



HANOI COMMUNICATION OF CUSTOMS DEVELOPMENT STRATEGIES AND ACHIEVEMENTS

Overview

1. In the period of 1999-2004, ten ASEAN Customs Administrations achieved important progress in implementing planned activities of fifteen areas of cooperation as set forth in the Policy Implementation and Working Programme (PIWP), part of the Hanoi Plan of Action for comprehensive enhancement of economic activities in ASEAN. Along the process of globalization, the ASEAN Customs actively participates to global efforts in handling new tasks, responsibilities in parallel with concrete steps for to enhance competitiveness of our ten economies.

2. Challenges are numerous and demanding ranging from changes in the customs working environment, increasing the intra and extra ASEA trade volume, the pressure on trade facilitation and provision of effective protection of the welfare and well-being of 500 millions consumers in the region. 2004 becomes an essential year for stocking major progress and for setting new strategic directions of customs integration and modernization.

3. In order to harmonize, simplify customs procedures and formalities for the realization of the ASEAN Customs Vision 2020, and provide better services to the public, ten ASEAN Customs Administrations adopt the Strategic Plan of Customs Development for the period of 2005 – 2010. It incorporates new strategies of customs integration and of customs development at the global level, and trends of customs modernization.

Major Achievements of ASEAN Customs Cooperation

4. During the period of 1999-2004, the ASEAN Customs Community succeeded in completing a large number of activities in essential areas of customs techniques as follows:

- (a) Development and implementation of the ASEAN Harmonized Tariff Nomenclature toward the establishment of a regional system of classification.
- (b) Development of the ASEAN Customs Valuation Guideline (ACVG) with specific Plan of Action and completion of the ASEAN study on practices related to Customs valuation.

- (c) Development and implementation of the Plan of Action to establish the ASEAN e-Customs.
- (d) Establishment of Customs Post-Clearance Audit in all Member Countries.
- (e) Implementation of the Rules of Origin for Common Effective Preferential Tariff Scheme for the ASEAN Free Trade Area and Study of Non-Preferential Rules of Origin in line with the WTO Agreement on Rules of Origin.
- (f) Design of the ASEAN Single Window in close cooperation with government agencies to ensure the free flow of goods and commodities in ASEAN.
- (g) Regional adoption of Risk Management for customs control and management;
- (h) Best Practices in handling complaints and appeals in Customs;
- (i) Enhancement of practices relevant to the exchange of information on customs enforcement and on valuation issues.
- (j) Better transparency through the publication and dissemination of information relevant to the customs legislation of Member Countries.
- (k) Enhanced Partnership with the business community for voluntary compliance.
- (l) Significant contribution to narrow developing gap to Cambodia, Lao PDR, Myanmar and Viet Nam, and
- (m) Strengthened efforts on capacity building to several hundred customs officers under ASEAN Programs.

New Perspectives of development of ASEAN Customs Integration

5. The ASEAN Customs Community focuses their works on the establishment of ASEAN Economic Community (AEC) and ASEAN Integration. The Strategic Plan of Customs Development aims to the following:

- (a) to facilitate intra- and extra-ASEAN trade on the basis of streamlined, simplified and harmonized procedures, formalities, documents and practices;
- (b) to integrate customs structures for a more effective and efficient control and management at both national and regional levels;
- (c) to establish the ASEAN Customs Single Window to expedite customs clearance and to enhance customs control;

- (d) to modernize customs valuation and origin determination; and
- (e) to intensify efforts on Human Resource Development.

6. ASEAN Customs Administrations have agreed on the following customs activities to be included in the Strategic Plan of Customs Development:

- (a) Customs Tariff Classification (based on the AHTN and HS), Customs Valuation (WTO Agreement on Customs Valuation), implementation of CEPT Rules of Origin (ROO) and familiarization of non-preferential rules of origin.
- (b) Simplifying, Standardizing and Harmonizing customs procedures, formalities, documents and practices (Revised Kyoto Convention).
- (c) Design and implementation of the ASEAN Single Window to expedite customs clearance.
- (d) Strengthen ASEAN systems of Customs Post-Clearance Audit.
- (e) Implementing the endorsed Plan of Action to establish ASEAN e-Customs and amendments thereto.
- (f) Establishment of customs regime of Temporary Admission.
- (g) Implementation of the ASEAN Customs Transit in accordance to the ASEAN Framework Agreement on the facilitation of goods in transit.
- (h) Customs Reform and Modernization (including Customs Governance and Integrity); establishment of performance indicators.
- (i) Enforcement and Mutual Assistance.
- (j) Partnership with the Private Sector; and
- (k) Strengthening activities of capacity building and human resources development.

7. To establish and effectively implement the Strategic Plan and Customs Development, it is imperative to strengthen the current structure of mechanisms and institutional arrangements of the Customs cooperation and integration on:

- Decision making and planning;
- Implementation of regional commitments;
- Consultation and dialogue; and
- Human Resource Development.