MERCATOR PROGRAMME

A Navigational Map for Trade Facilitation

2022
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Foreword

Since its launch in June 2014, the Mercator Programme has been the World Customs Organization’s (WCO) strategic initiative aimed at assisting governments worldwide in implementing the World Trade Organization’s (WTO) Trade Facilitation Agreement (TFA) in a uniform manner by applying WCO instruments and tools. The key objectives of the Mercator Programme are to achieve harmonized implementation of the TFA, to provide “tailor-made” technical assistance and capacity building, and to coordinate effectively amongst all stakeholders.

The Mercator Programme has two tracks. The “overall track” deals with broader interests, including awareness-raising at global, regional and national levels, as well as updating and developing trade facilitation standards and tools.

The “tailor-made” track focuses on meeting Members’ specific needs related to effective TFA implementation. In accordance with the Mercator Programme Operating Model, adopted in 2017, this includes needs assessment, strategic planning and implementation, followed by monitoring and evaluation.

Background

The WCO and the WTO have a long-standing history of cooperation. In particular, the WCO manages the Technical Committees of two important WTO Agreements dealing with Customs Valuation and Rules of Origin.

With respect to trade facilitation, the WCO is an Annex D organization at the WTO, having, from the outset, actively supported the conclusion of the TFA. Various trade facilitation measures have been negotiated at the WTO and the WCO offers support in implementing these measures. The WCO’s instruments, tools and network of national Customs experts and private sector partners are indispensable for implementing trade facilitation measures.
WCO MERCATOR PROGRAMME TIMELINE

WTO Members reach consensus on the TFA at the Bali Ministerial Conference
December 2013

Launch of the WTO Mercator Programme
June 2014

Inaugural WCO MPA accreditation workshop
September 2015

The first WCO Global experience-sharing seminar for MPAs
June 2017

The original five Annex D organizations participated for the first time in a WTO TFC meeting
May 2018

Publication of first Mercator Programme Report
July 2018

The original five Annex D organizations participated for the first time in a WTO TFC meeting
May 2018

Publication of second Mercator Programme Report
October 2020

PTC/CBC taking over the responsibility to cover TFA/MP related work of the WCO
June 2021

Five year anniversary of entry into force of the TFA
February 2022

March 2014
First meeting of the WTO Working Group on the WTO Trade Facilitation Agreement

2014 / 2015
Launch of the WTO TFA Implementation Guidance

February 2017
TFA enters into force

February 2017
Mercurator Operating Model endorsed by CBC

July 2018
Publication of first Mercator Programme Report

April 2021
Launch of the new round of WCO Regional Workshops on the TFA

August 2021
Update of the TFA e-learning Course

January 2022
Update of MPA Handbook and re-launch of MPA Forum on WCO CliKC!
The Mercator projection is a transformation of a cylindrical projection used for navigation. It was developed in 1556 by the Flemish geographer and cartographer Gerardus Mercator.

This navigational tool enabled mariners to plot straight course and take correct compass readings that supported trade and became fundamental to understanding the world, leading to increased interconnectivity.

The Mercator Programme supports Customs Administrations specifically with TFA implementation at both strategic and operational level.

**KEY OBJECTIVES OF THE MERCATOR PROGRAMME**

- **Harmonized implementation based on WCO global standards**
  
  The Mercator Programme utilizes core WCO instruments and tools, such as the Revised Kyoto Convention (RKC), the SAFE Framework of Standards (FoS), the E-Commerce Framework of Standards (FoS), the Coordinated Border Management (CBM) Compendium, the Risk Management (RM) Compendium, the Authorized Economic Operator (AEO) Compendium, Transit Guidelines, Post-Clearance Audit (PCA) Guidelines and many others to secure and facilitate global trade while ensuring connectivity at borders along international trade supply chains, thereby providing a consolidated platform for advancing the smooth flow of goods being traded around the world.

- **Tailor-made technical assistance and capacity building**

  With a wealth of expertise and experience in global Customs technical assistance and capacity building, including a network of accredited Customs experts at its disposal and comprehensive donor engagement mechanism, the Mercator Programme provides tailor-made support for implementing trade facilitation measures.

- **Effective coordination among all stakeholders**

  Based on a long-standing history of cooperation with the WTO, other international organizations including the Annex D organizations and the private sector, the Mercator Programme acts as an important vehicle for coordinating the needs and priorities of all concerned stakeholders.
OUR APPROACH

Dual Track Approach

The Mercator Programme follows a dual-track approach that comprises of overall and tailor-made tracks, that allows the WCO to respond to important cross-cutting as well as country specific challenges to TFA implementation.

The Mercator Programme, while focused on the TFA, recognizes the multiplicity of demands faced by Customs and other border agencies that include pressure to collect revenues in an efficient manner, to protect society and to sanction infringements of Customs law along with the imperatives of trade facilitation and the TFA.

Balancing these core functions requires nimble, ethical, technically competent and strategic organizations that can respond effectively to the variety of competing challenges at the border.

For this reason, the Mercator Programme also encompasses a strong organizational development perspective that supports a blended training approach, Leadership and Management Development (LMD), Integrity, Gender Equality and Diversity and effective Human Resources Management (HRM).

