



Report

of the 2nd ASEM Working Group on Customs Matters (AWC) Meeting

INTRODUCTION

The 2nd Meeting of the ASEM Working Group on Customs Matters (The 2nd AWC Meeting) took place from 22 – 23 January 2009 in Chiang Mai, Thailand. There were 40 participants from 26 ASEM partners namely Austria, Belgium, Brunei, Bulgaria, China, the Czech Republic, Denmark, European Commission, Finland, France, Germany, Hungary, India, Indonesia, Italy, Japan, Korea, Laos, Malaysia, the Netherlands, Poland, Singapore, Slovenia, Sweden, Thailand and the United Kingdom attended the Meeting. In addition, 4 participants from the World Customs Organization (WCO), Regional Intelligence Liaison Office for Asia and the Pacific (RILO A/P) and Regional Office for Capacity Building (ROCB) also attended as observers.

A full list of participants is enclosed as **Annex 1** to this Report.

I. OPENING SESSION

Mr. Utid Tamwatin, Director-General of Royal Thai Customs, was invited to deliver the opening address to the 2nd AWC Meeting.

The Director-General welcomed the participants to the Meeting and to Chiang Mai, Thailand. He highlighted the successful cooperation of ASEM Customs over the past decade which provided an effective platform for sharing views and experiences on the role of Customs both in Asia and Europe.

He outlined the topics of the 1st AWC Meeting in France last year, with priority assigned to "combating counterfeiting"; "the fight against fraud"; and "protecting society and the environment". The 2nd AWC Meeting would discuss the three priority themes namely, "trade facilitation and the security of the supply chain"; "standardization and simplification"; and "protecting society and the environment". He stressed that Customs Administrations had a role to play in protecting and preserving environment for our future generations and our planet and mutual cooperation was the practical way to lead ASEM Customs to better future. Finally, the Director-General of Royal Thai Customs wished the 2nd AWC Meeting every success in its deliberations.

The Meeting was chaired by Dr. Chawewan Kongcharoenkitkul, Deputy Director-General of Royal Thai Customs. She conveyed her warmest welcome to all participants. She also stressed that with its current membership of 45 partners, accounting for more than 60 percent of the world's population and trade volume, the cooperation between ASEM Customs had become even more prominent.

She then informed the Meeting that this Meeting agenda would take into account the theme of ASEM Vision and Action "Towards a Win-Win Solution" and the UN Millennium Development Goals (MDGs). She also reaffirmed that any matter agreed upon during the Meeting would be carried on for the benefits of every Members.

Under the "Business Arrangement", the Chair suggested the order of the Meeting and outlined the major objectives of the 2nd AWC Meeting as follows:

- review the progress of activities since the last AWC Meeting and other relevant ASEM Meetings;
- discuss and exchange experiences on trade facilitation and security of supply chain such as SAFE FoS, AEO programme, Trade Facilitation Action Plan (TFAP);
- discuss and exchange views on standardization and simplification of Customs procedures; and
- discuss and exchange experiences on Customs contribution on environmental issues and capacity building.

The Chair then introduced the draft Agenda for consideration and comments. Japan proposed to revise the Agenda Item 4.5 "Trade Facilitation Action Plan", suggesting that Agenda Items 4.5.1 and 4.5.2 be combined into one Agenda item and read as "4.5 Trade Facilitation Action Plan (TFAP): Progress Report on Deliverables of TFAP 2006 to 2008 and Strategy for Revision". Singapore, in consultation with Sweden, proposed to update the Meeting on Customs-Business Dialogue Session under Agenda Item 9, AOB (Any Other Business).

Subject to these additions, the draft Agenda was adopted.

II. ADOPTION OF THE 1st AWC MEETING REPORT

France gave a brief presentation on the report of the 1st AWC Meeting, emphasizing that the 1st AWC Meeting focused on three main themes; namely, combating counterfeiting, the fight against fraud, and protecting society and the environment. He also mentioned various presentations/initiatives made by ASEM partners and observers during the Meeting.

