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## TWENTIETH MEETING OF NATIONAL CUSTOMS DIRECTORS OF LATIN AMERICA, PORTUGAL AND SPAIN

The twentieth Meeting of National Customs Directors of Latin America, Spain and Portugal was held from 26 to 29 October 1999 in Cancún, Quintana Roo, Mexico. Working groups discussed issues relating to control, harmonization of customs procedures, strategic alliances for combating commercial fraud, integrity and the impact of the year 2000 computer problem on customs services. At the plenary meeting of this session, agreement was reached on 30 points.

**Uruguay, headquarters for the twenty-first meeting:** The delegation of Uruguay's offer to host the twenty-first meeting in October 2000 was accepted.

### Participants

**Member countries:** Argentina, Bolivia, Chile, Colombia, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Mexico, Nicaragua, Panama, Portugal, Spain, Uruguay. **Observer countries:** Canada, France, Haiti, Japan and United States.

**International organizations:** the Latin American Integration Association (LAIA); the Inter-American Development Bank (IDB); the United Nations Conference on Trade and Development (UNCTAD); the Caribbean Customs Law Enforcement Council (CCLEC); the Organization of American States (OAS); the World Customs Organization (WCO); the Permanent Secretariat of the General Treaty on Central American Economic Integration (SIECA) and the Postal Union of the Americas, Spain and Portugal (PUASP).

**Private associations:** the Latin American Customs Brokers and Forwarders Association (ASAPRA); the Asociación Nacional Mexicana de Empresas de Courier (ANMEC); the Centre for Customs Investigation and International Trade, the Confederation of Custom Brokers Associations of the United Mexican States, the Latin American Conference of Courier Enterprises; the Mexican Council on Foreign Trade (COMCEX); the Spanish Organization of Freight Forwarders, the Latin American and Caribbean Federation of National Associations of Cargo, Federal Express (FEDEX), Transportación Marítima Mexicana (TMM); United Parcel Service (UPS).

## **DECISIONS OF WORKING GROUPS**

The working groups agreed as follows:

### **CONTROL**

- To stress the importance of the Secretariat of the Convention setting up its own web page as a reliable and confidential channel for the exchange of information among members.
- To determine what type of information should be shared and how it would be used.
- To work jointly with other research institutions to combat infringement of customs regulations
- To establish the difference between intelligence and espionage.
- To use the Multilateral Convention for the exchange of information.

### **HARMONIZATION OF CUSTOMS PROCEDURES**

- To strengthen ties of cooperation and collaboration between the public and private sectors.
- To learn from the experiences of IDB, the Central American countries and the Group of 7.
- To design and develop training programmes for disseminating the benefits and advantages of standard customs procedures.

### **IMPLEMENTATION OF RISK ANALYSIS SYSTEMS**

- To establish systems of risk analysis in customs controls.
- To set up a data base to allow for the selection of information for decision-making.
- To analyse information in order to provide feedback for the system
- To establish alliances for cooperation among economic agents that have an impact on customs operations.
- To establish programmes for the exchange of information to improve risk analysis methodology.
- To establish training programmes between the public and private sectors in the risk analysis programme.

### **CUSTOMS ALLIANCES FOR COMBATING COMMERCIAL FRAUD**

- To promote and develop training programmes by national customs departments for the business and industrial sectors.

### **INTEGRITY**

- To establish systems of incentives and sanctions for officers and employees who perform a public or private role in customs services.

- To establish career opportunities in the National Customs Departments to avoid high turnover and the constant use of unqualified staff in certain posts.
- To establish training programmes between the public and private sector for the exchange of experiences.
- To prepare mechanisms to avoid corruption by eliminating the discretionary power of officers.

### **IMPACT OF THE YEAR 2000 COMPUTER PROBLEM**

- To thank the World Customs Organization for presenting its document on the year 2000 computer problem.
- To remind countries and organizations to take the necessary measures relating to February 29, bearing in mind that the year 2000 is a leap year.
- To establish the difference between intelligence and espionage.
- To support the programme of the Automated System of Customs Data Entry, Control and Management (ASYCUDA).

### **AGREEMENTS REACHED AT THE PLENARY MEETING**

The following agreements were reached at the plenary session:

1. To adopt the annual report of the secretariat of the Convention.
2. To adopt the protocol to the Multilateral Convention and its annexes, drafted by the technical group created for the purpose, subject to its signature and subsequent ratification in accordance with the relevant legislation in force in each country Party to the Convention.
3. To establish an executive committee of the Convention, comprising Customs Directors General from five member countries, whose primary function would be to work together to organize annual meetings, draw up agendas and prepare the relevant documentation.
4. To request the secretariat to prepare, for approval at the next annual meeting, the rules of procedure of the Executive Committee, which should include a definition of the latter's structure, functions and mandate.
5. To establish technical working groups, made up of experts from member countries, responsible for dealing with specific matters agreed by the Executive Committee of National Customs Directors.
6. To request the Chilean National Customs Department to write to member countries inviting them to participate in the working group established to consider and evaluate the functions of customs officials, with a view to securing a wider participation and, hence, a true and accurate analysis for the benefit of all members. It was also agreed that Chile would be the headquarters of the meetings of this working group and should report to the next meeting on the progress achieved.
7. To request the delegation of Cuba to prepare a regional statistical study on the measures and

actions implemented by the member countries for combating drug-trafficking. The analysis should also cover the issue of regulation of chemicals used in drug-production in view of their importance.

