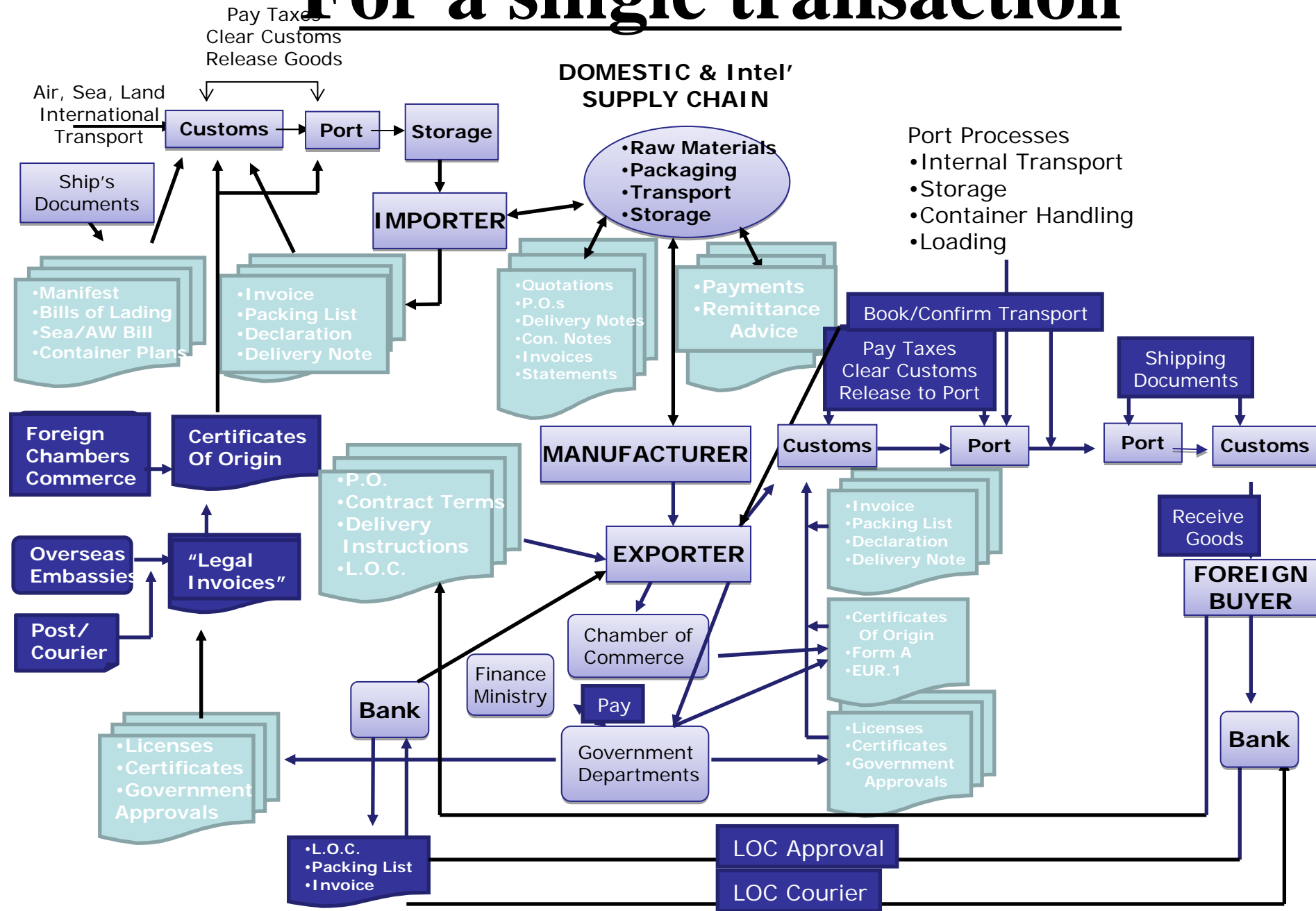
...which promotes



economic prosperity and social development



For a single transaction



How to deal with this complexity?

What can WCO do?

Technically

WCO TF Instruments

RKC & Others

SAFE

Strategically

Customs in the 21st Cen.

C-B partnership, RM, CBM.

