



# TRADE BEAT

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## WCO Coordinated Border Management: An inclusive approach for connecting stakeholders



WORLD CUSTOMS ORGANIZATION  
ORGANISATION MONDIALE DES DOUANES

In considering the most effective approach for achieving Coordinated Border Management (CBM), an assessment of a country's risk environment must be conducted, in order to maximize resources to protect borders and facilitate trade. Each country possesses its own unique set of challenges, and therefore a comprehensive strategy must be contemplated to incorporate all stakeholders to address the border management related issues. Although there is no blanket approach to the implementation of CBM, the particular strategy employed is often facilitated through Customs administrations, and is therefore supported by the World Customs Organization (WCO), through the use of its instruments and tools. The WCO's CBM Compendium is one such tool that provides guidance to Customs administrations worldwide, in coordinating and collaborating with all relevant authorities involved in border security and regulatory requirements that apply to passengers, goods and conveyances moving across borders.

The WCO's launch of International Customs Day, celebrated January 26, 2015, marks the WCO Year of CBM, in which "Members will have the opportunity to promote the enhanced coordination practices and mechanisms that they have implemented within their administrations and with

other Customs administrations and government agencies, as well as with economic operators involved in cross-border trade."-WCO. The 2015 International Customs Day theme, highlights the role of Customs under the slogan "Coordinated Border Management - An inclusive approach for connecting stakeholders". Essentially, Customs administrations are encouraged by the WCO to strengthen their established partnerships with other Cross Border Regulatory Agencies (CBRAs) and the trade community, in order to improve border processing and to share experiences with the international Customs community.





## What is Coordinated Border Management (CBM) ?

CBM describes the coordinated approach taken by border control agencies in facilitating trade and transit flows, as well as the establishment of enforcement mechanisms in securing the borders. In response to the challenges surrounding increases in global trade volumes, such as the complexity of the global supply chain, CBM contributes to improved trade flows by combating ineffective administrative procedures, deficient infrastructure, high transport cost, and delays in the transportation of goods, as well as the processing of persons. By creating a more seamless clearance process at the borders, CBM ensures the coordination and collaboration of all stakeholders involved.

The WCO uses the term CBM to describe an integrated approach to border management, as it gives validity to the principle of a coordination of policies, programmes and delivery outcomes, focusing on solutions based on collaboration rather than a singular directive by each agency. In order to achieve this, individual stakeholder objectives must be clearly defined and communicated to the quorum representing the coordinating bodies, to effect the overall mandate. Effective coordination of border management should begin with a streamlining of the administration’s internal processes that facilitate collaboration with external border agencies. This means that the operating procedures of Customs administrations must be standardized both internally and externally to ensure consistency and efficiency of service delivery. CBM focuses on all State agencies involved in border protection e.g. Police (Jamaica Constabulary Force-JCF), Health (Ministry of Health-MOH), Animal & Plant Health (Ministry of Agriculture-MOA), Immigration (Passport, Immigration and Citizenship Agency-PICA) and Environment (National Environment and Planning Agency-NEPA). Modernization and reform of the Customs system is also essential to achieving CBM, which is supported by the WCO by promoting the use of a risk based approach to facilitate trade and foster compliance.

## Risk Management

A risk based approach, describes the change from employing physical and invasive control mechanisms

to those using non-intrusive methods and information controls, in relation to Customs processing by identifying the risks to goods and passengers prior to their arrival and crossing of borders. Risk management uses a targeted approach to cargo processing by focusing on suspicious cargo and allowing faster clearance of low risk cargo through intelligent means. Risk management calls for cooperation and collaboration with CBRAs as well as the private sector, who represent both users and providers of borders services. Effective risk management is also facilitated by the right infrastructure and the right equipment for all border control functions, and the implementation of appropriate information and communication technologies (ICT) platform, serving all stakeholders. Trained and competent human resources are integral to the proper functioning of the CBM initiative, along with a comprehensive border management policy inline with the tenets of the Trade Facilitation Agreement (TFA).



## The Trade Facilitation Agreement (TFA)

The World Trade Organization (WTO)'s TFA outlines the principles for trade facilitation relating to Customs processes such as simplification, harmonization, transparency, partnership, cooperation and risk management while the WCO provides the mechanisms for its implementation. The maintenance and implementation of the WCO instruments such as the Revised Kyoto Convention (RKC), the Single window, and the Time Release Study (TRS) allow for positive outcomes for individual countries, as well as the international community, and assists national customs administrations in effectively implementing their trade facilitation programmes. The tools developed by the WCO may be used to support the implementation and ratification of the WTO TFA, as Customs administrations play a vital role in facilitating the processing of every cross border consignment, while ensuring compliance with national regulatory requirements and the multilateral trading rules.