In this context, Japan reminded the Meeting that there are still outstanding issues related to the EWG Action Plan of the meeting in Berlin, which require follow-up by the AWC, namely: "Passenger Name Records/Advanced Passenger Information" and "Signature Analysis on Synthetic Drugs in ASEM". As coordinators on these items, Japan circulated questionnaires for completion by ASEM partners. It was therefore requested that those who have not yet completed the questionnaire to do so as soon as

possible and send the reply to Japan. He would then present the results at the 3rd ASEM AWC Meeting later this year.

EC asked in that context to provide some information on the planned Joint Operation "Diabolo II" under "AOB" and add this point on the agenda.

The Meeting adopted the final report of the 1st AWC Meeting took place in Lille during 14-15 May 2008 with no amendments.

III. INFORMATION ON OTHER RELEVANT ASEM MEETINGS

China gave a report on the result of the 7th ASEM Summit which took place during 24-25 October 2008 in Beijing, China. He mentioned that the Meeting was the first gathering of the leaders of 45 members of ASEM since its second round of enlargement, and the ASEM Leaders held in-depth discussions on important international and regional issues of common concern and interest under the overarching theme of Vision and Action: Towards a Win-Win Solution. He went on that the ASEM Leaders also expressed concern over the impact of the spreading international financial crisis and called on all countries to pursue responsible and sound monetary, fiscal and financial regulatory policies, enhance transparency, inclusiveness, strengthen oversight, and improve crisis management mechanism, thereby issued the "Statement of the Seventh Asia-Europe Meeting on the International Financial Situation". The delegates were also informed the achievement that the Summit discussed how to enhance cooperation on sustainable developments, and released Beijing Declaration on Sustainable Development, involving issues of the Millennium Development Goals, Climate Change and Energy Security, Social Cohesion. China briefed the meeting on that Leaders instructed the Ministers of Foreign Affairs to discuss the issue of enlargement in their future meetings. Leaders accepted with gratitude Belgium's offer to host ASEM 8 in 2010

IV. TRADE FACILITATION AND SECURITY OF THE SUPPLY CHAIN

WCO gave a brief presentation on the **SAFE Framework of Standards** (SAFE FoS) by first describing the objectives, four core elements and the structure of SAFE FoS. In the meantime, SAFE FoS consists of two Pillars namely; Pillar 1: Customs-to-Customs Cooperation; and Pillar 2: Customs-to-Business Partnership. However, a draft of new pillar to SAFE FoS, Pillar 3: Border Agency Cooperation, was first introduced at the October 2008 SAFE WG Meeting and recognized by the December 2008 Policy Commission, thereby supporting coordinated border management and the Single Window concept. He also informed the Meeting that a WCO Resolution adopted in 2007 and Members concerned regarding the new US legislation of 100% scanning requirements were retransmitted to the US Congress.

Malaysia then updated the Meeting on the state of play of an implementation of WCO SAFE FoS. He informed the Meeting that Royal Malaysian Customs has demonstrated commitment to implement WCO SAFE FoS. The technical assistance under Phase 1 and Phase 2 of the Columbus Programme was completed. Under Phase 1, Diagnostic Mission, a diagnostic team from WCO conducted interviews and

discussions in December 2006 with 80 officials from relevant Ministries and provided a diagnostic report for the Royal Malaysian Customs. For Phase 2, the Royal Malaysian Customs held a workshop and meetings with individual stakeholders in April 2007 to develop a Strategic Action Plan which narrowed the 63 recommendations of Phase 1 down to 8 core issues. Moreover, various supporting elements were applied including, NII, e-Manifest, CIQ, Smart Partnership and Bi-Annual Customs-Private Sector Consultative Panel, to name just a few.

The Czech Republic gave a brief presentation on “**Authorized Economic Operator (AEO)**”. He first provided background information on AEO in EU; for example, legislations of EU Customs and Customs Administration of the Czech Republic, AEO certificates and authorization process, benefits of AEO programme. He then moved on to the report on the statistics of the application and authorization of AEO in the Czech Republic from 1 January – 27 November 2008, which a total of 18 AEO certificates, out of 41 received applications, were issued by the Czech Republic.

