



# **Improving the border agency cooperation among the OIC member states for facilitating trade**



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# Part 1: Role of Border Agency Cooperation on Facilitating Trade

1. Differences between uncoordinated and coordinated border management
2. Examples of border agency roles and responsibilities
3. CBRA generic framework for Border Agency Cooperation (BAC)
4. CBRA 15 key actions and activities in BAC
5. International legal frameworks, and global trends in BAC

# 1.1 Differences between uncoordinated and coordinated border management (WCO2014)

## Uncoordinated

- Little or No communication
- Duplicative controls
- Conflicting requirements
- Separate functional silos

## Coordinated

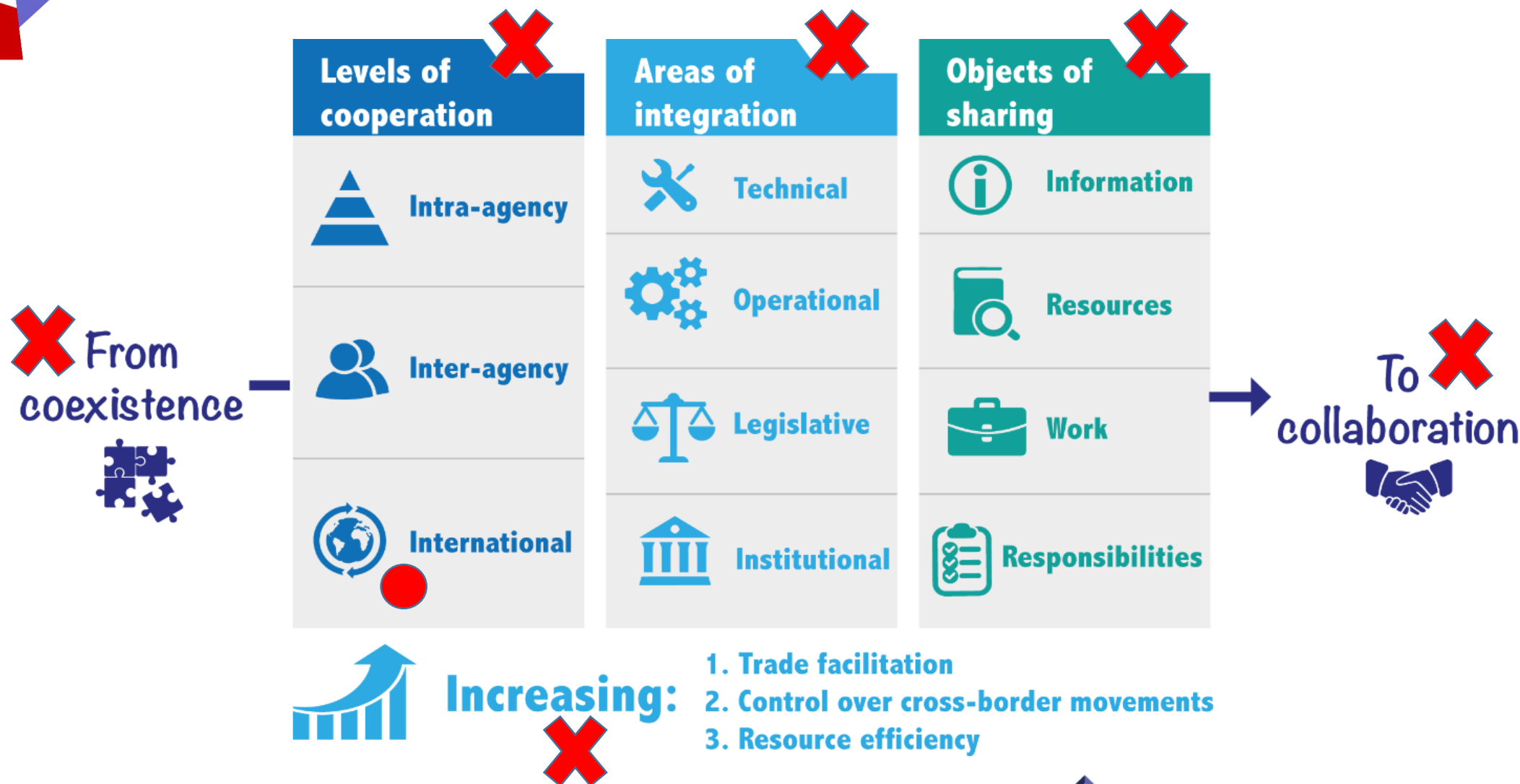
- Smooth flow of information
- Streamlined controls
- Clarity in requirements
- Cross-functional collaboration

