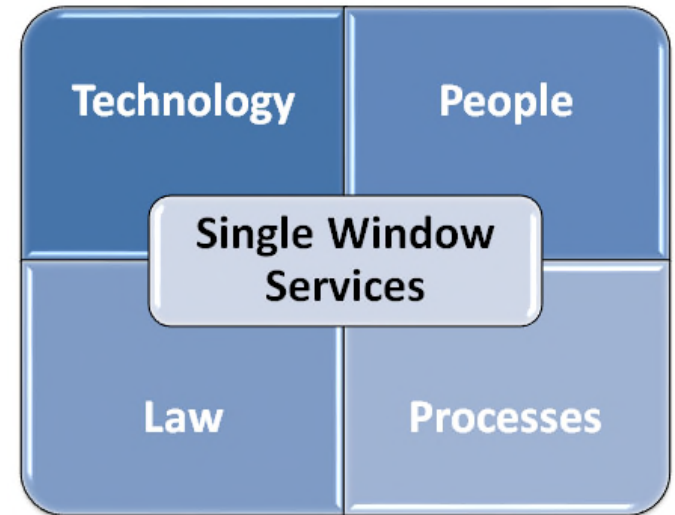




# WORLD CUSTOMS ORGANIZATION

## Impact on Customs Automation Programs in facilitating intra – OIC trade

Islamic Centre for  
Development of Trade (ICDT)



Global Meeting of Trade Promotion Organ-  
Organization of Islamic Cooperation

9 – 10 Nov 2015, Casablanca, Morocco

# Introduction to the WCO

## - Facts & Figures

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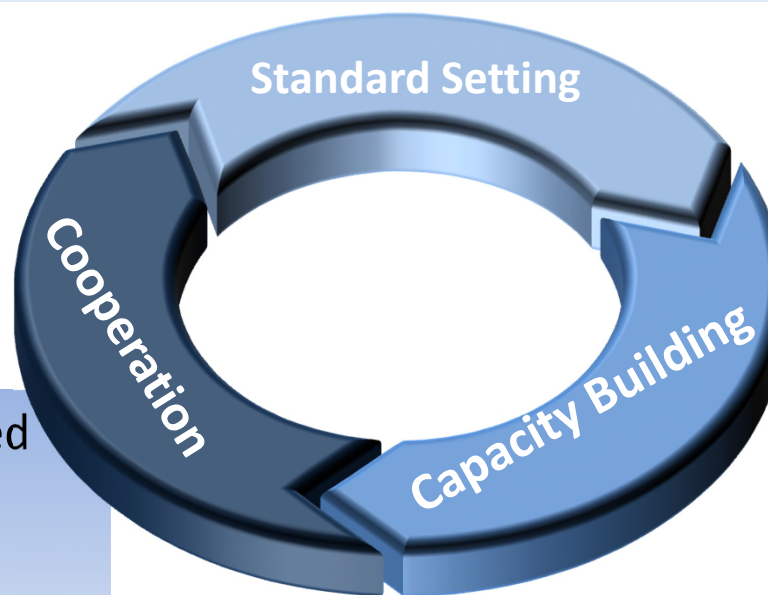


- Established in 1952 as the Customs Co-operation Council
- Renamed to WCO as working title in 1994
- Headquarters in Brussels
- 6 regional representatives
- 180 members from all geographic regions and at different stages of development
- Members process > 98% of all international trade



# MAIN STRENGTH

✓ Capability and responsibility for global standard setting for Customs



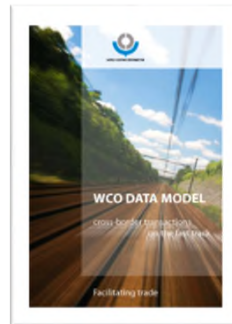
✓ Network of accredited experts from Customs Administrations  
✓ Cooperation with other international organizations and other agencies

