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Brussels, 15 April 2020.

**ROLE OF CUSTOMS IN MITIGATING THE EFFECTS OF THE COVID-19 PANDEMIC IN  
THE LIGHT OF THE JUNE 2011 COUNCIL RESOLUTION**

**(Item III on the Agenda)**

**(“B” Item on the Agenda)**

**SUMMARY**

**Purpose of document**

The purpose of this document is to report on the instruments, tools, initiatives and databases that can be utilized in the efforts to address the various COVID-19-related challenges faced by Customs and their stakeholders worldwide and to request the Permanent Technical Committee to provide guidance for future WCO work in this area.

**Action required of the Permanent Technical Committee**

The Permanent Technical Committee is invited to :

- take note of the information outlined in the present document;
- discuss the challenges, best practices and lessons learned associated to the COVID-19 pandemic, as shared by Members;
- discuss the points raised in paragraph 35 below, and;
- provide guidance for future WCO work with regard to the role of Customs in the different phases of the disaster management cycle.

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## I. Background

1. Similar to many other areas of Customs business, the WCO supports its Members in the area of disaster relief by setting standards for simplified and harmonized border procedures, delivering capacity building projects and enhancing the cooperation and coordination with other international organizations and relevant stakeholders.
2. In terms of standard setting, several WCO instruments and tools are of particular relevance to the Customs' role in disaster relief. These are: i) the 1970 Recommendation of the Customs Co-operation Council to expedite the forwarding of relief consignments in the event of disasters; ii) the International Convention on the Simplification and Harmonization of Customs Procedures, as amended (Revised Kyoto Convention) and in particular Chapter 5 *Relief Consignments* of Specific Annex J, Chapter 3 *Clearance and Other Customs Formalities* of the General Annex and other provisions; iii) the Guidelines to the Revised Kyoto Convention; iv) the Convention on Temporary Admission (Istanbul Convention) and in particular Annex B.9 *Annex concerning goods imported for humanitarian purposes*, as well as the Istanbul Convention Handbook; and v) the 2011 Resolution of the Customs Cooperation Council on the Role of Customs in Natural Disaster Relief.
3. The [1970 Council Recommendation](#) to expedite the forwarding of relief consignments in the event of disasters was adopted before the adoption of the original Kyoto Convention. It has been accepted by 40 Members. The Recommendation prescribes that Members should:
  - waive any economic export prohibitions or restrictions, and any export duties or taxes, in respect of goods contained in relief consignments destined to countries having suffered disasters;
  - facilitate as far as possible the carriage of relief consignments in Customs transit;
  - allow admission free of import duties and taxes and free of economic import prohibitions or restrictions in respect of relief consignments meeting certain requirements;
  - facilitate the temporary admission, with conditional relief from import duties and taxes, of equipment imported for humanitarian purposes that meets certain conditions; and,
  - authorize as far as possible, relief consignments to be cleared outside the hours and places normally prescribed, and, in such circumstances, waive, any charges for Customs attendance.
4. The original Kyoto Convention that was adopted in May 1973 and entered into force in September 1974 included an Annex (Annex F5) that covered both urgent and relief consignments. As a result of the 1990's revision of the Kyoto Convention, relief consignments are regulated by a dedicated chapter of the RKC - [Chapter 5 of Specific Annex J](#) on Special Procedures. Out of the 121 Contracting Parties to the RKC, 30 have accepted Chapter 5 of Specific Annex J. This Chapter prescribes that:
  - clearance of relief consignments for export, transit, temporary admission and import shall be carried out as a matter of priority;
  - In case of relief consignments the Customs shall provide for:
    - o lodging of a simplified Goods declaration or of a provisional or incomplete Goods declaration subject to completion of the declaration within a specified period;
    - o lodging and registering or checking of the Goods declaration and supporting documents prior to the arrival of the goods, and their release upon arrival;
    - o clearance outside the designated hours of business or away from Customs offices and the waiver of any charges in this respect; and
    - o examination and/or sampling of goods only in exceptional circumstances.

