



The First ASEM Customs DG-Commissioner Meeting

Shenzhen, June 21, 1996

Statement

1. The first Meeting of the ASEM Directors-General and Commissioners of Customs was held on 21 June 1996 in Shenzhen, People's Republic of China, and attended by the Directors-General and Commissioners of Customs of the ten Asian nations, the Member States of the European Union and of the European Commission. The Meeting was chaired by Mr. Qian Guanlin, Director General of the Customs General Administration of China, with Mr. Isao Kubota, Director General of the Customs and Tariff Bureau of Japan, and Mr. Carmelo Sapienza, Director General of Italian Customs, acting as Vice-Chairs.
2. This Meeting is the first follow-up action to the Asian-Europe Meeting (ASEM) between Heads of State and Government held in Bangkok, Thailand on 1 and 2 March 1996. It responds to the ASEM Leaders' agreement to undertake facilitation and liberalization measures involving the simplification and harmonization of Customs procedures, to deal with illicit drug trafficking and to consider the development of closer co-operation in these areas among the Customs authorities in Asia and Europe.
3. The Meeting discussed issues on prevention of illicit traffic in drugs, firearms and other controlled items, commercial fraud and other Customs offences, and simplification and harmonization of Customs procedures in Asia and Europe.
4. Mr. Li Lanqing, Vice-Premier of the State Council, People's Republic of China, attended the opening ceremony and delivered an official address to the Meeting. Messages from the Prime Ministers of Thailand, Japan, as well as from Italy as the Presidency of the Council of the European Union and an opening statement by the European Commission were also delivered to the delegates. Mr. Suphachai Phisitvanich, Director General of Thai Customs Department, presided over the opening ceremony of the Meeting.

Co-operation on the Prevention of Illicit Trade in Drugs and Firearms, Commercial Fraud and other Customs Offences

5. The Meeting first exchanged views on recent trends on the control and interdiction of illicit trade in drugs, firearms and other controlled items, commercial fraud and other Customs offences. The world trend in recent years shows a significant increase in seizure of illicit drugs and psychotropic substances, especially cannabis resin, cocaine and methamphetamine, which is a growing threat to Asia and Europe. In addition, illicit trade in heroin through various routes is a serious problem both in Asia and Europe, and an urgent response is called for. Regarding diversion of chemical precursors, there are differing situations in the countries or groups of countries under consideration. Also, there are signs which suggest direct and indirect illicit trade in firearms and counterfeit goods between Asia and Europe.

Moreover, in view of the global growth in trade and with the perspective and knowledge of the past and latest Customs practices, there is the possibility of increasing commercial fraud and other Customs offences, which are prejudicial to the economic, fiscal and commercial interests of the countries in Asia and Europe. In this connection, it was generally agreed that in addition to drug control, the scope of co-operation in enforcement matters among the Customs authorities of ASEM. Members should also be extended to monitoring of trade in chemical precursors, control of illicit trade in other controlled items including firearms and counterfeit goods, and prevention of commercial fraud and other Customs offences, in co-operation with other relevant authorities.

6. The Meeting then discussed and evaluated recent efforts by the Customs authorities of ASEM Members to increase the effectiveness of control through exchanging information on the latest measures and techniques to prevent the illicit trade in drugs and other controlled items, commercial fraud and other Customs offences. The Meeting reaffirmed the increasingly important role of Customs authorities in the sphere, and noted in particular the need to strengthen co-operation among the Customs authorities of ASEM Members in order to successfully interdict drug trafficking and smuggling operations and dismantle their organizations worldwide.
7. The Meeting confirmed the importance of increasing Customs co-operation including information exchange on smuggling of drugs, firearms, counterfeit goods and other illegal articles through such measures as the use and application of Customs mutual administrative assistance agreements. This would be an area where priority could be given to strengthen control and where international cooperation could be pursued. It was also suggested that the possibility of concluding specific agreements for chemical precursors control could be envisaged among interested Customs authorities and other relevant authorities in appropriate cases.
8. The Meeting also agreed to consider how Customs authorities could contribute to combating challenges such as money laundering. It was suggested that the possibility of concluding administrative co-operation agreements could be envisaged among interested Customs authorities and other relevant authorities in appropriate cases in order to facilitate the exchange of information in this field.
9. The Meeting recognized the fact that to successfully combat illicit trade in drugs and other controlled items and other Customs offences depended heavily on information exchange among the Customs authorities and between the Customs authorities and other relevant authorities as illicit trade and other smuggling operations become increasingly sophisticated. In this regard, the Meeting discussed the existing difficulties with information exchange among Customs authorities and possible ways for co-operation with other relevant authorities such as police and drug enforcement agencies. The Meeting benefited from various inputs from the Members where such co-operation had already been actively promoted.
10. The Meeting noted the importance of further strengthening the network of Customs officials in charge of drug control and agreed to continue exploring effective

