



Brussels, 29 September 2016.

SUMMARY DOCUMENT
(Item VII. (c) on the Agenda)

Introduction

1. This Summary Document provides an overview of the subjects to be discussed and on the actions expected from the PTC. The objective of the SD is to provide more guidance to the PTC delegates on topics of focus and where input from Members is required.
2. In line with the above mentioned, the Secretariat produced an SD for this meeting's sessions, based on the draft agenda and taking into account the proposal of the Correspondence Group on the Future of the PTC to have the items/sub-items classified into four different categories:
 - A. Report Back on Work in Progress;
 - B. Decision and Guidance;
 - C. Exploration and progression of Key Technical Issues; and
 - D. Fostering Innovation in Customs Practice.

A. Report Back on Work in Progress

3. **The report back items include discussion of the work of the various sub-groups and committees reporting to PTC, as well as work undertaken by the Secretariat. The discussion on these items will be a short process. The agenda items will be supported by the respective papers of the various sub-committees, committees and working groups of the PTC, as well as other papers produced by the Secretariat or oral reports. Members will be expected to have read through the papers and will be given an opportunity to pose any questions or to launch a relevant discussion.**

4. **The Joint PTC/TFAWG meeting will discuss the TFA-related developments in other WCO committees.**

IV. TFA RELATED DEVELOPMENTS IN OTHER WCO COMMITTEES

- a) **Advance Rulings**
- b) **Customs Laboratories – second test**

Documents: PT0052 and PT0053

5. In the 5th TFAWG meeting, delegates requested to be kept apprised of developments in other WCO bodies with a bearing on TFA implementation. Under this item, the TFA will be informed about TFA related developments in WCO bodies managed by the Tariff and Trade Directorate of the WCO Secretariat.
6. Delegates are invited to:
 - take note of the actions undertaken; and,
 - take note of follow-up initiatives.

XII. UPDATE AND REPORTS

- a) **Report of from the 75th session of the Policy Commission, 11-13 July 2016 and the 127th/128th Session of the Council, 14-16 July 2016**

Documents: SP0572 and SC0156

- b) **Inter-sessional development**

Document: PC0459

- c) **Update on WCO Recommendations**

Document: PC0460

- d) **Report from the 70th Meeting of the Information Management Sub-Committee (IMSC), 12-13 May 2016**

Document: PM0398

- e) **Report of the 15th Meeting of the SAFE Working Group, 24-26 February 2016**

Document: LF0123

- f) **Report from the 10th Meeting of the Technical Experts Group on Air Cargo Security, 21-22 March 2016**

Document: FA0054

7. In order to make the PTC more efficient, all reports of WCO working bodies relevant for the PTC or from the Secretariat have been grouped under A items and an opportunity will be provided to the delegates to potentially raise any questions or concerns, but at the same time to avoid spending time on items which would not require much discussion.

8. The PTC will be invited to take note of the reports from meetings, inter-sessional developments, the update regarding acceptance of WCO recommendations and to approve the report from the 70th Meeting of the Information Management Sub-Committee.

B. Decision and Guidance

9. **These items will include discussions on the work of the various sub-groups and committees reporting to PTC, or work undertaken by the Secretariat. The aim of this section will be to facilitate the provision of guidance and/or the delivery of decisions that will enable this work to progress.**
10. **This will include adoption of the Draft Agenda, this Summary Document itself and potential topics to be discussed under Any Other Business at both the Joint PTC/TFAWG and the PTC proper.**
11. **In addition, the PTC proper will include election of the Chairperson and the Vice-Chairperson, ECP Action Plan for Phase 3, Transit Guidelines, PTC Work Programme and proposals for the next PTC meeting.**

V. ANY OTHER BUSINESS (Joint PTC/TFAWG meeting)

12. Delegates will have the opportunity to suggest and decide on topics for discussion that are not covered elsewhere in the agenda.

