



**World Customs
Organization**

Customs supporting safe, secure and sustainable cross-border E-Commerce

**2020 WCO Knowledge Academy
for Customs and Trade**

8 & 9 September, 2020

COVID-19 and E-commerce

Before the COVID-19 Pandemic

- E-Commerce statistics showing a consistent growth year over year for the last few years of 12-20%



Today's reality

- Stay-at-home orders have changed consumers' behaviors to buy essential goods online.
- Stay-at-home orders will eventually be lifted, but in the interim, there are millions of consumers creating and reinforcing new online buying behaviors and habits.

COVID-19 has accelerated the e-commerce industry's growth and more businesses are joining the e-commerce business than ever before.

Key characteristics of cross-border E-Commerce

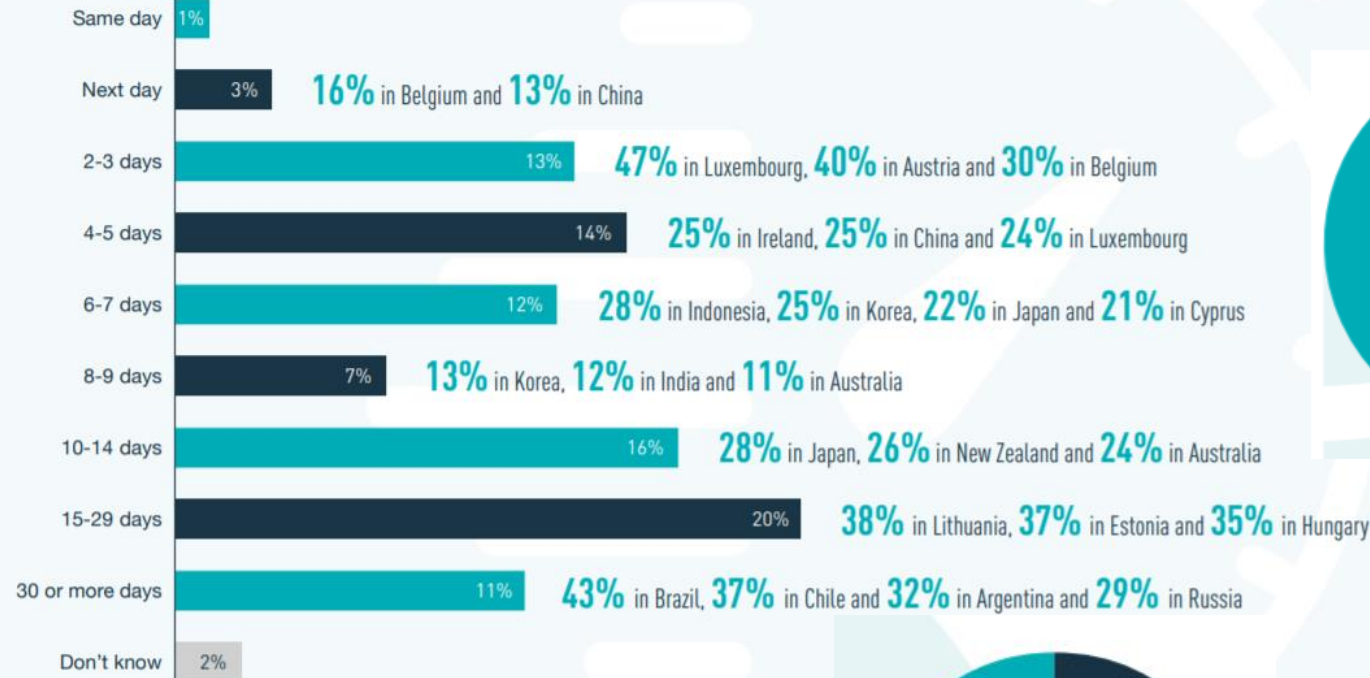
Essential elements to consider in the definition of e-Commerce	Key characteristics of e-commerce cross border transactions
<ul style="list-style-type: none">• Online ordering, sale, communication and, if applicable, payment• Cross-border transactions/shipments• Physical (tangible) goods• Destined to consumer/buyer (commercial and non-commercial)	<ul style="list-style-type: none">• Time-sensitive goods flow• High volumes of small packages• Participation of unknown players• Return/refund processes required

