WCO WCO Programmes on Digital Customs

WCO-UNESCAP
3rd UNNExT Masterclass

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World Customs Organization
WCO Vision Statement
Borders divide, Customs connects
Dynamically leading modernization and connectivity in a rapidly changing world.

Customs in the 21st Century

<table>
<thead>
<tr>
<th>Strategic Goal 1</th>
<th>Strategic Goal 2</th>
<th>Strategic Goal 3</th>
<th>Strategic Goal 4</th>
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<tbody>
<tr>
<td>Promote the security and facilitation of international trade, including simplification and harmonization of Customs procedures</td>
<td>Promote fair, efficient and effective Revenue collection</td>
<td>Protect society, public health and safety, and contribute to combating crime and terrorism</td>
<td>Strengthen Capacity Building</td>
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<tr>
<td>Economic Competitiveness Package</td>
<td>Revenue Package</td>
<td>Compliance and Enforcement Package</td>
<td>Organizational Development Package</td>
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</table>

- Strategic Goal 5 - Promote Digital Customs to support, in particular, Coordinated Border Management and information exchange between all stakeholders
- Strategic Goal 6 - Raise the performance and profile of Customs
- Strategic Goal 7 - Conduct Research and Analysis

WCO Values
WCO Mission Statement
“The WCO provides leadership, guidance and support to Customs administrations to secure and facilitate legitimate trade, realize revenues, protect society and build capacity”.
Customs in the 21st Century (10 Building block)

① Globally networked Customs
② Better coordinated border management
③ Intelligence-driven risk management
④ Customs-Trade partnership
⑤ Implementation of modern working methods procedures and techniques
⑥ Enabling technology and tools
⑦ Enabling powers
⑧ A professional knowledge-based service culture
⑨ Capacity building
⑩ Integrity
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Connecting Stakeholders through ICT

**Leadership**
- Leadership is paramount in translating a legal basis into a tangible outcome.
- Leadership must undertake a strategic approach for ICT planning, and navigate the complexities of building a technologically advanced and modern regulatory system.

**Legal Basis**
- Interconnectivity must be based on a firm legal basis.
- Member Administrations should be legally-enforced reforms are required to enhance interconnectivity with stakeholders.

**Coordinated Border Management**
- Interoperability & Exchange
- Regional Integration
- Connectivity through ICT provides greater opportunities for Cross-Border Regulatory Agencies to work together.
- Technical harmonization & standardization shall be pursued to provide Member Administrations with an effective basis to pursue seamless, interoperable exchange.

**Modernization & Reform**
- Information & Communications Technology is a key enabler for cross-border regulatory modernization & reform.
- Member Administrations must understand how ICT supports cross-border regulatory processes so that they can deploy technology effectively.

**Protection of Society**
- Cross-Border Regulatory Agencies are responsible for protecting society from the harmful effects of illicit trade.
- ICT enhances research & sense-making capabilities to identify emerging threats & support risk management.

**Communication**
- Information & Communications Technology provides new possibilities for Cross-Border Regulatory Agencies to engage the public, and communicate with each other.
- Secure communication platforms are necessary for enforcement agencies to coordinate enforcement actions.
- ICT should also support Member Administrations in pursuing closer communication with the trading community to foster
DIGITAL.CUSTOMS aims to provide a:

• **Cohesive** reference to understand all of the ICT related standards, tools and guidelines

• **Comprehensible** thematic approach to develop guidelines that focus on implementation experiences and technical know-how.

• **Scalable** conceptual framework to enable new tools to be developed
<table>
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<tr>
<th>RELEVANT TOOLS</th>
<th>LEGAL BASIS</th>
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<tr>
<td>Revised Kyoto Convention</td>
<td>Interconnectivity must be based on a firm legal basis.</td>
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<tr>
<td>Nairobi Convention</td>
<td></td>
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<tr>
<td>International Convention on the Harmonized System</td>
<td>Legally-enabled reforms are required to enhance interconnectivity with stakeholders</td>
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<tr>
<td>Model Bilateral Agreement on Mutual Administrative Assistance In Customs Matters</td>
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<tr>
<td>Guidelines for developing a mutual recognition arrangement/agreement</td>
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<tr>
<td>RELEVANT TOOLS</td>
<td>LEADERSHIP</td>
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<td>• IT Guide for Executives</td>
<td>Leadership is paramount in translating a legal basis, into a tangible outcome.</td>
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<tr>
<td>• Single Window Compendium Vol. 1</td>
<td>Leadership must undertake a strategic approach for ICT planning, and navigate the complexities of building a technologically advanced and modern regulatory system.</td>
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### RELEVANT TOOLS
- Trade Facilitation Agreement Implementation Guidance
- Single Window Compendium Volume 2
- Recommendation on the Dematerialization of Supporting Documents
- Recommendation on Electronic Transmission & Authentication of Customs & other Relevant Regulatory Information
- WCO Cargo Targeting System [WCO CTS]
- Time Release Study
- National Customs Enforcement Network [nCEN]

### MODERNIZATION & REFORM

Information & Communications Technology is a key enabler for cross-border regulatory modernization & reform.

