SUB COMMITTEE ON CUSTOMS PROCEDURES (SCCP)

Report for the

CTI ANNUAL REPORT TO MINISTERS

For AMM's information

(a) Key outcomes and achievements in 2023

In 2023, SCCP conducted the following initiatives and projects to support SCCP's five priority areas as identified in the SCCP Strategic Plan 2022-2025.

Priority 1 - Contributing to economies' responses to and recovery from the COVID-19 pandemic

• SCCP compiled a "Compendium for Trade and Pandemic Recovery" to share lessons learned from member economies' experiences in dealing with the COVID-19 impact on global commerce and supply chains. The compendium is a compilation of effective ways and innovative solutions to combat and deal with supply chain issues in a future global emergency.

Priority 2 - Accelerating implementation of the WTO TFA

• During SCCP Meetings, member economies shared information on capacity building efforts to support WTO-TFA implementation.

Priority 3 - Enhancing supply chain predictability and connectivity in the APEC region

- To address emerging threats of climate change and environmental degradation, SCCP has
 compiled a "Compendium for Survey on Green Customs Practices" which compiles green
 customs best practices and tools for administrations to use in developing green customs
 policies.
- SCCP Workshop for *Capacity Building in Self-Declaration of Origin for FTAs/RTAs* was held in the margin of SCCP 2 to facilitate capacity building of customs and other relevant authorities of APEC economies, and help participating economies to fully benefit from self-declaration of origin under FTAs/RTAs.

Priority 4 - Exploring the use of new technology and innovative solutions to secure supply chains

- A survey was conducted on *measures used to secure cargo containers from tampering* to share information on measures used to manage contraband trafficking in cargo containers.
- A survey was conducted on "Strengthen Customs Smart Control and Services to Improve the Development Free Trade Ports/Free Zones (FTPs/FZs)" to compile digital,

technological and innovative solutions in FTPs/FZs. A workshop on the same issue will be conducted in November 2023.

SCCP is also undertaking an initiative titled "Good Practices Sharing on Smart Customs
in APEC Region" which seeks to compile good practices on smart and innovative working
methods and cooperation models, including use of technology to improve efficiency of
border management.

Priority 5 - Promoting inclusion and fostering capacity building in the international trading environment

- An SCCP Workshop on "Gender Mainstreaming in Customs Administrations: A Metrics-based Foundation" was held in the margins of SCCP 1 with an aim to create a foundation for future work on customs and gender by identifying the systemic barriers faced by women within customs and informing the responses to address them.
- The United States hosted the 2023 APEC Customs Business Dialogue under the theme "Women in Trade"
- (b) Work undertaken by fora in pursuit of the <u>Putrajaya Vision 2040</u>, including through the <u>Aotearoa Plan of Action (APA)</u>

Kindly refer to the "Collective Actions" (in the APA) for the relevant fora Please also outline any individual actions that your fora has showcased during the year.

I. Trade and Investment

- Under the first economic driver "Trade and Investment", the Putrajaya Vision calls upon members to "promote seamless connectivity, resilient supply chains and responsible business conduct." The SCCP contributes to APEC's efforts on this front by implementing projects and initiatives that contribute to the following APA Collective Actions, among others:
 - Supports the Aotearoa Plan of Action's call to promote trade and investment facilitation for all, including by:
 - i. fully implementing the WTO Trade Facilitation Agreement, and seeking to build on it where appropriate;
 - ii. working towards digitalizing border processes facilitated by application of internationally recognized standards, strengthening customs cooperation and increasing port cooperation; ...
- These are done through discussions, workshops and initiatives on WTO Trade Facilitation Agreement, issues relating to supply chain security and facilitation, such as Workshop for Capacity Building in Self-Declaration of Origin for FTAs/RTAs, and measures used to secure cargo containers from tampering.

II. Innovation and Digitalisation

• For the second economic driver "Innovation and Digitalisation", SCCP works to create an enabling environment, accelerate digital transformation and strengthen digital infrastructures, contributing to, among others, the following APA Collective actions:

- Adopt new and emerging technologies to stimulate growth, connectivity and digital transformation;
- Cooperate to accelerate digital transformation;
- Share best practice, and promote approaches for a digital economy that fosters competition and promotes innovation;
- Promote e-commerce / digital trade.
- These are done through discussions, workshops and initiatives on issues related to digital trade, such as collection of economies' good practices on smart customs, including the use of new technology and innovative solutions to improve efficiency of border management, workshop on Strengthen Customs Smart Control and Services to improve the development of FTPs/FZs, and project to promote MSMEs engagement in e-commerce on regulatory procedures for small, low value shipments.

III. Strong, Balanced, Secure, Sustainable and Inclusive Growth

- The Putrajaya Vision calls upon members to "ensure that the Asia-Pacific region is resilient to shocks, crises, pandemics and other emergencies" and "promote economic policies, cooperation and growth, which will support global efforts to comprehensively address all environmental challenges, including climate change, extreme weather and natural disasters, for a sustainable planet". SCCP contributes to the third economic driver "Strong, Balanced, Secure, Sustainable and Inclusive Growth", through, among others, the following APA Collective actions:
 - Enable quality and equitable health access and outcomes for all ... by cooperating on: ... supporting the safe, secure and efficient operation of resilient health related supply chains; and
 - Advancing gender equality and the economic empowerment of women, particularly through accelerating the full implementation of the actions in the La Serena Roadmap for Women and Inclusive Growth and building on them;
 - Cooperate in relevant APEC fora to develop, encourage and exchange best practice policies, and promote capacity building programmes, that address all environmental challenges including climate change and support sustainable growth, such as through: ... trade, including APEC's work on facilitation of trade in environmental goods and services.
- These are done through works on green customs and women in trade, through initiatives such as the Compendium for Survey on Green Customs Practices, the APEC Customs Business Dialogue on Women in Trade, Workshop on Gender Mainstreaming in Customs Administrations: A Metrics-based Foundation.
- (c) Work Undertaken by the fora in response to Ministerial, SOM and CTI direction
 - In response to 2022 APEC Joint Ministerial Statement in which APEC Ministers "welcome the continuation of safe passage work to promote resilience in the face of future disruptions," SCCP's work on Compendium for Trade and Pandemic

- **Recovery** provides lessons learned which effectively strengthens to APEC economies' ability to deal with future supply chain disruptions.
- The SCCP's work on green customs, digitalization, and supply chain security and facilitation respond to the Bangkok Goals on Bio-Circular-Green Economy, which calls upon APEC economies to enhance the sustainability and connectivity of supply chains; share best practices on green public procurement; facilitate trade in environmental goods and services; strengthen efforts to combat illicit logging; and increase cooperation on advancing toward a circular economy.
- (d) Key Issues Under Discussion by the Fora (if any); &
 - The SCCP has made Inclusiveness and Women in Trade a standing agenda item at all future SCCP Plenary meetings to promote further discussions and actions on this topic.
 - In-line with the US APEC 2023 Host Year Priorities, the SCCP held a panel discussion digitalization, focusing on how economies can enhance their current efforts to support digital transformation in customs administrations through experience sharing and strategic planning.
- (e) Items to submit to Senior Officials or Ministers (if applicable)
 - N/A