



Challenges and Opportunities for Customs in the CAREC Region

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**Kunio Mikuriya
Secretary General
World Customs Organization (WCO)**



Structure of Presentation

- **Introduction**
- **Global context and challenges for Customs**
- **Customs in the 21st Century (C21)**
- **WCO-ADB cooperation and its perspectives in the CAREC region**



World Customs Organization

- Established in 1952
- 176 Members – 98% of global trade
- Secretariat – Over 130 staff members (over 40 nationalities)
- Regional structures (ROCBs/RTCs)
CAREC region: ROCB/RTC in Baku (Azerbaijan), RTC in Astana (Kazakhstan)



Global challenges

Security

Drug smuggling

Global economic downturn

- Drop in trade volume
- Pressure on revenue collection
- From crisis to recovery (G20 Pittsburgh, October 2009)
 - Fiscal stimulus and discipline
 - Trade as an engine for recovery
 - Promote trade facilitation



Progress with C21

- **Global challenges require a global response**
 - Short, medium and long term objectives

- **WCO Strategic Plan**
 - A multi-year plan to implement C21 building blocks
 - Develop best practices and guidelines
 - Capacity building assistance
 - PTC/Enforcement Committee joint sessions for cross-cutting issues

- **Synergy with regional initiatives**



1. Globally Networked Customs

- **2-year feasibility study**
 - Three meetings held to date
 - Final report scheduled for 2011 Council

- **Electronic exchange of information**
 - Trade data – Customs and business practices
 - Enforcement data – connection with national enforcement database

- **Short, medium and long term vision**



2. Coordinated border management

- **Inter-Agency Forum on Coordinated Border Management (Brussels, 29-30 June 2009)**
 - **Summary**
- **Electronic Single Window**
 - **WCO Data Model**
- **One-stop border post and other models**
- **Typology study**
 - **Case studies**
 - **Final report scheduled for 2011 Council**



3. Risk management

- **Risk management approach for US container security as an alternative to 100% scanning**
 - **Mandatory 100% scanning of US-bound cargo at export (2007 US legislation, implementation deferred from 2012 to 2014)**
 - **Constructive engagement with the US Congress**
 - **SAFE implementation survey**

- **Risk Management Compendium**
 - **Review of WCO documents**
 - **Case studies**
 - **ISO Standards (November 2009)**
 - **Council 2010 Panel Discussion, followed by Forum**



4. Customs-Trade Partnership

- **Authorized Economic Operator (AEO)**
 - Consistency necessary
 - WCO Compendium of national AEO programmes
 - WCO AEO Implementation Guidelines
 - PSCG proposal

- **Mutual Recognition of AEOs**

- **Theme for 2010**
 - Dialogue, consultation and cooperation at national and regional levels



5. Modern working methods

- **Promotion of Revised Kyoto Convention (RKC)**
 - **Regional integration based on RKC**
 - **Obstacles – procedural (government approval)**

- **Time Release Study**
 - **Performance measurement**
 - **Basic data for Customs reform**
 - **Support for regional integration by reviewing existing procedures**



6. Enabling technologies

■ Annual IT Conference

- **Share lessons learned between Customs administrations**
- **Dialogue and contact between Customs and service providers**
- **Dublin, Ireland, April 2010**

■ Technology and Innovation Forum

- **Established on annual basis**
- **November 2009 – Brussels, Belgium (200 participants)**
- **November 2010 – Cairo, Egypt**
- **Sharing experience and innovative technologies**
- **Inspection technologies : X-ray, radiation detection, Smart Box, container seals, tax stamps, etc.**



7. Enabling legal powers

- **Legal authority to strengthen enforcement powers**
 - **Customs offences – revenue fraud, drug trafficking, counterfeiting, etc.**

- **Sharing information domestically and internationally**
 - **Part of Globally Networked Customs discussion**



8. Professional culture

- **Knowledge-based and customer-oriented model**
 - **Need for Customs-related research**
 - **PICARD Programme for partnership with universities**

- **Training and organizational culture**
 - **Professional standards**
 - **Recognition of university curricula**

- **Change management and leadership skills**
 - **Compendium and workshops to share best practice**



9. Capacity building

- **Columbus Programme**
 - **Steady Implementation of SAFE**
 - **Promote Customs-Business Partnerships and establish AEO programmes**

- **Regional approach**
 - **Pool of regional experts**
 - **ROCBs and RTCs**

- **Interaction with donors and development banks**
 - **Meetings with top management**
 - **Enhanced support for projects**



10. Integrity

- **WCO Arusha Declaration (1993, revised in 2003)**
 - Adequate regulatory framework – moderate tariff, limited exemption from duties, etc.
 - Simplification and automation of procedures
 - Human resource management – acceptable working conditions, merit-based recruitment and promotion, rotation, training

- **Pilot projects and work at the Integrity Sub-Committee**

WCO-ADB cooperation

CAREC-ADB New Transport and Trade Facilitation Strategy (TTFS)

- Customs Capacity Building Chapter based on RKC principles
- Application of WCO Capacity Building instruments, publications and training material (TTFS Implementation Plan)
- Implementation of WCO Diagnostic Mission recommendations (TTFS Implementation Plan)
- Ongoing coordination of efforts through joint meetings and exchange of information
- Good perspectives for further cooperation through implementation of Columbus Programme in the CAREC region
- MOU

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