



PERMANENT TECHNICAL  
COMMITTEE

-

221<sup>st</sup>/222<sup>nd</sup> Sessions

-

5 - 8 November 2018

Brussels, 18 October 2018.

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

**Introduction**

1. This Summary Document (SD) provides an overview of the subjects to be discussed and the actions expected from the Permanent Technical Committee (PTC). The objective of the SD is to provide more predictable guidance to the delegates on topics of focus and where input from Members is expected.
2. In line with the above mentioned, the Secretariat produced a 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, B, C and D) :

A. Report Back on Work in Progress;

**The report back items include discussion of the work of the various sub-groups and committees reporting to the 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.**

B. Decision and Guidance;

**These items will include discussions on work of the various sub-groups and committees reporting to the 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.**

C. Exploration and progression of Key Technical Issues;

**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. The time allotted to these items will be sufficient to allow for active participation by all delegates in fully exploring the issues raised.**

D. Fostering Innovation in Customs Practice

**This block of items will allow for the discussion of innovative practices in progress within member administrations/regions and observers. The principal aim will be to provide the meeting with information and awareness of innovation within Customs.**

3. In addition to a summary of the background and expectations, an indication of whether the item is an A, B, C or D type, has been indicated in blue next to each agenda item below.

## **I. OPENING AND ADOPTION OF THE AGENDA ----- “B”**

### **b) Adoption of the Draft Agenda and the Summary Document**

Document: PC0518

Document: PC0519

4. The Secretariat has in consultation with the Chairperson prepared a Draft Agenda. The Secretariat has also prepared a Summary Document with a view to providing the delegates with clear and concise information on the substance of agenda items and guidance on the actions required from the PTC.
5. The PTC will be invited to adopt the Draft Agenda (Doc. PC0518) and the Summary Document (Doc. PC0519).

## **II. Elections----- ‘B’**

### **o Elections of the Vice-Chairperson of the PTC**

6. At its last meeting, the PTC unanimously elected Mr. Ian Saunders (US), as the Chairperson of the PTC, and Ms. Maka Khvedelidze (Georgia) as the Vice-Chairperson of the PTC.
7. However, due to her taking a new role outside the Georgia Revenue Service, the elected Vice-Chairperson will not be in a position to carry out this role. The PTC will be invited to elect a new Vice-Chairperson amongst its delegates, for the 2018/2019 financial year.

**III-1. UPDATE AND REPORTS----- “B”****a) Inter-sessional developments**

Documents: PC0520

**b) Report from the 74<sup>th</sup> Meeting of the Information management Sub-Committee (17-18 May 2018)**

Document: PM0455

8. Update and reports item is normally a standing PTC agenda item which groups all “A”-items, namely reports from different WCO working bodies or from the Secretariat. Most of them are for note taking and don’t require much discussion. However, “Update and reports 1.” requires decisions from the PTC.
9. Namely, the PTC will be invited to;
- take note of the intersessional developments;
  - endorse the updated version of the CBM Compendium that includes the Customs-Police Cooperation Handbook as an Annex, and which will be published on the WCO Members' webpage as soon as the editorial reviews have been finalized; and
  - approve the Summary Report from the 74<sup>th</sup> Meeting of the Information Management Sub-Committee and provide any issue or a relevant discussion, if required.

**III-2. UPDATE AND REPORTS----- “A”****a) Report from the 3<sup>rd</sup> Meeting of the Working Group on E-Commerce (9-12 April 2018)**

Document: EM0026

**b) Report from the 18<sup>th</sup> Meeting of the Revised Kyoto Convention Management Committee (3-4 May 2018)**

Document: PO0109

**c) Report from the 79<sup>th</sup> Session of the Policy Commission (25-27 June 2018)**

Document: SP0650

**d) Report from the 132<sup>nd</sup> Session of the Council (28-30 June 2018)**

Document: SC0179

**e) Report from the 10<sup>th</sup> Meeting of the Agreement on Trade Facilitation Working Group (22-23 October 2018)**

Oral report

10. Under “Update and reports 2”, the PTC will be invited to take note of the reports listed above.

#### **IV. Customs-Railways Cooperation----- “C/D”**

a) Update from the Virtual Working Group on Customs-Railways Cooperation

Document: PC0521

b) Data requirements for movement of goods in transit – Panel discussion

11. A Virtual Working Group was established at the April 2018 PTC to discuss, in the intersession, Customs-Railways cooperation at more technical level. PTC delegates will learn about the progress achieved to date, while a panel will focus its discussions on data requirements for movement of goods in Customs transit procedure.
12. The PTC will now continue exploring the topic of Customs and Railways cooperation in the area of Customs procedures such as possible set of data elements for railway Customs transit declaration and will be invited to provide guidance on the way forward.
13. The PTC will be invited to;
- share practical experiences of railway transportations;
  - take note of the national experiences and examples mentioned in this document and the presentations during panel session; and
  - provide feedback and the way forward for future work on railway transportation.

