7.2 The specified criteria ... shall be related to compliance, or the risk of non-compliance, with requirements specified in a Member's laws, regulations or procedures.

TFA ARTICLE 7.7 – AUTHORIZED OPERATORS

Such criteria may include:

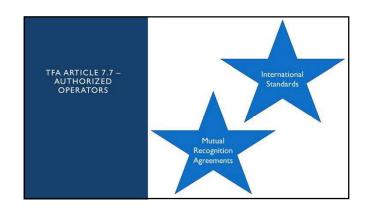
(i) an appropriate record of compliance with customs and other related laws and regulations;

(ii) a system of managing records to allow for necessary internal controls;

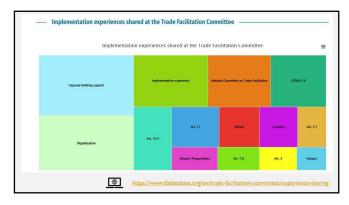
(iii) financial solvency, including, where appropriate, provision of a sufficient security or guarantee; and

(iv) supply chain security.

Such criteria shall not: (i) be designed or applied so as to afford or create arbitrary or unjustifiable discrimination between operators; or (ii) to the extent possible, restrict the participation of small and medium-sized enterprises.







WTO COMMITTEE
ON TRADE
FACILITATION

tfcommitte@wto.org

Experience Sharing in 2025
Focused on topics of Digitalization and AEOs

12-13 March 2025

4-5 June 2025

21-23 October 2025

Compendium of Special Provisions for MSMEs in AEO Programs (INF/MSME/W/47/Rev.2)

• Importance of AEOs for MSMEs: AEO status enhances credibility, reduces compliance burdens, and provides competitive advantages in international trade.

• Challenges for MSMEs: Limited resources, complex requirements, and difficulty in meeting financial solvency and security criteria.

• Approaches taken by WTO Members:

• India: Relaxed criteria for MSMEs.

• Korea: Financial support for MSMEs.

• European Union: Flexible compliance mechanisms tailored for MSMEs.



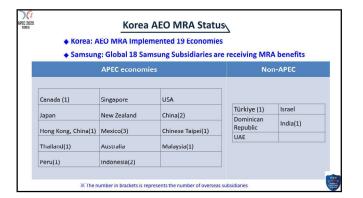


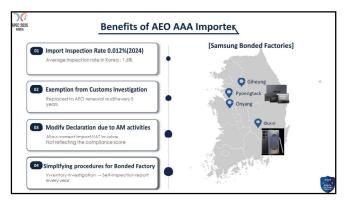






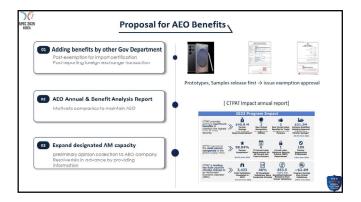








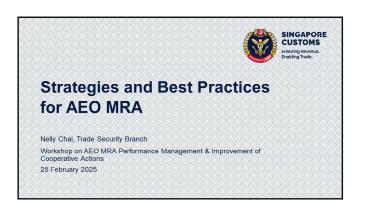




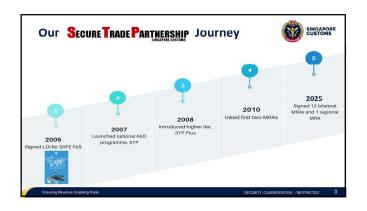












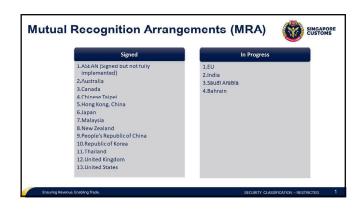




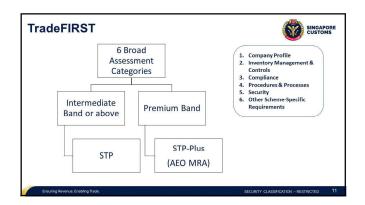


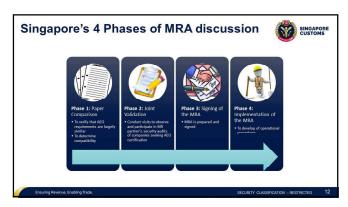


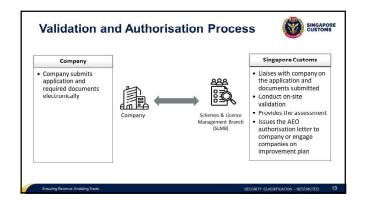




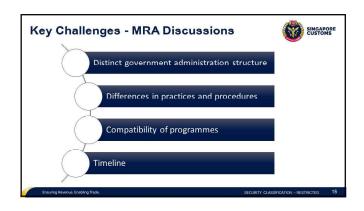






















Since its founding, KAA has validated over 2,500 AEO documents, trained 25,000+ managers globally, and supported 580+ SMEs.

Over 25,000

AEO Documentary validation Support



Annual Over 580

AEO ASSOCIATION

The Most Reliable

Partner for AEO

11F, 86, Tongil-ro, Jung-gu, Seou', Korea(04517) Tel: 82-70-4070-7956 Fax: 82-2-701-4898 Website https://aeo.or.kr/en/index.php

Over 25,000

AEO Training



210 Officials



AEO Capacity Building for Fereign Customs Officer

Seek for Substantiality of Business

(20.Oct) 10th Anniversary of Korra AEO Association (19-20) Development of AEO Smart Automation Platfor Technology for SMEs(Ministry of Science & Technology) (20) Set up Overseas Expansion Strategy

2021~22

Expansion of Business(Intern

(21 July) Selected member of WCO FPSG(Serve as Chairman of AEO Sub-committee; (222-24) AEO technology capability Enhancement Project for Philippine Customs ('22 Nov) Held AEO Capacity Building Workshop for Gambian

Customs
Support WCO fellowship Frogramme
Support AEO expert workshop for Asis-Pacific region of WCO

2023~Present

Strengthen right of AEO Companies to Global

SURFIGURE OF THE STACE Companies to Global (23 Jun Batabi hament of Support Center for Overneas Customs Cleannee Difficulties) (23, leb) Soleedet as Project institution for UNDP GTI Inware and Outword Proceedings Procedures (23, Jep) Signing MOU with Mongol an Castoms for AEO Capecty Building.

Capacity Building
('24. May) Signing Contract of Competitiveness and Trace Project
with Ministry of Laos Industry and Commerce

Progressing towards **KOREA**

Better Horizons for Sustainable and Secure Trade



KOREA AEO ASSOCIATION

Korea AEO Association (KAA), established in 2010 as a non-profit, is a government-designated AEO institution by the Korea Customs Service.

Expertise AEO Validators and Professor
15 years experience

System Develop Experience
OSelf-Test @Risk Monitoring AEO System

AEO Training Knowhow
14 Training Course With 35 Curriculum

Magnificent AEO Research History 50 Research Paper with Research Unit



2010~11

- Foundation & Support for Customs Administrat (10,Aug) Establishment of KAA (10,Oct) Designated AEO Document Velidation Institution (11,Mar) Designated AEO Training Institution
- 11.Apr) Designated SMEs Support Institution
- ('11.Nov) Held 1st AEO Best Practice Competition

- 2012~15

 Contribution of Expansion for AEO
 (122-'5) Held Ist ~4th AEO acquisit on support Project for SMEs
 (12~'5) Held 2nd ~5th AEO Best Practice Competition
 (12~'5) Conduct Research on AEO and AEO MRA Effects, SMEs
 Supports, Improvement of AEO criteria (WCO, KCS)

2016~18

Advancement of AEO

- ('17. Nov) Support VCP(Vendor Certification Program) Operation a: 2018 Pyeongchang Winter Olympics(Audit Organization) ('16~'18) Promotion of AEO with ?ublic Institution and Lecal
- ('18.Jun) Approved as Vocational Competency Development Training Institution(Ministry of Employmen; and Labor)

International Cooperation

Global AEO Leader

As the world's first AEO-specialized institution and the unique member of WCO RPSG in Korea, KAA contributes to the global community by supporting the establishment and stabilization of AEO schemes in various countries.

Global AEO Capacity Building Program





Develop and provide training programs that can be applied to practical AEO operation, understanding and evaluating AEO standards.



Sep3 Internalization of AEO Develop the public-private integrated system for each stage of AEC authorized application, certification, and follow-up management.



