

# Strategy for the implementation of the WCO Framework of Standards on Cross-Border E-Commerce

## Case Study Template

The purpose of developing case studies is to show country-specific examples of the implementation of the standards laid down in the WCO Framework of Standards on Cross-Border E-Commerce. This template acts as a guide to providing case studies that have a similar level of consistency in terms of layout and information provided.

Such examples may relate to the implementation of specific Standards or the complete Framework as a package. Special attention should be given to describing existing legislative frameworks, approaches and Customs processes relating to (low value) e-commerce shipments, the relevance of e-commerce in the country's economy and the circumstances that triggered the need for changes.

In the case of partial implementation of the Framework of Standards, an explanation on the selected Standards and the approach applied for the prioritization would also be useful.

It is still to be decided whether it would be desirable to design a specific template for each of the Standards, or whether a generic template would be more appropriate.

### **1- Introduction / General Overview**

- General description of the current practices and approaches to handling cross-border e-commerce shipments
  - Trends, relevance of and legislative framework for cross-border e-commerce, supported by statistics (if possible and available), on
    - annual number of volumes (shipments) and declarations (if applicable, the proportion of low value shipments)
    - taxes and duties collected from e-commerce goods
    - average time for clearance of e-commerce goods
    - other important information.
  - Use of electronic advance data
  - Main issues and challenges that the Customs administration has to face in relation to cross-border e-commerce shipments

### **2- Planning and Prioritization**

- Which were the main elements/circumstances that triggered the (need for the) implementation of the Framework of Standards?
- Prioritization of Standards:
  - What aspects have been taken into account in setting up the priority and the roadmap for the implementation?
  - Why is this approach / priority considered the most effective for e-commerce goods? For example, it is for providing facilitation and compliance, minimizing risks of undervaluation, preventing revenue losses, enhancing the predictability of delivery times if there is a need to pay duties and taxes, creating comfortable conditions for consumers (buyers) because there is no need to pay duties and taxes directly upon goods arrival, etc.
  - If not all the Standards have been selected for implementation, what was the basis for the selection?
  - Is there any phased implementation foreseen?

- Use of studies, gap-analysis between 'as-is' and 'to-be' situations and any other analyses made by independent experts.
- Were any other government agencies, besides Customs, involved in the planning phase?

### **3- Advance Electronic Data**

- Is there any legal framework that requires (or enables) the exchange of electronic advance data? Is there any differentiation between economic operators with similar business activities (e.g., postal operators and express couriers)?
- Is there any timeline defined for the submission of data, and if so, what is it?
- Describe the purposes for which advance electronic data is used (safety & security risk analysis, financial risk analysis, etc.).
- Describe how data security, protection and privacy aspects are ensured (if applicable, also in relation to voluntary data submission).
- Describe any measure(s) taken to ensure or improve data quality.
- Are there new actors and data sources identified (e.g., new reporting obligation introduced in legislation) in relation with e-commerce, and how can they improve the effectiveness and efficiency of risk analysis?
- Any possibility / incentive for voluntary submission of additional data? What is the basis of such submission (e.g., legislation, MoU, etc.)? What are the main benefits of such extra reporting?
- Any possibility for the re-use of data (including data provided by different e-commerce stakeholders)? How is the liability issue tackled in the case of reporting and re-use of data by different actors?

### **4- Risk management**

- New approach or elements introduced to the risk management processes following the implementation.
  - Describe the main principles and methods used for the risk analysis of e-commerce shipments.
  - What are the main benefits of the new approach? What were the main gaps/ challenges of the old system?
  - Any differentiation between transport modes?
- Describe the approach in detail, to the extent possible, including the use of non-intrusive inspection (NII) technologies.
- What are the measures taken to cope with a large number of unknown parties?
- Describe how other government agencies and private sector stakeholders are involved in risk management.