The WCO promotes innovation and garners best practices from various Customs administrations, through the building blocks that comprise its strategic vision of Customs in the 21<sup>st</sup> Century (C21). These building blocks include important trade facilitation components such as Risk management, Trade partnerships through Authorized Economic Operators (AEO),

CBM, and the Single Window, and respond to current and future trade facilitation needs. The WCO has an independent trade facilitation agenda, and has committed to support the implementation of the WTO TFA, primarily due to the positive effects that it is expected to bring to global trade.

## WCO Instruments and Tools supporting CBM

### Single Window

A single window can be defined as an intelligent facility that allows parties involved in trade and transport to lodge standardized information and documents with a single entry point to fulfill all import, export and transit related regulatory requirements. The WCO assists Customs administrations in developing the Single Window through use of the “Single Window Data Harmonization Guidelines” that provide developers with tools to achieve data harmonization and to develop internationally standardized data sets. The WCO has also developed a Compendium on “How to Build a Single Window Environment” which comes in two volumes, which supports capacity building efforts on the Single Window. Volume 1- the ‘Executive Guide’ deals with aspects of the Single Window that are of concern to senior management and Volume 2-the ‘Professional Practice Guide’ is a collection of tools and techniques to support technical experts working on projects to establish a Single Window.

### The Single Window

- Lodgment of standardized information and documents with a single entry point (to fulfill all export, import and transit related regulatory requirements) if the information is electronic, then individual data elements should only be submitted once.
- Support the sharing of information by a legal framework that provides privacy and security in the exchange of information.
- Coordinate the controls of the various governmental authorities, where appropriate.
- Provide facilities to receive payment of duties and other charges.

**The Revised Kyoto Convention (RKC)**

The RKC is a WCO instrument that outlines universal standards for the modernization of Customs administrations that are binding on all contracting parties. The RKC has specific chapters targeted to improve the border clearance process, and the implementation of this Convention places Customs administrations in closer alignment with the objectives of CBM. The applicable chapters of the RKC are :

- Chapter 3 - Clearance & Other Customs Formalities
- Chapter 6 - Customs Control
- Chapter 7 - Application of IT
- The General Annex provides Standards for Guidance on CBM



**Time Release Study (TRS)**

The TRS is considered both a tool and method promoted by the WCO to measure the actual performance of Customs activities directly related to trade facilitation at the borders. In conducting a TRS, the effectiveness of relevant operational procedures carried out by Customs, and the CBRAs are measured to assess elements of trade flows, such as the standard processing of imports, exports and in transit movements at the borders. The TRS assists in the review and improvement of Customs procedures, and identifies problems and bottlenecks in the cross-border movement of goods. Consequently, the TRS can be used to develop solutions to address identified issues and therefore stimulate efforts to improve the efficiency and the effectiveness of Customs clearance process.



**JCA Measures that Support CBM**

The Authorized Economic Operator (AEO) Programme

The Automated System for Customs Data (ASYCUDA) World Project along with requisite legislative changes

The One Stop Shop at the Air and Sea Ports

Committees relating to collaboration and coordination with CBRAs

Committees relating to collaboration and coordination with the private sector

Memoranda of Understanding with CBRAs

Legislative changes supporting CBM as it relates to Customs Law and regulations

Joint Initiatives with the CBRAs and other Customs administrations

## CBM in the Jamaica Customs Agency

Modernization efforts have long been on the agenda of Jamaica Customs, targeting several areas of operations that contribute to the overall vision of a world class Customs administration. Operations have been constantly developed and improved along the years to be aligned with international best practices and standards relating to coordinated efforts on trade facilitation and enforcement at the borders. By the very nature of border management, Jamaica Customs has had long established relations with other government agencies and operators at the ports of entry, to fulfill the border protection mandate. Essential to effective collaboration with other border agencies are instruments of cooperation such as Memoranda of Understanding, established to ensure a streamlined process between the JCA and other border control agencies. Such commitments are supported by pertinent committees comprised of stakeholders from key Customs areas, the relevant border control agencies and other trade-related stakeholders. Agreements with international stakeholders are also essential to CBM in Jamaica and reinforce support by aligning national practices with international standards and encourage the implementation of global conventions such as the RKC. The Jamaica Customs Agency (JCA) is poised to commit to the RKC, as already a number of the principles, as well as the recommended standards and practices are already utilized within the Agency. This places Jamaica in a better position to ratify the TFA, and the JCA to commit to the aspects of the TFA that directly relate to Coordinated Border Management.

For more information on the WCO's CBM and the instruments and tools that support this agenda, please visit:  
<http://www.wcoomd.org>



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