The EC informed on the latest figures for all Member States. By end of November 2008, ca. 1900 AEO applications had been received (estimate for the full year 2008: ca. 2150 applications). 80% concerned full AEO status, 17% customs simplification only and 3% Security and Safety only. At the same time, 451 AEO certificates had been issued so far by 21 EU customs administrations, the top 5 being Germany, Sweden, the Netherlands, Austria and the UK.

Indonesia proposed that ASEM partners share information on simplifications granted by the various ASEM partners and the main conditions for trusted companies, in particular the international companies granted AEO certificates, so that all AEO practices and standards could be harmonized. Thailand supported the idea to get an overview on the situation and best practice in ASEM countries e.g. types of simplifications granted, conditions/criteria set for granting of certificates, beneficiaries of AEO certificates in contexts of both large companies and small companies. The EC suggested to continue discussions on this issue and probably develop a questionnaire, with input of Thailand and Indonesia. The Czech delegate offered his support.

Korea then briefed the Meeting on “Paradigm Shift in Customs and AEO”. Korea has gone through several steps in implementing AEO programme since 2007, for example, the establishment of the Task Force, conducting research, detailed plan for AEO implementation, Research for AEO Mutual Recognition strategy. The pilot project was commenced in September 2008 with a 2-phase approach: Phase 1 was the audit certification while Phase 2 was the on-spot certification. In 2009, after the Pilot Operation, Korea planned to run a Full-fledged Operation with MRA (Mutual Recognition Arrangement) partners i.e. NZ, Japan and US. Korea would start building best practices and international agreement for the Mutual Recognition from the year 2010 onwards.

Singapore updated the Meeting on the state of play of discussion/implementation of AEO programme under the topic “Secure Trade Partnership”. He informed the Meeting that in May 2007 the Secure Trade Partnership (STP) program was launched by Singapore Customs with various objectives e.g. to raise companies’ overall level of supply chain security standards, enhance companies’ supply chain security management, etc. In addition, Singapore is also currently discussing mutual recognition with several other countries that have national supply chain security

programmes. In October 2008, Singapore introduced a new and higher tier of STP certification for companies – the STP-Plus. For certification under the STP-Plus, a company will have to meet the new STP-Plus Criteria. The STP Criteria is an enhanced version of STP Guidelines and is intended for companies who wish to obtain a higher-level of certification. This higher tier will be used for mutual recognition discussions with other customs administrations that require minimum criteria.

China was then invited to report the Meeting on **“China-EU Smart and Secure Trade Lane Pilot Project”**. As background information, China recalled that the Pilot Project was initiated in 2007 and joined by China, the Netherlands and the UK with the key objectives to establish a secure and facilitate supply chain between Asia and Europe. To reach political agreement, the working mechanism included not only working group and expert groups but also Steering Group in the Ministerial level. At the first stage, the main tasks included legislation development, data model and data exchange, control standard, unified lowest risk indicator, AEO mutual recognition, and information platform. He also updated the Meeting on the Pilot Project. In the future, China would continue various pilots on security equipment, set the UCR standard and explore its application, pursue mutual recognition of AEO companies and offered to share experience on the project.

China recalled the conclusions of the ASEM 7 summit and the Senior Officials meeting, where China introduced as new initiative "Promoting Asia Europe Trade Security and Facilitation". It suggested in that context to dedicate a seminar on supply chain security and the China-EU Pilot Project back to back with the 3rd AWC Meeting in Hungary, focusing on sharing of experiences in that field. China offered to prepare such a seminar. Hungary agreed to accommodate the proposal in the agenda of the next meeting and the logistical planning.

The EC informed that an evaluation of the China-EU pilot project will be undertaken in 2009. Any follow-up, including possible expansion and its conditions, can only be discussed once the results of the evaluation are available. The EC delegate also asked China to prepare the seminar jointly with DG TAXUD, who will liaise with the Member States concerned. The UK and the Netherlands offered their support.

