



**World Customs  
Organization**

# Framework of Standards on Cross-Border E-Commerce

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**E-Commerce and Customs Valuation  
Symposium**

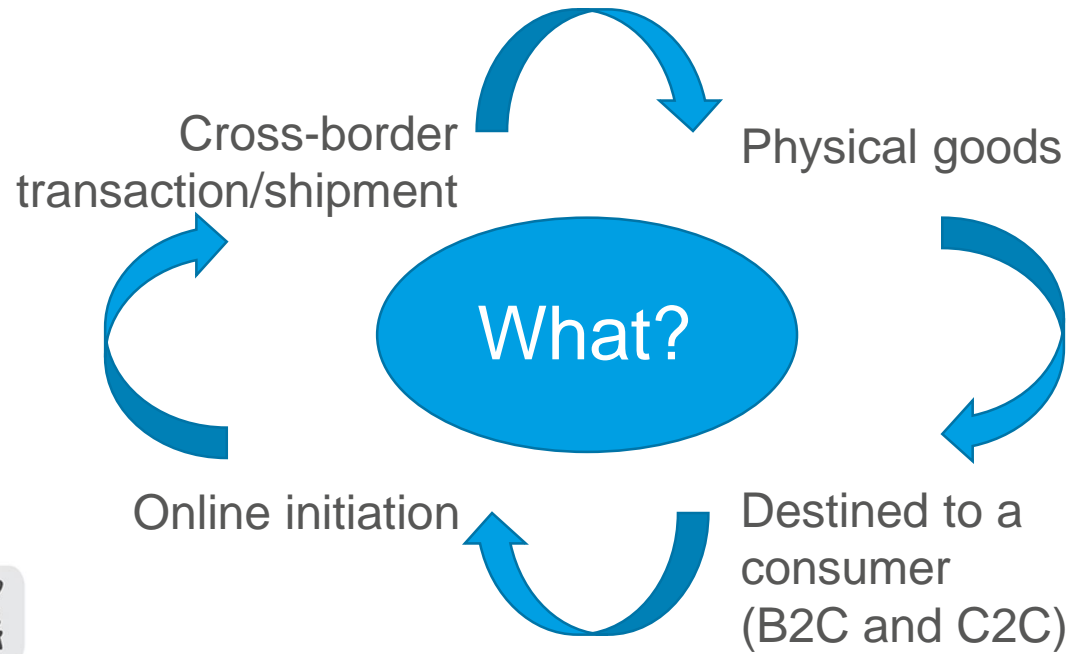
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## OECD definition of E-Commerce



An e-commerce transaction is the sale or purchase of goods **or services**, conducted over computer networks by methods specifically designed for the purpose of receiving or placing of orders. .... An e-commerce transaction can be between **enterprises**, households, individuals, **governments**, and other public or private organisations. ...

