



Brussels, 6 September 2017.

### **CUSTOMS - POST COOPERATION**

- o Reconstitution of the WCO/UPU Contact Committee and stocktake of its work

#### **(Item XI on the Agenda)**

#### **I. Introduction**

1. The WCO and UPU have been collaborating for over 50 years. The partnership developed a more formal approach since the establishment of the WCO-UPU Contact Committee in the year 1965, following a Resolution adopted by the UPU at its 15th Congress held in Vienna. The two organizations have also signed an MoU in 2007 setting out a cooperation framework, which is being updated.
2. The Contact Committee seeks, among other things, means and methods to speed up and simplify Customs formalities for postal items and to ensure effective control thereof. It reports to the WCO Permanent Technical Committee (PTC) and UPU Postal Operations Council (POC).
3. The Contact Committee has provided an excellent platform for Posts and Customs to discuss issues of common interest in the spirit of cooperation and mutual understanding. Under the overall guidance of the Contact Committee, the WCO and UPU have also been cooperating in the area of Capacity Building of Customs and Postal staff. Such cooperation includes organizing joint workshops with a focus on key operational areas for improving the efficiency and security of Customs-Post clearance processes.

#### **II. Reconstitution of the Contact Committee**

4. The Contact Committee works within the framework of its Terms of Reference (ToR), which has been amended from time to time to reflect new opportunities. More recently, the ToR was further amended and adopted at the last meeting of the Contact Committee held from 23 to 24 November 2016. As per the revised ToR (Annex I), the WCO is represented by experts from eight Member Customs administrations and the UPU by experts from eight

designated operators. Where possible, each expert shall be accompanied by a technical adviser from the national Customs administration or designated operator, as appropriate.

5. In addition, The Customs administrations and designated operators of the host countries (Switzerland and Belgium) shall be invited to the Committee as permanent observers. Each organization is also represented by its own Secretariat.
6. The ToR envisages that Contact Committee will be usually reconstituted every four years, following a decision by the supreme bodies of both organizations, namely the WCO Council and the UPU Congress.
7. Following the Istanbul UPU Congress held in 2016 and in line the four-year cycle, the Contact Committee is being reconstituted through the established process. To this end, in March 2017 the WCO Secretariat sent a letter to the six regional Vice Chairs requesting them to nominate representative (s) from respective regions to take up the role of Customs member/observer of the Contact Committee for the next four-year term.
8. In order to achieve maximum participation, the Vice Chairs were also requested that countries already identified by the UPU may not be included from the Customs side. Furthermore, preference may be given to those Members that are not currently serving in the Contact Committee or have not previously served in it.
9. Based on the nominations received from the Vice Chairs, the list of WCO members and observers of the Contact Committee for the period 2017 - 2020 has been prepared (appended as Annex II to this document) for the consideration of the PTC.
10. The list of UPU members and observers of the Contact Committee, as approved by the competent UPU bodies is appended as Annex III to this document.

### **III. Update on the Work of the Contact Committee**

11. The Contact Committee has been consistently delivering excellent results in terms of developing cooperation frameworks and technical solutions addressing Customs-Post issues and associated challenges. Many joint technical standards and tools have already been developed to support and strengthen the ongoing cooperation between Customs and Post at the national level.

#### **- Recent Work**

12. The Contact Committee has developed several tools and instruments, and is currently engaged in the development of some new tools to further assist Posts and Customs to efficiently meet individual and collective objectives. Some of the recent key work of the Contact Committee include the following :
  - Joint Customs-Post Messaging standards for the exchange of advance electronic data (2012), updated in 2016,
  - Joint Customs Post Guide, outlining relevant WCO and UPU instruments, standards, tools, and associated processes a (2014),
  - Joint Guidelines for Developing Memorandum of Understanding between Customs and Postal Operators at the national level (2014),
  - Simplified version of CN23 for Express Mail Service (EMS) parcels to facilitate Customs clearance (2014),

- Revised CN 22, CN23, CP71 & CP72 (e.g., inclusion of item-wise HS code and country of origin, email and telephone number of the consignor and consignee) for efficient risk management and improved service delivery (2015),
- Mapping of security standards (the WCO SAFE Framework of Standards – the UPU S58 & S59) showing a high level of consistency (2015),
- Joint concept paper on AEO for Postal Operators for enhanced postal chain security and facilitation (2015), and
- Updated Guidelines to Specific Annex J2 of the Revised Kyoto Convention (2016).