In this regard, since its inception in 2014, the Mercator Programme has continued to invest in:

- Supporting the formulation of multi-year strategic plans and indicators at the national and regional levels;
- Providing technical assistance and capacity building to support implementation of specific TFA technical measures;
- Developing new and updating existing instruments and tools to support TFA measures implementation;
- Organizing national and regional-level TFA awareness-raising and experience sharing workshops for Customs administrations;
- Strengthening leadership and management competencies, attitudes and behaviors at the highest management levels;
- Developing new training and e-learning materials and also updating existing ones and establishing local e-learning platforms along with competent trainers within national training institutions;
- Building project management and donor coordination skills and competencies within modernization and international relations units; and
- Establishing the foundations for modern, competency-based human resources development and management.

KEY BENEFITS TO WCO MEMBERS

Benefits for Developing and Least Developed Countries

Developing and Least Developed Countries (LDCs) may request and receive tailor-made technical assistance and capacity building, according to their own identified needs, to support the implementation of trade facilitation measures. The Mercator Programme also provides these countries with assistance in assessing their needs, using the WCO’s expertise.

Benefits for Development Partners

The WCO has extensive experience in managing technical assistance and capacity building programmes and projects along results-based management principles. The Mercator Programme ensures tangible and evidence-based solutions which satisfy the interests of the donor institutions.

Benefits for all Government Agencies

All Government Agencies, including Customs administrations, will become better acquainted with existing WCO tools and WCO Member’s practices and experience concerning various trade facilitation measures. The Mercator Programme reduces the risk of a non-standardized approach which lead to divergent implementation practices.

Benefits for the Private Sector

The trade facilitation measures of all WCO Members, including developing countries and LDCs, are promoted in a harmonized manner. The Mercator Programme continues to contribute to predictable and modernized trade procedures that reduce trade costs and clearance times at borders.

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Overall Track

On this basis, the overall track deals with broader interests, including TFA-related awareness raising at global, regional and national levels. It also entails developing, updating and enhancing existing WCO tools, instruments related to TFA implementation. The overall track also supports the expansion of the WCO expert pools (Mercator Programme Advisors (MPAs), Technical and Operational Advisors (TOAs) and other accredited and recognized experts), mobilizes donors and shares best practices on TFA implementation throughout the global Customs community. There is a need to strengthen the role of the National Trade Facilitation Committees (NCTFs) in the implementation of the TFA and of the Customs in NCTFs for effective functioning of them.

Experience has demonstrated that reducing red tape at borders can offer significant economic benefits in terms of added export potential, increased foreign investment, greater access to a wider variety of goods for consumers and increase in economic competitiveness of countries. Developing countries, where administrative and procedural barriers tend to be more prevalent, stand the most to gain from the TFA.

The WTO estimates that the full implementation of the TFA has the potential to reduce trade costs by some 14.3% and boost global trade by up to USD 1 trillion. As a central player in the international movement of goods, these benefits cannot be realized without the significant involvement of Customs. The WCO standards, instruments and tools for simple, transparent, predictable, efficient and coordinated border procedures provide necessary guidance for a coherent approach and for achieving harmonized TFA implementation by Members.

At the heart of the overall track is the WCO's TFA Implementation Guidance. This web-based tool provides an article-by-article analysis of the important factors which Members need to consider in their endeavors to comply with individual TFA provisions. Leveraging the extensive national and regional experiences for each TFA article, the WCO TFA Implementation Guidance is updated on an ongoing basis in response to expressed needs and best practices from across the WCO Membership.
In summary, the overall track aims to:

- Develop new instruments and tools, including with partner organizations, and update existing ones, with a special focus on collecting Members’ best practices;
- Update the WCO TFA Implementation Guidance to reflect the new developments in the tools and instruments of the WCO that further support the TFA Implementation;
- Raise Members’ awareness of the TFA, its implications for Customs and other border agencies and develop a better understanding of the requirements of its technical measures;
- Expand the pools of MPAs and other accredited Customs experts;
- Engage with the WTO Trade Facilitation Committee (TFC) and support the WTO TFA Facility application;

Strengthen collaboration with other standard setting organizations, such as, International Plant Protection Convention (IPPC), World Organization for Animal Health (OIE), Codex Alimentarius Secretariat, International Maritime Organization (IMO), Universal Postal Union (UPU), Organization for Cooperation of Railways (OSJD), International Organization for International Carriage by Rail (OTIF), Basel Convention Secretariat etc.; and raise awareness on the international standards that these organizations developed that impact Customs procedures;
- Engage more comprehensively with donors and other international partners, including Annex D organizations.

Tailor-Made Track

The tailor-made track is anchored on the WCO’s capacity building principles of ownership, needs based support, partnerships, results-based management and sustainability of reform and modernization initiatives. Tailor-made assistance may come in the form of “Multi-Year (MY) Mercator Programme Implementation Plans” or ad-hoc engagements supporting specific TFA articles. The tailor-made track also encompasses underlying important organizational development matters which are viewed as fundamental enablers in the sustainable implementation of TFA measures.