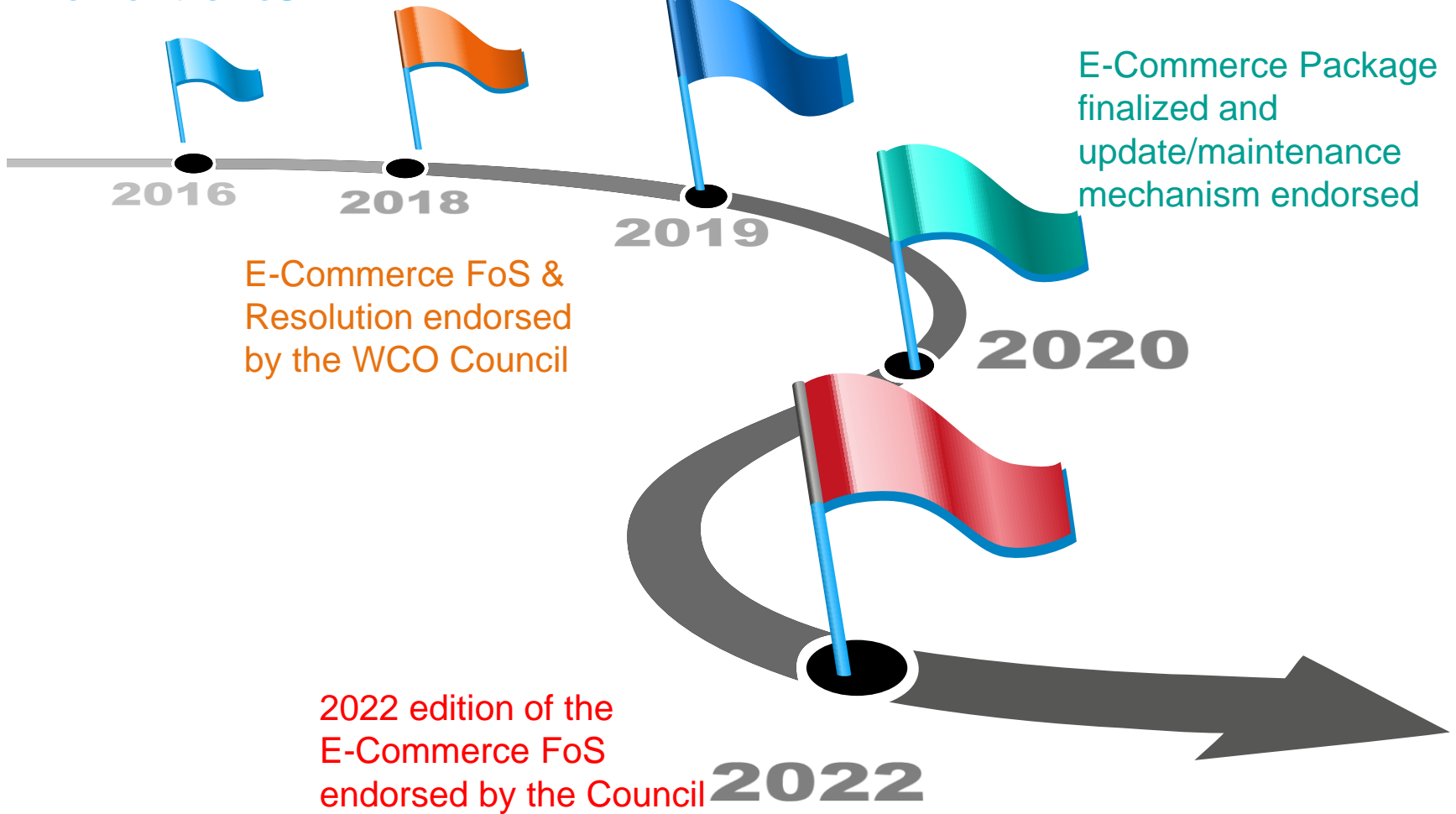
# Cross-Border E-Commerce – the WCO Perspective



Multi-stakeholder  
WCO WG starts  
work on the FoS

1<sup>st</sup> batch of tools of the  
E-Commerce Package  
endorsed by the Council

E-Commerce Package  
finalized and  
update/maintenance  
mechanism endorsed



# WCO and Cross-Border E-Commerce



## 8 Principles of the E-Commerce FoS



- ✓ Advance Electronic Data and Risk Management
- ✓ Facilitation and Simplification
- ✓ Fair and Efficient Revenue Collection
- ✓ Safety and Security
- ✓ Partnerships
- ✓ Public Awareness, Outreach and Capacity Building
- ✓ Measurement and Analysis
- ✓ Leveraging Transformative Technologies

8  
principles

# WCO E-Commerce Package



<http://www.wcoomd.org/en/topics/facilitation/instrument-and-tools/frameworks-of-standards/ecommerce.aspx>

## Framework of Standards on Cross-Border E-Commerce

Tools in the  
E-Commerce  
Package

16  
standards

8  
principles

- ❑ Technical Specifications
  - E-Commerce Business Models
  - E-Commerce Flow Charts
  - Reference Datasets for E-Commerce
  - Revenue Collection Approaches
  - E-Commerce Stakeholders
- ❑ Definitions (June 2019)
- ❑ Implementation Strategy, Action Plan and Capacity Building Mechanism (June 2019)
- ❑ Resolution on the Guiding Principles for Cross-Border E-Commerce (December 2017)
- ❑ Resolution on the Framework of Standards on Cross-Border E-Commerce (June 2018)
- ❑ WCO Study Report on E-Commerce (March 2017)
- ❑ Compendium of Case Studies on E-Commerce (annual updates)
- ❑ KPIs for the E-Commerce FoS implementation
- ❑ Secretariat Notes

