



Brussels, 21 January 2015.

CUSTOMS-BUSINESS PARTNERSHIP

Transparency and Predictability Guidelines

(Item VIII (b) on the Agenda)

Introduction

1. Transparency and predictability of regulations and procedures at borders are widely recognized as an essential element of trade facilitation. Transparent procedures enable traders to fully understand the conditions for and constraints on imports, exports and transit operations, and to gain an accurate picture of possible costs. Predictability in the application of regulations and procedures is also important because uncertainty regarding possible time delays in procedures is interpreted as a concealed cost for business, and may be a major obstacle to smooth transactions.
2. The WTO TFA contains related provisions in its Articles 1 and 2. The WCO addresses those topics in various instruments and tools, especially in its integrity work (the Revised Arusha Declaration, for example). The Secretariat's Analysis of Section I of the TFA includes the suggestion that the WCO consider developing comprehensive WCO Guidelines on Transparency and Predictability.
3. At the last sessions of the PTC, delegates were invited to consider ways forward in supporting Members further in the area of transparency and predictability. The PTC agreed that this item would be discussed at the next sessions and that the Secretariat and interested Members would develop a working document based on existing tools and Members' experiences, taking into consideration the comments and suggestions made by the PTC.

Working Document on Transparency and Predictability

4. The WCO has developed standards and guidance in the area of transparency and predictability. Chapter 9 of the Revised Kyoto Convention (RKC) (Information, Decisions

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and Rulings supplied by Customs) contains lots of standards regarding transparency and predictability. In addition, there are several WCO Recommendations related to the enhancement of transparency and predictability, such as the Recommendation on the Use of World Wide Web sites by Customs administrations. The Revised Integrity Development Guide also highlights the importance of transparency and includes a checklist on this matter.

5. In this context, the Secretariat drafted a working document on existing tools related to transparency and predictability (see Annex). A main objective of the working document is to pull such scattered information together and serve as a basis for comprehensive and practical guidance for Customs administrations to increase their transparency and predictability.
6. In view of the fact that relevant Committees of the WCO have developed or are developing new tools or instruments with regard to Article 2 (Opportunity to comment, information before entry into force and consultations) and to Article 3 (Advance rulings) of the TFA, the working document does not cover them.

Action required

7. The PTC is invited to examine the Working Document on Transparency and Predictability. The PTC is also invited to consider developing comprehensive guidelines on transparency and predictability at the WCO and to provide guidance on possible ways forward.

Working Document on Transparency and Predictability

1. Introduction

Background

1. Transparency and predictability of regulations and procedures at borders are widely recognized as an essential element of trade facilitation. Transparent procedures enable traders to fully understand the conditions for and constraints on imports, exports and transit operations, and to gain an accurate picture of possible costs. Predictability in the application of regulations and procedures is also important because uncertainty regarding possible time delays in procedures is interpreted as a concealed cost for business, and may be a major obstacle to smooth transactions.
2. The enhancement of transparency and predictability may encourage businesses, including small and medium-sized enterprises (SMEs), to join international markets and contribute significantly to trade facilitation and economic growth. It involves ensuring that information on border requirements and procedures is clear, and easily available to all interested parties. There are a number of potential means of strengthening transparency and predictability at borders.
3. Various international and regional organizations have been highlighting the importance of transparency and predictability for some time. For example, the OECD Trade Facilitation Indicators state that full implementation of Articles 1 and 2 of the TFA “would generate cost savings of 1.7% for low income countries”, and that full implementation of advance rulings on Customs matters “would also bring cost reductions of 1.3% for upper middle income countries”¹. In addition, transparency and predictability have been identified as important performance indicators for business. Both the Logistics Performance Index created by the World Bank and the Enabling Trade Index (ETI) developed by the World Economic Forum include the transparency of Customs procedures among their indicators. At regional level, in 2010 Asia-Pacific Economic Cooperation (APEC) adopted a Supply-Chain Connectivity Framework which identifies lack of transparency as the first “chokepoint” in the supply chain.
4. Transparent and predictable Customs procedures are also essential elements for maintaining and increasing integrity, which is key for all nations and for all Customs administrations in eliminating corruption. The WCO Revised Arusha Declaration, which was adopted in June 2003, affirms that a priority for all Governments should be to ensure that Customs is free of corruption, and stresses transparency as one of the key factors to be addressed by national Customs integrity programmes.

