



Brussels, 14 September 2016.

UPDATE AND REPORTS

Inter-sessional developments

(Item XII. (b) on the Agenda)

Introduction

1. This document aims to compile inter-sessional developments which would be of relevance to the PTC, but which have not otherwise been covered under any other PTC agenda item.
2. For further updates, please also see the separate reports under this PTC agenda item XII.

Revenue package

3. The second phase of the Revenue Package Action Plan was concluded in June 2015. The implementation of Phase II of the Revenue Package Action Plan included provision of assistance to Members in the implementation of the Revenue Package tools and the development of a number of new tools and materials. The Phase II new tools include, but are not limited to, a *Diagnostic Tool on Tariff Classification, Valuation and Origin Work and Related Infrastructure*, a *Diagnostic Tool on Post-Clearance Audit (PCA) and Infrastructure* and *Technical Guidelines on Advance Rulings for Classification, Origin and Valuation*, whereas the latter provides a single source document on advance rulings for all three topics and is aligned as far as possible with the text of the WTO Agreement on Trade Facilitation (TFA). All materials from Phases I and II of the Revenue Package Action Plan are available on the WCO's Members' Website under Topics/Key issues.
4. Following the conclusion of Phase II, the Secretariat prepared a draft proposal for Phase III of the Revenue Package to be conducted between July 2016 and June 2018. This proposal was submitted to the Working Group on Revenue Compliance and Fraud (WGRCF) at its Second Meeting held from 30 November to 2 December 2015. The WGRCF, which has the mandate for supporting the implementation of the Revenue Package, held in-depth discussions on the proposal, which led to the agreement on the key topics to

be covered. The Phase III Revenue Package Action Plan was updated and finalized based on the input and guidance provided by the WGRCF and was endorsed by the Policy Commission and the Council in July 2016 (Annex to Doc. SP0566E1b).

5. Phase III of the Revenue Package Action Plan is aimed at enhancing Customs-Tax cooperation. In July 2016 the Policy Commission and the Council endorsed the Guidelines for strengthening cooperation and the exchange of information between Customs and Tax authorities at the national level noting that this is a living document which is to be further enriched by the inclusion of more examples of experiences and best practices. The other topics on which new materials and initiatives will be developed under Phase III of the Revenue Package Action Plan are Origin, PCA, "Fragile Borders", Control of Mineral Resources and Customs Laboratories. In addition, the Secretariat will continue assisting Members in effective use of Revenue Package tools developed under Phases I and II.

Compliance and Enforcement Package

6. The Compliance and Enforcement Package (CEP), adopted by the Council in June 2013, was designed to embrace the full range of compliance and enforcement-related WCO instruments and programmes, and aimed to address high-risk areas. Under this concept, the instruments and programmes were grouped into four main categories: Tools, Network and Technology, Partnerships, and Operations. The CEP Action Plan is to be reviewed on a yearly basis by the Enforcement Committee, and subsequently presented to the Policy Commission and the Council.
7. In July 2016 the Policy Commission and the Council took note of the report on the 2015/2016 CEP Action Plan and endorsed the 2016/2017 CEP Action Plan (Doc. SP0558E1a). The Action Plan includes 35 actions divided into the 4 main categories - Tools; Networks and Technology; Partnerships and Operations.
8. Important developments in the area of compliance and enforcement are the endorsement by the July 2016 Policy Commission and Council of the WCO Global Counter-Terrorism Strategy and of the Guidance for customs administrations to use Passenger Name Record/Advance Passenger Information, as well as the adoption by the Council of the Resolution on the role of Customs in preventing illicit trafficking of cultural objects.