- Clearance of relief consignments should be granted without regard to the country of origin, the country from which arrived or country of destination.
  - In the case of relief consignments any economic export prohibitions or restrictions and any export duties or taxes otherwise payable should be waived.
  - Relief consignments that meet certain conditions should be admitted free of import duties and taxes and free of economic import prohibitions or restrictions.
5. The [Guidelines to Chapter 5 of Specific Annex J](#) to the RKC contain detailed information on the implementation of the respective provisions and on best practices and methods of application. One of the appendices to these Guidelines is the UN Model Agreement on Customs Facilitation.
  6. Annex B.9 to the [Istanbul Convention](#) outlines facilitation measures with regard to the temporary admission of goods and equipment imported for humanitarian purposes, such as medical, surgical and laboratory equipment. Annex B.9 has been accepted by 46 of the Istanbul Convention Contracting Parties.
  7. The [2011 Council Resolution](#) on the Role of Customs in Natural Disaster Relief sets out a number of measures to be implemented by Members and the Secretariat respectively. The recommended actions for Members include implementing measures as contained in Chapter 5 of Specific Annex J to the RKC and, where necessary, signing the United Nations Model Agreement on Customs Facilitation. The Resolution further invites Members to carry out diagnostics on the procedures introduced for the Customs processing of emergency humanitarian assistance and to conduct simulation exercises to test their level of preparedness and capacity to manage emergency situations. Another recommended action outlined in the Resolution is the drawing up and implementation of national training plans to ensure that the Customs staff is qualified and able to manage emergency situations caused by natural disasters. The Resolution invites Members to manage borders in an efficient, simplified and coordinated manner, including sharing of information, with the other national authorities involved in the handling of relief items, while using existing clearance systems in order to provide for rapid, efficient and centralized processing of these consignments.
  8. As part of the implementation of the 2011 Resolution, the Secretariat developed a [study on the key principles of the SAFE Framework of Standards](#) to Secure and Facilitate Global Trade (SAFE FoS), which could prove relevant in further facilitating the process of clearing relief consignments. The study covers the topics of i) the Authorized Economic Operator (AEO) concept; ii) advance information; iii) export controls and use of new technology; and iv) trade recovery/initial recovery assistance, which are of particular importance in the relief consignments clearance process.
  9. The instruments and tools described in paragraphs 3 to 8 above are mostly relevant to the preparedness and initial response phases of a disaster. As such they uphold the importance of preparedness, predictability, communication and coordination in facilitating the cross-border movement of relief consignments, relief personnel and their possessions.
  10. In terms of the disaster recovery phase and the topic of disaster resilience, the WCO tools that deal with trade recovery and some of the elements of business continuity should also be highlighted. These are the Guidelines to Chapter 7 of the RKC General Annex on Application of Information and Communication Technology (widely known as the [ICT Guidelines](#)) and the [IT Guide for Executives](#), which contain sections on business continuity planning, as well as the SAFE FoS provisions on Crisis Management and Incident Recovery, and the [Trade Recovery Guidelines](#) that form part of the SAFE Package.

11. With regard to the capacity building domain, in the recent years the WCO organized regional workshops for five of the WCO regions. These events were delivered jointly with the United Nations Office for the Coordination of Humanitarian Affairs (UN-OCHA) and the International Federation of Red Cross and Red Crescent Societies (IFRC) and were aimed at promoting the use of the existing instruments and tools of relevance to the role of Customs in disaster relief and at collecting information on Members' needs, challenges and best practices.
12. Moreover, in the period May 2016 – September 2018, the WCO implemented the Customs for Relief of Epidemic Diseases (C-RED) Project with funding from the Dutch Government. The project beneficiaries were six WCO Members in West Africa that had been affected by the 2014 Ebola Virus Disease outbreak. The objective of the project was to assist those Members to be better prepared to support the national response to regional outbreaks of epidemic diseases or natural disasters. Detailed information on the C-RED Project outcomes was presented to the November 2018 PTC (Doc. PC0532).
13. In terms of cooperation with other international organizations and relevant stakeholders, in 2010 the WCO signed Memoranda of Understanding (MoUs) with UN-OCHA and with IFRC. The MoU with UN-OCHA was renewed in 2015. The expertise and tools of these partners have been extensively used in the WCO capacity building activities in the area of disaster relief. Indispensable tools developed by the IFRC are the Guidelines for the domestic facilitation and regulation of international disaster relief and initial recovery assistance, known as the IDRL<sup>1</sup> Guidelines and the IFRC Model Act on Disaster Relief.

## **II. Measures implemented by the WCO Secretariat in response to the COVID-19 pandemic**

14. On 30 January 2020 the World Health Organization (WHO) declared that the outbreak of novel coronavirus (2019-nCoV) constituted a Public Health Emergency of International Concern (PHEIC). On 11 March 2020 the WHO characterized the novel coronavirus disease (COVID-19) as a pandemic. The measures implemented by the WCO Secretariat in this respect are outlined in the following paragraphs.
15. A web-article published by the WCO on 31 January 2020 stressed the importance of adequately integrating Customs administrations with health and safety responsibilities in the preparedness and pre-response mechanisms.
16. In a Communique of 9 March 2020 regarding the COVID-19 outbreak, WCO Members administrations were strongly encouraged to ensure the smooth movement of relief goods and personnel while applying appropriate risk management.
17. Following an initiative launched by the WCO Secretary General on 17 March 2020, the Secretariat is compiling a list of contact points in Member Customs administrations who can handle inquiries regarding the applicable procedures for the import, export and transit of relief consignments and equipment for humanitarian purposes via air, land and sea modes of transport, including requirements imposed by other government agencies. As at the cut-off date of the present document, close to 90 Members have nominated contact points.
18. The Secretariat is also compiling a repository of Members' practices in response to COVID-19 and, on 9 April 2020, issued the initial version of a document highlighting certain measures and grouping Members' practices in four categories: i) facilitating the

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<sup>1</sup> The term "IDRL" has been borrowed from the name of the IFRC "International Disaster Response Laws, Rules and Principles" Programme.

cross-border movement of relief and essential supplies; ii) supporting the economy and sustaining supply chain continuity; iii) protecting staff and iv) protecting society.