MY Mercator partnerships commence with a diagnostic assessment that use a combination of tools to assess the implementation status of each TFA article. The most relevant being the WCO Diagnostic Framework in conjunction with the TFA legal text, along with previous diagnostic studies. In this regard, the WCO analysis builds upon and complements the TFA analysis undertaken by other development partners, providing a Customs-specific perspective that establishes organizational development as a foundation for effective TFA implementation within and beyond Customs.

TFA diagnostic assessment activity includes the development of a MY Mercator Implementation Plan, based on the agreed assessment recommendations, that forms the basis of future WCO delivery and serves to facilitate enhanced engagement with other development partners, other government agencies and private sector stakeholders involved in trade facilitation reforms.

Follow-up activity, that includes monitoring and evaluation perspectives, is conducted collaboratively between the WCO and the Member administration on a regular on-going basis.

A growing proportion of Mercator Programme support under the tailor-made track is now being delivered under this MY Mercator delivery model with the kind support of WCO experts, including MPAs.

In this regard, almost 60 Customs administration, to date, are currently benefiting from this MY Mercator approach and over 50 comprehensive Mercator Programme diagnostics have already been conducted. These diagnostics studies have generated over 750 strategic recommendations that have formed the basis for the development of comprehensive MY Mercator Implementation Plans.
In addition to multi-year implementation support, many WCO Members continue to benefit from individual technical assistance support focused on individual TFA technical measures such as Advance Rulings (AR), Risk Management (RM), Post Clearance Audit (PCA), Time Release Study (TRS), Authorized Economic Operators (AEO), and Single Window (SW), along with support in areas associated to data harmonization, stakeholder engagement, Coordinated Border Management (CBM) and others. Much of this activity is also effectively delivered by the WCO pool of competent accredited experts.

Due to international travel restrictions imposed as a result of the COVID-19 pandemic during 2020 and 2021, the WCO continued to support Members through the Mercator Programme by using various on-line tools and conducting remote and hybrid delivery activities.
Recent Outputs of Mercator Programme

During the period from 1 July 2020 to 30 June 2022, the WCO has conducted over 300 Mercator Programme technical assistance and capacity building support activities that include, among others, diagnostic studies and implementation planning, TRS, RM, PCA, and AEO. These activities have been conducted either fully online or in a hybrid or physical format in this two years period.

In addition, a number of WCO tools and instruments have been developed and/or updated during this period, under the overall track of the Mercator Programme, to support the implementation of the TFA.

• WCO Secretariat Note on the Current State of Play of WCO Members in the Area of National Committees on Trade Facilitation (NCTF);
• Communication Handbook for Customs Administrations;
• Secretariat Note on effective and efficient revenue collection in cross-border e-commerce;
• Authorized Economic Operators (AEO) Implementation and Validation Guidance;
• Regional Customs Union AEO programmes and plurilateral MRAs;
• 2021 SAFE Framework of Standards;
• Online AEO Compendium;
• Risk Management Maturity Model;
• Risk Management Diagnostic Tool;
• Review of the Risk Management Compendium;
• WCO/WTO joint paper on “The role of advanced technologies in cross-border trade: A Customs perspective”;
• WCO Capacity Building Framework for Data Analytics;
• Single Window Compendiums;
• Updated WCO Guidelines on Disaster Management and Supply Chain Continuity and Self-Assessment Checklist to be incorporated as an annex into the Guidelines;
• 3rd edition of the Compendium of Case Studies on E-Commerce;
• 2022 edition of the E-Commerce Framework of Standards;
• 2022 edition of the Technical Specifications to the E-Commerce;
• Updated Secretariat Note on Expanding the Concept of Authorized Economic Operator (AEO) to Cross-Border E-Commerce;
• WCO/WTO Study Report on Disruptive Technologies 2022;
• WCO Railway Guidance;
• Updated Joint WCO-UPU Messaging Standards;
• Updated WCO Data Model My Information Package Specifications;
• WCO Data Model Guidance on Conformity of Electronic Messages;
• Updated Coordinated Border Management (CBM) Compendium with the new section relating to Basel Convention implementation in the Customs context;
• Updated Advance Passenger Information (API) Guidelines;
• Updated Diagnostic Tool on PCA and Infrastructure;
• Updated How to Audit Typology.
The WCO commenced a new round of TFA regional workshops, in 2021, with an objective to provide participants with an update on TFA-related developments, including under the WCO Mercator Programme, to share national and regional experiences, key challenges faced, as well as applied methods of monitoring and evaluation of implementation.

The regional workshops also focused on how TFA implementation was critical during the COVID-19 pandemic. In this regard, the first workshop was held in the WCO Asia/Pacific region in April 2021 and the second workshop was conducted in the WCO East and Southern Africa and West and Central Africa (WCA) regions in December 2021. This was followed by the third regional workshop in the Americas and the Caribbean (AMS) region in June 2022. These regional workshops will continue in other WCO regions in the future.

During the reporting period, regional/sub-regional workshops in the areas of TFA, advance rulings, E-Commerce, performance measurement, risk management, data analytics, COVID-19, disruptive technologies, free zones and others have been carried out.

