Report on the WCO Private Sector Consultative Group (WCO-PSCG)



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The South African Association of Freight Forwarders (SAAFF) - Representative of the WCO ESA Region

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About this report:

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Louise Wiggett was given the privilege by SAAFF, CEO David Logan to join in as an observer in the WCO-PSCG session.

This report contains a summary of the recently held WCO Private Sector Consultative Group (hereinafter referred to as the "PSCG") at the WCO Headquarters in Brussels, Belgium. During the two-day meeting, the PSCG discussed its recurring work on the Comprehensive Review of the Revised Kyoto Convention (RKC), Performance Measurement, the WCO Study Report on Disruptive Technologies – Exploring possibilities for PSCG contribution and Non-Negotiated Tariffs and Retaliatory Tariffs.

In addition, the PSCG reviewed the status of the WCO Cross-Border E-Commerce Framework of Standards and expressed its support for the Framework and its commitment to participate in any additional WCO work on e-commerce. PSCG members further contributed to a paper on Non-Negotiated Tariffs and Retaliatory Tariffs and their impact on business, to which the PSCG identified a number of areas of relevance and possible actions by Customs. This report therefor summarizes the main points discussed during this two-day meeting, with a prescient view of future work connecting Customs Administrations with the Private Sector.

Background:

The PSCG met for its 47th session at the WCO headquarters on 24 and 25 June 2019, with the participation of representatives from 16 PSCG members (out of a total of 27 members) and was chaired by John Mein. The group prepared for the PSCG dialogue with the WCO Policy Commission held on the 26th of June 2019. This Dialogue included issues of importance to the PSCG's work over the past last year or so.

Agenda points discussed during the two days were:

- Non-Negotiated Tariffs and Retaliatory Tariffs
- Performance Measurement
- WCO Study Report on Disruptive Technologies Exploring possibilities for PSCG contribution
- Revised Kyoto Convention review
- WCO Cross-Border E-Commerce Framework of Standards
- Report on the Conference on the Future Direction of Harmonized Systems
- Communication Handbook of the WCO
- Meeting with WCO Secretary General: Mr. Kunio Mikuriya
- Progress report on the Regional Private Sector Groups (RPSG)
 - o Africa
 - o Americas
 - o Disruptive Technologies
 - A common Core Data Model and Common Data Repository for International Trade
- Preparation of Report for Policy Commission

The abovementioned topics will be addressed in a broader scope throughout this report, as well as providing recommendations from the PSCG. The report will also list future engagements, projects and objectives, which will be prioritised at the next PSCG meeting to be held in October 2019. It must be noted that this document does not serve as the official minutes of the two-day meeting, but rather as contextual background and supplementary to the most pertinent customs and trade related issues currently faced by Private Sector.

Contents of the PSCG Meeting: 24 and 25 June 2019:

The meeting was opened by the current chair John Mein (Private Sector – Brazil). Orientation was given by the WCO Deputy Secretary General, Ricardo Trevino. The following issues were the most pertinent issues discussed:

1. Non-Negotiated Tariffs and Retaliatory Tariffs:

An important topic which was widely discussed by the PSCG was the recent introduction of non-negotiated tariff policies and trade protectionist measures undertaken throughout 2018 and into 2019. Carol West facilitated this discussion, highlighting the immense negative effect of some of these measures. In response to the implementation of these non-negotiated tariffs, some countries have retaliated by imposing measures of their own, which are known as

retaliatory tariffs or surtaxes. As a general stance, the PSCG opposes the use of these tariffs to drive changes in trade policy. Rather, the PSCG believes that this approach is ineffective and that parties should work together for a negotiated solution.

PSCG commentary on the general effects stemming from these non-negotiated tariffs and the imposition of retaliatory tariffs and surtaxes include a possible decline in global stock markets and increasing uncertainty for international investments as manufacturers face higher costs in relocating manufacturing to countries not affected by new/retaliatory tariffs. Initial reports on the additional amount of duties collected by these measures are in the billions of US dollars.

Implementation Experience

Recent experiences indicate that the time frames for implementation of these tariff changes have been extraordinarily short (as little as 24 to 36 hours) between the implementation of surtax and the issuance of the final list of products). In another example, the timeframe between the final announcement of the tariffs and the effective date was less than two weeks.

