

UNCTAD Trust Fund for Trade Facilitation Negotiations Technical Note No. 14

Border agency coordination

Background

The geographical border is the location where one country's authority over goods and persons ends and another country's authority begins. Traditionally, the border is the location where enforcement of and compliance with national legislation in such areas as security, environment, immigration, consumer protection, commercial policy, Customs duties, excise and taxes takes place. Control and enforcement involve various operations from document and goods control, to the calculation of Customs duties and taxes, the collection of revenue, and immigration and vehicle control. These operations are performed by various governmental agencies, often physically represented at the border.

Traders have reasonable concerns on the number of border control formalities and their organization. Lengthy border crossing procedures cause delays and congestions and put a strain on the border post facilities, in particular on land border posts, which are often not equipped with sufficient parking lots for trucks and have only one access road. Unpredictable crossing times impact trade and the overall performance of the supply chain which penalizes perishable goods in particular.

Border agency coordination aims to speed up the release of goods at border crossings or inland clearing facilitation through a better institutional arrangement and administration of regulations. It has a domestic dimension; coordinating and cooperating amongst national agencies involved in border controls, and a cross-border/international dimension; recommending cooperation between agencies of States with common borders.

National border agency coordination

The term Integrated Border Management (IBM) is often used in the national context to describe different forms and levels of border agencies coordination and cooperation aimed at facilitating legitimate trade and increasing operational efficiency. Coordination and cooperation can encompass different components; including:

- Joint, coordinated or delegated conduct of inspections with shared risk management processes, control and payment procedures;
- The exchange of data to allow traders and agents unique data entry through (e.g. a single window platform);
- Operation of integrated procedures and joint or delegate inspections; and
- Joint management of the border post and related facilities.

Border agencies cooperation can be implemented through different governance frameworks and levels of coordination. When selecting the governance framework for cooperation, various options exist. These include, for example, setting up a new agency, incorporating the responsibilities of the previously existing different agencies, establishing a legal framework which allows for the exchange of information and the

sharing of control functions amongst agencies, and regular consultations among agencies.

Indeed, border agencies often cooperate on a voluntary and ad hoc basis at the border crossing itself. For example, contingencies such as the need to plan traffic flows in peak times, are discussed and addressed in cooperation. However, in order to strengthen and move cooperation to the higher levels of hierarchy, a more formalized approach is necessary. The sharing of resources and infrastructure often requires regulatory changes and a well established communication amongst the agencies.

An integrated IT system, such as a Single Window platform, would facilitate the exchange of data and the operation of integrated procedures, and therefore support border agency cooperation and coordination.

Cross-border cooperation

Cross-border agency cooperation is very complex and relies on a robust legal framework shared by both countries; a policy declaration, a memorandum of understanding or a bilateral agreement. The optimal form of cross-border cooperation is the Joint One Stop Border Post (OSBP), operated by two neighbouring countries (see box below). The joint operation of border posts requires close cooperation in the daily management of the border posts, the harmonization of requested documentation, joint maintenance of the infrastructure, joint or mutually recognised controls, and the exchange of data. The deployment of border agency officials on the neighbour's territory has to be regulated as well. Often substantial infrastructure investments (new buildings, access roads, information and communications infrastructure (ICT) and agreements for sharing the information, shared new scanners and weight bridges etc) will be necessary.

Joint border posts in Africa

After several years of preparation, a bilateral agreement to establish a Joint Border on the South Africa–Mozambique Border was signed on September 2007 between the Presidents of South Africa and Mozambique. South Africa has agreed to finance the major infrastructure works and both countries are in the process of setting up the necessary bilateral working groups to undertake the preparatory work. These technical working groups would deal with legal framework, infrastructure, ICT, operational procedures, human resources and training, safety and security and border management. In addition, a Communications Unit was created to keep all stakeholders — public as well as private — informed of the progress and solicit advice.

In West Africa, joint border posts are planned on the borders between Ghana and Burkina Faso and on the border between Burkina Faso and Mali, as well as on the border between Senegal and Mali. These initiatives are undertaken in the context of Corridor developments financed by the national Government, the EU, the African Development Bank and the World Bank. Most of the preparatory work is undertaken at the Commission of the West African Economic and Monetary Union. Progress towards a model agreement on the legal and operational framework, as well on infrastructure works and the Border post management, is well advanced.