Key characteristics of cross-border E-Commerce

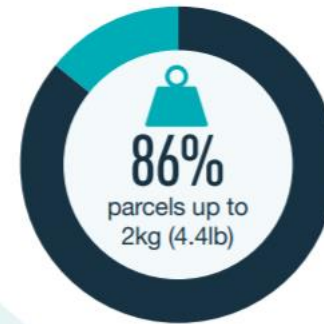
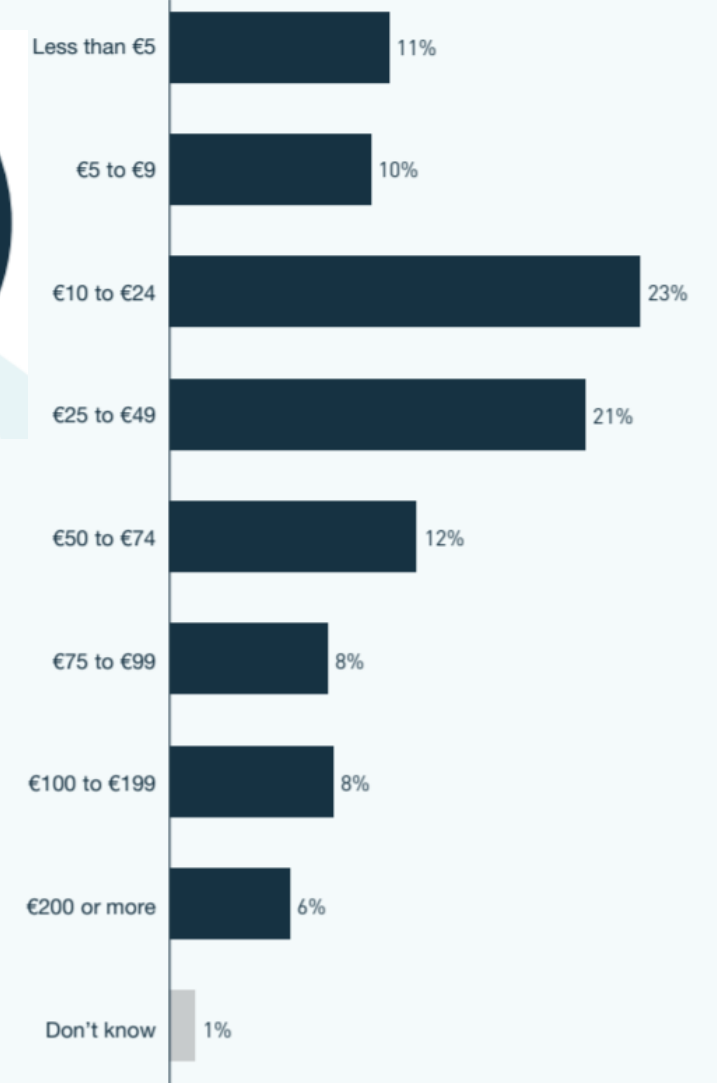


Source: The IPC Cross-border E-commerce Shopper Survey 2019

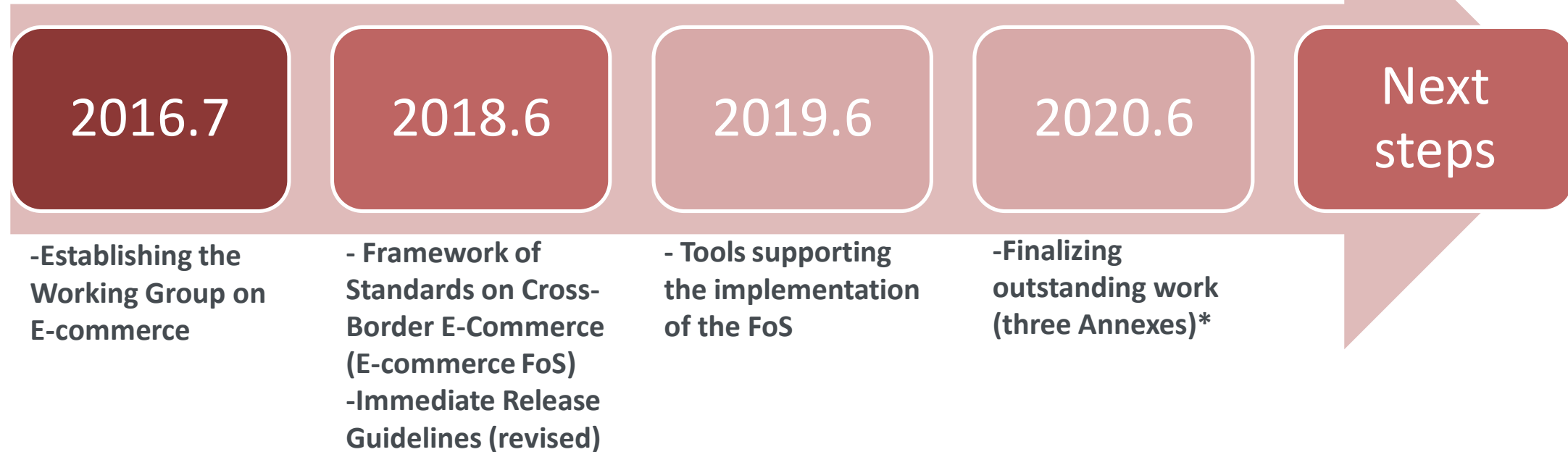
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WCO Discussions on cross-border e-commerce