Due to the fact that implementation timelines were so short, it was impossible for companies to put mitigating strategies or strategic countermeasures in place prior to implementation. Implementation had many challenges and costs to business, including the following:

- IT departments had to shift priorities to manage programming and testing to accommodate the changes.
- Updates of Customs Brokers' systems were required which took time to implement and stabilise.
- Importers and Customs Brokers reviewed database reports to determine the impact of the changes.
- Financial implications were assessed for surety bond requirements and deposit arrangements, as well as transfer price increases/adjustments keeping in mind that many of the affected products had been duty free under existing trade agreements.
- Senior executives engaged in reaching out to banking contacts and business partners because of cash flow impacts.

In a specific example which illustrates how serious the challenges are, and remain so, one company examined its existing sourcing strategy to move production to other origins that may not be affected by new tariffs. Due to considerations such as lead times, production expertise required, and raw material availability, it is a very difficult and time-consuming exercise to move production from one country to another.

Companies also modified their systems to provide more flexibility in purchase order systems and restructured costing tables to reflect new duty/surtax rates. Additionally, reporting metrics were added to capture the additional tariffs paid and systems were updated to properly accrue for duty increases.

The result is greater cost and complexity for business. Did governments understand the impacts of these changes on particular industries and were steps taken soon after implementation to alleviate or mitigate these impacts? In some instances, there was a comment period or public hearings after the proposed tariffs were published and as a result, some changes/removals were made. In other cases, measures were taken to allow affected companies to formally apply for duty relief based on the circumstances of their particular industry or business.

Remission/Relief

There were opportunities in some countries for drawback or exclusion; however, these were based on specific rules. In general, approval rates were low and the time for processing requests was lengthy.

In some cases, the list of goods described as being subject to surtax did not match the HS assigned to those goods and it was difficult to tell if surtax applied or not. The same held true when it was time to determine if the goods were subject to remission – the description of the goods did not necessarily match the tariff.

There was also potential loss of FTA benefits because of the impact of the extra duty costs on the value content/preferential origin qualification of goods sold between FTA beneficiary countries.

Collection and Management of Revenue

It is clear that in affected industry sectors, new tariffs/surtaxes have definitely impacted cash flow and in some cases the impact was material (depending on the commodity, country of origin and country of destination).

There is no doubt that these changes have caused a significant cost increase for companies in various countries which directly affects available credit. This in turn affects the amount of inventory that can be ordered/held at any point in time. It is difficult to determine at this point whether it has also impacted on relationships with customers or financial institutions; however, it is likely to eventually cause prices of goods to rise, impacting customers. Additionally, managing customs bonds with unexpected increases has become quite challenging as surety and insurance companies have had to address importers' thresholds being reached in much greater numbers and have had to find additional capacity in surety markets for coverage.

Looking Ahead

If non-negotiated tariffs and retaliatory tariffs continue to be applied, companies' competitiveness will be severally harmed, jeopardizing their international footprint/growth. They will look for alternative sources of supply and if that happens, the impact of orders not being renewed may lead to massive unemployment in some countries with the possibility of civil unrest.

Alternative countries could benefit from increased demand, but consumers in developed countries will likely experience consumer product inflation, resulting in lower consumer confidence and possibly leading to recession.

The free market system will likely restore balance over time, but the imposition of new tariffs, retaliatory tariffs and surtaxes is causing a serious disruption in current supply chains and markets in the short to medium term. The PSCG believes that this approach is ineffective and that parties should work together for negotiated solutions to trade issues. Perhaps the WTO could be encouraged to promote a revision of Section 1 Article 2 of the Trade Facilitation Agreement (TFA) to specifically eliminate the reference to "changes to duty rates or tariff rates" from the list of exclusions of the considerations that members shall ensure regarding prior notification and opportunity to comment on proposed changes in laws and regulations of general application related to the movement, release and clearance of goods.

Although negotiation of trade issues likely resides in national agencies other than Customs Administrations, the experience of business with the implementation of non-negotiated and retaliatory tariffs is especially relevant to the WCO and its members. Private Sector concerns include the need for clear advance notice of implementation, timely communication of IT programming requirements, identification and administration of opportunities for remission/relief strategies, management of requirements for increased financial security, and alignment of HS with

commodity descriptions. These are all things which Customs Administrations may positively influence in collaboration with the Private Sector. Members of the PSCG are willing to work with the WCO to explore possibilities.