¹ The OECD’s study is available at
http://www.oecd.org/tad/facilitation/OECD_Trade_Facilitation_Indicators_updated-flyer_October_2014.pdf

Revised Arusha Declaration

3. Transparency

Customs clients are entitled to expect a high degree of certainty and predictability in their dealings with Customs. Customs laws, regulations, procedures and administrative guidelines should be made public, be easily accessible and applied in a uniform and consistent manner. The basis upon which discretionary powers can be exercised should be clearly defined. Appeal and administrative review mechanisms should be established to provide a mechanism for clients to challenge or seek review of Customs decisions. Client service charters or performance standards should be established which set out the level of service clients can expect from Customs.

Main objective of this paper

5. The WCO has developed standards and guidance in the area of transparency and predictability. Chapter 9 of the Revised Kyoto Convention (RKC) (Information, Decisions and Rulings supplied by Customs) contains lots of standards regarding transparency and predictability. In addition, there are several WCO Recommendations related to the enhancement of transparency and predictability, such as the Recommendation on the Use of World Wide Web sites by Customs administrations. The Revised Integrity Development Guide also highlights the importance of transparency and includes a checklist on this matter (see Appendix to this document).
6. The above-mentioned WCO tools are compatible, in terms of their substance, with the relevant provisions of the TFA. However, they are scattered across several documents and more information about operational practices and experiences of WCO Members could be supplementary.
7. In this context, the main objective of this paper is to pull such scattered information together and serve as a basis for comprehensive and practical guidance for Customs administrations to increase their transparency and predictability. In view of the fact that relevant Committees of the WCO have developed or are developing new tools or instruments with regard to Article 2 (Opportunity to comment, information before entry into force and consultations) and to Article 3 (Advance rulings), this paper does not cover them.

2. Publication of information

Requirements of the TFA and RKC

8. The availability of information on Customs procedures or other trade-related issues is one of the key elements of trade facilitation. The WTO Agreement on Trade Facilitation (TFA) and the RKC set out important principles to ensure availability of information, although the TFA has not come into effect.
9. Articles 1.1, 6.1 and 11.16 of the TFA contain a comprehensive list of information items and require Members to promptly publish them '*in a non-discriminatory and easily accessible manner in order to enable governments, traders, and other interested parties to become acquainted with them.*'

Information to be published (WTO TFA)
Article 1.1
<ul style="list-style-type: none">• procedures for importation, exportation, and transit (including port, airport, and other entry-point procedures), and required forms and documents;• applied rates of duties and taxes of any kind imposed on or in connection with importation or exportation;• fees and charges imposed by or for governmental agencies on or in connection with importation, exportation or transit;• rules for the classification or valuation of products for customs purposes;• laws, regulations, and administrative rulings of general application relating to rules of origin;• import, export or transit restrictions or prohibitions;• penalty provisions for breaches of import, export, or transit formalities;• procedures for appeal or review;• agreements or parts thereof with any country or countries relating to importation, exportation, or transit; and• procedures relating to the administration of tariff quotas.
Article 6.1
<ul style="list-style-type: none">• Information on fees and charges, including the fees and charges that will be applied, the reason for such fees and charges, the responsible authority and when and how payment is to be made.
Article 11.16
<ul style="list-style-type: none">• general rules applicable to customs convoys or customs escorts.

10. The RKC requests Customs administrations to '*ensure that all relevant information of general application pertaining to Customs law is readily available to any interested person*' (Standard 9.1). It also requests to make the information on changes in Customs laws, administrative arrangements or requirements '*readily available sufficiently in advance of the entry into force of the changes to enable interested persons to take account of them, unless advance notice is precluded*' (Standard 9.2).

11. From the provisions of the TFA and the RKC, it is possible to identify (1) promptness, (2) accessibility and (3) comprehensiveness as basic principles of ways of publication. In addition, effective administrative processes for publication of information, including publishing information free of charge or with a minimum charge, is also important to ensure high transparency and predictability of trade-related procedures.