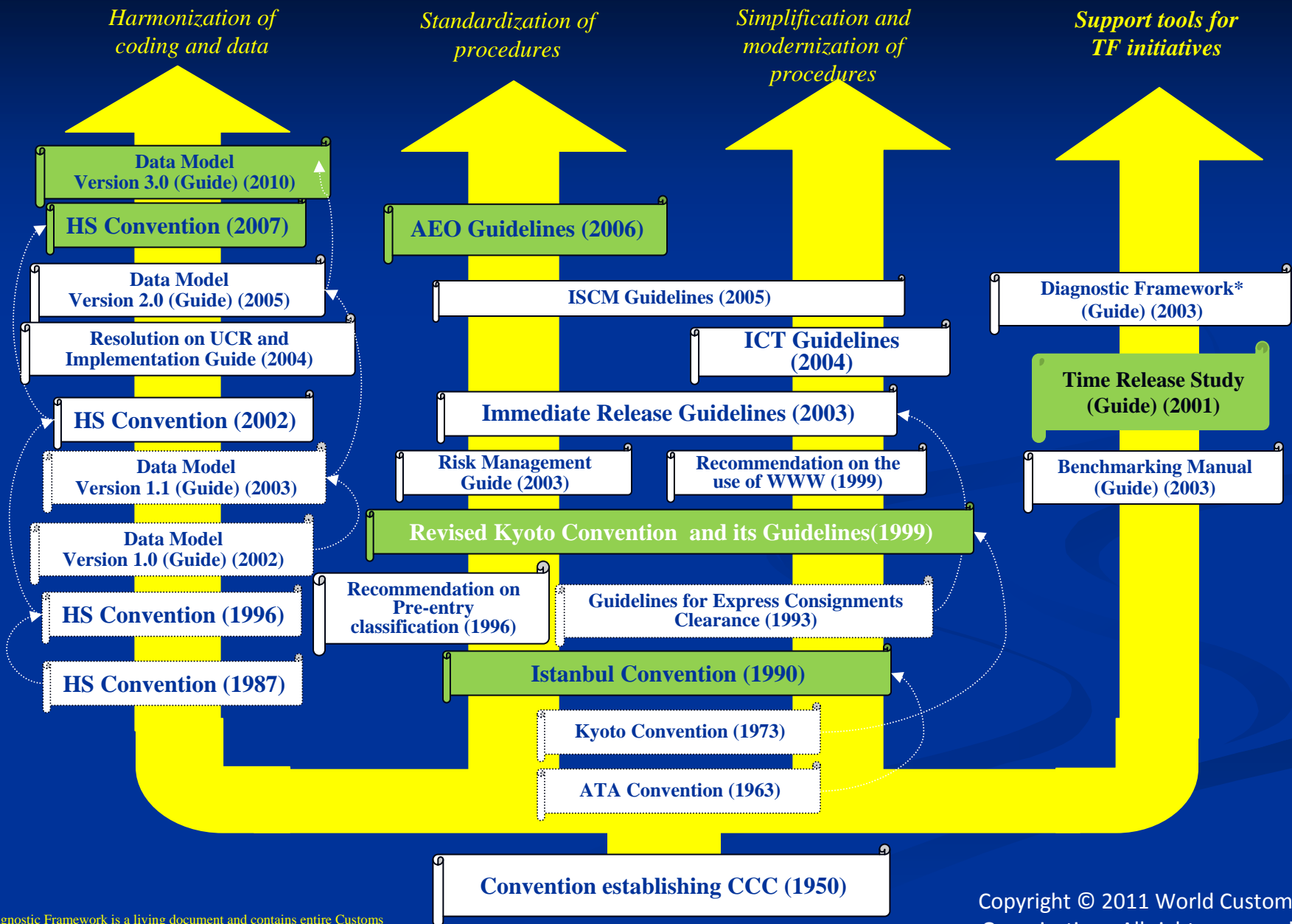
- Standard 32 -
Special Procedure
for
Authorized person

AEO

Other
Cooperation

Customs-Business
partnership

WCO's TF Solution (not exhaustive)