measures to exchange such information as smuggling of illegal goods. In this connection, as a first stage, the Meeting decided to strengthen the intelligence contact point network in order to facilitate information exchange among the ASEM Members Customs authorities. The Meeting stressed the importance of training and envisaged the adoption of a programme for the exchange of Customs officials, including those in the anti-money laundering field. The necessity of increasing the mutual establishment of Customs attachés was also noted.

11. The Meeting further noted that promoting the conclusion of Memoranda of Understanding (MOUs) would be an effective measure to create incentives for the appropriate private organizations for channelling their efforts in support of the Customs drug enforcement efforts.

Co-operation on the Simplification and Harmonization of Customs Procedures

12. Simplification and harmonization of Customs procedures is one of the main pillars of trade facilitation, and is increasing its importance. The Meeting exchanged views on efforts for simplification and harmonization of Customs procedures in Asia and Europe.
13. The Meeting was informed of the efforts being made by the APEC Sub-Committee on Customs Procedures (SCCP) for simplification and harmonization of Customs procedures, and confirmed that this initiative would contribute to facilitation of trade and investment between Asia and Europe as well. The Meeting was also briefed on the process of simplification and harmonization of Customs Cooperation on the Simplification and Harmonization of Customs Procedures procedures within the European Community as well as future developments in the area of Customs procedures. The experience developed in the European Union was emphasized, as the Community Customs Code and the related legal acts covered almost every aspect of Customs treatment of legitimate trade in goods.
14. The Meeting exchanged views on the recent activities of the World Customs Organization (WCO) and its future direction in the field of simplification and harmonization of Customs procedures. The Meeting agreed that WCO should continue to play a leading role for international simplification and harmonization of Customs procedures as the international organization charged with this task, and that WCO should particularly promote the work on revision of the Kyoto Convention, including the work of developing the common and core elements to be accepted in the form of a single undertaking when acceding to the Convention.
15. With various efforts being undertaken in reviewing border control systems aiming at their liberalisation, simplification and harmonization, the Meeting recognized the importance of using the information network among Customs authorities to deal with problems related to border control of specific trade transactions at their early stages, which would further facilitate trade.

16. Meeting agreed to continue dialogue on the above-mentioned issues between Asia and The Europe with the emphasis on the following issues:
 - a. Technical assistance for simplification and harmonization of Customs procedures, in order to promote the development of modern Customs rules and working methods;
 - b. Establishment of channels for information exchange among Customs authorities concerning inquiries on Customs procedures and ways to deal with concrete cases;
 - c. Development and promotion of training programmes and exchange of human resources among the Customs authorities of ASEM Members.

Follow-up Measures

17. The Customs authorities of ASEM Members agreed to establish two Working Groups at the experts' level, namely, Enforcement Working Group and Procedure Working Group, in order to address the two main subjects of this Meeting. The Working Groups would report to the ASEM Customs DG-Commissioner Meeting.
18. The Enforcement and Procedure Working Groups would be chaired respectively by the United Kingdom and Japan until the next ASEM Customs DG-Commissioner Meeting. It was agreed that the first meetings of these Working Groups will be held on the occasion of the next meetings of the Enforcement Committee and the Permanent Technical Committee of the World Customs Organization (WCO) to follow up the discussion of the Meeting, and in particular to identify specific areas and methods of co-operation, including the co-operation with other relevant authorities and appropriate private organizations in the fields of enforcement and Customs procedure, and look into how training programmes, technical assistance and exchange of human resources could be developed and intensified.
19. In addition to the Working Groups, it was agreed to establish a Network of Contact Points for coordination and preparation for the next ASEM Customs DG-Commissioner meeting. The Meeting also agreed that the chair-country of the next ASEM Customs DG-Commissioner Meeting would be a coordinator for both the Working Groups and the Network in consultation with the current Chairman of the Meeting.
20. The Meeting agreed to hold the Second ASEM Customs DG- Commissioner Meeting on the occasion of the next annual sessions of the World Customs Organization (WCO).
21. It was agreed that the Chairman of the Meeting, Mr. Qian Guanlin, Director General of China Customs, would present the results of the Meeting at the forthcoming ASEM informal Senior Officials' Meeting in July 1996.