



A BLUEPRINT OF THE APEC SUB-COMMITTEE ON CUSTOMS PROCEDURES

Promoting Trade Facilitation and
Enhancing Customs-Business Partnership

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ASIA-PACIFIC ECONOMIC COOPERATION

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The 2001 Blueprint of the APEC Sub-Committee on Customs Procedures

CONTENTS

	Page
Member Economies	4
Introduction	5
Building on Past Achievements	6
Pledge of the APEC Sub-Committee on Custom Procedures	7
Bringing Benefits to Business	8
Major Achievements and Deliverables in 2001	9
WTO-Related Capacity Building	15
Customs – Business Partnership in Trade Facilitation	16
International Linkages and Cooperation	17
Measuring and Evaluating Implementation of work program	17
Conclusion	18
Table 1: SCCP Collective Action Plan Objectives and Expected Outputs	19
Table 2: SCCP Collective Action Plan Implementation Schedule	20
Fax, Telephone & E-mail List of SCCP Contacts	23
List of Acronyms	24

APEC MEMBER ECONOMIES

Australia
Brunei Darussalam
Canada
Chile
People's Republic of China
Hong Kong, China
Indonesia
Japan
Republic of Korea
Malaysia
Mexico
New Zealand
Papua New Guinea
Republic of the Philippines
Peru
Russia
Singapore
Chinese Taipei
Thailand
United States of America
Viet Nam

Observers:

ASEAN Secretariat
Pacific Economic Cooperation Council (PECC)
South Pacific Forum (SPF)

This document contains information on progress towards implementing the SCCP Collective Action Plan and work program. Originally published in October 1997, the SCCP blueprint is a "living" document, to be updated periodically. The SCCP also stands by the commitments made in earlier editions. This 2001 Blueprint and the original SCCP blueprint are provided on the

SCCP Home Page at <http://www.sccp.org>.

The SCCP invites the business community to provide input to the SCCP through the Internet at info@sccp.org or by faxing/e-mailing any of the SCCP members listed at the back of this document.

Introduction

Since its first publication in 1997, the Blueprint for the APEC Sub-Committee on Customs Procedures (SCCP) has been considered a very important “living” document annually updated by the SCCP chair of the year. This status report of the Sub-Committee briefs the public, with the private sector included, on the SCCP’s objectives, target plan implementation and major achievements in simplifying and harmonizing Customs procedures in the Asia-Pacific region as mandated by the Committee on Trade and Investment (CTI) of APEC.

To improve the accuracy, expedition, certainty, uniformity and transparency of Customs procedures in the region, much has been done by the SCCP. On the basis of the preliminary framework set by the Sub-Committee, a multi-phase Collective Action Plan (CAP) was developed to illustrate the core activities that the SCCP takes to achieve the APEC goal. CAP has evolved from the initial nine-point in 1995, twelve-point in 1997 and thirteen-point in 1999 into fourteen-point in 2001. Target objectives, implementation dates and coordinators for each CAP initiative are identified in the text.

Apart from the SCCP CAP, the Individual Action Plan (IAP) and technical assistance are also within the fields SCCP works in. Technical assistance including expert missions and technical workshops from developed economies and publication of “Best Practice” help the developing economies with their Customs modernization.

In 2001, the SCCP put forward its work of promoting Trade and Investment Liberalization and Facilitation (TILF) to reduce costs of cross-border trade in the region. In response to APEC Ministers’ directives on WTO-related capacity building, the Sub-Committee agreed on the proposal for a new mechanism to build a capacity for SCCP members who face difficulties in implementing Customs-related WTO Agreements, such as Valuation Agreement, TRIPS Agreement and the ROO Agreement.

The SCCP also values the involvement of the private sector in the SCCP’s work program. Through enhancing the partnership with the business sector, the SCCP ensures its agenda reflecting the changing needs of business. China Customs successfully hosted the APEC Customs-Business Dialogue (ACBD) for 2001, which provided an ideal opportunity for Customs administrations and business sector of APEC economies to exchange views on “trade facilitation and partnership in the new economy”, and to improve mutual understanding as well.

Building on Past Achievements

Aiming at simplifying and harmonizing Customs procedures to facilitate cross-border trade in the Asia-Pacific region, the SCCP has taken well-planned steps and miscellaneous measures from the foundation of the forum:

In 1994, the APEC Sub-Committee on Customs Procedures (SCCP) was formed on the basis of the APEC Customs Procedures Working Group. It reports to the Committee on Trade and Investment (CTI) with the mandate of facilitating trade by simplifying and harmonizing Customs procedures.