Promptness

12. A sudden change of regulations on clearance of goods or other trade-related measures may seriously erode predictability and negatively affect traders' transactions. In this regard, Customs administrations should ensure sufficient time periods before enforcing new regulations. In this context, Article 1 of the TFA provides that the information should be promptly published to enable interested parties to become acquainted with it.
13. RKC Standard 9.2 stipulates that information on changes to rules should be available sufficiently in advance of their entry into force. It should be noted that Article 2 of the TFA requires ensuring that new or amended laws and regulations are published or made publicly available, '*as early as possible before their entry into force, in order to enable traders and other interested parties to become acquainted with them*'.
14. In this context, there is no concrete standard on the time period to be ensured for interested parties.

Accessibility

15. The published information should be easily accessible for all interested parties. There are potentially various ways to increase accessibility to the information. Generally, publication through the Internet has been recognized as one of the best ways to ensure high accessibility. The TFA has specific provisions on the information available through the Internet and the WCO adopted a Recommendation on the Use of World Wide Web sites in June 1999 (please see Section 3).
16. Regarding other ways of making information publicly available, the RKC Guidelines on Chapter 9 of the General Annex list the following methods as usual practice:

Usual practice for publication
(RKC Guidelines)

The information is usually made available:

- in publications such as the Customs tariff, official gazettes, bulletins and public notices;
- at appropriate Customs offices;
- at strategic locations where it is likely to be needed. For example, information on Customs formalities and exemptions from duty and tax allowed to travellers may be made available on ships, aircraft, international trains, or at places of international arrival and departure;
- in embassies and trade missions abroad, with supplies of notices for intending exporters and visitors in a variety of languages if necessary;
- by display in public offices such as major post offices, tourist centres, etc.;

- by publication in relevant newspapers and journals or by the issue of press releases; and
- through regular magazine-type publications or newsletters produced by administrations for the trade to provide news and articles on major developments and changes.

17. An essential element for maintaining or increasing the accessibility to information is to ensure clarity of information. Information should be presented in a simple and clear manner and not be designed to discriminate or to make it difficult for stakeholders to understand. In this regard, the RKC Guidelines on Chapter 9 of the General Annex state the following:

Clarity of information
(RKC Guidelines)

Public Notices, whether in paper or electronic form, should be :

- written in plain language, easy for the intended reader to understand;
- clearly laid out, using large print and flow diagrams where relevant;
- logically presented, clearly illustrating procedures or requirements;
- specific to one particular topic or procedure (classification, valuation, preference etc.);
- up-to-date, prompt and relevant to important issues;
- issued in response to identified user needs;
- easily available at, for example, ports and airports (for travellers), in local Customs offices, from Helplines/Helpdesks, sent automatically by subscription, routinely issued to trade representative bodies; and
- published in other languages where appropriate.

18. Introducing information in multiple languages is recommended to ensure high accessibility for all interested parties. Transparency and predictability are essential not only for domestic, but also international, stakeholders. In this regard, the TFA asks WTO Members to make certain information available in one of the official languages of the WTO (paragraph 2.2 of Article 1).

Comprehensiveness

19. As shown above, the TFA has a comprehensive list of types of information which should be made available to the public, and RKC Standard 9.1 requires the publication of '*all relevant information of general application pertaining to Customs law*'. In terms of the interests of business, other types of information which may contribute to predictability of trade-related procedures can be added to the list. The following information has been published by some WCO Members where there is no international standard or recommendation that it has to be made available to the public:

- General information on Customs offices (i.e. opening hours, location and telephone/fax numbers)
- Trade statistics
- Glossary of technical terms

- Brief information on the regulations of other governmental agencies
- Currency exchange rates
- Results of performance measurement or time release studies
- Frequently Asked Questions (FAQs)

Publication Management

20. As part of a publication policy, it is necessary to establish and/or maintain effective administrative procedures. The WTO TFA Self Assessment Guide (TN/TF/W/143/Rev.8) points out the necessity of such administrative procedures and lists the following typical procedures:

Administrative procedures for publication
(WTO TFA Self Assessment Guide)

- identify the types of information that the authority will publish;
- specify the manner of publication per information type (e.g., official journal, website or other);
- establish processes to collect, compile and otherwise prepare documents for publication;
- ensure the information available is accurate, relevant and prompt; establish processes
 - for periodic review and updating published information; and
 - provide measures to ensure agency staff are aware of the obligation.

