



Globally Networked Customs (GNC) Exchange of Information

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**4th UNNExT Task Force on Cross-border Electronic
Data Exchange and Forum on Trade Digitalization
for Sustainable Regional Integration**

**14-16 March 2019
Bangkok, Thailand**

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Globally Networked Customs

**CUSTOMS IN THE 21ST CENTURY:
GNC is one of the building blocks;**

- 100's of International **Agreements with Customs implications**, and more to come:
 - Free & Preferential Trade Agreements (FTA & PTA);
 - Customs Cooperation and Mutual Assistance Agreements;
 - Multilateral Environment Agreements (CITES, Basel Convention...);
 - Framework Agreement on Facilitation of Cross-Border Paperless Trade
 - Mutual Recognition Agreements (SAFE);
 - Multilateral agreements (TIR, ATA..)





WTO TFA GNC

Section I – 12 articles regarding Trade Facilitation and Customs Cooperation

Art.12 Customs cooperation

Art.12.2 “Members shall exchange the information set out in subparagraphs 6.1(b) and/or (c) for the purpose of verifying an import or export declaration...”

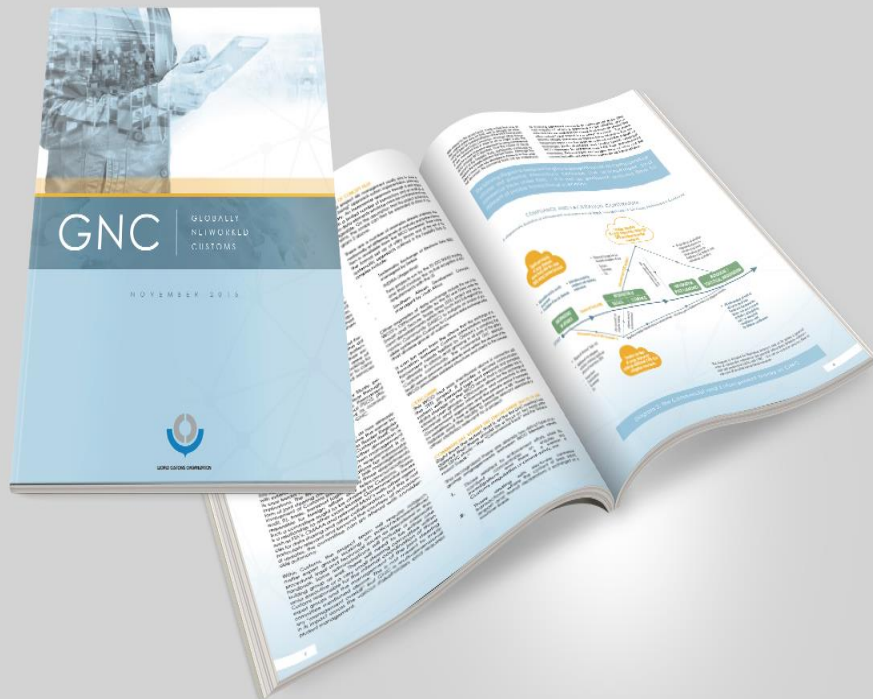
“6.1 (b)specific information as set out in the import or export declaration, or the declaration, to the extent it is available, along with a description of the level of protection and confidentiality required of the requesting Member;

6.1 (c)specific information as set out in the following documents, or the documents, submitted in support of the import or export declaration, to the extent it is available: commercial Invoice, packing list, certificate of origin and bill of lading, in the form in which these were filed, whether paper or electronic, along with a description of the level of protection and confidentiality required of the requesting Member;”



Globally Networked Customs

The **voluntary**
arrangement
between two or
more Members for
a
seamless exchange
of cross border
information
at a **Customs to**
Customs level





Globally Networked Customs

WHY GNC

- 50 + existing bilateral systems, Single Window Systems (NSW), Regional Multilateral Information Exchange Platforms, etc. have demonstrated value in streaming C2C information along the flow of goods
- Risk Management & Enforcement:
- Facilitation and simplification at entry;
- Revenue protection;
- Security and Safety;

Still, challenges persist and impact on global value chains in terms of cost on time and money!