In order to expand the pools of accredited experts, WCO accreditation workshops for Technical & Operational Advisors (TOAs) in the area of E-Commerce and Free Zones were conducted in an online format in this period.

WCO Secretariat Note on Current State of Play of WCO Members in the Area of National Committees on Trade Facilitation (NCTFs)

Effective implementation of the TFA requires a well-functioning NCTF, involving all relevant government agencies, including the full and active participation of Customs administrations given the key role that Customs plays at borders in facilitating and securing global trade. The WCO Annual Consolidated Survey in 2021 included a new chapter on NCTFs which was introduced with the objective of taking stock of the current state of play in this area and it looked in particular into the challenges and opportunities observed during the COVID-19 pandemic.

The results of the survey have been compiled into a Secretariat Note. This Secretariat Note was published as an Annex to the existing WCO Guidance on NCTFs and supports the WCO Membership with practical examples for implementing Article 23.2 of the TFA. It will also be useful material for WCO MPAs and the Secretariat in the provision of its technical assistance and capacity building support through the Mercator Programme.
In response to the COVID-19 pandemic, that has had a significant impact on all Customs administrations around the world, the WCO, in early 2020, introduced a new and innovative virtual capacity building delivery mode that utilized various on-line business communication platforms, virtual web conferencing facilities and remote social meeting forums.

This new style virtual delivery soon became the “new normal” and since its introduction, continued to be the WCO’s approach to the delivery of capacity building and technical assistance to Members.

For the period from 1 July 2020 to 30 June 2022, the WCO has delivered over 300 Mercator support activities, among which over 200 MY Mercator activities, across all the regions of the WCO, mostly in a virtual or blended format. Further remote and in-country Mercator support activities are planned in the future.

Now that there is a lifting of some international travel restrictions and that the world, and indeed, the global Customs community is moving towards a more “post-pandemic” or “pandemic controlled” situation, where physical or in-country WCO Mercator support may once again be a possibility, it has been prudent to reflect on the past months and to consider what lessons have been learnt.
Remote and Hybrid Mercator activities

In response to the pandemic, and in order to ensure a successful transition from traditional face-to-face delivery to a virtual delivery mode, and then ensure momentum was maintained, the WCO was reactive and demonstrated resilience. The following pre-requisites were put in place then monitored on an on-going basis:

- Adaptive programme management - adjustments to new delivery strategies and activity planning;
- Early and continued engagement with all stakeholders – beneficiaries, donors, experts, managers;
- Effective international communication, cooperation and the promotion of border agency collaboration;
- Familiarization with various on-line platforms – a blended technical approach to meet specific needs;
- Investment in time and resources in the conversion or development of new delivery practices and material;
- Adaptability to specific environments and situations – remembering one size does not always fit all;
- Regular stock-taking of lessons learnt to inform continual delivery improvements and enhanced learning.

Despite the challenges faced, from both a technology perspective and from a delivery perspective, the new virtual delivery mode was appreciated and was widely maintained. The new approach provided many benefits to the WCO and its Members, alike. The overall reported advantages included:

- Greater health safety/environmental gains by limiting travel and the potential spread of disease;
- Significant financial savings. No travel/accommodation costs (just on-line platform license fees);
- Efficiency gains associated with the transition from document-based events to digital engagements; etc.

Whilst acknowledging the advantages of virtual delivery, it is considered that virtual delivery alone should not become the norm but should remain an option that can be used for some types of activities, but especially, in response to special circumstances such as the recent pandemic.

To support Members further in this regard, the WCO Secretariat has developed a “Guide for a Successful Transition to Live Virtual Training” that provides a set of strategies and techniques to support all stakeholders in the training environment who are organizing and delivering training in the virtual environment. The Guide was launched in June 2021.

The WCO considers that a hybrid or blended delivery approach where part of the activity is conducted virtually and then that virtual interaction with the Member would be followed by an in-country mission, would appear optimal.

TFA Implementation Guidance for Session I

The WCO developed online/offline TFA Implementation Guidance for Session I in 2014. The web-based tool assists Members find the appropriate WCO tools and instruments, thereby ensuring harmonized implementation of various trade facilitation measures. It is accessible to all stakeholders, including the private sector, in three languages, at the following web address:

Implementation Challenges

Experience on the ground and further detailed analysis has shown that the main TFA implementation challenges are common across all WCO regions. These overarching practical implementation challenges can often be attributed to an unpredictable political landscape, an unreliable or inconsistent technology infrastructure, a general lack of automation (particularly in other government agencies), gaps in enabling legislative provisions, the need for greater strategic alignment, the need for greater transparency and predictability, the inconsistent application of policies and procedures along with the need to enhance cooperation and collaboration to build mutual trust and respect.

Common implementation challenges from a transparency and cooperation perspective tend to be centered on building more effective relationships both internally and externally to improve collaborative working to facilitate joint functioning and the exchange of data between internal departments, national agencies and amongst Customs authorities, to enhance the publication of important trade related information and facilities through national websites, enquiry centers or through collective Trade Portals.
Common implementation challenges from a Customs procedures, risk and compliance perspective has focused on ensuring that the principles and practices of a risk based approach become embedded within organizations, that administrations actively engage with the private sector and effectively promote and deliver the benefits of an AEO Programme, enhancing the overall competence of PCA units to conduct effective risk-based audits, building internal capacity in order to conduct and report regular TRS activity in collaboration with stakeholders, and enhancing engagements with stakeholders and establishing multi-agency strategies and implementation plans that guide the development of efficient national SW platforms.