WCO expressed appreciation to EU and China for developing such a comprehensive project. He said it was pleased to see that a lot of work stemmed from such WCO programme as WCO Data Model Version 2 and 3. In addition, other WCO initiatives, for example, border management environment or unique reference number were also part of discussion in ASEM forum. On behalf of WCO, he thanked all ASEM partners for the implementation of WCO instruments. He went on saying that feedbacks and comments from the Meeting presentations were very valuable.

Austria informed the Meeting that Austrian Customs would develop a 3-year program known as “Secure Trade Agreement”, providing platform for information exchange. The updates on this program would be communicated to ASEM partners at the next AWC Meeting in Hungary.

ROCB also informed the Meeting that ROCB organized the AEO workshop in May 2008 to discuss technical aspects of the AEO Programme implementation in Asia Pacific region. In the meantime, Japan, Korea, New Zealand, and Singapore had implemented AEO pilot projects which were similar in nature.

The Chairperson then invited Thailand to give a presentation on “Customs Control Technology: Recent Initiatives of Royal Thai Customs”. Thailand informed that Thai Customs established a Customs Control Center under the responsibility of the Investigation and Suppression Bureau. The Center utilizes modern technology with the key objectives to effectively control the movement of goods and facilitate cross-border trade. The technologies employed at the Center include RFID, GPS, Radiation Portal Monitor, X-Ray and CCTV. However, Thai Customs highlighted **the implementation of CCTV System** which involved various related systems e.g. a Facial Recognition System, Command Control Communication System and License Plate Recognition System. It was anticipated that these systems will be fully implemented in 2009 at all major Customs Houses and ports nationwide. Other ASEM members were very interested in the Thai experience of the Facial Recognition System.

Turning to **Trade Facilitation Action Plan (TFAP)**, Japan briefed the Meeting on the “Progress Report TFAP 2006-2008 and Strategy for Revision”. He reminded on the 14 deliverables of the TFAP 2006-2008 and the questionnaire he had sent out to ASEM members prior to the Meeting, asking information on the current state of play. Not many replies had been received to date and **Asian countries are urged to respond as soon as possible** (the EC side has already submitted a response). He then focused on the strategy and schedule for the revision of the TFAP 2006-2008 to establish a new TFAP 2008-2010, as requested by the leaders. As regard to the revision strategy: items fully implemented from the TFAP 2006-2008 would be taken out, items with ongoing implementation would be kept and items which were considered useful and not included in the TFAP 2006-2008 would be added to the new TFAP 2008-2010. Countries were asked to submit proposals for the new TFAP to Japan. The Draft TFAP 2008-2010 should be discussed and finalised at the 3rd AWC Meeting. The final version of draft TFAP 2008-2010 would be presented to the 8th DG/Commissioners Meeting in 2009 for endorsement.

The Meeting agreed as follows:

- *Japan would continue to be a coordinator/facilitator of the TFAP 2008-2010;*
- *ASEM partners would submit answers to the survey on the state of play of implementation of TFAP 2006-2008 to Japan by 15th February 2009;*
- *ASEM partners should submit proposals for the new TFAP 2008-2010 to Japan by 25 March 2009;*
- *Japan would circulate the TFAP2008-2010 before the 3rd AWC Meeting for members’ comments and inputs, to be discussed at the 3rd AWC in Hungary.*

V. Standardization and Simplification

Singapore reported the Meeting on the summary of developments under the 2008 **APEC SCCP** (Sub-Committee on Customs Procedures). He briefed the Meeting on the background of the APEC SCCP. He then mentioned that the SCCP held its annual APEC Customs-Business Dialogue (ACBD) in Peru in August 2008 focusing on effective trade facilitation and protection of IPRs. For the new APEC Trade

Facilitation Action Plan (TFAP 2) which called for a further 5% reduction in business costs by 2010, the SCCP has identified the Key Performance Indicators (KPIs) in areas such as implementation of the APEC Framework for Secure Trade based on the WCO SAFE Framework and Paperless and/or Automation of Trade-related Procedures. Moving to the Single Window Initiative, he informed that the SCCP Single Window Working Group (SWWG) developed a Development Report in 2007 and planned for a series of workshops to be held from 2008-2009. In addition, workshops on Targeting and Risk Management and Border Enforcement Training would also be held next year. Lastly, he informed that the 2009 APEC SCCP Meetings would be hosted by Singapore.