PSCG Recommendations

It is clear that the implementation of these non-negotiated tariffs and retaliatory tariffs significantly disrupts global supply chains. It should be the mandate of Customs Administrations to manage these items. The primary objective should be to avoid these measures. However, in the case where some Administrations will persist with them, a clear and advance notice should at least be given in order to facilitate the timing communications of IT requirements. Remedial action should be considered as to how these tariffs will work; the potential financial impact; as well as the global benefits and drawbacks of them. With the implementation of these measures, the increased financial capacity of Customs Administrations should also be managed, as well as the alignment of HS commodity descriptions.

The PSCG notes that the majority of discourse has revolved around the US, however respect should also be given to the broader non-tariff barriers (such as those implemented by China, and GATT 26). To alleviate some of the problems created, a clear global message should be sent, which could come in the form of sanctions implemented by a number of countries, which will also increase the role of Customs Administrations during this time. It is the view of the PSCG that we should not intervene with the political issues behind these measures, but rather showcase their impact on business.

2. Key Performance Indicators:

Another important issue for the PSCG concerns measuring the performance of Customs Administrations around the world. This topic was first discussed in the WCO Policy Commission meeting in June 2018 in which members recognized the need for self-evaluations using a tool developed by the WCO. Jaime King, along with Ricardo Trevino facilitated this discussion. A significant constraint to this topic revolves around the fact that traders may be different from intermediators according to how they move goods and how they operate. Furthermore, the use of differing terminology around the globe might also be an issue which would need clarification. Nonetheless, the topic of performance measurements is an important factor for the PSCG since Customs' performance can be directly linked to the WTO-TFA.

PSCG Recommendations

The PSCG recommended various measurements which can be added by Customs Administrations in order to effectively monitor their performance to Trade. The focus should be on:

- Investigating the TIME and the alignment to the TFA, 12 Articles
- Administrative critique of all the documentation
- Customs Administrations operating in a Single Window with other law enforcement agencies

The quantitative measures in which Customs Administrations can evaluate performance should include as an example:

- Evaluating the percentage of shipments released on arrival
- Number of documentation to facilitate import, export and cross border movement
- When consignments are fully unpacked, due to high risk, the effectiveness of the escalation process, with applicable preventative risk remedies
- Other activities such as:
 - o Refund, drawback

- Value determinations
- o Finalization of post clearance audits
- Publication of information

Since Customs Administrations greatly differ from region to region and from country to country, certain constraints will be evident. Nonetheless, the PSCG urge Customs to allow Private Sector to work together on the establishment of KPIs as a priority for the PSCG. This is not internal KPI of Customs Administrations, but KPI where the internal processes of Customs Administration touch with Trade. By introducing such combined measurements, trade flows across borders can be monitored which will provide great insight into a potential saving in cost and reduction in time. Clear Customs parameters (and indeed a collaborative effort with other government agencies and their parameters) do a great job to focus the mind and give stability. The aim is to get to pre-clearance stages and work on what can be submitted in order to facilitate the process. For this, the PSCG suggests introducing a Customs scorecard.

Internal Customs Administration need to focus on the effective implementation of the WCO toolkit and not the flow of trade per se, which highlights the importance of determining the level of implementation and its own competency with capacity building to service trade activities and requirements better.

Therefore, the PSCG recommends that the idea of monitoring should be pushed (with the use of SAFE to support this initiative) by the WCO, while the PSCG will focus on performance indicators in the bigger sense where the touch points are happening between Trade and Custom Administrations.

The PSCG notes that obtaining uniformity in performance measurement parameters is the key to clear the situation for trade facilitation. Each member should monitor their own performance in terms of:

- Self-assessment of internal processes and alignment
- WCO Toolkit and implementation thereof
 - According to World Ranking in order to be more aware of border performance
 - Measurements in the total processes of execution of functions, activities in the global value chain
- Trading across borders. (a well-known index is the World Bank Report which leaves room for debate)
- Full set of KPIs

Any program implemented without proper monitoring and measuring of activities can also bring unintended consequences. A couple of roll-outs can be used to demonstrate this.

