



Brussels, 9 September 2016.

DIGITAL CUSTOMS WORK PLAN FOLLOW-UP

(Item IX.e on the Agenda)

Introduction

1. As mandated by the December 2015 Policy Commission, all the relevant WCO bodies (i.e., the Permanent Technical Committee, the Enforcement Committee, the Capacity Building Committee and the Information Management Sub-Committee) are engaged with the further development of the WCO Digital Customs concept and strategy. Recently, several tools had been produced under the Digital Customs concept, including a supplement to the Single Window Compendium, the Handbook on Globally Networked Customs, and Data Model version 3.6.
2. Taking into account the outcomes of the discussions held in various WCO bodies, the Secretariat identified key tasks the WCO should focus on under the umbrella of Digital Customs, having clear links between the Digital Customs concept and the Strategic Plan. Accordingly, the Secretariat developed a draft two-year WCO Work Plan on Digital Customs for 2016-2018.
3. The Work Plan aims to consolidate the topics that the WCO will be dealing with during this two-year period. The Work Plan on Digital Customs should be considered as a living document which can be updated whenever needed to reflect new opportunities and changes in the Customs environment, the expectations/demands of Members, and/or decisions of the Policy Commission/Council, as well as new and emerging technological developments.
4. Noting that information and communication technology (ICT) implementation is a journey which requires strong political will and continued executive commitment. It is imperative that keeping in view the national priorities, policy considerations, and resource availability, Customs administrations need to prioritise and perform proper sequencing of its ICT implementation/enhancement/consolidation in terms of a digital maturity model. Based on Members' experiences, the Secretariat developed a draft 'Digital Maturity Model' as part of the Digital Customs Work Plan.

Discussions at the Policy Commission and Council

5. At their respective sessions in July 2016, the Policy Commission and Council considered and endorsed, among others, the draft 'Digital Customs Work Plan' and the draft 'Digital Maturity Model' with suggested enhancements as living documents, which could be further enriched by the inclusion of additional suggestions and elaborations as would be received from Members and relevant WCO working bodies, and encouraged Vice-Chairs to appropriately include and enhance work on Digital Customs in their respective regional work plans.
6. Concerning the draft 'Digital Customs Work Plan', the PTC suggested, in particular: coordination between all relevant WCO bodies to leverage and synergize the related ongoing work; inclusion of the Working Group on the Trade Facilitation Agreement (TFA) as one of the responsible bodies to advance work on ICT-enabled TFA implementation; and further exploration of emerging usage of 3D printing. Views were also put forward on having a focused approach on interoperability, exchange of information, dematerialization of documents, and mobile-enabled services when it came to progressive engagements with stakeholders. It was also suggested to have a constructive engagement with academia in the ICT development journey.
7. Further, the Policy Commission provided valuable suggestions to enhance the draft 'Digital Maturity Model', which included, among others : *"skills set, competencies, and related training of personnel"* as an additional enabler; clear linkages between the Maturity Model and the six broad themes around Digital Customs; and Members' practices under each maturity segment together with like-minded Members examining common practices and exploring ways to move to the next level.

Digital Customs Work Plan Follow-up

8. Based on the suggestions/comments provided by the Policy Council and Council, the 'Digital Customs Work Plan' and 'Digital Maturity Model' have been enhanced/updated (respectively appended at Annex I and II to this document).
9. The Work Plan reflects the transversal nature of the Digital Customs topic. It covers the development of standards; engagement and cooperation to enhance electronic interfaces and the exchange of information with key stakeholders; and capacity building, thus supporting four key WCO Strategic Goals - Trade Facilitation and Security; Fair and Efficient Revenue Collection; Protection of Society; and Institutional and Human Resource Development.
10. During 2016/17-2017/18, all relevant WCO bodies will continue and/or initiate work on respective tasks/actions as indicated in the Work Plan, noting that there are several cross-cutting items. Additionally, the 'Digital Maturity Model' will be further enhanced based on inputs provided by Members including their working experiences and practices under each maturity segment.
11. As could be seen from the 'Digital Customs Work Plan', a number of actions directly relate to the PTC and its various Sub-Committees/Working Groups. In this context, the PTC is expected to steer forward the ongoing and envisaged work from policy and technical perspectives and contribute to the further development/consolidation of the Digital Customs concept in a sustained and scalable manner through the update/enhancement of existing instruments. At the same time, the PTC is required to

explore development of new tools, where required, to support the adoption of new information technological developments as well as carry out the research and development work aimed at enhancing understanding of new and emerging trends, including through monitoring and dissemination of related best practices, in terms of specific actions as detailed in the Work Plan.