## 1.2 Examples of border agency roles and responsibilities

Task	Typically responsible authority
Collection of taxes, duties and excise	Customs, taxation, treasury, energy (mineral tax)
Control of war material and dual-use goods	Customs and defence agency
Compilation of trade statistics	National statistics bureau and customs
Passport controls	Border guard, customs and police
Immigration	Immigration, foreign affair authorities, customs and police
Product safety	Customs, trading standards and health authorities
Enforcement of intellectual property rights	Customs and trading standards
Fight against drug trafficking	Police and customs
Transport safety	Transport safety authority, customs
Transport security	Transport security authority, customs, police and intelligence service
Control of CITES-products (endangered species)	Environmental authorities and customs
Controls of pests, plant diseases and extraneous species	Agriculture authorities and environmental authorities
Animal quarantine	Agriculture authorities and environmental authorities



# 1.3 CBRA, BAC generic framework



# 1.4 CBRA, 15 BAC actions / activities - model



# 1.5 International legal frameworks, and global trends in BAC

WTO

WCO

UN

Other

Mexico-US

Zambia-Zimbabwe

Vietnam-Laos

SIECA (Central America)

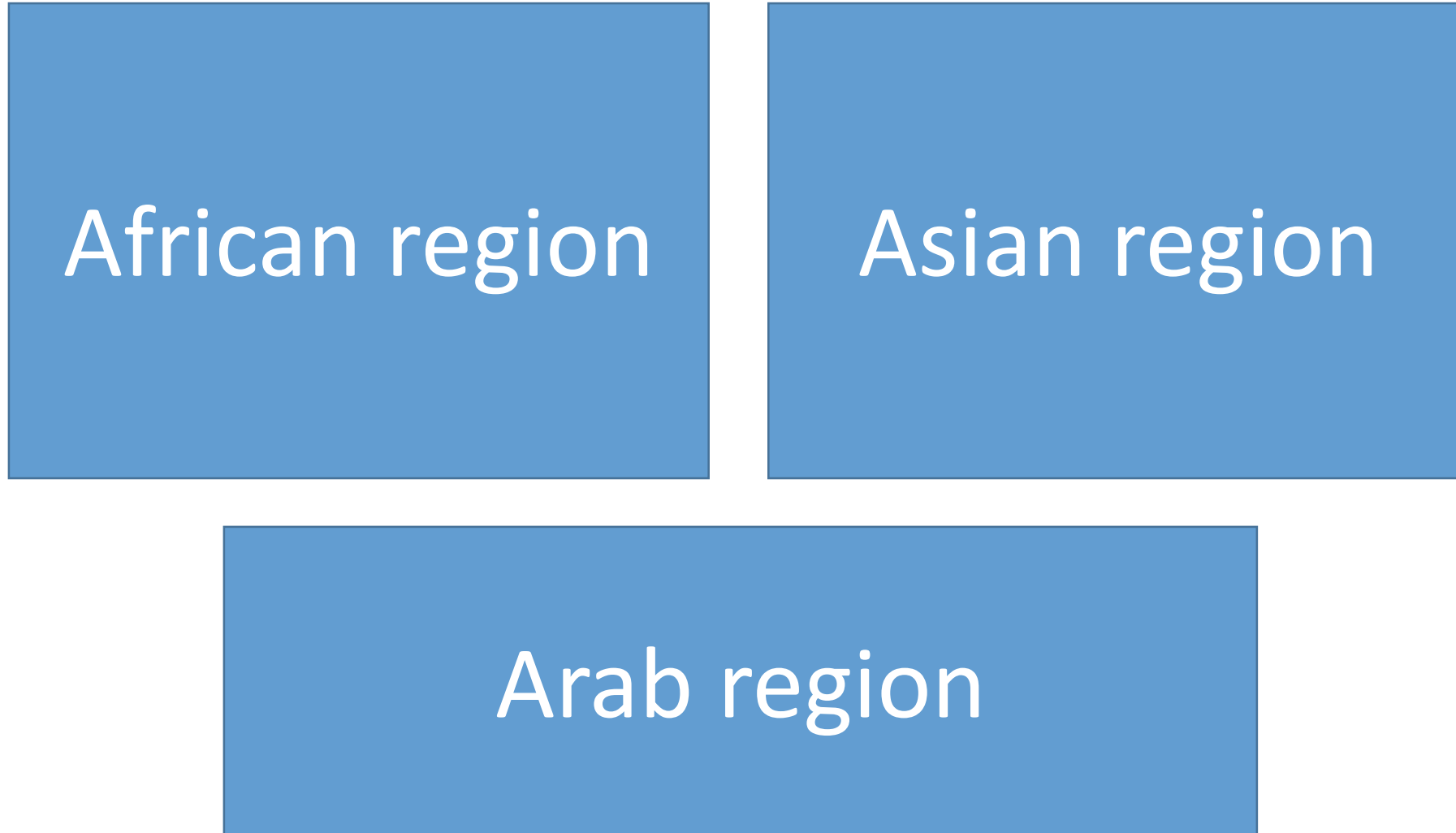
Kenya-Netherlands

# Part 2: Cross Border Cooperation Among the OIC Member States

1. Overview on iBAC across the three OIC regions
2. Case study in Abu Dhabi
3. Case study in Uganda
4. Case study in Malaysia
5. Case study in Albania
