



## **MEMORANDUM OF UNDERSTANDING BETWEEN THE WORLD CUSTOMS ORGANIZATION (WCO)\* AND THE UNIVERSAL POSTAL UNION (UPU)**

### Recognizing

that the mission of the World Customs Organization (WCO) is to enhance the efficiency and effectiveness of member customs administrations, thereby helping them to contribute successfully to national development goals, particularly in the areas of trade facilitation, revenue collection, community protection and national security,

### Recognizing also

that the mission of the Universal Postal Union (UPU) is to stimulate the lasting development of efficient and accessible universal postal services of quality in order to facilitate communication between the inhabitants of the world by: guaranteeing the free circulation of postal items over a single postal territory composed of interconnected networks; encouraging the adoption of fair common standards and the use of technology; ensuring cooperation and interaction among stakeholders; promoting effective technical cooperation and ensuring the satisfaction of customers' changing needs,

### Realizing

that UPU member countries support the concept of the single postal territory, and agree that all customers are entitled to a universal postal service based on the permanent provision of quality basic postal services at all points in their territory at affordable prices,

### Realizing also

that the UPU and the WCO pursue common goals to ensure and facilitate free and secure movement of global trade in line with WTO rules while abiding by the fundamental principles of the international postal service such as freedom of transit and customs clearance of postal items,

### Recalling

that resolution C 62/2004 of the UPU Bucharest Congress recognized that the cooperation between the UPU and the WCO, which has existed since 1965, is in the best interests of both organizations, and should be continued in order to pursue the study of common problems,

### Recalling also

that a WCO–UPU Contact Committee was set up in 1965 with a view to establishing a close working relationship between the two organizations,

### Recognizing

that the Revised Kyoto Convention which came into force on 3 February 2006 includes a new chapter on Postal Traffic contained in a specific Annex J, Chapter 2, which provides for specific customs procedures in respect of postal items,

### Recognizing further

that the nature of postal traffic is specific because of its mass volumes and the restricted site of postal items,

### Noting also

the need to ensure efficient customs clearance of postal items,

\* Established in 1952 as the Customs Cooperation Council.

Aware

that the use of information and communication technologies and electronic data interchange systems is of vital importance in further improving the speed, security and quality of customs clearance of postal items,

Aware also

that collaboration in capacity-building initiatives would be to the benefit of both organizations,

Convinced

that the complexity of the international mail transportation network requires the implementation of physical and procedural security measures based on a risk analysis of the current threats and vulnerabilities,

Noting also

that offences against customs laws, particularly money laundering, the transport of illicit materials, drugs, counterfeit goods and other contraband are prejudicial to the economic, social, fiscal and security interests of States and the interests of all parties involved in legitimate international trade,

Believing

that this cooperation in promoting efficient customs clearance would be of benefit to members of both organizations,

Recognizing

the need to identify clearly the possible areas of cooperation between the two organizations,

The Parties agree that the above-mentioned objectives shall be pursued through the following cooperation and consultation activities set out in this Memorandum of Understanding (hereinafter referred to as the "MOU"):

#### **I. Areas of cooperation and consultation**

The Parties agree to seek each other's expertise in the following areas:

- i To examine and develop together ways in which cooperation and consultation between postal administrations and customs authorities could be improved with a view to combating drug trafficking by post and to contributing to mail security while abiding by the fundamental principles of the international postal service, in particular the freedom of transit.
- ii To seek to ensure a better understanding by postal administrations of customs authorities' tasks and problems and vice versa, thereby facilitating a productive exchange of information between the two parties with a view to encouraging the resolution of problems at national level.
- iii To consider practical ways in which postal administrations and customs authorities can assist one another in the detection of postal items which might contain drugs or other prohibited materials, and facilitate the rapid processing of mail while maintaining customs control measures.
- iv To consider practical measures to increase and facilitate the use of electronic data interchange systems between Posts and Customs.
- v To identify and address the training needs of their respective member countries in areas of common interest such as E-learning and improving compliance with customs declarations.
- vi To pursue the development of minimum security standards and procedures to facilitate the overall security of the international mail transportation network and expedite the customs clearance process.
- vii To encourage Posts and Customs to form joint Customs–Post committees at the national level to:
  - ensure efficient customs clearance of postal items, in particular packets and parcels, by ensuring improved compliance with the rules regarding customs declarations;
  - adopt a joint strategy to combat smuggling of drugs, money laundering, counterfeit goods, illicit materials and other contraband;
  - facilitate a productive exchange of information between the two parties with a view to encouraging the resolution of problems at the national level,
- viii To promote the role of Customs and Posts as vehicles for economic growth and social development through capacity-building.

ix To update the joint WCO–UPU publications: Customer Guide and Operations Guide.