Support for AEO in Overseas (Acquisition and Post Management tep 1 Status analysis of the company Analysis of AEO criteria for relevant country and clien: Provide report according to the result of Gap analysis

WCO RPSG(Chairman of AEO sub-committee)

Lead the development of AEO system and the rights

and interests of AEC companies

Step 2



by business process
Manual enactment / revision, form
preparation AEO Training

Professional instructor with

customized training materials

Customized AEO Introduction Establishment of control activities



AEO Field Inspection Response Provide solutions for deficienc es (system supplementation, formatting, etc)

Support for **Customs Administration**

Close partnership with Customs Administration

AEO Validation Support

(Counselling) Provide tailor-made guide for AEO (Validation) Review of compliance for AEO criteria

- * Key Point of AEO Validation
- Meet the formal requirements
 Reason for potential
- disqualification
- 3. Conformity to the official standard of import and export management status





AEO MRA



(Premetion) MRA Meeting, Dissemination of material

(Consulting) Way of maximizing AEO MRA, 1:1

Support Conclusion and Operation

(Conclusion) Survey and deliver opinion (Operation) Analysis of benefits by MRA country

Trader Supports

(Domestic) Support accuisition and post management of AEO for SMEs (International) Validation from foreign Customs Authority (Training) Train and foster global professionals in the field of AEO Collect issues and provide solution for overseas Customs clearance









Utilization

consulting



Training / Education

AEO Manager Course(Mandatory Course)

- Operation of level of director and Manager for AEO accuisition and its maintenance
 (AEO Director) 400(year), AEO and policy of Customs Administration.
- Administration
 (AEO Manager) 1700(year), AEO Criteria and its
 Management, Case

Capacity Building Course

- (Foreign Customs) Validation Technique, AEC Criteria
 (Consultant) Consulting Technique, Supplementary
 Case
 (Trader) 2 Courses(Basic, Advanced) + Tailor made
 Ccurse

The First Meeting of the Sub-Committee on Customs Procedures (SCCP1)

Gyeongju, Republic of Korea February 26-28, 2025

Venue: Gyeongju Hwabaek International Convention Center(HICO), Room: 300C, 3F

	DAY 1 (February 26, 2025) 09:00 – 17:45 (KST)	
TIME	TOPIC	PRESENTER
	AGENDA ITEM 1: WELCOME AND OPENING OF	MEETING
09:00	1.1 Opening and welcoming remarks	SCCP Chair
	Welcoming remarks from SCCP Chair	
09:05	1.2 Welcome from Commissioner of Korea Customs	Korea
09:10	1.3 Introduction of Participants and Group Photo SCCP Chair will, in alphabetical order, invite each head of delegation to introduce their members. Chair will then invite guests to introduce themselves.	Heads of Delegations, Program Director, Guests
	AGENDA ITEM 2: ADOPTION OF THE AGE	NDA
09:30	2.1a/2.1b Presentation of the agenda and call for adoption	SCCP Chair
AGENI	DA ITEM 3: APEC 2025 THEME & PRIORITIES AND	APEC UPDATES
This ag	enda item will provide updates on the SCCP's priorities fo alignment with CTI and APEC priorities	or 2025 and discuss
09:40	3.1 Overview of Korea 2025 APEC Theme & Priorities	Korea
09:50	3.2 Briefing by CTI Chair	CTI Chair
10:00	3.3. Presentation of Peru's CTI initiative on "A way forward to implement the Ichma Statement on A New Look at the FTAAP"	Peru
10:10	3.4 Update on SCCP Fora Assessment and Terms of Reference Renewal Process	Program Director
10:20	3.5 Presentation of the 2025 SCCP Work Plan	SCCP Chair

14:45	5.4. Report on APEC-funded project,	Peru
	Research report of the SCCP 201 2023T project "Workshop on Technological solution for Green Gustoms".	
15:00	5.5 Presentation on Introduction of the Green Customs Initiative and Green Customs Guide (Video)	UNEP
15:15	5.6 Presentation on Building Infrastructure to Strengthen the Capabilities of MSME Exporters Through the Utilization of FTAs	Korea
15:30	5.6 Questions and Comments	Member Economies
	Economies will be invited to raise their tent card if they have any questions or comments	
	DA ITEM 6: INNOVATION OF SUPPLY CHAIN MAN DIGITALIZATION OF CUSTOMS	
	enda item is related to Priority 4 (Exploring the use of nev CCP Strategic Plan 2022-2025. It is also related to Chokep (Digitalization)	
15:35	6.1 Presentation by China	China
15:50	6.2 Presentation of AI-Based Risk Management of Korea Customs Service	Korea
16:05	6.3 Presentation on the Canada Border Services Agency (CBSA) Assessment and Revenue Management (CARM)	Canada
16:20	6.4 Presentation of Cross Border Exchange of Electronic C/O (e-C/O) through Origin Digitalization	Korea
16:35	6.5 Presentation on Singapore Customs' Contact Centre Transformation	Singapore
16:50	6.6.a. Presentation on Best Practices to Promote Transparency in the Logistic Supply Chain: Information Platforms of Logistic Services for Foreign Trade	Peru
	6.6b. Presentation on Improving the digitalization of international trade: relevance of the use of the Electronic Bill of Lading	
17:20	6.7. Presentation on Promoting the utilization of paperless trade platforms in the post COVID 19 era	APEC Policy Support Unit (PSU)

10:30	3.6 Update on APEC Projects	Program Director
	10:40 MORNING BREAK (20 MINUTES)	
	AGENDA ITEM 4: ENGAGEMENT WITH STAKER	IOLDERS
TI	is agenda item will provide updates from relevant stakeholo opportunities for collaboration with the SCCF	
11:00	4.1 Presentation on WCO Secretariat's priorities and opportunities for collaboration with SCCP	wco
11:15	4.2 Presentation on WTO Secretariat's priorities and opportunities for collaboration with SCCP	WTO representative
11:30	4.3 Presentation on UNESCAP Secretariat's priorities and opportunities for collaboration with SCCP	UNESCAP
11:45	4.4 APEC Cross-fora activities	SCCP Chair
12:00	4.5 Questions and Comments	Member Economies
	Economies will be invited to raise their tent card if they have any questions or comments	
	12:10 TOUR OF CUSTOMS TECHNOLOGY EXHI	BITION
	12:30 LUNCH (1 HOUR 30 MINUTES)	
AGE	NDA ITEM 5: SUSTAINABLE GROWTH THROUGH	STREAMLINING
This	agenda item is related to Priority 3 (Enhancing supply chai.	n predictability and
cor	nnectivity) of the APEC SCCP Strategic Plan 2022-2025. It Chokepoint 4 of SCFAP III (Green supply chain managem	is also related to
14:00	5.1 Presentation of "Customs Bonded System Considering the Trend of International Logistics"	Japan
14:15	5.2 Presentation by China	China
	I .	1

"Development of AEO Cooperation Scheme and Measurement of Economic Effects of AEO Among APEC Member Economies" (SCCP 203 2024A)

17:30	6.8 Questions and Comments	Member Economies
	Economies will be invited to raise their tent card if they have any questions or comments	
	17:35 AFTERNOON BREAK (10 MINUTES	(i)
17:45	6.9 Panel Discussion This panel session will focus on e-commerce and the response of Customs. Format: After the presentation, the Moderator will ask panelists specific questions on the topic and invite each panelist to provide response.	SCCP Chair
	Moderator: UNESCAP	
	Keynote: Korea	
	"Study on Best Practices for Using New Technologies and Innovative Solutions in Cross-Border E-Commerce: Focus on Customs Risk Management System and Customs-Business Cooperation" (SCCP 201 2024A, APEC-funded project)	
	Panelists:	
	- China	
	- Korea	
	- Global Express Association(GEA) Member economies are invited to volunteer as panelists	Member Economies
18:30	6.10 Introduction and Briefing of "APEC Non-Binding Guidelines for Global Customs Cooperation and Digital Customs in E-Commerce"	SCCP Chair
18:40	6.11 Questions and Comments Economies will be invited to raise their tent card if they have any questions or comments.	All Economies
18:45	6.12 Wrap Up of Day One of SCCP Meetings	SCCP Chair
18:50	Announcements (Welcome Dinner)	Assistant to the Chair

	DAY 2 (February 27, 2025) 09:00 - 12:30 (KST)	
09:00	Opening and recap of Day 1 of SCCP Meetings	SCCP Chair

AGENDA ITEM 7: INCLUSIVE GLOBAL TRADE

This agenda item is related to Priority 5 (Promoting inclusion and fostering capacity building) of the APEC SCCP Strategic Plan 2022-2025. It is also related to Chokepoint 5 of SCFAP III (Facilitating MSMEs' access and integration into global supply chains)

of SCI	FAP III (Facilitating MSMEs' access and integration into g	lobal supply chains)
09:10	7.1 Presentation on Gender Equality and Diversity	Australia
09:25	7.2 Presentation on the Promotion of Greater Diversity and Inclusion through the Use of Social Media at the Canada Border Services Agency (CBSA)	Canada
09:40	7.3 Presentation on Increasing Inclusivity and Empowerment of Women in Customs	Korea
09:55	7.4 Presentation by New Zealand	New Zealand
10:10	7.5 Presentation on Study on the Situation of Women Participating in Cross-Border Trade at the Huaquillas (Peru - Ecuador) and Desaguadero (Peru - Bolivia) Posts	Peru
10:25	7.6 Questions and Comments Economies will be invited to raise their tent card if they have any questions or comments	Member Economies
	10:35 MORNING BREAK (20 MINUTES)	
10:55	7.7a/7.7.b Panel Discussion: This panel session will explore the way forward on how to support MSMEs in trade for inclusive growth in the region	SCCP Chair
	Format: After the presentation, the Moderator will ask panelists specific questions on the topic and invite each panelist to provide response.	
	<u>Moderator</u> : WTO	
	Kevnote: Korea	
	"Best Practices to Support MSME Exporters in Implementing Trade-Related Environmental Regulations and Achieving Sustainable Growth (SCCP 202 2024A, APEC-funded project)"	
	Panelists:	
	- Japan - Korea - Peru	Member Economies
	Member economies are invited to volunteer as panelists	