Customs Capacity Building

9. The Secretariat conducted a policy review in relation to the management and mobilization of WCO Experts and presented the results (Doc. HC0085E1a) to the 7th session of the Capacity Building Committee (CBC) held on 11-13 April 2016. The policy review resulted in an enhanced system for the accreditation of training/Capacity Building experts, including the establishment of three new types of WCO experts to supplement WCO Accredited Experts - Recognized Experts, External Experts and Expert Consultants. Another new feature of the WCO Experts accreditation system is the development of a new formal accreditation sub-category of WCO expert - Mercator Programme Advisor or MPA, to assist Members with TFA implementation at a strategic level.
10. The CBC endorsed the results of the policy review in relation to the management and mobilization of WCO Experts, but requested that the associated policy paper be reviewed and expanded concerning the use of External Experts/ Expert Consultants.

11. A number of cross-cutting issues were discussed at the 7th session of the CBC including Digital Customs and the associated organizational development needs; WTO TFA implementation and capacity building programmes in support thereof; and Performance Measurement.

Private Sector Consultative Group (PSCG)

12. Since the last report to the PTC on inter-sessional developments the Private Sector Consultative Group (PSCG) held two meetings. It met on 22-23 February 2016 and on 11-12 July 2016 at the WCO Headquarters.
13. During the February 2016 meeting, following a presentation by the WCO Management Team on the Organization's activities and strategic priorities, the PSCG focused its attention on several key topics in preparation for the SAFE Working Group i.e. insufficient benefits for Authorized Economic Operator (AEO) companies and from AEO Mutual Recognition Agreements including additional data requirements by Members for Advanced Electronic Information. WTO TFA issues such as Border Agency Cooperation, Mercator Programme and Capacity Building were also deliberated, as well as issues such as Performance Measurement, Digital Customs and e-Commerce.
14. The PSCG Special Action Groups on the subjects of Performance Measurement; e-Commerce; Data Flow and Quality of Data; Fraud and Illicit Trade provided their update and the way forward.

Technical Experts Group on Non-Intrusive Inspection Equipment (TEG-NII)

15. The TEG-NII was set up to develop a standard NII image format for the following objectives.
- to allow interoperability of NII equipment supplied by different manufacturers;
 - to allow the exchange of images within and between Customs administrations;
 - to allow the development of a database or library of images – a more long-term goal;
 - to assist in the training of image analysts.
16. The first meeting of the TEG-NII is scheduled to take place on 21-22 September 2016. The Group is currently open to Customs administrations and main NII manufacturers.

Role of Customs in natural disaster relief

17. At the invitation of the UN Secretary-General, the WCO Secretary General participated in the first World Humanitarian Summit, held on 23-24 May 2016. The role of Customs in facilitating the clearance of disaster relief consignments was highlighted, as well as the contribution of the WCO in providing training to raise its Members' awareness of WCO standards on relief consignments and to enhance their preparedness.
18. The WCO and representatives of Customs administrations participated, for the first time, in the "Humanitarian Networks and Partnerships Week Programme", which was organized by the UN Office for the Coordination of Humanitarian Affairs (UN-OCHA) from 1 to 5 February 2016. The event brought together 825 experts representing the national institutions of 67 affected countries and donor governments, as well as 22 UN agencies, international organizations, the International Federation of Red Cross and Red Crescent Societies (IFRC), 10 regional organizations, 53 national and international non-

governmental organizations (NGOs), alliances and partnerships, 35 private sector companies and 25 research and academic institutions.

19. In accordance with point 9 of the 2011 WCO Resolution on Natural Disaster Relief (NDR) the Secretariat, in collaboration with UN OCHA and IFRC, held a regional seminar on the role of Customs in natural disaster relief in Addis Ababa, Ethiopia on 9-10 March 2016. The joint event was the fourth in a series of regional seminars designed to implement the 2011 WCO Resolution on NDR.
 20. On 9 May 2016 the Secretariat commenced the implementation of a project funded by the Ministry of Foreign Affairs of the Netherlands aimed at assisting Customs Administrations in West Africa to be better prepared to combat natural disasters and regional epidemic diseases like the Ebola Virus Disease. The duration of the project is 12 months with a possible extension of 6 months.
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