In this regard, NCTFs play a leading role in the coordination of TF activities amongst all relevant government agencies involved in trade reforms.

**Mercator Achievements**

Recognizing that Members can be at different levels of development maturity and may have competing governmental pressures and priorities, the WCO, under the auspices of the tailor-made track of the Mercator Programme, and by promoting and using the guidance available in established WCO tools and instruments, continues to assist administrations in effective TFA implementation, both strategically and practically in many beneficial and important areas.

In the organizational development area the Mercator Programme has encouraged administrations to ensure that a trade facilitation nexus is suitably reflected and monitored in overarching strategic plans, helped administrations establish Project Management Offices (PMOs) to oversee and streamline project initiatives and to effectively coordinate donor activity. This has included the delivery of project management training and the identification of National Mercator Contact Points to manage all future Mercator related engagement with the WCO.

For HRD this has involved developing all-inclusive HR strategies, conducting holistic HR diagnostic assessment studies and developing activity plans, assisting administrations introduce competency-based HR policies and procedures, delivering LMD workshops, conducting change management workshops, working collaboratively to address gaps in integrity policies and procedures, ensuring that gender equality and diversity shortfalls are addressed and become a mainstream HR consideration.

From the training perspective, administrations have received guidance on conducting analysis of training needs, developing training plans and material and made more aware of the excellent TFA related training modules available on the WCO on-line CLiKC! training platform. To enhance overall connectivity and the exchange of important data within administrations internally the Mercator Programme has also helped enable the implementation of the WCO nCEN platform to a number of administrations and have encouraged others to do similar.

For TFA areas related to publication and transparency the Mercator Programme has assisted administrations in the re-design of their external websites to make trade related information more prominent and more easily accessible, provided guidance on establishing centralized enquiry points, encouraged the development of multi-agency Trade Portals, delivered workshops aimed at building competence and confidence.
with regard to the issuance of AR and facilitated the revisions of previously complicated and unclear procedural regimes related to Customs fees and charges, Customs reviews and appeals, Customs penalties and the availability of test facilities and related procedures.

From an external cooperation perspective the WCO constantly emphasizes the importance and need for effective collaboration and working in partnership with other agencies, other Customs administrations and key stakeholders from private sector. In this regard, the Mercator Programme has encouraged and assisted administrations in establishing Customs to Business Forums at a central level along with establishing Joint Border Operating Committees (JBOC’s) at a regional level. This has involved assistance in drafting terms of reference documents and meeting agendas along with promoting the development of external communication strategies and policies and the delivery of related workshops.

In order to enhance the overall capacities of Customs PCA units and improve overall compliance within Customs administrations, the Mercator Programme has facilitated enhanced collaboration between departments within administrations, conducted PCA diagnostic assessments, delivered PCA training workshops and helped develop PCA SOPs and manuals in line with the WCO PCA Guidelines.

In order to provide greater transparency, promoted enhanced collaborative working, address bottlenecks and to regularly measure and report overall trade facilitation performance and progress, the Mercator Programme has supported administration to not only conduct actual TRS activity but also build internal capacities to enable them to conduct future TRS activities themselves. This has involved the delivery of both theoretic and practical workshops, in line with WCO TRS standards, and involved providing experts guidance on the methodology required and full utilization of the WCO enhanced TRS software.

In order to support the development of an efficient national SW platform, in accordance with the WCO SW Compendium, the Mercator Programme has encouraged and assisted administrations enhance collaboration with other government agencies and establish working groups, delivered SW diagnostic assessment to map existing capabilities and determine future needs, develop SW implementation strategies and phased activity plans, and assisted with business process re-engineering to ensure all processes, system and impending technical requirements are fully considered.
MONITORING AND EVALUATION OF IMPLEMENTATION

TFA (Mercator) Maturity Model

Recognizing the qualitative dimension of many of the TFA articles, and the multi-year implementation timelines, the WCO has developed a TFA (Mercator) Maturity Model, as a means of assessing baseline status on a progressive scale ranging from commencement to a fully sustained level of implementation. The aim of the Maturity Model assessment is to assist Members, by reference to the legal text of the TFA, to determine the degree to which each article of the WTO TFA has been implemented. For each standard, there are four statements that best describe the relevant level of implementation. The methodology, intended for internal use, provides an assessment of implementation maturity, not the overall performance or quality of the Customs administration.

The assessment results provide a report of a point-in-time snapshot that can be used to measure progress and improve activities. Maturity Model assessments are initially completed, in collaboration with administrations, during the in-country WCO diagnostic mission. It is envisaged that subsequent assessments are conducted every twelve or eighteen months either through self-assessment or Members may seek involvement from the WCO to conduct an assisted assessment. The WCO has developed a scoring matrix to assist Members in this regard.