Regarding this Agenda Item, Japan noted that the trade facilitation topic in SCCP and AWC had similar objectives and suggested to reflect whether cooperation between AWC and SCCP could/should be envisaged.

Thailand then was invited to present the Meeting on “**Single Window**: Experience of Royal Thai Customs”. The contents of the presentation included the implementation of Information and Communication Technology (ICT), e-Customs/e-Licensing and the National Single Window. She outlined how Royal Thai Customs implemented ICT to drive the organization and best practices in e-Customs. She then moved to the Single Window concept, emphasizing on e-E-export, e-Import, and e-Licensing of Royal Thai Customs. The National Single Window (NSW) Model was then presented, followed by the ASEAN Single Window concept.

Regarding Agenda Item 5.1, the Chair informed the Meeting that the ASEAN Secretariat was unable to attend the Meeting. However, he sent the paper updating the Meeting on the current status of the ASEAN Economic Community or AEC. The report was included as Agenda 5.1

Sweden then made a presentation on the implementation of the Single Window project. He first provided the background and development of the Single Window in Swedish Customs, commencing in 1974 and to be finalized in 2013. The design and development process were then outlined, including Single Window clients and the importance of national enablers, the issuance of licenses by relevant agencies, and trade statistics. Following this issue, he turned to border integration with Norway, the operation in which Swedish and Norwegian Customs controlled the movement of cross-border trade activities on behalf of each other.

Turning to the EU Simplification and Harmonization Developments, EC updated the Meeting on the state of play of the **reform of Rules of Origin (ROO)**. The Commission produced a first draft regulation in October 2007, but this was criticized by Member States and other stakeholders, including some beneficiary countries. In November 2008 it therefore produced a revised proposal. The revised draft moves away from the single value-added method for determining origin in the earlier proposal to a sector-by-sector approach. The rule will be value added, change of tariff heading, a specific processing requirement or the use of specific wholly obtained materials, depending on the case. Regional accumulation is maintained and improved. The introduction of the registered exporter system is maintained. It will be more modern and more efficient. While the relaxations offered by the new rules mainly benefit the least developed countries, there are elements of relaxation for all beneficiary countries.

The revised text will be discussed with Member States with a view to reaching final agreement as soon as possible and implementation on 1 January 2010 (as regards the rules for determining origin) and 1 January 2013 (as regards the procedural element). The revised proposal is available on DG TAXUD web-site:

http://ec.europa.eu/taxation_customs/customs/customs_duties/rules_origin/preferential/article_777_en.htm).

The results of the reform should subsequently be extended to other arrangements, but this would be a matter for negotiation. Once the new GSP rules are decided partners can consider the implications also for the FTA negotiations (e.g. ASEAN, India).

Poland presented the Meeting the outcome of a **benchmarking project** between Poland and Belarussia on the "Functioning of Land Crossing Points on Polish/Belarusian Border". The project commenced by the establishment of a joint working group between Poland and Belarus, setting out the scope of the project. The results with recommendations were reported to the DGs. The follow-up actions taken by the Polish Customs were at all levels, the national, local/regional, and bilateral levels. As one outcome, the EC agreed to purchase two mobile scanning systems for Belarus Customs.

WCO presented the recent developments and current situation on WTO negotiations on trade facilitation and WCO's role in that context. The presentation outlined the objectives of the WTO negotiations and the recent development and current situation made so far by the Trade Facilitation Negotiating Group (TFNG). WCO then turned to the involvement of the WCO Secretariat in the negotiation process as an observer. The Customs-related content of the key measures in an Agreement on Trade Facilitation negotiated in WTO included Article X, Article VIII and Article V. He also emphasized the WCO Secretariat continued to advocate greater recognition and understanding of Customs' role and of the WCO's competency and tools in the field of trade facilitation. Member Customs Administrations should also seek to influence their national negotiators in order to secure a mutually beneficial outcome of the WTO negotiations.