The SCCP made great advances in 1995 and 1996 under the chairmanship of Japan and the Philippines respectively. During Japan's year, the Sub-Committee focused on FACTS (Facilitation, Accountability, Consistency, Transparency and Simplification), and reached a consensus on the Action Plan. Members agreed on a Collective Action Plan (CAP) and Individual Action Plan (IAP) and statements on technical assistance. In 1996, the Sub-Committee developed a comprehensive framework for technical assistance and human resource development, providing a foundation for implementation of the CAP. Coordinators were identified for each of the nine CAP initiatives. In 1997, Canada hosted a Customs-Industry Symposium and helped expand the CAP work program from nine to twelve initiatives.

SCCP Guiding Principles- FACTS

(February 1995, Fukuoka, Japan,)

Facilitation: While ensuring proper enforcement of Customs laws and regulations, APEC Customs Administrations should strive to improve facilitation of Customs clearance procedures.

Accountability: Customs Administrations should be accountable for their actions through a transparent and accessible process of administration and/or judicial review.

Consistency: Customs laws, regulations, administrative guidelines and procedures should be applied in a uniformed manner within each economy.

Transparency: Customs laws, regulations, administrative guidelines and procedures should be publicly available in a prompt and easily accessible manner.

Simplification: Customs laws, regulations, administrative guidelines and procedures should be simplified to the extent possible so that Customs clearance can proceed without undue burden.

With the SCCP's guiding principles in place and the CAP work program identified, the focus for Malaysia in 1998 was on meeting commitments made, soliciting the expertise and assistance of business in forging strategic partnerships and making sure that the SCCP's timetable remained on course. Peru, Russia, and Viet Nam were welcomed as new members. For New Zealand, in 1999, maintaining the momentum of the Collective Action Plan technical assistance agenda at a peak rate of activity was the focus.

In 2000, the focus for Brunei, the Chair, was to ensure continuity and build upon the on-going work of the Sub-Committee, taking into account the changes in the market place. The year of 2001 has seen more achievements when China chairs the SCCP. To build on what has been achieved in the previous years, emphasis has been laid by the SCCP on trade facilitation, evaluation of CAP implementation, integrity, and paperless trading.

Pledge of the APEC Sub-Committee on Customs Procedures

The SCCP will strive to:

- Facilitate legitimate trade and investment in the APEC region
- Maintain our role in protecting the community
- Simplify and harmonize Customs procedures
- Improve the speed, accuracy and transparency of Customs transactions
- Establish levels of service to provide traders with certainty
- Promote the professionalism and integrity of Customs Administrations
- Encourage voluntary compliance in APEC member economies
- Consult regularly with the APEC business community to ensure our activities meet their needs
- Form strategic partnerships with interested APEC business representatives
- Provide members with the required technical assistance to promote efficiency, effectiveness and equity
- Tailor the pace of progress to the diverse needs and abilities of APEC member economies

Bringing Benefits to Business

The work of the SCCP has an immediate and tangible effect on the costs of cross-border trade in goods. It will also contribute to creating environment that gives opportunities to a broader cross-section of enterprises, and SMEs in particular, through a reduction in the complexity of transactions. The direct involvement of business in the APEC process will accelerate simplification and harmonization goals.

Benefits to Business

- Improved Customs clearance and inspection procedures generate faster, more certain and, ultimately, less costly trade transactions
- Certainty, ease and speed of clearance make transactions more compatible with “just-in-time” inventory practices and promote business competitiveness
- Computerization of Customs procedures results in time and cost savings due to the reduced need to prepare, handle, store and deliver Customs documentation
- Improvements in communications, access to information and the transparency of Customs processes and appeals increase the level of certainty and fairness
- A good compliance track record will result in faster clearance and less intrusive verification techniques.

Importers will know the amount of duties and taxes owing as a result of the clear and consistent rules. More efficient clearance will save time and costs and provide the certainty required to exploit modern business practices such as “just-in-time” inventory.

Exporters will benefit from having similar Customs rules and procedures apply across the entire APEC market, thus increasing market access opportunities, while reducing costs and complexity.

Investors will be encouraged to build new enterprises, knowing that offshore inputs and products will be cleared through Customs quickly.

Customs Brokers will have the opportunity to refocus their services from dealing with forms and complexity to using their expertise and knowledge to bring a new range of professional services to clients operating in an expanding and evolving trade market.

Carriers will benefit from faster service, lower costs and the ability to use their equipment to its utmost capacity rather than having it delayed at Customs.

Major Achievements and Deliverables in 2001

01. Harmonization of Tariff Structure with HS Convention

Japan is the coordinator for this work program. As a result of technical assistance activities, all member economies adopted the principles of the 1996 version of the HS Convention as their tariff nomenclature by the year 2000.

