

Border Crossings

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OBJECTIVES

- To provide a better understanding of the need to facilitate legitimate trade while ensuring border agencies meet their regulatory responsibilities
- To examine methods for facilitating trade and establishing partnerships between Traders and Governments
- To adopt a comprehensive and integrated “whole of government” approach to border crossings-point management methods and policy development

OVERVIEW

- The Trade and Transport Security Environment
- Importance of Partnerships with Private sector
- Traditional and Historical Approaches to Border Management – The case for change
- Consultation Mechanism between Customs and Trade

CURRENT SECURITY ENVIRONMENT

- Trends
 - Moving towards a “whole of Government” approach to border management
 - Increasing sophistication of crime
 - Criminal infiltration of the supply chain
- Major security threats
 - Normal criminal incursions/breaches
 - Technical violations, Documentary fraud, illegal entry
 - Transnational organized crime
 - Terrorism
 - Abuse of power and corruption

STAKEHOLDERS IN BORDER SECURITY AND TRADE FACILITATION

TRANSPORT SERVICES	FACILITIES	TRADERS
Trucking	Inland ports	SME
Buses	Port Operators	Large corporations
Passenger vehicles	Rail terminals/stations	Foreign investors
Rail	Stevedores	Importers
Freight Forwarders	Cargo Handlers	Exporters
Brokers/Agents	Warehouses	Buying/selling Agents
Banks	Deports	Retailers
Logistics Companies	IT providers	distributors

Border Security and Management Concept (BSMC)

1. Promote free and secure movement of goods, people, services and investments across borders in conformity with law through security enhanced travel documentation
2. Detect, deter and disrupt transnational crime, organized crime, illegal migration, corruption, smuggling and trafficking in weapons, drugs and human beings
3. Promote high standards in border services and national structures
4. promote dignified treatment of people wanting to cross the border and comply with international and conventions
5. Promote dignified treatment of people crossing the border in conformance with law, conventions and human rights
6. Create beneficial conditions for prosperity and the social, economic, and cultural benefit of communities
7. Foster joint economic development prospects and develop common spaces of freedom and justice
8. Secure the International transport circuit for supply of commodities

Regional Trade Security Initiative Concept

- SAARC Commitments and Mandates on trade facilitation (SAFTA)
- Customs Security Program
- The FAST (Free and Secure Trade) Program

Operational Practices for Improving Security

- Electronic Profiling Systems that are integrated with
- Industry
- Improved enforcement and monitoring of freight forwarders
- Identification Cards (including background checks on
- holders), for those who need access to secure areas
- Education and dissemination of information relating to security and threats
- Policy and Procedures properly documented and communicated
- Physical barriers and security personnel

Technical Methods for Improving Security

- Physical screening of goods and people using technology
- Use of seals and other intrusion detection technology
- TIR/IRU standardized trucks
- Access control, audit/tracking capability and authentication
- Tracking systems
- CCTV (Closed Circuit Television)

The Cargo Supply Chain and Customs Role

- Customs is *part of the supply chain not an “owner” of any part of it*
- The supply chain:
 - Multiple networks of relationships
 - Integration of business processes
 - Adds value at each step of the way
 - Integrated with support services

THE IMPORTANCE OF TRADE FACILITATION

WTO DEFINITION OF TRADE FACILITATION:

- *Those measures that are undertaken to simply harmonize, standardize and modernize trade procedures.*
- *Trade procedures are the activities, practices and formalities involved in collecting, presenting, communicating and processing the data needed for the movement of goods in international trade.*
- **The Customs challenge is to minimize the cost of compliance for Industry**

INTRODUCING TRADE FACILITATION

- NEEDS:

1. Strategic action plan and framework
2. Supporting legislation
3. Simplification and harmonization of procedures
4. Risk Management Framework
5. Automation and e-commerce
6. Inter-agency and inter-government cooperation

TRADITIONAL AND HISTORICAL APPROACHES TO BORDER MANAGEMENT - The Case For Change

Delays – the impact on business

- damage to perishable goods
- Production delays
- Loss of market share
- Cash flow and debt
- Legal consequences for breach of contract and losses
- Economic impact

THE NEED FOR FACILITATION

- WHAT DOES INDUSTRY WANT?
 - Predictability
 - Know what costs they are going to incur and why?
 - Integrity and ethical behavior
 - Respect and courtesy
 - Visibility and transparency
 - Non-adversarial relationship with Government

Key Indicators and Best Practice (European Commission Blueprint)

- Legal Basis
- Processes and Procedures
- Organization and working methods
- Cooperation
- Service

Organization and working methods:

- Facilitation is “business as usual” and integrated into planning
- Customs procedures are consistently and uniformly applied
- Cost of compliance is minimized
- Communication lines between Industry, community and Customs
- Risk Based intervention

Co-operation:

- MOUs in place
- Single access points
- Consultative Committees

Service:

- Working hours aligned with Industry and other stakeholders
- Service Charters/standards underpin processes and services
- Fees and Charges are reasonable
- Electronic interface for document lodgement and declarations
- Electronic storage and retrieval systems
- Up to date advice on tariffs, procedures and other requirements is available and easily accessible
- “Help Desk” facilities are available for telephone, e-mail or
- face to face interaction with Customs

“Whole of Government” approaches to border-management

1. Integrated supply chain management and security – WCO SAFE Framework, Crime Scene Investigation CSI, Customs Trade Partnership against terrorism C-TPAT, Authorized Economic Operators AEO/bonded transport carrier
2. Improved Trading Environments
3. Improved Competitiveness
4. International links to global supply chain

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Otherwise



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Models for collaboration and engagement

- UNCTAD National Trade and Transport facilitation Committee
- Procedure Committee
- Trade Associations and Chamber of Commerce
- SAARC, FICCI AND FPCCI
- Ongoing Training and outreach programs
- Trade Facilitation through Customs Procedures

GENERAL RECOMMENDATIONS

- Address processes for developing, monitoring, and reviewing programs
- Undertake cases studies of effectiveness of customs procedures in the region
- Identify & address capacity building implications
- Examine the interaction of customs procedures & infrastructure
- Specify benchmarks to guide implementation of Trade Related Standards
- Specify the key outcomes to be sought from Trade Related Standard
- Measure time taken at each step in Customs clearance & technical control
- Develop better defined, measurable & targeted procedures

SUMMARY AND KEY MESSAGES

- Global trade and security environment necessitates working in partnership with Industry and other government border agencies
- Traditional approach to border management will not work in future
- Create models for Customs and Trade partnership
- Consultation mechanism between Customs and Trade
- Bring out the best practices models for partnership and collaborations

Thank you