## **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 crossingspoint 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 gods
- 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

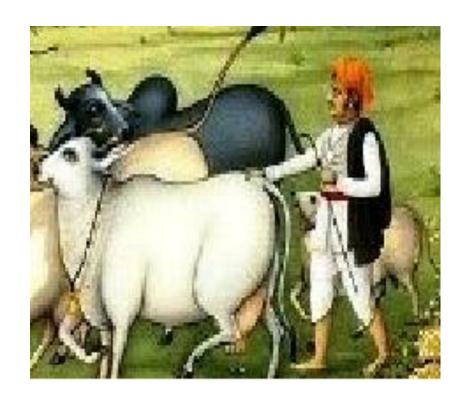
# "Whole of Government" approaches to border-management

- 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