June 2020 PTC Discussions for Finalizing outstanding work* on E-Commerce Package:

- Annex on Reference Datasets
- Annex on revenue collection approaches
- Annex on roles and responsibility of stakeholders
- Implementation/Capacity Building Plans
- Key Performance Indicators for the E-commerce FoS
- E-commerce FoS Review mechanism (Annual review of two annexes + Four-Year Periodic review)
- Compendium of Case Studies on E-commerce

*Note: These documents will be submitted to December 2020 Policy Commission for endorsement.

WCO “E-Commerce Package”



Framework of Standards on Cross-Border E-Commerce (E-commerce FoS)

(adopted in June 2018)



Tools supporting the implementation of the E-Commerce FoS

Technical Specifications and related documents (June 2019)

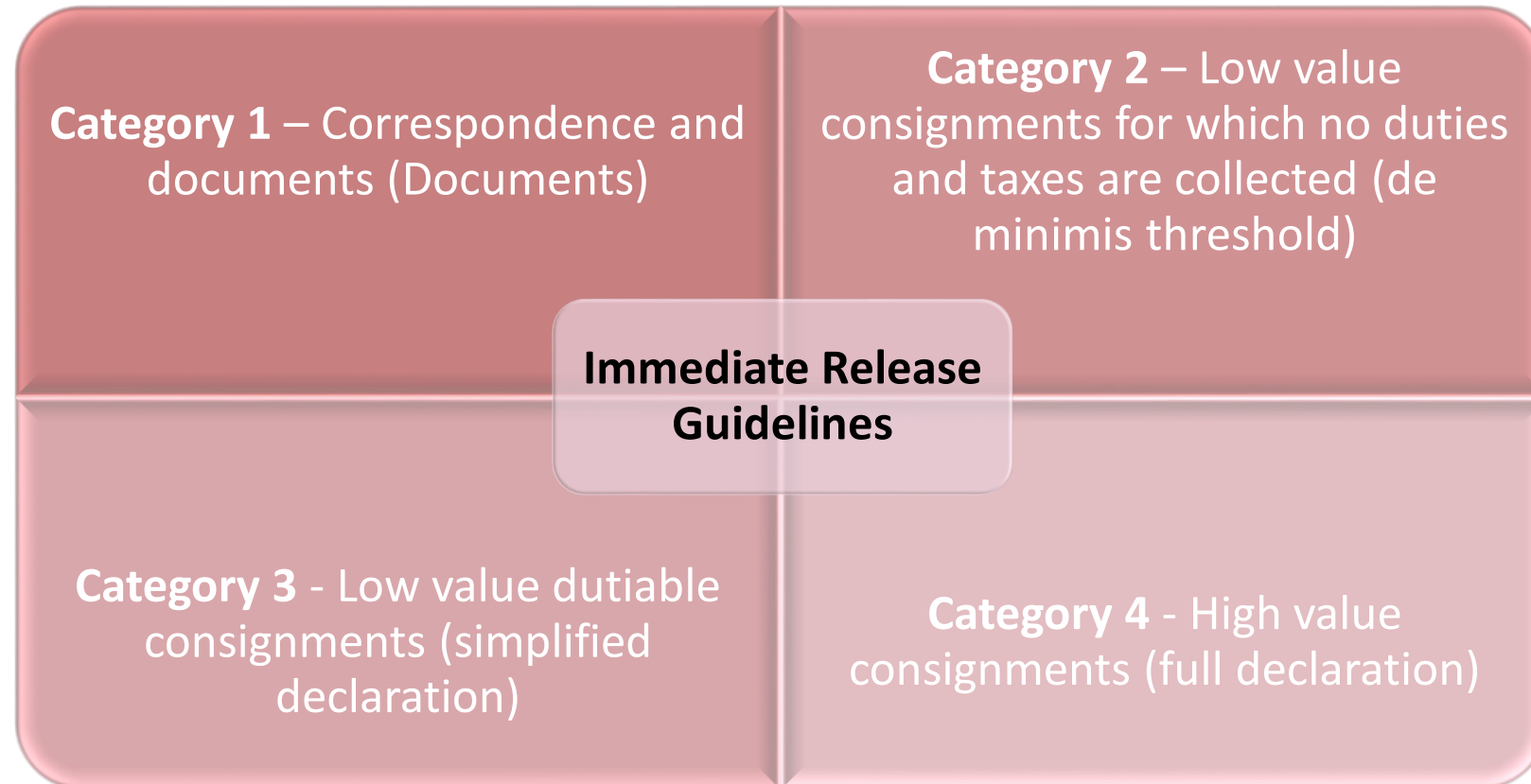
- Definitions
- E-commerce Business Models
- E-commerce Flow Charts
- Implementation Strategy, Action Plan and Capacity Building Mechanism
- Reference Datasets for E-Commerce*
- Revenue Collection Approaches*
- E-Commerce Stakeholders*

