

Subject: Benefits of trade partnership schemes and strengthened co-operation on security

TRADE

Secure supply chains protect international trade from the twin threats of terrorism and organised crime. This enhances the security and efficiency of legitimate trade.

- While performing the necessary supply chain security assessment for trade partnership schemes, traders are able to streamline their operations and incorporate sound security practices and procedures into existing logistical management methods and processes.
- Enhanced security practices and procedures and increased supply chain performance will lead to traders experiencing reduced cargo theft and pilferage, lower insurance premiums, improved marketability (quality mark) and improved security for their workforce.
- The risk of terror incidents interrupting international global supply chains will be reduced and in such an event secure supply chains will be the first to recommence giving economic advantages to those traders and countries within secure supply chains.
- Traders will benefit from a lower risk score and therefore less intervention from customs, reduced border waiting time, less port congestion, consistency and certainty of processing and priority for customs examinations.
- There would be increased self-policing and self-assessment for authorised traders.
- Promoting the concept of the seamless movement of goods through international trade supply chains, where traders submit the data only once.
- Within smart and secure trade lanes (where mutual recognition of control results, security measures and AEOs has been agreed and is based on equivalent security concepts and legislation that have been implemented) an authorised trader will be recognised by participating customs authorities as a low-risk trader and will therefore have the advantage of benefiting in those countries from less controls and priority treatment. This would result in a minimised number of customs interventions in the shipment process, which would be an advantage in comparison to their competitors that are not authorised. This would save those traders time and money.

CUSTOMS

Strengthened co-operation will enable Customs to improve their ability to concentrate their resources on high risk traders and consignments outside secure supply chains. Customs will be able to improve their controls along the international supply chain leading to better and more efficient allocation of customs resources.

- This should lead to an increase in the detection of prohibited, restricted or mis-described goods.
- Customs will receive more accurate and timely information resulting in more informed risk analysis.
- There will be a better relationship (a partnership) between customs and the trade.

CUSTOMS AND TRADE

In addition to the above, both, customs and trade, will be able to benefit from

- better use of resources,
- cost reductions,
- more streamlined internal processes,
- more accurate and timely information,
- less port congestion,
- consistency of processing and
- Traders will benefit from
 - the more uniform application of laws as security is a global concept,
 - reduced border waiting time,
 - increased self-policing with possibly less customs involvement,
 - enhanced overall security of goods, with less theft and accordingly lower insurance premiums, and a safer work environment.