- 1. Currently there is ± 27 pilot programmes on how the manifest is rolled out. This investigation of advanced notification (manifest) show different results, while the core principle is very simple the correct data in the right place at the right time.
- 2. We can see how ineffective implementation can affect the performance of overall trade:
 - a. Speed how many times the supply chain is pressurized by unnecessary requests for information?
 - i. Touch the physical the documentation
 - ii. Actual performance of different activities
 - iii. Validate the tools already in place to monitor performance
 - b. At the end: speed, time, handling once, link back to the heart of trade facilitation
- 3. The key issues around border management (Huawei case study, as discussed in 45th PSCG Meeting, October 2018).
 - a. Safety, security
 - b. Flexibility

- c. Personal view: China global connectivity
- d. Realize it is very good for them

3. Disruptive Technology:

Another important topic which was widely discussed by the PSCG was the role of technology in customs and trade related issues. Dietmar Jost facilitated this discussion, emphasizing the enormous potential consequence of modern technology. Various members of the PSCG engaged in the discussion, raising numerous concerns, as well as potential solutions and suggestions going forward. An essential factor to take into consideration is the fact that with modern technology constant change creates an uncertain business environment. The strategy of the PSCG is therefore to have a three-year outlook into border clearance management to support their vision of Customs in the future.

It must be noted that the discussion revolved around technology and not blockchain as an individual item.

PSCG concerns

The following concerns were noted by the PSCG as being the foremost with disruptive technologies:

- Technology is disruptive in the sense that it brings a more streamline process; disrupting the old process within trade
- What do you want to solve with disruptive technology? The question might rather be asked: why is there a need to strategize and why does one need a structure:
 - o Currently new technology allows business to streamline operations...
 - In this streamline the concern is that Customs might be left behind by still utilising outdated business processes and are remedies and controls to facilitate trade and old methods in secure fiscus, revenue collection...
 - Customs control the border and they use the application of new technology to assist them in their tasks:
 - Track, visibility, transparent and security
 - Allow a more advance structure in which they can work with Private Sector
- Information is where the money is the more information; the more money:
 - o Information is paramount to the industry players and adds commercial value
 - The system must however be based on security
- Any new technology, although posing potential advancements, also pose high risks and has to be managed
- Customs Administrations need to decide when is the best timing to implement new technology

PSCG potential solutions

The following potential solutions were tabled by the PSCG:

- Different technologies are present in a complex supply chain (which requires different procedures) Note example form Huawei (NB: the base station needs to be controlled); technologies must therefore be combined
- For Blockchain, a standard must be created which can also link to Artificial Intelligence in the supply chain
- Technology should be leverage to migrate away from the transactional risk to a holistic entity risk and supply chain movements. A better methodology should be established. This might even be a role for the WCO to create a global EDIFACT standard so that each Blockchain speaks the same language
- Create a data model with definitions, code lists etc. in an open standard and common repository

- Some Customs Administrations believe that a common global Blockchain can be created, however the PSCG does not believe so. Nevertheless, a model should be created whereby Customs can connect in some way
- Technology should be tied in with the RKC, C-2-C, C-2-B since there is no need to revolutionize the existing framework
- Advanced electronic X-Ray Scanners should not be at the back-end of the flow (a supply chain at destination) but should rather be immediate when parcel/goods move at origin
- Ensure political will is present (provide a ranking of who is doing what)

PSCG proposal

In terms of disruptive technologies, the PSCG proposes creating a platform for integrating technologies such as the WCO Data Model and the Blockchain environment in creating a vision, strategy and potential application in cross border goods.

4. Revised Kyoto Convention:

A topic of conversation that has been widely discussed by the PSCG in previous meetings has been the Revised Kyoto Convention (RKC). Dietmar Jost once again facilitated this discussion. Some members of the PSCG felt that the adoption of the RKC was overdue with no amendments being proposed to either the General or Specific Annexes after the PSCG review thereof. The PSCG is still working with the WCO. A Working Group has been established, with a TOR to horizontally ensure a better monitoring and uniform application; and vertically, to link the RKC better to Free Trade Zones. Private Sector needs to know what is being discussed; however, progress on discussions has been less than ideal for the constructive input from Private Sector at large. Management meetings have taken place. However, there has been the withdrawal from the USA, the EU being against Appendix III of the RKC, and Russia becoming a permanent observatory member.

Within this scope, PSCG has requested clarity regarding the RKC. Private Sector is not refusing cooperation in this matter, rather requesting that there is a re-enforcement on the position of the RKC, which has been made to the WCO Policy Committee. The PSCG has therefore agreed to participate in discussion in October 2019.