✓ Capacity Building / Technical Assistance delivery



# STRATEGIC DIRECTION

- Customs in the 21st Century
  - Building block of the Customs vision
- Delivery vehicle
  - Economic Competitiveness Package
- Key instruments and tools
  - Revised Kyoto Convention
  - Coordinated Border Management Compendium
  - Compendium on How to build Single Window Environment
    - Volume I : Concern to senior management level
    - Volume II : Professional Practical Guide.
  - WCO Data Model
  - TFA Implementation Guidelines





# WCO Implementing TFA:

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- Committee:
  - TFA Working Group (4<sup>th</sup> Meeting in October 2015)
- Tools:
  - TFA Implementation Guidelines
  - NCTF Guidance
- Capacity Building Programme:
  - Mercator Programme.
- Effective coordination among all stakeholders



# WCO Implementing TFA: TFA Implementation Guide



## Implementation Guidance

The World Customs Organization (WCO), an intergovernmental organization specially mentioned in the Bali Ministerial Declarations, is highlighting its role in the implementation and administration of the WTO Agreement on Trade Facilitation (ATF). The WCO, the centre of excellence on Customs matters world wide, is committed to the efficient implementation of the ATF.

Select an article below to view more information



Search articles:

**Article 1**  
Publication and availability of information



**Article 2**  
Opportunity to comment, information before entry into force and consultation



**Article 3**  
Advance rulings



**Article 4**  
Appeal or review procedures



**Article 5**  
Other measures to enhance impartiality, non discrimination and transparency



**Article 6**  
Disciplines on fees and charges imposed on or in connection with importation and exportation



**Article 7**  
Release and clearance of goods



**Article 8**  
Border agency cooperation



**Article 9**  
Movement of goods under customs control intended for import



**Article 10**  
Formalities connected with importation and exportation and transit



**Article 11**  
Freedom of transit



**Article 12**  
Customs cooperation



<http://www.wcoomd.org/en/topics/wco-implementing-the-wto-atf/atf.aspx>

# WCO Implementing TFA: Article 10.4: Single Window



1 Formalities and Documentation Requirements

2 Acceptance of Copies

3 Use of International Standards

4 Single Window

5 Preshipment Inspection

6 Use of Customs Brokers

7 Common Border Procedures and Uniform Documentation Requirements

8 Rejected Goods

9 Temporary Admission of Goods

10 Inward and Outward Processing

## OVERVIEW

The TFA obliges Members to establish or maintain a single window, enabling traders to submit documentation and/or data requirements for importation, exportation or transit of goods through a single entry point. The details of operation of the single window should be notified to the WTO Trade Facilitation Committee.

Although the Revised Kyoto Convention (RKC) does not explicitly refer to Single Window, the RKC guidelines cover the operation of Single Window (3.25).

The WCO has developed Single Window Data Harmonization Guidelines to provide Single Window environment developers with tools that can be used in order to achieve data harmonization and to develop internationally standardized data sets including the data element names, definitions, the WCO Data Model tag, United Nations Trade Data Element Directory (UNTDDED) tag and the formats.

[print this item](#)

WTO TFA



REVISED KYOTO CONVENTION



OTHER WCO TOOLS



MEMBER PRACTICES



PERFORMANCE INDICATORS



# COORDINATED BORDER MANAGEMENT



Driver:

- Globalization;
- Liberalization of trade;
- Increase of cross border trade volume.