- Resolution of the Policy Commission on the Guiding Principles for Cross border E-commerce (Luxor, December 2017)
- Resolution of the Customs Co-operation Council on the Framework of Standards on Cross-Border E-Commerce (June 2018)
- WCO Study Report on E-commerce (March 2017)
- Compendium of Case Studies on E-Commerce *
- Key Performance Indicators (KPIs) for the E-com FoS

*Note: These documents will be submitted to December 2020 Policy Commission for endorsement.

- **Advance Electronic Data and Risk Management**
 - Standard 1: Legal Framework for Advance Electronic Data
 - Standard 2: Use of International Standards for Advance Electronic Data
 - Standard 3: Risk Management for Facilitation and Control
 - Standard 4: Use of Non-Intrusive Inspection Technologies and Data Analytics
- **Facilitation and Simplification of Procedures**
 - Standard 5: Simplified Clearance Procedures
 - Standard 6: Expanding the Concept of Authorized Economic Operator (AEO) to Cross-Border E-Commerce
- **Fair and Efficient Revenue Collection**
 - Standard 7: Models of Revenue Collection
 - Standard 8: De Minimis
- **Safety and Security**
 - Standard 9: Prevention of Fraud and Illicit Trade
 - Standard 10: Inter-Agency Cooperation and Information Sharing
- **Partnership, Public Awareness, Outreach and Capacity Building**
 - Standard 11: Public-Private Partnerships
 - Standard 12: International Cooperation
 - Standard 13: Communication, Public Awareness and Outreach
- **Others**
 - Standard 14: Mechanism of Measurement
 - Standard 15: Explore Technological Developments and Innovation

Immediate Release Guidelines



In the case of goods in Categories 1 and 2, release and clearance normally take place simultaneously. However, in the case of consignments in categories 3 and 4, clearance may be accomplished after the goods are released.

Three Annexes* agreed in June PTC



Annex on Reference Datasets

- An evolving, nonbinding document that can serve as a guide to WCO Members and relevant stakeholders for possible pilots and implementation of the E-Commerce FoS
- It includes links to Members' pilot datasets, as well as to the WCO reference data elements table

Annex on revenue collection approaches

- A document which provides a clear description of the revenue collection models (Seller/Vendor based collection, Intermediary based collection, Buyer/Consumer based collection, and Variant and hybrid Approaches to collection) based on the OECD model

Annex on roles and responsibility of stakeholders

- A clear description of the roles and responsibilities of various E-Commerce stakeholders for transparent and predictable cross-border movement of goods

*Note: These documents will be submitted to December 2020 Policy Commission for endorsement.