## II. Guidelines on Cooperation

The Guidelines on Cooperation between Customs Authorities and Postal Administrations are attached to the present MOU in order to define in concrete terms the areas of cooperation and consultation listed in Part I above, with particular attention to combating illicit trafficking by post.

## III. Entry into force, duration and termination

The Memorandum of Understanding shall come into effect on the date of its signature and shall remain in force unless terminated by mutual consent or by either Party giving three months' written notice of termination to the other Party. The provisions shall, however, remain in force beyond the date of such termination to the extent necessary to permit an orderly completion of activities.

## IV. Amendment

The present Memorandum of Understanding may be modified by mutual written consent.

Any dispute over the interpretation or application of any provision herein shall be settled through negotiations or by other means as the Parties shall mutually agree.

The Parties hereby agree that this MOU and its annexes shall replace and supersede the Memorandum of Understanding and its annexes previously signed by the Parties on 15 September 1994.

In witness whereof, the Parties hereto, each acting through its duly authorized representative, have duly affixed their signatures on the two originals of this Memorandum of Understanding in the English and French languages, both texts being equally authentic.



5 July 2007  
Postal Union:

Edouard Dayan  
Director General

Done at Brussels on 5 July 2007  
For the World Customs Organization:



Michel Danet  
Secretary General

## **Guidelines on cooperation between Customs Authorities and Postal Administrations**

### **1 Introduction**

1.1 In recent years, the smuggling of drugs, false passports, currency for money laundering, items that are protected by intellectual property rights and other prohibited goods has increased significantly, with traffickers using all means of international transport to smuggle drugs.

1.2 This illicit traffic has placed an increasing burden upon customs authorities, which have come to recognize that, to combat it more effectively, they need the cooperation of those parties regularly involved in international trade and transport.

1.3 As one of those parties, the Universal Postal Union (UPU) has recognized the need to cooperate to combat this illicit traffic. The UPU has accepted the offer by the World Customs Organization (WCO) to provide it with assistance and advice to prevent postal items being used for drug smuggling.

1.4 Formal recognition of the need for cooperation between customs authorities and postal administrations has taken the form of a Memorandum of Understanding (MOU) concluded between the WCO and the UPU. This MOU provides a basis for Guidelines on how customs authorities and postal administrations might cooperate in the prevention of smuggling through the post. Both the WCO and the UPU have agreed to recommend these Guidelines to their respective members and to report on their implementation.

1.5 This paper contains these Guidelines, which incorporate measures that postal administrations should take to reduce or inhibit smuggling. These measures will necessarily vary depending on the source and destination of the postal items.

1.6 Also incorporated in the Guidelines are measures which customs authorities should take to enable postal administrations to contribute more usefully to customs efforts and to encourage them to participate in the battle against the illicit trafficking of prohibited goods.

1.7 The measures recommended are not intended to be exhaustive. Customs authorities and postal administrations may apply additional measures to take account of national conditions.

1.8 The WCO Secretariat and the UPU International Bureau would welcome any suggestions from their members for the improvement of these Guidelines.

### **2 Objectives**

2.1 The objectives of these Guidelines are to:

- a promote increased cooperation between customs authorities and postal administrations and to heighten the latter's awareness of the problem and effects of smuggling;
- b encourage postal administrations to increase security with a view to ensuring the security of the supply chain and inhibiting smuggling;
- c increase the ability of customs authorities to detect and forestall attempts to smuggle illicit goods by post;
- d respond favourably to requests from customs authorities for access to commercially held information in order to combat the illicit traffic of prohibited commodities, but not where such action would be in breach of any law or regulation;
- e assist customs authorities in their efforts against those criminal elements involved in smuggling;
- f facilitate, to the greatest extent possible consistent with the application of adequate customs controls, the UPU's objective of ensuring efficient organization and improvement of postal services worldwide.

