



Permanent Technical Committee

PC0746Ea

-  
243<sup>rd</sup>/244<sup>th</sup> Sessions

-  
23-26 April 2024

Brussels, 23 February 2024.

### **Digital Customs**

### **DMPT's recommendation for the revision of the WCO Data Strategy Paper**

**(Item X.c on the Agenda)**

#### **SUMMARY**

##### **Purpose of document**

At its 67th Meeting, in September 2023, the Data Model Projects Team (DMPT) supported a recommendation by its Focus Group to review and provide input to the WCO Data Strategy in order to include the role of the WCO Data Model (WCO DM) in the Data Strategy, beyond the standardization of statistical metrics. An updated Data Strategy will be submitted to the Policy Commission and/or Council after the necessary consultations with relevant working bodies, such as the PTC and Working Group on Data and Statistics (WGDS). The Permanent Technical Committee (PTC) is invited to discuss and provide guidance on the DMPT's recommendation to review and provide input to the WCO Data Strategy.

##### **Action required of the Permanent Technical Committee**

The Permanent Technical Committee is invited to:

- discuss the DMPT's recommendation to provide input to the WCO Data Strategy;
- discuss and provide guidance on the DMPT's preliminary findings on their review of the WCO Data Strategy; and
- consider tasking the DMPT to continue reviewing the Strategy in coordination with the WGDS.

\*

\*

\*

## **I. Introduction**

1. At the in-person Meeting of the Focus Group prior to the 67<sup>th</sup> DMPT in September 2023, its members noted that elements of the WCO Data Model (WCO DM) should be included in the [WCO Data Strategy](#) paper that was approved by the Policy Commission at its meeting in June 2022<sup>1</sup>. Considering that the WCO Data Strategy paper had been introduced to ensure the clarity and consistency of WCO data initiatives, covering the full range of data issues and data use in the Customs domain, the WCO DM, which functioned as a framework for cross-border data requirements management, fell under the category of “WCO data initiatives” and therefore ought to be included in the paper.
2. In response to the finding, the Focus Group recommended that the DMPT review and provide input to the WCO Data Strategy paper in order to introduce the roles of the WCO DM in the Data Strategy beyond the standardization of statistical metrics, and submit its recommendation for discussion by the Policy Commission and/or Council following the necessary consultation with relevant working bodies, e.g. PTC and/or WGDS.
3. The DMPT, which met immediately after the Focus Group concluded, endorsed the Focus Group’s recommendation and invited interested Members to work with the Secretariat in reviewing the Data Strategy paper with a view to making recommendations for revision.

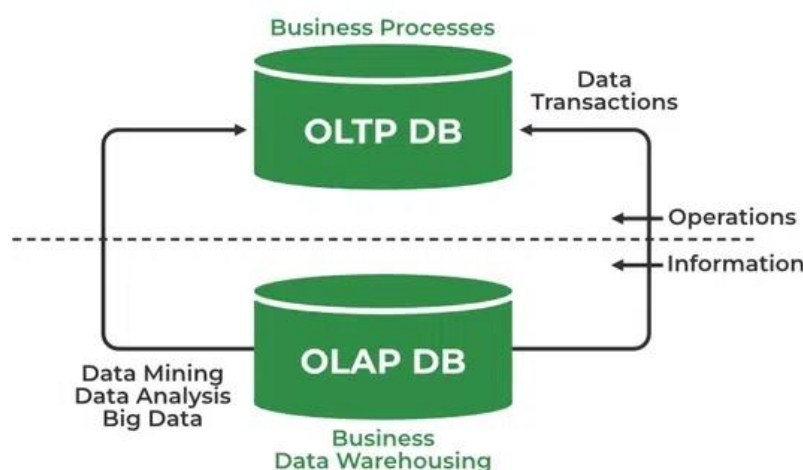
## **II. DMPT’s preliminary finding**

4. The title of the WCO Data Strategy paper implied a broad data coverage without indicating a specific scope. The DMPT’s intersessional review of the Data Strategy paper led to a preliminary finding that the Strategy outlined in the paper was heavily focused on data analytics and statistics, despite the broad scope of the title. It was felt that the Data Strategy could benefit from other WCO data initiatives, such as the WCO DM’s data standardization, being included .
5. Considering the discrepancy between the title and its content, it was necessary to clarify whether the Data Strategy was intended to cover only the analytics/statistics aspect or also other data areas. The latter required the Data Strategy to act as an umbrella covering various data initiatives of the WCO, including the WCO DM. The WCO DM could fit into the Strategy and its inclusion could potentially complement the data analytics/statistics initiative, given its role in enabling digitalization to ensure the availability of data generated from cross-border trade processes through interoperability for analytics/statistics purposes.
6. One possible revision of the Data Strategy would be to divide it into separate pillars covering different WCO data initiatives, namely, the existing Data Analytics and Statistics initiative and the new data area supported by the WCO DM. In addition, given the focus of the current Data Strategy on analytics/statistics, another possible revision would be to change the title of the section “Implementation of the Data Strategy” to “Implementation of the Data Analytics/Statistics Strategy”, and to change all references to “data” to “data analytics/statistics” where appropriate. All other components of the paper could remain unchanged as they already fit the data analytics/statistics context.

---

<sup>1</sup> <https://www.wcoomd.org/-/media/meeting-documents/policy-commission/86/sp0783e.pdf?la=en>

7. With regard to the pillars, it was recommended that a pillar related to the WCO DM be added as “Digitalization of Procedures”. This pillar was derived from the classic types of data processing used by many organizations/industries: transactional processing and analytical processing. Transactional processing took place in the operational environment and focused on managing daily business transaction records and generating real-time updates within the Organization’s business processes. In contrast, analytical processing took place periodically on aggregates and focused on identifying patterns and trends, which in turn generated actionable insights, forecasts or predictions that supported informed decision-making. Analytics processing used the aggregated data resulting from the transactional processing.



8. With regard to the recommended “Digitalization of Procedures” pillar, four key components to accelerate digitalization were envisaged, which included:
- consistent data standardization policy within the Organization;
  - continued cooperation with partner international organizations;
  - providing WCO support to establish high-level commitment to interoperability by the Members; and
  - providing support to manage the WCO DM professionally.
9. The Terms of Reference (ToR) of the WGDS outlined that, within the framework of the WCO Data Strategy, the primary objectives of the Working Group included providing guidance and recommendations on the implementation and evolution of the WCO Data Strategy. To this end, the PTC might consider providing guidance and tasking the DMPT to continue its review work based on its preliminary finding in coordination with the WGDS. The DMPT’s review recommendation was timely because the ToR of the WGDS also indicated that the Working Group was to operate for an initial period of three years and, if necessary, request the approval of the Policy Commission to extend its operation.

### III. Action required of the PTC

10. The PTC is invited to:
- discuss the DMPT’s recommendation to provide input to the WCO Data Strategy;
  - discuss and provide guidance on the DMPT’s preliminary findings on their review of the WCO Data Strategy; and

PC0746E

- consider tasking the DMPT to continue reviewing the Strategy in coordination with the WGDS.
-