19. Following the publication, on 19 March 2020, of the first edition of an HS classification reference for COVID-19 medical supplies, the Secretariat worked in close cooperation with the WHO to update the document, in a more structured and user-friendly format, to reflect more of the products that would be required in the COVID-19 response. The second edition of the tool was published on 9 April 2020 and is available in English, French, Spanish and Russian.
20. Based on official sources, the Secretariat launched databases of national temporary export restrictions and of temporary import support measures for critical medical supplies in response to COVID-19. These databases are available in English and in French on the public WCO website and are being updated on a regular basis.
21. All relevant instruments, tools, databases and communications have been uploaded on the newly created section of the WCO web-site dedicated to the COVID-19 response, which can be accessed at the following link:  
<http://www.wcoomd.org/en/topics/facilitation/activities-and-programmes/natural-disaster/coronavirus.aspx>.
22. In response to the challenges related to the surge of counterfeit and substandard medicines and medical equipment, including Personal Protection Equipment (PPE), on 25 March 2020, the WCO launched a dedicated IPR CENComm group on the newly launched CENComm 3.0 platform for the exchange of enforcement sensitive information. Currently 143 users from 57 countries are part of the network. The CENComm group also served as a stepping stone for the launch of the global operation codenamed STOP. The operation is aimed at mobilizing the resources of all WCO Member Customs administrations that have been conducting targeting and simultaneous inspections of consignments that may potentially contain certain types of counterfeit, substandard and/or illicit pharmaceutical products and other goods posing a threat to health and safety in these challenging times. This operation has taken place at all borders (seaports, airports and inland) and within Customs territories, over a period of 45 days.
23. On 6 April 2020, the Information and Intelligence (I2C) Center issued a COVID-19 Special Edition Intelligence Bulletin for Members, RILOs, and other law enforcement partners. This Special Edition provides a summary of tools available for Members when seeking information to support their daily operations. In addition, this edition of the Intelligence Bulletin includes Customs news stories from around the world that were shared with Members to stay acutely aware of the different smuggling issues that have evolved during the pandemic. Further, the usual monthly Intelligence Bulletin now has a standalone section for COVID-19 news stories that will continue to be distributed on a monthly basis.
24. Members that have implemented the Global Travel Assessment System (GTAS) have been encouraged to include a risk rule to identify passengers originating from or transiting through countries that would be considered of high risk for the destination country. The GTAS system is a passenger targeting system used for targeting high risk passengers that may pose a threat entering or exiting a country.
25. Similarly, Members that have implemented the National Customs Enforcement Application (nCEN) have been encouraged to actively use the nCEN for the collection and sharing of COVID-19 related intelligence in the area of IPR, medicine, or tax and duty evasion. WCO technical support was proposed to Members needing additional assistance with the set-up and operation of the nCEN.

26. The Global Rapid Alert Network or 'GRAN' is also a communication tool offered through CEN that allows the distribution of rapid alerts to be shared in a secure format amongst Customs administrations. Members have also been encouraged to use the GRAN whenever needed.
27. In the COVID-19 pandemic response, the WCO has been cooperating closely with the WHO, UN-OCHA, the World Trade Organization (WTO), the International Civil Aviation Organization (ICAO), the International Maritime Organization (IMO), the Universal Postal Union (UPU), the International Chamber of Commerce (ICC) as the body administering the ATA carnet guarantee chain, all members of the WCO Private Sector Consultative Group (PSCG), and other relevant partners and stakeholders.
28. On 6 April 2020, the WCO Secretary General and the WTO Director-General issued a joint statement calling for efforts to minimize the disruptions to the cross-border trade in goods, in particular those essential to combat COVID-19, while safeguarding public health and the international supply chain continuity. The joint statement strongly encourages WCO and WTO Members to ensure that any new border action is targeted, proportionate, transparent and non-discriminatory. These measures should be temporary, and Members are urged to rescind them once they are no longer needed, especially if they restrict trade.
29. At the cut-off date of the present document, joint statements with other partners are in the final stages of preparation.

