**Committee on Trade Facilitation**

**21 October 2021**

**WCO intervention under agenda item 4 of the**

**Dedicated session on assistance and capacity building**

Thank you Chairperson,

Good morning, good afternoon and good evening to all the delegates, including my fellow colleagues from the Annex D organizations.

The WCO has submitted its contribution to the progress report from Annex D organizations where we have shared concise information on the developments since the last report submitted in April this year.

I would like to provide you with a bit more detail on some of the activities carried out through the Mercator programme to support our Membership in implementing the TFA.

As most of you are probably already aware, the Mercator Programme follows a dual-track approach that is comprised of overall and tailor-made tracks, allowing the WCO to respond to important cross-cutting, as well as country specific challenges to TFA implementation

I would like to start with the developments under the overall track which are important for the Membership broadly.

In June this year we held the Council session which was an opportunity for many of the tools that have gone through the different working bodies to be finally approved by WCO’s highest decision-making body. After that, they have been made available to the Membership and more broadly, as guidance material.

The completed tools support a number of areas, notably facilitation of essential and other goods in disaster situations such as the WCO Guidelines on Disaster Management and Supply Chain Continuity. Others include tools to support facilitation of e-commerce shipments, such as the 2nd edition of the Compendium of Case Studies on E-Commerce and the two Secretariat Notes on expanding the concept of Authorized Economic Operator (AEO) to cross-border e-commerce, as well as on effective and efficient revenue collection in cross-border e-commerce.

The WCO also approved tools to assist in implementing certain technical measures in the TFA, such as the AEOs, through two particular tools: the AEO Implementation and Validation Guidance and the Regional Customs Union AEO programmes and plurilateral mutual recognition arrangements (MRAs). A number of tools were developed to support risk management, such as the the Maturity Model and Diagnostic Tool, as well as the Customs Risk Management during a pandemic.

We take note of the interest expressed by the European Union in the meeting yesterday for the WCO to present on the Guidelines on Disaster Management and Supply Chain Continuity, as well as on Customs Risk Management during a pandemic. We can arrange this for one of the meetings ahead, as appropriate.

We are also in the process of developing new tools and updating existing ones.

An example is the Online AEO Compendium which would be a hugely benefitial tool for Customs and Trade around the world, making the information on AEO programmes and mutual administrative arrangements much more user friendly and readily availabile.

Work also continues on refining existing tools for risk management and post-clearance audit such as the Risk Management Compendium and its operational volume, as well as the PCA Diagnostic Tool and the How to audit typology. We also have in the pipeline an update of the Technical Guidelines on advance rulings for classification, origin and valuation that will be enhanced with the results from an online survey on advance rulings.

We have also developed the Secretariat Note on the current state of play in the WCO Members regarding national trade facilitation committees, as presented in detail by my colleague in the meeting yesterday.

Most of the WCO tools are made publicly available on our web site. There are of course limitations for some more sensitive ones, in particular those related to Risk Management. However, regarding the ones that are public, we are working closely with other stakeholders in making them more widely available, including to the private sector, such as through the Global Trade Helpdesk (GTH). The GTH was launched in 2017 by the ITC, UNCTAD and the WTO. The WCO is intensifying its contribution to this initiative with inclusion of the E-Commerce Package, WCO Guidelines on Disaster Managemant and Supply Chain Continuity and IPR.

In terms of the different events of relevance for supporting TFA implementation, since April we have had numerouse events.

In May we held together with the United Arab Emirates the 5th Global AEO Conference online, which attracted almost 4000 participants from 158 countries and with 80 prominent speakers. The Conference discussed the importance of Authorized Economic Operator (AEO) programmes and helping to shape the vision of AEO 2.0. It also looked into the main challenges with current AEO programmes and the need to harmonize AEO application, validation and authorization processes through increased use of technology.

Right after the Council sessions in June, we also held the WCO Knowledge Academy for Customs and Trade which is held annually and covers numerous Customs topics. Bearing in mind the continuous interest of the Customs and Trade community in the TFA, we have added a session on this topic as well. I would like to thank the WTO Secretariat for providing a speaker for this session to share an update on the state of play regarding the TFA.

As mentioned in the report, we have started a third round of WCO’s regional workshops on the TFA. We have kicked-off the round with the Asia-Pacific region in April. The next one will be held jointly for the two African regions– for East and Southern Africa and for West and Central Africa. This webinar is scheduled for 1 to 3 December. We will continue the series of TFA workshops with the one for the Americas and Carribean region planned for end of March next year.

These workshops are focusing on a number of different areas, such as measures to facilitate goods during the COVID-19 pandemic, as well as the effects of the pandemic on trade facilitation. The workshops further explore the role of technologies, cooperation with the private sector and cooperation amongst government agencies for successful implementation of the Agreement. The delegates also share their experiences on the functioning of national committees and on the use of tools for monitoring TFA implementation, including the Time Release Study and the Mercator TFA Maturity Model. Lastly, the delegates discuss the particular challenges faced in the their respective regions. I would like to thank again the WTO Secretariat for joining these workshops to share an update on the state of play regarding the TFA.

I would also like to highlight a paper that was developed jointly with the WTO on “Customs Use of Advanced Technologies to Facilitate and Secure Cross-Border Trade”. It was developed using the results from the WCO’s Annual Consolidated Survey. The paper provides insights on the implementation state of play by Customs for the following three groups of technologies: 1. Blockchain/distributed ledger technology; 2. Internet of things; and 3. Big data, data analytics, artificial intelligence and machine learning. Its findings will also be used to update the WCO Study Report on Disruptive Technologies, which will be undertaken in cooperation with the WTO. We would like to thank the WTO for its work on this paper, which will be discussed in our Permanent Technical Committee next week and made publicly available after that.

We continue the regional workshops on disruptive technologies which started with the Asia-Pacific workshop in March, then continued with the European workshop in May and we will hold the Americas and Caribbean workshop in the end of November.

I would also like to take this opportunity to invite all interested delegates to attend the [2021 WCO TECH-CON](https://na.eventscloud.com/website/30658/), which is our annual technology event. The webinar will be held on 10 and 11 November and will focus on international standards of importance for automation and interoperability for Customs and more broadly in the border management environment. The event web site link is available in the written contribution submitted to the WTO Secretariat.

In terms of the **tailor-made track** and the specific support intended for individual Members, the WCO continued to provide effective technical support and capacity building assistance through the now established virtual delivery approach.

Since April 2021, with the assistance of Member Experts, over 70 on-line support activities have been successfully delivered and many more are planned for later in 2021. Almost 50 of these activities were delivered under the multi-year (MY) Mercator operating model that is based on medium to long-term engagements and employs a project-based approach. The WCO currently has 57 Customs administrations benefiting from MY Mercator partnerships. However, most of our developing and least developed Members have benefited from some sort of assistance under the programme.

Delivered activities have included several Mercator diagnostic assessments and strategic planning support missions along with activities closely associated with specific Articles of the TFA including, post-clearance audit, risk management, time release study and many others.

Last, but not least, we would like to use this opportunity to thank the long list of our donors and their support under the the Mercator Programme without who’s engagement these valuable Technical Assistance and Capacity Building activities would not be possible.

I thank you all for your attention.

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