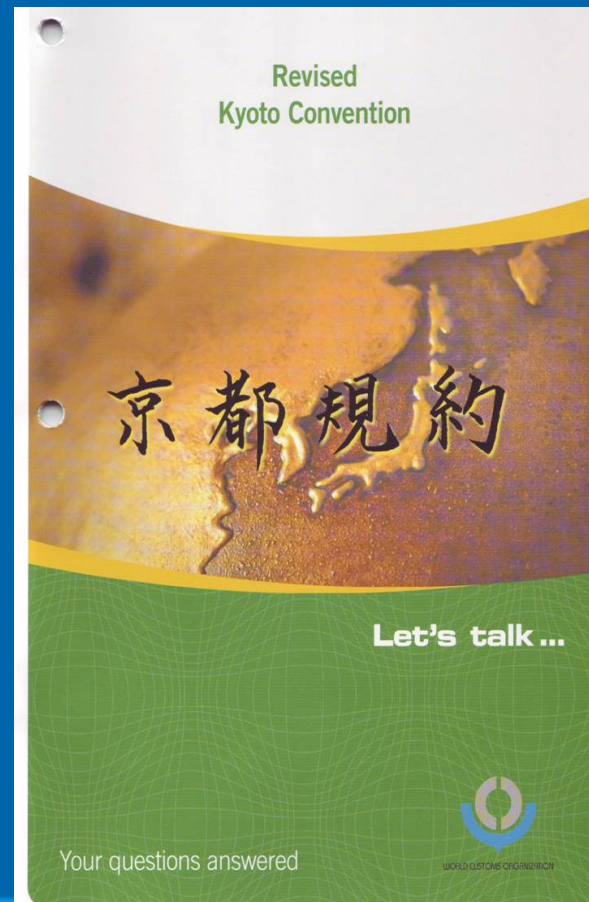


*Diagnostic Framework is a living document and contains entire Customs themes, including the TF



Revised Kyoto Convention

- International Convention on the Simplification and Harmonization of Customs Procedures (as amended, 1999)
- The Most Important & Basic TF tool
- Blueprint for Modern Customs Administration
- Seventy-eight contracting parties





Key Principles of RKC (I)

Transparency and predictability

- Rules for providing information, advance rulings
- Clear and transparent appeal procedures

Standardization and simplification of goods declaration

- Minimum data requirements
- Provisional / Incomplete Goods Declaration
- Submission by electronic means





Key Principles of RKC (II)

“Fast track” procedures for authorized persons

- Release with minimum information

Pre-arrival declaration

Maximum use of information technology

- Consultation of all relevant parties
- Electronic commerce methods





Key Principles of RKC (III)

Minimum necessary controls based on RM

Audit based controls

Co-ordinated intervention

Partnership with the trade

- Formal consultative relationships
- Memoranda of Understanding (MOU)





RKC's Main TF Techniques

**Standard and simplified
procedures and practices**

**Risk
Management
Programme;
Risk Assessment**

**Pre-arrival
Declaration**

**System of
appeals**

**Control Techniques;
Post Entry Audits**

**Maximum use of
Information
Technology;
Automation**

**Partnership
with the Trade**

**Publication of
accurate, up-to-date
information & Advance Rulings**



Harmonized System

- "HS" is a multipurpose international product Nomenclature
- Used by more than 200 countries for Customs tariffs and for the collection of international trade statistics
- Universal economic language and code for goods and an indispensable tool for international trade
- Recommendation (1996) on the introduction of programmes for binding pre-entry classification information





Istanbul Convention / ATA System

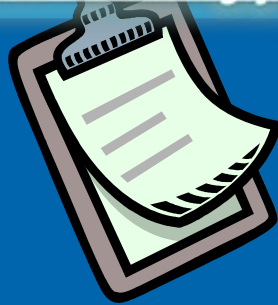
Passport for temporary importation

- Commercial samples, Professional equipment and goods for use at exhibitions and others
- No duties and taxes for the temporary importation
- Covered by an internationally valid guarantee system
- ATA Carnet replaces national Customs formalities
- Istanbul Convention merges 13 existing temporary admission agreements into a single instrument





TRS (Time Release Study)



Shipping company
Shipping agent
Port Authority, etc.

Importer,
Customs broker
Container Yard
OGAs, etc.

Customs,
Bank,
Customs
broker

Port Authority
Container Yard
Warehouse,
Forwarder, etc.