- **Current priorities**

13. Given the growing digitalization of supply chains and global security concerns, one of the key priorities of the Contact Committee is to deliver necessary solutions and associated capacity building measures relating to the establishment of an electronic interface between Posts and Customs to facilitate advance electronic exchange of data. Another important area of work relates to E-Commerce, which is leading to an exponential increase in small parcels through posts.
14. In July 2016, the WCO and the UPU sent out a joint letter to all Customs administrations and designated postal operators, urging them to prioritize the implementation of electronic data exchange between Posts and Customs at the national level, using joint Customs-Post messaging standards.
15. Following that, the WCO and the UPU have launched a joint WCO-UPU survey in May 2017 to ascertain the preparedness level of postal operators and Customs administrations for capturing, sending, receiving and using data in electronic format. Survey responses are currently being analyzed, which will form a basis for developing a resource guidance (including working examples) on establishing an electronic interface between Post and Customs at the national level as well as providing related capacity building supports. A joint working group is already engaged in developing guidelines including good practices on advance electronic exchange of data.
16. Another joint Working Group has been set up under the Contact Committee to carry out work in the area of E-Commerce in the context of growing cross-border postal parcels. The ongoing work in this area includes promoting advance electronic exchange of information; improving the electronic interface between posts and Customs; improving data quality of CN22/23 declarations, implementation of the WCO security standards (SAFE Framework of Standards and AEO programme) and UPU security standards (S58 and S59), especially in the context of a large number of occasional mailers.

**IV. Action expected from the PTC**

17. The PTC is invited to :

- approve the WCO membership of the reconstituted Contact Committee (Annex II);
- take note of the UPU membership of the Contact Committee (Annex III); and
- take note of the progress made to date and key achievements concerning the work being carried out by the Contact Committee and provide guidance on the way forward, noting some of the current and emerging priorities.

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## **TERMS OF REFERENCE FOR THE WCO–UPU CONTACT COMMITTEE**

Confirmed by the WCO Council – June 2003

Updated – July 2017

**Chairperson:** Spokesperson of the host organization

**Established:** 1965

**Duration:** Unspecified

### **1. Mandate**

The WCO–UPU Contact Committee was established in 1965 by an agreement between the WCO and the UPU, following a resolution adopted by the UPU at its 15th Congress held in Vienna. The WCO–UPU Contact Committee has the character of a working group whose conclusions are submitted to the competent WCO and UPU bodies for approval. Within the WCO, this body is the Permanent Technical Committee and, within the UPU, the Customs Group of the Postal Operations Council.

### **2. Membership**

The WCO is represented by experts from eight member Customs administrations and the UPU by experts from eight designated operators. Each organization is also represented by its own secretariat. Where possible, each expert shall be accompanied by a technical adviser from the national Customs administration or designated operator, as appropriate. Consequently, the WCO–UPU Contact Committee shall not include representatives from the designated operator and Customs administration of the same country. The Customs administrations and designated operators of the host countries shall also be invited to the Committee as observers. Each of the two organizations may further invite up to five observers (representatives of Customs administrations, designated operators, international organizations, or private sector organizations).

The Committee is usually reconstituted every four years, following a decision by the supreme bodies of both organizations, namely the WCO Council and the UPU Congress.

### **3. Purpose and scope**

The Contact Committee deals with issues of common interest and, in particular, seeks to speed up and simplify Customs formalities in the postal service. To this end, the WCO–UPU Contact Committee seeks to:

- work as a contact point between the two organizations on issues raised by the respective organizations;
- exchange information on issues of common interest related to postal traffic, in particular issues related to the clearance of postal items;

- facilitate, simplify and harmonize Customs formalities and ensure effective Customs control in respect of postal items, particularly in the e-commerce environment;
- ensure that effective security arrangements are made for the carriage of all postal items through the harmonised implementation of the WCO, UPU, ICAO, and other relevant security standards;
- facilitate the work of Customs in promoting and ensuring movements of legitimate trade through the postal network;
- enhance Customs control at export level by improving compliance with rules and regulations;
- develop and promote standards and tools and their use, including the exchange of advance electronic data between designated operators and Customs authorities and safeguard data privacy;
- develop and regularly update the WCO–UPU Customs Matters Guide and other instruments and tools to assist in ensuring compliance and improving data quality;
- strengthen capacity-building actions by promoting the organization of joint WCO–UPU customs workshops in different regions of the world.