Challenges of CBRA:

- Complexity of global supply chain increases
- Regulatory challenges
- Security challenges
- Information management
- Public expectations



Making the best use out of existing resources so that current imperatives can be met

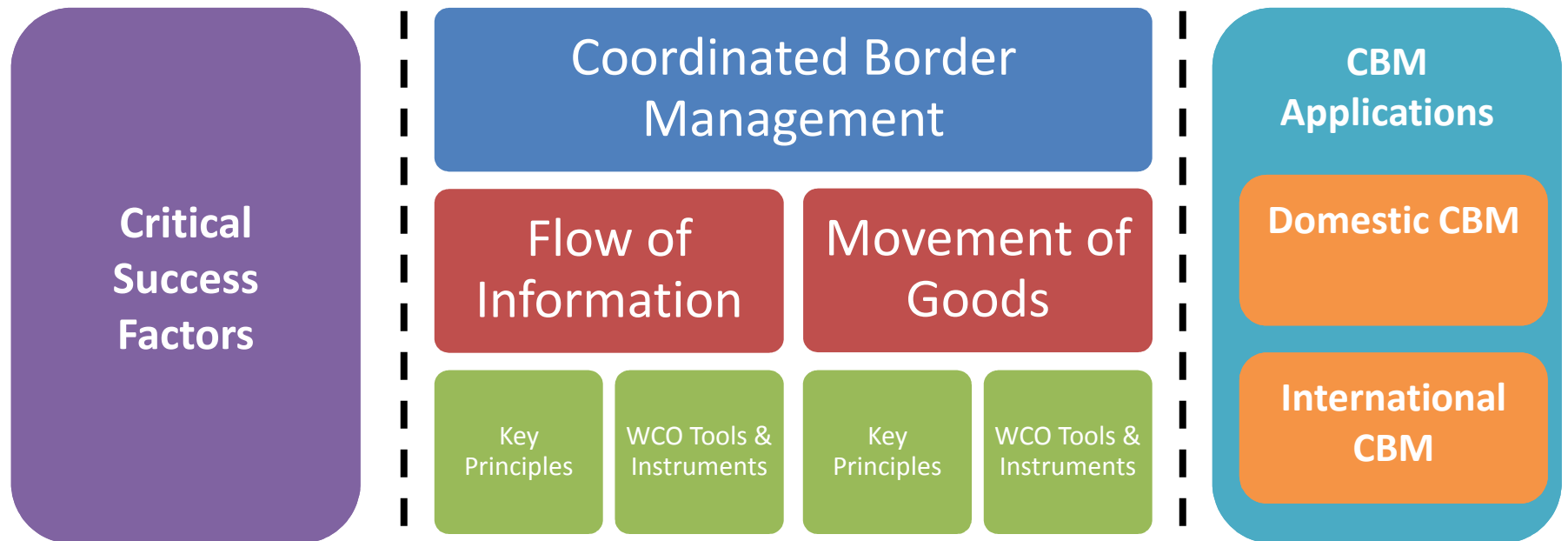
Making use of new techniques and technologies to work better together



# COORDINATED BORDER MANAGEMENT



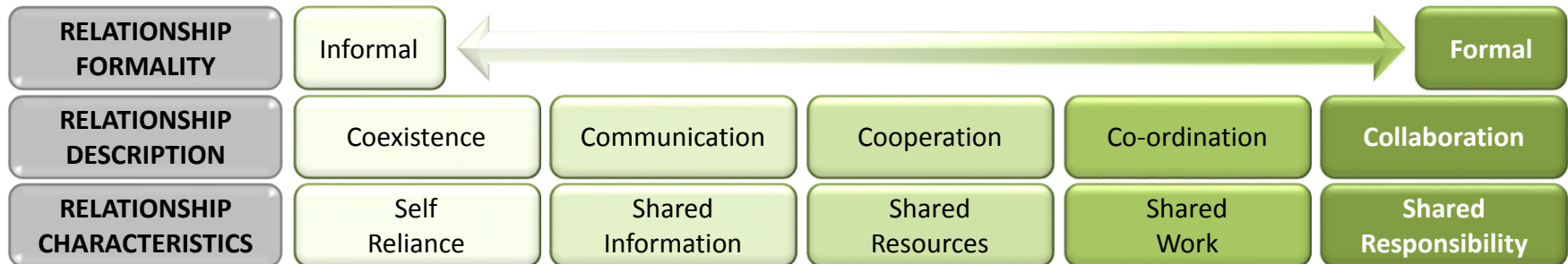
The optimal flow of goods and information between Customs, Cross Border Regulatory Agencies and Trade to enable effective and efficient border management