	DAY 3 (February 28, 2025) 09:00 – 12:10 (KST)	
09:00	Opening and recap of Day 2 of SCCP Meetings	SCCP Chair
	AGENDA ITEM 9: WTO-TFA IMPLEMENTA	ΓΙΟΝ
This ago	enda item is related to Priority 2 (Accelerating implementat of the APEC SCCP Strategic Plan 2022-2025	
09:10	9.1 Presentation by WTO	WTO
09:25	9.2 Presentation on the Progress of WTO TFA Implementation by WCO Members	wco
09:40	9.3 Presentation on WTO-TFA implementation	Korea
09:55	9.4 Presentation by China	China
10:10	9.5 Presentation on Improving Regional Customs Training and Infrastructure	Korea
10:25	9.6 Presentation on WTO-TFA implementation	Chile
10:40	9.7 Presentation by Indonesia	Indonesia
10:55	9.8 Presentation by Peru	Peru
11:10	9.9 Questions and Comments Economies will be invited to raise their tent card if they have any questions or comments	Member Economies
	11:20 MORNING BREAK (30 MINUTES)	
11:50	9.9 Meeting wrap up and Closing Remarks End of SCCP1 Plenary	SCCP Chair
12:10	Announcements (Cultural Activity)	Assistant to the Chair
	12:30 LUNCH (1 HOUR 30 MINUTES)	•
14:00	Cultural activity	Korea

A	GENDA ITEM 8: UPDATE OF SCCP STRATEGIC PL	AN AND TOR
7	This agenda item will provide relevant updates from the AP	EC Secretariat
11:45	8.1 Discussion on the SCCP Strategic Plan 2026- 2029 and SCCP TOR (2026-2029)	SCCP Chair
	(a) Briefing on current SCCP Strategic Plan and SCCP TOR	Program Director
	(b) Discussion by member economies	Member Economies
	Economies are invited to raise their tent cards to share their views on the SCCP Strategic Plan 2026-2029 and SCCP TOR (2026-2029)	
	(c) Conclusion and next steps	SCCP Chair
12:15	8.2 Wrap Up of Day Two of SCCP Meetings	SCCP Chair
12:25	Announcements (Site visit)	Assistant to the Chair
	12:30 LUNCH (1 HOUR 30 MINUTES)	
14:00	Site visit	Korea

The First Meeting of the Sub-Committee on Customs Procedures (SCCP1)

Gyeongju, Republic of Korea February 26-28, 2025

 $Venue: Gyeongju\ Hwabaek\ International\ Convention\ Center(HICO),\ Room:\ 300C,\ 3F$

	DAY 2 (February 27, 2025) 09:00 – 12:30 (KST)	
09:00	Opening and recap of Day 1 of SCCP Meetings	SCCP Chair
09:10	6.9 Introduction and Briefing of "APEC Non-Binding Guidelines for Global Customs Cooperation and Digital Customs in E-Commerce"	SCCP Chair
09:15	6.10 Questions and Comments Economies will be invited to raise their tent card if they have any questions or comments.	All Economies
09:25	6.11 Presentation on Projects led by Peru to Improve Digitalization and Transparency on Trade	Peru
of SCI 09:35	7.1 Presentation on Gender Equality and Diversity	Australia
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	Diversity and Inclusion through the Use of Social Media at the Canada Border Services Agency (CBSA)	
10:05	7.3 Presentation on Increasing Inclusivity and Empowerment of Women in Customs	Korea
10:20	7.4 Presentation on New Zealand's Approach to Inclusive Trade	New Zealand
10:30	7.5 Presentation on Study on the Situation of Women Participating in Cross-Border Trade at the Huaquillas (Peru - Ecuador) and Desaguadero (Peru - Bolivia) Posts	Peru
10:40	7.6 Questions and Comments	Member Economies
	Economies will be invited to raise their tent card if they have any questions or comments	

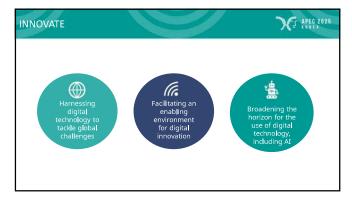
	DAY 3 (February 28, 2025)	
	09:00 – 12:10 (KST)	
09:00	Opening and recap of Day 2 of SCCP Meetings	SCCP Chair
	AGENDA ITEM 9: WTO-TFA IMPLEMENTA	ΓΙΟΝ
This ago	enda item is related to Priority 2 (Accelerating implementat of the APEC SCCP Strategic Plan 2022-2025	
09:10	9.1 Presentation on WTO-TFA Update	WTO
09:25	9.2 Presentation on the Progress of WTO TFA Implementation by WCO Members	wco
09:40	9.3 Presentation on WTO-TFA implementation	Korea
09:55	9.4 Presentation on China's Single Window Innovation Drien by Digitalization & New Technologies	China
10:10	9.5 Presentation on Improving Regional Customs Training and Infrastructure	Korea
10:25	9.6 Presentation on WTO-TFA implementation	Chile
10:40	9.7 Presentation on Indonesia's Customs Implementation on WTO-TFA	Indonesia
10:55	9.8 Presentation on Implementing the TFA in Peru: Progress and Impact	Peru
11:10	9.9 Questions and Comments Economies will be invited to raise their tent card if they have any questions or comments	Member Economies
	11:20 MORNING BREAK (30 MINUTES)	
11:50	9.10 Meeting wrap up and Closing Remarks End of SCCP1 Plenary	SCCP Chair
12:10	Announcements (Cultural Activity)	Assistant to the Chair
	12:30 LUNCH (1 HOUR 30 MINUTES)	I
14:00	Cultural activity	Korea
		l .

	10:45 MORNING BREAK (20 MINUTES)	
11:05	7.7a/7.7b Panel Discussion: This panel session will explore the way forward on how to support MSMEs in trade for inclusive growth in the region	SCCP Chair
	Format: After the presentation, the Moderator will ask panelists specific questions on the topic and invite each panelist to provide response.	
	Moderator: WTO	
	Keynote: Korea	
	"Best Practices to Support MSME Exporters in Implementing Trade-Related Environmental Regulations and Achieving Sustainable Growth (SCCP 202 2024A, APEC-funded project)"	
	Panelists:	
	- Japan - Korea - Peru	Member Economies
	Member economies are invited to volunteer as panelists	
11:55	his agenda item will provide relevant updates from the APA 8.1 Discussion on the SCCP Strategic Plan 2026– 2029 and SCCP TOR (2026–2029)	EC Secretariat SCCP Chair
	(a) Briefing on current SCCP Strategic Plan and	
	SCCP TOR	Program Director
		Program Director Member Economies
	SCCP TOR	
	SCCP TOR (b) Discussion by member economies Economies are invited to raise their tent cards to share their views on the SCCP Strategic Plan 2026-2029 and	
12:25	SCCP TOR (b) Discussion by member economies Economies are invited to raise their tent cards to share their views on the SCCP Strategic Plan 2026-2029 and SCCP TOR (2026-2029)	Member Economies
12:25 12:35	SCCP TOR (b) Discussion by member economies Economies are invited to raise their tent cards to share their views on the SCCP Strategic Plan 2026-2029 and SCCP TOR (2026-2029) (c) Conclusion and next steps	Member Economies
	SCCP TOR (b) Discussion by member economies Economies are invited to raise their tent cards to share their views on the SCCP Strategic Plan 2026-2029 and SCCP TOR (2026-2029) (c) Conclusion and next steps 8.2 Wrap Up of Day Two of SCCP Meetings	Member Economies SCCP Chair SCCP Chair Assistant to the