With the amendment of the HS Convention, the APEC member economies are encouraged to implement the 2002 version of the HS Convention by the year 2002. To assist member economies in smoothly implementing the HS Convention, a workshop took place in Thailand in March 2001 with the participation of 13 economies. The next phase is to provide technical advice to Customs central laboratories in nine economies so as to ensure an accurate, consistent, and uniform application of the HS Convention by member economies and to provide greater predictability for traders.

02. Public Availability of Information on Customs Laws, Regulations, Administrative Guidelines and Rulings

Singapore and Hong Kong, China are the coordinators for this work program. The objective of the program is to improve Customs transparency and to ensure that traders have all the pertinent information for business decisions through Customs' provision of accurate, consistent, and user-friendly information. An SCCP "Best Practices Handbook" on information dissemination is available for members' reference.

In 2000, the coordinators conducted another survey on the use of the Internet as an instrument for disseminating Customs information to the public by the SCCP members. An assessment questionnaire was prepared based on the World Customs Organization's document "Recommendations Concerning the Use of World Wide Web Sites by Customs Administrations" which was adopted in June 1999.

As public availability of information is an on-going process, member economies will continue to develop and implement their own action plans/programs to improve dissemination of information. Economies are also encouraged to conduct surveys on their respective business constituents to obtain feedback on the effectiveness of the existing information dissemination channels and to identify areas for improvement. In addition, economies should continue to review and provide updates to the SCCP's "Best Practices Handbook" on information dissemination.

03. Simplification and Harmonisation on the Basis of the Kyoto Convention

New Zealand and Japan are coordinators of this Collective Action Plan. Originally intended for completion by 1998, implementation was delayed while the Convention itself was under complete revision in the World Customs Organization. The revised Convention is now available for accession and, when in force across APEC, will result in greater transparency, efficiency and certainty for traders in the region.

In conjunction with the WCO, several seminars and workshops on the revised Convention have been held in the APEC area (China – April 1998, Japan – October 1999, Malaysia – April 2000, Thailand - August 2000).

All APEC economies have had the opportunity to receive training/technical assistance on the revised Kyoto Convention and the requirements for accession to it. Economies are now considering adoption and implementation processes.

04. Adoption and Support of UN/EDIFACT / Paperless Trading

Australia is the coordinator of the SCCP Paperless Trading initiative which supports the adoption of appropriate electronic technologies and procedures in order to reduce the requirement for paper documentation in Customs administration. Paperless Trading, was first incorporated into the SCCP CAP in 2000 to replace the former UN/EDIFACT CAP. This initiative was in response to the APEC Ministers' Blueprint for Action on Electronic Commerce.

Under the SCCP Paperless Trading program, participating economies will develop and implement Paperless Trading Strategies with the assistance of an Electronic Commerce consultant, where it is required. During 2001, a suitable consultant has been identified and initial work in assessing members' circumstances, needs and priorities has been undertaken.

05. Adoption of the Principles of the WTO Valuation Agreement

Canada and United States are the coordinators for this work area. A number of training courses have been carried out for Brunei Darussalam, People's Republic of China, the Philippines, Chinese Taipei, and Viet Nam.

Although the planned technical assistance requirements in support of this CAP item had been largely completed, the SCCP, noting that a number of economies were still making efforts to develop the system and requesting technical assistance, recommends that it continue to be tracked as a regular CAP item by the SCCP.

06. Adoption of TRIPS Agreement

The United States is the coordinator for this CAP initiative. This initiative was designed and developed to ensure the efficient and effective implementation of the border enforcement provisions of the World Trade Organization (WTO) Trade Related Aspects of Intellectual Property Rights Agreement (TRIPS). Through a coordinated effort involving Canada, Japan and New Zealand, technical assistance has been delivered to: Chile, Peru, Philippines, Thailand, Papua New Guinea, Indonesia, Viet Nam and the People's Republic of China. Assessments were also completed in Russia, Peru and Viet Nam.

The private sector has been a key partner contributing to the success of the initiative. They participated in the "APEC Conference to Implement the Border Enforcement Aspects of the WTO TRIPS Agreement" in 1997 and were actively involved in the technical assistance phase of this initiative. Technical assistance for this initiative is now completed.