# COORDINATED BORDER MANAGEMENT



- Totally uncoordinated border situations are rare – it is common for multiple agencies to be involved in border operations
- Key issue is not the number of agencies at the border, but how well they work together
- Degree of formality is VERY important – need to move beyond informal / personal network arrangements to be sustainable



# Understanding the SW Environment



“Within the context of this Recommendation, a Single Window is defined as a **facility** that allows **parties** involved in trade and transport to lodge **standardized information** and documents with a **single entry point** to **fulfill all import, export, and transit-related regulatory requirements**. If information is **electronic**, then individual data elements should only be submitted once.”

UN-CEFACT Recommendation 33

WHO?

- Parties involved in trade and transport

WHAT?

- Standardized information and documents

WHERE?

- Single entry point

WHEN / WHY

- Fulfill all import, export, and transit-related regulatory requirements.

HOW?

- Electronic data elements should be submitted only once

# Understanding the SW Environment

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- One-time submission
- Incremental submission of data
- Harmonized regulatory declarations
- Sharing of information amongst CBRAs
- Harmonized CBRA response
  
- SW needs to be seen as an “environment” because it is not a monolithic structure, but an ecosystem of inter-dependent facilities and processes
  
- Implemented in an integrated manner, a Single Window environment becomes a critical trade infrastructure

# Understanding the SW Environment



- “Services” and “Interactions” is a core to understanding a Single Window Environment