Time Release Study

In October 2018, the WCO launched the updated version of the Time Release Study (TRS) Guide (Version 3) with its new features aimed at comprehensively supporting Customs Administrations, other relevant government agencies and private sector stakeholder in their collective pursuit of measuring the border release/clearance time and taking corresponding policy and operational measures to improve trade facilitation at the border. The updated version known as the “Guide to Measure the Time required for the Release of Goods (Version 3)” bring forward new dynamics and opportunities for Customs Administration to work in a collaborative manner with other relevant government agencies and trade stakeholders in the arena of performance measurement.

The WCO’s TRS Guide is an internationally accepted strategic tool to measure the actual time taken for the release and/or clearance of goods, from the time of arrival until the physical release of cargo. It allows objectively identifying bottlenecks in border-related procedures and addressing them in an efficient and effective manner.

The TRS Guide is specifically mentioned in TFA Article 7.6 on establishment and publication of average release times, and is considered to be an important tool in monitoring and evaluation of trade facilitation reforms, including those related to TFA implementation.
LATEST TRENDS

E-Commerce

The significant growth of e-commerce continues to pose challenges to Customs administrations, including at TFA implementation level. The WCO has been working with numerous stakeholders on developing and updating the tools to support Members in addressing these challenges. The WCO Council endorsed the 2022 versions of the Framework of Standards on Cross-Border E-Commerce (E-Commerce FoS) and the Technical Specifications to the FoS resulting from the first periodic review of the Framework and the tools that support its implementation and form part of the WCO E-Commerce Package.

The June 2022 Council endorsed the 3rd edition of the Compendium of Case Studies on E-Commerce. The Compendium supports the WCO membership with practical examples of how individual Members address priority issues such as the exchange of advance electronic data, facilitation, safety, security and revenue collection (including de minimis levels). In addition to thirty-four case studies, it also includes, in Section II, a reference table on the different revenue collection approaches. A Secretariat Note on effective and efficient revenue collection in cross-border e-commerce, as well as the updated Secretariat Note on expanding the concept of Authorized Economic Operator (AEO) to cross-border e-commerce have also been developed to support the WCO membership.

Gender Mainstreaming

Implementing a gender and diversity perspective in trade facilitation reforms, through recognizing and adapting to the specific needs of different groups of stakeholders, is key to ensure sustainability and inclusive development and growth, making sure that everyone can benefit from the opportunities that trade can bring.

The WCO and its Membership adopted in December 2020, the WCO Declaration on Gender Equality and Diversity (GED) in Customs, which advocates, among other things, enhanced cooperation with relevant stakeholders on the topic of gender equality and diversity, including with other government agencies (OGAs), the private sector stakeholders (including associations representing women traders) and border associations, to foster a harmonized and coordinated approach in implementing a gender equal and inclusive Customs environment throughout the whole trade process.

The WCO has also developed the Gender Equality Organizational Assessment Tool (GEOAT), which aims at assisting Customs Administrations in assessing their policies, practices and activities to see where to further address gender equality issues as an integrated part of their reform and modernization agenda, including in stakeholder collaboration and in border operations.
Performance Measurement

The WCO is developing a comprehensive Performance Measurement Mechanism (PMM), including key performance indicators (KPIs) to measure all Customs competences and the application of the WCO tools and instruments. The milestones achieved so far in the design of the PMM have led to the release of the PMM Package, including the following components:

- The PMM goal, overall objective and specific objectives;
- The four common dimensions of Customs performance (Trade Facilitation and Economic Competitiveness; Revenue Collection; Enforcement, Security and Protection of Society; and Organizational Development) and the associated expected outcomes;
- The main WCO tools having a major impact on each expected outcome under the PMM and whose application by Customs administrations would be assessed;
- The mapping of the PMM dimensions and their relevant expected outcomes in relation to the Sustainable Development Goals (SDGs);
- KPI selection criteria and the template for submitting proposals on KPIs;
- A repository of Members’ experiences of national KPIs in use at the Country level;
- KPIs to measure the awareness and use of the main WCO tools and instruments;
- The 1st draft list of KPIs for the PMM;
- Specifications of the Hybrid Model envisaging a self-assessment and a peer review stage;
- Business Analysis for the PMM data collection platform;
- The release of the PMM Version 1 is expected in the course of 2023, to be followed by the launch of the first cycle of assessment.

Green Customs and Reverse Supply Chains

As governments are being requested to raise global ambitions to address urgent environmental problems and risks, they are increasingly turning to trade to find sustainability solutions. Global value chains could be used to create positive linkages between countries that invest in sustainable production and those that are interested in sustainable consumption. In this connection, trade is increasingly recognized as a game changer in ensuring the transition of the global economy towards sustainable and greener supply chains and circular economy. To this end, good governance mechanisms and strengthened cooperation between Customs and other regulatory agencies at the border are essential for controlling backward flows of materials for reuse, repair, refurbish, remanufacture, repurpose and recycle. To support Members in the transition toward Green Customs would require further work for the harmonization of the most relevant processes in the context of CBM and Single Window implementation as well as enhanced C2C data exchange, with particular reference to the waste trade. It would also require adequate regulatory responses and closer interaction between Trade Facilitation and Compliance to ensure that legitimate flows of environmental goods are traded smoothly across the borders, taking into account environmental objectives.