Charging

21. Customs administrations normally publish or supply information free of charge. If traders or other stakeholders are required to pay expensive charges to obtain certain information, it may reduce the accessibility to the information and, as a consequence, transparency and predictability will decrease. In this regard, the RKC has introduced Standard 9.7 (below), which requires Customs administrations to limit the charges to the cost incurred for furnishing the information:

Charging
(RKC)

Standard 9.7
When the Customs cannot supply information free of charge, any charge shall be limited to the approximate cost of the services rendered.

Information and Communications Technology

22. The WCO Information Management Sub-Committee (IMSC) discussed implications of the provisions of the TFA, including Article 1. Regarding the publication of the IT-related information, it highlighted Document Management Systems and Content Management

Systems as IT-based tools that can support the implementation of the TFA (please see Doc. PM0358 prepared for the 67th Meeting of the IMSC).

23. Document Management Systems allow documents to be developed in a work group and allow controls to be implemented for accessing editorial rights to documents and for keeping track of document mark-ups and updates. Content Management Systems offer workflow automation to streamline the content of publishing procedures. Content authors and editors can use the workflow to review the process regularly and reduce any lag between the finalization of documents and their publication.

3. Information available through the Internet

Requirements of the TFA and the RKC

24. Subparagraph 2.1 of Article 1 of the TFA requires Members to make available, and update, relevant information through the Internet. The information concerned relates to importation, exportation and transit procedures, the forms and documents required, and contact information on enquiry points. The following types of information are listed in the TFA. In addition, the TFA encourages Members to make available further trade-related information through the Internet (subparagraph 2.2 of Article 1). Standard 9.3 of the RKC states that '*The Customs shall use information technology to enhance the provision of information*'.

Information available through the Internet

(WTO TFA)

- a description of its [the Member's] procedures for importation, exportation, and transit, including procedures for appeal or review, that informs governments, traders, and other interested parties of the practical steps needed for importation, exportation, and transit;
- the forms and documents required for importation into, exportation from, or transit through the territory of that Member;
- contact information on enquiry point(s);
- further trade-related information, including relevant trade-related legislation.

WCO Recommendation on the Use of World Wide Web sites

25. The WCO adopted a Recommendation on the Use of World Wide Web sites in June 1999. It recommends that Members should implement Customs World Wide Web sites for their administration and make available the contents specified in its Annex. The Annex lists the following information to be uploaded onto the Web sites:

Information to be uploaded onto Web sites
(WCO Recommendation on the Use of World Wide Web sites)

Information for travellers

- General overview of Customs
- Comprehensive details of duty-free allowances
- Comprehensive details of prohibited goods for import and export
- Information about Customs channels (dual-channel system)
- Penalties for Customs offences
- Contact information (including e-mail address) for further information
- Links to other relevant sites, especially immigration and agriculture
- Access to official publications

Information for traders

- General overview of Customs
- Overview of Customs procedures and legislation
- National legislation including Customs regulations on all the Customs procedures
- Tariff and duty information
- Currency rates of exchange
- Details of prohibitions and restrictions
- Details of how to complete a Customs declaration
- Classification decisions
- Penalties for Customs offences
- Contact information (including e-mail addresses)
- Links to other government agencies
- Access to official publications

26. During the 67th IMSC meeting, the Secretariat provided an overview of the 1999 WCO Recommendation on the Use of World Wide Web sites by Customs administrations in relation to supporting administrations to comply with Articles 1.1 and 1.2 of the WTO TFA. The 1999 Recommendation was found to be largely aligned with the relevant TFA provisions, but it was also considered the right time to take into account new technological trends and developments, with a view to updating the Recommendation and related Guidelines if necessary.
27. The IMSC is discussing further development of the Recommendation and the identification of possible challenges that could arise from the use of social networking platforms such as YouTube, Twitter, Linked-In or Facebook (please see Doc. PM0371 prepared for the 68th IMSC meeting).

Information from other government agencies – Coordinated Border Management

28. The TFA does not limit the requirement of publication of information to Customs administrations only. Indeed, the WTO TFA Self Assessment Guide lists the “*Executive Authority*”, “*all border agencies*”, the “*Trade Authority*”, and the “*Agency responsible for information management, including government websites*” as authorities which are directly concerned with implementing Article 1.2. Some visitors to Customs webpages, including

Small and Medium-Sized Enterprises (SMEs), might have difficulties in differentiating the competences of Customs administrations from the competences of other border agencies.

