



PERMANENT  
TECHNICAL  
COMMITTEE

PC0536E1a

221<sup>th</sup>/222<sup>th</sup> Sessions

5-8 November 2018

Brussels, 23 November 2018.

**SUMMARY REPORT**

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#### **Item I Opening and adoption of the Agenda**

##### **(a) Opening speech by Ms. Ana HINOJOSA, Director, Compliance and Facilitation, WCO**

1. The Chairperson of the Permanent Technical Committee (PTC), Mr. Ian C. Saunders (USA), opened the 221<sup>th</sup>/222<sup>th</sup> Sessions. The list of participants is set out at Annex I hereto.
2. Ms. Hinojosa welcomed the delegates and described the main particulars of the agenda for the upcoming four days. She highlighted the launch of a new discussion on small island economies, many of which are facing numerous vulnerabilities. Among others, she mentioned the relevance of PTC's input and guidance on a matter relating to the WTO Trade Facilitation Agreement and the future of the WCO TFA Working Group.
3. She reminded the important strategic role that PTC has, referring to it as the last reality and quality control check of much of the work that happens in WCO in the area of procedures

and facilitation, before being submitted to the Policy Commission and/or Council for final gavelling. Ms. Hinojosa underlined that contributions to the discussions, as well as to the further enhancement of the many tools that are being developed, is extremely relevant for ensuring that WCO remains relevant and forward looking.

4. In conclusion, the PTC:

- took note of the opening remarks made by Ms. Hinojosa, Director, Compliance and Facilitation.

**(b) Adoption of the Draft Agenda and the Summary Document**

5. The Chairperson invited the PTC delegates to share any comments or suggest amendments to the Draft Agenda and Summary Document, including the latest changes made to the agenda. A number of delegates shared comments regarding publication of relevant documents. They expressed a preference for all documents to be published at least 30 days in advance available on the website of WCO in both English and French languages.

6. The PTC agreed to include a discussion on the PTC reporting format under the Any Other Business item, as suggested by a Member.

7. In conclusion, the PTC:

- adopted the Draft Agenda (documentPC0518) and Summary Document (document PC0519).

**Item II Elections**

• **Elections of the Vice-Chairperson of the PTC**

8. At its last meeting, the PTC unanimously elected Mr. Ian C. Saunders (USA), as the Chairperson of the PTC, and Ms. Maka Khvedelidze (Georgia) as the Vice-Chairperson of the PTC. However, due to her taking a new role outside the Georgia Revenue Service, the Chairperson explained that the elected Vice-Chairperson would not be in a position to carry out this role.

9. The Chairperson managed the election procedure for the financial year 2018/2019. Georgia nominated Ms. Gordana Vidanovic (Serbia) for the Vice-Chairperson of the PTC. This proposal was supported by many Members who expressed their appreciation for her active role in the PTC and her high level of commitment.

10. Ms. Gordana Vidanovic confirmed her willingness to assume the role of a Vice-Chairperson to the PTC for the current financial year.

11. In conclusion, the PTC:

- elected Ms. Gordana Vidanovic (Serbia) for the Vice-Chairperson of the PTC during the financial year 2018/2019.

**Item III Updates and reports**

**1. For decision**

**(a) Inter-sessional developments**

**(b) Report from the 74th Meeting of the Information management Sub-Committee (17-18 May 2018)**

**(c) Report from the 10<sup>th</sup> Meeting of the Agreement on Trade Facilitation Working Group (22-23 October 2018)**

**2. For information**

**(a) Report from the 3rd Meeting of the Working Group on E-Commerce (9-12 April 2018)**

**(b) Report from the 18th Meeting of the Revised Kyoto Convention Management Committee (3-4 May 2018)**

**(c) Report from the 79th Session of the Policy Commission (25-27 June 2018)**

**(d) Report from the 132nd Session of the Council (28-30 June 2018)**

12. The reports of WCO working bodies which were relevant to the work of the PTC and were for information and note-taking only, were grouped under “2. Update and Reports”. Delegates were invited to raise any questions or concerns, if necessary, while avoiding spending too much time on items which did not require much discussion. However, the reports which were grouped under “1. Update and reports” require decisions from the PTC.
13. Originally, the Report from the 10<sup>th</sup> Meeting of the TFAWG was intended to be under item III.2, for information only. However, the Secretariat suggested to place it under item III.1. as sub-item (c). Namely, with the agreement of the PTC, after presenting the outcomes of the 10th meeting, the Secretariat opened a discussion on the future of the TFAWG and sought feedback from the delegates.
14. The Secretariat explained that at the 10th TFAWG meeting, the newly appointed Chairperson, in his opening remarks, drew the attention of delegates to a decreasing number of participants to the TFAWG over the years. He referred to the overlap between different working groups in the WCO as one of the possible reasons behind this diminishing interest from Members. He also underlined that there are many International Organizations working on trade facilitation issues.
15. In reference to this observation, after the Secretariat delivered an oral report from the 10th TFAWG Meeting to the PTC, the WCO Director for Compliance and Facilitation Ms. Ana Hinojosa opened up a discussion on the future of the TFAWG. She referred to the Terms of Reference that require the TFAWG to report to the Policy Commission for policy matters and to the Permanent Technical Committee and the Capacity Building Committee for technical matters. With that in mind, she invited views from the PTC, on whether it was necessary to retain the TFAWG, or if the implementation and monitoring efforts, which were now coming into the focus of the Members in regard to the TFA, could be blended in other Working Groups and Committees within the WCO working bodies’ structure. The Director of Capacity Building Mr. Ernani Checcucci confirmed that one of the major topics to be discussed at the December 2018 Policy Commission meeting was monitoring and evaluation, which was a transversal issue across the whole of Member administrations.
16. In the comprehensive discussion that followed, the PTC expressed appreciation for the work carried out in the ten meetings of the TFAWG and the good results achieved. It affirmed that there still remains substantive work to be done regarding TFA implementation, both pertaining to policy and capacity building. The PTC also noted the important role of Customs in implementing the TFA at national level, and the role of the WCO, including in monitoring implementation of WCO instruments and tools that support TFA implementation.

17. There was a general feeling that within the existing WCO working bodies' structure the Capacity Building Committee and the Permanent Technical Committee could continue working on the TFA-related actions set out by the WCO Strategic Plan and by the TFAWG Work Programme, especially having in mind the resource constraints and the need to avoid duplication.

18. There was a strong feeling that there is value in having the Policy Commission explore the question of how TFA-related work proceeds - whether in the dedicated TFAWG or through the Capacity Building Committee and the Permanent Technical Committee respectively - and to provide guidance in this regard.

One delegation raised the importance of relating this question with the strategic plan as well as with a proper financial resource allocation.

19. In conclusion, the PTC:

- endorsed the Intersessional developments document;
- approved the Summary Report from the 74th Meeting of the Information Management Sub-Committee;
- took note of the reports from the relevant meetings; and
- in relation to sub item III.1(c);
  - took note of the oral report from the 10<sup>th</sup> TFAWG Meeting,
  - had a rich exchange of views that affirmed that there remains substantive work to be done related to the TFA both pertaining to policy and capacity building;
  - noted the important role of Customs in implementing the TFA at the national level and the role of the WCO, including in monitoring implementation of WCO instruments and tools that support the TFA ;
  - there was a sense that there is value in having the PC explore the question of how TFA-related work proceeds and to provide guidance in this regards.

#### **Item IV Customs-Railways Cooperation**

##### **(a) Update from the Virtual Working Group on Customs-Railways Cooperation**

##### **(b) Data requirements for movement of goods in transit – Panel discussion**

20. A representative from Azerbaijan Customs gave a presentation on the national experience in railway transportation. He shared his experience on the utilization of Advance Electronic Information (AEI) for both cargo and passengers, as well as on simplification of formalities based on the consignment note. He noted that modern infrastructure, legislative framework in line with international standards, and Customs authorities' involvement would be essential elements for effective railway transportation. He further explained the use of high energy X-ray cargo scanners which could scan a whole train, leading to the reduction of physical inspections.

21. Responding to the questions from the delegates, he explained that the X-ray scanners were placed at the border crossing points and at seaports and that only selected high-risk cargo would be sent to the special lanes for scanning. He went on to state that the scanned images were sent to their national centre for risk analysis and that currently Azerbaijan Customs was exchanging these images with Georgia Customs.

22. The WCO Secretariat then introduced document PC0499. The Secretariat explained that out of several key issues on railway Customs procedures, currently being dealt with, such as use of AEI, application of new technologies, exploitation of Passenger Name Records and standardization of data elements, the PTC would have a panel discussion on the data standardization for Customs transit declaration, with panellists from the OTIF (Intergovernmental Organisation for International Carriage by Rail), the CER (Community of European Railway and Infrastructure Companies) and the Revenue Service of Georgia.
23. During the panel discussion, the representative from the CER, Mr. Wessel Sijl, stressed that alignment of consignment note data to the international standards including the WCO Data Model would be essential for facilitating railway transportation. The representative from the OTIF, Mr. Aleksandr Kuzmenko also mentioned that the harmonization of Customs procedures, including data harmonization, could significantly contribute to the facilitation of railway transportation.
24. The representative from Revenue Service of Georgia and the Chairperson of the Virtual Working Group on Railway, Ms. Irina Sigua, pointed out the importance of collecting best practices of Customs procedures and the necessity of understanding the data elements required by Customs. She went on to stress that harmonized data should be exchanged not only among Customs administrations, but also between Customs and the private sector. The importance of one-time Customs control through the whole railway transit route, as well as mutual recognition and sharing of data and scanned images among Customs administrations, were also pointed out.
25. A number of delegates agreed with the need of data harmonization and electronic submission of declarations while maintaining the quality of data. Some delegates stressed the importance of continuing the discussion on railway cooperation and sharing of national experiences, taking into account the increase of railway transportation and the role of Customs in facilitating and securing railway transportation.
26. In conclusion, the PTC:
- took note of the national experiences and examples mentioned in the working document and the presentations during the panel session; and
  - provided feedback and agreed the way forward for future work on railway transportation.