VII. OPENING, ELECTIONS AND ADOPTION OF THE AGENDA (PTC meeting)

b) Election of the Chairperson and the Vice-Chairperson

13. The PTC elects a Chairperson and a Vice-Chairperson each year. The Chairperson and Vice-Chairperson are elected for a period of one year and are eligible for re-election.
14. The PTC is invited to elect the Chairperson and Vice-Chairperson amongst its delegates, for the 2016/2017 calendar year.

c) Adoption of the Draft Agenda and the Summary Document

Documents: PC0450 and PC0451

15. The Secretariat has in consultation with the Chairperson prepared a Draft Agenda. The Secretariat has also prepared a Summary Document, the objective of which is to provide the delegates with clear and concise information on the substance of agenda items and guidance on the actions required from the PTC.
16. The PTC is invited to adopt the Draft Agenda (Doc. PC0450) and the Summary Document (Doc. PC0451).

XI. ECONOMIC COMPETITIVENESS PACKAGE

a) ECP Action Plan for Phase 3

Document: PC0456

17. The ECP Action Plan for Phase II covers the period from January 2015 to December 2016. Consequently, the Action Plan for the next phase from January 2017 to December 2018 needed to be developed. The Secretariat has drafted the revised Action Plan and the PTC will be invited to discuss, improve and endorse it, after which it will be submitted to the Policy Commission in December 2016.
18. The PTC will be invited to discuss, make improvements to and endorse the draft ECP Action Plan for phase III. The revised draft ECP Action Plan will be submitted to the Policy Commission in December 2016.

b) Transit Guidelines

Document: PC0457

19. The Transit Handbook will be converted into the Transit Guidelines. The PTC will learn about the progress on its development and will be invited to give suggestions for improvements.
20. The PTC is invited to take note of the progress made in developing the Transit Guidelines and to offer suggestions for the project. It will examine the draft Transit Guidelines at its next sessions in March 2017.

c) Customs Brokers

- **Presentation by Malaysia**
- **Presentation by ASAPRA**

Document: PC0458

21. Recently, the WCO published a 'Study Report on Customs Brokers' providing an overview of Customs Brokers' role in the international supply chain together with some suggested policy and organizational considerations on Customs Brokers regimes and a model checklist for licensing/regulating Brokers.
22. Under this item, the PTC will also hear and discuss working experiences concerning compliance of Brokers and related sanction/reward policies from Members and the private sector.
23. The PTC will be invited to:
- discuss working experiences and explore issues concerning compliance of Customs brokers and related sanction/reward policies and frameworks; and
 - provide guidance and policy perspective on the future work in this domain.

XIV. MANAGING THE PTC

a) PTC Work Programme

Document: PC0461

24. The PTC works in line with a long-term Work Programme that is directly linked to the WCO Strategic Plan. It is intended to be updated in accordance with the decisions taken by the Committee and the governing bodies of the WCO, namely the Policy Commission and the Council.
25. The Work Programme 2013-2016 (WP 2013-2016) has been updated to reflect the latest developments and include new tasks assigned by the PTC as well as the progress made. The PTC will be invited to take note.
26. In addition, the Secretariat developed the WP 2016-2019 to include the tasks for the next three year period. The PTC is invited to discuss, improve and finally endorse the new PTC WP.

b) Proposals for the next PTC meeting

27. The PTC will be invited to propose items for the next meeting of the PTC. The delegates are encouraged to put forward non-paper(s) which will give more detail on the background of the topic.

XV. ANY OTHER BUSINESS (PTC meeting)

o Upcoming events

28. The Secretariat will provide an update on the upcoming WCO meetings and events. The PTC will be invited to take note.
29. In addition, delegates are encouraged to share any information on upcoming workshops, seminars, conferences or other relevant meetings of interest to PTC delegates.