29. In this regard, Customs webpages should contain a function to guide visitors to find necessary trade-related information managed by other governmental agencies. The WCO Recommendation on the Use of World Wide Web sites encourages Members to put links on their webpages to other governmental agencies.
30. One good example of a webpage which has been developed in coordination with all relevant border agencies is the “Nigeria Trade Hub”.

Nigeria Trade Hub

- The Nigeria Trade Hub (NTH) provides a comprehensive introduction to international trade in Nigeria. It is mainly a portal for traders to get correct information to enable them to make decisions about doing business in Nigeria.
- NTH provides information about all the Nigerian Regulatory Agencies – including their contact details, processes, documents, fees and processing times – that an Importer or Exporter will need to liaise with to obtain the necessary import permits and certificates that are required to ensure compliance. The NTH further provides contact details of organizations linked with trade in Nigeria.
- NTH also has a searchable Document Library providing all the necessary downloadable documents relevant to trade in Nigeria, from Official Publications to Legal Information, Regulatory Documents and Customs Procedures.
- Tools of the NTH include the HS Code Classification Tool – an intuitive tool that assists the Importer with the correct classification of their products for both import and export. Once the correct HS Code for an importation product is obtained, the tool provides the necessary regulatory information about the product, including Regulating Agencies, Control Measures, Prohibition Status, ETLS status depending on the Country of Origin, Document Requirements, Related Duties and Fees and Processing times. For export products, on selection of the Country of Export, the Exporter is presented with the Exportation Country’s Market Access information, including the relevant HS Code and the rates of duty they will attract upon entry.

4. Enquiry points

Requirements of the TFA and the RKC

31. Article 1.3 of the TFA requires Members to establish and/or maintain one or more enquiry points within their available resources. The enquiry points must answer enquiries and provide the forms and documents for importation, exportation and transit, within a reasonable time period.

Enquiry points (WTO TFA)

- 3.1. Each Member shall, within its available resources, establish or maintain one or more enquiry points to answer reasonable enquiries of governments, traders and other interested parties on matters covered by paragraph 1.1 and to provide the required forms and documents referred to in subparagraph 1.1(a).
- 3.2. Members of a customs union or involved in regional integration may establish or maintain common enquiry points at the regional level to satisfy the requirement of paragraph 3.1 for common procedures.
- 3.3. Members are encouraged not to require the payment of a fee for answering enquiries and providing required forms and documents. If any, Members shall limit the amount of their fees and charges to the approximate cost of services rendered.
- 3.4. The enquiry points shall answer enquiries and provide the forms and documents within a reasonable time period set by each Member, which may vary depending on the nature or complexity of the request.

32. Chapter 9 of the General Annex to the Revised Kyoto Convention also contains standards requiring Customs to provide specific information or decisions as quickly as possible and in sufficient detail.

Provision of Specific Information (RKC)

9.4. Standard

At the request of the interested person, the Customs shall provide, as quickly and as accurately as possible, information relating to the specific matters raised by the interested person and pertaining to Customs law.

9.5. Standard

The Customs shall supply not only the information specifically requested but also any other pertinent information which they consider the interested person should be made aware of.

Quick and accurate reply, with standardized procedures and institutional framework

33. The RKC requests Customs administrations to provide the information 'as quickly and as accurately as possible'. The RKC Guidelines on Chapter 9 of the General Annex add that Customs should ensure that specialist staff deals with requests for specific information and decisions to ensure accuracy, and certain time limits should be set to maintain the promptness of replies. The Guidelines also require Customs administrations to consider publishing results regularly to show how well the deadlines have been met.
34. According to the WTO TFA Self Assessment Guide, formal procedures and work processes for operation of enquiry points should be defined. They may include standards for processing enquiries, response times, standard templates and forms, and modes of communication. The Self Assessment Guide also recommends having an institutional framework such as an information centre within Customs administrations.
35. In this respect, the WCO ICT Guidelines (RKC Guidelines on the General Annex, Chapter 7) give detailed guidance on the set-up of a help desk and its components (see 5.8 of the Guidelines).