Data Analytics

The WCO has taken a strong stance on the importance of developing skills in data analytics. As knowledge on best practices from years of experience is accumulated, more informed advice and support can be delivered. The WCO continues to provide capacity building support to Members in each of the six WCO regions, through financing projects incorporating state-of-the-art data analytics methods and technologies in the Customs domain. To spearhead these aspirations, the BA-CUDA Project was launched in 2019, creating data analytics methodologies including algorithms in open-source programming languages for Customs in collaboration with Data Experts from Academia, Research Institutes, and Members. Two flagship algorithms based on artificial intelligence were created. The first one is the DATE Algorithm which is for the detection of undervaluation’s, and the second one is the AI HS algorithm which recommends HS Commodity Codes from commercial descriptions. To help Members utilize both these algorithms efficiently, data analytics courses were developed, which are now available in five languages on the WCO on-line CLiKC! Platform. Aside from on-line training courses, an on-site Data Analytics Scholarship Programme has been launched, that is currently assisting 12 Customs officials improve their data analytics knowledge.
and expertise under the guidance of experts in this field. It is envisaged that the successful completion of the programme will enable the participants to form a pool of Data Experts and become a driving force for Customs modernization in this important area.

**Disruptive Technologies**

The WCO and the WTO jointly developed a paper “The Role of Advanced Technologies in Cross-border Trade: A Customs Perspective”. The paper was developed based on the results of the WCO’s 2021 Annual Consolidated Survey that provided a snapshot of the level of implementation by Customs administrations of the three groups of technologies that already proved to be extremely useful in the Customs environment or were promising to be game-changers in the future: blockchain/distributed ledger technology; big data, data analytics, artificial intelligence and machine learning; and the Internet of Things. This paper intends to shed light on the level of implementation, as well as opportunities and challenges faced by Customs in deploying the above-mentioned technologies. Back in June 2019, the Council adopted the WCO Study Report on Disruptive Technologies as a living tool. Three years later, the Study Report has been updated in partnership with the WTO, with the aim of covering the overall international trade context in which Customs administrations play an important role. The WCO/WTO Study Report on Disruptive Technologies 2022 includes findings from the WCO/WTO joint paper that are based on the results of WCO’s 2021 Annual Consolidated Survey. It also includes lessons learnt and recommendations stemming from the round of WCO’s regional online experience-sharing workshops held in 2021 and 2022, the WCO TECH-CONs, as well as updated and new use cases provided by Members and other stakeholders.

Many of the above-mentioned topics are aligned to the WCO Strategic Priorities and emerging initiatives outlined in the WCO Strategic Plan for 2019-2022, that include Coordinated Border Management, Revised Kyoto Convention, E-Commerce, Safety and Security, Harmonized System, Capacity Building Strategy, Performance Measurement, Integrity, Digital Customs and Data Analysis.

**CURRENT WCO PARTNERS, PROGRAMMES AND PROJECTS SUPPORTING TRADE ACILITATION**

**A-CIP PROGRAMME**

With initial financing from the Norwegian Agency for Development Cooperation (Norad), and additional funding from Canada, the A-CIP Programme currently supports more than 20 beneficiary countries in their efforts to combat corruption and promote integrity. Launched in January 2019, the Anti-Corruption and Integrity Promotion (A-CIP) Programme responds to the recognized high costs of corruption in Customs. The Programme aims at improving the business and law enforcement environment for cross border trade in selected WCO member countries by making changes to the operational and administrative context that restricts corrupt behavior and promotes good governance in Customs services. These changes are guided by and in line with the ten key factors of the WCO Revised Arusha Declaration Concerning Good Governance and Integrity in Customs.
**WCO - JICA**

In July 2016, WCO - JICA (Japan International Cooperation Agency) Joint Project commenced. A major component of the project is the Master Trainer Programme (MTP) which aims to establish more sustainable training capacity on key Customs topics through the development of a pool of well-experienced trainers, tailor-made training materials and training programmes. Over 140 Master Trainers on HS, Customs Valuation, PCA, Intelligence Analysis, etc. have already been developed in 16 African Members who have subsequently trained more than 20,000 others internally and externally. Some of the Master Trainers have become WCO Accredited Experts, and in this regard, are supporting the Customs community in the whole of the African continent. Building on this success, Phase 2 of this Joint Project will run until June 2025.

**WCO - SECO (SWITZERLAND) - GTFP**

The GTFP is the first joint initiative between the State Secretariat for Economic Affairs of Switzerland (SECO) and the WCO, aimed at fostering and facilitating international through trade strengthening compliance of selected developing SECO partner countries, in particular Customs administrations, with the implementation of international standards and best practices for the importation, exportation and transit of commercial goods. It pursues three outcomes: organizational development, trade facilitation and performance measurement. The GTFP currently supports Bangladesh, Bolivia, Colombia, Guatemala, Peru, Serbia, Ukraine and Uzbekistan. With this intervention, both SECO and the WCO expect to strengthen the organizational and technical capacities of the beneficiary Customs Administrations, to successfully lead, plan and implement sustainable and transparent customs reforms, with involvement of relevant stakeholders, and apply international standards and best practices in particular those of the WCO and the WTO related to Trade Facilitation.