6. Recommendations / iBAC roadmap for the OIC57



## 2.1 Overview of iBAC situation across OIC57



# 2.2 Case study in Abu Dhabi, United Arab Emirates



✕ Major border crossing or international logistics hub
   
 - - - - - Border between the Emirate of Abu Dhabi and other emirates

Report sub-headings	Status	Related international arrangements
Joint border controls	Under development	UAE-Oman and UAE-Saudi Arabia
International exchange of intelligence	Operational	WCO, Gulf Cooperation Council
Cross-border collaboration in customs training	Operational	Gulf Cooperation Council
GCC standard for customs declaration data	Operational	Gulf Cooperation Council
Towards regional e-clearance systems	Under development	Gulf Cooperation Council
Towards regional AEO-program	Under development	Gulf Cooperation Council

## 2.2 Case study in Abu Dhabi, United Arab Emirates



Highlights summary



✕ Major border crossing or international logistics hub

----- Border between the Emirate of Abu Dhabi and other emirates

Few challenges going forward

## 2.3 Case study in Uganda



Report sub-headings	Status	Related international arrangements
The Malaba One-Stop Border Post (OSBP)	Operational	Bi-lateral Uganda-Kenya
Harmonization of import regulations of food and agriculture products	Operational	East African Community
EAC Simplified Certificate of Origin	Operational	East African Community
Trade Helpdesks / Information Desks	Operational	East African Community
Towards regional AEO program	Under development	WCO CREATE project in East African Community

