Regional Office for Capacity Building

East and Southern Africa Region

WORLD CUSTOMS ORGANIZATION EAST AND SOUTHERN AFRICA

REGIONAL STRATEGIC PLAN

May 2022 - April 2025

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FOREWORD

The World Customs Organization East and Southern Africa Region aims to provide customized services to our stakeholders through delivery mechanisms that sustain improvement in their operations and adaptability to the changing environment in a timely, sustainable and cost effective manner. These services are founded on the principles of leadership, relevance, responsiveness, effectiveness and resilience, further guided by our regional strategic plan.

The WCO ESA Regional Strategy 2018-2021 stood out for its focus on trade facilitation and intra-regional trade. We however experienced challenges in successfully implementing it as a result of financial challenges and limited expertise. This was worsened by the COVID-19 pandemic that rendered most activities impossible to execute due to the measures put in place to curb the spread of the coronavirus that left great loss in its wake. Further, as a result of the pandemic, Customs and the global family as a whole, has been working in a challenging environment. Nevertheless, and to ensure that our operations return to as normal as possible, we are continually leveraging on new models of work, including technology (with increasing focus on disruptive technologies such as blockchains, drones, virtual reality, machine learning, Internet of Things, among others). The region's Governing Council identified digitization and data management as critical pilings for the success of the Strategy.

This Strategy and Implementation Plan 2022-2025, is the result of extensive collaboration with our many partners and is further based on the environmental scans and their respective trends. It has largely focused on contributions from members, based on their needs at both national and regional levels, and a collation of inputs from the WCO regional entities Regional Office for Capacity Building (ROCB), Regional Intelligence Liaison Office (RILO) and the Regional Training Centres (RTCs). Other stakeholders key to its development and implementation include the Regional Economic Communities, African Union, and the Private Sector. The Plan aligns the four strategic objectives with twelve operating lines; the strategic objectives present the Region's key areas of focus: Trade Facilitation & Integration; Efficient Revenue Mobilization & Customs Modernization; Security, Enforcement & Compliance; Security, Enforcement & Compliance. All of these areas will integrate digitization and big data analytics, we are also cognisant of the important role played by all emerging technologies; Block Chain, Machine Learning, Robotics, Drones among others.

Nevertheless, this is just the start and we still have a long way to go if we are to meet our Vision for the region and the Mission Statements which are highlighted in the document. Over the next 3 years, there may be unforeseen challenges ahead and readjustments would be required at both national and regional levels. And so, inasmuch as we employed strategic foresight in developing this document, changes may still have an effect on the way administrations are structured and the various reform and modernization initiatives by all our stakeholders. We remain a vibrant region, committed to adjusting to the seasons, forging new alliances and integrating new models of work for our success.

It is our hope that we will be able to fulfill our dreams and vision set in the 2022- 2025 Strategic Plan. We urge the commitment of all our stakeholders to live this dream, join the mission, and live towards the vision.

Larry Liza

Director
WCO ESA ROCB

Batsirai Chadzingwa

Vice Chair (Zimbabwe)
WCO ESA

ABBREVIATIONS /ACRONYMS

AEO	Authorized Economic Operator
AUC	Africa Union Commission
API	Advance Passenger Information
CBM	Coordinated Border Management
CIDA	Canadian International Development Agency
CIPS	Customs Integrity Perception Survey
COMESA	Common Market for East and Southern Africa
CTC	Customs Tax Cooperation
EAC	East African Community
ESA	East and Southern Africa
GC	Governing Council
HS	Harmonized System
ICBT	Informal Cross Border Traders
MC	Management Committee (of the ESA region)
OGAs	Other Government Agencies
PICARD	Partnerships in Customs Academic Research and Development
PCA	Post Clearance Audit
PNR	Passenger Name Record
RDTC	Regional Dog Training Centre
RECs	Regional Economic Communities
RILO	Regional Intelligence Liaison Office
RKC	Revised Kyoto Convention
ROCB	Regional Office for Capacity Building
RoO	Rules of Origin
RSG	Regional Steering Group
RTC	Regional Training Centre
SACU	Southern African Customs Union
SADC	Southern African Development Community
SDGs	Sustainable Development Goals
TFA	Trade Facilitation Agreement
ToT	Training of Trainers
UNECA	United Nations Commission for Africa
VC	Vice Chair
WCO	World Customs Organization

