

EDITORIAL

Editorial

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The demands on customs administrations have never been greater. Governments expect them to secure borders, collect revenue, enforce sanctions and verify environmental credentials – all while facilitating the lawful movement of goods at rising volumes. Traders, meanwhile, contend with a continual churn in tariff settings –driven in particular by the United States – alongside shifting rules of origin and new regulatory requirements that add cost and uncertainty to every shipment. If there is a shared interest between government and industry, it is in finding smarter ways to manage the border.

Artificial intelligence and other disruptive technologies will be central to the solution. Recent releases from leading AI developers – including Anthropic, OpenAI, Google and others – have demonstrated that capabilities in reasoning, document analysis and autonomous decision-making are advancing at an exponential pace. Models that can process vast volumes of unstructured data, identify complex patterns and execute multi-step workflows without human intervention are no longer theoretical. For both customs authorities and the trading community, the implications are significant.

AI-powered risk assessment provides the opportunity for regulators to move beyond rules-based inspection towards genuinely predictive targeting, identifying high-risk consignments while clearing legitimate trade with minimal friction. For traders, the same advances could streamline tariff classification, automate origin determination and reduce the cost and error rate of regulatory reporting. Blockchain and distributed ledger technology present a parallel opportunity: shared, immutable records of supply chain transactions could give customs authorities confidence in the provenance and integrity of transactions, while providing traders with a single, auditable source of truth that satisfies multiple regulatory demands.

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Yet none of this is without risk. AI systems are only as reliable as the data they are trained on, and poorly designed models could entrench bias or generate false positives that penalise legitimate trade. Algorithmic decision-making in a government context raises important questions about transparency, contestability and due process. Blockchain adoption depends on interoperability standards that do not yet exist at scale. And for many administrations, the digital infrastructure to deploy these technologies remains a significant barrier.

Getting this right will require genuine collaboration between government, industry and the technology sector – not simply to build tools, but to agree on the governance frameworks, data-sharing protocols and ethical guardrails that ensure new technologies serve both security and facilitation. The INCU Global Conference in Shanghai from 10–12 August 2026, under the theme ‘Smart Customs and Data Governance,’¹ offers a timely platform for exactly this dialogue. Borders are being reimagined by code. The rules that govern them must be reimagined too.

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¹ The call for papers for the INCU Global Conference can be found at <https://incu.org/>