



**Activity Title and Number:** Study assignment on express shipments; A391-C4

**Location and Date:** Germany and Belgium; 1-4 June 2015

**Beneficiary:** General Administration of China Customs (GACC)

## Brief Activity Report

### Relevance and Impact

E-commerce is booming worldwide, particularly in China, where sales are projected to reach \$650 million per year by 2020. This would make China the world's biggest e-commerce market, equal in size to the United States, Japan, France, the UK and Germany combined today. The explosion in online retail in China requires efficient logistics and courier delivery services which can satisfy growing consumer demands for low cost, express delivery, and enable e-retailers to move products through complex supply chains with certainty.

Efficient, streamlined customs procedures can play a major role in facilitating growth in cross-border e-commerce, without sacrificing security and control of national borders. Reforms in this area could benefit not only traders and consumers, but also customs administrations who are increasingly asked to do more with less. With the WTO Agreement on Trade Facilitation imposing binding requirements on members to facilitate air cargo customs clearance, cooperation between the EU, China and industry is a timely input to reform efforts in both regions.

### Activity Description

Against this background, EUCTP II supported the **Study assignment on express shipments** from 1-5 June 2015. Six senior GACC officials visited the DHL and TNT express hub airports in Leipzig in Germany and Liege in Belgium to study the latest developments in customs-business cooperation, risk management and advanced pre-shipment information exchange. The delegation received detailed presentations and demonstrations of the ICT and procedures for risk management of express parcels and goods as cargo were arriving at each facility. Inside the air cargo facilities, discussions were held with both company and customs officials on the nature of their operational cooperation and the procedures for ensuring high risk consignments are detected by the systems and checked by customs. The field visits were supplemented by a workshop in Brussels attended by EC officials and representatives of the express courier industry to exchange expertise on the challenges posed by B2C shipments and the opportunities for policy responses that deliver trade facilitation and security. These facilities could serve as models for streamlined procedures and efficiency improvements at China's airports, including Shanghai Pudong International Airport, which handles the highest volumes of international parcels in China.

### Results and Dissemination

- ✓ Demonstrated that industry and customs can work as trusted partners of customs to facilitate trade without sacrificing security.
- ✓ Served as a reference for the customs-related aspects of China's forthcoming E-Commerce Law, particularly the practical experience in the DHL and TNT facilities, where state of the art risk management procedures were demonstrated in detail.