## **Item V E-Commerce**

### **(a) Report from the 4th Meeting of the Working Group on E-Commerce (8-12 October 2018)**

#### **(b) The Framework of Standards for Cross-Border E-Commerce : Progress on further work and implementation**

27. The Chairperson introduced the topic of E-Commerce by mentioning that there had been further progress since the adoption of the Framework of Standards on Cross-Border E-Commerce by the Council in June 2018.
28. The Secretariat drew delegates' attention to documents PC0522E1a and PC0522E1b and various Annexes, recalling that the PTC, at its April 2018 sessions, had approved the Framework of Standards on Cross-Border E-Commerce along with the draft Council

Resolution, which had been adopted by the June 2018 Policy Commission and Council. As recommended by the PTC, the term of the Working Group on E-Commerce (WGEC) had also been extended up to June 2019 for completing the envisaged work on identified items.

29. The Secretariat then provided the main outcomes of the 4<sup>th</sup> WGEC Meeting held from 8 to 12 October 2018, outlining the substantial progress with the finalization of draft Technical Specifications; draft definitions of 4 key terms that were fundamental to the Framework i.e. Cross-Border E-Commerce, E-Commerce stakeholders, Low-value Shipment, and Carrier; draft E-Commerce Business Models and E-Commerce Stakeholders: Roles and Responsibilities, and draft Revenue Collection Approaches. Furthermore, the WGEC had agreed to continue work on a few outstanding issues, in particular Flow Charts, Data Elements, E-Commerce Business Models, and Implementation Strategy, Action Plan and Capacity Building that would require further discussions from wider perspectives.
30. Inviting delegates' attention to the preliminary mapping of the Cross-Border E-Commerce Framework of Standards with the WTO Agreement on Trade Facilitation, the Secretariat pointed out that the Framework supplemented and complemented a number of the key trade facilitation measures of the TFA and expanded them to better support the increasing trade via E-Commerce channel.
31. In a wide-ranging discussion, several delegates applauded the work done by the WGEC thus far and shared their perspectives on the future work in the area of E-Commerce, noting it one of the key priority areas for Customs and other government agencies.
32. Referring to the discussions on some issues that were taking long time, a delegate expressed an apprehension on the feasibility of concluding the discussions and finalizing all of the outstanding work by June 2019. Recognizing that the adoption of the Framework of Standards on Cross-Border E-Commerce had been a productive step forward, another delegate advocated for a pragmatic and flexible approach to the future work that should evolve over a period of time through critical thinking, responding to evolving dynamics. He then raised concerns on some topics such as data elements, revenue collection models, and E-Commerce related capacity building activities. Furthermore, the delegate recommended establishing a permanent working body to continue work beyond June 2019, thus relieving the pressure of resolving all the E-Commerce related issues by June 2019, drawing a parallel with the development and evolution of the SAFE Framework of Standards over a period of time.
33. Expressing diverse views, several delegates affirmed the importance of, and expressed their commitment to, the ongoing work of the WGEC with a view to finalizing as many elements as possible by June 2019. They also indicated that the WCO should continue providing capacity building support to Members based on their respective needs and requirements through the Member-driven established mechanism.
34. Some delegates advised considering different options for the future of the WGEC, such as merging with another Working Group or Committee, for example the PTC, to carry forward the work in cohesive manner, avoiding duplications as there were some cross-cutting issues, and utilizing Secretariat's resources optimally.
35. A delegate said that more time was needed to carry out inter-agency consultation and suggested that the future work should be aligned with the new Strategic Plan that was being developed.

36. Thereafter, it was noted that documents which were finalized or in the process of being finalized by the WGEC meant that they were "fit to share" for intergovernmental comments rather than being final documents. Furthermore, given that E-Commerce business models were changing at a rapid pace, it was important to consider that the finalised documents remained relevant and updated as 'living documents'.
37. Referring to the concerns raised by a few delegates concerning the tight timelines, a delegate reiterated their request, which was made at the 4<sup>th</sup> WGEC Meeting, for organizing an additional meeting of the WGEC before June 2019.
38. There was a general view that clear synergies existed between the Framework of Standards on Cross-Border E-Commerce, the WTO TFA and the Revised Kyoto Convention (RKC), which could be exploited through a harmonized implementation, thus supporting an expeditious release and clearance of E-Commerce shipments. In the context of capacity building, it was suggested to develop e-learning modules on E-Commerce that could also be made available to external stakeholders including Micro, Small and Medium Enterprises (MSMEs). A delegate also suggested focusing on monitoring the implementation of the Framework.
39. A delegate then shared his administration's experience with the use of blockchain technology in dealing with huge volumes of E-Commerce shipments and associated data, which helped with an automated declaration, thus reducing declaration frauds, increasing tax revenue, enhancing facilitation and strengthening supply chain security. He suggested that the WCO should explore this topic and carry out further work in this area. Another delegate described his country's initiative with respect to the exchange of data between online platforms and Customs that included the exchange of e-invoices and e-catalogues.
40. Delegates put forward some suggestions for future work that included more focus on post-clearance audit alongside facilitation and clearance procedures; enhanced cooperation with law enforcement agencies across borders; incorporating Members' innovative solutions and best practices in the Framework. Underlining the significance of an effective risk management based on advance electronic data, some delegates called for an increased attention on data, including issues surrounding harmonized data and data quality for securing E-commerce distribution channels, thus augmenting end-to-end supply chain security.
41. The Chairperson summarised the discussions stating that the PTC was invited to examine and provide inputs on the draft documents "Technical Specifications", "Definitions", "E-commerce Stakeholders' Roles and Responsibilities", "Revenue Collection Models" appended as Annexes to the working document. Broadly speaking, there was a high level of interest in E-Commerce.
42. In conclusion, the PTC :
- provided guidance on the way forward and envisaged future work, including mention of the following :
    - the evolving nature of E-Commerce and the need for the WCO's work to be responsive;
    - various views on the role of capacity building related to E-Commerce;
    - recognition of the relationship between the E-Commerce work and other instruments such as the TFA and the RKC;

- the importance of interagency consultation in developing the substance of the WCO's guidance; and
- the timeline established for this work and the need to assess the form in which it should continue.

## **Item VI Postal traffic**

- **Joint WCO-UPU Guidelines for the exchange of electronic advance data between Post and Customs**

43. The Secretariat presented document PC0523, providing a brief overview of the regulatory, legal, technical and operational issues with the exchange of electronic advance data on postal items (be it pre-arrival or pre-loading) between post and Customs, in the context of growing E-Commerce via post. Referring to the ongoing cooperation between the WCO and the UPU on various issues, in particular the implementation of EAD, the Secretariat noted several joint work including the already developed technical solutions and tools. In the year 2016, a Joint survey to assess the level of preparedness of postal operators and Customs administrations for capturing, sending, receiving and using data in electronic format was also carried out that indicated, among other things, a limited number of postal operators exchanging EAD with respective Customs administrations.
44. The Secretariat then guided through the draft Guidelines on the exchange of EAD between Posts and Customs that had been jointly developed by the WCO and the UPU, aiming at providing policy and technical guidance to designated postal operators and Customs administrations on how to establish the exchange of EAD by bringing together all the relevant WCO and UPU instruments and tools at one place.
45. During the discussion which followed, delegates expressed their appreciation of, and support for, the draft guidelines on the exchange of EAD between Posts and Customs, and highlighted some of challenges with developing/upgrading of IT systems for a seamless interface, as well as improving the quality of information on postal items including its accuracy and completeness.
46. Some delegates shared their experiences and pilots with regard to the exchange of EAD by using the joint WCO-UPU EDI Messages and the UPU's Customs Declaration System (CDS), and underscored the need for data sharing arrangements with other countries.
47. Delegates also provided suggestions to the draft Guidelines that included removing the word "eliminate" (under the section entitled as 'Benefits and Opportunities') or replacing it with another appropriate word, as it sounded too strong, and aligning the meaning of terms 'Customs release' and 'pre-clearance' used in the draft Guidelines with the definitions of the terms 'release' and 'clearance' contained in the RKC. It was noted that the Guidelines should be a 'living document' that could be updated to ensure that it remained up-to-date.
48. A delegate then shared their initiative with the impending implementation of pre-loading advance cargo information (PLACI) for postal items that would have a global reach, since the EAD model of post depended on the data capture by the designated postal operator at the origin. In this context, she suggested the Global Postal Model on EAD should include an additional flow of messages between Customs, the designated operator at the destination and the designated operator at the origin with respect to response protocols to referrals from Customs. In addition, she mentioned that due to the EU VAT E-commerce legislation, all goods imported into the EU would be subjected to VAT, and the import Customs declaration

would be needed for VAT reporting. To this end, she indicated that CN 22 and CN 23 should include information of sender and recipient/consignee and the VAT identifier of the overseas E-Commerce vendor/platform. She concluded by stating that her delegation would provide some textual suggestions to the draft guidelines to the Secretariat.

49. In conclusion, the PTC :

- examined the draft Guidelines and provided feedback and suggestions, as mentioned in the preceding paragraphs, for their further development;
- provided guidance for an expeditious implementation of EAD and associated issues such as data quality, data harmonization and IT preparedness; and
- Members also agreed to provide any substantive feedback on the guidance document in writing to the Secretariat by early January 2019.

**Item VII Customs-Tax Cooperation**

**(a) Draft Guidance on Customs' role in the collection of indirect taxes**

**(b) Presentation by Member**

- **Presentation by India**
- **Presentation by Korea**

50. The Secretariat presented document PC0524, reporting the ongoing work in the area of Customs-Tax cooperation in terms of the exchange of information and joint approaches towards revenue collection, risk management, audit, and financial crimes. Referring to the discussions at the recent sessions of the Policy Commission and the Council, the Secretariat mentioned that as requested by the Policy Commission a 'draft Guidance on Customs' role in the collection of indirect taxes on imported goods' had been developed based on the structure and content that was approved by the PTC at its October 2017 sessions. In this regard, some best practices and working experiences of Members (e.g., Korea and Chile) had also been studied to identify key enablers and requirements for an efficient collection of indirect taxes on imported goods.

