



PERMANENT
TECHNICAL COMMITTEE

PC0464E1b

-
215th/216th Sessions

-
3 – 7 April 2017

Brussels, 27 March 2017.

SUMMARY DOCUMENT
(Item I. (b) on the Agenda)

Introduction

1. This Summary Document (SD) 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 expected.
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.

III. UPDATE AND REPORTS

- a) **Inter-sessional developments**
Documents: PC0466
- b) **Performance measurement – results of the WCO survey**
Document: PC0467
- c) **Report from the 1st Meeting of the Technical Experts' Group on Non-Intrusive Inspection Equipment (21-22 September 2016)**
Document: PI0002
- d) **Report from the 16th SAFE Working Group (26-28 October 2016)**
Document: LF0134
- e) **Report from the 71st Meeting of the Information Management Sub-Committee (3-4 November 2016)**
Document: PM0414
- f) **Executive Summary from the 16th Meeting of the Administrative Committee of the Istanbul Convention and the 13th Meeting of the Contracting Parties to the ATA Convention (14-15 November 2016)**
Executive Summary
- g) **Report from the 15th Meeting of the RKC Management Committee (16-17 November 2016)**
Document: PO0093
- h) **Report from the 10th Meeting of the WCO/IATA/ICAO API-PNR Contact Committee (21-22 November 2016)**
Document: PS0067
- i) **Report from the 36th Meeting of the WCO/UPU Contact Committee (23-24 November 2016)**
Document: PU0162
- j) **Report from the 13th Meeting of the Counterfeiting and Piracy (CAP) Group (28-30 November 2016)**
Document: TR0050
- k) **Report from the 76th Meeting of the Policy Commission (5-7 December 2016)**
Document: SP0590
- l) **Report from the 11th Meeting of the Technical Experts' Group on Air Cargo Security (22-23 February 2017)**
Oral Report

m) Report from the 16th Meeting of the Administrative Committee for the Customs Convention on Containers, 1972 (27-28 February 2017)

Document: PB0064

n) Report from the 7th Meeting of the WCO Working Group on the WTO Trade Facilitation Agreement (6-7 March 2017)

Oral report

4. 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 raise any questions or concerns, if required, but at the same time to avoid spending time on items which would not require much discussion.
5. The PTC will be invited to take note of the reports from meetings, inter-sessional developments, update on performance measurement – results of the WCO survey, and the update regarding acceptance of WCO recommendations from September 2016 to March 2017. The PTC will also be invited to adopt the Report from the 71st Meeting of the Information Management Sub-Committee and the Report from the 36th Meeting of the WCO/UPU Contact Committee.
6. Having in mind the relevance of the recent entry into force of the WTO Trade Facilitation Agreement (TFA), the Secretariat will provide an oral report from the 7th Meeting of the WCO Working Group on the WTO TFA. An oral report will also be provided on the outcomes of the 11th Meeting of the Technical Experts' Group on Air Cargo Security.

XI. UPDATE ON THE WORK OF THE SUB-GROUPS UNDER THE WORKING GROUP ON E-COMMERCE (WGEC)

Document: PC0476

7. The WGEC has been set up for the purpose of addressing cross-cutting issues in relation to growing e-commerce, from both facilitation and a control perspective. The WGEC is guided by and reports to the PTC, the Enforcement Committee and the Policy Commission.
8. At its previous sessions in October 2016, the PTC discussed the outcomes of the 1st Meeting of the Working Group on E-commerce and suggested a few additional items for inclusion in the work packages for the four sub-groups, as well as requested the sub-groups to developing practical policies and programs involving all stakeholders. The PTC will be updated on the work undertaken in the four sub-groups (Trade Facilitation & Simplification, Safety & Security, Revenue Collection, Measurement & Analysis) and will be invited to provide guidance.

XVI. ANY OTHER BUSINESS

a) Highlights from discussions of the 16th Meeting of the RKC Management Committee and the 17th Meeting of the Istanbul Convention /14th Meeting of the Contracting Parties to the ATA/Istanbul Conventions

9. Subject to approval by their respective committees, the highlights from the discussions of the RKC Management Committee and the ATA/Istanbul meetings will be shared with the PTC delegates.

c) Upcoming Events

10. The Secretariat will provide an update on the WCO events and meetings. Delegates are encouraged to share any information on upcoming workshops, seminars, conferences or other relevant meetings of interest to PTC delegates. Delegates will have the opportunity to suggest and decide on topics for discussion that are not covered elsewhere in the agenda.