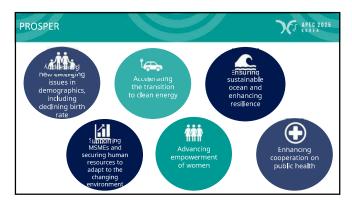


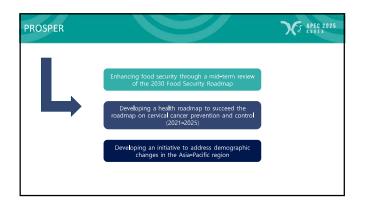


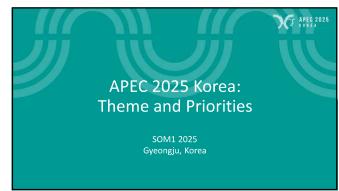




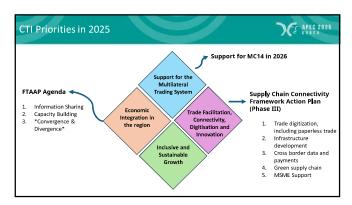












Update the FTAAP Agenda Work Plan Maintains existing workstreams 1. Information Sharing Maintains existing workstream - ...examines and analyzes areas of divergence and convergence in FTAs and RTAs practice, based on the

Mechanism Initiative

2. Capacity Building

- ...examines and analyzes areas of divergence and convergence in FTAs and RTAs practice, based on the PSU's Study on Convergences and Divergences of Free Trade Agreements in the APEC region as well as other relevant initiatives
- ...exploration of new areas of work, which may possibly include inter-alia customs procedures, investment, digital trade, competition policy, state-owned enterprises, trade and labour, trade and environment, intellectual property and MSMEs

Involvement CTI to guide and lead the efforts to deepen synergies, enhance cross-fora collaboration, seek inputs, and explore new ways to address the multidimensional and cross-sectoral challenge Continued active involvement of representatives from business and academia, including closer collaboration with ABAC, PECC, and the APEC Studies Centers Consortium. The PSU to continue supporting APEC's work on FTAAP

Ichma Statement (3) Reporting

- CTI to report the "advancement and tangible outcomes" through the CTI Annual Report.
- PSU may review the work during this period, with a comprehensive review in 2030

Fora Assessment and Renewal



- CTI members have provided prelim views on renewal of the respective sub-fora.
- Renewal will be formally discussed at CTI1/2025 on 5-6 March
- If there is agreement, CTI will recommend XX fora for renewal to Senior Officials (Senior Officials will ultimately make the decision on renewal).
- If SOMs agree on renewal, fora expected to work on their Terms of Reference (ToR) for the period 2026-2029, incorporating comments/requirements/conditions from SOMs/CTI.
- ToR to be endorsed by the fora <u>and</u> CTI. Only when the ToR is endorsed and approved does the fora continue on from 2026.
- Target for endorsement of ToR > next fora meeting i.e. SOM3/2025 or earlier

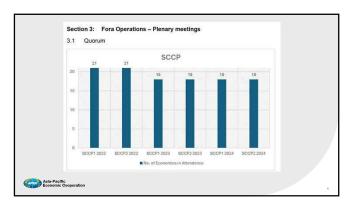


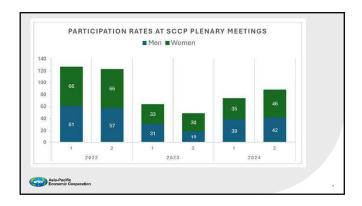
Recap

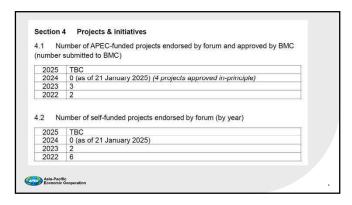
- In November 2024, members were provided with the <u>assessment report</u> and given the opportunity to provide <u>feedback on</u> the forum, including views if the forum should be renewed
- In January 2025, the <u>assessment report</u>, together with the consolidated feedback from members, was shared with forum members and the CTI

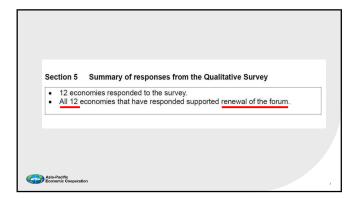


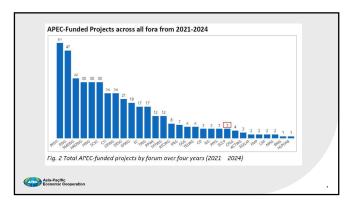


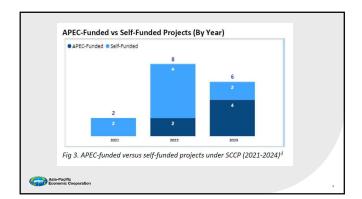


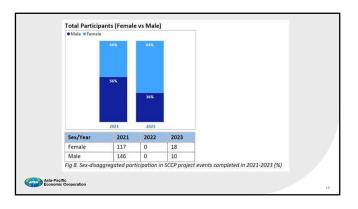


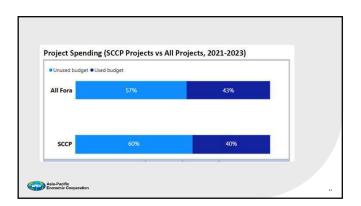


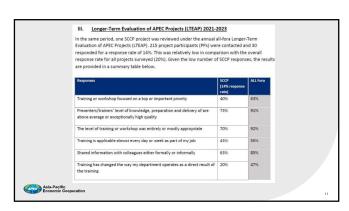












Quality Survey:

- Strongest points: Efficient SCCP work in the light of the framework documents
- Areas where SCCP could be more efficient and effective: reducing duplication of works in projects and initiatives; sometimes panel discussions cover repetitive topics; SCCP could better coordinate with other APEC bodies, in particular on issues that impact both bodies.
- Areas where collaboration (with internal and external partners) and impact of the forum, including forum's work on regional or international organizations could be strengthened: In order to support more robust public-private dialogue, there should be an open group of private sector representatives who can weigh-in on important SCCP questions without being required to travel to an APEC meeting.



Current Status

- CTI has been requested to provide feedback, and at CTI1 (5 - 6 March) will be asked if they can agree to recommend to Senior Officials, that the forum be renewed.



Next Steps

- If there is agreement at CTI to renew SCCP fora, Senior Officials will be requested to approve the renewal of SCCP at the SOM1 plenary (8 - 9 March)
- If Senior Officials agree, then the forum will be informed and asked to work on updating the <u>SCCP Terms of Reference for 2026-2029 (ToR)</u>.
 - The <u>ToR</u> should ideally be endorsed by the forum at the next plenary meeting.
 The endorsed <u>ToR</u> will need to be endorsed again at CTI-level and Senior
 - The endorsed <u>ToR</u> will need to be endorsed again at CTI-level and Senior Officials will be informed. If there are any conditions attached to the renewal of the forum, then the ToR should also incorporate these conditions.
- In the event that there is no consensus, either at the CTI or the SOM-level, then discussions will continue at the forum/CTI-level depending on what the issue is.



Asia-Pacific Economic Cooperation Thank you!

Attachment: Annual Work Plan Template for SCCP

APEC Sub-Committee on Customs Procedures Annual Work Plan

Host: Republic of Korea Year: 2025

	Title of Project/Initiative	Purpose and main goals to be achieved by the end of the year	Relevance to the SCCP Strategic Plan	Relevance to PV2040 and the Aotearoa Plan of Action (APA)¹	Relevance to other APEC commitments (i.e. the Bangkok Goals on Bio-circular Economy) ²	Responsible economy/ies
	I. Initiatives					
1	Proposal of APEC	With the global upsurge	This initiative is closely	This project aligns with	This project is in line with	Republic of
	Non-Binding	of e-commerce in the	related to the SCCP's	two of the three key	the overarching goal for	Korea
	Guide ines for	post-pandemic era,	2022 2025 priorities of	visions outlined in	APEC Phase Three of	
	Global Customs	Customs administrations	strategic plan, including	PV2040 and APA,	Supply Chain Connectivity	
	Cooperation and	are facing shared	(2)accelerating	namely "I rade and	Framework Action Plan	
	Digita Customs in	challenges, including	implementation of the	nvestment" and	(SCFAP III), which is "To	
	E-Commerce	expediting customs	WTO TFA, and (5)	"nnovation and	support our businesses in	
		cearance while blocking	promoting inclusion and	Digitalisation*	building secure, resilient,	
	Start Date: Feb	the entry of harmfu	fostering capacity building		sustainable and open supply	
	2025	Spoods	in the international trading		chains that create a	
	Completion Date:		environment, by sharing		predictable, competitive and	
	TBC	Against this backdrop, the	experience, knowledge		digitally interconnected	
		goal of this initiative is to	and expertise between		Asia-Pacific region for all.	
	(Refer to Annex A	pursue the adoption of a	Members as well as		And also targets Chokepoint	
	for detail)	paper on "APEC Non-	enhancing cooperation		(2) for 'SCFAP III', which is	
		Binding Guide ines for	based on the Common		"Infrastructure development	
		Goba Customs	Understanding to		to support robust multi-	
		Cooperation and Digita	promote facilitation of e-		modal connectivity and	
		Customs in E-	commerce and contribute		ogistics networks"	
		Commerce at the	to the capacity building of			
		SCCP. The Non-binding	developing economies in		Moreover, this initiative is in	
		Guide ines are intended	e-commerce related		ine with the WTO Trade	
		to become a cornerstone	areas		Facilitation Agreement	
		in fostering an active			Article 7. Release and	
		exchange of experience,			clearance of goods, which is	
		knowledge and expertise			"Each Member shall adopt	
ľ						-