07. Implementation of Clear Appeals Provision

Canada is the coordinator for this work area and is providing technical assistance to SCCP members requesting it. A detailed needs analysis discussion paper was sent to participants in 1998, to determine each economy's requirements pertaining to such areas as legislative framework, organizational structure, client services delivery, risk management and the decision-making process. Discussions held in June 1998 with each participating economy focused on the principles of a transparent appeals system. Technical assistance was provided to five member economies: People's Republic of China; Hong Kong, China; Indonesia; Papua New Guinea; and the Philippines.

08. Implementation of an Advanced Classification Ruling System

New Zealand and the Republic of Korea are coordinators of this Collective Action Plan. Aimed at establishing simplified procedures for providing classification information prior to importation (thus bringing certainty and predictability to international trading and helping traders to make sound business decisions based on legally binding advice), all requesting economies have now received technical assistance.

The first technical assistance mission under this CAP was to the Philippines and identified some changes needed to fully align with the WCO model. A rulings system was introduced in Chinese Taipei within a few months of assistance being provided. Papua New Guinea and Brunei Darussalam are currently working on the development of appropriate procedures. A system has been operating in Peru for many years and only requires small improvements to accord with the WCO model. The latest APEC member, Viet Nam, has been provided with technical assistance on this CAP and will consider implementing a national advance classification system.

09. Provision of Facilities for Temporary Importation

Chinese Taipei and the United States are the co-shepherds for this CAP initiative. This initiative was designed to assist APEC member economies in the implementation of the terms of the A.T.A. and Istanbul Conventions. Temporary importation helps business move goods such as commercial samples, professional equipment, tools of trade and exhibition material across borders with a high degree of certainty as how these goods will be treated by Customs by having standard procedures for admitting goods on a temporary basis.

The International Bureau of Chambers of Commerce (IBCC) worked with the co-shepherds in the planning stages and the delivery of technical assistance. The IBCC issues and manages carnets and works closely with the World Customs Organization (WCO) to promote the carnet system on the international level.

Technical assistance was delivered in three regional workshops in Chinese Taipei, People's Republic of China, and Chile. Technical assistance for this initiative is now completed.

10. 10. Common Data Elements

Canada and Australia are the coordinators of this project. The aim of this work is to simplify and harmonize the data required by Customs for the importation of commercial goods. A survey aimed at collecting relevant data in member economies has been completed. Further work in this area will be considered by building on developments in other international fora, including the work by the G7.

11. Risk Management Techniques

Australia is the coordinator for this work with the assistance of the United States. Other expert economies involved with the program are New Zealand, Canada and Japan.

Since the commencement of this work program, study missions to twelve economies have been completed. The purpose of these study missions is to assess management commitment to implementing risk management, advise on development of a supporting infrastructure, develop priorities and define timelines for implementation. This has provided the basis for implementation of risk management practice in twelve of the sixteen participating economies to date. The study mission teams found the various Customs Administrations to be enthusiastic on the subject of risk management and keen to use their developing expertise in this area. The remaining phases will focus further on implementation strategies.

Participating economies include Brunei Darussalam; Chile; People's Republic of China; Hong Kong, China; Indonesia; the Republic of Korea; Malaysia; Mexico; Papua New Guinea; Peru; the Philippines; Russia, Singapore, Chinese Taipei; Thailand and Vietnam.

12. Guidelines on Express Consignment Clearance

People's Republic of China and the United States are the co-shepherds for this CAP initiative. The goal of this project is to implement the World Customs Organization (WCO) Guidelines on Express Consignment, the international standard for Customs clearance of express goods.

Through coordinated efforts, technical assistance has been delivered to Chinese Taipei, Malaysia, Peru, the Philippines and Thailand. A Regional Overview Seminar was completed in April 2001 in Hong Kong, China. Missions to Indonesia and Viet Nam will be completed by end of 2001.

This project is entering Phase V, which consists of customized advisory missions for those administrations that have participated in previous assessment missions so that they might make further improvements.

All activities are conducted in partnership with express industry associations, namely the International Express Carriers Conference (IECC), the Conference of Asia Pacific Express Carriers (CAPEC), and the Conference of Latin American Express Carriers (CLADEC).

13. Customs Integrity

Integrity is well advanced in 2001, with a comprehensive work program planned. Australia coordinates the work program with assistance from a working group consisting of People's Republic of China; Hong Kong, China; Japan; Peru; New Zealand and Chinese Taipei.

Increased levels of integrity are now recognized by the international business community as an essential step in any trade facilitation program. The objective of the work program is to raise levels of integrity in APEC Customs Administrations, thereby providing a sound platform for the provision of other technical assistance and capacity building work. Most of the elements of the integrity work program are also fundamental to broader reform and modernization agendas of member administrations, while complementing other CAP items.

