

OCO Guidance Document - Covid 19

INTRODUCTION

The COVID-19 pandemic has had far-reaching effects on cross-border trade, travel and supply chains in a very short period of time. Much of the world's economy is at a standstill and it is essential to find solutions that respond to current humanitarian, government and business needs, and also provide best practices that could be used to respond to any future incident of this kind in a regionally coordinated, harmonized and coherent manner with respect of national sovereignty.

Regionally Pacific Island governments have responded to the crisis in a variety of ways, there have been some common border restrictions regarding civil aviation and maritime shipping. Policies such as border closures, travel bans, import and export restrictions, social distancing, lockdowns and closures of non-essential businesses have had an immediate effect. This has hindered medical supplies and movement of medical teams needed to assist countries, and can also hold up humanitarian measures.

There is a need for a standard set of guidance principles to be in place for nations to avail themselves of it should they desire. This document provides some guidance for the OCO membership.

GUIDANCE FOR CUSTOMS

There are existing internationally, regional, and nationally agreed procedures currently in place against the backdrop of national emergency declarations. Customs processes still require application against the constraints of any emergency to facilitate the cross-border movement of good, conveyances, and crew. These processes should not hinder any medical or humanitarian requirements. The processes found in national legislation take precedent but for Customs these applications may be considered with the **Revised Kyoto Convention annex J** which relates to Customs actions during emergency relief measures.

- Annex J of Chapter 5 of the Revised Kyoto Convention (International Convention on the Simplification and Harmonization of Customs Procedures), is the chapter specifically dealing with relief consignments. It lasts only for the time the emergency and the relief assistance phase.

OCO members are also asked to consider:

- Expedited Clearance of Essential Goods and Workers to support the national response. All medical supplies and equipment needed to provide relief of the COVID-19 crisis should be granted first priority to cross borders, where practicably possible.
- Apart from critical medical supplies and equipment, essential goods include but are not limited to basic supplies such as food, hygienic products, and fuels, especially in the early days of crisis.
- Devise a list of essential goods identified by the competent national bodies, that will form the basis of expedited clearance. (e.g., medical and personal protective equipment, medical devices and supplies necessary at medical facilities as well as medical equipment necessary to undertake remote diagnosis and treatment, such as computers, computer parts and other electronic and communications equipment).

- Identify “essential services” carriers and their conveyances, equipment, staff and crews, freight forwarders, customs brokers and delivery services so that they can continue supplying and delivering goods in medical, food, manufacturing and many other critical supply chains in the region.

QUARANTINE MEASURES.

- **Cargo** - The World Health Organisation (WHO) has indicated the covid-19 virus can live on external surfaces for up to three days. Quarantine measures could take this into account for cargo. If that cargo is sprayed with sanitized spray prior to departure or on arrival or both, the need to quarantine is reduced. Staff should wear PPE when dealing with cargoes during this time.
- **People** – WHO recommends 14-day quarantine for people. Pilots, and aircraft or ship crews who do not interact with the public in the performance of their jobs, and have no symptoms of coronavirus, could be exempt from local 14-day quarantine requirements. Where they need to “overnight” they should be isolated and transported to point of isolation in a manner that protects other people inside the “social distance” zone.
- **Medical Teams** - Teams required to enter a nation for surge capacity are entering because the virus is already in that nation, the aspect of the PHP used as a highway to transfer the virus is therefore a moot point. These teams should be given entry on arrival to provide assistance to the infected people.
- **Medical training** can be conducted over the web in most instances, where face to face training is required the 14-day rule should apply. The 14-day rule can also apply to medical assistance for non covid related matters.

EXEMPTIONS

- The decision of exempting the goods imported into a territory for humanitarian purposes, from the payment of duties and other taxes, is entirely the decision of the country's authorities. Whether a specific donated item or commodities can be imported into a country without any taxes payment depends on the local government's decision about:
 - ❖ national humanitarian aid import policy;
 - ❖ goods qualified under that policy; and
 - ❖ actors granted with tax-free status.
 - ❖ The OCO recommends the HS tariff definitions be utilized regionally.
- In the case of consolidated shipments, physical inspections should be avoided if they are simply to determine that goods are indeed essential.

In addition:

- Customs administrations and other government agencies regulating the movement of goods across borders must clearly differentiate between essential products and non-essential products and ensure that regulatory requirements for essential products are flexible.
- It should be noted that there must be flexibility, since what is essential on day 1 of the pandemic may not be the same two months later.
- Tariff relief should be considered for essential products, such as critical medical supplies as well as other essential goods.

INSPECTIONS

Inspection and Damage

Reduce physical inspection to only those shipments identified through risk assessment as high risk.

There are three types of inspection:

- Visual check for physical damage.

- quantitative, represented by shortfalls in quantity;
- qualitative, identified by divergence from specifications.
- Note that all visible damage and shortfall must be clearly indicated on the shipping documents and claims lodged.

Occupational Health and Safety

The safety of staff of Customs and other border agencies, as well as those in the private sector involved in the movement and clearance of goods, is critical now and must be a high priority. All parties should follow the safety guidelines issued by each country however there are some basic points that are common across this approach.

Staff should have access to necessary PPE (e.g. masks, gloves) to ensure their safety. Apply the Principles of “Social Distancing” to Border Processes. Do not accept hand to hand documentation, where possible use electronic documents and payments, when accepting a manifest from a plane, have the crew place it on the platform and back away before the staff member picks it up.

- Use automation, electronic data processing and e-payments, replacing any paper processes and thus avoiding physical contact during the clearance process.
- Allow the electronic submission of data prior to the arrival of goods and initiate risk assessment in order to release all priority and low-risk shipments upon arrival.
- Where possible, give “fast track” priority and cargo prioritization to AEO operators as well as TIR operators and apply risk-based post-clearance audit for controls, if any.
- Accept e-signatures or email authority on documents currently requiring wet ink signatures.
- Strive for Efficiencies and Simplification for All Clearances
- Promote the use of Coordinated Border Management.
- Remove restrictions on containers. Due to restrictions on the movement or handling/unloading of containers of ‘non-essential’ goods, the number of empty containers available to exporters of ‘essential’ goods is dwindling. If this continues, sooner or later, it will result in a halt in all container trade due to non-availability of empty containers. This is a very real and major concern globally and the Pacific can play its part in mitigating this risk.
- Support for Business Resumption and Recovery. Consider suspending audits and fees/duties to allow businesses to return their cash flows to normal in order to stimulate the economy in the first few months of recovery.

OCO Secretariat

April 2020