Ship Arrival

Uploading

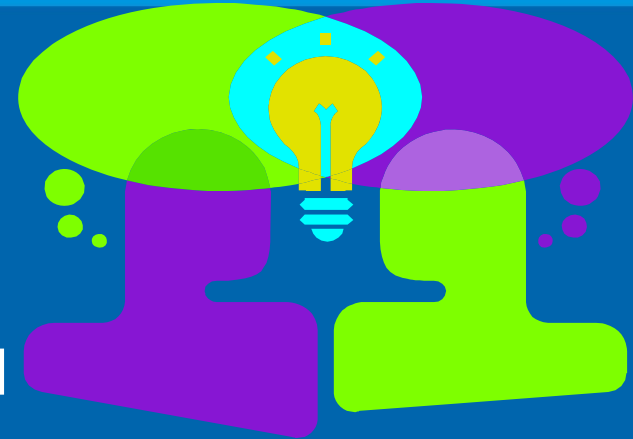
Declaration

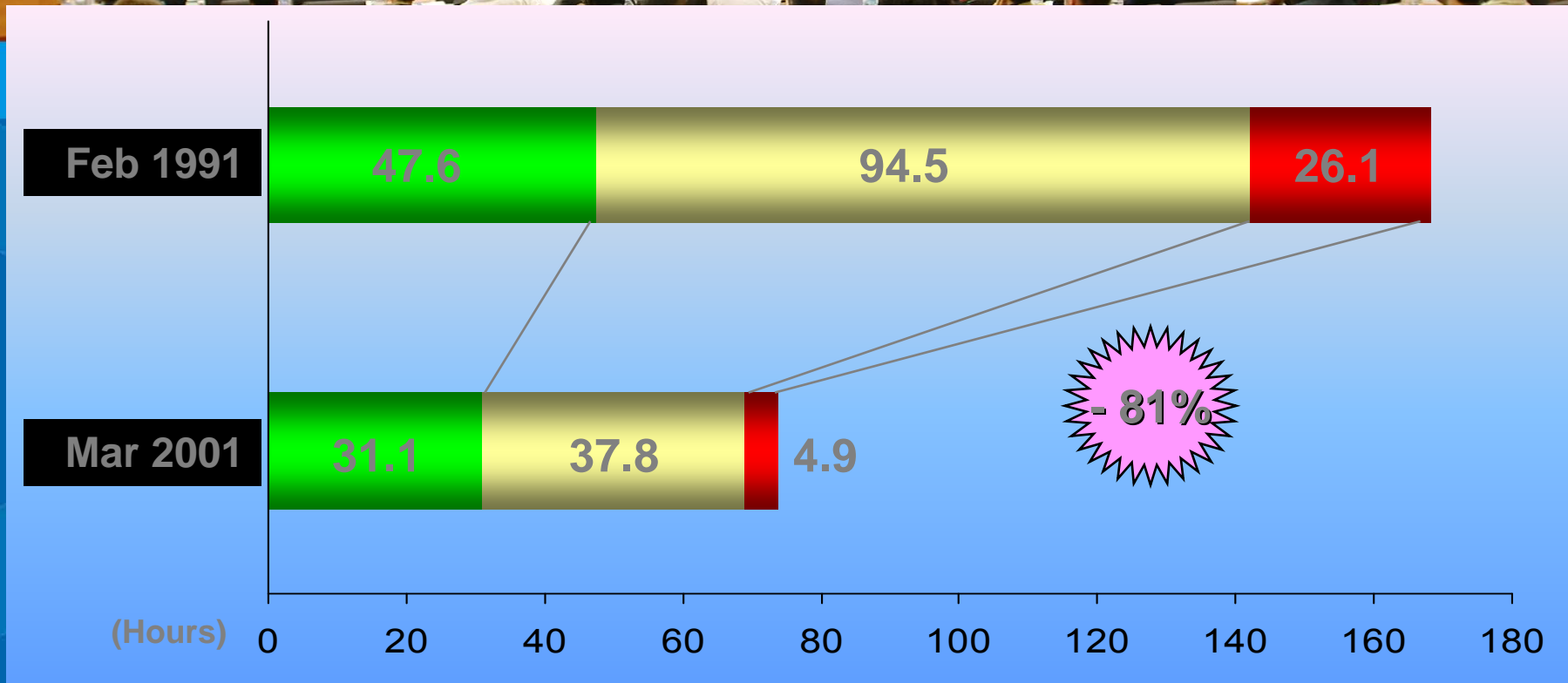
Permission

Delivery

Time Release Study

- To identify problems and bottlenecks
- To demonstrate Customs efficiency and effectiveness
 - Customs can use it strategically to get support from business, government and others