C. Exploration and Progression of Key Technical Issues and Customs Practice and D. Fostering Innovation in Customs Practice

30. **These items will allow primarily for discussion of key (technical) issues, which Members and observers are facing, ideally common across a number of Members and/or regions. It will also include a number of Members' innovative practices. The time allotted to these items will be sufficient to allow for active participation by all delegates in fully exploring the issues raised.**
31. **The Joint PTC/TFAWG Meeting will address Border Agency Cooperation, the use of the WCO Time Release Study, Risk Management and the Revised Kyoto Convention.**

32. **As regards the PTC proper meeting, Digital Customs including Customs-Tax cooperation, Big Data, Data Quality and others, as well as Future of Customs and Performance Measurement will be discussed under C and D items.**
33. **More guidance on the individual agenda items is provided below.**

I. Border Agency Cooperation

Document: PT0050

- a) Presentation by US CBP, Ms. Maria Boyce, on Single Window Lessons Learned***
 - b) Presentation by JICA, Dr. Tomomi Tokuori, on the One-Stop Border Post Sourcebook***
 - c) Presentation by International Plant Protection Convention Secretariat, Mr. Craig Fedchock, on e-Phyto and other cooperation to protect plant health***
 - d) Presentation by the Philippines, Ms. Beth Pableo, on perishable goods border management procedures***
34. Single Window is probably one of the most challenging projects in improving border management but also one that could deliver enormous benefits, not only for trade but also for governments. Hearing success stories is quite exciting but usually there is a story that is not told: the challenges, pitfalls, the energy it takes to accomplish a Single Window. Hearing about practical experiences, the difficulties and how they were solved maybe even more valuable than listening to success stories. The US will offer the TFAWG their lessons learned in the Single Window journey.
35. In addition, under this agenda item, there will a presentation about the One-Stop Border Post Sourcebook, about the development of an e-Phyto certificate and the Philippines will share their practice in managing perishable goods at the border.
36. The Delegates are invited to:
- Take note of the presentations in the CBM area and share their national experiences, and
 - Discuss and provide guidance on potential further improvements in Border Agency Cooperation at international, regional and national level.

II. WCO TIME RELEASE STUDY

Document: PT0051

- a) Georgia's, by Ms. Maka Khvedelidze, and Sudan's, by Mr. Ali Adam, experiences in using the TRS***
 - b) Update/development of TRS tools***
37. The WCO TRS is specifically mentioned in the TFA as a tool for Members for measuring and publishing average release time of goods. The TRS not only measures the performance of border clearance processes but also helps Members identify where bottle necks are in their border management procedures, giving them the opportunity to determine the causes and rectifying them through appropriate measures.

38. The TRS might therefore also drive their development needs, not only for Customs but also for stakeholders. The TRS is also an excellent tool for NCTFs to use in monitoring the implementation of the TFA.
39. Noting the importance that the TRS is gaining internationally, the WCO Secretariat has, based on experiences gained during TRS technical assistance missions and feedback received from Members, identified potential areas for updating or expanding in order to make the tool more responsive to current or future issues that may be considered relevant.
40. The TFA Working Group and PTC are invited to:
- provide guidance and the way forward in enhancing the use of TRS as a strategic tool for trade facilitation performance measurement and improvement;
 - discuss and provide considered views on potential areas that could be included/enhanced in the new version of the TRS Guide; and
 - participate in the update/review of the TRS Guide, by indicating their willingness to be part of the proposed virtual working group.

VIII. RISK MANAGEMENT – WCO CARGO TARGETING SYSTEM

41. Risk Management is one of the fundamental aspects of the TFA and it has been practised by many Customs administrations over the years. In order to further help Members, the WCO has developed the Cargo Targeting Systems (CTS).
42. The Secretariat will present the WCO CTS to the delegates after which the Meeting will explore the opportunities offered by the CTS to improve risk management capabilities in order to facilitate legitimate trade whilst at the same time protecting societies.
43. The TFAWG and PTC will be invited to:
- take note of the presentation of CTS;
 - discuss CTS in the framework of TFA implementation.