The Acteanoa Plan of Action was adopted by APEC Leaders in 2021. http://modith.ares.com/Documents/2021/AELM/ELM/21 aefn. dec. anv.odf 2 The APEC Bangkok Goals on Blo-chrotidar Economy ware actopsed by APEC Leaders in 2022. http://moditabase.com/Documents/2022/AELM/EL

Attachment: Annual Work Plan Template for SCCP

- 1						
				technologies to stimulate growth, connectivity and digital transformation.		
	Smart Customs Smart Customs Cooperation Cooperation 2025 Completion date: TBC frefer to Annex B for detail)	The objective of this initiative is 10 further collect and sort collect an	The intrative supports the 2022-005s. Priority & Exploring the uses of new technology and innovative solutions to secure supply chains	The initiative supports Plan of Actions call to promote trade and investment and To ensure that the Asia. Pacific tentains the world's most dynamic and interconnected regional economy, we and interconnected engine economy, we and interconnected engine economy. We and interconnected engine economy we and interconnected engine economy. We continue to work trogether to deliver, a free, open fair, non- discriminatory, in transparent and predictable trade and investment.	The initiative is related with the Bangkok Goals on Bio-circular Economy. Specifically with item (8(c) on a carding environment for the evaluation of quality infrastructure, financing and investment is as well as further leveraging science, technology, innovation and digitalisation.	China
	I. Projects					
	A. APEC Funded Projects	ojects				

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	create a joint front against			allowing for the submission of import documentation and	
	environment.			other required information, including manifests, in order	
				to begin processing prior to	
				view to expediting the	
				release of goods upon arrival."	
	As highlighted in the 2024	This project supports the	This project aligns with	This project is in ine with	Republic of
	ABAC report to APEC Foundmin leaders	SCCP Strategic Plan 2022-2025 in particular	two of the three key	the overarching goal for APEC Phase Three of	Korea
	supporting open, stable	priorities related to:	PV2040 and APA	Supply Chain Connectivity	
	and resilient supply chain		namely *Trade and	Framework Action Plan	
	along with advanced	Priority 3: Enhancing	nvestment" and	(SCFAP III), which is "To	
	digita trade is of	supply chain predictability	"Innovation and	support our businesses in	
	paramount importance to	and connectivity in the	Digita sation"	building secure, resilient,	
	region.		One of the objectives for	chains that create a	
	,		this theme is "To	predictable, competitive and	
_	The proposed theme of		empower all our people	digitally interconnected	
	2025 ACBD aims to		and businesses to	Asia Pacific region for all.	
	provide opportunity for		participate and grow in	And also targets Chokepoint	
	member economies to		an interconnected globa	(2) for 'SCFAP III', which is	
	explore the innovative		economy, we will roster	nrastructure development	
	ways of facilitating trade		an enabling environment	to support robust multi-	
	by odopting now		citat is market anneal and	node compounty and	
	by adopting new technologies into supply		supported by digital	ogistics networks	
	chain management		innovation. Relevant		
	Efficient Customs		collective actions		
	operation accelerated by		recommended by APA		
	technologies could		are as follows:		
_	contribute to seamless		i. sharing information		
	business environment		and best practices;		
	and create sustainable		ii. promoting good		
	regiona /global trade.		regulatory practices		
			and		
_			regulatory		
			cooperation; iii. Adopt		
			new and emerging		

Attachment: Annual Work Plan Template for SCCP

	*************				4	
-	SCCP 201 2024A	I his projects aims to	I his project supports the	I his project supports the	I his project is in line with the	Republic of
ŀ		explore ways to enhance	SCCP Strategic Plan	PV2040 economic	overarching goal for APEC	Korea
	Study on Best	Members' capacity to	2022-2025, in particular	drivers and Aotearoa	Phase Three of Supply Chain	
	Practices for	process arge volumes in	priorities related to:	Pan of Action,	Connectivity Framework	Co-sponsored by
	Using New	e-commerce swiftly and		particularly:	Action Plan(SCFAP III),	Japan, Peru and
	Technologies and	securely	Priority 3: Enhancing		which is "To support our	the United States
	Innovative		supply chain predictability	The first driver, "Trade	businesses in building	
	Solutions in	To this end, the project	and connectivity in the	and nvestment"	secure, resilient, sustainable	
	Cross-Border E-	will promote e-commerce	APEC region	The project will assist	and open supply chains that	
	Commerce: Focus	trade facilitation and		economies in achieving	create a predictable,	
	on Customs Risk	assist APEC member		the vision by sharing and	competitive and digitally	
	Management	economies in tackling		acquiring expertise, new	interconnected Asia Pacific	
	System and	challenges like customs		technologies and	region for all.	
	Customs-Business	cearance de ays and		knowedge to improve		
	Cooperation	illegal goods entry, by		the seamess flow of		
		creating a customs		cross-border e-		
	Start Date: Nov	clearance system that		commerce, ultimately		
	2024	effectively prevents		facilitating trade and		
	Completion Date:	poistical condestion while		Sustainable growth of		
	Deep Door	Company of the compan		Sacratica Sickers		
	Dec 2025	monitoring illegal trade.		APEC economies		
		A workshop will be				
		organized to provide a				
		Venue for clistoms				
		vellue foi custoffers to british on				
		auministrators to build off				
		previous related				
		workshops by sharing				
		knowledge and				
		experiences, ultimately				
		working towards				
		identifying best practices				
		and disseminating skills				
		and solutions among				
		APFC economies				
		The outcomes of the				
		workshop will be				
		compiled into a report				
		and made available to				
		APEC members				

Attachment: Annual Work Plan Template for SCCP

Republic of	Korea		Co-sponsored by	Australia and	Peru																																				
This project aligns with the	objectives of the ASF Sub-	fund FTAAP and GVCs and	is directly related to the	following goals:)	Carrying out the collective	strategic study on issues	related to the realization of	the FTAAP:	Accelerating "at the border"	trade liberalization and	facilitation efforts, improving	the business environment	"behind the border", and	enhancing regiona	connectivity" across the	border";	Enabling developing	economies to better	participate in GVCs;	Assisting SMEs to benefit	from GVCs.		Additionally, by increasing	the competitiveness of	MSMEs whose activities may	be restricted by trade-related	environmenta regulations, it	can contribute to enhancing	MSMEs' access to	international markets and	GVCs, as outlined in the ASF	Sub-Fund FTAAP and GVC's	Strategic Plan							
The primary driver and	objective of PV2040,	APA related to this	project are:		1. Trade and	nvestment, and 4	Connectivity and supply	chains		PV2040 aims to	establish "an	interconnected regional	economy" (Driver 1-	Trade and Investment)	and pursue "sustainable	and inclusive growth"	(Driver 3- Strong,	Balanced, Secure,	Sustainable and	nd usive Growth).	This project aligns with	these goals by	addressing ways to	support MSMEs affected	by fast changes in trade-	reated environmenta	regulations and by	discussing a roadmap	for continuous growth	through cooperation	among APEC	economies		Furthermore, this project	is aligned with the APA	objectives as it facilitates	exchange of policies and	strategies among	economies, Such	exchanges will promote	trade among APEC
This project aligns with	Priority 3 - Enhancing	supply chain predictability	and connectivity in the	APEC region, and Priority	5 - Promoting inclusion	and fostering capacity	building in the	international trading	environment, as outlined	in SCCP Strategic Plan	2022 2025																														
The objective of the	project is to identify the	supportive measures and	policies of APEC	economies in customs	clearance procedures to	assist MSME exporters to	comply with trade-related	environmenta	requiations. This will	assist businesses and	governments in	formulating strategies to	support trade activities of	MSMEs affected by new	trade-related	environmenta regulations	to improve their	participation in globa	trade, and to promote	free trade both within and	outside the region	through information	sharing among APEC	members.		To this end, the proposed	workshop will also share	and discuss best	practices from APEC	economies and the role of	customs.										
SCCP 202 2024A		Best Practices to	Support MSME	Exporters in	Implementing	Trade-related	Environmental Principle 1997	Regulations for	Sustainable	Growth		Start Date: Dec	2024	Completion Date:	Jan 2026																										
ĸ	,																																								

