

**Korea Customs Service-ADB Subregional Workshop on Capacity Building  
for Implementation of the World Trade Organization Trade Facilitation Agreement  
21-23 November 2017  
Incheon, Republic of Korea**

**Summary of Proceedings**

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**I. INTRODUCTION**

1. I participated in the Korea Customs Service(KCS)-ADB Subregional Workshop on Capacity Building for Implementation of the World Trade Organization (WTO) Trade Facilitation Agreement (TFA) on 21-23 November 2017, in Incheon, Republic of Korea. This is the first activity in a multi-year initiative for all SASEC Customs administrations, designed to assist in implementation of the Customs-related provisions of the WTO TFA. The initiative was approved by the SASEC members at the Sixth Meeting of the SASEC Customs Subgroup (SCS-6), held in June 2017 in Thimphu, Bhutan, and will comprise two subregional workshops (funded by KCS, and supported by KCS experts) and one national workshop for each of the seven SASEC countries (funded by ADB, with KCS self-funded experts delivering technical inputs). In addition to the capacity-building sessions, the main objective of the subregional workshop was for each SASEC Customs administration to prepare a detailed action plan for further implementation of the WTO TFA. The full agenda and participant list are in **Attachment 1**, and presentations in **Attachment 2**.

**II. HIGHLIGHTS OF THE SUBREGIONAL WORKSHOP**

2. Capacity-building sessions were delivered on eight priority areas of the WTO TFA identified by SASEC Customs administrations in advance of the SCS-6: Establishment and Publication of Average Release Times (Time Release Study); Trade Facilitation Measures for Authorized Operators (Authorized Economic Operators [AEO]); Post-clearance Audit (PCA); Advance Rulings; Single Window; Risk Management; Pre-arrival Processing; and Testing Procedures. Three of these areas are recognized by the World Customs Organization as the most complex of all WTO TFA provisions to implement, requiring the most robust systems and highest levels of technical capacity – Time Release Study, Advanced Rulings, and the Single Window.
3. The KCS experts who made presentations in each of the eight areas were all either KCS- or WCO-accredited and delivered the sessions professionally and effectively. They shared the development of KCS systems and procedure in all eight areas, discussing in frank terms what had worked well as well as the instances where KCS had encountered problems that required re-thinking and/or re-design. In a highly successful example of south-south knowledge exchange and cooperation, the three Customs Commissioners that attended from India served as co-chairs, co-presenters, and resource persons for the sessions on AEO, PCA, Advance Rulings, Single Window, and Risk Management. The experience and information shared from the Indian perspective provided the participants with not only the context of implementation of these five topics within the context of South Asia, but also demonstrated some of the steps and measures necessary for South Asian countries to begin implementing, or strengthen implementation of each WTO TFA area. In addition to the inputs from India, Nepal co-chaired and co-presented on its experience in conducting a time release study in 2016-2017; Sri Lanka shared its experience in developing an AEO system; Maldives presented on PCA and Single Window preparation; and Bhutan described its initial steps in developing a Risk Management system. Each topic stimulated vigorous question and answer sessions, with all SASEC members engaging actively.

4. The approach of presenting the experience of a comprehensively more advanced Customs administration such as KCS, alongside that of India, and of the less developed administrations in the remaining SASEC countries was effective. The most advanced KCS systems provided an aspirational example, while India's current practice and procedure served as a practical stepping stone from the realities of the South Asian context toward the aspirational. During open discussion sessions, both KCS and India candidly shared the frustrations and failures they had experienced in areas such as AEO and Single Window development, and the need to continually monitor, re-evaluate, and where necessary re-design in part or in whole. This helped the less advanced SASEC countries appreciate that timelines for full development and operationalization of trade facilitation measures are often longer than anticipated. It was noted that some of the significant problems faced in the past, when KCS and India were developing Customs systems and measures, remain the same in today's WTO TFA environment: specific challenges were identified including the need for Customs administrations to collaborate with other government agencies and a disparity of development and approaches; and a pervasive lack of awareness of the TFA commitments and benefits amongst both public and private sectors.
5. The final sessions were allocated to preparation and presentation of the individual SASEC country action plans that detail which of the eight trade facilitation areas covered in the subregional workshop respective countries wish to focus on for the national workshops to be held during April-November 2018. KCS experts in the relevant areas will be dispatched to work in more detail with each Customs administration at the national workshops.

### **III. CONCLUSIONS AND NEXT STEPS**

- The subregional workshop was highly successful, with good quality presentations and effective delivery by KCS experts of the technical capacity-building sessions. KCS expertise was complemented well by sharing of the Indian experience and perspective, and the ongoing efforts of all SASEC countries.
- SASEC delegations engaged in significant exchange of information and knowledge that will enhance their understanding and capacity to implement and/or strengthen the Customs-related provisions of the WTO TFA.
- Delegations agreed to submit their preliminary action plans for the national workshops to their respective Customs management for internal discussion, adjustment as required, and approval by 15 February 2018. Following internal approval, KCS will re-convene the SASEC delegations in March 2018 to confirm the action plans and agree on the schedule for the national workshops.
- SARC will continue to collaborate closely with KCS in this multiyear initiative and ensure that action plans and national workshop agendas are aligned with the WTO TFA provisions and the SCS work plan.