2.2 In order to provide consistency and uniformity, the following principles should be recognized:

- a The prime responsibility of postal administrations lies in the safe and expeditious handling of postal items.
- b Postal administrations should not be asked to act as law enforcement entities.
- c Customs authorities are aware that some information held by postal administrations may be considered "commercially confidential", while postal administrations should treat customs inquiries about postal staff, their procedures and services as confidential. This is why all information exchanged between the parties must be considered confidential.
- d Postal administrations may wish to enter voluntarily into formal agreements with customs administrations to support or implement these Guidelines. Such agreements would not remove any existing legal obligations on the parties concerned.
- e Measures taken nationally by postal administrations in accordance with these Guidelines may be augmented or varied at regional or local level according to the perceived risk of smuggling at that level.

### **3 General comments**

3.1 The measures designed to prevent the use of postal administrations' means of transport and facilities and of postal items are intended to:

- a improve the security of facilities and services to make it more difficult for illicit goods to be introduced into means of transport or to be conveyed in postal items;
- b increase the chances of the timely detection of illicit goods;
- c facilitate cooperation with the appropriate authorities so that they can identify those persons or parties involved in smuggling.

3.2 Customs authorities and postal administrations (possibly with other bodies operating in this field, such as airlines and shipping companies, etc.) are encouraged to examine their security measures in order to identify shortcomings and to consider improvements.

3.3 Customs authorities and postal administrations should establish contact points at national or local level and organize regular consultative meetings for the ongoing exchange of information.

3.4 The WCO Framework of Standards to Facilitate and Secure Global Trade (SAFE Framework) sets out minimum security standards. This document should form the basis of security measures within postal facilities.

### **4 Measures recommended to UPU member countries**

#### *Introduction*

4.1 Postal administrations should take account of postal regulations and legislation, which should lay down the conditions for cooperation with the appropriate authorities where legal proceedings are under way.

#### *Documentation*

4.2 On request, postal administrations should normally supply customs authorities with information relating to international mail.

4.3 Particular attention should be given to exploiting the advantages of modern data processing and telecommunication techniques.

4.4 Postal administrations should notify customs authorities of any unusual or suspicious documentation or requests for information on items.

4.5 Insofar as possible, postal administrations should, on request, instruct customs officers in the use of information systems for locating and tracking mail or other postal items.

### *Security of mail and other postal items*

4.6 Postal administrations should be able to request customs authorities' assistance to instruct and train postal employees in how to recognize and report items which may contain illicit goods.

4.7 Postal administrations should check that their national policies are compatible with the prevailing legislation on the security and integrity of mail and, if necessary, should make the changes needed to achieve progress in this respect. The standards within the SAFE Framework should form the basis of the security policy.

4.8 Upon dispatch or receipt of mail, postal employees should alert the customs authorities if they notice that the integrity of postal bags/sacks and postal items has been breached.

4.9 If necessary, postal administrations should examine their measures regarding mail security, with a view to preventing illicit access to the contents of items. These measures may relate, inter alia, to the checking of seals.

### *Security of facilities*

4.10 Postal administrations should be able to provide Customs with information on measures taken to ensure the security of their facilities.

4.11 They should draw up a list, by category, of staff employed in post offices and sorting centres.

4.12 They should limit the parking of vehicles belonging to the postal service, customers and staff to the designated areas.

4.13 Any vehicle allowed one-time access to postal premises should be issued with a dated pass, and parking should be restricted to the authorized or controlled areas; vehicle registration numbers should be recorded and made available to customs authorities on request.

4.14 Where the facilities have electronic security systems, such as closed-circuit television, customs authorities should be given access on request.

4.15 Postal administrations should permit only authorized staff and vehicles displaying proper identification within postal premises and parking areas.

### *General security*

4.16 Postal administrations should conduct regular reviews of existing security and control measures and correct any identified deficiencies.

4.17 Postal administrations should provide timely notification to customs authorities when employees discover suspect postal items. Those items should remain undisturbed and under surveillance pending customs intervention.