B. Decision and Guidance

11. **These items will include discussions on the work of the various sub-groups and committees reporting to PTC, and on 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.**
12. **This will include adoption of the Draft Agenda, this Summary Document itself and proposals for the next meeting to be discussed under Any Other Business.**
13. **In addition, the PTC will include election of the Chairperson and the Vice-Chairperson, Future of Customs, Single Window, Transit Guidelines, Customs-Tax Cooperation, Glossary of International Customs Terms and Customs Brokers.**

I. OPENING AND ADOPTION OF THE AGENDA

b) Adoption of the Draft Agenda and the Summary Document

Document: PC0463

Document: PC0464

13. 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.
14. The PTC is invited to adopt the Draft Agenda (Doc. PC0463) and the Summary Document (Doc. PC0464).

V. FUTURE OF CUSTOMS

a) The way forward for the Virtual Working Group on the Future of Customs (VWG FC)

Document: PC0470

15. Almost two years after its establishment under the PTC, the Virtual Working Group on the Future of Customs is taking stock of the work undertaken so far and seeking PTC's guidance on the way forward. The PTC will discuss the draft Report on the PTC's Future

of Customs Agenda and the Virtual Working Group and is invited to provide strategic guidance focusing in particular on the future direction of the Group.

b) Research on Global Value Chains (GVCs)

16. As a result of the discussions which took place at the 2016 Autumn Sessions, the PTC will be updated on the research carried out on GVCs.

c) Development of a Handbook on inward/outward processing procedures

Document: PC0471

17. At its last sessions, under the discussion on GVCs, the PTC also examined how trade facilitation measures such as inward and outward processing procedures can support better connectedness to GVCs. As a result, the PTC decided to update or develop new guidance on this topic. Consequently, the Secretariat carried out a survey based on which a Handbook was developed.
18. The PTC will discuss the draft Handbook on Inward and Outward Processing Procedures and potentially approve it, subject to further improvements and suggestions put forward by the delegates, including additional responses and Members' case studies, before submission to the Council for approval in July 2017.

VI. SINGLE WINDOW

o **Update of the Single Window Compendium**

Document: PC0472E

19. The Compendium on How to Build a Single Window Environment has been updated to include the latest developments in technology and legislation supporting paperless cross-border trade, as well as the relevant references to the WTO Trade Facilitation Agreement.
20. The new and updated parts are based on the outcomes of the panel discussion organized during the 66th Session of the IMSC meeting in 2014 and on further inputs provided by Members. The update enhances the repository of Member case studies (encompassing a mix of developed and developing countries) and best practices to guide Members at different stages of Single Window implementation.
21. The PTC will be invited to examine the updated Compendium and potentially approve it, subject to any further contributions by the IMSC.

VIII. TRANSIT

o **Transit Guidelines**

Document: PC0473

22. At its last sessions, the PTC provided guidance to the development of the Transit Guidelines.

23. The PTC will now be invited to examine the draft Guidelines and approve them, subject to any further improvements and recommendations raised by the delegates.

IX. CUSTOMS-TAX COOPERATION

a) Results of further research on cooperation between Customs and Tax administrations

Document: PC0474

▪ Presentation by Spain

24. One of the recommendations stemming from the last PTC sessions was to explore cooperation between Customs and Tax entities within Revenue Authorities, noting their peculiar challenges and issues. The PTC will explore the results of the related research developed by the Secretariat, including in particular the use of joint databases.
25. In addition, Spain will provide its experience in this domain.

X. GLOSSARY OF INTERNATIONAL CUSTOMS TERMS

○ New proposed terms for inclusion into the Glossary

Document: PC0475

26. According to the current PTC Work Programme, the PTC is required to provide guidance on the way forward for the definitions for Customs terms to be included in the Glossary, which were proposed by the Secretariat and reviewed by the Virtual Group, but do not form part of any WCO instrument. At least three new definitions are to be reviewed and approved on a yearly basis.
27. The PTC will therefore be invited to discuss and if appropriate, approve a number of Customs terms and provide guidance on a number of other terms.