A TILF funded facilitators workshop has already been conducted and some members have also been able to attend other regional integrity workshops. Most economies have either implemented or are well on the way to finalizing their code of conduct.

The second stage of phase two is now underway with missions to individual economies to assist with self-assessment. Further missions to the remaining recipient economies will occur in phase three. The final phase will see follow-up missions to assist implementation of integrity strategies.

14. Customs-Business Partnership

Hong Kong, China; Mexico and Chinese Taipei are the coordinators for this new CAP which came into being in August 2001.

Taking the directives of APEC Ministers for members to facilitate the trade and enhance interaction with the business sector, the SCCP in February 2001 endorsed a set of measures to foster members' cooperation and communication strategies with the business sector. In August, members further agreed to elevate the measures to a CAP.

The CAP seeks to promote the different Customs-Business cooperative programs, and encourage members to enter into cooperative relations with their home business community through the signing of cooperative instruments, and the establishment of liaison channels to improve communication and mutual understanding.

WTO-Related Capacity Building

WTO vis-a-vis APEC - Sharing a Common Purpose

APEC and the WTO both seek to maximize the gains by liberalizing and facilitating international trade. With the next round of WTO negotiation ahead, there are many opportunities for further trade growth. By taking advantage of these opportunities, APEC and the WTO together can spread the benefits across the board.

APEC - Endorsing the Strategic Plan

In 2000, APEC Leaders and Ministers endorsed a new Strategic APEC Plan, aiming to provide tailor-made packages of technical assistance for developing APEC economies. The new strategic plan is a basis for concerted action to enhance capacity for full participation in the WTO.

ABAC - Supporting the Endorsement

The APEC Business Advisory Council (ABAC) fully agreed to the Strategic APEC Plan of building capacity. Implementing WTO Agreements would improve the transparency of Governance Practices as well as align with international practices. Further capacity-building initiatives would enhance benefits of APEC economies from the liberalization of trade and investment.

SCCP - Responding to the Strategic Plan through Further Implementation of Customs-related WTO Agreements

The SCCP is posing a challenge of how to further implement the Customs-related WTO Agreements. In 2000, it was unanimously agreed that the objectives of the two agreements (i.e. Customs Valuation and TRIPS Agreements) have been attained by APEC economies. However, many developing economies are still facing difficulties in implementing these agreements.

In the context of the strategic APEC plan for enhancing WTO-related capacity building, the SCCP has established a mechanism to improve the implementation of Customs-related WTO Agreements in February 2001. The purpose of the mechanism is to build the capacity for Customs Administrations in APEC who face difficulties in implementing Customs-related WTO Agreements, namely, the WTO Valuation Agreement, border control clauses in the TRIPS Agreement, and the Rules of Origin Agreement; to facilitate the smooth implementation of these agreements; and to expedite international trade. Canada, Japan and the United States are the coordinators for this mechanism.

At the first stage, a workshop on "Implementation of Customs-related WTO Agreements" was held in Japan to identify difficulties and problems that the participating economies faced in implementing the agreements. A series of national and regional workshops will be undertaken based on the results of the workshop.

Customs–Business Partnerships in Trade Facilitation

Involvement and cooperation of business in APEC activities are considered essentially important by APEC members. In the process of achieving the goal of trade facilitation and liberalization, APEC always adjusts its working agenda to meet business' needs in the changing trade environment according to the timely and constructive voice from business. The SCCP has developed Guidelines governing the involvement of business in the SCCP Collective Action Plan and other initiatives. These Guidelines were published as an Appendix to the inaugural SCCP Blueprint endorsed by Ministers in Vancouver in 1997 and available on the SCCP Home Page at www.sccp.org.

To date, several successful partnerships with business have been formed. Industry has provided the SCCP with valuable technical expertise and financial assistance with some CAP projects, for example, express industry associations for Guidelines on Express Consignment Clearance, Federal Express for the APEC Tariff Database. The SCCP's long-term success depends on continued creativity and innovation that are part of a sustained dialogue with interested stakeholders. Thus, the SCCP welcomes business input, which are essential if the work program is to remain current with the changing trade environment.

Some suggestions on steps, which could promote the dialogue between SCCP and those it seeks to serve, include:

- *Inform yourself about the work of the APEC SCCP.* It is a very transparent process and a great deal of information is available. Much of it can be accessed through the APEC Secretariat in Singapore or its website at www.apecsec.org.sg or via the SCCP homepage at www.sccp.org.
- *Make your views known.* Communication is a two-way street. The SCCP is striving to provide members with greater access to industry, and to inform business about SCCP initiatives. But it is equally important that those businesses with an interest have a responsibility to talk to the SCCP and participate in its activities. Members are seeking to further develop channels of communication with business-industry.
- *Define your views and find out whether others in the region share them.* If there is widespread support among the Asia-Pacific community for an initiative, it makes a powerful argument to put to the SCCP for its consideration as a model for simplification and harmonization within APEC.