51. The Delegate of India then began his presentation by stating that historically Indian Customs has been collecting indirect taxes. Noting that last year India had introduced a transformative reform in Indirect taxes by subsuming more than 13 indirect taxes into Goods and Services Tax (GST), he said that Indian Customs was now collecting GST in the form of Integrated Goods and Services Tax (IGST) on imported goods. On the export side the duty was zero-rated and the exporters were provided refund of the amount which they would have paid in the form of IGST. He went on to describe a few other initiatives undertaken by Indian Customs, which included the introduction of SWIFT (Single Window), Goods and Service Tax Network (GSTN), and e-way bill, resulting in an efficient revenue collection and reduction in litigation.

52. He then highlighted the signing of an MoU between the Central Board of Indirect Taxes and Customs (CBIC) handling Indirect Tax (GST) and Customs, the Central Board of Direct Taxes (CBDT) handling Direct Taxes on Corporates and Individuals, and the Corporate Affairs Ministry handling Companies Act, that had facilitated sharing of audit findings, risk

profiling of refunds, and flagging of suspicious transactions. He concluded by pointing out how the greater use of technology and data analytics in his administration had helped with enhancing indirect tax revenue, increasing taxpayer base, and supporting data-driven tax policy formulation.

53. Next, the Delegate of Korea presented his country's initiatives with respect to the cooperation and coordination between Customs and Tax authorities, going beyond the collection of indirect taxes. He mentioned that responding to the requests from trade for the harmonization of Customs valuation and transfer pricing, Korea Customs Service (KCS) had introduced Advance Customs Valuation Arrangement (ACVA) to facilitate importers that were importing from the related parties. Similarly, based on the OECD Guidelines, Advance Pricing Arrangement (APA) had implemented by Korean National Tax Authority (NTS). Importers who had obtained the approval of ACVA or APA could submit provisional declarations on compensating adjustments. This allowed importers to file an amendment after the tax adjustment by NTS if there was a gap in the value of imported goods reported to Customs and Tax authorities.
54. The delegate added that there was a regular exchange of identified data elements between KCS and NTS, which led to an increase in revenue and compliance. He also provided information about the data exchange between KCS and NTS for the collection of overdue duties as well as overdue taxes that could lead to the confiscation and auction of imported goods of delinquents. Regarding the way forward, he offered his thoughts on improving cooperative dialogues on advance/post harmonization scheme and improving data quality through sharing success/failure cases.
55. During the discussion, delegates expressed a keen interest in the topic of Customs-Tax Cooperation and appreciated the sharing of experiences and best practices among Members on the cooperation between Customs and Tax authorities. The importance of a systematic data exchange between the two authorities through interoperable systems and joint approaches was underlined for the fight against frauds, as well as efficient revenue collection and refund of indirect taxes (e.g., VAT or GST).
56. Some delegates indicated that they would be providing written comments and input to the draft Guidance. The Secretariat had since received comments/inputs from the EU and the US that included a few suggestions and editorial changes. Noting the dynamic changes in the international trade and the unprecedented growth of small direct to consumer shipments that had resulted in some administrations moving away from Customs collecting VAT at the border for certain transactions, it had been suggested that the PTC should take more time to share experiences and fully study the impact that new technologies might provide for streamlining duty and tax collection. Alongside, Members should also discuss whether all indirect tax collection must be done at the border in each and every case.
57. Responding to a query from delegates, the Secretariat informed that delegates might still like to provide their suggestions and comments in writing to the Secretariat. Furthermore, the Secretariat had been in discussion with the IMF and OECD who had welcomed the development of this Guidance by the WCO and had also indicated to provide their inputs in writing.
58. Concerning the information on the contribution of Customs to public revenue in 'OECD/High-Income economies (HIE)' versus 'Others' contained in draft Guidance, the Delegate of Serbia said that the number of Members under the 'Others' category was not correct and therefore should be corrected.

59. In conclusion, the PTC :

- took note of the presentations by India and Korea; and
- examined the draft Guidance and opened a window for delegates to comment until early January 2019, to enable a substantive review of the document.

**Item VIII Small island economies**

**Peculiarities and challenges of Customs administrations - Panel discussion**

60. The Secretariat introduced this item and presented document PC0525 by informing delegates that, at the June 2018 sessions of the Policy Commission and the WCO Council, the Secretary General, in his report, had indicated that during this fiscal year more attention would be paid to Small Island Economies (SIEs), among others. The specific reference to SIEs for a focused capacity building and tailor-made assistance to their Customs administrations was welcomed by delegates.

61. This was followed by a high-level panel discussion comprising the following panelists, which was moderated by Mr. Pranab Kumar Das, Special Secretary and Member (Customs), Central Board of Indirect Taxes and Customs, India :

- Mr. Vivekanand Ramburun, Director of Customs, Mauritius Revenue Authority (MRA)
- Mr. Roy Lagolago, Head of Secretariat, Oceania Customs Organisation (OCO) Secretariat.
- Mr. Albert Sandy, Permanent Secretary, Caribbean Customs Law Enforcement Council (CCLEC).
- Ms. Christiane Leong, Representative from African, Caribbean and Pacific Group of States (ACP Group) Secretariat

62. Mr. Vivekanand Ramburun enumerated some of the characteristics and specificities of SIEs that included the scarcity of natural resources, fewer possibilities of Economies of Scales, importation of raw materials, high freight costs and low shipping volumes, and less diversification in economic activities. He then noted some risks faced by SIEs such regional insecurity, erosion of resource, pests and diseases, natural disasters and climate change impact. Pointing out trade costs implications for SIEs, he suggested some potential solutions that could be implemented with the support of the Customs community: providing risk management software, installing Customs laboratory, etc.

63. Mr. Roy Lagolago began by stating that the aim of his organization was to help Customs administrations to align with international standards and best practices, leading to greater economic prosperity and increased border security. He stressed that it was not possible for SIEs to handle the big maritime traffic due to the lack of adequate infrastructure. Noting the challenges faced by SIEs in terms of drug trafficking in the Oceania region, as well as the proliferation of financial crimes, he highlighted that the focus in the region was mainly on revenue collection and that the SIEs was always clubbed together with other Asian countries, which sometimes implied that all donor support actions did not necessarily meet SIEs' special needs. He then invited the WCO and its members to work with regional agencies such as the OCO in order to explore tailor-made programmes for the pacific region SIEs, alleviate the burden of membership fees, and support them to handle the cost of RKC accession, while encouraging them to become a member of the WCO.

64. Highlighting some of the challenges faced by the Customs administrations of SIEs, Mr. Albert Sandy mentioned, among other things, the lack of structured use of risk management and intelligence principles and practices and the fear of illicit trade and contraband that impeded trade facilitation initiatives, as well as lack of use of non-intrusive technologies and tools among SIEs. He then provided some of the SIEs experiences with the implementation of the WCO instruments/tools including Post Clearance Audit (PCA) programmes.
65. Ms. Christiane Leong dedicated the first part of her presentation to the cooperation between ACP Group and the EU which aimed to identify specific needs of the Customs administrations of SIEs, as well as to develop and implement technical assistance programmes. She then explained that this cooperation helped to establish electronic Single Window (eSW) in some SIEs and to ratify the WTO TFA among these States. However, in her view many challenges were still persisting such as the lack of infrastructure, non-compliance with the Sanitary and phytosanitary (SPS) rules of trade partners like the EU, and high trade costs.
66. Responding to specific questions, the panelists explained that the governments of SIEs need to facilitate trade through post-clearance approach which required a robust risk management system based on the use of ICT tools that could be developed with the WCO support. It was also suggested that the WCO should conduct gap analysis for each SIE to identify respective specific needs. Additionally, the necessity to help SIEs to apply SPS rules especially for agricultural products was noted. In this context, the WCO was invited to support with the establishment of regional laboratories, accreditation of experts and development of certification schemes.
67. It was pointed out that the WCO had already been providing necessary assistance to some SIEs like Kiribati to accede to the RKC, which had become the first non-WCO Member acceding to the Convention. Furthermore, the WCO was supporting other SIEs, for example Cook Islands, Solomon Islands and Marshall Islands with their accession to the RKC, as well as becoming WCO Members.
68. The panellists suggested some measures for supporting SIEs to become WCO Members and accede to/implement various WCO instruments. These measures included high-level engagement and policy advocacy with governments and their relevant agencies, regional bodies and development partners.
69. The panel also outlined potential solutions, including associated capacity building and technical assistance requirements based on respective national and regional priorities and specificities. It was suggested to learn from previous cooperation and support initiatives like the implementation of ASYCYUDA World along with WCO Data Model in some SIEs, as well as the establishment of PCA.
70. Following the panelists' interventions, Dr. Kunio Mikuriya, the WCO Secretary General, explained that in the last year, the WCO Secretariat focused on the landlocked countries and developed Transit Guidelines and Handbook, as well as organized a Global Conference on Transit. As for this year, the Secretariat had been engaged with many international and regional organizations to provide support in terms of capacity building and technical assistance to SIEs. He mentioned that the WCO was working with the OCO Secretariat to promote the accession to the RKC in the Oceania region.
71. He continued by indicating that the CCLEC was a natural ally for the WCO to work together in areas of common interest. He added that recently the WCO Secretariat signed a Memorandum of Understanding with CARICOM and that the WCO was deepening its

engagement in order to get more involvement from SIE's Governments. He informed the PTC that he was going to attend a CARICOM Meeting in Guyana and would address Ministers on SIEs Issues. He also pointed that at the African Union Sub-Committee of Customs Directors General meeting held in Comoros in September 2018, he discussed with the President of Comoros on how the WCO could support SIEs in the sub-region. Noting that Mauritius was a better ranked economy in many area compared to other Indian ocean SIEs, he encouraged sharing of experiences and best practices and expressed WCO's readiness to respond to SIEs' specific needs.