## Update/maintenance mechanism



Endorsed in June 2020

Revised in October 2022



- Annual review of at least two annexes
- 4-year periodic review of the entire Package

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  - Based on real-life implementation experiences
  - Flexible in situations requiring immediate action

## Compendium of Case Studies on E-Commerce

Practical examples of how individual Members address priority issues such as exchange of advance electronic data, facilitation, safety, security and revenue collection (including de minimis levels)

1st edition, June 2020

2nd edition, June 2021

3rd edition, June 2022

### - Case studies on the E-Commerce FoS implementation

Algeria, Argentina, Germany, Japan, Korea, Morocco, Paraguay, Peru, Serbia, and Thailand



China, EU, Guatemala, Myanmar, Saudi Arabia and Turkey



Azerbaijan, China, Egypt, Panama, Suriname, US and Zambia

### - Case studies on revenue collection approaches

Argentina, Australia, Brazil, Eurasian Economic Union, Germany, Peru and Russian Federation



China, Indonesia and Turkey



Azerbaijan, Morocco, and Saudi Arabia

## Other WCO tools supporting E-Commerce



### Other WCO tools

- Immediate Release Guidelines
- WCO Data Model
- SAFE Package
- Risk Management Compendium\*  
\*Access to Volume II is restricted to Members only
- Single Window Compendium
- WCO UPU Postal Customs Guide
- Joint WCO-UPU Guidelines on the exchange of electronic advance data between Post and Customs
- Guidelines on Customs - Tax Cooperation



## Advance Electronic Data and RM

- Standard 1: Legal Framework for AED
- Standard 2: Use of International Standards for AED
- Standard 3: Data Quality
- Standard 4: Risk Management
- Standard 5: Use of Non-Intrusive Inspection Technologies and Data Analytics

## Supporting tools:

- ✓ Technical Specifications
- ✓ Reference Datasets for Cross-Border E-Commerce
- ✓ E-Commerce Compendium
- ✓ KPIs
- ✓ WCO Data Model
- ✓ Joint WCO-UPU Guidelines on the exchange of electronic advance data between Post and Customs
- ✓ Tools on Data Analytics
- ✓ Risk Management Compendium, etc.

## Issues of Advance Electronic Data

- Which stakeholders
- Timing (pre-loading, pre-arrival, at importation)
- Data elements (transaction data, payment data, logistic data)
- Mandatory submission vs Voluntary data



## Food for thought:

- Can there be a globally harmonized dataset for AED?
- What data elements are necessary for valuation purposes?
- How can harmonized data requirements be implemented?

# Fair and Efficient Revenue Collection



## Fair and Efficient Revenue Collection

- Standard 8: Models of Revenue Collection and offer electronic payment options
- Standard 9: De Minimis

## Alternative revenue collection models based on OECD Guidelines

- Seller/Vendor based collection
- Intermediary based collection
- Buyer/Consumer based collection
- Variant and hybrid approaches to collection

## Supporting tools:

- ✓ Technical Specifications
- ✓ Revenue Collection Approaches document
- ✓ E-Commerce Compendium
- ✓ KPIs
- ✓ Secretariat Note on effective and efficient revenue collection in cross-border e-commerce
- ✓ RKC tr. standard 4.13 and standard 4.14
- ✓ Guidelines to Chapter 4 of the RKC GA
- ✓ Immediate Release Guidelines
- ✓ Guidelines on Customs - Tax Cooperation, etc.



## Food for thought:

- Can one revenue collection model be singled out as the best?
- Can PCA be useful in cross-border e-commerce?

# Safety, Security and Use of Technology



## Issues for Safety and Security

- Cargo inspection with Non-Intrusive Inspection Equipment
- Link between Scanned Image and AED
- Use of AI, Blockchain
- Customs to Customs cooperation
- Use of information in websites

## Safety, security and use of technology

- Standard 10: Prevention of Fraud and Illicit Trade
- Standard 11: Inter-Agency Cooperation and Information Sharing
- Standard 16: Explore Technological Developments and Innovation

## Food for thought:

- ✓ Is technology the silver bullet for facilitation and control of e-commerce?



## Supporting tools:

- ✓ Technical Specifications
- ✓ E-Commerce Compendium
- ✓ KPIs
- ✓ SAFE Framework of Standards
- ✓ Single Window Compendium
- ✓ WCO TEG-NII, Technology Conference, Workshops on DT, etc.