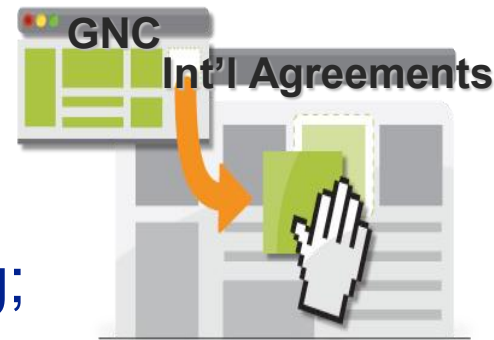
Each International Agreement is an handicraft!





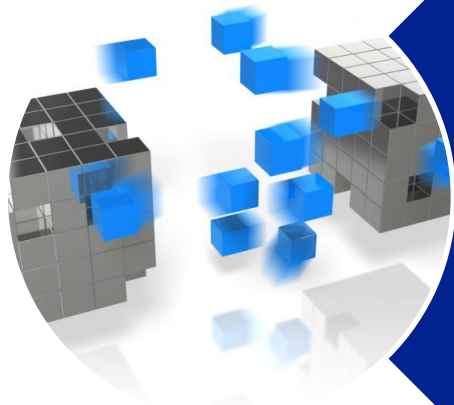
Globally Networked Customs

- GNC offers standard “cut & paste” to address Customs connectivity in Int’l Agreements;
- GNC “cut & paste”:
 - Legal articles;
 - Utility Blocks;
 - Service Level Agreement;
- GNC supports Capacity Building;
- GNC needs
 - a Governance & support at WCO and;
 - Members to develop the standards





Globally Networked Customs Utility BLOCKS



Utility block could be defined as

- *“a functional subset of GNC offering a tangible value proposition to Customs administrations by meeting specific needs through the sharing of information.”*

Utility Blocks are designed based on

- *Business rules, Protocols, Standards and Guidelines.*

Examples: AEO, Valuation Fraud, Trade Recovery, Air Cargo Security, Origin Fraud...any area of Customs business



The Utility Block

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



Data exchange systems UBs

UB Systematic Exchange of Electronic Data (SEED) managed by Serbia

UB INDIRA (Customs Administrations of Ecuador and Argentina)

UB Two projects run by the EU (DG TAXUD) including one that involves the mutual recognition of AEO requirements with the US

UB Southern African Development Community managed by South Africa

UB WCO's CENcomm for EU and China under the Smart and Secure Trade lanes (SSTL)

UB South Asia Sub-regional Economic Community (SASEC) (project under development)