#### **V. E-Commerce----- “C”**

a) Report from the 4<sup>th</sup> Meeting of the Working Group on E-Commerce (8-12 October 2018)

Oral report

b) The Framework of Standards for Cross-Border E-Commerce: Progress on further work and implementation

Document: PC0522

14. The June 2018 Policy Commission and Council adopted the Framework of Standards on Cross-Border E-Commerce and agreed to extend the term of the Working Group on E-Commerce to June 2019 to enable it to finalize outstanding work as per the associated Work Plan.
15. The PTC will review the progress made on various items of work (e.g, Technical Specifications, Definition, Data Elements) and provide inputs and guidance on the way forward. It will be updated on the outcomes of the 4<sup>th</sup> Meeting of the Working Group on E-Commerce.
16. The PTC will be invited to;
- further discuss the relevance of the Framework in the context of trade facilitation and its relationship with the WTO Agreement on Trade Facilitation (TFA);

- also suggest measures for effective and harmonized implementation of the Framework of Standards including associated capacity building mechanisms.
17. Based the progress made at the 4<sup>th</sup> WGEC meeting on October (Doc. PC0522E1b), the PTC will also be invited to :
- examine and provide inputs on the draft documents concerning ‘Technical Specifications’, ‘Definitions’, ‘E-Commerce Stakeholders: Roles and Responsibilities’, Revenue Collection Models (appended as Annexes I, II, III, and IV to PC0522E1b);
  - provide guidance on the way forward and the envisaged future work.

## VI. Postal Traffic----- “B”

- Joint WCO-UPU Guidelines for the exchange of electronic advance data between Post and Customs

Document: PC0523  
PC\_523\_Annex

18. The exchange of electronic advance data between Post and Customs is one of the key identified priorities with respect to postal traffic. In order to assist Customs administrations and designated postal operators to move forward, draft Joint WCO-UPU Guidelines have been developed.
19. The PTC will be invited to;
- examine the draft Guidelines and provide feedback and guidance on their further development ;
  - suggest measures for an expeditious implementation of such exchange of data at the national level.

## VII. Customs-Tax Cooperation ----- “C/D”

- a) Draft Guidance on Customs’ role in the collection of indirect taxes
- b) Presentation by Member

Document: PC0524  
PC\_524\_Annex

20. The PTC, at its October 2017 sessions, had discussed and approved the structure and potential content of the Draft Guidance on Customs’ role in the collection of indirect taxes and established a group to further develop the Guidance, by leveraging existing resource materials and good practice in this domain.
21. The PTC will be invited to;
- examine the draft Guidance, hear related Members’ experiences;

- provide suggestions for the further development of the draft Guidance.

22. The PTC will also hear the working experiences of India and Korea in this domain.

### **VIII. Small island economies----- “C”**

- Peculiarities and challenges of Customs administrations - Panel discussion

Document: PC0525  
PC\_525\_Annex

23. Small island economies, most of which are developing states, face specific social, economic trade and environmental vulnerabilities and disadvantages associated with small size, remoteness and proneness to natural disasters.

24. Through a panel of experts, the PTC is expected to provide more insights into the current situation prevailing in small island economies, unique peculiarities, and challenges being faced by them, as well as opportunities and strategic initiatives for improving facilitation, control and security in these countries/jurisdictions, thereby further connecting them with global value chains.

25. Following the panel discussion, the PTC will be invited to;

26.

- discuss the main challenges faced by SIEs and opportunities for improvements at national and regional levels;
- provide guidance on how the cooperation between WCO and international/regional bodies can best support the Customs administrations of these SIEs; and
- suggest specific measures on engagement with SIEs to support them becoming WCO Members and acceding/implementing various international instruments and tools by adapting them to their unique requirements and specificities, where required.

### **IX. Container security/tracking devices ----- “B/D”**

a) Use of advanced technologies in containerized trade and challenges associated to the Customs treatment of the innovative solutions, presentation by BIC (tbc)

b) Potential opportunities for the use of E-Seals

PC\_526\_NonPaper

Document: PC0526

27. To address the concerns expressed by the container transport industry, in April 2018 the PTC agreed to have the scope of work of the Virtual Group established under the

Administrative Committee for the Customs Convention on Containers, 1972, expanded to encompass other issues of importance such as the Customs treatment of container tracking devices.