On 13-14 August, 2001, China Customs successfully organized an APEC Customs-Business Dialogue (ACBD) in Shanghai, China. At this interactive event, over 500 participants of Customs Administrations and the private sector from the APEC region widely exchanged views and ideas on trade facilitation, promotion of e-commerce and paperless trading and enhancement of Customs-Business partnership. The ACBD resulted in a Communiqué® on the basis of full communication and common understanding between Customs and Business.

International Linkages and Cooperation

Currently, the SCCP is working closely with the WCO and the WTO on the implementation of various international agreements. These include the revised WCO Kyoto Convention, Harmonized System Convention and the protocols for the WTO Rules of Origin, as well as the WTO 'TRIPS' and Valuation Agreements. Also, the SCCP maintains good relationship with other APEC fora to closely cooperate on various APEC issues. From 1999, the SCCP has established formal links with the G-7 Customs Group in the progress of the Common Data Elements through Canada, the focal point.

The technical assistance programs will continue to support bilateral and multilateral initiatives in the Asia-Pacific region, and the SCCP is working towards establishing formal communications linkages with other international fora to optimize resources.

Measuring and Evaluating Implementation of Work Program

As with other APEC fora, evaluation reports are required to be submitted to the APEC Budget and Management Committee (BMC) upon completion of all technical assistance projects. These assessments would assist the BMC in deciding whether or not to approve continued funding for further activities. The BMC has approved all six budget proposals for the SCCP's on-going work program scheduled for 2002/2003. The evaluation reports submitted by the SCCP project coordinators also assist the SCCP in managing the effectiveness of the technical assistance projects, and making adjustments in the whole technical assistance program where necessary.

The SCCP collective work program and comprehensive technical assistance program was developed six years ago. It was timely as well as apparent, that for continued success, and the support of industry, the SCCP would need to focus more of its efforts to ensure the effective implementation of the work program. This year, the SCCP adopted an assessment approach to assess the progress in implementing the SCCP's 13-point CAP and the effectiveness of the technical assistance program.

Through the efforts of the SCCP Evaluation Working Group, an Assessment/Evaluation Matrix was developed. All APEC member economies were provided with a copy of the Matrix and asked to complete it for each of the CAP items. Almost every economy completed the Matrix which provided the SCCP with an overview of the CAP initiatives. Based on the evaluations, the SCCP was able to group the CAP items under two categories: one, current/ongoing items, and the second, those items in which technical assistance has largely been completed and the majority of member economies have implemented or are in the process of implementation. The later group of CAP items can be referred to as "Stage Two" CAP initiatives. Examples of "Stage Two" items include: Public Availability of Information; WTO Valuation Agreement; WTO TRIPS Agreement; and Clear Appeal Provisions. SCCP members will continue to report on and monitor progress on these "Stage Two" items. Should an economy still require technical assistance for a "Stage Two" item, they may submitted a request in writing to the SCCP.

The Evaluation provides a comprehensive overview of where economies are in the implementation of programs and serves as a planning tool which can assist with capacity building and further implementation work as well as a mechanism for reporting to the CTI on SCCP activities. The evaluation can be used as a basis for further assessment of these initiatives using other methodologies such as "Peer Reviews" and "Time Release Studies".

Conclusion

With the tide of the New Economy and the upcoming of the new round of WTO negotiation, all APEC economies are striving to maintain competitiveness through building a more and more favored environment for trade and investment. As a crucial section in cross-border trade, APEC Customs Administrations are expected to contribute more to expediting trade flows and reducing transaction costs.

To achieve the ultimate goals of simplification and harmonization of Customs procedures within APEC, the SCCP continues to undertake constructive and effective initiatives like applying modern information technology and building capacity for each member.

Cooperating closely with the private sector, SCCP members benefit from the business' valuable experience, technical expertise and financial assistance, and simultaneously, this kind of appropriate and effective cooperation and input ensure the SCCP's work program reflects the changing needs of the private sector.