**THE ACCELERATE TRADE FACILITATION PROGRAMME**

The Accelerate Trade Facilitation Programme (2022-2025) brings together the WCO and UNCTAD in a partnership supported by the United Kingdom’s Her Majesty’s Revenue & Customs (HMRC). Under the HMRC Programme, the WCO currently supports Eswatini, Lesotho, Liberia, Nigeria, Madagascar, The Gambia, The Philippines, South Africa, and Zambia to effectively implement the provisions of the WTO Trade Facilitation Agreement (TFA). The Programme focuses both on supporting Custom administrations on TFA technical measures as well as organizational development (e.g. gender & inclusivity, integrity, and competency-based human resource management) – by leveraging WCO standards and tools within the framework of the WCO Mercator Programme. UNCTAD’s complementary support to National Committees on Trade Facilitation is a key component of the Programme’s vision. The HMRC Programme was first initiated in 2015 and since then the Programme has evolved in both in scope and geographical focus.
**WCO – GIZ (GERMANY) – GAMBIA**

This Project funded by the German Federal Ministry for Economic Cooperation and Development, represented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, aims to support the Gambia Revenue Authority (GRA) in the implementation of priority trade facilitation measures of the WTO-TFA by creating the conditions for a more efficient risk-management system and better cooperation between border-control bodies. The specific objectives are to enable the Gambian authorities to periodically measure clearance and release times (by use of the WCO Time Release Study) and implement concrete measures to speed up clearance of commercial goods; and to further develop the Gambian authorities’ holistic and intelligence based risk management, in line with international standards and best practices and provide risk management training to Customs officers.

**WCO – SIDA**

The “Trade Facilitation and Customs Modernization Programme for Sustainable Development in Sub-Sahara Africa” is a continuation of the previous and successful partnership between the WCO and the Swedish International Development cooperation Agency (Sida) that had supported regional economic development and integration in Sub-Saharan Africa through sustainable Customs reforms and modernization programmes. The third-phase Programme is focused on assisting selected WCO Members in the East African Community, and the Southern African Development Community to implement the trade facilitation measures of the WTO TFA. The overall aim is to contribute to economic growth and poverty reduction through improved business environment for cross-border trade. The Sida-WCO Programme is currently assisting the Customs administrations of the following countries: Botswana Burundi, Eswatini, Kenya, Malawi, Rwanda, Tanzania, Uganda, Zambia and Zimbabwe.

**WCO – FINLAND**

Multi-Year Agreement of the WCO and Finland “to progress the trade facilitation agenda, within the framework of the WCO Mercator Programme in the East and Southern Africa (ESA) Region 2016-2020 (as extended until the 31st of May 2022)” is building on the previous WCO-ESA Project. The project is focusing on Trade Facilitation implementation, organizational and Institutional capacity, Human Resource Management development, and building sustainable regional expertise and autonomy.

**WCO – EUROPEAN UNION – HS AFRICA**

The Programme ‘Harmonizing the classification of goods based on WCO standards to enhance African trade’, funded by the European Union, aims to assist the Regional Economic Communities (REC), African Customs administrations (CA) and relevant stakeholders, including the African Union Commission (AUC), selected national government administrations and the private sector in the coordinated implementation and uniform application of the World Customs Organization’s Harmonized Commodity Description and Coding System, generally referred to as «Harmonized System» or simply «HS». The expected result for 2022 is that the beneficiary African countries implement and apply HS 2022 version in line with the HS Convention, the WTO-TFA, the WCO’s RKC and with continental and regional commitments.

**WCO – EUROPEAN UNION – ROO AFRICA**

The Programme, Implementation and application of Rules of Origin to enhance African trade, funded by the European Union, aims to assist the Regional Economic Communities (REC), African Customs administrations (CA) and other relevant stakeholders, including the AfCFTA Secretariat, selected national government administrations and the private sector in improving their capacity to deal with Rules of Origin and ultimately to support the harmonized and coordinated implementation and application of the Rules of Origin under Annex 2 of the AfCFTA in compliance with other international, continental and regional commitments and best practices, including the Economic Partnership Agreements.
CONCLUSION

The WCO Mercator Programme is cross-cutting and this “whole-of-Customs” perspective is a core strength of the WCO’s Mercator approach that fully acknowledges that the WTO TFA is part of a wider modernization and reform dynamic.

The WCO continues to refine both the “overall” and “tailor-made” tracks of the Mercator Programme to ensure that they are fully responsive to Members needs and implementation challenges.

Requests and Questions

Developing countries and LDCs may submit their requests for tailor-made technical assistance to the WCO Capacity Building Directorate at any time:
capacity.building@wcoomd.org

Interested development partners and donor institutions may contact the WCO External Relations Unit with regard to further cooperation, including the offer of financial support for technical assistance and capacity building projects:
external.relations@wcoomd.org

For more information on the Mercator Programme, including the TFA Implementation Guidance for Session I, please contact the WCO Procedures and Facilitation Sub-Directorate:
facilitation@wcoomd.org