



Oceania Customs
Organisation Secretariat

COORDINATED BORDER MANAGEMENT

- Border management involves multiple agencies with overlapping responsibilities.
- Coordinated border management (CBM) aims to streamline processes and improve efficiency.
- **Objective of Article 8-WTO-TFA:** Ensuring cooperation between national and international border agencies to facilitate trade.

Key Provisions of Article 8

1. Domestic Coordination

- Agencies responsible for import, export, and transit must cooperate.
- Coordination of policies and activities for trade facilitation.

2. International Cooperation

- Members should collaborate with neighboring countries for streamlined border crossings.



Importance of Coordinated Border Management

- **Reduces delays and costs** for traders and businesses.
- **Improves risk management** by sharing intelligence between agencies.
- **Enhances compliance** with customs and regulatory requirements.
- **Promotes regional economic integration.**



Active Border Agency Cooperation

- **Regular communication & joint training** for border agencies.
- **Technology integration** (electronic data interchange, risk management systems).
- **Performance monitoring & evaluation** (measuring clearance times, trade efficiency).
- **Institutionalizing agreements** (bilateral/multilateral border arrangements).



Seek:

Capacity building and training programs.

Public-private partnerships for infrastructure investment.

Legal frameworks for cross-border agreements.

Gradual implementation with pilot projects.



Strengthening Cooperation Between Customs and Tax Administrations

Enhancing Information Exchange and Joint Activities for Effective Revenue Collection

Why Cooperation is Essential

- Global trade expansion has increased tax evasion risks and financial crimes.
- Customs and Tax authorities must work together to ensure compliance and secure revenues.
- Effective collaboration can strengthen national economies and combat illicit financial flows.



Objectives of Cooperation

- **Mutual Support for Revenue Collection**
 - Customs enforces duties and tariffs, while Tax authorities oversee domestic taxation.
 - Joint operations reduce tax fraud and smuggling risks.
- **Enhanced Risk Management**
 - Sharing intelligence improves fraud detection and prevention.
 - Coordinated audits reduce duplication and increase efficiency.
(Warehouse entry VAT claims)
- **Streamlined Trade and Business Processes**
 - Simplified procedures ease trade and investment.
 - Consistent regulatory enforcement improves compliance.



Key Enablers of Effective Cooperation

- **Political Will & Executive Commitment**
 - Support from leadership ensures sustained inter-agency collaboration.
- **Legal Framework and Agreements**
 - Clear legislative mandates enable lawful data sharing.
 - Formalized MoUs define roles and responsibilities.
- **Confidentiality & Data Protection**
 - Secure information exchange protects sensitive data.
 - Controlled access prevents misuse.
- **Technology and Digital Integration**
 - Automated data-sharing platforms enhance efficiency.
 - Unified IT systems reduce manual errors and delays.



Mechanisms of Information Exchange

- **Types of Information to Share**
 - Import/export records, valuation data, tax returns.
 - Intelligence on fraudulent activities, suspicious transactions.
- **Methods of Exchange**
 - **On-request exchange:** Shared when needed for investigations.
 - **Automatic exchange:** Regularly scheduled data sharing.
 - **Spontaneous exchange:** Voluntary sharing of relevant insights.
 - **Systematic database access:** Interconnected databases for real-time use.



Joint Activities for Strengthened Cooperation

- **Joint Risk Profiling and Targeting**
 - Identifying high-risk traders and transactions.
 - Using shared risk assessment models to detect anomalies.
- **Coordinated Audits and Investigations**
 - Conducting joint tax and customs audits to identify discrepancies. (discuss container case)
 - Investigating cross-border financial crimes together.
- **Harmonization of Valuation and Transfer Pricing Controls**
 - Aligning methodologies to prevent under- or overvaluation.
 - Cross-referencing customs declarations with tax reports.
- **Capacity Building and Joint Training Programs**
 - Training officers in cross-sectoral compliance risks.
 - Conducting joint workshops on tax evasion and customs fraud detection.



Developing a Memorandum of Understanding (MoU)

- **Why an MoU is Essential**

- Establishes a structured framework for cooperation.
- Defines legal, technical, and procedural aspects of collaboration.

- **Core Elements of an Effective MoU**

- **Scope of Cooperation:** Outlines duties, taxes, and fraud prevention.
- **Information Sharing Protocols:** Defines access levels and confidentiality rules.
- **Governance Structure:** Specifies points of contact and coordination mechanisms.
- **Review and Amendment Process:** Ensures flexibility and updates as needed.



Challenges and Recommendations

- **Common Challenges**

- Bureaucratic resistance and lack of trust between agencies.
- Legal restrictions on data sharing.
- Differences in operational procedures and mandates.

- **Recommended Solutions**

- Strengthen legal frameworks to allow seamless cooperation.
- Foster inter-agency trust through regular communication and collaboration.
- Invest in technology for automated data exchange and analytics.



Conclusion and Next Steps

- **The Way Forward**

- Commit to sustained inter-agency cooperation.
- Develop advanced data analytics for fraud detection.
- Encourage international best practices and knowledge sharing.

- **Call to Action**

- Engage stakeholders to support customs-tax collaboration.
- Implement structured information-sharing mechanisms.
- Regularly review and refine MoUs to adapt to emerging challenges.



The Importance of Customs and Business Cooperation

Enhancing Trade Facilitation and Economic Growth

Why is Cooperation Essential?

- Global trade is increasing exponentially, making supply chains more complex.
- Customs must balance trade facilitation with security, compliance, and revenue collection.
- Collaboration ensures effective regulations, enhances efficiency, and fosters innovation.



Benefits of Customs-Business Cooperation

Mutual Benefits of Partnership

Benefits	For Customs	For Business
Compliance	Improved compliance with regulations	Better understanding of Customs requirements
Transparency	Enhanced transparency and trust	Predictable trade environment
Efficiency	Streamlined processes and reduced disputes	Faster customs clearance
Cost Reduction	Optimized resource allocation	Lower transaction costs
Competitiveness	More effective risk management	Enhanced global market access
Collaboration	Stronger partnerships with stakeholders	Greater involvement in policy-making



Challenges in Customs-Business Cooperation

Overcoming Barriers to Effective Collaboration

- **Challenges:**

- Cultural differences and resistance to change.
- Lack of trust and misaligned expectations.
- Bureaucratic hurdles and regulatory complexity.

- **Solutions:**

- Foster continuous dialogue and transparency.
- Develop training programs for Customs and Business.
- Streamline policies to reduce complexity.



Conclusion and Call to Action

Strengthening Customs-Business Engagement

- Customs and businesses must commit to continuous cooperation.
- Ongoing dialogue ensures adaptability to changing trade dynamics.
- Encourage active participation in engagement initiatives.
- A strong partnership leads to sustainable economic growth and trade facilitation.



Thank you for your attention!

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