72. The delegate of Comoros complemented the panelists for their deep insights into the topic and thanked the WCO Secretary General for his strong support and political advocacy on SIEs' peculiarities and challenges during the African Union meeting. He underscored the importance of regional integration for effectively tackling the difficulties faced by SIEs to accede to, and implement, WCO instruments and tools.
73. Recognizing the challenges faced by Customs administrations of SIEs such as smuggling of endangered species, several delegates stressed the necessity to enhance cooperation between SIEs and the importance of a regional/sub-regional approach to provide tailor-made capacity building and technical assistance support. They also recommended discussing more in depth potential ways to support SIEs at the upcoming Policy Commission meeting in December 2018 and to involve SIEs in the ongoing RKC review process. Some other proposals put forward by delegates included the necessity to invite experts from all the SIEs to explain their needs so as to guide the WCO in tailoring capacity building and technical assistance programmes and to allow the WCO to monitor the efficiency of Customs administrations in the SIEs.
74. Returning to the challenges relating to smuggling of endangered species, it was noted that SIEs were working within the CITES Convention to fight against this menace, however the support of countries to whom these species were exported was very important.
75. Delegates discussed the draft outline of an envisaged guidance for Customs administrations of SIEs and suggested that the proposal for developing resource guidance be submitted to the December 2018 Policy Commission for consideration and decision.
76. In conclusion, the PTC:
  - took note of the presentations made by Members and organizations representing SIEs and related discussions;
  - discussed the main challenges faced by SIEs and opportunities for improvements at national and regional levels;
  - provided guidance on how the cooperation between WCO and international/regional bodies could best support the Customs administrations of these SIEs;
  - suggested specific measures as outlined in foregoing paragraphs on engagement with SIEs to support them becoming WCO Members and acceding/implementing various international instruments and tools by adapting them to their unique requirements and specificities, where required; and
  - examined the draft outline of the envisaged Guidance for Customs administrations of SIEs and invited delegates to provide written comments to the Secretariat until 15 January 2019, provided a mandate to pursue the effort was confirmed by the Policy Commission in December 2018.

## **Item IX Container security/tracking devices**

### **(a) Use of advanced technologies in containerized trade and challenges associated to the Customs treatment of the innovative solutions, presentation by BIC (Ms. Benedicte Meille)**

77. The Chairperson invited the Bureau International des Containers (BIC) to present a non-paper outlining the challenges faced by the container shipping industry with regard to the Customs treatment of container accessories.
78. The BIC started their presentation by highlighting the advantages of the deployment of innovative solutions for tracking the movement of containers, monitoring parameters such as temperature, humidity, vibration, tampering, etc. and collecting quality data within the supply chain. Containers equipped with tracking and monitoring capabilities, security devices and other connected sensors were seen as a prerequisite to deploying effective digital platforms for global shipping that enhanced supply-chain efficiency, integrity and flexibility. In addition to trade facilitation, these systems also contributed to security and potential interoperability with Customs risk-management systems.
79. The BIC went on to reiterate the provisions of the international legal framework governing the Customs treatment of tracking, monitoring and security accessories. This included the United Nations (UN) Customs Convention on Containers, 1972 administered by the WCO, the Convention on Temporary Admission (Istanbul Convention), the Customs Convention on the ATA carnet for the temporary admission of goods (ATA Convention) and the WCO Recommendation concerning Customs formalities in connection with the temporary admission of Container Security Devices (CSDs).
80. The inconsistency of global practices was highlighted by the presenter, whereas some of the inconsistencies originated in Members that were Contracting Parties to the above Conventions. For the container shipping industry this had resulted in lack of predictability. The challenges encountered by the industry included non-recognition of the devices as container equipment or accessories, denial of temporary admission regime and associated duty exemption for devices to be shipped with a container in a timely manner and cumbersome documentary requirements. These challenges were mainly faced on the occasion of the Customs processing of bulk shipments of container accessories and had led to delays and costs at borders. Due to these challenges some campaigns for deployment of tracking and monitoring devices had been delayed, downsized or re-oriented to other countries.
81. As per industry estimates, 0,5 million out of the 25 million containers world-wide had been equipped with smart sensors. Thus, it was believed that the process was just starting and it was the right time to engage with the global Customs community with the objective of not jeopardizing the digital supply chain.
82. To conclude the presentation, BIC outlined the possible solutions to be pursued by the Customs community. These included promoting the dedicated UN and WCO instruments and expanding their implementation, integrating the business practices within the process of the comprehensive review of the Revised Kyoto Convention, developing a Harmonised System (HS) Committee Classification Opinion describing clearly the product and enabling clearer and faster identification at borders, using ISO 6346 markings for easier recognition of container accessories and introducing a standardized dataset to ensure that the container tracking and monitoring devices were identified properly.

83. In the ensuing discussions delegates highlighted the importance of the deployment of electronic seals, tracking and monitoring devices for supply chain visibility and security. Delegates further supported the work being done by the WCO in the area of electronic seals, under the umbrella of the SAFE Working Group and the pending development of a study report on the application of e-seals including guidelines, as well as policy and operational recommendations. The private sector was welcome to join that initiative and contribute to the future developments.

84. In conclusion, the PTC:

- took note of the non-paper submitted by BIC, and
- provided guidance with regard to streamlining and harmonizing the Customs treatment of container accessories at a global level.

**(b) Potential opportunities for the use of E-Seals**

85. The Secretariat briefly presented document PC0526, providing the background and context of the work done by the SAFE Mini-Group on the topic of e-seal and elaborating potential opportunities and challenges with regard to the use of e-seals in terms of improving security, integrity, visibility, transparency and predictability of supply chains. The Mini-Group, through preliminary discussions, had identified the following key objectives and deliverables: (i) develop a study report on the application of e-seals including guidelines, as well as policy and operational recommendations, and (ii) develop a potential update of the relevant provisions of the SAFE Framework of Standards. Delegates were also provided with information on types of e-seals and related ISO standards, as well as some initiatives/pilots already undertaken by Members in this area.

86. The Secretariat then reported the outcomes of the discussions held at the SAFE Working Group (SWG) Meeting (17 to 19 October 2018) on this topic which, inter alia, included the suggestions for the potential development of a study report on e-seals by taking into account : cost and resource implications for economic operators and Customs; logistical challenges, including the re-use and return of e-seals, and false/positive ratio of e-seals. The SWG had also agreed to carry out a simple survey based on the approved questionnaire to collect Members and stakeholders' initiatives/pilots with the use of e-seals. Thereafter, delegates were invited to discuss and provide guidance on the future work from wider facilitation and control perspectives.

87. Noting the growing importance of supply chain visibility in the context of vulnerabilities and criminal exploitations of supply chains, and the potential use of smart seals in this area, delegates appreciated the preliminary work on developing a study report and suggested that the outcomes of this study could also be reflected in the review of the RKC. A delegate pointed out some of the shortcomings of mechanical seals in terms of their breaches, which could possibly be improved with the use of e-seals. Another delegate then suggested setting out the vulnerabilities that could not be effectively addressed by mechanical seals.

88. A delegate then provided suggestions for referring to other ISO Standards, for example ISO 18186, ISO 18625 and ISO 24533. He also indicated that ISO 10374:1991 should be mentioned alongside the ISO/TS 10891:2009, as the latter was an update and the former one had not been removed and was still in use in some countries.

89. Finally, the representatives from BIC and WSC expressed their interest in joining the SAFE Mini-Group on E-Seals.

90. In conclusion, the PTC :

- discussed the current and future opportunities and potential uses of e-seals in the supply chain management and Customs business processes from a wider perspective and provided guidance on the future work based on the preliminary work already initiated done by the SAFE Working Group in this area; and
- encouraged Members, economic operators and other stakeholders to share their practices, initiatives/pilots including by responding to the questionnaire.

**Item X Product Identification**

- **Update on the work in the area of Product Identification**

91. The Secretariat introduced document PC0527, stating that the topic of Product Identification was not new but it got a renewed attention recently in the context of Single Window environment. Outlining the potential value of Product Identification Numbers (PIN) in managing risks and ensuring compliance with various cross-border regulations, as well as furthering simplification of regulatory information and documentation, the Secretariat noted some of the past discussions held at the Data Model Projects Team (DMPT) and the Policy Commission on how PIN could complement and supplement the Harmonized System (HS) by potentially including them in the Customs declaration.
92. The Secretariat then informed delegates about the discussion on PIN held at the May 2018 Information Management Sub-Committee (IMSC), as well as the GS1's plan to map their Global Product Classification (GPC) to the HS, by examining each of GPC Bricks to identify corresponding HS code. Furthermore, it was mentioned that PIN when used in conjunction with Artificial Intelligence, data analytics and other technological tools could create a possibility to auto-populate the HS classification. Delegates were then invited to provide suggestions on the future work in this area from the point of view of PIN's applicability in Customs and border clearance processes.
93. During the discussion that followed, delegates shared their thoughts, noted the value proposition of the use of PIN especially with respect to regulatory compliance of other government agencies, and pointed out associated challenges.
94. A delegate said that if PIN was used instead of product description in the Customs declaration, it would improve the convenience for traders and reduce Customs administration's classification work. Concerning the applicability of PIN in IPR enforcement, he indicated the need for a further study by the WCO in this area.
95. Referring to the past discussions at the Policy Commission and other working bodies, some delegates recalled that one of the impediments with the use of PIN was the lack of proper understanding among Customs administrations on how the product identification system worked and how to unlock the information behind PIN for its use in Customs and other regulatory processes; this issue needed to be addressed first before moving forward. Some delegates wished to know the potential cost involved for providing product identification number and how PIN could be made available to Customs and other government agencies. They asked to examine the added value of PIN and define the intended objective of the work in this area.
96. A few delegates also shared their respective experiences with the use of PIN for efficient tax collection and effective compliance with regulatory requirements of various government

agencies (e.g., product safety, agriculture) that required more granular information about goods. It was suggested that further progress with such initiatives could be shared at future meetings.