Attachment: Annual Work Plan Template for SCCP

		Republic of Korea
strong collaboration between putle and private sector, (6) Strengthening collaboration with other stakeholders on CAVCa by reminding WCO SAFE Framework of Standards—Fillar 3, "Customs Ito Other Government Agency".		This project is in line with the overactning goal for APEC Phese Three of Supply Chain Connectivity Prantework Action nectivity Prantework Action nectivity Prantework Action nectivity which is "To support our basinesses in buildings secue, resilent, sustainable and open supply in buildings secue, resilent, sustainable and open supply and partial predictable, competitive and digitally interconnected Asia—Pealife region for all ill, which is "Infrastructure Chokepoint" is "Infrastructure development to support connectivity and logistics networks."
		This project aggres with two of the three Key visions outlined in who of the three Key Visions outlined in mandy. Trade and mandy. Trade and firmovation and bigitalisation?
		This self-timed project is according to the socre socre socre socre socre socre in reducing (2) social soci
	ed Projects	This protect ames to make the whole shourcases in innovative technologies in the area of customs that the area of customs that the area of customs that the illegal entry of name the illegal entry of the sold entry will be able to expendence the sold entry of the exhibition. At the exhibition will provide the through an interactive about the sold entry of the country of the character or indicated by customs officers along with a Q&A session. The exhibition will provide the customs officers along with a Q&A session. The exhibition will provide the customs riefal, gather new vice worked and skills and entry in the customs riefal, gather new vice wedged and skills and entry in the customs riefal, gather and entrance workedge and skills and entrance workedge.
	B. APEC Self- Funded Projects	SCCP 01 2024S Furtherion of Innovative Technologies in Customs Start Date: Feb 2025 Completion Date: Aug 2025
		N

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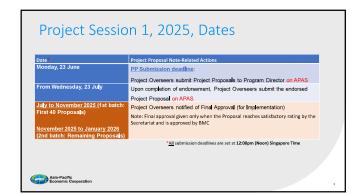
growth.	commone to substantiable growth.	contribute to sustainable growth.	contribute to sustainable growth.			
SCCP 203 2024A This project aims to This project is closely This project aligns with The ASF empirically analyse the replact to the SCCP's two of the three key Free Tra	This project is closely This project aligns with related to the SCCP's two of the three key	This project aligns with two of the three key	vith	The ASF Free Tra	The ASF Sub-fund on the Free Trade Area of the Asia-	Republic of Korea
e 2022–2025 priorities of visions outlined in strategic plan including PV/2040 and ADA	2022–2025 priorities of visions outlined in strategic reason including physokal and ABA	visions outlined in		Pacific	Pacific and Global Value	yd bezoenod by
Member economies (2)accelerating namely Trade and	es (2)accelerating namely "Trade and	namely "Trade and		funding	funding of this project,	Australia, Chile
through TRS and implementation of the Investment and "Strong,	implementation of the Investment and "Strong,	nvestment* and "Strong.	strong,	particu	particularly in the following	and Peru
Economic Effects surveys, and create an WTO TFA, (3)enhancing Balanced, Secure, areas:	WTO TFA, (3)enhancing Balanced, Secure,	Balanced, Secure,		areas.		
The compiled information and connectivity in the Inclusive Growth"	ormation and connectivity in the Inclusive Growth*	Inclusive Growth		(1)Adc	(1)Addressing trade and	
APEC region, and	APEC region, and			invest	investment issues that impact	
groundwork for MRAs, (4)exploring the use of	(4)exploring the use of		SO/OS GACS	GVCs	GVCs by complying with	
Date: Nov leading to facilitation of new technology and	Itation of new technology and		Trade	Trade	Trade Facilitation Agreement	
Condition Date: environments and course country with	Innovative solutions to		Tw yd	M √c	by WTO, (2)Enabling	
enhanced security			deve	deve	developing economies to	
management. A capacity	pacity-	better	petter	concil	better participate in GVCs by	
bullang workshop will be conducted to provide	Ωe	other	other	other	other economy and	
		puoo	cond	cond	conducting AEO capacity	
nccessfu		oling	bling	o ind	building workshop,	
		(3)/As	(3)As	(3) F	(3) Assisting SMEs to benefit	
Implementation of the		IIIOII	IIIOII	o to	internal control system and	
	Maina	2000	2008	Sec	security scheme by acquiring	
		AEO	AEO	AEO	AEO accreditation and	
Noire	onio	eniov	eniov	eniov	enioving AEO benefits. (4)	
Adopt	Adopt	Adopt	Adopt	Adopt	Adopting effective trade	
facilita	facilita	facilita	facilita	facilita	facilitation measures by	
npuoo	condu	coudu	condu	condu	conducting Time Release	
Study	Study	Study	Study	Study	Study to figure out actual	
lead ti	lead ti	lead ti	lead ti	lead ti	lead time of AEO	
suoo	cons	cons	cons	cons	consignment compared to	
üÖN	uoN	Non	Non	Š.	Non-AEO's, (5) Encouraging	
and and	qnd	and .	gnd _	쥞.	public-private partnerships	
for G	for G	for G	for G	ξ	for GVCs by introducing the	
Conce	conce	90000	conce	conce	concept of AEO that needs	

Attachment: Annual Work Plan Template for SCCP

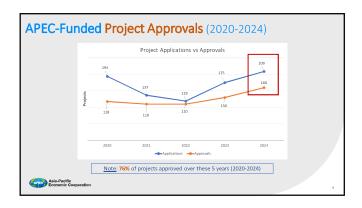
				Citac	Attachinient. Annua Work F an Tempate 101 SOOF	IIIpate Ioi coor
		including traveler clearance.				
0	(Project No. TBC)	This project will bring	This self-funded project is This project aligns with	This project aligns with	This project is in line with	Republic of
•		together stakeholders in	cosely related to the	one of the three key	the overarching goal for	Korea
	nternationa	charge of various	SCCP's 2022-2025	visions outlined in	APEC Phase Three of	
	Origin Seminar	dimensions of a Free	priorities of strategic plan,	PV2040 and APA,	Supply Chain Connectivity	Co-sponsored by
		Trade Agreement,	including (2)accelerating	namely "Trade and	Framework Action	Japan
	Start Date: Aug	including impementation	implementation of the	nvestment	Plan(SCFAP III), which is	-
	2025	(the Korean government	WTO TFA		"To support our businesses	
	Completion Date:	and other customs		The seminar	in building secure, restient,	
	Aug 2025	administrations),	Furthermore, the seminar	acknowledges the	sustainable and open supply	
		utilization (private sector),	will contribute to	important role of FTAs in	chains that create a	
		and research(academia)	promoting trade	trade facilitation and will	predictable, competitive and	
		to discuss challenges and	facilitation by providing a	continue to provide	digitally interconnected	
		the way forward.	chance for experts to	steadfast support.	Asia Pacific region for all.	
			share ideas and			
			experiences on fostering		Moreover, this set funded	
			FTA impementation and		project is directly related to	
			development		the Free Trade Agreement	
					with economies in the Asia-	
					Pacific Region, such as	
					Peru, Singapore, and	
					Canada.	

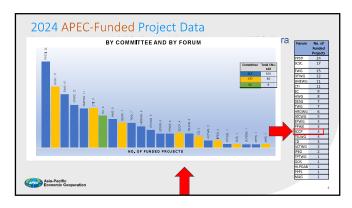


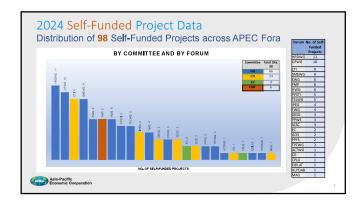


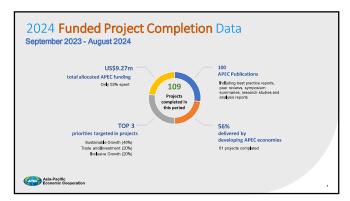


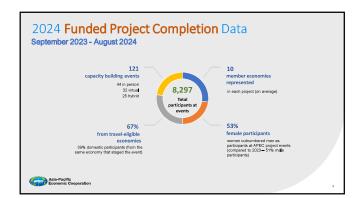




















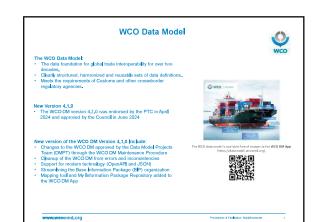


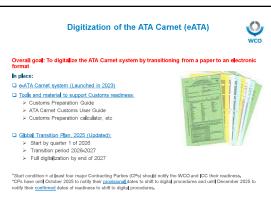


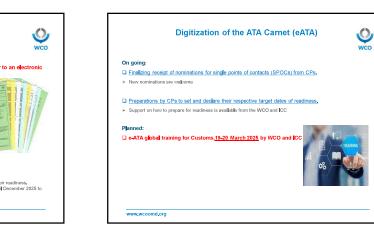


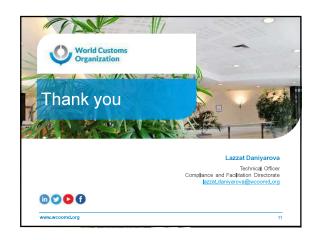










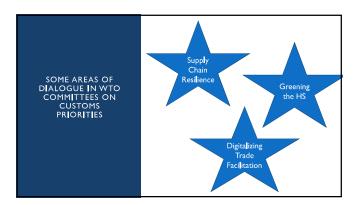






Supports the Council for Trade in Goods, which oversees the work of six Committees:

- I. Customs Valuation
- 2. Import Licensing
- 3. Information Technology Agreement
- 4. Market Access
- 5. Rules of Origin
- 6. Trade Facilitation





- Thematic discussions in the WTO's Committee on Market Access in 2024/2025 (JOB/MA/173 document series)
- Exploring the nature of disruptions that expose vulnerabilities and what tools and policies can shore up supply chain resilience
- Early sessions focused on identifying the scope of the problem and what steps have been taken to respond to the problem



- Sessions in October 2024 and January 2025 focused on the role of data and areas of collaboration regionally and internationally
- Experience sharing examples:
 - Thailand: Alternative shipping routes (Suez Canal disruption)
 - India: Unified Logistics Interface Platform (real-time insights)
 - \succ China & US: Supply chain monitoring tools
 - > Switzerland: Medical supply chain mapping



- Challenges consist of data gaps, concerns re confidentiality, lack of interoperability
- Key Takeaways for Customs Officials Addressing Data Challenges:
 - > Enhance data integration
 - ➤ Collaborate with industry
 - ➤ Harmonize procedures
 - Invest in digital tools



- Discussions in Committee on Market Access (JOB/MA/179 document series) to seek to enhance HS for environmental goods
- HS is the global classification system for trade (98% of global trade)
- Principal challenges:
 - Objective criteria at the border
 - > Defining environmental goods
 - > Dual-use and verification issues



- Existing tools like the WCO's Green Customs Initiative and conventions on hazardous waste and chemicals
- Other solutions:
 - Support HS amendments and clear classification criteria
 - Collaborate through international cooperation on green trade definitions
 - Employ alternative complementary tools (import licenses, post-import audits)

DIGITALIZATION AND TRADE FACTILITATION

- Experience-sharing sessions running from 2024 through 2025 on digitalization and TF
- · Key focus areas:
 - ightharpoonup Using data and technology to simplify trade
 - > Digitalization of border procedures
 - > Integrate and improve single windows
 - Going forward: using technology to measure gains; building trust in digital processes; sequencing implementation

DIGITALIZATION AND TRADE FACTILITATION

- Digital technologies can improve customs efficiency and accelerate trade facilitation work to reduce trade times and costs
- Key focus areas for data and technology:
 - Paperless trade
 - Data processing and sharing
 - > Advancing single window systems

DIGITALIZATION AND TRADE FACILITATION

- Realize efficiency and transparency by accelerating adoption of electronic systems
- Improve cross-border data sharing and other forms of collaboration between customs authorities
- Leverage data processing technologies to improve efficiency, transparency, security
- Adapt approaches that are scalable and appropriate to customs environment

WHAT IS THE LATEST?

Supply Chain Resilience: Last of four thematic sessions held on 17 Jan 2025 on collaboration opportunities (JOB/MA/173)

Greening the HS: Second thematic session to be held on 4 Mar 2025 (JOB/MA/179)

Digitalization and TF: Next experiencesharing to be held at meeting of Committee on Trade Facilitation (focus on using technology to measure trade facilitation gains) 12-13 Mar 2025 (Chair report to be issued) The First Meeting of the Sub-Committee on Customs Procedures (SCCP1) Gyeongju, Repub**l**ic of Korea 26-28 February 2025

Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific (CPTA)

Harmonizing Efforts and Building Synergies

Tengfei Wang (Mr.) Economic Affairs Officer Trade Policy and Facilitation Section Trade, Investment and Innovation Division United Nations ESCAP wangt@un.org





Outline

- Need for CPTA Development
 - Significant progress in implementing TFA and other measures.
 Cross-border paperless trade remains a challenge.
- Key Features of CPTA
 - Enabling and inclusive framework.
- Benefits of Acceding to CPTA:
- High gains with minimal participation costs.
- Implementation Status

 - Steady startAcceleration expected soon.
- Urgency of Accession
 - Actively contribute to discussions and solutions

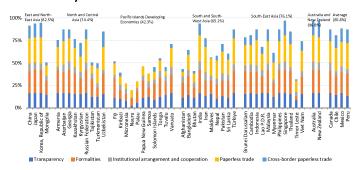


APEC and ESCAP

- The Economic and Social Commission for Asia and the Pacific (ESCAP) is one of the five regional commissions of the United Nations.
- The Commission includes 53 member States and 9 associate members.
- 15 APEC economies are also ESCAP member states: Australia, Brunei Darussalam, China, Indonesia, Japan, Republic of Korea, Malaysia, New Zealand, Papua New Guinea, the Philippines, Russian Federation, Singapore, Thailand, the United States of America, and Viet Nam.

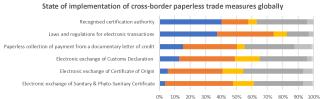
Strong implementation of trade facilitation measures by the APEC members





Challenges remain for implementing crossborder paperless trade globally





Fully implemented Partially implemented Pilot stage of implementation Not implemented Don't know Not applicable

A regional answer to the challenge



Framework Agreement on the Facilitation of Cross-Border Paperless Trade in Asia and the Pacific (CPTA)

□A UN Treaty: enabling and action-oriented
✓ Open to interested (53) ESCAP member states (voluntary) to become parties
□Objective

To facilitate cross-border paperless trade (data exchange) among willing ESCAP member states by providing a dedicated intergovernmental framework to develop legal and technical solutions

 \checkmark Complementary to the WTO Trade Facilitation Agreement (TFA) as well as (sub)region efforts



2013 Expert Review & Member Consultations

2013 - 2016 Negotiation & Finalization

19 May 2016 Adoption by the Commission





Introduction to CPTA

An enabling UN Treaty to accelerate trade digitalization

Open to all ESCAP member states to become parties

Objective:

- To facilitate cross-border paperless trade by providing a dedicated intergovernmental framework to develop legal and technical solutions
- Complementary to the WTO Trade Facilitation Agreement (TFA) as well as (sub)regional efforts

• But it has been growing fast: from 5 parties at the first meeting session in 2022 to 14 parties in 2024, including Republic of Korea who led the initiative

Key Provisions of CPTA

Article 1: Objective
The objective of the present Framework Agreement is to promote cross-border paperless trade by enabling the exchange and mutual recognition of trade-related data and documents in electronic form and facilitating interoperability among national and subregional single windows and/or other paperless trade systems, for the purpose of making international trade transactions more efficient and transparent while improving regulatory compliance.



model laws and the G20 trade

on capacity building and solutions testing Collective action plan + each party sets its own

ESCAP

 No requirement to exchange data and documents with (all) parties

Strong emphasis

Individual action plan and timeline for implementation once onboard No legal or regulatory changes required



A UN treaty designed to be inclusive

Any legal reform, if any, can be considered post-accession, based on own needs, priorities and resources.

- All meetings are hybrid and/or online although physical attendance to regular annual sessions strongly encouraged.
- · National committee on paperless trade: Secretariat advice is to designate an existing body such as the National Trade Facilitation Committee - or national single window
- National Individual Action Plan is developed based on self-assessment, priorities and

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- 100+% growth in ratification since entry into force in 2021
- More than a quarter of ESCAP member States now parties including four APEC
- Other ESCAP members are in the process of accession

Participant	Signature	Accession(a) Acceptance(A), Approval(AA),
Armenia	22 Sep 2017	
Azerbaijan		2 Mar 2018 a
Bangladesh	29 Aug 2017	13 Oct 2020
Cambodia	29 Aug 2017	
China China	29 Aug 2017	22 Nov 2020 AA
Iran (Islamic Republic of)	29 Sep 2017	29 May 2020
Kyrgyzstan		20 Dec 2023 a
Mongolia		27 Jul 2022 a
Philippines		23 Dec 2019 a
Republic of Korea		28 Nov 2022 a
Russian Federation		18 Aug 2023 a
Tajikistan		8 Dec 2022 a
Timor-Leste		5 Apr 2022 a
Turkmenistan		4 May 2022 a
Tuvalu		8 Dec 2022 a
Uzbekistan		5 Nov 2024

ESCAP Key benefits of acceding to CPTA

Signaling

- International leadership on trade digitalization
- Domestically reinforce mandate for streamlining trade procedures and digital transformation
- Long-term political will secured
- Objective of facilitating cross-border paperless trade will remain regardless of government