Action expected from the PTC

12. The PTC is invited to:

- take note of the 'Digital Customs Work Plan' and 'Digital Maturity Model' as endorsed by the July 2016 Policy Commission and Council sessions (respectively set out at Annex I and II to the document); and
- to provide guidance and suggest ways forward for carrying out the work through active involvement of Members and other stakeholders within indicated timelines.

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DRAFT WCO WORK PROGRAMME ON DIGITAL CUSTOMS

(2016/2017 - 2017/2018)

	Topic	Task/Action	Responsible Body	Indicative Timeline
A.	Standards Development/Enhancement			
1.	Support the implementation of the WTO Agreement on Trade Facilitation (TFA)	<ul style="list-style-type: none"> Enhancement of the preliminary mapping of WCO ICT instruments and tools supporting the efficient and harmonized implementation of TFA measures 	TFAWG/PTC/IMSC	Continuous
2.	Review/updating of related WCO instruments and tools	<ul style="list-style-type: none"> Update the IT Guide for Executives 	PTC/IMSC	June 2016
		<ul style="list-style-type: none"> Update the Single Window Compendium 	PTC/IMSC	April 2017
		<ul style="list-style-type: none"> Develop Single Window e-learning module 	PTC/IMSC	October 2017
		<ul style="list-style-type: none"> Develop the WCO Single Window Interactive Map (SWIM) database on Single Window procedures and services 	PTC/IMSC	December 2016
		<ul style="list-style-type: none"> Update the RKC ICT Guidelines to reflect emerging developments to better address the needs of all WCO Members, in particular bridging the “digital divide” 	PTC/IMSC/RKCMC	September 2017
		<ul style="list-style-type: none"> Update the Business Continuity Planning Guidelines, and collect Members’ practices 	PTC/IMSC	May 2017
		<ul style="list-style-type: none"> Work on the use of WWW sites by Customs - potential development of a Guide 	PTC/IMSC	May 2018
		<ul style="list-style-type: none"> Review/update of WCO Recommendations concerning ICT 	PTC/EC/CBC	May 2017

	Topic	Task/Action	Responsible Body	Indicative Timeline
		<ul style="list-style-type: none"> Collect national experiences and explore technical aspects of the implementation of information/data security management systems 	PTC/IMSC	September 2017
3.	Governance, development/maintenance/updating and promotion of the WCO Data Model	<ul style="list-style-type: none"> Work on Version 3.7 	DMPT/IMSC	December 2017
<ul style="list-style-type: none"> Work on potential migration to Version 4.0 		DMPT/IMSC	May 2018	
<ul style="list-style-type: none"> Update report on global adoption of the WCO Data Model 		DMPT/IMSC	Annual	
<ul style="list-style-type: none"> Develop governance framework and promotional strategy (including development of non-technical guidance) for the WCO Data Model 		PTC/ IMSC/DMPT	Continuous	
<ul style="list-style-type: none"> Provide support to Members in terms of the implementation of the DM and migration to the latest version 		DMPT/IMSC	Continuous	
<ul style="list-style-type: none"> Continue work on Data Quality - data mapping exercise to include information about who is delivering the data elements to Customs 		PTC/ IMSC/DMPT	December 2017	
4.	Monitor new and emerging technological developments from the Customs perspective and develop related solutions, where needed	<ul style="list-style-type: none"> Explore new topics, e.g., 3D Printing, Big Data - Data Mining and Predictive Analytics, Drones; Blockchain – Bitcoins, including engagement with academia 	PTC/EC/IMSC/Research Unit	Continuous