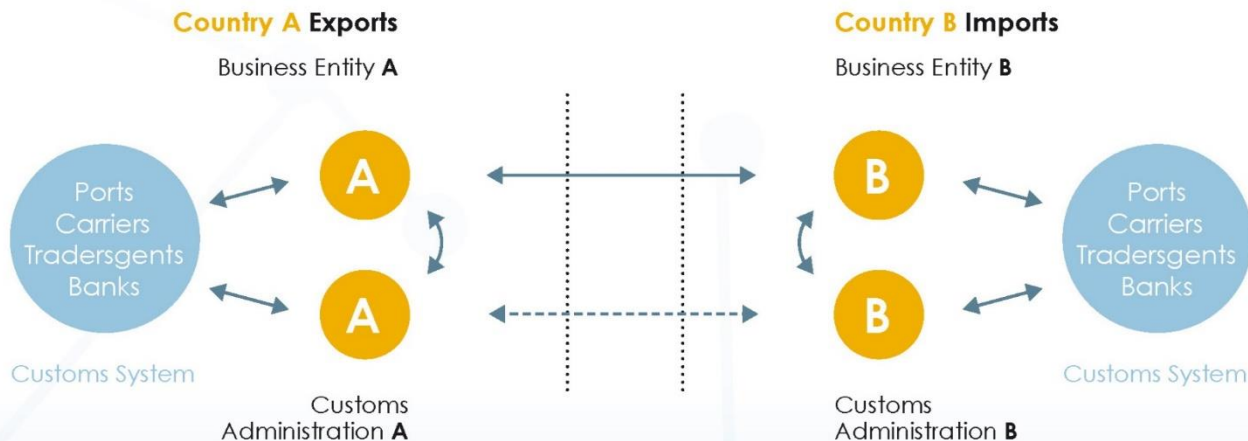


GNC-Architecture Trade Data Flows Involving Customs and Industry

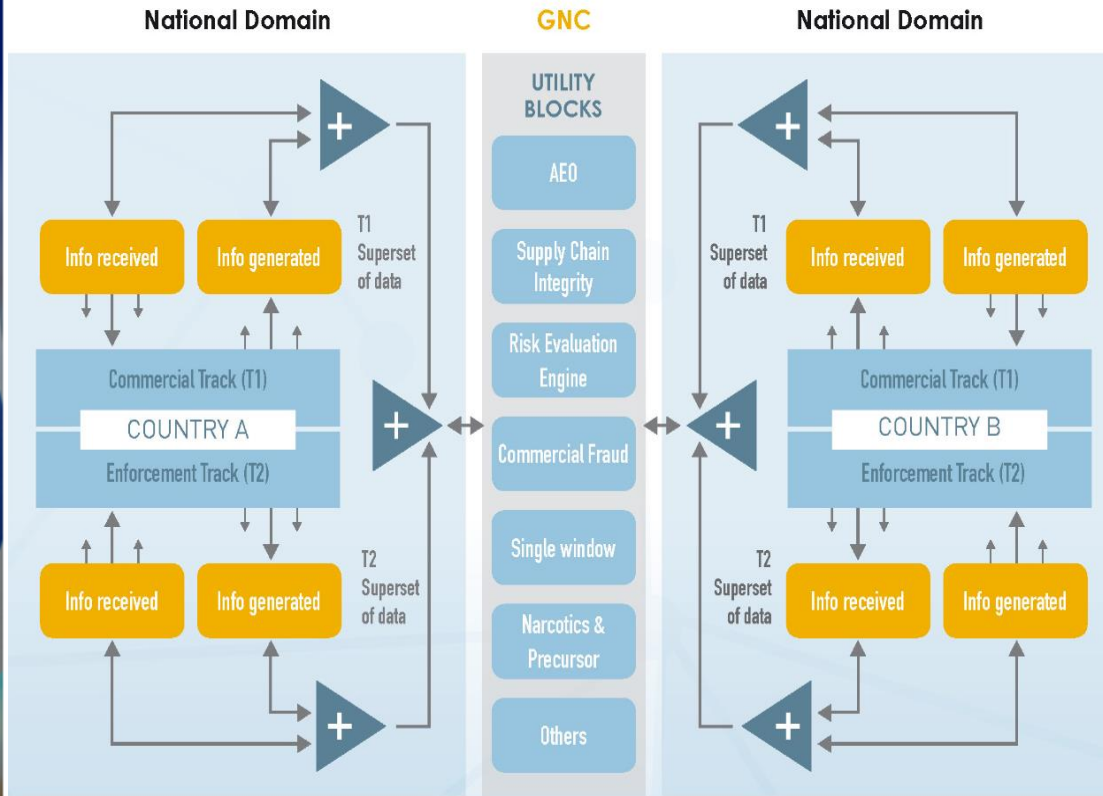
BG (export goods declaration, outward manifest for example)

BG(import goods declaration, inwards manifests)

BB – invoices, dispatch advices, shipping instructions, etc. international or cross-border exchanges



GNC and SW exchange of information



» Utility Blocks

» 4 discrete layers:

- Business
- Functional
- Application
- Infrastructure

» GNC a concept of a systematic exchange of information that enhances the ability of Customs and Border Agencies to discharge their responsibilities more effectively, by improving the use of data already available in import, export or transit declarations and similar data transfers from industry to Customs including cargo declarations and other transport logistics data.



WCO DM Enable Digital Collaboration

WCO DM play the role as Global **semantic hub**





• Thank you

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***CROSS-BORDER TRANSACTIONS
ON THE FAST TRACK***