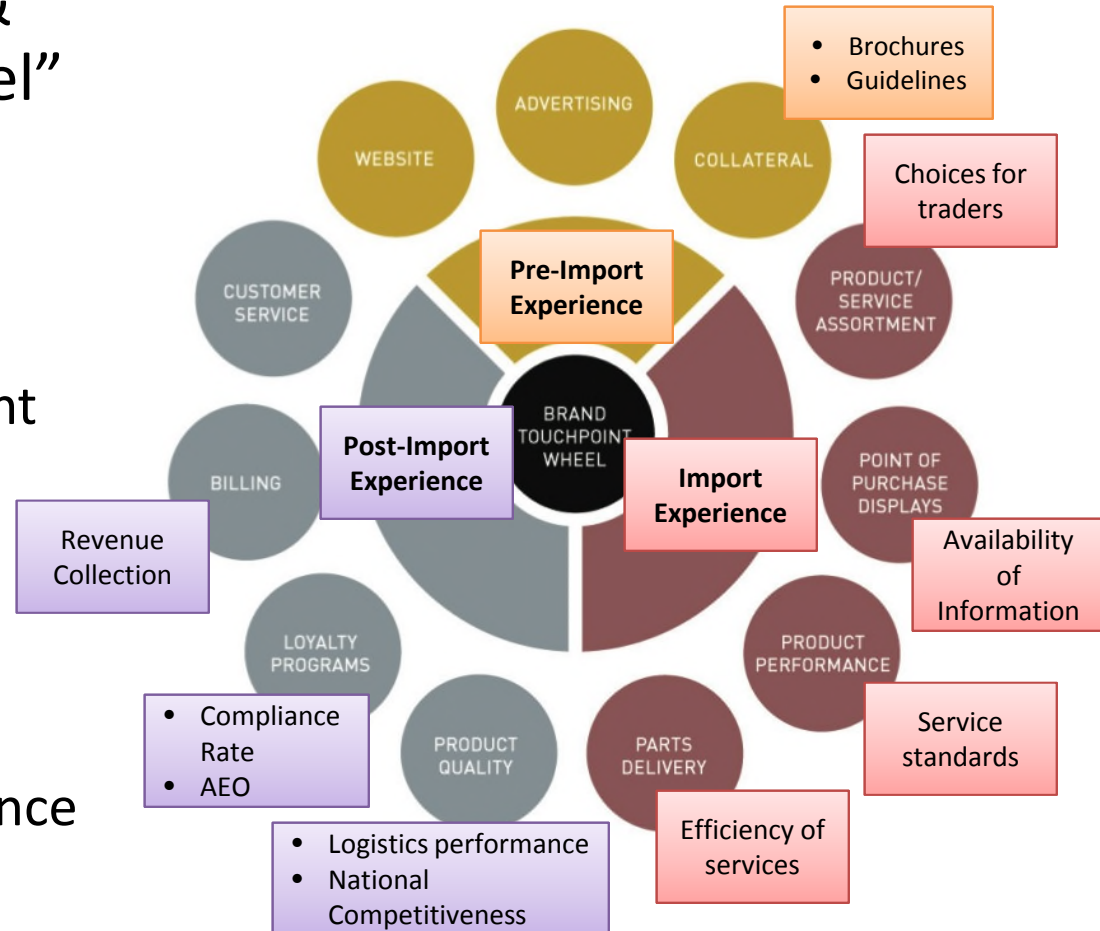


# Alignment of Services & Interactions



What would a Customs & CBRA “Touch-point Wheel” look like

- Before SW?
  - For Customs?
  - For Partner Government Agencies?
  - For Trader
- After SW?
  - 1 standardized experience





# Process Harmonization

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- Functional assessment: Snapshot of current situation
- Identify bottleneck: performance measurement using Time Release Study
- Process re engineering: Stream-lining interagency processes



# Data Harmonization

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- Eliminates duplications in information requirement and harmonizes data elements needed across participating agency
- Lower Cost of compliance by traders
- Reduce time needed for goods clearance
- Higher level of data quality
- Better risk management, Increased security, safety and revenue





# WCO Data Model : In brief

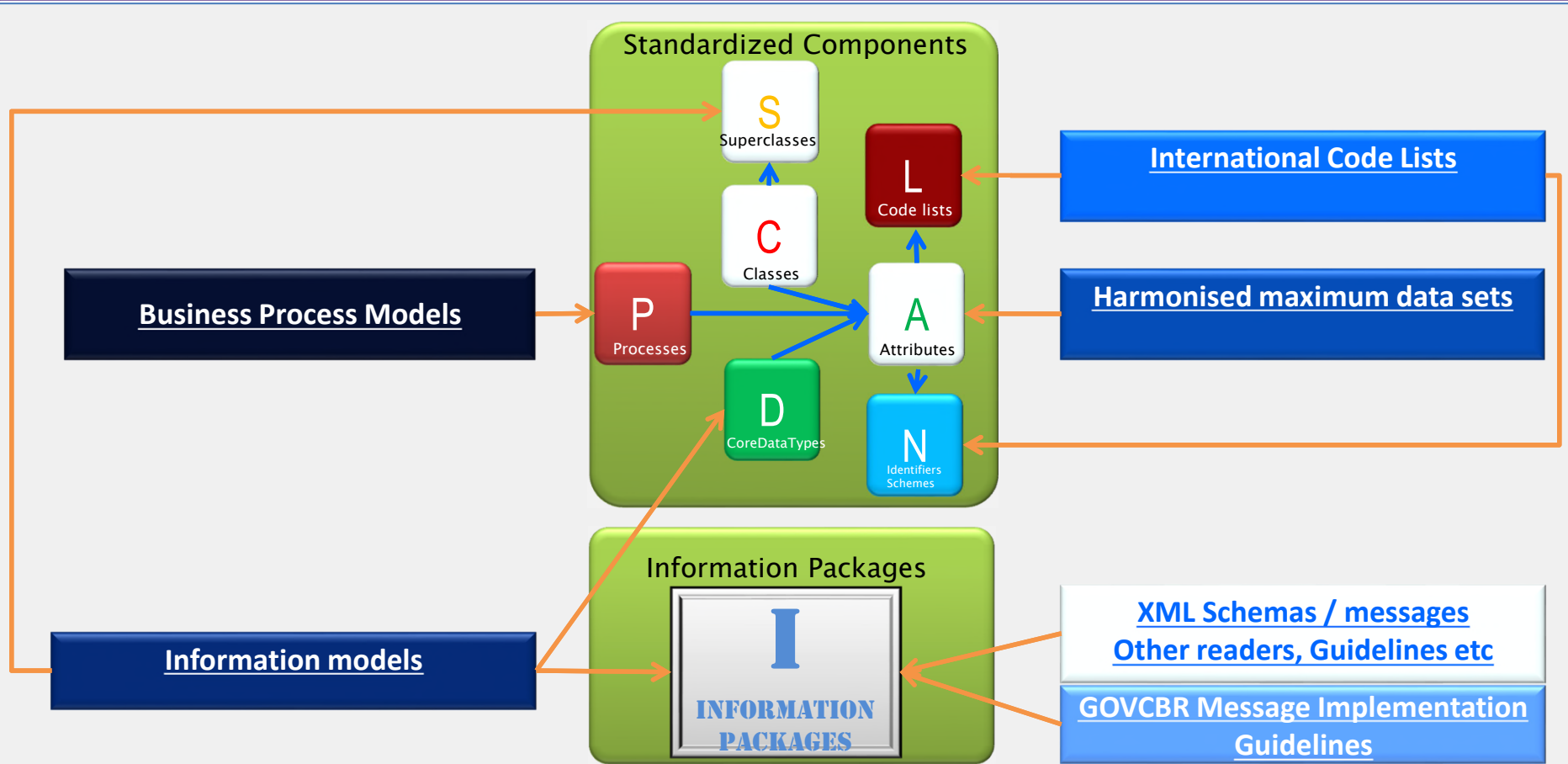
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a carefully combined, harmonized and standardized data library to meet procedural and legal requirement of cross-border regulatory agencies such as Customs, controlling export, import and transit transaction