IXbis. Revised Kyoto Convention

44. The Revised Kyoto Convention is the main WCO instrument to support Members when implementing the TFA yet not all WCO Members have acceded to the RKC.
45. The Secretariat would like to hear the delegates' views on the current challenges that make Members hesitate in acceding to the RKC but also strategies to overcome these challenges so the number of RKC ratifications increases.
46. The TFAWG and PTC will be invited to:
- Provide guidance on strategies to increase the number of accessions to the RKC

IX. DIGITAL CUSTOMS – WHERE ARE WE NOW?

a) E-Commerce: Report from the 1st Meeting of the WCO Working Group on E-Commerce (WGEC)

- **Opportunities, Challenges and Potential Solutions**
- **Cross-Border E-Commerce Business Models**
- **Trade Facilitation and Risk Management in the E-Commerce Context**

Oral report

47. A number of different topics will be explored under Digital Customs, the theme of the WCO in 2016. The PTC will discuss the outcomes of the 1st Meeting of the WCO Working Group on E-Commerce with a special focus on three particular areas listed above.

48. The PTC delegates will be invited to share their national practices and experiences, as well as to provide any suggestions and guidance on the way forward.

b) Customs-Tax cooperation

- **Presentation by Russian Federation**
- **Presentation by Hungary**

c) Integrated Supply Chain Management (ISCM) – practical examples

- **Presentation by Korea Customs**

d) Big Data and its application by Customs

e) Digital Customs Work Plan follow-up

Document : PC0453

f) Data Quality

Document: PC0454

49. Digital Customs is the theme of the WCO for 2016. In that respect, the Policy Commission at its December 2015 also focused on this topic. A lot of food for thought came out of these discussions, some of which will be further discussed under the different sub-items to follow.

50. Following the development of WCO Guidelines for strengthening cooperation and the exchange of information between Customs and Tax authorities at national level, the PTC will explore the business and IT side of Customs-Tax cooperation and Members' experiences.

51. It will also continue the ongoing discussion on Integrated Supply Chain Management including enhanced partnerships between Customs and other supply chain actors and Big Data and the potential benefits of its use by Customs administrations.

52. Additionally, the PTC will be invited to provide the way forward and decide on the actions required for implementation of the Digital Customs Work Plan, through active involvement of Members and other stakeholders.

53. Underpinning the increasing use of ICT in Customs decision making is data quality which should be an integral part of the Digital Customs agenda. The delegates will be invited to consider the role of data quality in the Digital Customs agenda and provide guidance on the priorities to be explored by the Virtual Working Group on Data Quality to support Digital Customs.

X. FUTURE OF CUSTOMS – WHERE ARE WE GOING?

a) Global Value Chains

Document: PC0455

54. At its sessions in March 2015, the PTC decided to establish a Virtual Working Group on the Future of Customs (VWG FC) which had in the meantime collected all future oriented topics expected to affect Customs, including those discussed in other WCO working bodies, and carried out research on more than a dozen of those including 3D printing, e-commerce, drones, new border models etc.
55. At this meeting, the PTC will discuss a paper on Global Value Chains prepared by the Secretariat and their implications on Customs business today and in the future. It will also explore how Customs can improve the competitiveness of their countries in terms of supporting connectedness to GVCs, share national practices on relevant Customs procedures, in particular inward/outward processing practices, and suggest the way forward.

b) Synchro-Modality and Smart Steaming

56. The PTC will hear a presentation from one of the Members of the Virtual Working Group on the Future of Customs. The Cross-Border Research Association will present the SYNCHRO-NET project and explain synchro-modality and smart steaming, as well as what it means for Customs. The PTC will be invited to take note.

XIII. PERFORMANCE MEASUREMENT

a) Achieving Excellence in Customs (AEC)

- **Presentation by India**

b) Benchmarking Methodology

- **Presentation by the World Bank**

57. At its March 2016 meeting, the PTC discussed the topic of 'Performance Measurement' and endorsed the draft technical guidance for the AEC indicators.
58. While Secretariat is still in the process of collecting completed AEC forms from Members for carrying out a detailed analysis.
59. Under this item, Members' experiences in enhancing their performance through the use of WCO tools and instruments including the WCO TRS will be shared. Additionally, the PTC will understand the performance measurement methodologies adopted by other international bodies.