Customs Strategic Framework on Building Connectivity: 3S Plus 3M

Endorsed by SCCP and CTI in August 2019

Recognizing the importance of APEC 2015-2025 Connectivity Blueprint (ACB) in advancing efforts for an interconnected Asia-Pacific,

Understanding that current economic and trade environment calls for an unprecedented level of connectivity that features digitalization and frictionless trade,

Taking account of the Integration 4.0 initiative, with APEC Customs 3M Strategic Framework mentioned as its integral part, which aims at supporting integration of supply chains and connectivity among APEC economies as a whole,

APEC Customs endeavor to build Smart Borders, enable Smart Logistics, and promote Smart Trade (3S), through a stronger cooperation in "Mutual Recognition of Control, Mutual Assistance of Enforcement, and Mutual Sharing of Information" (3M), so as to promote trade facilitation and security in a systematic approach for the better connectivity within the APEC region.

Considering Customs to Customs cooperation among APEC economies as the core of the aforementioned enhancements, it is proposed that efforts should be made in the following aspects:

1. Effective TFA implementation. APEC Members are encouraged to make an effective implementation of the WTO Trade Facilitation Agreement (TFA), in particular, its Article 8 "Border Agency Cooperation" and Article 12 "Customs Cooperation". The prior, aiming to enhance the sharing of information and practical implementation experiences, with a view to effectively implement mutual administrative assistance within the APEC Customs Community, and having special consideration of the need to enhance the ways of requesting and delivering information within the APEC Region.

2. Single window interoperability. APEC Members should continue strengthening connectivity through closer cooperation on Single Window interoperability.

3. Advancement of cross-border e-commerce. It is recommended that APEC Members evaluate the implementation of the World Customs Organization's Cross-Border E-Commerce Framework of Standards so as to establish safe and efficient cross-border e-commerce practices, with a view to facilitating cross-border E-Commerce flows.

4. Enhanced Transit Guidelines. Acknowledging that the customs transit of goods under Free Trade Agreement´s implementation constitutes one of the cornerstones of regional economic integration, we welcome the work made by APEC Customs Members in updating the APEC Customs Transit Guidelines in light of standards stemming from Free Trade Agreements, the WCO and the WTO Trade Facilitation Agreement and to account new developments in the logistic schemes involved in international trade.

5. AEO MRA. APEC Members are encouraged to work closely on Authorized Economic Operator (AEO) Mutual Recognition Arrangements (MRAs), as a way to enable mutual recognition of high-credit operators and thus achieving a higher level of compliance among businesses. At the same time, APEC Members are encouraged to explore ways to stimulate SMEs involvement on AEO Programs.

6. Risk analysis. New technologies, such as Automatic Threat Recognition, Big Data, AI, etc., are expected to be increasingly applied in customs risk analysis processes, so that control effectiveness and efficiency can be greatly improved.

7. Intellectual Property Rights. APEC Customs Community cooperation, through information and experience sharing, is vital to strengthen Intellectual Property Rights (IPR) border enforcement in the APEC Region, and to promote a greater collaboration between Customs and right holders.

8. Capacity building and technical assistance. APEC Members are committed to sharing information and experiences on capacity building activities, conducting joint capacity building programs, and consider developing technical assistance activities to promote and facilitate the implementation of 9 Collective Action Plans (CAP).

9. Workshops focusing on the improvement and future implementation of the 3S Plus 3M Initiative will be held at an appropriate time to be agreed by APEC Customs Community.