



Permanent Technical Committee

PC0730Ea

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241st/242nd Sessions

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24 – 26 October 2023

Brussels, 5 September 2023.

GREEN CUSTOMS

Customs treatment of return-refill containers and packings

(Item V.d on the Agenda)

SUMMARY

Purpose of document

The purpose of this document is to present a draft outline for WCO guidelines on the Customs treatment of return-refill containers and packings in line with Action 19 of the WCO Green Customs Action Plan.

Action required of the Permanent Technical Committee

The Permanent Technical Committee is invited to:

- discuss the draft outline for WCO guidelines on the Customs treatment of return-refill containers and packings; and
- provide guidance on the way forward.

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I. Introduction

1. During recent years, the Customs treatment of return-refill containers was discussed in the Administrative Committee (AC) for the Customs Convention on Containers, 1972 (Container Convention), the AC of the Convention on Temporary Admission (Istanbul Convention) and the Permanent Technical Committee (PTC) in several sessions of these bodies, along with certain discussions on the Customs treatment of security/tracking devices used as accessories to means of transport.
 2. The discussions were launched in the Container Convention AC at its 16th Meeting in February 2017 with a presentation by the International Chamber of Commerce (ICC) titled “Business recommendations to facilitate the use of return-refill container systems in cross-border trade”. The presentation highlighted the fact that Customs administrations had different and often disparate compliance requirements for return-refill containers and related tracking and tracing systems. The ICC encouraged Customs administrations to ensure that their procedures with regard to return-refill containers were in line with the Container Convention and the Istanbul Convention and called upon the WCO to develop guidance on this matter, in close cooperation with the private sector. The discussions at the 16th Meeting of the Container Convention AC concluded with a recommendation to set up a virtual group to discuss the concerns of the private sector.
 3. As a follow-up to the discussions in the Container Convention AC, in May 2017 the ICC issued a news release titled “ICC calls for global guidance on return-refill container systems”, which is available at the following link: <https://iccwbo.org/media-wall/news-speeches/icc-calls-global-guidance-return-refill-container-systems/>. The news release contains a link to a [set of business recommendations](#).
 4. In line with the recommendation of the Container Convention AC, a Virtual Group on the Customs treatment of return-refill containers was set up in May 2017 and consisted of 18 members from Member Customs administrations, the ICC, the Global Express Association (GEA), FedEx, UPS and the World Shipping Council (WSC). A dedicated space was created in the WCO CLiKC! platform to facilitate the work of the Virtual Group. Initially the Group worked under the chairmanship of the United States and developed a progress report, outlining three options with regard to the way forward, namely: 1) amend the Container Convention and the Istanbul Convention to allow return-refill containers to be included in the scope of these temporary admission conventions without impacting on well-established existing practices for sea-going containers and other transport equipment, and promote accession to and implementation of the two conventions; 2) develop a WCO Recommendation on the temporary admission of refill container systems; and 3) develop technical guidelines on the Customs treatment of refill container systems.
 5. The PTC discussed the Customs treatment of return-refill containers at its sessions in April 2017, October 2017 and April 2018 and instructed the Virtual Group to continue examining the matter at the technical level and present recommendations with regard to the options for the way forward to the Container Convention AC, the Istanbul Convention AC and the PTC. In addition to being presented to the PTC, the final version of the Virtual Group’s progress report and recommendations, available as Annex I to [doc. PB0066](#) were presented to the Container Convention AC and the Istanbul Convention AC in their respective sessions held in February 2019. At that time the progress of work had stalled after the stepping down of the Virtual Group chair in September 2017 and due to the lack of volunteering Members willing to lead the Group’s work.
 6. The 2022-2025 WCO Strategic Plan and the annual plans for its implementation outline Green Customs as one of the WCO focus areas. The Green Customs chapter
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of the WCO Annual Consolidated Survey in 2022 included a question on the Customs treatment of return-refill containers. Eighty-three Members replied to the question, whereas eight of them provided certain details on the procedures applied at the national level. Furthermore, in June 2023, the WCO Green Customs Action Plan was approved by the Council as a living document. Action 19 of the Green Customs Action Plan stipulates the development of guidelines on facilitation measures for return-refill containers and packaging, depending on available funding and resources.

II. Progress made and way forward

7. Based on the discussions held in 2017, 2018 and 2019 in the Container Convention AC, the Istanbul Convention AC and the PTC, the Secretariat has prepared a draft outline for WCO guidelines on the Customs treatment of return-refill containers and packings. The outline includes, *inter alia*, an introductory section, a section aimed at explaining the devices that fall into the category of return-refill containers and packings, a section outlining the relevant provisions of the international legal framework, and a section with guidelines on the Customs treatment of return-refill containers and packings. Delegates will be invited to provide comments and suggestions with regard to the proposed outline, which is appended as an Annex to the present document.
8. After taking into account delegates' input with regard to the draft outline, the Secretariat plans to start populating the sections with a view to compiling the first draft of this new WCO tool. In this process the Secretariat will utilize the information published by the ICC and other private sector stakeholders, any relevant information published by Members with regard to their national procedures for the Customs treatment of return-refill containers and packings, as well as the replies provided by Members in the framework of the 2022 Annual Consolidated Survey. Members and private sector stakeholders that would like to contribute to the drafting process are invited to flag their readiness during the 241st/242nd PTC Sessions.

III. Action required

9. The PTC is invited to :
 - discuss the draft outline for WCO guidelines on the Customs treatment of return-refill containers and packings as outlined in the Annex hereto; and
 - provide guidance on the way forward.

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DRAFT OUTLINE

Guidelines on the Customs treatment of return-refill containers and packings

Draft outline of the tool:

1. Foreword by the Secretary General of the WCO
 2. Introduction (including background, objective, scope and structure of the Guidelines; may include acronyms)
 3. Return-refill containers and packings explained (defining the scope of return-refill containers and packings; may include illustrations)
 4. International legal framework and tools (information on the relevant provisions of the international legal framework, such as the Customs Convention on Containers, 1972, the Convention on Temporary Admission, the Revised Kyoto Convention, and the Agreement on Trade Facilitation of the World Trade Organization)
 5. WCO guidelines on the Customs treatment of return-refill containers and packings (in the form of guiding principles and recommended practices)
 6. Reference materials (list with links to access the instruments and tools referred to in the Guidelines)
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