It is believed that, by SCCP's self capacity building and further cooperation with business in the region and related international organizations, the SCCP's program will surely be a greater success and benefit both business and Customs. ■

TABLE 1: SCCP Collective Action Plan Objectives and Expected Outputs

OBJECTIVES	EXPECTED OUTPUTS
<p>1. Harmonization of Tariff Structure with the HS Convention To ensure consistency of application, certainty and a level playing field for business through the HS Convention, the standard international harmonized system for the classification of goods.</p>	<ul style="list-style-type: none"> The accurate, consistent and uniform application of the HS Convention by all APEC member economies.
<p>2. Public Availability of Information on Customs Laws, Regulations, Administrative Guidelines and Rulings provided to the business sector on an ongoing basis To ensure traders have access to all the pertinent information for business decisions through the provision of accurate, consistent and user-friendly information to business on an ongoing basis.</p>	<ul style="list-style-type: none"> To improve transparency of APEC Customs Administrations To enhance the APEC Customs Administrations' competency in the dissemination of information on customs laws, regulations, procedures, rulings and guidelines
<p>3. Simplification and Harmonization on the Basis of the Kyoto Convention To improve efficiency in customs clearance and the delivery of goods in order to benefit importers, exporters and manufacturers through simplified customs procedures and best practices.</p>	<ul style="list-style-type: none"> Simplified and standardized customs procedures implemented by all APEC members
<p>4. Adoption and Support for the UN/EDIFACT / Paperless Trading To use the standard UN electronic messaging format for automated systems, the United Nations/Electronic Data Interchange for Administration, Commerce and Transport, to promote an electronic highway for business.</p>	<ul style="list-style-type: none"> The implementation by member administrations of UN/EDIFACT international electronic messaging standards as the basis for their computerization programs
<p>5. Adoption of the Principles of the WTO Valuation Agreement To facilitate administration of the World Trade Organization's Valuation Agreement on standard procedures for valuing goods.</p>	<ul style="list-style-type: none"> The implementation of the Agreement by members, in a timely and orderly manner, to meet members' international obligations under the Agreement.
<p>6. Adoption of the Principles of the WTO Intellectual Property (TRIPS) Agreement To implement border enforcement procedures for protecting intellectual property rights.</p>	<ul style="list-style-type: none"> A strategic program designed and developed to implement border endorsement of the Agreement by members, in a timely and orderly manner, to meet international obligations under the Agreement.
<p>7. Introduction of Clear Appeals Provision To provide business with an opportunity to challenge potentially erroneous or inequitable Customs decisions through mechanisms for transparent, independent and timely appeals.</p>	<ul style="list-style-type: none"> Implementation of Customs appeal mechanisms by all members. The enhanced transparency and effectiveness of the appeals process and client service initiatives within APEC customs administrations.
<p>8. Introduction of an Advance Classification Ruling System To establish simplified procedures for providing classification information prior to importation, thus bringing certainty and predictability to international trading and helping traders to make sound business decisions based on legally binding advice.</p>	<ul style="list-style-type: none"> The introduction of simplified procedures for an advance classification ruling system to the customs procedures of each APEC economy, by the year 2000.
<p>9. Provisions for Temporary Importation, e.g., acceding to the A.T.A. Carnet Convention or the Istanbul Convention To help business move goods such as commercial samples, professional equipment, tools of trade and exhibition material across borders with a high degree of certainty as to how these goods will be treated by Customs by having standard procedures for admitting goods on a temporary basis.</p>	<ul style="list-style-type: none"> The implementation of the terms of the A.T.A. Carnet and Istanbul Conventions. The provision of a common import/export document for the temporary importation of goods. An internationally accepted security for goods entitled to temporary admission without payment of duties and taxes.
<p>10. Harmonized APEC Data Elements To develop a comprehensive directory supported in UN/EDIFACT which includes a simplified "core set" of data elements, largely derived from commercially available data, that would satisfy the standard data requirements of the majority of APEC trade transactions and so facilitate the exchange of information and provide a foundation for common forms and electronic commerce.</p>	<ul style="list-style-type: none"> The development of a set of trade data elements required for ordinary goods for home consumption. The development of a set of best practices guidelines for the processing and clearance associated with the movement of goods until the goods are no longer under any customs controls.
<p>11. Risk Management Techniques To focus Customs enforcement efforts on high-risk goods and travelers and facilitate the movement of low-risk shipments, through a flexible approach tailored to each APEC economy.</p>	<ul style="list-style-type: none"> The implementation of a systematic risk management approach will allow APEC Customs administrations to facilitate legitimate trade and travel while maintaining control.
<p>12. Guidelines on Express Consignments Clearance To implement principles contained in the WCO Guidelines on Express Consignment Clearance, the international standard procedures for clearance of express goods, working in partnership with express industry associations.</p>	<ul style="list-style-type: none"> The timely implementation of the international standard for customs clearance of express shipments. Trade facilitation while maintaining essential customs control responsibilities.
<p>13. Integrity To raise level of integrity in Customs Administrations.</p>	<ul style="list-style-type: none"> More accountable, consistent, reliable and transparent Customs Administration
<p>14. Customs-Business Partnership To enhance the cooperation and communication between Customs and the business sector.</p>	<ul style="list-style-type: none"> The development of Customs-Business Partnership with the relevant players / parties in the business sector through the signing of MOUs or other instruments of cooperative arrangement. The establishment of permanent and regular liaison / consultation channels between Customs and the relevant players / parties in the business sector.