Member Administrations must understand how ICT supports cross-border regulatory processes so that they can deploy technology effectively.
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RELEVANT TOOLS
• IRIS
• Interface Public Members [IPM]
• Risk Management Compendium
• Customs Enforcement Network [CEN]

PROTECTION OF SOCIETY
• Cross-Border Regulatory Agencies are responsible for protecting society from the harmful effects of illicit trade.
• ICT enhances research & sense-making capabilities to identify emerging threats & support risk management
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• RELEVANT TOOLS
  • Recommendation on Use of WWW sites by Customs Administrations
  • Use of Social Networking Sites by Customs
  • Customs Enforcement Network Communication [CENcomm]

COMMUNICATION

Information & Communications Technology provides new possibilities for Cross-Border Regulatory Agencies to engage the public, and communicate with each other.

Secured communication platforms are necessary for enforcement agencies to coordinate enforcement actions.

ICT should also support Member Administrations in pursuing closer communication with the trading community to foster
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RELEVANT TOOLS

- Globally Networked Customs [GNC]
- Recommendation on use of UCR
- Recommendation on the use of the WCO Data Model
- Recommendation on WCO Data Mapping Guide for UN/EDIFACT
- Recommendation on UN/EDIFACT Rules for EDI
- Recommendation on use of CCC/IATA Data Interchange Standards
- Recommendation on Use of UN-TDED
- Recommendation on Use of Codes for Representation of data elements
- Recommendation on use of API/PNR
- API PNR Guidelines
- WCO Data Model
- Integrated Supply Chain Management Guidelines

INTEROPERABILITY & EXCHANGE
REGIONAL INTEGRATION

Connectivity through ICT provides greater opportunities for Cross-Border Regulatory Agencies to work together. Technical harmonization & standardization shall be pursued to provide Member Administrations with an effective basis to pursue seamless, interoperable exchange.
DIGITAL CUSTOMS MATURITY MODEL

**Initiate**
- Data capture of transactions
- Website
- Publication of information
- Office Automation

**Implement**
- Data Standardization
- E-processing of declarations and clearance
- Dematerialization of supporting documents

**Consolidate**
- Advance electronic information
- Data harmonization
- Pre-arrival processing
- Risk Management Systems
- Post Clearance Audit

**Engage**
- e-CBM
- Integration of e-services, e.g., Integrated Declaration; Integrated e-Payment System
- Interactive services
- Joint targeting/ Risk Management System
- Joint Inspection Management
- Mobile Apps

**Enhance**
- E-commerce solutions
- Automated 24*7 clearance
- Exchange of information with partner government agencies
- Development of Single Window Environment
- Cross-border Exchange of information

**Embark**
- Development of GNC Utility Blocks
- Mutual Recognition
- NII Image Interoperability
- Inter-operability of Single Windows
- Use of emerging technologies, e.g., drones

**Skills set & Competencies of Personnel**
- ICT Infrastructure
- Governance Structure
- Legal Basis
- Digital Strategy

**Maturity**
- Vision
- Efficient Risk Management
- Smart Clearance
- Effective Controls

**Business Continuity Plan**
- Data Security and Protection
The WCO has developed a number of instruments and tools, which respond to Members’ needs as regards TFA implementation. The WCO is continuing to develop and fine-tune an interactive guidance tool designed to help Customs implement the TFA.

Examples of WCO tools and instruments

- Revised Kyoto Convention
- SAFE Framework of Standards
- Time Release Study Guide
- Data Model
- Post Clearance Audit Guidelines
- Customs-Business Partnership Guidance
- Risk Management Compendium
- Mercator Programme

New tools

- CBM Compendium
- IT Guide for Executives

WCO tools under update and development

- Transit Handbook
- Compendium How to Build a Single Window Development
- Single Window Compendium
- WCO Regions SWiM
Thank you