## 2.3 Case study in Uganda

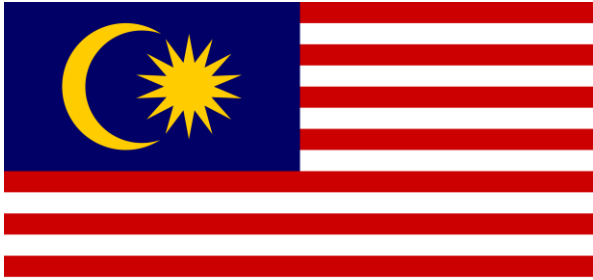


# Highlights summary

# Few challenges going forward

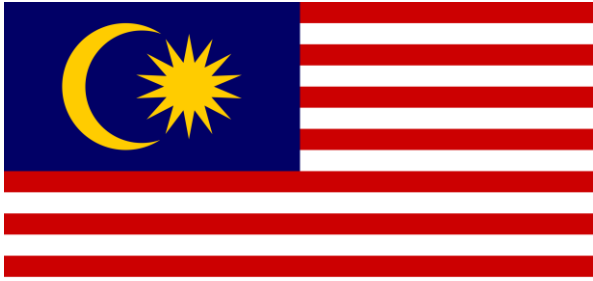


## 2.4 Case study in Malaysia



Report sub-headings	Status	Related international arrangements
Risk-based controls and international exchange of intelligence	Operational	Mainly ad-hoc bilateral exchange / WCO RILO
Cooperative fight against trafficking in pharmaceuticals and controlled substances	Operational	Malaysia-Thailand & Malaysia-Indonesia
International training	Operational	WCO Capacity building
Harmonisation of licensing and product safety rules	Under development	ASEAN
International collaboration on air cargo security	Pilot phase	ICAO Chicago convention Annex 17
Towards regional e-clearance systems	Under development	ASEAN
Mutual recognition (MRAs) of Authorized Economic Operator (AEO) programs	Under development	Multiple bilateral agreements

## 2.4 Case study in Malaysia



Highlights summary



Few challenges going forward



## 2.5 Case study in Albania



Report sub-headings	Status	Related international arrangements
Pre-arrival information exchange SEED	Operational	Multi-lateral (six parties): Bosnia and Herzegovina, Macedonia, Montenegro, Serbia, Kosovo and Albania
Transit arrangements	Pilot-phase	Bi-lateral with Kosovo
Mutual recognition of import/ export certificates	Under development	Bi-lateral with Kosovo
Risk management and risk profiling	Working group / Under development	Central European Free Trade Agreement (CEFTA)
Sharing of customs intelligence	Operational	Bi-lateral with the EU
Rules of origin	Working group / Under development	CEFTA
Harmonization of technical measures	Under development	CEFTA
Training and awareness building	Operational	CEFTA (Transparency Pack) EU (BTSF and TAIEX)