VI. Customs Contribution to Environmental Issues

WCO provided the primary outcome of the WCO Global Survey on Environmental Enforcement which conducted between May and July 2008. The Meeting was informed that the surveys were distributed to WCO members and 76 responses were received, of which 27 from EU Member States and 49 from other countries. The survey result indicated that in all countries, except Lesotho, Customs were empowered to implement environmental legislations at the border and 66% included the environmental issue into national strategic plans, as one of priorities. Regarding trafficking situation, the majority of the Customs Administrations considered hazardous waste as a very serious matters and issues concerning Ozone Depleting Substances, Endangered Species and Persistent Organic Pollutants as serious ones. In addition, the survey results on authorities of Customs, collaboration and risk

assessment, capacity building and joint operations were also reported to the Meeting. WCO then suggested that the members provide a training of practical skills, set common standard of procedures, establish information exchange platform, facilitate joint operations of Members and set up a specialized working group at the Secretariat.

EC informed the Meeting on the state of play on the planned **TAXUD study focusing on Customs enforcement of shipments of waste**. A delay was faced due to procedural problems, but now the Terms of Reference were basically ready for publication. The concept of the study had already been agreed at the 1st AWC in Lille. The objective of the study is to examine in detail an organization and efficiency of Customs enforcement and controls of exports of waste at the external border (in particular exports to Asia), to identify specific customs problems and make recommendations for “Best practice” and to analyse availability and comparability of relevant data. The study should be based on reported facts and problems and take into account already existing information and findings. DG TAXUD has a lot of information available from the European ASEM members, but not much from the Asian side. It was therefore already agreed at the 1st AWC Meeting that Thailand should collect similar information from the Asian ASEM members in this context, like concrete data and report of problems with relevant exports from the EU. The Meeting was also informed that the questionnaire would be distributed for reply with the final report of the 2nd AWC Meeting.

To avoid duplication of work, the EC suggested that ASEM members share their replies to the WCO Global Survey on Environmental Enforcement. The reply of the EC is enclosed as **Annex 2**. EC also suggested that Thailand collect the replies and distribute it amongst members by 30 April 2009.

The Meeting agreed that

- ***EC would develop a questionnaire to collect data and basic information on Customs enforcement of shipments of waste as basis for the agreed study.***
- ***Thailand will circulate the questionnaire on Customs enforcement of shipments of waste with the final report of the 2nd AWC Meeting.***
- ***ASEM partners would search agreement on national level to share their replies to the WCO Global Survey on Environmental Enforcement.***
- ***EC would report on the state of play of the study at the next DG/Commissioner Meeting.***

The Netherlands were invited to make the presentation focusing on Customs enforcement of export of waste. He informed the Meeting that the Ministry of Finance has signed an Agreement with the Ministry of Environmental Affairs so as to allow the Ministry of Finance to perform tasks concerning environment aspects at border crossing points on behalf of the Ministry of Environmental Affairs. He also outlined the competence of the Dutch Customs on environmental management of waste under the national legislation. Various techniques were applied to encounter and control exports of waste including training and providing education to those Customs field officers on waste enforcement and setting up task specialist on enforcement of export waste. In addition, pre-departure check from relevant information and selection methods for export shipments by utilizing profiles in computer system in cooperation

with the inspectorate of environment were also implemented. This resulted in a decrease in illegal transports.

Thailand briefed the Meeting on **CITES: Experience of Royal Thai Customs**. He provided information relating to CITES noting that CITES was an initiative created under Multilateral Environmental Agreements (MEAs) to protect endangered species. At the regional level, Thailand was the member of ASEAN-WEN to counter the black market trade in wildlife, which threatened global biodiversity, endangered public health, and undermined economic development. At the national level, there were several agencies in Thailand working together in handling CITES issues such as the Department of Agriculture, the Department of National Park Wildlife and the Plant Conservation including Royal Thai Customs. Furthermore, various Laws and Regulations were applied in order to tackle the threat of international trade in endangered species, for example, Customs Act B.E. 2469 (1926), Convention on International Trade in Endangered Species of Wildlife Fauna and Flora and Wild Animal Reservation and Protection Act B.E. 2535 (1992). A few cases concerning CITES and seizure statistics were also introduced.