5. E-commerce:

As in previous PSCG meetings, the topic of e-commerce was once again discussed. Carol West facilitated this discussion. The PSCG continued to give its support to the WCO Working Group on e-commerce. One of the PSCG's members acted as the co-chair of the Working Group, while other members actively engaged in discussions, providing input of their own personal experiences to collectively gauge the current global needs and challenges relating to e-commerce. The PSCG's ongoing support for this initiative (and ultimately for the WCO Cross-Border E-Commerce Framework of Standards) was re-affirmed.

The extension of the Working Group's activity is appreciated by the PSCG, but the PSCG also recognizes that there may be a need for a further review of this part of the Framework. Additionally, the PSCG have always been concerned that the WCO Cross-Border E-Commerce Framework of Standards finds the right home in the WCO to ensure that there is a maintenance mechanism that is responsive to members' needs in light of rapid changes within the area of e-commerce.

For the abovementioned reason, the PSCG encourages the Council to endorse the Framework as presented at this meeting. Furthermore, the PSCG propose that a small working group (consisting of both public and Private Sector

stakeholders) be set up to revisit and continue to work on the annexes. In addition to this, the group will also consider the elements of an effective maintenance mechanism for the Framework, as well as where this process can most effectively be managed within the WCO on an ongoing basis. The group will report to the Policy Commission meeting in November.

6. Report on the Conference on the Future Direction of Harmonized Systems:

The PSCG also discussed the Conference on the Future Direction of Harmonized Systems and mentioned their support to the conference. A particular mentioned was made about the magnitude of the conference for Canada. The ICC led the discussion on the harmonized system, however the WCO is keen to take a fresh look and create an open discussion on the topic. More than 300 people engaged on it with presentations being of a high standard. Participants from all over the world showcased the openness of the WCO.

The key takeaway regarding the Harmonized Systems can be summarised in one word - simplification. It was therefore decided that the best way to move forward is to keep it at a slower pace and take up discussion on the conference within the PSCG. The aim is therefore to provide good recommendations to the Harmonized Systems Conference. The current cycle is five years. Questions were raised as to how the PSCG can engage with the ICC further on this matter (such as clarity on the terms of reference).

This matter should therefore be added to the PSCG agenda.

7. Communication Handbook of the WCO:

The topic of the Communication Handbook, which links to the information sub-committee on the WCO Data Model, was once again facilitated by Dietmar Jost. During the discussion, the PSCG noted that a document dealt with communication making references to new technology. The discussion was not externally addressed; however Private Sector provided some input which was positively received. Worth noting was the fact that uncertainty surrounded the structured of the Communications Handbook. The WCO will be holding a conference in October 2019, but the PSCG is unsure as to what to look for, since the PSCG feels that the document is lacking critical pieces. These include how the communication with the Private Sector should be used. In addition to that, no reference is made to technology (which is included in Standard 1.3).

The PSCG therefore recommends that there be some guideline of other engagements, as well as structured communication with the external environment. The PSCG then decided that Dietmar Jost will do a draft on the anticipated governance on the Communication Handbook and get back to WCO. This should be very valuable, since it will indicate where Private Sector can interact. An important factor worth delving into will be the Customs-Business partnerships.

8. Meeting with WCO Secretary General: Mr. Kunio Mikuriya:

In addition to the most pertinent customs and trade related issues being discussed, the PSCG was also addressed by the WCO Secretary General, Mr. Kunio Mikuriya. In his address, Mr. Mikuriya highlighted nine important issues currently affecting global trade. These were:

- 1. Globalization
- 2. Global Value Chains (GVCs)
- 3. Cost of systems crashes

- 4. Multi-Nationals, as well as emerging economies experiencing diminishing returns
- 5. Trade related questions surrounding multilateralism, executive rule setting and dispute settlement
- 6. Regional integration
- 7. National security and the current migration crisis
- 8. Sustained societies
- 9. Leveraging the use of technology and data in the trading environment

In response to these issues addressed, the members of the PSCG identified a number of priorities to be discussed with the Secretary General. These included co-ordinated border management (single windows and digitization), upgrading the WCO instruments (such as the RKC, e-commerce and Harmonized Systems), implementation of performance measures, safety and security of trade, using data analysis in customs and finally leveraging technology in the customs environment (such as working on a public-private partnership with the WCO and getting transparency on issues such as Blockchain and Artificial Intelligence).

9. Report on the different Regions:

Under the WCO, six regions were created to ensure a collective view and structure for the maintenance and implementation of simplified, global standards. This structure also allows the WCO to implement its WCO toolkit with standards, uniformity and guidelines around the world. These guidelines (not yet mandatory) are allowing a more compliant, safe, secure environment for Trade.