Less integrated forms of cross-border cooperation also have beneficial impact on trade facilitation and constitute first steps towards a joint OSBP. The alignment of office hours for Customs clearance can be achieved via a simple consultative mechanism, including neighbouring countries' border posts managers and stakeholders. Countries can also agree to recognize controls, such as vehicle weighing, and the cross-border road permits. On the basis of the World Customs Organization (WCO) Johannesburg Convention countries can also provide mutual administrative assistance and share Customs information in cases of infractions. However, if countries would like to

establish a routine exchange of Customs data, a national legislation providing for the collection and transmission of information in line with existing laws on data protection and data privacy, and a bilateral agreement specifying the condition and use of such information become necessary; the WCO Model Bilateral Agreement on mutual administrative assistance in Customs Matters, and Guidelines for the Development of national Law for the collection and transmission of Customs Information are useful tools in this respect.

Benefits

Coordination and cooperation of border agencies contribute to reducing compliance and enforcement costs, and result in efficiency gains and less operating costs. Benefits for the trading community include for example:

- Simplification of document preparation (lower compliance costs for the declarant);
- Faster border crossing resulting from harmonization of physical inspections of crossing cargo, vehicles and drivers and better flow management;
- Reduce pressure on the infrastructure;
- Costs savings in administration, and streamlines procedures, improved working conditions for government officials due to the use of shared information, common premises and services; and
- Reduced staff needs owing to task sharing among different agencies, thus liberating skilled human resources for other activities.

Implementation issues

- The movement to more integrated border agencies operations should start with an analysis/mapping of each agency's existing procedures, mandate and operations. Based on these findings a new set of joint operational functions will be designed. These should reflect simplification and be aligned to international standards — including risk management — and joint data elements. This would lead to the development of common documents and integrated procedures.
- A monitoring system of the traffic flow and time delays should be designed to measure the impact of the changes and to continuously identify possible bottlenecks at the border post.
- The decision to share data between the different agencies and departments operating at the border will require a new IT environment, and possible the introduction of a Single Window platform.
- A governance model for the joint border post will need to be defined. This includes the financing modalities for the construction and maintenance of the facilities, the operations of the facility.
- If new infrastructure and facilities are foreseen, these should be planned based on the existing and projected traffic flows (vehicles, trains, persons) and the new operational procedures that will determine the sequences of fulfilling the formalities.

- The delegation of responsibilities and tasks, the exchange of information as well as the need to operate on an extra territorial basis for some agent requires that an enabling legal and regulatory framework be prepared.

References and tools available

ASYCUDA

The Automated System for Customs Data (ASYCUDA) is a computerised Customs management system by UNCTAD. See www.asycuda.org.

UNECE instruments

Tools for facilitating the exchange of information and data amongst agencies include: the United Nations Layout Key for Trade Documents (UNLK, ISO 6422, see www.unece.org/cefact); the United Nations Trade Data Elements Directory (UNTDDED, ISO 7372, see www.unece.org/cefact); the United Nations Electronic Data Interchange for Administration, Commerce and Transport (UN/EDIFACT see www.unece.org/trade/untdid/welcome.html). Furthermore relevant standards are the UN/CEFACT Single Window Recommendation 33, (see www.unece.org/cefact/recommendations/rec_index.htm). The International Convention on the Harmonisation of Frontier Controls of Goods (see www.unece.org/trans);

World Customs Organization instruments

WCO SAFE Framework

Nairobi and Johannesburg Convention

The Global Facilitation Partnership for Transportation and Trade (GFP)

GFP Technical Note on Integrated Border Management
<http://www.gfptt.org/uploadedFiles/7488d415-51ca-46b0-846f-daa145f71134.pdf>

See also UNCTAD

Further Technical Notes related to the topic are available via <http://www.unctad.org/technicalnotes>. See in particular:

- Technical Note 7 (Maintenance of integrity among officials)
- Technical Note 12 (Risk management for Customs control)
- Technical Note 13 (Simplification of trade documentation using international standards)
- Technical Note 21 (ASYCUDA)

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