ARRIVAL - TRANSFER INTO *HOZEI* AREA



TRANSFER INTO *HOZEI* AREA - DECLARATION

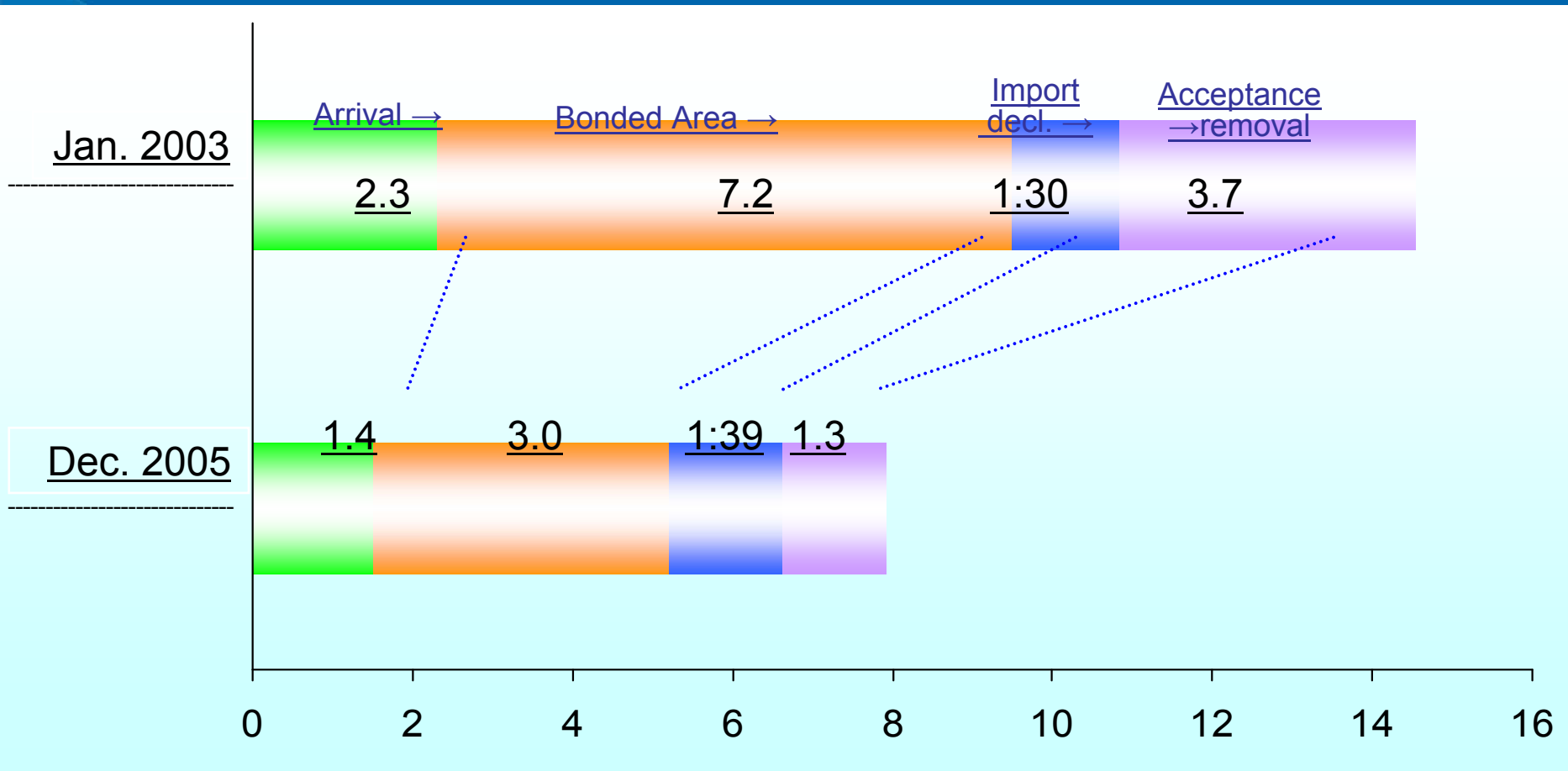


DECLARATION - PERMISSION

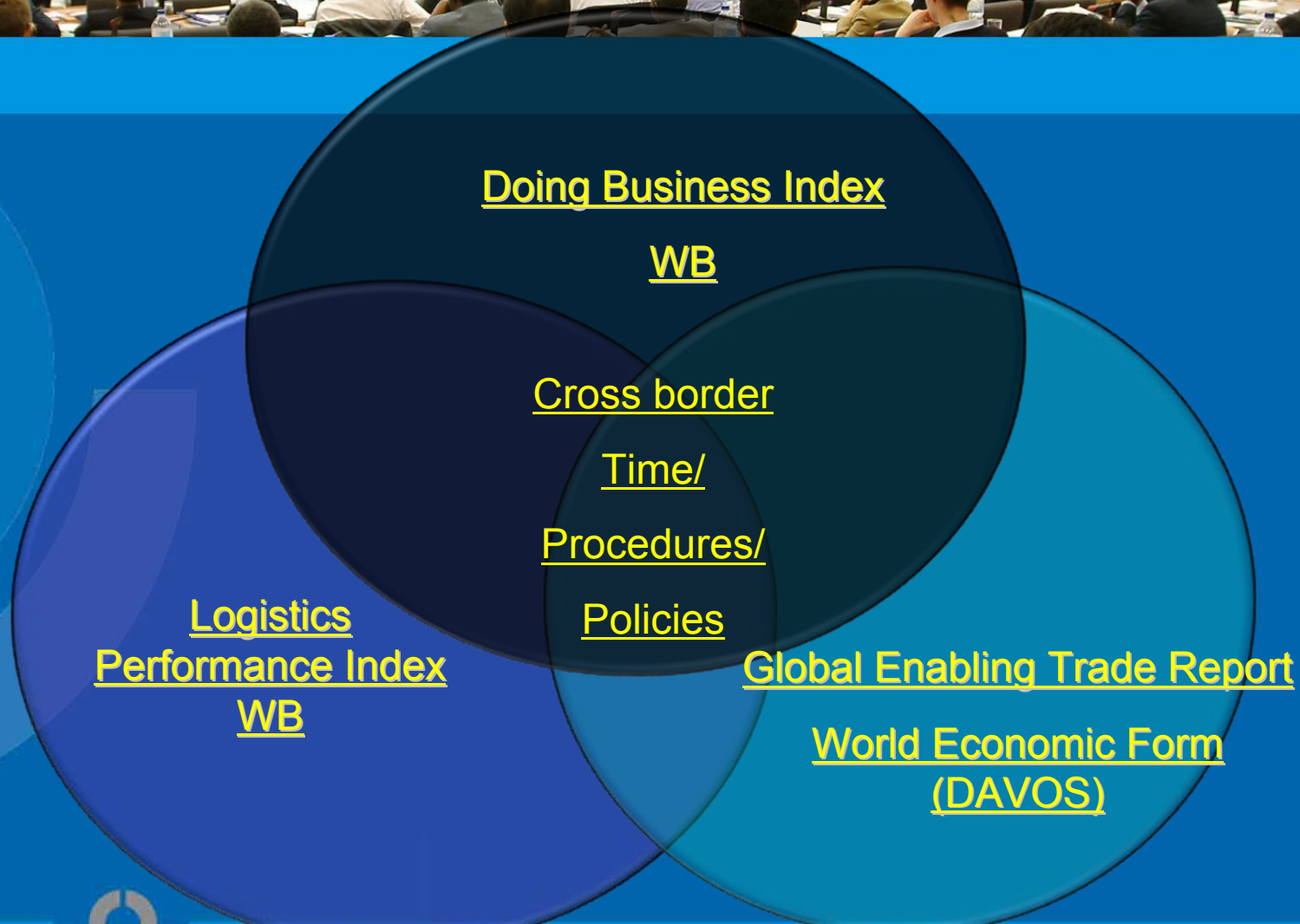




TRS Reduction : 9.6 → 4.5 days (-53%)



Link to Other TF Indicators





The SAFE Framework of Standards

- **Aims for seamless movement of goods**
- **Customs-to-Business partnership**
 - Integrated supply chain management
- **Cooperation among Customs**





The Core Principles

- **Trade facilitation for legitimate trade; Authorized Economic Operator (AEO)**
- **Advance electronic information**
- **Common Risk management; 27 key data elements**
- **Inspection of high-risk cargo at port of origin;
+ Use of scanners, e-seals...**