	Topic	Task/Action	Responsible Body	Indicative Timeline
B.	Cooperation/Coordination between and among Customs and its Strategic Partners			
5.	Promote the implementation/consolidation of e-services	<ul style="list-style-type: none"> Carry out further work on e-services - e-enquiry points, e-payment, e-processing of permissions/authorizations, e-inspection, e-refund, acceptance of e-copies, e-communication, mobile-enabled services including mobile apps 	PTC/IMSC/DMPT	Continuous
		<ul style="list-style-type: none"> Continue work on dematerialisation of documents – paperless trade environment 	PTC/IMSC/DMPT	Continuous
		<ul style="list-style-type: none"> Work with the International Plant Protection Convention (IPPC) in developing its e-Phyto certificate solution based on the WCO Data Model 	IMSC/DMPT	December 2016
6.	Promote connectivity/interoperability/exchange of information with partner Government agencies and other stakeholders	<ul style="list-style-type: none"> Promote Globally Networked Customs (GNC) and the development of Utility Blocks 	PTC/IMSC	Continuous
		<ul style="list-style-type: none"> Promote the Integrated Supply Chain Management (ISCM) and enhance the ISCM Guidelines, as needed 	PTC/SWG/IMSC	Continuous
		<ul style="list-style-type: none"> Develop standards for the interoperability and harmonization of non-intrusive inspection (NII) imaging formats, and initiate pilots with interested Members by using “unified file format” as a first step 	SWG/TEGNII	Continuous
		<ul style="list-style-type: none"> Develop global standards on the Trader Identification Number (TIN) in the AEO-MRA context 	SWG/DMPT	September 2017

	Topic	Task/Action	Responsible Body	Indicative Timeline
		<ul style="list-style-type: none"> Continue work on the standardization and usage of the Unique Consignment Reference Number (UCR) 	PTC/IMSC/DMPT	Continuous
		<ul style="list-style-type: none"> Exploratory work on developing standards/guidelines on connectivity and exchange of information with e-commerce stakeholders/economic operators, e.g., e-vendors, postal operators, express service providers, online payment services, Internet Service Providers (ISPs) 	PTC/IMSC/DMPT	Continuous
		<ul style="list-style-type: none"> Develop and maintain the Customs Enforcement Network (CEN) 	EC	Continuous
		<ul style="list-style-type: none"> Roll-out of the nCEN package 	EC	Continuous
		<ul style="list-style-type: none"> Develop and implement the Cargo Targeting System (CTS) 	EC	Continuous
		<ul style="list-style-type: none"> Maintain and improve WCO "Iris" application 	EC	Continuous
		<ul style="list-style-type: none"> Maintain and improve the Technology Network (TeN); increase the number of technology providers and promote use of the application among Members 	EC	Continuous
		<ul style="list-style-type: none"> Promote use of the Interface Public-Members (IPM) among right holders and Members 	EC	Continuous

	Topic	Task/Action	Responsible Body	Indicative Timeline
		<ul style="list-style-type: none"> Promote electronic pre-advice on postal parcels based on the WCO-UPU Customs/Post EDI messages 	PTC/WCO-UPU CC/DMPT	Continuous
		<ul style="list-style-type: none"> Promote Advance Passenger Information/Passenger Name Record (API/PNR) Guidelines 	PTC/EC/API-PNR CC	Continuous
7.	Promote the implementation of Single Window, and create a repository of national practices	<ul style="list-style-type: none"> Collection, analysis and dissemination of Members' practices 	PTC/IMSC	Continuous
C.	Development of Capacity and Core Competence within Customs			
8.	Develop a roadmap for ICT implementation/consolidation	<ul style="list-style-type: none"> Develop and enhance the Digital Customs Maturity Model 	PTC/IMSC/EC/CBC	September 2016
9.	Organizational structures in ICT governance	<ul style="list-style-type: none"> Develop a guide on best practices for organizational structures in ICT governance 	CBC	June 2018
10.	Use of ICT in performance measurement and enhancement of integrity	<ul style="list-style-type: none"> Promote use of ICT in carrying out Time Release Study (TRS), for example TRS software 	PTC/IMSC/CBC	Continuous
11.	Create a repository of ICT-driven innovative processes/services	<ul style="list-style-type: none"> Collection, analysis and dissemination of Members' practices 	Research Unit/ PTC/IMSC/EC/CBC	Continuous

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