RILO A/P gave a presentation on the Sky Hole Patching Project. He first briefed the Meeting on the background of the Project, then explaining the two-phase implementation of the project. The first phase, which was implemented in 2006, focused only on ODS while the second phase, which was from 2007, also included hazardous waste. After that several routine operations on the seizure of ODS and hazardous seizures were exemplified, followed by the suggestions of the improvement measures and way forward. It was suggested to build a closer cooperation among EPA, UNEP, RILO A/P, NGOs, and stakeholders. It was also encouraged that ASEM partners exchange information and act in accordance with the Action Plan and seek opportunity to expand environment protection network.

In addition, RILO A/P requested EC to share the results of the study on Customs enforcement of the export of waste. EC agreed upon RILO A/P's request.

VII. Capacity Building

EC recalled the Meeting of the revised version of the **“Customs Blueprints”** presented at the 1st AWC Meeting in Lille, France. She said that the Blueprints had been developed, together with EU Member States experts, in 22 Customs key areas as a guideline to build up a modern Customs Administrations and the necessary operational capacity. She then updated the Meeting on the latest events related to the Blueprints. and informed that a Workshop on Blueprints was held in Jakarta, Indonesia last autumn, where Customs task managers working in the EC delegations on Asian countries were briefed. Further, the blueprints had been presented to Indonesian Customs and the ASEAN secretariat, for which it will be important also in the context of ASEAN FTA negotiations. Some workshops were held in Brussels, Belgium, for central and Eastern European and also former Yugoslavian countries, partly with participation of IMF, the World Bank and WCO. The last seminar took place in China, where it was explained how the Blueprints could be useful to identify differences in Customs systems and areas of common interest for closer cooperation. In March 2009 the Blueprints will be further discussed at a TREATI seminar with

ASEAN countries and later in a series of workshops with the African Union and sub-regions in Africa. The Blueprints are available in English and have already been

translated into Chinese. Finally, she invited ASEM partners wishing to have further information or hold a seminar or workshop on Customs Blueprints may approach EU for assistance. The Blueprints are available on DG TAXUD website:

http://ec.europa.eu/taxation_customs/common/publications/info_docs/customs/index_en.htm

China then briefed the Meeting on the **"EU-China Workshop on Customs Modernization and Trade Facilitation - Introduction to the EU Customs Blueprints"** held on 10-11 November 2008 in Beijing, China, with the key objective to explain how the blueprints can be used to support the reform process of China Customs, focusing on the example of Trade Facilitation. The workshop was hosted by China Customs and the EC Delegation in Beijing. More than 50 representatives of the China Customs as well as Chinese and European business representatives participated in the workshop. Customs officials from EU and EU Member States with in-depth knowledge on the blueprints and representatives of the China Customs introduced the Chinese and European Customs systems and the Customs Blueprints. The Workshop covered a comprehensive range of issues such as the status of China's Customs reform and trade facilitation, overview of European Customs system, China Customs' presentation on trade facilitation, etc.

WCO presented the Meeting with the progress of the **WCO Columbus Program**. In the meantime, 145 countries committed to implement SAFE FoS, 110 countries requested for technical assistance and diagnostic mission was conducted in 108 countries. In addition, the total of 72 countries entered Phase II of the Columbus programme. WCO supported in Phase II included, for example, programme and project planning, project review, costing and estimation, donor matchmaking, risk management advice, to name just a few. Phase II of the Columbus programme would begin in 2009.

