



Brussels, 27 February 2017.

TRANSIT

(Item VIII on the Agenda)

I. Background

1. The WCO issued the Transit Handbook in 2014 that deals with various aspects of Customs transit operation. It compiles valuable information, such as existing international agreements and eight possible approaches for improving transit regimes. It also comprises a number of Members' operations and experiences (The Handbook is available at <http://www.wcoomd.org/en/topics/key-issues/ecp-latest-proposal/~media/A8435CBA5050486D9C1A2D208ADFF0C7.ashx>.)
2. Member Customs administrations have shown a strong interest in transit issues and the WCO Secretariat has received many requests to deliver capacity building and technical assistance projects. In addition, Members were interested in updating the Transit Handbook on a regular basis and incorporating more operational experiences of effective transit regimes. The WCO Working Group on the Trade Facilitation Agreement (TFA) held in October 2015 discussed the transit and guarantee regimes. Participants of the Working Group suggested including practical recommendations for establishment of efficient transit regimes into the updated Transit Handbook.
3. In order to meet the request of the WCO Members and ensure better support for establishing effective transit regimes, it was agreed to transform the Transit Handbook into "Transit Guidelines" that would contain clear guiding principles and recommended practices. At the last sessions of the PTC held in October 2016, the WCO Secretariat presented the draft Transit Guidelines and informed the PTC that the updated draft will be presented at the next session in April 2017 for further review. The PTC took note of the progress made in developing the Transit Guidelines.

II. Transit Guidelines Workshops

4. In order to develop practical and up-to-date Transit Guidelines, operational experiences of transit regimes needed to be collected. Besides that, existing international and regional frameworks were studied in order to develop effective guiding principles. For these purposes,

several regional workshops were organised that brought together transit experts from Customs administrations as well as international and regional organizations.

5. For discussion of the content of the Transit Guidelines and exchange of national and regional experiences on transit, the WCO Secretariat had organized several transit workshops in 2016 and 2017 as presented in the table below. At the workshops, transit experts from Customs administrations of the respective regions provided valuable inputs based on their field experience of transit operations that have been included in the draft Transit Guidelines.

Date	Region	Host	Donor/Partner
27 June – 1 July 2016	Western and North Africa	Cote d'Ivoire	JICA
31 October – 4 November 2016	East and Southern Africa	Zambia	JICA
23 – 27 January 2017	American and Caribbean	Bolivia	CCF/Japan, IADB

6. The Transit Guidelines also reflect the contributions from experts of partner organizations who had participated in the workshops. The following international/regional organizations (in alphabetical order) have joined the workshops and shared their expertise on transit matters:

- African Development Bank (AfDB)
- Asian Development Bank (ADB)
- Caribbean Customs Law Enforcement Council (CCLEC)
- Common Market for Eastern and Southern Africa (COMESA)
- East African Community (EAC)
- Economic Community of Central African States (ECCAS)
- Economic Community of West African States (ECOWAS)
- Economic Community of West African States (UEMOA)
- General Secretariat of the Andean Community (SGCAN)
- Inter-American Development Bank (IADB)
- International Road Transport Union (IRU)
- Japan International Cooperation Agency (JICA)
- Secretariat for Central American Economic Integration (SIECA)
- Southern African Customs Union (SACU)
- Southern African Development Community (SADC)
- United Nations Conference on Trade and Development (UNCTAD)
- United Nations Economic Commission for Europe (UNECE)
- United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and the Small Island Developing States (UN-OHRLLS)
- USAID
- West African Economic and Monetary Union (UEMOA)
- World Trade Organization (WTO)

7. The next transit workshop will be held in April 2017 for Customs administrations of Central Asia and Caucasus region. Participants will have the opportunity to share their national and regional practices..

III. Draft Transit Guidelines

8. The Transit Guidelines will serve three main objectives:
 - 1) Provide Governments with clear guiding principles on how to implement an efficient transit regime;
 - 2) Support Governments in implementation of the relevant international Agreements, Conventions and Programmes;
 - 3) Raise awareness about the existing practices of the Customs transit.
9. The Transit Guidelines address thirteen aspects of the transit procedure:
 - 1) Legal framework;
 - 2) Effective information management;
 - 3) Guarantee system;
 - 4) Fees and charges;
 - 5) Simplification of formalities;
 - 6) Risk management;
 - 7) Authorized Economic Operators;
 - 8) Customs seals and other security measures;
 - 9) Coordinated Border Management;
 - 10) Hard infrastructure;
 - 11) Transparency and anti-corruption;
 - 12) Partnership with Business; and
 - 13) Performance Measurement.
10. The current draft Guidelines consist of more than 150 guiding principles. It should be noted that they do not have legally binding effect, however, Customs administrations and other relevant stakeholders are encouraged to improve their transit operations on a voluntary basis, based on these guidelines.
11. The Transit Guidelines are based on the existing international legal framework, in particular, the WTO Trade Facilitation Agreement, the Revised Kyoto Convention, and the United Nations Vienna Programme of Actions for the Landlocked Developing Countries. The users of these Guidelines will easily be able to link the provisions of international legal documents with the practical recommendations of the Transit Guidelines for their implementation. Each section of the Guidelines is supported by a reference to the international legal framework.
12. The Guidelines includes Members' practices. Since the Guidelines are meant to be a living document, WCO Members are encouraged to provide their practices to be included in the Transit Guidelines.
13. The Transit Guidelines will be submitted to the Council sessions in July 2017 for endorsement and at the WCO Global Conference on Transit to be held on 10 and 11 July 2017, the Transit Guidelines will be launched.

IV. Action Required

14. The PTC is invited to:
- examine and endorse the draft Transit Guidelines;
 - provide Members practices on transit operation to be included into the Transit Guidelines.

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