97. Thanking delegates for their valuable comments and suggestions, the Secretariat noted that this topic had been added to the PTC Work Programme at the request of some Members. As indicated by delegates, the Secretariat with the support of some Members and stakeholders could further examine various aspects related to PIN such as challenges, costs, various use cases PIN including IPR enforcement, and the potential addition of PIN in the Customs declaration in a single Window environment.

98. In conclusion, the PTC :

- discussed the value proposition of the use of product identification in Customs and other border regulatory processes, taking into account various product identifiers and industries' experiences, as well as noting challenges associated with the implementation of the concept;
- provided guidance on the future work in this area, as outlined in the preceding paragraphs; and
- encouraged Members to share their experiences and initiatives in this domain.

#### **Item XI Advanced Passenger Information / Passenger Name Record (API/PNR)**

- **Reconstitution of the Membership of the API/PNR Contact Committee**

99. The Secretariat informed the PTC that the Policy Commission and Council had endorsed the amended Terms of Reference (ToR) of the WCO / IATA / ICAO API/PNR Contact Committee at its meeting in June 2018. The amendments included the change of the number of API PNR Contact Committee Members from Customs side from originally four to eight. Following the endorsement of the updated ToR, the Secretariat had sent a letter with reference 18FL0606 and dated 29 August 2018 to the six WCO Regional Vice Chairs, inviting each Vice Chair to nominate one, and maximum three WCO Members in their region as member of the API PNR Contact Committee. The Secretariat indicated that the Secretariat had received nominations from:

- a. Asia Pacific: Australia, India, and Japan.
- b. Middle East and North Africa: Saudi Arabia, Egypt; and Jordan.
- c. West and Central Africa: Mali, Cameroon, and Ghana.
- d. East and South Africa: Uganda, and South Africa.
- e. Europe: Belgium, European Union, France, Italy, Serbia and Turkey.

100. The re-constituted Members of the API PNR Contact Committee would be invited to meet in the 12<sup>th</sup> Meeting of the Contact Committee from 21 – 23 January 2019, whereby the 21 January would be dedicated for Customs Members only. The Secretariat went on to say that the future meetings of the API PNR Contact Committee would address several important issues such as the enhancement of passenger data quality, elaboration and promotion of the implementation of Interactive API, the implementation of advance passenger data in other modes of transport, as well as promotion of interagency cooperation.

101. A delegate supported the composition of the nomination as presented by the Secretariat. She informed that passenger data was extremely important to support passenger risk analysis on threat relating to serious transnational crime and terrorism. The availability of

high quality passenger data was essential to produce accurate risk analysis result. Another delegate mentioned the need to examine the role of Customs and other border control agencies with regard to the UN Security Council Resolution 2396 on measures to counter threats posed by returning foreign terrorist fighters.

102. A delegate mentioned the interest of her administration to be part of the API PNR Contact Committee Membership. The Secretariat responded that the Administration could contact the Regional Vice Chair to consider nominating the Administration as Member of the API PNR Contact Committee.
103. A delegate informed that the composition of the nomination sent by the Vice Chair in her region was not final. She indicated that the Vice Chair looked for an opportunity to revise the nomination. Another delegate suggested the extension of the deadline of the nomination to give more opportunity to the WCO Vice Chairs in his region to send the nomination. The Secretariat suggested that the PTC could agree to extend the deadline nomination by 30 November 2018.
104. A delegate asked a question on whether with the reconstitution of the Membership of the API PNR Contact Committee, the participation to the Contact Committee meeting would be restricted only for the API PNR Contact Committee Members only. The Secretariat answered that in accordance to the ToR, other WCO Members could participate in the API PNR Contact Committee meetings as observer.
105. A delegate informed that advance passenger data, specifically Passenger Name Record (PNR) is an extremely important tool to facilitate and control the flow of passengers in his administration. However, he said that currently the Administration had a challenge in receiving PNR information from European Union (EU) Countries. The delegate went on to say that whilst all EU airlines were restricted from transmitting passenger data to his country, on the contrary, all airlines departing from his Country are obliged to transmit PNR data to EU Countries. Another delegate shared similar concern. The Secretariat responded that the restriction of the transmission of PNR data might be applied based on national / regional policy or regulations where the WCO couldn't interfere. A bilateral dialog and agreement would be needed to resolve such an issue. The API PNR Contact Committee, however, could consider discussing some topics relating to data security and data protection in order to bridge the gap between different API PNR implementations in order to raise the confidence to allow the transmission of passenger data between different countries.
106. Another delegate mentioned the importance of the harmonized implementation of the API PNR programme in order to make its implementation more efficient. The Secretariat responded that the existing API / PNR Guidelines had included a robust technical standard on API (i.e. API PAXLST Message Implementation Guide - MIG) and PNR (i.e. PNRGOV MIG) to facilitate an efficient, standardized and harmonized implementation of API PNR Programme. In addition, there was guiding material, at the practical level, on how to build API PNR systems that could be referred by Administration that wish to implement API PNR programme.
107. A delegate reminded the Secretariat on the proposal put forward by her administration in the PTC Meeting in April 2018, recommending that the ToR of the API PNR could include the mandate to discuss advance passenger data from enforcement perspective. The Secretariat informed the the API PNR Contact Committee will discuss the proposal at its 12<sup>th</sup> Meeting in January 2019. In addition, the first day of the Meeting, i.e. on 21 January 2019, would be a dedicated Members only meeting to discuss topics on the enforcement side of advance passenger data.

108. In conclusion, the PTC:

- supported the expanded membership configuration of the API/PNT Contact Committee and mandated each Vice-Chair to nominate 3 members from its region, notifying the Secretariat by 30 November 2018; and
- provided guidance on the future work of the API/PNR Contact Committee.

## **Item XII Gender equality**

### **• The role of women in IT – Panel discussion**

109. The Chairperson invited the Secretariat to introduce the topic and document PC0529. The Secretariat explained that gender equality and diversity has been on the WCO agenda since 2013 and that this topic is mainly driven by the Capacity Building Committee and the Capacity Building Directorate. This PTC meeting was, however, an occasion to raise awareness of the topic in a technical committee from a relevant perspective, namely by discussing the role of women in IT.

110. It was further explained that the same topic was discussed at the WCO IT Conference in Lima, Peru in June 2018 and that this was an opportunity to allow for a different audience to benefit from these important insights and to discuss the topic. The Secretariat also shared some of the key activities carried out by the WCO in this area, such as the development of the Gender Equality Organizational Assessment Tool, the survey on gender equality, the work of the dedicated virtual working group and the development of a training package.

111. A panel on the role of women in IT that followed, was moderated by the Deputy Director, Procedures and Facilitation Mr. Luc De Blicq who explained that the aim of the discussion was to address the following questions:

- What is the current role of women in IT on a broad scope and more specifically in Customs IT? Are women commonly taking up managerial roles?
- What do the statistics say regarding the percentage of women working in IT?
- Are there initiatives in place to ensure more gender equality in IT?
- What does the research and what do personal views of women working in IT say?
- How can IT and other modern technologies help improve the working environment and gender equality in Customs administrations?
- What is the role of training and capacity building?

112. He also clarified that the panel would provide a number of recommendations for the future.

113. Ms. Valentina Mintah, CEO, West Blue Consulting, Ghana & Nigeria, provided an insight into her personal experience in working as an IT solution provider and the journey from consumer of IT services, through IT studies, founder/entrepreneur, corporate employee, and finally an employer. She explained some key equity building blocks such as: policies recognizing the various stages of females (e.g. helping women return to the workforce if they leave to have children or care for elderly relatives); “social belongings” referring to non-stereotypical role models; access to education and narrowing the gender gap in socialization and schooling and increasing the educational pathways for girls in STEM; boldly addressing

bias, especially unconscious bias; work-family balance. She also applauded the excellent work undertaken by the WCO in the gender equality field.

114. Mr. Mark Toomey, Executive Chair and Founder, Digital Leadership Institute Limited, Australia, addressed the PTC through a video presentation where he dealt with the question of who is responsible for developing digital leaders and how to bring women into digital leadership. He provided insights into the ISO 38500 standard for Digital Leadership and Transformation, which addresses governance of IT and is based on the principles of responsibility, strategy, performance, human behavior etc. He pointed out that there are not many digital leaders and that women and men can grow equally and together. Leadership planning can be a focus for managing diversity. In terms of recommendations for the future, he suggested: a standard response set - mentoring, development, measurement, reporting; pitching digital leadership as interesting, exciting, rewarding, relevant and suitable for women; etc. He further stressed that learned behaviors and unconscious bias are significant elements to be continuously addressed.
115. Ms. Loubna Azghoud, COO, Women in Business – Women in Tech, Brussels, talked about engaging women and girls in creating startups and about the need to bring together the public and private sector in addressing this matter. She explained that when it comes to the IT sector in Brussels, only 24% of graduates and only 6% of the workforce are female. She underlined the need to change those figures not only in IT working positions in general, but also in managerial positions. She underlined that this is not only a social matter, but an economical one too, as the increase of the number of women in IT will increase incomes as well. One way of addressing the matter is by promoting the female role models in the IT business. She shared information on the Woman Code Festival held in Brussels for the second time in October 2018. The event attracted over 1800 participants to 20 different events throughout Brussels.
116. Ms. Louritha Green, International Trade Liaison, US Customs and Border Protection, presented on women in IT from a national perspective, supported by relevant statistics, especially in the area of cybersecurity. She emphasized three key challenges for women in the workplace: underrepresentation, pay inequity and discrimination (unconscious bias, unexplained denial of career advancement, exaggerated highlighting of mistakes, tokenism and overt discrimination). When it comes to the latter, the most common is unconscious discrimination. She presented the results of Women in the Workplace 2017 Study by McKinsey & Company, which shows underrepresentation of women in technology at all levels, spanning from 17% to maximum 36%. She also shared some recommendations for the future in terms of what companies and governments can do, such as: creating inclusive workplaces, ending pay inequity, investing more into training and development, enlisting top leadership support, ensuring data transparency and accountability etc. She also provided recommendations on what women can do themselves, such as: advocating for themselves, carving their places in the IT job marketplace, taking the initiative in learning how to code, asserting their interest and pushing to lead projects and generate ideas.
117. Ms. Louise Wiggett, CEO, Global Trade Solutions, pointed out the slow progress in the increase in women in business, including in managerial positions. The Fortune 500 had become more female friendly in 2018, with an increase of 50% compared to 2017, rising from 21 to 32 female CEOs, which is still only 6.4% of the list. She also provided some examples of women leaders in the IT space, from both multinational companies as well as startups. She put forward a number of recommendations such as: a leadership mind shift, need for senior executives to lead and promote gender equality in the organization, redefining success and aligning with the triggers that impact women the most, changing the organizational culture to align with a gender neutral position, mentorship, etc.

