

Risk Management

The development and implementation of an intelligence-enabled risk management framework along with embedding a risk management culture within a Customs organization has enabled more effective decision-making at all levels of the organization and in relation to all areas of risk.

WCO Customs Risk Management Compendium

The changes in the strategic landscape of Customs' operating environment together with the long-term growth in trade and travel volumes have affected the way Customs administrations are managed and approach their tasks. These developments, together with the increasing uncertainty, have led many administrations to seek a more structured and systematic way to manage risks.

Increased automation and the submission of more comprehensive information earlier in the supply chain has enabled Customs to improve risk assessment and deployment of targeted Customs controls concentrated on the high-risk end of the risk continuum. Corresponding effective and efficient controls in turn give Customs the opportunity to facilitate low-risk movements and promote key government goals relating to the facilitation of trade and travel.

Risk management has been one of the key vehicles for Customs administrations to better meet the demands of the 21st century operating environment. The development and implementation of an intelligence-enabled risk management framework along with embedding a risk management culture within a Customs organization has enabled more effective decision-making at all levels of the organization and in relation to all areas of risk.

There is a growing need to define a common approach that enables Customs administrations across the globe to speak the same language about the methodology they utilize to both identify and treat potential risks. This methodology is outlined in the WCO Risk Management Compendium, which in itself is sufficiently flexible in its application to meet the unique operating environment and conditions of individual WCO Members.

The Compendium is comprised of a Common part and two separate but interlinked volumes. Volume 1 sets out the organizational framework for risk management and outlines the risk management process. Together with the Common part (applicable to both volumes), it is freely available, see the WCO Website. Volume 2 deals with risk assessment, profiling and targeting tools that inform selection criteria for identifying high-risk consignments, passengers and conveyances for Customs intervention. Volume 2 is only available to Customs administrations.