### **5- Facilitation and simplification**

- Describe the approach/es in detail. Use pictures, diagrams and charts, print screens, websites, etc., to make the understanding easy.
- What is the scope of simplified processes (e.g., low value shipments, all e-commerce goods, goods subject to prohibitions and restrictions are excluded, etc.).
- Is a level playing field ensured in terms of
  - economic operators
  - transport modes
  - others.

- Do economic operators need to comply with specific criteria in order to benefit from simplifications and expedited release of goods? Can e-commerce stakeholders (in particular e-platforms and marketplaces) take part in AEO programmes? Are there any specific criteria that they have to meet due to their particular business model?
- Is there any specific trusted trader programme set up for e-commerce stakeholders (in addition to AEO)?
- What is the average release time of non-risky e-commerce shipments?
- Are there any simplified methods available for the determination of the
  - Origin
  - Customs value and
  - Classification

of the goods? Describe these methods in detail.

- Is there any possibility for account-based consolidated reporting and payment of the Customs duties and taxes due in relation to e-commerce goods?
- Do you have in place (or plan to establish) a Single Window or any other centralized platform for the Customs clearance of e-commerce shipments?
- Describe the return/refunds procedures in detail.

#### **6- Safety and Security**

- Is there any IT system in place for safety & security risk management?
- Describe the approach applied in detail, including the use of dynamic risk profiling to identify high-risk shipments.
- Is there any inter-agency cooperation established with other government agencies?
- What is the role of private sector stakeholders in identifying illicit trade channels and high-risk e-commerce goods?

#### **7- Revenue collection**

- Refer to the template for revenue collection models.

#### **8- Partnerships**

- What kind of partnership arrangements have been established with e-commerce stakeholders?
- Describe the approach/es in detail. Use pictures, diagrams and charts, print screens, websites, etc., to facilitate understanding.

#### **9- Public awareness, outreach and capacity building**

- Is there a dedicated website available to consumers and private stakeholders, developed by the Customs administration, which collects all the relevant information and regulatory requirements related to cross-border e-commerce?
- How do you ensure that e-commerce stakeholders are aware of their responsibilities and obligations related to e-commerce goods?
- What other measures are taken or methods used to raise consumers' awareness of the regulatory requirements?

## **10- Measurement and Analysis**

- Describe the approach used for the measurement of cross-border e-commerce, including the following main aspects:
  - Scope of the statistics
  - Dimensions considered in the statistics (e.g., value, quantity, geographic locations, type of goods, etc.)
- Are returns also measured? If yes, please describe the approach in detail.
- What are the main sources used for drawing up statistics? Is the private sector directly involved in drawing up statistics on cross-border e-commerce goods?
- Is there any legislative framework on statistics available in the country?
- To what extent is the WCO Data Model considered for statistical purposes?
- For what purposes are these statistics used?

## **11- Technological developments**

- Is there any strategy developed at the national level for the exploration and use of modern technologies?
- What are the most relevant technological developments intended to be used in relation to cross-border e-commerce: for what purpose / in which part of the Customs process?
- Are there any pilots and trials already in place or under planning?
- If such pilots are in place, or certain technological developments are already in use in relation with cross-border e-commerce, what are the main challenges and benefits of their use?

## **12- Timeline, Benefits and Challenges**

- What was the timeline to implement the Standard(s) concerned?
- Which were the main difficulties or challenges encountered during the implementation process?
- What are the key enablers for a successful implementation?
- What are the most important lessons learnt?

## **13- Capacity Building**

- Which instruments and tools of the WCO or other international organizations were considered?
- Has any support been received from WCO or other organizations/countries to facilitate the implementation?
- Is there any plan to support other countries' implementation based on the experience gained?

## **14- Compliance and Future Developments (if applicable and/or available)**

- What was the response of stakeholders to the implementation approach?
- What is the approach to ensure compliance (penalties, education, etc.)?
- How is the success of the approach measured?
- Next steps (phases, reviews, adjustments, if applicable, other Standards to be implemented)?

**15- Additional or Final Comments**

- Any additional or final comments.

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