Development of Customs Systems...
Perspectives from the IS Department
Today’s Discussion:

- Challenges Facing IS Departments
- Challenges Facing Organizations
- What Can We Do to Increase Our Chances of Success
Challenges Facing IS Departments:

**Controlled Externally**
- Security
- Compliance Requirements
- Technology Lifecycle
- Unknowns

**Controlled Internally**
- Customer Requirements
- Company Strategic Plans
- Innovation
- Speed and Efficiency
Challenges Facing IS Departments:

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Customer Requirements:

- Consistent Global Service
- Consistent Global Use of Data (HTS/Part Information)
- Compliance with all Laws and Regulations
- Global Visibility (shipments and line item data)
- Advanced Analytics
Company Strategic Plans:

- Future System Capabilities
- Integration with Other Systems
- Build or Buy
- More Sophisticated Use of Data
- Advanced Analytics
Innovation:

- How do we Continue to Add Value to the Customs Process
- How do we Simplify and Drive Complexity Out of the Process
- How do we Drive Efficiency in the Process
Speed and Efficiency:

• Need to Develop Systems at a Faster Pace
• Respond Immediately to Changes
• Pricing Pressures Require Constant Innovation
Challenges Facing IS Departments:

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Security:

- Global Networking Requirements
- User Access Rights
- Compliance with Audit Requirements
- Protection of Systems from Intrusion
- Protection of Data
Compliance Requirements:

- Advanced Manifest Information
- Additional Security Requirements
- Accuracy of Filling Information
- Proper Usage of Customs Programs
- Document and Data Retention
- FCPA / UK Bribery Laws
Technology Lifecycle:

- Availability and Performance
- Disaster Recovery/High Availability
- Networks
- Software Version Updates
- Software Patches
- Hardware Updates
- Hardware Refresh
Unknovns:

- Performance Requirements
- Pace of Growth/Change
Why is This a Problem for IS Departments?

We are adding a tremendous amount of complexity with never ending changes in requirements.
What is Complexity?

- Number of Different Systems
- Integration Points
- Differences in Process
- Differences in Country Requirements
What Can We do to Increase our Chances of Success?

Take out Complexity by Standardizing Whenever Possible...

1. Consistent use of Processes

2. Consistent use of Data \((WCO\ Data\ Model)\)

3. Global System Opportunities \((Single\ Window\ Environment)\)
Complexity…

Why do we have a different process, data model, and system for every Country?
CBP Mission Statement and Core Values

(02/17/2009)

Mission

We are the guardians of our Nation’s borders.
We are America’s frontline.

We safeguard the American homeland at and beyond our borders.
We protect the American public against terrorists and the instruments of terror.

We steadfastly enforce the laws of the United States while fostering our Nation’s economic security through lawful international trade and travel.

We serve the American public with vigilance, integrity and professionalism.

see also:

in Overview:
Protecting Our Borders – This is CBP
CBP Strategic Plan 2009 - 2014
(pdf - 1.457 KB.)
CBP Strategic Plans and Reports

on cbp.gov:
Inspectors save baby’s life, receive award
Blackhawk swoops in for rescue
Commissioner’s Award Winner saves stock from flood, co-workers from exasperation

publications:
Welcome to the United States
(pdf - 1.813 KB.)
About us:

HM Revenue & Customs (HMRC) was formed on the 18 April 2005, following the merger of Inland Revenue and HM Customs and Excise Departments. Work is still continuing on our office restructuring programme. We are here to ensure the correct tax is paid at the right time, whether this relates to payment of taxes received by the department or entitlement to benefits paid.

We collect and administer:

**Direct taxes** - paid by you or your business on money you earn or capital you gain.
- Capital Gains Tax.
- Corporation Tax.
- Income Tax.
- Inheritance Tax.
- National Insurance Contributions.

**Indirect taxes** - paid by you or your business on money spent on goods or services.
- Excise duties.
- Insurance Premium Tax.
- Petroleum Revenue Tax.
- Stamp Duty.
- Stamp Duty Land Tax.
- Stamp Duty Reserve Tax.
- VAT.

We pay and administer:
- Child Benefit
- Child Trust Fund
- Tax Credits.

We protect you by enforcing and administering:
- Border and frontier protection
- Environmental taxes
About Us

What we do

The CBSA carries out its responsibilities with a workforce of approximately 13,000 employees, including over 7,200 uniformed CBSA officers who provide services at approximately 1,200 points across Canada and at 39 international locations.

- The CBSA manages 119 land-border crossings and operates at 13 international airports.
- Of these land-border crossings, 61 operate on a 24/7 basis, as well as 10 of the international airports.
- Officers carry out marine operations at major ports, the largest being Halifax, Montréal and Vancouver, and at numerous marinas and reporting stations.
- Officers also perform operations at 27 rail sites.
- The CBSA processes and examines international mail at three mail processing centres.
- The CBSA administers more than 90 acts, regulations and international agreements, many on behalf of other federal departments and agencies, the provinces and the territories.

Responsibilities

The Agency’s legislative, regulatory and partnership responsibilities include the following:

- administering legislation that governs the admissibility of people and goods, plants and animals into and out of Canada;
- detaining those people who may pose a threat to Canada;
- removing people who are inadmissible to Canada, including those involved in terrorism, organized crime, war crimes or crimes against humanity;
- interdicting illegal goods entering or leaving the country;
- protecting food safety, plant and animal health, and Canada’s resource base;
- promoting Canadian business and economic benefits by administering trade legislation and trade agreements to meet Canada’s international obligations;
- enforcing trade remedies that help protect Canadian industry from the injurious effects of dumped and subsidized imported goods;
- administering a fair and impartial redress mechanism;
- promoting Canadian interests in various international forums and with international organizations; and
- collecting applicable duties and taxes on imported goods.
Complexity…

Why do we have a different process, data model, and system for every Country?

The Role and Responsibility for Most Global Customs Authorities Remains the Same…

- Proper Collection of Duties and Taxes
- Enforcement of Laws and Regulations
- Protection of Borders/Anti-Terrorism
Consistent Use of Processes

- Manual Release and Filling Process
- Standard “One Step” Customs Declarations
- Simplified Procedures “Two Step” Declarations
- Advanced Entries
- Port Systems and Other Government Agencies

System complexity is largely based on the business process complexity.

If we can remove business process complexity, systems will naturally benefit.
Consistent Use of Data (WCO Data Model)

- Lack of Data Standards
- EDI Integration is Challenging
- Inability to Leverage Change
- Global Analytics is Very Difficult

Adoption of the WCO Data Model provides improved development and integration of systems between Business and Customs.
Global System Challenges

• Lack of Global Standards
• Unique System per Country
• Re-use Opportunities

*Complexity > Cost > Time to Market*
Take-Aways

- Embrace Standard Business Processes
- Utilize Standard WCO Data Model
- Single Window Environment?
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You’d be surprised how far we’ll go for you.