



Fifth WTO Ministerial Conference, Cancun, 10 – 14 September 2003

Message from the International Customs Community

Partnership for Economic Development through Trade Facilitation

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Trade between nations is a vital driver of economic well-being and wealth creation. Customs administrations are a major component in the efficiency of international trade because they process every single consignment to ensure compliance with national regulatory requirements and international multilateral trading rules. While Customs administrations have to discharge this mission of revenue collection, protection of society and safeguarding security of the trade supply chain, they also have to strive for increased trade facilitation to promote investment and reduce poverty.

The 162 Member Customs administrations of the World Customs Organization (WCO) are collectively responsible for the processing of over 98% of all world trade and appreciate the progress made in the WTO trade facilitation work set out in the Doha Development Agenda. In our view, the trade facilitation agenda could possibly provide:

- enhanced political will and commitment necessary for simplification of border procedures, Customs reform and good governance;
- strengthened support and increased co-operation with the trade community;
- increased awareness and understanding of Customs requirements, thereby resulting in improved compliance;
- co-operation with other border agencies for more efficient border procedures; and
- added impetus for capacity building with realignment of resources to Customs.

In order to realize and maximize these potential benefits, the international Customs community would like to raise the following issues:

1. As experts on border procedures we are ready to continue the contribution to the WTO process through the WCO, as well as through national Customs administrations in preparing national positions for Cancun. We need to share the responsibility in this agenda, as Customs will be responsible for implementing any WTO commitments on border procedures.
2. In order to achieve simplification and harmonization of Customs procedures, the WCO has developed a range of instruments including the revised Kyoto Convention (International Convention on the Simplification and Harmonization of Customs Procedures), which offer practical solutions to address the objectives of revenue collection and border control, while at the same time delivering practical trade facilitation dividends. The revised Kyoto Convention sets out a sound blueprint for modern Customs procedures and is totally compatible with, and complementary to, the WTO Agreements. While the WTO rules set out high principles (such as predictability, transparency, partnership and the use of modern techniques including risk management), the WCO instruments provide the administrative basis and practical guidance to ensure their effective implementation. We wish to see enhanced co-operation in the work of both Organizations.
3. Customs is an essential part of the international trade supply chain. Nevertheless, other border agencies should also be involved in the trade facilitation agenda to promote genuine co-operation and a more co-ordinated approach, through such vehicles as the "single window" concept and joint intervention. We are already playing a leading role in this area, notably by the development of the Time Release Study that identifies both problem areas and potential corrective actions to increase efficiency in clearance procedures.
4. We believe that investing in the development of Customs administrations pays significant dividends for Governments by serving as the basis for a well-performing economy, protection of society and sound infrastructure. The performance of Customs at the national level is therefore at the heart of the successful fulfillment of the policy agenda of Governments. The WCO recognizes the different levels of capability and resources of its 162 Members and takes this into account in its support for capacity building. It has recently developed the Customs Capacity Building Strategy to respond to these capacity building needs at different levels. The Strategy is based on the lessons learned from previous capacity building activities and includes specific recommendations for change in future capacity building initiatives. We advocate a comprehensive and sustainable approach, necessary for implementing any Customs-related WTO Agreements. We also stress the importance of tailoring capacity building projects to country-specific needs, while avoiding "one size fits all" solutions. We need full support for these Customs capacity building efforts from all stakeholders, as the benefits to be gained are for all.

Efficient and effective Customs is vital to trade facilitation and thus to national plans for economic development and strategies for poverty reduction. We urge that the Customs view be taken account of in the formulation of national policy with respect to the upcoming Ministerial Conference in Cancun and any ensuing negotiations.

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