#### **4. Key deliverables**

A report, drafted after the meeting by the secretariat of the host organization, is sent to the Chairperson of the meeting for approval. The report must then be approved by the competent bodies of each of the two organizations. Within the WCO, this body is the Permanent Technical Committee and, within the UPU, the Customs Group of the Postal Operations Council. The report shall contain details of decisions taken and/or actions to be taken within agreed timeframes. The WCO Secretariat, the UPU International Bureau and the members of the WCO–UPU Contact Committee shall make every effort to ensure that the conclusions of the Contact Committee are respected by their respective competent bodies.

#### **5. Means of operation**

The agenda for each meeting shall be drawn up by the organization hosting the meeting, in close consultation with the other organization, and shall be distributed to the delegates to the Contact Committee at least 30 days in advance of the opening date of the meeting, except in case of urgency. Working documents, especially those which may require consultation at the national level, should also be made available to delegates in sufficient time.

The WCO–UPU Contact Committee may set up working groups as it considers necessary to progress some of its functions. However, the Contact Committee shall retain overall responsibility for all matters within its competence.

The general administrative arrangements for the Contact Committee, including the date and the venue, shall be decided by the host organization in close consultation and cooperation with the other organization.

## **6. Resources required**

### Meetings

The WCO–UPU Contact Committee shall be organized annually and alternately in Brussels (Belgium) and in Berne (Switzerland). If deemed necessary, WCO–UPU Contact Committee meetings may be held more than once a year, subject to agreement by the two organizations. The meeting shall be of two days' duration. Where appropriate and subject to agreement between the two organizations, the Contact Committee may be cancelled. In that case, the organization which proposed to host the cancelled meeting shall host the next meeting.

A separate preparatory meeting for the customs administrations and designated operators is to be arranged before the opening of the official meeting. In principle, the preparatory meeting discusses the issues based on each agenda item and seeks joint positions of the respective organizations. Each of the two organizations shall designate a spokesperson to present the documents prepared by (and speak on behalf of) his/her organization. However, all experts and observers may take the floor during the discussions. The meeting shall be chaired by the spokesperson for the organization hosting the meeting.

### General administrative arrangements

The officers of the secretariat designated by the Secretary General of the WCO and the Director General of the UPU International Bureau shall perform the secretariat duties at the meetings of the Contact Committee.

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**WCO-UPU Contact Committee**

(2017-2020)

**WCO Members/Observers**

**Members :**

<b>Sr. No.</b>	<b>Member</b>	<b>WCO Region</b>
1.	Saudi Arabia	NORTH OF AFRICA, NEAR AND MIDDLE EAST
2.	Central African Republic	WEST AND CENTRAL AFRICA
3.	South Africa	EAST AND SOUTHERN AFRICA
4.	Uruguay	SOUTH AMERICA, NORTH AMERICA, CENTRAL AMERICA AND THE CARIBBEAN
5.	Russian Federation	EUROPE
6.	the European Union	
7.	New Zealand	FAR EAST, SOUTH AND SOUTH EAST ASIA, AUSTRALASIA AND THE PACIFIC ISLANDS
8.	Philippines	

**Permanent Observers :**

1. Switzerland
2. Belgium

**Observers :**

1. Australia
2. Brazil
3. Côte d'Ivoire
4. Sudan
5. South Sudan

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**WCO-UPU Contact Committee**  
(2017-2020)

**UPU Members/Observers**

**Members :**

1. Japan
2. France
3. Great Britain
4. Poland
5. Spain
6. Tunisia
7. Canada
8. the United States of America

**Permanent Observers :**

1. Switzerland
2. Belgium

**Observers :**

1. Germany
  2. China
  3. Iran
  4. Malaysia
  5. the Netherlands.
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