TABLE 2: SCCP Collective Action Plan Implementation Schedule¹

	HS Convention	Public Availability of Information	Kyoto Convention	Paperless Trading	WTO Valuation Agreement	TRIPS	Clear Appeal Provisions	Advance Classification Ruling System	Temporary Importations	Common Data Elements	
Plan Coordinators	Japan	HK, China Singapore	New Zealand Japan	Australia	Canada USA	USA	Canada Philippines	New Zealand Korea	USA Chinese Taipei	Canada	
Target Dates	2002*	?	1998	2005/2010	2000	2000	2000	2000	2000	?	
Australia	v	v	v	v	v	v	v	v	v		
Brunei	v	v	*		v	v	2000	2000	2000		
Canada	v	v	v		v	v	v	v	v		
Chile	v	v	*		2000	2000	v	v	2000		
China	v	v	v		+	v	v	v	v		
HK,China	v	v	*		N/A	v	v	N/A	v		
Indonesia	v	v	*		v	v	v	v	v		
Japan	v	v	v		v	v	v	v	v		
Korea	v	v	v		v	v	v	v	v		
Malaysia	v	v	*		v	v	v	v	v		
Mexico	v	v	v		v	v	v	v	v		
New Zealand	v	v	v	v	v	v	v	v	v		
PNG	v	v	*		v	2002	2000	2002	2000		
Peru											
Philippines	v	v	?	?	v	v	v	v	v		
Russia											
Singapore	v	v	*		v	v	v	v	v		
Chinese Taipei	v	v	*	?	v	v	v	v	2000		
Thailand	v	v	*		v	v	v	v	v		
USA	v	v	*		v	v	v	v	v		
Viet Nam											

Legend			
v	Implemented	?	On-going process
+	Actual implementation date subject to China's accession to WTO	N/A	Not applicable
*	Accession to the Convention subject to internal approval process		

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¹Peru, Russia and Vietnam are to be included in the CAP implementation schedule. These economies have become full members of APEC at the November 1998 Economic Leaders' Meeting in Kuala Lumpur.

For each CAP item, the level of implementation will vary among Customs Administrations. For the most recent additions to the CAP (common data elements, risk management and express consignments clearance), although the implementation date is shown as the target date, some economies have already implemented the item in full or in part. All member economies will have implemented the CAP item to varying degrees by the target date.

* With the entry into force of HS2002 version for 1 January 2002, the new target date is now set 2002.

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List of Acronyms

APEC	Asia-Pacific Economic Co-operation
ABAC	APEC Business Advisory Council
ACBD	APEC Custom-Business Dialogue
AGGI	Advisory Group on Gender Integration
ASEAN	Association of South East Asian Nations
A.T.A. Carnet	Admission Temporaire – Temporary Admission Carnet Convention
BMC	Budget and Management Committee
CAP	Collective Action Plan
CAPEC	Conference of Asia-Pacific Express Carriers
CLADEC	Conference of Latin American Express Carriers
CTI	Committee on Trade and Investment
EDI	Electronic Data Interchange
FACTS	Facilitation, Accountability, Consistency, Transparency, and Simplification
G7	Canada, United Kingdom, France, Germany, Italy, Japan, United States ²
HS	Harmonized System of Tariff Classification
IAP	Individual Action Plan
IATA	International Air Transport Association
IBCC	International Bureau of Chambers of Commerce
IECC	International Express Carriers Conference
IFCBA	International Federation of Customs Brokers Associations
NAFTA	North American Free Trade Agreement
OECD	Organization for Economic Co-operation and Development
PECC	Pacific Economic Cooperation Council
ROO	Rules of Origin
SCCP	Sub-Committee on Customs Procedures
SOM	Senior Officials or Senior Officials' Meeting
SPF	South Pacific Forum
TILF	Trade and Investment Liberalization and Facilitation
TRIPS	Trade Related Aspects of Intellectual Property Rights
UN	United Nations
UN/EDIFACT	UN Electronic Data Interchange for Administration, Commerce and Transport
WCO	World Customs Organization
WTO	World Trade Organization

² the G8 including Russia



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