

United Nation Conference on LLDCs - 3 November 2014

Remarks by Mr. Kunio Mikuriya, Secretary General, World Customs Organization

Opening

- It is my distinct pleasure to be able to join this important conference today. I am proud to stand before you with a mandate from international Customs community.
- The World Customs Organization (WCO) gratefully acknowledges the longstanding and fruitful cooperation which exists between the Organization, the United Nations Landlocked Developing Countries (LLDCs) and other development partners.

World Customs Organization

- The WCO is an independent intergovernmental organization established in 1952.
- The WCO represents 179 Customs administrations around the globe that collectively process approximately 98% of world trade. As the global centre of Customs expertise, the WCO is the voice of the international Customs community.

The importance of Customs administrations for LLDCs

- Due to their inland location and lack of access to the sea, LLDCs must rely on transit through other countries. The additional border crossings and long distances from markets substantially increase their total transport expenses.
- A transit operation inevitably involves Customs administrations, and good Customs transit procedures are essential to the smooth operation of international trade, thereby contributing to the economic development of LLDCs.
- To develop an effective and efficient transit system, a number of factors should be considered. For instance, well-designed guarantee systems that cover the payment of import duties, taxes and other charges are essential for the smooth movement of transit goods. Information sharing among Customs offices and streamlined documentation flows make transit procedures straightforward and transparent.

WCO's tools for LLDCs

- The WCO develops and maintains instruments, standards and tools related to all Customs competencies including trade facilitation.
- First of all, the WCO published the Transit Handbook today. It deals with various aspects of the operation of Customs transit procedures, and is accordingly intended to serve as a practical guide to assist WCO Members to develop a functional and effective transit system

which may contribute to the enhancement of economic competitiveness and secure their revenue. This Handbook helps developing and least-developed Members to assess the effectiveness of their transit schemes and identify any further improvements needed.

- In more general context, the harmonization and simplification of Customs procedures is necessary for economic growth of LLDCs. The Revised Kyoto Convention provides a comprehensive set of uniform principles for simple, effective and predictable Customs procedures with effective Customs control. The Convention was adopted in 1999 and has 96 Contracting Parties.
- Measuring the efficiency of border procedures and identifying bottlenecks of smooth movement of goods are also important. The Time Release Study provides guidance to Customs administrations on the best way to review, jointly with other agencies in a cross-border and coordinated border management environment, the time required for the release of goods, and to take potential corrective measures for continuous improvement.

Capacity Building for LLDCs

- Capacity of Members to implement standards and tools that I mentioned earlier is a key. The WCO delivers capacity building and training to requesting Customs administrations to assist them implementing trade facilitation measures including those incorporated in the WTO Trade Facilitation Agreement.

The WCO has a wealth of expertise and experience in global Customs technical assistance and capacity building, including a network of accredited experts at its disposal and comprehensive donor engagement mechanisms. Based on this expertise and platform, the WCO has launched the Mercator Programme to provide tailor-made support for establishing effective transit regimes and modernizing Customs procedures.

- The WCO Time Release Study conducted amongst East African Community Members serves as an excellent example of our successful capacity building initiatives. The Study was carried out across countries of the northern corridor of the East African Community area, from Mombasa seaport in Kenya to an inland Customs office in Kampala, Uganda, with technical support from the WCO. The Study raised political awareness for the Single Customs Territory and offered a new direction of improving their transit regimes.

Conclusion

- Undertaken in the spirit of collaboration and cooperation, this Conference will serve to illuminate the importance of LLDCs and the increasing need for all stakeholders to combine their efforts in support of the economic development all LLDCs.
- I will commit myself to supporting LLDCs by developing standards on border procedures and providing technical assistance, based on the outcomes of this important conference.