4.18 Postal administrations should use all appropriate means and may, inter alia, place warning signs in post offices indicating the criminal-law sanctions applicable if the post is used for the illicit traffic of drugs and other prohibited materials.

4.19 On request, postal administrations should provide customs authorities with details of any subcontractors and companies which provide support services at their facilities.

### *Personnel security*

4.20 Postal administrations should take all necessary precautions when recruiting staff to ensure that they have never been convicted of drug trafficking, and do not have a history of drug abuse or a criminal record.

4.21 Postal administrations' surveillance staff and trainers should receive training in:

- recognizing indications that a postal official may be susceptible to drug-related offences;

- identifying trade practices which might indicate a drug-related offence or the possibility of trafficking in illicit goods.

#### *General*

4.22 Postal administrations should instruct all their employees to comply with these Guidelines and bring them to the attention of any private companies involved in postal activity, e.g. road transport companies, airlines, etc.

4.23 Postal administrations should seek customs authorities' advice regarding assistance and possibly training to:

- a help their staff assess the vulnerability of the postal service in respect of smuggling by post;
- b draw up and implement measures to minimize that vulnerability.

4.24 With the assistance of customs authorities, postal administrations should educate their staff in the dangers of drug abuse and methods of identifying drugs.

## **5 Measures recommended to customs administrations**

#### *General security*

5.1 Customs authorities should ensure that all their officers having business in a post office carry proper authorized identification.

5.2 Customs authorities should provide postal administrations with readily accessible contact details, including telephone numbers of customs officials who can be contacted for advice or instructions when it is suspected that a smuggling offence is being or may be committed.

5.3 Customs authorities should encourage postal administrations to exercise control over access to their facilities and should recommend that postal staff carry proper identification.

#### *Security of facilities*

5.4 Customs authorities should seek to foster cooperation with postal employees.

5.5 Customs authorities should encourage postal administrations to ensure that lists are kept of the staff employed at post offices and sorting centres.

5.6 Customs authorities should encourage postal administrations to ensure that the parking of vehicles with regular access to their facilities is limited to designated areas.

5.7 Customs authorities should encourage postal administrations to ensure that control is exercised over one-time vehicle access to postal facilities, through the issuing and recording of dated passes, or recording of vehicle identification details in a register.

5.8 Customs authorities should regularly discuss the security of postal facilities, procedures and items with postal administrations and with the other bodies involved (airlines, shipping companies, etc.) with a view to identifying and correcting any reported deficiencies.

5.9 Customs authorities should ensure that publicity materials highlighting the dangers of, and penalties for, smuggling are available and widely circulated.

#### *Training and information*

5.10 Insofar as their resources allow, customs authorities should provide postal administrations' training services with educational materials and expert guidance on relevant smuggling trends.

5.11 Information should be made available to postal administrations on means of identifying unusual situations which may indicate smuggling.

5.12 Postal employees dealing with CN 22 and CN 23 customs declarations or responsible for security should be advised about telltale indicators of anomalies in the data provided which might indicate the possibility of a customs offence. The staff should also be alerted to the possibility that other employees may be subject to corruption or coercion.

5.13 Customs authorities should familiarize themselves with the documentation and procedures used by postal services at national and local level in respect of postal items, procedures and facilities.

#### *General*

5.14 Customs authorities should not request or require postal administrations to initiate any action or inaction which would conflict with the UPU's Constitution and Convention, or with the laws, regulations or control requirements of that country; nor should any action or inaction be encouraged in a foreign country which could result in a conflict with the laws of that country.

5.15 In consultation with postal administrations, customs authorities should regularly review the facilitation and enforcement aspects of their procedures to ensure that the needs of both parties are fully considered. Customs authorities which have already established this consultative machinery should be prepared to cooperate, through existing liaison channels, with other customs authorities and advise them on establishing similar arrangements.

## **6 Maintenance**

Customs authorities and postal administrations recognize that these Guidelines represent a first step in the development of cooperative measures to implement the spirit of the MOU. It is hoped and expected that the Guidelines will be reviewed and improved in the light of experience in the context of the WCO–UPU Contact Committee's activities, without in any respect departing from the basic principles embodied in the MOU.