28. Following the discussions in April, the PTC is invited to discuss a paper submitted by BIC and outlining the challenges the industry is facing when it comes to the Customs treatment of innovative solutions used in containerized trade.
29. Regarding sub-item b), at its February 2018 meeting, the SAFE Working Group (SWG) decided to carry out work on the use of E-Seals for enhancing end-to-end supply chain integrity and efficiency.
30. The PTC will be invited to;
- take note of the non-paper submitted by B.I.C. and provide guidance with regard to future steps aimed at streamlining the Customs treatment of container accessories;
  - discuss the current and future opportunities and potential uses of e-seals in the supply chain management and Customs business processes from a wider perspective, and provide guidance on the future work based on the preliminary work already initiated done by the SAFE Working Group in this area (Annex I); and
  - encourage Members, economic operators and other stakeholders to share their practices, initiatives/pilots including by responding to the questionnaire (Annex II), as well as contributing to this work.

#### **X. Product Identification ----- “B”**

- Update on the work in the area of Product Identification
  - Document: PC0527
31. As per the PTC’s Work Programme, the Information Management Sub-Committee (IMSC), at its May 2018 meeting, discussed the topic of Product Identification and recognized the value proposition of the use of product identification in Customs and other border regulatory processes and agreed to continue further work in this area.
32. The PTC will be invited to;
- discuss the value proposition of the use of product identification in Customs and other border regulatory processes, noting various products identifiers and industries’ experiences in this domain;
  - provide policy guidance on future work in this area from the point of view of its applicability in Customs processes; and
  - encourage Members to share their experiences and initiatives in this domain.

#### **XI. Advanced Passenger Information / Passenger Name Record (API/PNR)----- “B”**

- Reconstitution of the Membership of the API/PNR Contact Committee

Document: PC0528

33. At its 11<sup>th</sup> Meeting in November 2018, the API PNR Contact Committee agreed a revision of its Term of Reference. The revision includes the increase of the number of the Membership of the Contact Committee from Customs side from four to eighteen.

34. The PTC will be invited to;

- consider and approve the composition of nominated Members of the API/PNR Contact Committee; and
- provide policy guidance on the future work of the API/PNR Contact Committee.

## **XII. Gender equality----- “C”**

- The role of women in IT – Panel discussion

Document: PC0529

35. Gender equality has been on the WCO agenda since 2013 when the WCO organized the conference “Women in Customs, Trade and Leadership” and launched the Gender Equality Organizational Assessment Tool (GEOAT). Gender Equality and Diversity is now promoted primarily through the Capacity Building Committee. Among the most recent achievements is the establishment of the WCO Virtual Working Group on Gender Equality and Diversity, which invites members to share good practices, challenges and experiences in this field. The WCO is also currently developing a blended learning training package to advance gender equality and diversity as part of Customs reform and modernization.

36. At the WCO IT Conference and Exhibition held in Lima in June 2018, a panel discussion on the role of women in IT raised a number of interesting points and highlighted facts and experiences on the topic, drawing attention of the Conference delegates to the topic in this specific area.

37. The PTC will now be in a position to listen to some of the findings in this area and discuss potential solutions, contributing to the gender equality agenda.

38. The PTC will be invited to;

- share related experiences from respective Member administrations and Observer organizations; and
- provide any further suggestions or recommendations on the way forward.



**XIII. Future of Customs ----- “D”**

- a) Strategic foresight, presentation by OECD
- b) Update on the WCO session on latest technologies at the WTO Public Forum 2018

**Document: PC0530**

- c) WTO World Trade Report 2018, presentation by WTO

39. At its meeting in April 2017, the PTC decided that the Virtual Working Group on the Future of Customs will focus on exploring two different areas: i) disruptive technologies; and ii) strategic foresight. The Group and the PTC have since been focusing on the first of the two priorities.
40. In parallel to the work on the Study Report on Disruptive Technologies, continuing in the background, the PTC is now being provided with an opportunity to learn more about strategic foresight, as the second of the two priorities of the Future of Customs Group.
41. The aim of the agenda item is to learn about what strategic foresight is, to share examples where it is already being applied and to explore how these experiences can support the WCO Future of Customs agenda, bearing in mind one of its main goals is to help better prepare for the changes ahead and to take the opportunity to shape the future in ways that are desired and meaningful.
42. The PTC will be invited to;
- share experiences in using strategic foresight in Member administrations and Observer organizations;
  - take note of its potential benefits for use under the WCO Future of Customs and WCO agenda more broadly;
  - explore ways of better addressing the potentials that strategic foresight could bring, such as organizing awareness raising sessions and trainings;
43. The PTC will also be updated on the WCO session on how latest technologies can improve the work of Customs and other border agencies to facilitate and accelerate trade, organized at the WTO Public Forum in Geneva on 3 October 2018.
44. In addition, the WTO will present on the findings of their World Trade Report 2018 – The Future of world trade: How digital technologies are transforming global commerce, which will be relevant to the further development of the Study Report on Disruptive Technologies, under the Virtual Working Group on the Future of Customs.