## 2.5 Case study in Albania

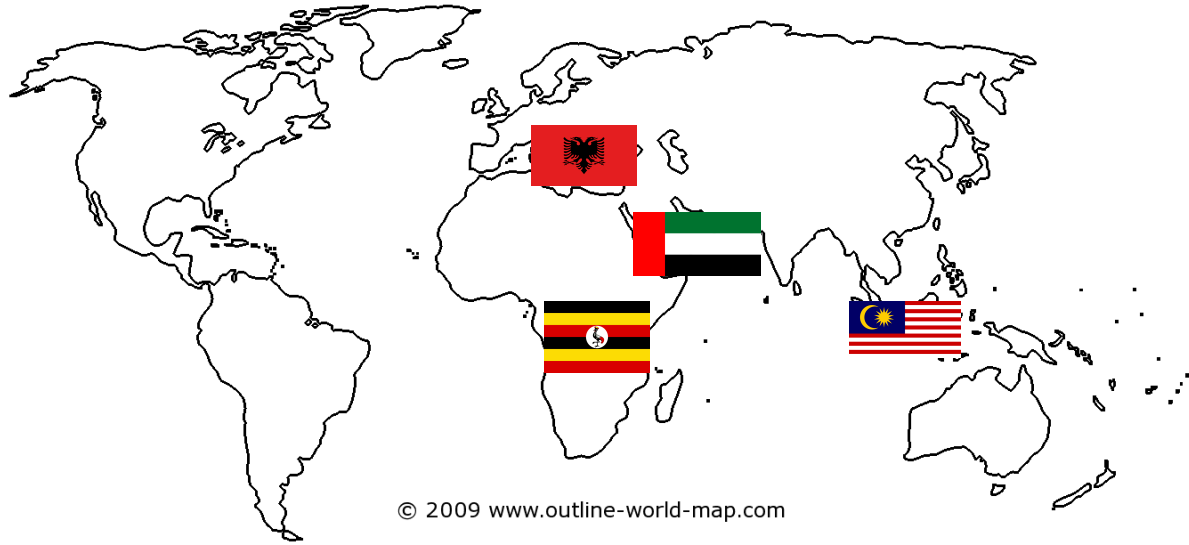


Highlights summary

Few challenges going  
forward



# Summary of key iBAC activities - the four OIC cases



❌ Cooperation at border crossing points: joint controls, transit arrangements, OSBPs etc.

❌ Risk management & intelligence sharing

❌ Pre-arrival information, clearance systems & declaration data

❌ Rules of origin & Origin certifications

❌ Commodity focus

❌ Transport mode focus

❌ Training & awareness building

❌ Trusted trader / AEO programs / Mutual Recognition Agreements (MRAs)

## 2.6 Recommendations / iBAC Roadmap for the OIC57

- **Step 1.** Identify and analyze factors that currently slow down the cross-border flow of goods or drive additional costs.
- **Step 2.** Explore the BAC opportunities to be achieved from stronger collaboration with neighboring countries.
- **Step 3.** Focus on daily practicalities that have a tremendous impact on the speed and predictability of cross-border traffic.
- **Step 4.** Consider various modes of collaboration that are not clearly visible for supply chain operators but still have a significant impact on the speed and predictability of cross-border logistics.
- **Step 5.** After building and fostering BAC with neighboring countries, the focus of BAC efforts is to be shifted to regional cross-border trade and customs programs.
- **Step 6.** The last and often the most challenging step in BAC, is to extend the cooperation to cover larger regions, even the entire world.

**Step 1. The first step in any border agency cooperation initiative is to identify and analyze factors that currently slow down the cross-border flow of goods or drive additional costs for supply chain operators and governmental agencies. It is important to understand where and why these bottlenecks and extra costs exist in the cross-border operations.**

- Identify the improvement potential both for international BAC and for national BAC;
- Analyze the identified improvement potential both from the government agency perspective as well as from the perspective of companies involved in the cross-border operations;
- Prioritise identified improvement solutions in a follow-up implementation plan;
- Establish a national trade facilitation body that engages both government agencies and private sector operators in a constructive dialogue; and
- Ensure necessary secretary services to support smooth decision-making process within the context of the national trade facilitation body.

**Step 2. The most significant benefits of BAC can be achieved from stronger collaboration with neighboring countries. As a consequence, it is often reasonable to explore first how to speed up the trade and logistics flows, and cut down the administrative and other costs, with one or more of the neighboring countries:**

- Establish One-Stop Border Posts (OSBPs), starting with a "light version", and moving later to a "full version" (e.g. cases Uganda-Kenya versus Zambia-Zimbabwe);
- Strengthen the transit arrangements and practices; consider using e-seal and tracking technologies (e.g. cases Albania and Uganda);
- Harmonize and simplify rules relating to weighing, weight certificates, technical conformity of vehicles, goods, registrations, driver's licenses, insurances, and other issues of cross-border logistics operations (e.g. case Vietnam-Laos);
- Launch small-scale pilots that focus on specific commodities, a single border crossing, and a selected group of trusted transport operators; and
- Establish a joint task force to plan, implement and monitor BAC in various areas of border management.