The formation of regional groupings in a structured manner for Private Sector, under the already established working structures by the WCO, was approved during March 2018 in Uganda, Kampala at the Global AEO congress. The main focus for the Regional Private Sector Group(s) was not to work on policy matters, new standards and guidelines but to allow the WCO-PSCG to get hands-on information on regional issues, the way the WCO toolkits were implemented, monitoring and reporting on Trade Compliance, Safety and Security issues.

This dynamic creation of the Regional Private Sector Group(s) will allow the WCO-PSCG to get feedback from the Regions on the most pressuring issues and see how they can assist and debate the need if a Policy, Standards, Guidelines needs be amended, updated or more importantly, if the assistance is required in different regions due to their tax morality, infrastructure, capacity building and developing tier in the greater sphere of trade, compliance, security and safety.

WCO - ESA RPSG

The WCO – ESA RPSG held its 3rd Webinar successfully. In the ESA region, Private Sector is working with 24 countries in the Southern – Eastern structure of Africa. The webinars are divided into eight countries per engagement due to the size, to ensure a more effective way of communication. The Private Sector group is working under WCO-ESA-ROCB and a webpage was structured for Private Sector. The active base (engagement) for Private Sector is an ongoing exercise and more views are gathered through all the different engagements. The ROCB will enhance its website to allow for the upload of documentation and also ensuring an effective communication portal. Various websites in the region will be visited, exploring the possibility of creating a broader view on the obstacles and how escalations can be consolidated in the current situation for an accurate barometer on the effects and solutions with possible remedies to bring relief.

The main issues from Regional Private Sector Group can be grouped into five main categories:

- 1. Accreditation programs (Trusted Trader, Preferred Trader, AEO at various stages) and the Accreditation of the regional program. (how can each membership country facilitate a better uptake of their accreditation program and how quick can alignment being created in the Region)
 - a. The alignment in the different programs will allow the possibility for the alignment in risk remedies with effective reduction of non-tariff barriers which work against the seamless flow of cargo.
 - b. Involvement of other Law enforcement agencies (possible single window), as the movement of cargo is hampered with multi stops, delays with no value add in the process
- 2. Customs-to-Customs connectivity
 - a. Export declaration becomes an Import Declaration and vice versa.
- 3. Central Guarantee systems for the movement of cargo across Africa (most of the countries are landlocked).
- 4. Readiness and active monitoring of the implementation of the WTO-TFA How does it link to the RKC and the roll out of this facilitation instrument with its trade and compliance impact?
- 5. World Bank ranking of the ESA region, the methodology, fairness, participating group and the fairness of this measurement).

During the Government Council in Botswana, May 2019, the Regional Private Sector Group gave a feedback on the events to date. The GC requested ESA-RPSG to give an alignment in the approach on how Private Sector see, view the strategic roll of Customs Administrations in the Region and what is the list of short comings that will bring immediately relieve with measurable benefit to Trade at large.

South America

A regional Private Sector group was established and the TOR is read to be signed.

No reports from the other four regions, as yet.

Conclusion:

The report summarized the most pertinent issues discussed at the recently held PSCG meeting at the WCO Headquarters in Brussels, Belgium on the 24th and 25th of June 2019. These issues included a Comprehensive Review of the Revised Kyoto Convention (RKC), Performance Measurement, and the WCO Study Report on Disruptive Technologies – Exploring possibilities for PSCG contribution and Non-Negotiated Tariffs and Retaliatory Tariffs.

As mentioned before, this document does not serve as the official minutes of the two-day meeting, but rather as contextual background and supplementary to the most pertinent customs and trade related issues currently faced by Private Sector. Since the PSCG is made up of a variety of cargo owners, intermediators and service providers worldwide, a wealth of knowledge and instructional memory can be tapped into which can empower the engagement between Private Sector and Customs Administration. As one of the WCO's instruments, its standards and practical guidelines will be much more robust in addressing a range of different activities within the supply chain and trade with its complexity.

The core element that binds the PSCG together is the desire to create a better, transparent, fair, complaint, secure and safe trading environment for all of us. This inherent desire with unwavering drive to believe in a better tomorrow focusses on addressing challenges today to produce good solutions - nobody can take this away from us or discourage us during this journey. Therefore, our dream and desire is to ensure that tomorrow will be better for all of us and that we can raise the living standard for all.