**XIV. Special Customs Zones / Free Zones ----- “C”**

- a) OECD draft Guidance on enhancing transparency in Free Trade Zones
- b) Results of an on-line survey
- c) Presentation by Members

**Document: PC0531**

45. The PTC will be informed about the OECD draft Guidance on enhancing transparency in Free Trade Zones.
46. Furthermore, at its last meeting, the PTC agreed on the proposed project plan to conduct an analysis of Special Customs Zones / Free Zones and examine the necessity of revising existing WCO tools or developing a new tool based on the results of an on-line survey and workshops.
47. The PTC will be invited to;
- share national experiences of SCZs (including those of Members with no SCZs) and examine the overview of the online survey on SCZs;
  - exchange thoughts on possible innovative Customs procedures and controls using data and modern technologies, to be applied experimentally in SCZs, considering the characteristics of SCZs and treating challenges as opportunities; and
  - discuss awareness-raising activities that could be carried out by the Customs community as a whole to ensure effective Customs procedures/control while contributing to the economic benefits of SCZs.

**XV. Natural Disaster Relief (NDR)----- “A”**

- a) Update on the Implementation of the WCO Resolution on the Role of Customs in NDR
- b) Presentation by Nigeria

Document: PC0532

48. The Secretariat will present a report to the PTC on implementation measures relating to certain points of the 2011 Resolution of the Customs Cooperation Council on the Role of Customs in Natural Disaster Relief. Nigeria will present the progress made at national level as a result of the implementation of the Customs for Relief of Epidemic Diseases (C-RED) Project.
49. The PTC will be invited to;
- take note of the report by the Secretariat and of the presentation by Nigeria.

**XVI. Economic Competitiveness Package (ECP)----- “B”**

- Action Plan for Phase IV of the ECP

Document: PC0533

50. The ECP Action Plan for Phase III was endorsed at the Policy Commission at its 76<sup>th</sup> Session in December 2016. Implementation of the ECP Action Plan for Phase III will end in December 2018. The PTC will be informed about the progress made with the implementation of the ECP Action Plan for Phase III. The Action Plan for the Phase IV from January 2019 to December 2020 needs to be developed.

51. The PTC will be invited to;

- take note of the progress made with the implementation of the ECP Action Plan for Phase III,
- discuss and approve, as appropriate the draft ECP Action Plan for Phase IV that will be submitted to the Policy Commission in December 2018.

**XVII. Glossary of International Customs Terms ----- “B”**

- New proposed terms for inclusion in the Glossary

Document: PC0534

52. The Secretariat will present 3 drafts of terms and definition – Enquiry point/office, Perishable goods and Time Release Study (TRS) for inclusion to the Glossary of International customs terms

53. The PTC will be invited to;

- examine 3 proposed terms and approve them with a view to incorporating them into the Glossary; and
- apply to the renewed volunteered working group to support the Secretariat in preparing the update of the Glossary on the following PTC.

**XVIII. Facilitation Performance Measurement----- “C/D”**

- a) Use of the Time Release Study for measuring performance
  - Presentation by Secretariat
  - Presentation by Member
  - Presentation by Donor
- b) Other performance measurement initiatives
  - Presentation by Observer

Document: PC0535

54. The Secretariat will present its ongoing work in the area of the Time Release Study (TRS), including the latest progress on the engagement with the World Bank aimed at addressing the recommendations on the World Bank's Doing Business survey and at strengthening Customs' performance measurement in the area of TRS.
55. The PTC will be invited to;
- take note of ongoing work in the area of TRS, including the ongoing discussion between the WCO and the WBG on improving the "Doing Business" survey methodology through the use of the Time Release Study in calculating the indicators for Trading Across Borders; and
  - provide guidance on the enhanced use of TRS for performance measurement, in particular with regards to the monitoring and evaluating Customs reforms and modernization initiative.
56. In addition, an Observer will be invited to share its survey initiative aimed at improving Customs performance.

**XIX. Any other business----- "B"**

- a) Proposals for agenda items for the next PTC meeting
- b) Upcoming events
57. As is the current practice in every meeting, the PTC will be provided with an opportunity to suggest agenda items for the next PTC meeting. Ideally, the delegates will put forward non paper(s) to support their proposal(s).
58. Under the same item, the PTC will be updated on upcoming events.
59. The PTC will be invited to;
- take note of the topics suggested to be addressed in the next meetings(s); and
  - take note of the update on the WCO events and meetings; and share any information on upcoming workshops, seminars, conferences or other relevant meetings of interest to PTC delegates.
-