5. Other issues

Data Protection/Confidentiality

36. When the Customs supply specific information, Customs administrations should ensure that confidential or commercially sensitive information is not divulged. RKC Standard 9.6 stipulates the following:

Confidentiality
(RKC)

Standard 9.6
When the Customs supply information, they shall ensure that they do not divulge details of a private or confidential nature affecting the Customs or third parties unless such disclosure is required or authorized by national legislation.

Freedom of information

37. The TFA and the RKC do not contain any provision or standard in terms of freedom of information. However, the RKC Guidelines on Chapter 9 of the General Annex discuss the implications of freedom of information for Customs administrations as follows:

Freedom of Information
(RKC Guidelines)

Most modern administrations have instituted legislation to promote what is generally referred to as freedom of information. In broad terms, such legislation is aimed at giving people the legal right to view information held by governments nationally, regionally and locally, thereby making governments more accountable to the public.

In practical terms, this may be translated into a Code of Practice applicable to all government departments, which typically would :

- set out the kind of information which should be published voluntarily;
- require ministries to furnish their administrative decisions; and
- require ministries to meet reasonable requests for unpublished factual information relating to their policies, actions and decisions.

For Customs, this means not only publishing general and basic types of information (see Quality of Information - Setting Standards), but also being flexible in making other information available, such as internal instructions. Customs should, but may not always be able to, provide all this information free of charge and in this case Standard 9.7 of the Chapter would apply.

There are, of course, limits to what can be provided and there will be exceptions where disclosure may not be in the public interest. In the Customs context, this could be when :

- it would harm the ability of the Government to manage the economy;
- it would prejudice the assessment or collection of tax or duties, or assist tax avoidance or evasion;
- it would be likely to prejudice the prevention, investigation or detection of crime or the apprehension or prosecution of offenders; or
- it would prejudice the legal proceedings of any tribunal, public inquiry or other formal investigation.

If a dispute arises over whether Customs should have provided certain requested information, an independent Commission or Adjudicator may be appointed to deal with disputed cases.

Appendix

Integrity Development Guide (revised in 2014)

Transparency, one of the fundamental norms of the trading system, is generally seen both as legitimate in itself and essential in modern governance (Lamy, 2007)². The WTO Glossary defines transparency as “the degree to which trade policies and practices, and the process by which they are established, are open and predictable. It includes a number of interrelated actions, such as how a rule is or policy is developed at home, how it is enforced and how the rule is published.”³

Transparency is a key issue for all administrations. Increasing accountability and maintaining an open and honest relationship with clients and stakeholders is crucial to maintaining public trust and confidence in the performance of administration functions. Transparency can contribute to high compliance levels.

Any deviations from laws, regulations and discretionary power should be justified and documented for later review. There should be a capacity for administrative or judicial review. In the first instance, such a review should be made on an internal basis. However, clients should have access to independent and external review. In developing or implementing appeal or review mechanisms, an appropriate balance should be struck between the need to make the process inexpensive, timely and accessible and the need to ensure it is not used inappropriately for frivolous appeals.

Rules, policies, standards and practices are far more effective when the people they affect (end users) understand them, know why they are in place, how they have been developed, who has been involved and at what stage for them to embrace them. Sensitization of stakeholders about organizational principles and practices increases compliance, accountability and transparency. Wide usage of print and electronic media such as websites, intranet, brochures, text messages, pamphlets, seminars and other communication channels can be important for disseminating the requisite information. This information should be simplified, very precise and unambiguous.

Client service charters are a way of increasing accountability and demonstrating the administration’s commitment to providing quality service to clients. Service standards should be challenging (but realistic) and be fully supported by the organization’s systems and procedures.

A high level of transparency may not be an easy task to establish and/or maintain, but it is nevertheless vital to the development of a comprehensive integrity programme.

² P. Lamy (2007), in T. Collins-Williams and R. Wolfe (2010), *Transparency as a trade policy tool: the WTO’s cloudy window* (<http://fpbmonitor.com/action/displayAbstract?fromPage=online&aid=7910464>)

³ http://www.wto.org/english/thewto_e/glossary_e/glossary_e.htm

CHECKLIST

Publication of Customs Laws, Regulations, Procedures and Administrative Guidelines

- How are clients provided with sufficiently accurate, consistent, accessible and user-friendly information to allow them to meet their responsibilities to the administration?
- What mechanisms are in place to report new initiatives, decisions, or changes in legislative requirements and procedures that may impact upon clients (information circulars, routine orders, Customs Client Notices, etc.)?
- What are the procedures in place for informing clients of their rights when dealing with the administration and how are these procedures communicated?

