

V. Recommendations



AI Cargo

This section provides a set of recommendations regarding the introduction and scaling up of technologies by Customs. These recommendations were provided by Customs, the private sector and academia in discussions held on different occasions in the last four years, including at the October 2017 Permanent Technical Committee, the annual dialogue held between the Private Sector Consultative Group and the Policy Commission in June 2018, the WCO technology conferences and regional workshops on disruptive technologies held in 2021 and 2022, the WTO 2018 research workshop and the 2019 and 2021 Global Trade and Blockchain Forums.

These recommendations include:

General observations

- **There are tangible benefits to embracing technology.** However, there is also a need to gauge and evaluate these technologies, ascertain whether they have been fully developed, and test their functionality before investing a great deal of energy, time and public resources in them.
- **It is not a matter of choice for Customs whether or not to embrace and fully exploit the potential of disruptive technologies and keep abreast with their everyday progress and improvements.** If it does not do so, Customs is faced with the risk of “losing the war” against fraud and criminal activities.
- **There is a need to establish a common understanding of the scope of disruptive technologies in the Customs context.** Not all aspects of, for instance, robotics would be relevant in the Customs environment. Furthermore, some of the technologies, such as 3D printing, might impact Customs and its work, but would not present a benefit for its improved functioning, and Customs would probably not find any particular opportunity for using 3D printing in its work.
- **Technology can help Customs complete its work more efficiently and manage trade flows and controls.** It should not erode the human element needed to ensure progressive engagement between trade and Customs. Disruptive technologies need to be utilized and deployed in an optimal manner. They can be used to build Smart Customs and virtual borders, and can boost interconnectivity with business operators. They should be geared towards enhancing efficiencies, focusing on

trade facilitation, optimal use and deployment of resources, and ensuring a secure supply chain.

- **There is a need to move away from transaction-driven processes and focus on the availability of data.**
- **One of the greatest benefits is that technology generates a pool of data (big data) that could be used for better decision-making.** With the appropriate use of artificial intelligence and data mining, the effectiveness of the availability of data can be brought to a higher level.
- **The use of technology in Customs should be needs-driven, rather than driven by its availability.** Technology could help modernize Customs procedures and processes.
- Systems developed today should be **flexible and future-proof.**
- Customs need to develop a **strategy** to keep up with the speed in which information technologies are developing.
- **Digital identity issues** are important for international trade.
- **Individual country assessments and cost/benefit analysis** should be carried out, as well as **pilots** and sharing of results.

Cooperation

- **Other border agencies need to be supported in ‘catching up’** in the digital transformation process in order to ensure maximum efficiency at the borders.
- There is a **need to ensure a holistic approach** that would examine issues in a cross-cutting manner.
- **There is a need to ensure regular engagement between Customs and private sector on emerging trends or technologies and their impact on the Customs environment.** Customs should strengthen cooperation with the business sector through, for example, on-the-job training for special Customs experts on disruptive technologies.
- There is a need for more **involvement of the private sector. Close interaction between the different stakeholders** involved in international trade from both the public and the private sector side **is needed.** Private sector solution providers could be invited to share their findings in the WCO and the WTO, and the WCO and the WTO could reach out to the private sector to see how things work on the ground. **Information sharing** between Customs and

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the private sector should be enhanced and there should be **more engagement with start-up companies**.

- **New public private partnerships and arrangements could be explored**, especially in terms of addressing the use of technologies in the e-commerce environment.
- There should be greater involvement of **Academia**.

Standardization

- There is a **need to implement existing standards and to fill gaps in standards** to address the digital island problem and to ensure interoperability.

Legislative work

- A new **legal framework** may need to be drawn up for the use of new technologies.

Awareness raising, capacity building, and IT infrastructure.

- **Using the latest technologies requires a cultural shift within the administration, not only at management level, but also by other staff.** A change management action plan should be developed and a new recruitment strategy put in place, as new skills would be required for deploying these technologies.

- **Awareness raising and building digital skills and expertise** on the new and emerging trends. Specialized training, a focus on cultural change programmes, as well as creating a new study or academic centre which could develop analyses, reports and forecasts for the use of disruptive technologies in Customs and/or specialized innovation departments could be useful.
- **Digital infrastructure** needs to be further improved in some regions.

Experience sharing and joint work

- Holding **joint IT conferences, carrying out joint research, pilot projects and jointly developing standards**; developing **best practices and compendiums would be useful**.
- **The WCO working groups should be used** as effectively as possible to this effect.
- **The need to ensure a holistic approach** that would examine issues in a cross-cutting manner.
- **The need for further exchanges of experiences** through events and shared platforms, such as the WCO CLiKC! Platform.