118. After the insightful and inspiring presentations, the delegates took the floor to share some of their national experiences and reinforce the importance of the gender equality agenda, also in the IT context. A delegate emphasized the importance of having in place the necessary legislation, but also of the relevance of women taking responsibility and ownership in this field where it is all about who can deliver and the results-based approach. Another delegate shared that his Administration was using the WCO Gender Equality Organizational Assessment Tool and has joined the Virtual Working Group on Gender Equality.
119. It was also emphasized that this issue was timely and that it was not only a women issue, stressing that diversity in a working environment brings much better performance. Progress can be achieved by measuring and monitoring results. Currently, the family commitments fall unfairly more on the women than the men, which needs to be addressed by measures such as introducing flexible hours, for example. It was suggested that the WCO put together a compendium of good practices to be shared in that respect.
120. The Director also provided her concluding remarks by asking the delegates to reflect on whether they see a role for themselves in this area. She also stressed the need for women to support other women, as well as the need to be conscious of the unconscious bias.
121. In conclusion, the PTC:
- took note of the panelists' presentations and experiences shared from the floor;
  - took note of the recommendations on what the WCO and Members can do to advance gender equality in the IT area and more broadly; and
  - expressed interest in practical measures to support efforts to improve in this area.

### **Item XIII Future of Customs**

**(a) Strategic foresight, presentation by OECD**

**(b) Update on the WCO session on latest technologies at the WTO Public Forum 2018**

**(c) WTO World Trade Report 2018, presentation by WTO**

**(d) Blockchain for Customs: DG TAXUD experience, presentation by EU**

122. The Chairperson announced the item on strategic foresight and gave the word to the Secretariat to introduce document PC0530 and to set the framework for the discussion. It was explained that this PTC meeting was an opportunity to raise awareness of strategic foresight, as a potential means of better addressing the Future of Customs. Apart from exploring disruptive technologies and the development of the Study Report in the intersession, strategic foresight was another of the two priorities to be addressed by the dedicated Virtual Working Group under the Future of Customs agenda.
123. In the presentation that followed, the EU representative from DG Joint Research Center presented some of the basic principles of foresight and stressed that the main reason for anticipatory thinking is to enhance preparedness of organisations and people to deal with changes. She explained some of the main features of foresight, such as helping create visions and setting an agenda. She also presented the requirements for foresight for policy, such as: access to influential decision-makers (engaged to sponsor the work); wide

engagement to establish the legitimacy of decisions informed by foresight; using methods and tools to capture and bring together the knowledge; etc. Some of the foresight activities, i.e. horizon scanning, trends analysis, visions and roadmaps, alternative futures and technology assessment, were also explained.

124. A project on the Future of Customs in the EU is expected to start in 2019 and will be based on foresight, with the objective of identifying major (mega-)trends and drivers affecting Customs in the EU, outlining and understanding possible paths for how Customs in the EU could develop, analyzing possible opportunities and risks implied by the described potential future change, enabling reflection around options for action and how to deal with these risks and opportunities, and finally adapting the system.
125. After this presentation, the Secretariat was invited to provide a framework for the three sub-items that followed, by sharing the outcomes of the WCO working session on latest technologies, organized at the WTO Public Forum 2018 in early October. This year's Forum brought together around 2500 attendees from governments, the private sector, academia, NGO sector etc. The Secretariat explained that it had been playing an active role in the WTO Public Forum in the past years by organizing working sessions, providing speakers and sharing information, with the aim of raising the profile of Customs and its relevance in cross-border trade.
126. The Public Forum 2018 was held under the theme of "Trade 2030" with the aim of exploring how technology is transforming our lives and our economies – including the way we trade. In that context, the WCO organized a panel discussion to discuss how latest technologies can improve the work of Customs and other border agencies to facilitate and accelerate trade. Even though the session was the last one of the day, it attracted a full room of delegates. The panel included speakers from Customs and the private sector and focused on the on-going work and benefits that the latest technologies, particularly Blockchain technology and Artificial Intelligence, are having in the Customs and border management context, and on some of the challenges in preparing for their use and impact. This was also an opportunity to discuss the strategy behind technology and to share the work on the Study Report on Disruptive Technologies under the PTC and the Virtual Working Group. The web article on the WCO's session at the Forum can be found at the following link:  
<http://www.wcoomd.org/en/media/newsroom/2018/october/wto-public-forum-2018-wco-session-on-latest-technologies-and-customs.aspx>
127. In the presentation that followed, the PTC delegates had an opportunity to hear about the findings from The WTO World Trade Report 2018, which was launched at the Forum. One of the WTO coordinators of this publication, Ms. Emmanuelle Ganne, presented on the Report which looked into how digital technologies are transforming global trade today and will impact it tomorrow. She explained that the report covered four specific technologies: Internet of Things, 3D printing, Blockchain technology and Artificial Intelligence. It was an attempt at quantification of some of the changes at play and at providing some policy options for international trade cooperation.
128. Some of the key findings for the future include: lower trade costs, in particular transport costs which account for a large share of overall trade costs; and changes in trade patterns with a blurring distinction between goods and services and an increasing importance of data flows and intellectual property. She also suggested that a way to prepare for the changes was to review the initiatives by governments and international organizations, as well as the provisions included in the regional trade agreements and to explore how these issues are addressed in the WTO context.

129. Finally, a representative of the EU (DG TAXUD) Mr. Zahouani Saadaoui presented two projects involving the use of Blockchain technology. Regarding the Study and Proof of Concept in the excise domain (EMCS system), he explained that the objective was to test the applicability of the technology as a main component and as an “illustrative” system. It does not involve EU Members States or traders. Some of the challenges encountered include: data confidentiality, scalability and performance, security, deployment, operation and re-configuration and compliance to data protection and privacy regulations (GDPR). The second Proof of Concept is in the field of temporary admission (eATA), with the Blockchain used as an additional layer to ensure trust in a centralized solution. It is a permission-less Blockchain on a private network, but anchored to a public Blockchain. It is being carried out in collaboration with the International Chamber of Commerce. The next steps for 2019 include validating what can be deployed and operated across Member States, as well as steering system design in the right direction with policy changes and use cases.
130. The different presentations under the Future of Customs item raised interest and questions from the Members. The importance of addressing digitalization and disruptive technologies was stressed by a number of delegates, one of which underlined the importance of defining the Future of Customs model. He reminded that the RKC Conference on the comprehensive review, which was to take place on 9 November, should look into that, with a focus on digitalization. Another delegate emphasized the need for Customs to use the latest technologies and to share experiences on its use. A Member shared his Administration’s experience in using foresight already from 2003.
131. One of the Members was interested in how the EU Member States would be involved in the Future of Customs Foresight exercise. The representative of DG JRC explained that they will be working closely with forty representatives from DG TAXUD and Member States on this foresight project for Customs, ensuring involvement throughout all stages of the project.
132. In conclusion, the PTC:
- took note of the presentations offered on how organizations are examining the future of Customs work, including the methods for doing so and for identifying potential course of actions, the global developments expected to have an impact on Customs and specific experiences related to use of Block chain;
  - took note of the strategic foresight’s potential benefits;
  - took note of the presentation on the WCO session at the WTO Public Forum 2018;
  - took note of the presentation by the WTO on the World Trade Report 2018;
  - took note of the presentation by the EU on the use of Blockchain technology; and
  - took note of Members’ national experiences.