Tools for Communicating Laws, Regulations, Procedures and Administrative Guidelines

- Can you provide examples of communication tools you have in place, such as Customer Help Desks/Call Centres, hotlines, free phone numbers, Information Centres, Industry Consultative Committees, displays and signage?
- What use is made of electronic and print media for dissemination of information to clients?
- Is critical information on rules, policies, standards and practices summarized or simplified in files, brochures, etc. and are such materials translated in different languages (where necessary and possible) for wide circulation?
- How are clients consulted to determine their information requirements and preferred media?
- What mechanisms are in place to interact with the media? For example, is there an existing Memorandum of Understanding (MoU) to co-operate with the media, particularly in disseminating information on amended rules, procedures, etc?

Monitoring

- How and when are instances of non-compliance with Customs and Tax procedures analysed to determine if the cause of the breach is a lack of adequate communication from the administration?
- Is there a system for monitoring consistency between different offices, provinces or regions concerning decisions, procedures and information provided?
- How are deviations from established rules and procedures reported and justified?
- Are there established programmes designed to train and retrain employees to ensure that they are not only knowledgeable, but also keep abreast of the current legislation, procedures and practices?
- Are information circulars/administrative guidelines regularly issued to all employees?
- What simple processes or systems for seeking tariff classification and valuation rulings prior to importation are in place in order to provide clients with a degree of certainty and predictability?
- Is the validity period stated on advance rulings and classification opinions/decisions?
- Are these easily accessible via a public domain repository of previous decisions?
- Does the organization regularly update its website with changes in law, policies, rulings, etc?
- Does the organization have a "Frequently Asked Questions" (FAQ) section on its website? How often is it reviewed and updated?

Discretionary Powers

- Is the basis or criteria upon which officials exercise discretionary power clearly defined and publicly available?
- Where appropriate, are the reasons for decisions conveyed to those affected?
- Are systems in place to assist employees in making uniform decisions, such as (for example) a valuations database system?
- Is such a database updated regularly?
- When an administration's official has exercised discretionary powers, are the grounds upon which the decision was made required to be documented clearly and retained for later review?

Appeal Processes

- What review and appeal mechanisms have been implemented to allow clients the opportunity to seek review or challenge the administration's decisions, with the possibility of independent adjudication if required? If so, are the procedures published and promoted?
- Is there an independent external appeal mechanism in addition to internal mechanisms?

Relationship with Clients

- Have citizen or service charters been developed which clearly state the level of service that clients should expect to receive?
- How are service standards measured for practical application and able to be supported by the organization's systems and resources?
- Are service charters displayed in public areas such as airports, cargo inspection areas and Customs Houses?
- Are they accessible through print and electronic media and web?
- Are they regularly reviewed to reflect the changing times and realities?
- Are employees aware of the standards contained in service charters and are those holding service positions provided with training in client service?
- Has the organization documented internal standards, detailing the timelines within which employees should respond to clients within the time frames outlined in the service charter?

Reporting and Accountability Mechanisms

- Are all fees and charges levied published in order to allow traders to calculate more accurately the costs involved in complying with Customs requirements?
- Are there suitable controls over procurement procedures and tendering for Customs and Tax work?
- Have mechanisms been developed and implemented which monitor and evaluate the organization's performance against established standards?
- Are the results of Customs/Tax performance made publicly available (i.e. Internet, annual report, etc.)?

Examples of Possible Good Practices

- Client and employees surveys

Annex to
doc. PC0409E1

- Service Charters
 - Internal standards
 - Innovative approaches to information dissemination (such as use of media and Internet)
 - Training in client service for relevant employees
 - Formal and informal consultative mechanisms
 - Establishment of MoUs with the media
 - Publication of the grounds upon which Customs/the administration's decisions are made
 - Existence of effective and accessible and independent internal/external appeal and review mechanisms
 - Formal procedures for seeking advanced rulings on tariff and valuation
 - Compliments/complaints tracking and analysis system, which ensures that any complaints are examined and dealt with promptly
 - An audit trail is kept to facilitate monitoring of the exercise of employee discretion
-