WCO Data Model

= Maximum framework of standardized sets of data & electronic messages (EDIFACT & XML) to complete border procedures

Started with G7 Initiative

Version 3.0 – Response, XML, data structure, OGA

- ↳ Customs (IM, EX, Transit / TIR, CR)
- ↳ Supports “Single Window” environment





WCO Data Model

- ✓ Aligned export and import data requirements (export information reused at import)
- ✓ Seamless transaction / faster release possible (single, global data set and uniform electronic messages to conduct business)
- ✓ Key for effective and efficient for B2G and G2G exchange and sharing of information



Customs in the 21st Century

- **Strategic direction and vision for Customs**
 - **Globally Networked Customs**
 - **Coordinated Border Management (CBM)**
 - **Intelligence Driven Risk Management**
 - **Customs-Trade Partnership**
 - **Modern Working Methods**
 - **Enabling Technology**
 - **Enabling Legal Powers**
 - **Professional Knowledge-Based Service Culture**
 - **Capacity Building**
 - **Integrity**



World Trade Organization (WTO)



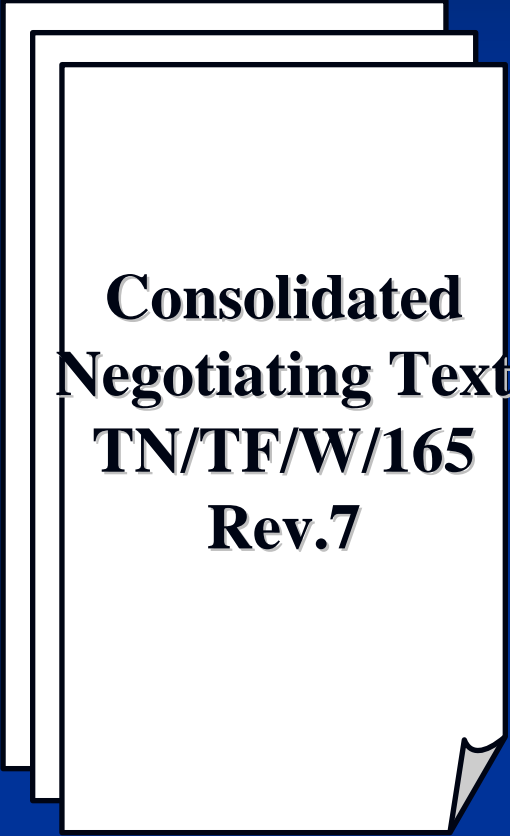
- Successor to 1947 GATT regime
- International Organization embodied in the results of the Uruguay Round
- Established: 1 January 1995
- Member driven (153 Members)
- Decision making by consensus
- Serviced by WTO Secretariat - 600+ staff
- Based in Geneva



WTO Agreements

<u>Umbrella</u>	<u>Agreement establishing WTO</u>		
<u>Subject areas</u>	<u>Goods</u>	<u>Services</u>	<u>IP</u>
<u>Basic principles</u>	<u>GATT</u>	<u>GATS</u>	<u>TRIPs</u>
<u>Additional details</u>	Agriculture, SPS, TBT, TRIMs, AD, VAL, PSI, RO, IL, CVD, SG	Movement of natural persons, air transport, financial services, shipping, telecommunication	
<u>Market access commitments</u>	Countries' schedules of commitments	Countries' schedules of commitments (and MFN exemption)	
<u>Dispute settlement</u>	<u>Dispute Settlement Understanding</u>		
<u>Transparency</u>	<u>Trade Policy Review Mechanism</u>		

Current Discussion in the WTO TF



**Consolidated
Negotiating Text
TN/TF/W/165
Rev.7**

- Publication
- Prior publication
- Consultation
- Advance ruling
- Appeal procedures
- Fees/charges
- Pre-arrival process
- Separation of release
- Risk management
- Post Clearance Audit
- Authorized trader
- Border coordination
- Formalities
- Customs brokers
- Transit



WTO vis-à-vis WCO TF Instruments

- ❑ WTO set high principles, the WCO provide implementation tools
- ❑ Consistency of the measures between WTO/WCO
 - the proposed WTO texts compatible with WCO instruments
- ❑ Scope of many proposals are wider than Customs





Thank You for Your Attention

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