Compendium of Case Studies on E-Commerce (2020)*

Practical examples of how individual Members address priority issues such as exchange of advance electronic data, facilitation, safety, security and revenue collection (including de minimis levels)

- Case studies on the E-Commerce FoS implementation

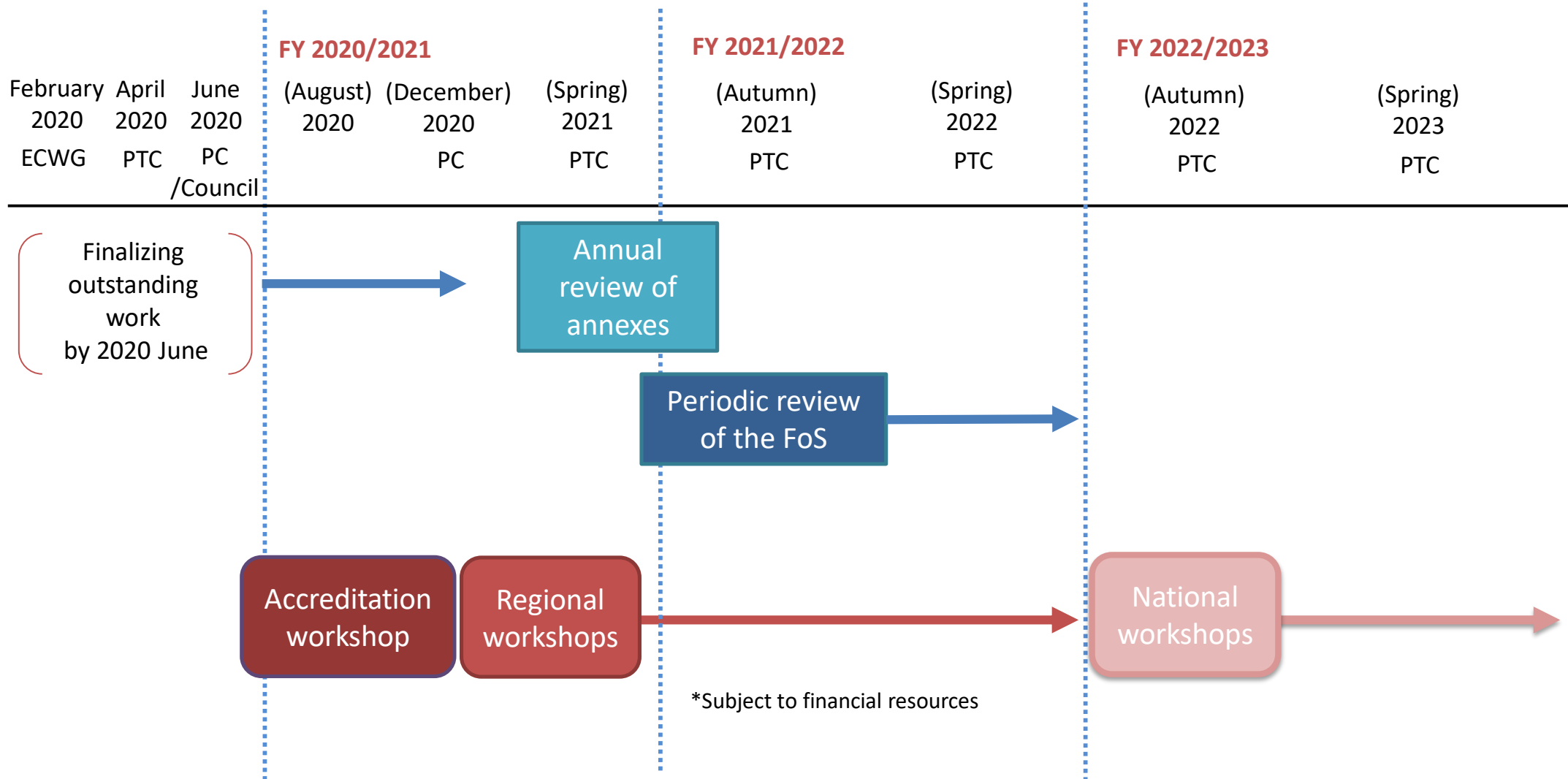
Algeria, Argentina, Germany, Japan, Korea, Morocco, Paraguay, Peru, Serbia, and Thailand

- Case studies on revenue collection approaches

Argentina, Australia, Brazil, Eurasian Economic Union, Germany, Peru and Russian Federation

*Note: This document will be submitted to December 2020 Policy Commission for endorsement.

Next steps on cross-border e-commerce





Thank you.
Questions?

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World Customs Organization
Organisation mondiale des douanes
Borders divide, Customs connects
Les frontières séparent, les douanes rapprochent