## Partnership

- Applying the AEO concept
- Information from the private sector on illegal activities (IPR, etc.)

## Facilitation and simplification

- Standard 6: Simplified Clearance Procedures
- Standard 7 : AEO

## Partnerships

- Standard 12: Public-Private Partnerships
- Standard 13: International Cooperation

## Supporting tools:

- ✓ Technical Specifications
- ✓ E-Commerce Stakeholders – Roles and Responsibilities
- ✓ E-Commerce Compendium
- ✓ KPIs
- ✓ Secretariat Note on expanding the concept of AEO to cross-border e-commerce
- ✓ Immediate Release Guidelines
- ✓ SAFE Package, etc.

# E-Commerce Stakeholders



Annex VI to the TS describes the main roles and responsibilities of key stakeholders, and potential opportunities for data exchange

**a. E-Commerce  
Platforms /  
Marketplaces**

**b. Vendors**

**c. Consumers /  
Buyers**

**d. Financial  
Intermediaries  
and E-Payment  
Service Provider**

**e. Freight  
Forwarders and  
Logistics  
Service Provider**

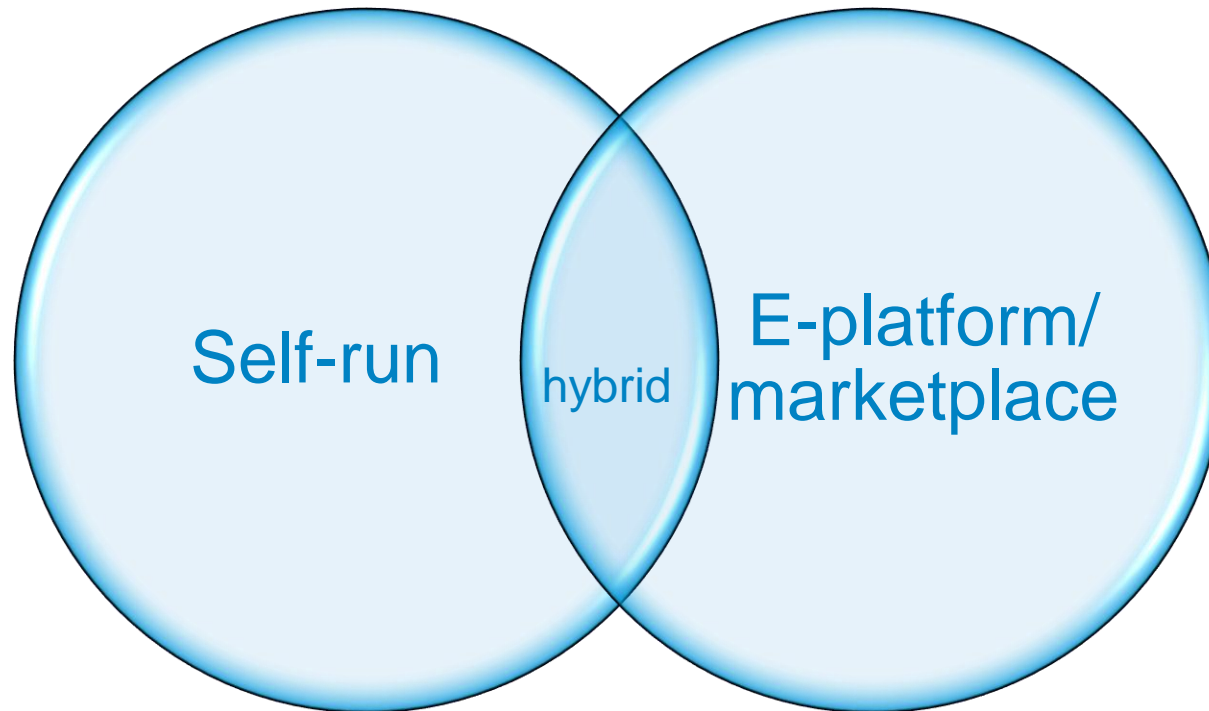
**f. Customs  
Brokers**

**g. Express  
Carriers**

**h. Fulfilment  
Houses / Centres**

**i. Postal  
Operators**

# E-Commerce Business Models





Thank you

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