### **III. Role of Customs in mitigating the effects of the COVID-19 pandemic**

30. Based on the existing instruments and tools, challenges identified in the process of relevant capacity building activities implementation, and information shared by Members and stakeholders with regard to the response to the COVID-19 pandemic, the Secretariat would like to highlight some of the measures that, when effectively implemented, can assist Members in their efforts to efficiently respond to emergencies and mitigate the disaster effects. These are outlined in the following paragraphs.
31. Coordinated Border Management is of utmost importance in the preparedness and initial response phases of a disaster. It is recommended that the role of Customs is recognised and integrated in the national emergency plan. This requires close cooperation and coordination with the National Disaster Management Agency (NDMA). The great majority of relief consignments are highly regulated items such as foodstuffs, medication, medical equipment, vehicles and telecommunication equipment. In the clearance process, Customs often enforces legislation on behalf of other government agencies and proper dialogue and coordination with those agencies is paramount, both in the disaster preparedness and response phases, for the simplification and facilitation of the clearance process. Inspections by other government agencies and inspections by Customs should be coordinated and, if possible, carried out at the same time. The electronic submission of documents, ideally through a Single Window facility is not only a major trade facilitation measure, but contributes to enforcing the social distancing requirements in outbreaks of epidemic diseases such as COVID-19. In a whole-of-government response approach, Customs is among the government authorities that are best placed to advocate against the closure of borders and the ensuing international supply chain disruptions. Coordination with neighbouring countries is also indispensable, especially when it comes to measures that restrict the movement of people and goods.
32. Simplification and streamlining of procedures is equally important, both for facilitating the cross-border movement of relief consignments and for supporting the economy and sustaining supply chain continuity. Granting import duty waivers is recommended in the international legal framework, but it will not have the desired effect

if a cumbersome procedure needs to be followed to obtain the duty waiver. As another example, in a pandemic situation involving a rampant suspension of flights and strict social distancing requirements, Customs can introduce facilitative measures with regard to the requirements to submit original documents or to stamp certain documents, as well as waive penalties for delays that are due to late arrival of commercial documents from exporting countries. Simplification and facilitation should be provided for all modes of transport.

33. Ensuring proper prioritization of relief consignments in the clearance process contributes to faster clearance of the much needed items. In the chapter on Initiation and Termination of International Disaster Assistance, the IFRC Model Act on Disaster Relief recommends that the NDMA develops a preliminary list of required goods, equipment and services, and makes it available to potential assisting international actors. Such lists will greatly depend on the type of the disaster and the domestic response capacities. Developing and announcing a list of required relief items can contribute to avoiding the consequences of an influx of the so called Unsolicited Bilateral Donations that often cause issues such as blocking of much needed storage space, storage costs and disruption to the humanitarian supply chain. If the NDMA-developed list of required relief items is made available to Customs, this can greatly support the process of prioritization of relief consignments in the clearance process. Customs can further support the humanitarian community by issuing tariff classification references similar to the WCO HS classification reference for COVID-19 medical supplies. Prioritization can be done based on tariff codes and/or Customs Procedure Codes (CPC).

#### **IV. Discussion points**

34. The next edition of the WCO Customs Environment Scan will consider in more detail Customs and WCO responses to COVID-19 pandemic, and more broadly to major global catastrophic risks, to mitigate the negative impacts on global economy, international trade and human societies. It is therefore suggested that the PTC discussions focus on the WCO instruments, tools and initiatives in the area of procedures and facilitation that can support an efficient response to COVID-19 and similar disasters and catastrophes.
35. In view of the information outlined in the present document, as well as the challenges, best practices and lessons learned to be shared by Members and stakeholders during the Meeting, the following points can serve as the basis of the PTC discussions:
- What further measures should be implemented by the WCO Secretariat to support Members in implementing the existing instruments and tools and mitigating the effects of the COVID-19 pandemic?
  - Is there a need for revising or updating existing WCO instruments and tools outlined in the Background section of the present document? In discussing this matter, it should be noted that, in the process of the comprehensive review of the RKC, UN-OCHA, IFRC, the International Telecommunication Union (ITU) and the United Nations Conference on Trade and Development (UNCTAD) submitted a proposal with regard to Chapter 5 of Specific Annex J. The proposal concerns the definition for relief consignments, the lack of differentiation between procedures in the immediate response phase and the recovery phase, the need for provisions on identification and prioritization of relief items, etc.
  - Does the PTC recommend the Secretariat perform a gap analysis of existing tools and instruments aimed at developing a new tool in the area of disaster relief, business continuity and/or trade recovery that can draw on Members' and

stakeholder's experience and lessons learned, particularly from the COVID-19 pandemic?

**V. Conclusion**

36. The Permanent Technical Committee is invited to :

- take note of the information outlined in the present document;
  - discuss the challenges, best practices and lessons learned associated to the COVID-19 pandemic, as shared by Members;
  - discuss the points raised in paragraph 35, and;
  - provide guidance for future WCO work with regard to the role of Customs in the different phases of the disaster management cycle.
-