RILO A/P briefed the Meeting on the **capacity building activities** of RILO A/P. He began by reporting the actions in the Regional Strategic Plan (RSP) which was taken into account the environmental scan and trend in the region. He then moved to the technical assistance provided to the regional members, focusing on the expert mission to Mongolia, attachment training in 2008, and seminar in China in November 2008. He further explained that RILO Intelligence Products included a monthly bulletin, analysis report, and alert containing seizure information. To support the Intelligence Products, RILO A/P also enhanced the exchange of information and intelligence through the "Intelligence Capacity Survey".

In this connection, ROCB also briefed the Meeting on ROCB activities on capacity building, including the implementation of Columbus Programme, donor partnership, management and technical assistance and research and communication work. EC also reminded the ASEM partners that any needs for technical assistance or funding could be communicated to EC or the EC representative in Bangkok, Thailand.

IX. Next ASEM Meetings

Hungary informed the Meeting that the **3rd Meeting of the AWC** would be held in Budapest on 28-29 April 2009 at the Novotel Budapest Danube, Hungary. Interested partners could visit the Hungarian website at <http://vam.gov.hu/welcomeEn.do>.

China reminded its proposal to help organize a seminar to share experiences on the China-EU Pilot Project back to back with the 3rd AWC Meeting in Hungary. It was suggested to dedicate half a day during the 3rd AWC Meeting to this purpose. The arrangements and date of the seminar would be confirmed and announced after consultation with related parties was finalized.

The Chair then invited EC to announce the information of the **next Customs DG/Commissioner Meeting**. EC informed that Greece proposed to host the 8th ASEM Customs DG/Commissioner Meeting around October 2009 and final confirmation was still awaited from Greece. The exact date and venue of the 8th ASEM Customs DG/Commissioner Meeting would be communicated to ASEM partners at the 3rd AWC Meeting in Hungary.

X. Any Other Business

The Chair requested the participants to update the **Contact List** circulated by the Secretariat staff during the Meeting and inform them of any amendments. The final version of the Contact List would be included in the electronic version of the Meeting documents and circulated to all participants after the Meeting.

Singapore then provided the Meeting an update on **Swedish-Singapore Joint Customs-Business Partnership Model** which was earlier presented at the 7th Customs DG/Commissioner Meeting. Based on the Model, a Customs-to-Business Dialogue Session was held in Vietnam with 140 participants from both entrepreneur and Vietnam Customs Officers. The dialogue session was carried out in both plenary style discussions and breakout group discussions which generated active participation from trade representatives. The Chair of the session commented that the model served as a good reference for Vietnam and they would continue to refer to the model for their future communication with businesses.

Finally, EC briefed the Meeting on behalf of OLAF on preparations of the agreed operation **Diabolo II**. She informed that a pre-briefing meeting on Diabolo II should be held in Singapore tentatively on 30-31 March 2009 for the Asian ASEM partners. The invitation confirming date and venue would be sent to the Asian Customs DGs/Commissioners by the Director General of OLAF in due course. OLAF will cover all related expenses (travel, accommodation) for 1 participant per country. The troika of EU presidencies (France, Czech, Sweden) will represent the European side and international organizations will participate (Europol, Interpol, and WCO). Other European ASEM members are briefed in the Customs Cooperation Working

Party in Brussels. Countries were reminded of the importance of the Diabolo II action, which needs full cooperation and everybody's contribution.

XI. Closing Remarks

The Chair began the Closing Remark by thanking all participants for the very fruitful deliberations which are made possible because of the excellent participation and contributions of delegates from ASEM Customs, EC, WCO, ROCB and RILO A/P. She then recapped the discussions and reports that echoed various important issues which included:

- Report of ASEM and relevant ASEM Meetings;
- Trade facilitation and security of the supply chain such as WCO SAFE FoS, AEOs, Trade Facilitation Action Plan (TFAP);
- New developments within simplification and harmonization of Customs procedures;
- Customs contribution to environmental issues; and
- Capacity building.

She also expressed deepest appreciation to EC who kindly helped organize the agenda of the Meeting and acted as a contact point of this Meeting for the European side, special thanks to all the experts and resource persons as well as staffs for the successful Meeting.

The Chair officially announced the Meeting was closed.

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