#### **Item XIV Special Customs Zones / Free Zones**

**(d) OECD draft Guidance on enhancing transparency in Free Trade Zones**

**(e) Results of an on-line survey**

**(f) Presentation by Member**

- **Presentation by Jordan**
- **Presentation by Indonesia**

- **Presentation by Kazakhstan**

133. The Chairperson invited the Chairperson of the OECD Task Force on Countering Illicit Trade (TF-CIT) to provide a brief outline of the work of the TF-CIT.
134. The TF-CIT Chairperson explained that the TF-CIT was created with the intent of charting the flows of illicit trade in order to quantify the risks, illicit markets, actors and networks that thrive in the shadows of global trade. He briefly touched upon the joint OECD and EU IPO (European Union Intellectual Property Office) report “Trade in Counterfeit Goods and Free Trade Zones”, released on 15 March of this year. This report concluded that the establishment of a new free zone in a given economy was likely to result in higher volumes of trade in fakes departing from that economy. This leading to the development of the OECD “Guidance on enhancing transparency in Free Trade Zones to counter illicit trade”. The draft Guidance is currently being reviewed by OECD Members.
135. He briefly introduced the draft Guidance as it comprises the body with two pillars: the first pillar consists of measures for governments to reduce the abuse of SCZs; the second pillar articulates a Code of Conduct for SCZs, with the goal of promoting transparency in an effective manner, and of ensuring zone authorities’ oversight of economic operators established in a zone and cooperation with Customs.
136. The Secretariat then explained the result of the WCO online survey on SCZs as described in document PC0053. Out of 60 Members which responded to the survey, 43 indicated that they have SCZs in their countries with the total number of 2,086 SCZs. It was found that Members have various types of SCZs, such as the “logistics centre” type, manufacturing type and Transit/Transshipment type and “fulfilment centre” type SCZs, also demonstrating the impact of the expansion of E-Commerce.
137. She pointed out that the result of the online survey indicated several points for consideration: the need to ensure that Customs’ has the appropriate competence to conduct Customs surveillance over goods/companies in SCZs; the importance of Customs’ full involvement in the process of establishing SCZs; and the need of using data and advance technologies to effectively control the movement of cargo in SCZs. She concluded that the Secretariat would conduct field studies to further elaborate the result of the survey and to raise the awareness on this topic, and will produce/revise the necessary WCO tools.
138. The delegate of Indonesia made a presentation on their national experience in a Bonded Logistic Centre. He explained that they supervised the movement of cargo by: online submission of Customs declarations, real-time inventory management system (“IT Inventory”) and online CCTV and IT Inventory report access. IT Inventory system connects Customs declarations to the company’s internal document and enables Customs officers to access the goods’ position report via online facility.
139. The Secretariat then explained the national experience of Kazakhstan Customs, based on their presentation. They have 11 SCZs with various functions. Based on the status of goods (Eurasian Union goods, domestic goods, foreign goods etc.), the types of the declarations vary. One of challenges observed is the treatment of domestic consumption of goods used by employees working in SCZs, as the treatment and procedures for these goods are complex.

140. The delegates appreciated the conduct of the survey by the Secretariat and agreed that this would be the right moment to deepen the discussions towards raising awareness and development/revision of necessary WCO tools, including the Annex D (free zone) of the RKC. The importance of considering the economic benefits of the SCZs and necessity of cooperating with free zone related organizations were also pointed out.
141. Responding to a request by a Member to share the outcomes of this discussion with the working group tasked with carrying out a comprehensive review of the RKC, the Director assured that the comprehensive review will consider all the relevant work conducted in the WCO bodies, including the discussions in these PTC sessions. Underscoring the necessity of having evidence-based analysis, the TF-CIT Chairperson further stressed the importance of conducting field studies based on the results of the online survey to produce necessary guidelines, including the revision of the RKC, with the aim of providing guidance at both policy and operational level.
142. In conclusion, the PTC:
- took note of the national presentations;
  - examined the overview of the online survey on SCZs;
  - exchanged thoughts on possible innovative Customs procedures and controls using data and modern technologies, to be applied in SCZs, considering the characteristics of SCZs ;
  - acknowledged that SCZs present both challenges and opportunities;
  - encouraged the OECD to continue its work in this area, as well as the WCO, in the latter case suggesting that this matter be considered for additional information gathering and the possible developments of guidance material ; and
  - discussed awareness-raising activities that could be carried out by the Customs community as a whole to ensure effective Customs procedures/control while contributing to the economic benefits of SCZs.

#### **Item XV Natural Disaster Relief (NDR)**

##### **(a) Update on the Implementation of the WCO Resolution on the Role of Customs in NDR**

143. The Secretariat presented document PC0532 by briefly introducing the measures prescribed for WCO Members and for the Secretariat by the Resolution of the Customs Cooperation Council on the Role of Customs in Natural Disaster Relief and providing a report on the implementation of the Resolution.
144. Point (1) of the Resolution invited Members to implement measures as contained in Chapter 5 of Specific Annex J to the Revised Kyoto Convention (RKC) relating to relief consignments and, where necessary, sign the United Nations Model Agreement on Customs Facilitation. It was reported that, since the adoption of the Resolution, the number of Contracting Parties (CPs) to the RKC had grown from seventy six to, at the time, one hundred and fifteen, i.e. by thirty nine CPs and the number of CPs having accepted Chapter 5 of Specific Annex J had increased from fifteen to twenty nine. As at the time of reporting, ten Members had signed the United Nations Model Agreement on Customs Facilitation.
145. Information was also provided on the increase of Contracting Parties to the Convention on Temporary Admission (Istanbul Convention) which also contained facilitation measures with regard to the temporary admission of goods and equipment imported for humanitarian purposes. Over the last seven years, the number of CPs to the Istanbul Convention had

grown from sixty one to seventy and the number of acceptances of Annex B.9 - *Annex concerning goods imported for humanitarian purposes*, had increased from forty three to forty five.

146. Point (3) of the Resolution invited Members to carry out diagnostics on the procedures introduced for the Customs processing of emergency humanitarian assistance and their capacity to put those procedures into operation in the event of a natural disaster, as well as to carry out simulation exercises to test their level of preparedness and capacity to manage emergency situations.
147. The progress reported to the PTC was achieved through the implementation of the Customs for Relief of Epidemic Diseases (C-RED) Project which was funded by the Government of the Netherlands. Standard Operating Procedures (SOPs) outlining the procedures and processes for receiving international emergency relief consignments and equipment imported for humanitarian purposes had been developed under the project in five of the beneficiary countries, namely Liberia, Sierra Leone, Guinea, Nigeria and Mali. A total of four simulation exercises had been conducted by three of the project beneficiary countries. Guinea and Mali had done simulation exercises at the international airports in Conakry and Bamako respectively, and Nigeria had conducted simulation exercises at the international airport in Abuja and the port in Lagos.
148. Point (4) of the Resolution dealt with the drawing up and the implementation of training plans to ensure that the Customs staff was qualified and able to manage natural disaster emergencies. Under the C-RED project, training of trainers had been conducted in Nigeria, Mali and Guinea and, as a result, these Members had a pool of trainers trained to disseminate the content of the respective SOPs. Based on the content of the draft SOPs of Nigeria, a video game had been developed as a learning tool. The video game was available to all interested officers of the Nigeria Customs Service (NCS) through the WCO CLiKC! platform.
149. In addition to the implementation measures outlined above, it was reported that, in order to publicize the SOPs as widely as possible, the Customs Administration of Mali had developed, with the support of the C-RED Project, a dedicated smartphone application. The application provided alerts regarding natural disasters or epidemic outbreaks and contained practical information on relevant Customs regulations, as well as a link to Mali's SOPs.
150. Point (12) of the Resolution instructed the Secretariat to create a Web page on the WCO Public Web site dedicated to NDR. The progress in implementing point (12) was that the dedicated Web page on the WCO Public Web site was supplemented by a sub-section providing information about the C-RED project and the progress in implementing the project activities.
151. Point (14) of the Resolution further instructed the Secretariat to provide capacity building to assist Members in implementing the Resolution. Under the C-RED project, a total number of thirteen national workshops had been delivered jointly by the WCO and the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA).
152. The national support had been supplemented by three sub-regional workshops that had benefitted from the participation of a number of national stakeholders from all six beneficiary countries and the Commission of the Economic Community of West African States (ECOWAS Commission). The engagement with the latter had been primarily aimed at establishing a framework for the regionalization of the efforts.

153. A major achievement of the project in all six project beneficiaries had been the enhanced cooperation at national level between the various government authorities playing a role in the cross-border movement of relief consignments and between the government entities and the humanitarian community.

154. In conclusion, the PTC:

- took note of the report on implementation measures relating to certain points of the 2011 Resolution of the Customs Cooperation Council on the Role of Customs in Natural Disaster Relief.

**(b) Presentation by Nigeria**

155. The C-RED Project Coordinator in NCS presented the progress made at national level as a result of the implementation of the C-RED Project. It was reported that NCS had approved the draft SOPs developed under the project and the related processes were being automated in the Nigeria Integrated Customs Information System II (NICIS II). The enhanced coordination and cooperation among the government agencies regulating the importation, transit and temporary admission of relief consignments was emphasized. The speaker provided details regarding the national training plans focusing on the facilitation measures with regard to relief consignments and the use of the video game developed under the C-RED project.

156. Further details were provided regarding the two simulation exercises conducted in Nigeria, whereas it was reported that during the simulation exercise at Apapa Port in Lagos, the two humanitarian consignments that had been subject to monitoring had been cleared and released in one hour. This had been due to the use of non-intrusive inspection equipment and joint controls by the various regulatory agencies. At Apapa Port, relief consignments were given priority clearance. The speaker also shared information on the lessons learned such as realizing the need for simplified and faster clearance of relief goods, the mitigating effect that timely release had in disaster situations and the need for synergy between Customs and other regulatory agencies.

157. The speaker concluded his presentation by outlining the future steps planned by the NCS, which included training of Customs officers and of experts from other government agencies and humanitarian actors. Nigeria was also considering accepting Chapter 5 of Specific Annex J to the RKC and automating the processes related to the issuing of Import Duty Exemption Certificates (IDEC), which had been a major bottleneck in the timely processing of humanitarian consignments.

158. A delegate shared details about the provisions governing the temporary admission of relief materials in the Customs and Economic Union he was representing. Another delegate informed the PTC that in his country the Customs staff was mobilised in relief operations and sought information whether that was also the case in Nigeria. The NCS representative replied that, upon a decision of the Government to allocate seized goods to Internally Displaced Persons (IDP) camps, it was Customs staff that was responsible for escorting the shipments and for their delivery to the IDPs.

159. In conclusion, the PTC:

- took note of the presentation by Nigeria.

