Digital Customs
Implication of Big Data

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Challenges

- **Trade Facilitation and security**
  - Increasing volumes - Speed and efficiency
  - Few Large/Bulk Shipments -> Large number of Low-Value small shipments
  - B2C & C2C - Security risks: Limited knowledge on importers and supply chain
  - Data Quality: Accuracy and adequacy

- **Fair and efficient collection of duties and taxes**
  - Splitting, under-invoicing and mis-declaration
  - Deminimis
  - Classification and origin

- **Society Protection – Criminal exploitation of e-commerce**
  - Illicit trade and smuggling
  - Drug trafficking
  - IPR
  - Illicit financial flows & Money laundering

Risk management

Information/Data management

The WCO slogan of 2017: “Data Analysis for Effective Border Management.”
Analysis of BIG DATA (regular submissions, formatted data) tells us
--Historical shipment trends
--Deviations
--Specific trends and patterns in trade environment
--Risk of consignment and targeting area

BIG Data (gain from partnership) helps us
--to reduce in manual handling
--to ensure the accuracy of data
--to obtain the relevant data at earlier stages
--to enable risk based targeting from a wider perspective

Networked with Business operators in a coordinated fashion
-> avoid unnecessary inspections while keep the security of trade
The WCO Working Group on E-Commerce (WGEC):

- Established in July 2016
- Was given the mandate of addressing cross-cutting issues in relation to growing e-commerce and come up with proposals for practical solutions to the clearance of low value shipments, including appropriate duty/tax collection mechanisms and control procedures that will facilitate and encourage the growth of e-commerce for the benefit of economic and social development
- Comprises various stakeholders: Customs administrations, tax authorities, international organizations, postal operators, express service providers, e-vendors/platforms and online payment providers as well as academia
Thank you.

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