8. To systematically include the issue of combating drug-trafficking on the agenda in all future Meetings of National Directors.

9. To request the representatives of Chile, Spain and Mexico, in their capacity as Chairperson and Vice-Chairpersons for Europe and the Americas, respectively, to urge the Secretary General of the World Customs Organization to ensure that Cuba has access to the information of the Regional Intelligence Liaison Offices (RILO), since, as a member country of the WCO, it has a right to participate in the activities of that RILO office.

10. To request those member countries which had not yet sent the letter of support to the Organization of American States in connection with the project for strengthening customs cooperation in Latin America, presented by the secretariat to do so without further delay.

11. To remind members of the financing arrangements offered by the Organization of American States for the execution of specific customs projects.

12. To request Spanish-speaking member countries that have still not applied the single Spanish language version of the Harmonized Commodity Description and Coding System to take steps for the immediate application of the system with a view to having a standard document for preparatory work for the implementation of the third amendment to the Harmonized System.

13. To honour the commitment adopted at the last general session of the Customs Co-operation Council by allocating resources for two Spanish-speaking experts in support of the WCO secretariat's effort to cut back on the cost to the organization of using the Spanish language in the work of the Committee of the Harmonized System.

14. To notify the WCO secretariat of the agreement adopted at the meeting as regards the adoption of the Spanish language in the work of the committee of the Harmonized System.

15. To request Costa Rica to expand the survey on valuation to reflect a more comprehensive analysis of this issue.

16. To include the issue of control on the agenda in all future Meetings of National Directors.

17. To adopt the conclusion presented by the delegation of Spain for considering integrating customs services within tax administration departments, based on the recognition that there is no model for integrating customs operations within the tax services or administrations, so that each country can base its domestic arrangements on its current economic, political, social and cultural situation and use the experiences of the other countries as feedback.

18. To request the delegation of Chile to write to the representative of the Special Meetings of Experts on Customs-related Business Facilitation Measures of the Free Trade Area of the Americas (FTAA) urging that these measures be adopted and implemented fully by the customs departments.

19. To urge member countries to contact their respective ministries of trade and foreign affairs to

draw to their attention the importance of transparency in customs services for the FTAA negotiations and other trade agreements.

20. To, once again, urge member countries to conduct an in-depth analysis of the questionnaire that was distributed by the secretariat on the FTAA customs facilitation measures and to respond as soon as possible so that Canada Customs and Revenue Agency can make an assessment of their usefulness for the FTAA negotiations.

21. To request the delegation of Spain to consider the feasibility of continuing to consider the establishment of a data base in relation to value.

22. To request the delegation of Chile to liaise with an international organization, preferably the World Customs Organization, in conducting an analysis of the results of the survey on management indicators and best practices (benchmarking) in order to ensure continuity and establish this initiative on a more permanent footing.

23. To accept the proposal of the Secretary General of the World Customs Organization that the experience of Canada, the United States and Mexico with electronic information exchange should be borne in mind to enable other countries to take advantage of such exchanges through the Organization.

24. To request the delegation of Spain to pursue its analysis and study of free trade areas and free zones and to establish a methodology for collecting as much information as possible and, subsequently, to propose a meeting of experts to analyse the results obtained.

25. To endorse the findings presented in plenary session by the moderators of the working groups between the Public Administrations and International Organizations, as set out in the following annexes:

Annex 3: Control

Annex 4: Harmonization of Customs Procedures

Annex 5: Implementation of Systems of Risk Analysis.

26. To endorse the findings presented in plenary session by the moderators of the working groups between the public and private sector, as set forth in the following annexes:

Annex 6: Customs Alliances for Combating Commercial Fraud.

Annex 7: Integrity.

Annex 8: Impact of the year 2000 computer problem on customs operations.

27. To continue with the procedures of working groups at annual meetings by setting aside a full day for them to develop issues and reach comprehensive decisions of relevance to member countries and users. Further, to recommend that studies and proposals be submitted in advance to the Executive Committee and secretariat to enable them to make a selection and prepare them for presentation.

28. To thank the Secretary General of the World Customs Organization for his statement, since his presence gave weight to the studies done at the current meeting and his valuable presentation proved to be of immense interest and relevance for the exercises being undertaken by member countries.

29. To accept the proposal of the Government of Spain to the effect that the secretariat of the Convention, in conjunction with the secretariat of the WCO, should find a solution for running and maintaining a home page on the Internet with information on the Convention.

30. To accept the delegation of Uruguay's offer to host the twenty-first Meeting of National Customs Directors of Latin America, Portugal and Spain.

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