· Economies of scale

- CPTA to develop harmonized templates and/or (binding or not) protocols for exchange of trade-related data and documents (Expected to cut cost of negotiating and implementing solutions bilaterally)
- Promotion of paperless trade/trade digitalization solutions by APEC member states
 Most APEC members both government and private sector- have been active in implementing paperless and cross-border paperless solutions
 The success story of and good practices of APEC members can be expanded to other economies

Support APEC members: studies









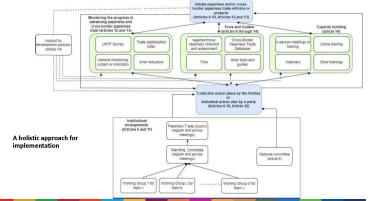






Geopolitical /Security considerations

- CPTA is a UN treaty and NOT a preferential trade agreement
 - no market access implications
- CPTA is a facilitating framework and does NOT require parties to exchange trade data and documents with others
 - Binding protocols for exchange could be negotiated under the Framework but would require separate ratification/accession by each Party





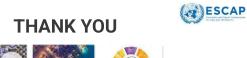
ESCAP

Urgency of acceding to CPTA

- The expansion of the CPTA membership means that implementation of CPTA will be accelerated
- Currently, the Parties are
 reviewing/revising the Collective
 Action Plan
 Discussing Mutual Recognition of
 Electronic Data/Docs in a dedicated
 CPTA Working Group
 Discussing an initial list of
 recommended international
 standards
 - standards
 - Drafting national Individual Action Plans
- Next milestone: SC and PTC meetings during the Paperless Trade Week, 9-13 June



Timely accession to the UN treaty will enable the economies in Asia and the Pacific to fully contribute to regional (and potentially global) trade digitalization solutions























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Customs Bonded System Considering the Trends of International Logistics



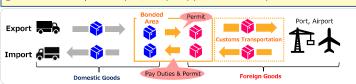
Customs and Tariff Bureau, Ministry of Finance, Japan

February 26, 2025



The Outline of Customs Bonded System in Japan

No foreign goods must be stored at places other than bonded areas. Transportation of foreign goods must be approved by Director General of Customs. Customs bonded system in Japan basically comply with the Revised Kyoto Convention.





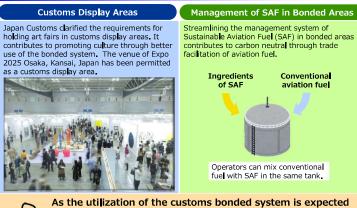


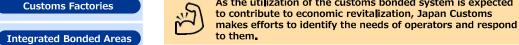


Customs Bonded System in Japan









Transition of Goods Control System in Bonded Areas

Former Process

Direct control by Customs

Customs Display Areas

Warehouse operators needed to report to customs and request customs officers' attendance at each delivery of goods.



Increasing Volume of Cargo Expanding Bonded Areas

Current Process

Self-Management System by warehouse operators

Warehouse operators who has obtained a permission need to manage the delivery of goods by themselves and record the delivery in the books.

Self-Management System in Customs Warehouses

Requirements for Permission



Customs checks and assesses:

the capacity of operations in customs warehouses

√ the distance from customs offices

√ the appropriate facilities and equipment

✓ the expected volume of imported and exported goods

Management in Customs Warehouses

- By maintaining the books for recording the delivery of goods and various procedures and establishing the internal Compliance Program (CP),
- Operators must manage goods appropriately on their own responsibility. If any foreign goods in the customs warehouses are lost or destroyed, customs duty must be collected from the operator who has obtained the permission.











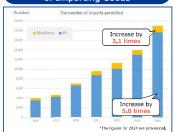




The Trends of International Logistics #1

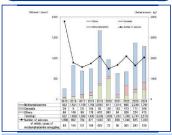
The Trends of International Logistics #2

The Rapid Increase of Importing Goods



The expansion of cross-border EC has led to the rapid growth of imports. Over the seven-year period from 2018 to 2024, the numbers of the air and maritime cargo have increased by 5.0 times and 3.1 times, respectively.

The Trend in Seizures of Illicit Drugs



The volume of seizures of illicit drugs in Japan has remained high in the recent years. As it exceeded 2 tons in 2023 and 2024, the current situation has become serious.

The Heated Competition among International Ports and Airports



Various efforts to strengthen the functions of international ports and airports have been progressed while the international competition among international ports and airports is heating.

The Labour Shortage in the Logistics Industry



A labour shortage in the logistics sector is more severe than that of target industries.

After the pandemic of Covid-19, the

After the pandemic of Covid-19, the situation is getting harder.

The Survey on Bonded System

The Survey for Operators



Japan Customs conducted the survey to understand operators' challenges and needs for the customs bonded system and operations from the perspective of promoting the use of the system and improving the convenience.

- Terms: August 24 to September 22, 2023
- Via On**l**ine
- Respondents: 2,266
- Inquiries: What procedures are felt to be complicated regarding;
 (a)application for permission of bonded areas and development of goods management systems?

(b)daily operations in bonded areas?

Frequent answers



It is difficult to learn the relevant laws, regulations and procedures and to train officers. We hope that the materials on the procedures will be more enriching.

It is complicated to manage the delivery of foreign goods. We hope that the procedures will be more simplified.

Customs Bonded System Considering the Trend of International Logistics

The Basic Policy of Customs Bonded System in Japan

The basic policy contributes to our economy through strengthening the international competitiveness while promoting trade facilitation to respond to operators' needs and keeping the level of the strict border enforcement. It consists of the following pillars;

Improve user convenience

Improve user convenience, simplifying the procedures in the customs bonded operations.

Promote the use of the system Promote the use of the customs bonded system,

customs bonded system,
identifying its potential needs
for the system from the
viewpoint of contributing to
our economy.

Maintain strict border enforcement by upgrading and streamlining the

enforcement by upgrading and streamlining the inspections and enforcement in bonded areas

Measure

(a) Review the regulations and operations

Simplify the procedures such as bonded transportation, operations and permission
-Upgrade and streamline the enforcement in bonded

(b)Digitalize the procedures

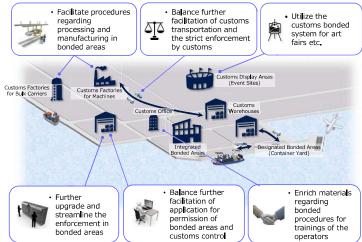
Promote further
 digitalization and improve convenience of the system

(c)Develop the system and foster mindsets to improve

•Further strengthen information sharing related to trainings of operators

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The Overview of the Measures



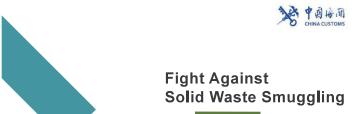
*The above is only an image and the details of the measures need to be carefully examined.

Thank you!! 감사합니다

Customs and Tariff Bureau, Ministry of Finance, Japan







Jun XU

Director for Multilateral February 2025

Introduction

- · Committed to fighting against solid waste smuggling
- · Domestic & international enforcement
- · Reinforced administrative & criminal penalties
- · Operations: National Sword, Blue Sky and Guardian

Enforcement Achievements

Year 2018-2020

- · 1,070 criminal investigations
- 3.94 million tons of illicit waste seized

Year 2021-2023

- · 318 criminal investigations
- 212,500 tons of illicit waste seized

Achieved a downward trend in smuggling activities

1. Intensified Criminal Enforcement

Cracking major cases, dismantling smuggling networks, and eliminating criminal organizations

Enhanced analytical capabilities to address evolving smuggling tactics

Swift and proactive intervention

2. Strengthened Technological Capabilities

"Smart Customs" initiative

- Big data analytics & Al integrated into enforcement
- · Enhance risk assessments
- · Improved early detection & enforcement efficiency

3. Reinforced comprehensive governance

- Collaboration with local governments & authorities
- · Intelligence & information sharing with RILO AP
- Encouraging trade associations for self-regulation
- Ensured an all-encompassing crackdown, prevention, and regulation of smuggling activities procurement
 → transport → storage → sales

4. Enhanced cross-border law enforcement cooperation

- Working with other Customs, environmental agencies, and law enforcement.
- Intelligence sharing, trend analysis, joint investigations, and repatriation of smuggled waste.
- · Capacity Building
- Strengthening cooperation with international organizations

- ❖Since 2018: Operation DEMETER

 ▼ V = X

 under WCO
- ❖ 2024 (Operation DEMETER X) Highlights
 - ▶ 110 participating WCO Members.
 - > 449 cases recorded.
 - > 10,000 tons of solid waste intercepted.
 - > 369 tons of ozone-depleting substances seized.
- ❖ China Customs' contribution:
 - o 11 cases
 - o 2,808 tons of waste seized

International Collaboration

Operation DEMETER

Future Actions Operation DEMETER XI

- 2025: China Customs to initiate Operation DEMETER XI
- WCO Secretariat will invite all Members
- Call for continued participation & support
- Strengthening **global Customs cooperation** for protecting the environment



Thank you

Great minds think alike: Travel alone, travel fast. Travel together, travel afar.