## **Item XVI Economic Competitiveness Package (ECP)**

### **• Action Plan for Phase IV of the ECP**

160. The WCO Secretariat presented the document PC0533 on the ECP Action Plan for Phase IV that covers the period from January 2019 to December 2020. The Secretariat also updated the PTC on the progress made with the implementation of the ECP Action Plan for Phase III.
161. A delegate, taking into the account the conversation on the future of TFAWG that took place at the beginning of the PTC meeting, suggested that the ECP Action Plan for Phase IV needed to be in aligned with the TFAWG's future work, as there were a lot of directly related activities. On the other hand, regarding the progress made with the implementation of the ECP Action Plan for Phase III, it was suggested that more detailed information on the outcomes of the actions should be reported. It was further suggested that, taking into account the ongoing process for the preparation of the new WCO Strategic Plan for the next three years, it would be important to examine how the actions proposed in the Action Plan for Phase IV will be accommodated within the WCO Strategic Plan.
162. Another delegate suggested including product identification in the draft Action Plan.
163. In conclusion, the PTC:
- took note of the progress made with implementation of the ECP Action Plan for Phase III and expressed interest in the results/impact of these activities;
  - suggested adding Product Identification to the ECP Action Plan; and
  - approved the draft ECP Action Plan for Phase IV that will be submitted to the Policy Commission in December 2018, noting the importance of examining how actions proposed within Phase IV will be accommodated within the WCO Strategic Plan 2019-2022, now under formulation.

## **Item XVII Glossary of International Customs Terms**

### **• New proposed terms for inclusion in the Glossary**

164. The WCO Secretariat presented document PC0534 and the three new terms proposed therein for inclusion in the Glossary of International Customs Terms: 'Enquiry Point/Office', 'Perishable Goods' and 'Time Release Study (TRS)'. The Secretariat also invited volunteers to support the Secretariat in preparing the update of the Glossary for the next PTC meeting.
165. A delegate enquired about the difference between the definition of 'Enquiry Point/Office' within the WTO and within the WCO draft definition sourced from Chapter 9 of the General Annex of the Revised Kyoto Convention. Another delegate was interested to learn the basis on which the phrase 'internationally accepted tool' referring to the TRS was used. With the aim of reaching consensus, the Chairperson proposed to replace the word 'accepted' with 'recognized', which was finally agreed by the PTC.
166. The representatives of Cyprus and Ireland volunteered to take part in the working group to support the Secretariat in further research and review of the Glossary.

167. In conclusion, the PTC:

- approved the three proposed terms and definitions ('Enquiry Point/Office', 'Perishable Goods', and 'Time Release Study (TRS)'), with a view to incorporating them into the Glossary, taking into account comments received from delegates.

**Item XVIII Facilitation Performance Measurement**

**(a) Use of the Time Release Study for measuring performance**

- **Presentation by Secretariat**
- **Presentation by Japan**

**(b) Other performance measurement initiatives**

- **Presentation by OECD**

168. The Chairperson invited the Secretariat to give a briefing on the working document PC0535 on the Time Release Study (TRS), which highlighted the TRS as being one of the most widespread tools to measure the performance of Customs, other cross-border regulatory agencies and the private sector in relation to the international movement of cargo.

169. The Secretariat underscored the fact that, since the approval of version 3 of the TRS at the 219th/220th Sessions of the PTC, it had been involved in a number of activities including providing technical assistance to several WCO Members in the Organization's different regions. With this in mind, the Secretariat described the additional work it had carried out in the area of the TRS, covering the ongoing discussions between the WCO Secretariat and the World Bank Group (WBG) in respect of improving the "Doing Business" survey methodology, by using the TRS to calculate the indicators for the "Trading Across Borders" section.

170. The WCO Director of Tariff and Trade Affairs, Mr. Ping Liu, took the floor to update delegates on the Secretariat's further engagement with the WBG, following the concerns raised, discussions held and decisions taken at the last sessions of the WCO Policy Commission and Council.

171. The Director then provided additional information on the use of the TRS for performance measurement, particularly with regard to monitoring and evaluating Customs reforms and modernization initiatives. He stressed the fact that the discussions were progressing well, and that the WCO had made a contribution to the finalization of the latest version of the recently-published WBG "Doing Business" survey.

172. He concluded by taking the opportunity to inform delegates that the WBG would be attending the upcoming meeting of the WCO Policy Commission in December 2018 and would take part in the scheduled dialogue on performance measurement, encompassing issues related to the formalization of a Performance Measurement Working Group to ensure a holistic approach to this issue by the WCO.

173. The Customs Administration of Japan then shared its experience of conducting a TRS, highlighting the importance of opting for innovative TRS solutions and publicizing them in order to facilitate the movement of cargo, as well as the importance of collecting and analysing actual time data within the supply chain. The Delegate of Japan indicated that

TRSs were conducted on a regular basis in her country, the most recent one having taken place this year. She informed delegates that one of the notable results had been a significant decrease in release times since Japan had first conducted a TRS.

174. The Representative from the Organisation for Economic Co-operation and Development (OECD) introduced the Trade Facilitation Indicators (TFIs) initiative, entailing an evaluation tool to measure the impact of trade facilitation on trade flows and costs. She indicated that this tool had been developed to complement the trade facilitation initiative as result of the World Trade Organization Trade Facilitation Agreement. The purpose of the tool was to collect information which, before being made available to countries, required countries' input to confirm the accuracy of data. The tool was largely built on objective data, the aim being to keep to a minimum or avoid, as far as possible, the use of subjective information in terms of data. The PTC noted that the TFIs were compiled by the OECD with input from publicly available sources, governments and the private sector, and that they were fact-checked by countries covered by them.

175. A delegate pointed out that the incorporation of the TRS with World Bank Trading Across Borders (TAB) needed to be carefully discussed. While the TRS was a tool that may address the segments of the World Bank TAB that dealt with time-based measurements, the underlying methodology of the World Bank TAB dealing with cost, mode of transport, goods traded, and trade partners, also needed to be critically analysed, so that the information would be useful for both private and public sector stakeholders, and the tools and instruments could be built into the methodology in a meaningful way.

176. In conclusion, the PTC:

- took note of ongoing work in the area of TRS, including the ongoing discussion between the WCO and WBG in improving the Doing Business survey methodology through the use of the TRS in calculating the indicators for Trading Across Borders;
- noted the need to further examine the relationship between the TRS and the WBG methodology, based on the recommendations made by the PTC;
- provided guidance on the enhanced use of TRS for performance measurement, particularly with regard to the monitoring and evaluation of Customs reform and modernization initiatives;
- noted the role played by TRS as one of several tools relevant to the broader issue of Customs performance measurement; and
- took note of the presentation made by Japan and individual country experiences shared by delegates; and
- took note of the Trade Facilitation Indicators initiative of the OECD.

## **Item XIX Any other business**

### **(a) Proposals for agenda items for the next PTC meeting**

177. The Chairperson invited delegates to suggest Agenda item(s) for the next PTC meeting. A Member suggested that the Secretariat prepares a working document for the next meeting, collecting and reflecting all ongoing work under the umbrella of the PTC which is related to the revision of the RKC, in order to align the work of the PTC and the Revised Kyoto Convention Working Group (WGRKC).

178. Another proposal for the next PTC meeting concerned the inclusion of the disruptive technologies topic from different perspectives.
179. Considering the importance for Members to keep full historical track of the ongoing work, as well as to facilitate the work for the new coming Members and delegates, some of delegates suggested to modify the current reporting format to a detailed report similar to the reports developed before March 2015. Some delegates also raised the question on the administrative procedures for changing the existing reporting system.
180. Other Members expressed their satisfaction with the present reporting format and the level of detail, and shared their apprehensions about possible consequences of adopting a new reporting system.
181. The Secretariat informed participants that this question will be raised at the upcoming Policy Commission.
182. In conclusion, the PTC:
- took note of the suggestions put forward for the next PTC meeting; and
  - agreed that issue of the transition to a new reporting format will be raised at the Policy Commission for the further discussion.

**(b) Upcoming events**

183. The Secretariat provided an update of the relevant upcoming WCO meetings which will take place before the next PTC sessions and of the WCO events scheduled during the current financial year:
- WCO events: WCO Global Conference on the Comprehensive Review of the RKC (9 November, 2018), WCO IT/TI Conference & Exhibition (12-14 June 2019, Baku, Azerbaijan), Data Model Workshop (10-11 June, 2019) and the WCO Knowledge Academy (1-6 July 2019, Brussels); and
  - meetings of WCO working bodies: Revised Kyoto Convention Management Committee (12-13 November, 2018), WCO/UPU Contact Committee (14-16 November, 2018), Policy Commission (3-5 December, 2018) in Mumbai, India, WCO Counterfeiting and Piracy (CAP) Group (6-7 December, 2018), Revised Kyoto Convention Working Group (10-12 December, 2018), Technical Experts Group on Non-Intrusive Inspection (13-14 December, 2018), Data Model Project Team (14-18 January, 2019), API/PNR Contact Committee (Members only; 21 January, 2019), API/PNR Contact Committee (22-23 January, 2019), Revised Kyoto Convention Working Group (6-8 February, 2019), Working Group on E-Commerce (18-22 February, 2019), Administrative Committee for the Customs Convention on Containers, 1972 (25-26 February, 2019), ATA/Istanbul Administrative Committee (27-28 February, 2019), Agreement on Trade Facilitation Working Group (4 March, 2019), Joint Session of Agreement on Trade Facilitation Working Group and Permanent Technical Committee (5 March, 2019), Permanent Technical Committee (6-8 March, 2019).
184. In conclusion, the PTC:
- took note of the upcoming WCO meetings and events.

**Item XX – Closing**

185. The Deputy Director, Procedures and Facilitation, thanked all the delegates for their engagement throughout the meeting. He further expressed high appreciation for the excellent contribution that the Chairperson has made to the work of the PTC during the past four days' meeting.
186. The Chairperson thanked the WCO Secretariat for organizing a rich agenda, the presenters for their valuable contributions, and to delegates for their reactions and fruitful discussion.
187. He also indicated that WCO worked on a wide range of meaningful initiatives; PTC is able to oversee and offer guidance in a way that informs the technical aspects of the work but also the broader management consideration that the Policy Commission will continue to address. The Chairperson highlighted the importance of the PTC with its position in the WCO structure and its expertise to provide ideas and reactions to improve the various undertakings that are within the PTC's purview.
188. The Chairperson then closed the meeting.

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