XIII. CLOSING PLENARY DISCUSSION

28. The PTC will hear about the results of the discussions in the different e-commerce workshops (Trade Facilitation & Simplification, Safety & Security, Revenue Collection, Measurement & Analysis) and will have an opportunity to provide any further guidance on the way forward.

XIV. CUSTOMS BROKERS

a) Outline of the draft Guidelines on Customs Brokers

Document: PC0477

b) Presentation by Mexico

29. Under this item, the PTC will discuss the outline of the draft Guidelines on Customs Brokers which is envisaged to be developed under the Action Plan for Phase III of the Economic Competitiveness Package. In addition, Mexico will present its national experience on the migration from mandatory to optional use of Customs brokers.

XV. ELECTIONS

- **Election of the Chairperson and the Vice-Chairperson for financial year 2017/2018**

30. In line with its Rules of Procedure, the PTC will be invited to elect the Chairperson and Vice-Chairperson for the following financial year.

XVI. ANY OTHER BUSINESS**b) Proposals for agenda ítems for the next PTC meeting**

31. The PTC will be provided with an opportunity to suggest agenda items for the next PTC meeting. The delegates are encouraged to put forward non-paper(s) which will give more detail on the background of the topic.

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

32. **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.**
33. **The PTC Meeting will discuss Integrated Supply Chain Management (ISCM), Data analysis – WCO theme of 2017, Future of customs, Blockchain, Customs-Tax Cooperation, E-commerce workshop under C and D items. More guidance on the individual agenda items is provided below.**

II. INTEGRATED SUPPLY CHAIN MANAGEMENT (ISCM)**a) Update of the ISCM Guidelines**

Document: PT0465

b) Panel discussion on the state-of-play and the future of ISCM

34. The PTC has been tasked to raise awareness of the ISCM Guidelines and explore further its key concepts, in particular, integrated Customs control, authorized supply chain, and connectivity among Customs administrations together with other stakeholders. In addition, the PTC Work Program is expected to provide guidance on the potential update of the ISCM Guidelines to reflect new developments and opportunities, including the roles of different stakeholders along the supply chain.
35. Further work on the standardization and usage of the Unique Consignment Reference (UCR), especially in the context of the ISCM, is envisaged to support the connectivity and data exchange mechanisms between and among Customs administrations, for effective risk analysis and trade facilitation in a national/regional Single Window environment.

36. The agenda item will include a high-level panel discussion which will focus on the challenges and opportunities arising from the ISCM concept and its implementation and the PTC will be invited to discuss and provide guidance on the update of the ISCM Guidelines, for which the technical work will be carried out in the SAFE Working Group.

IV. DATA ANALYSIS – WCO THEME OF 2017

a) Results of Secretariat’s research on Big Data and how it can support risk management capabilities

Document: PC0468

b) Break-out session on data analysis

Document: PC0469

37. Improving capacities to analyze Big Data can potentially provide huge benefits to Customs. In line with the Digital Customs Work Plan, the PTC is expected to explore the Big Data topic further.

38. This item will provide an opportunity to share the final results of Secretariat’s research on Big Data, also in terms of its support to Risk Management capabilities, and will serve as an introduction to the break-out session that will follow.

39. The break-out session will provide an opportunity for the delegates to discuss and share experiences in collecting and analyzing data, including how the private sector and other stakeholders can support this process and to provide recommendation on its different aspects such as objectives, data collection methods and IT solutions.

VII. BLOCKCHAIN

o Presentation by IBM

40. Blockchain, or the distributed ledger technology, is the new buzz word when it comes to emerging digital technologies. The impact of blockchain’s potential to fundamentally change the way markets and governments work is only now emerging.

41. This agenda item will provide an opportunity for PTC delegates to learn more about what blockchains are about, what are the benefits and how they can support Customs business.

IX. CUSTOMS-TAX COOPERATION

b) Presentation by Inter-American Development Bank

42. The meeting will learn about IADB’s experiences in Customs-Tax cooperation.

XII. E-COMMERCE WORKSHOPS

43. The PTC delegates will be able to attend a number of different workshops that will focus on different aspects of the e-commerce topic such as Trade Facilitation, Safety and Security, Revenue Collection, and Data Analysis and Risk Management in the E-Commerce Context.
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