**Step 3. The third step of the BAC roadmap focuses on daily practicalities that have a tremendous impact on the speed and predictability of cross-border traffic. Neighboring countries should agree and implement the following practical solutions to ensure effective and efficient border management:**

- Harmonize operating hours at border crossings;
- Look for opportunities for mutual recognition of border controls (e.g., security checks and phytosanitary and product safety controls);
- Collect systematic feedback about bottlenecks, complexities and other problems that companies face when managing their cross-border supply chains; and
- Set up communication channels for reporting mismanagement and negligence of border control officers at the border.

**Step 4. The fourth step is to consider various modes of collaboration that are not clearly visible for supply chain operators but that have nevertheless a significant impact on the speed and predictability of cross-border logistics. Again, these measures should be arranged between neighboring countries first:**

- Build connectivity between the IT systems of customs administrations at the both sides of the border to enable fast and cost-efficient exchange of data and intelligence (e.g. case Uganda);
- Agree on protocols for exchanging law enforcement sensitive information between border control foreign authorities (e.g. case Albania and the EU);
- Enable collaborative procurement, maintenance and use of detection technologies and other equipment at border-crossings;
- Establish a continuous and systematic program for cross-training personnel of customs and other border agencies at both sides of the border;
- Agree on rules for empowering personnel of customs and other border control agencies to carry out a broader range of border controls (e.g., Norway and Sweden); and
- Establish a legal framework and operational capability to support collaborative criminal investigation and prosecution procedures (e.g. case Mexico-US).

**Step 5. After building and fostering BAC with neighboring countries, the focus of BAC efforts should be shifted to regional cross-border trade and customs programs. The following points below illustrate the main activities that should be implemented to achieve high levels of regional BAC:**

- Establish protocols for centralized, regional customs clearance (e.g. case Uganda and EAC);
- Develop and maintain regional risk management systems, including common risk profiles, databases, and risk assessment and targeting tools (e.g. case Albania);
- Pursue harmonization of national AEO programs to pave the road towards a regional program (e.g. cases Uganda, Malaysia, and Abu Dhabi);
- Harmonize rules concerning imports of food and pesticides (e.g. case Uganda);
- Create common, simplified regional certificates of origin (e.g. case Uganda);
- Set up trade and customs helpdesks to provide guidance and information for the trading community (e.g. case Uganda);
- Design and provide regional customs education programs to build common understanding and trust, as well as to bridge cultural, linguistic and other gaps between border control agencies in different countries; and
- Establish a regional trade facilitation body or working group to plan, implement and monitor progress of regional BAC activities.



**Step 6. The last and often the most challenging step in BAC, is to extend the cooperation to cover larger regions, even the entire world. The main steps for the global BAC include the following points:**

- Ratify relevant international agreements, conventions, and treaties related to BAC;
- Pursue mutual recognition agreements on AEO programs, air cargo security and other areas of border management with the key trading partners (e.g. case Malaysia);
- Start collecting pre-departure and pre-arrival shipment data from all trading partners to improve accuracy of risk management; and
- Participate in active supranational policymaking that has an impact on global BAC (especially WCO and WTO).



# Questions & Answers



- **Step 1.** *Identify and analyze factors that currently slow down the cross-border flow of goods or drive additional costs.*
- **Step 2.** *Explore the BAC opportunities to be achieved from stronger collaboration with neighboring countries.*
- **Step 3.** *Focus on daily practicalities that have a tremendous impact on the speed and predictability of cross-border traffic.*
- **Step 4.** *Consider various modes of collaboration that are not clearly visible for supply chain operators but still have a significant impact on the speed and predictability of cross-border logistics.*
- **Step 5.** *After building and fostering BAC with neighboring countries, the focus of BAC efforts is to be shifted to regional cross-border trade and customs programs.*
- **Step 6.** *The last and often the most challenging step in BAC, is to extend the cooperation to cover larger regions, even the entire world.*