# WCO Data Model : Complete set of library



## WCO Data Model



# Globally Networked Customs: 4 Layer of interoperability



- Within cross-border supply chain flow, Country to Country information exchange is not common
- Flow of information  $\neq$  flow of goods
- GNC concept aims to provide Harmonized, standardized, secure and efficient exchange of information between Members;

## Legal Inter-operability

- Legislative Alignment

## Organizational Inter-operability

- Organization & Process Alignment

## Semantic Inter-operability

- Semantic Alignment

## Technical Inter-operability

- Interaction & Transport

# Globally Networked Customs: Utility Block



Layer	Definition
<b>Purpose</b>	What the block is supposed to do.
<b>Legal Framework</b>	The law, including the instrument providing the legal gateway.
<b>Entities</b>	Those who can send/receive information, and the methods of identifying them.
<b>Business Rules</b>	The specific rules for the UB. If not described elsewhere, includes relevant Protocols, Standards and Guidelines.
<b>Data Cluster</b>	The list of data elements for the UB
<b>Triggers</b>	Events that either start the data flow, or respond to data receipt
<b>Interface</b>	How the parties in a GNC relationship are connected
<b>Integration</b>	How a GNC partner connects to its own systems
<b>Communication</b>	The electronic means of exchanging information
<b>Advantages</b>	Benefits delivered to: Customs, Business and Other Agencies



# CONCLUSION

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- Single Window project is not only a pure IT project
- Coordinated Border Management serves as a foundation for building a Single Window Environment.
- Process and Data harmonization to foster interoperability and seamless collaboration.
- Single Window development is a Journey.
- Essentials WCO tools to support Single Window Development
  - CBM Compendium
  - Single Window Compendium volume I and II
  - WCO Data Model
- Cross border information exchange: Define clear business value, develop political will, build based on international standards



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**Thank you**  
Tejo.KUSUMA@wcoomd.org