WCO ESA

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REGIONAL TRAINING CENTRE (RTC)
HEADS MEETING

I. INTRODUCTION

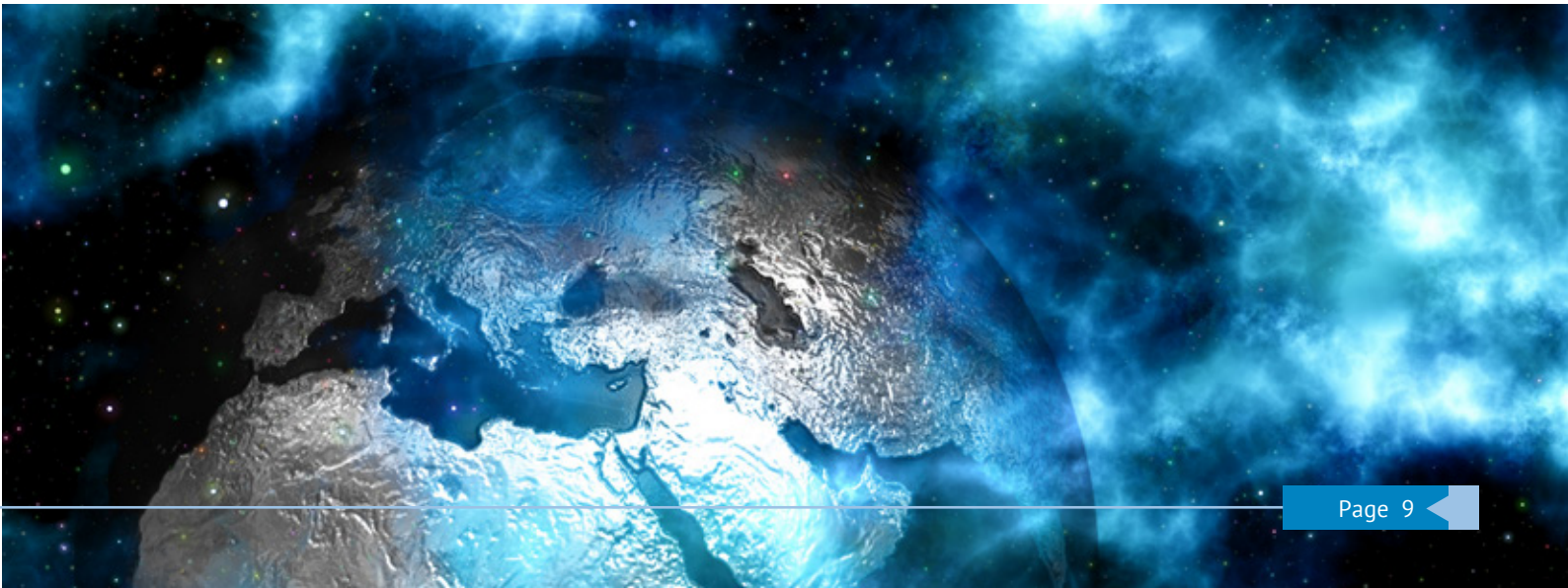
The World Customs Organization East and Southern Africa Region is one of the six regions of the World Customs Organization and comprises the following 24 Member countries:

The ESA Regional Office for Capacity Building (ROCB) is based in Nairobi, Kenya, hosted by the Kenya Revenue Authority and is responsible for running the various capacity building initiatives in the Region. The ROCB provides customized services to Members through delivery mechanisms that sustain improvement in their operations and adaptability to the changing environment in a timely, sustainable and cost effective manner. These services are founded on the principles of leadership, relevance, responsiveness, effectiveness and resilience.

The WCO ESA Regional Strategy 2018-2021 stood out for its vision in championing trade facilitation and intra-regional trade. It espoused gender consciousness and probity all through its strategic objectives, alongside other pertinent values and virtues. Its implementation was anchored with an implementation matrix as well as a monitoring and evaluation framework which guided the region towards its implementation. Various partners came through to support its implementation, including the Governing Council and different development partners who worked with the regional office for the achievement of its objectives. However, its full implementation was hampered by lack of funding – taking into account that a number of activities required funding.

For the Region in the upcoming years, Illicit Financial Flows (IFFs) continues to be an area of note and with the enactment of the African Continental Free Trade Area (AfCFTA). This will have economic, social, technological and environmental developments which will affect most members of the Region in the upcoming years. This together with the oncoming of the COVID-19 pandemic also greatly impinged the delivery of capacity building initiatives, especially those that required physical presence of facilitators. Nevertheless, Customs quickly moved to mitigate the effects of the pandemic through a change management approach, integrating new models in the functions of Customs and in delivering capacity building.

This Strategy and Implementation Plan 2022-2025 is based on the environmental scans and their trends therein, relating to the international trade environment, as well as input from members, based on their needs towards a region, and a collation of inputs from various stakeholders – including the Regional Economic Communities, African Union, and the Private Sector. It highlights priority areas as ESA implements its Strategy. The Plan aligns the four strategic objectives with twelve operating lines; the strategic objectives present the Region's key areas of focus.



The Plan presents the Strategy in a streamlined, easy-to-read format which highlights; specific and measurable objectives, strategies that have a strong foundation in the evidence base, specific action steps with accountabilities, deadlines and resources needed as well as links to national goals and strategies. The Plan further highlights the SWOT Analysis, Region's vision and mission and the impact of the environment in which the Region operates.

The Region has the following Regional Economic Communities (RECs): East African Community (EAC), Southern African Customs Union (SACU), Southern African Development Community (SADC) and the Common Market for East and Southern Africa (COMESA), all within the continental body, African Union.

2. CURRENT CUSTOMS LANDSCAPE FOR THE REGION

Customs Strategic Role

The achievements of the WCO since its creation are many; however, the opportunities to improve and the challenges ahead are significant. Therefore, by preparing a high-level strategic policy document which includes clear and concrete objectives and is simple to monitor, the Organization is endeavoring to respond effectively to the complex and continuously changing international environment. It is very important to have a strategic tool that sets out the necessary initiatives and activities. The WCO is fundamental to the development of international standards and the promotion of their implementation in order to facilitate legal trade, secure fair revenue collection and protect society, which subsequently converts into economic prosperity.

This is the reason to direct the WCO East and Southern Region's resources and efforts towards the achievement of the strategic objectives.

The COVID-19 crisis has undoubtedly brought Customs administrations a significant amount of visibility and media coverage, especially with regard to the movement of medical supplies and vaccines. During the crisis, Customs administrations have been viewed and portrayed as an important factor in addressing the pandemic and contributing to the fight against the virus. The momentum generated by the global situation has thrust Customs into the centre of the attention. Their relentless efforts have shed light on and raised public awareness of their role.

Customs plays a critical role to ensure the smooth flow of goods along the supply chain. During the prevailing COVID-19 pandemic and national confinements due to the pandemic, Customs was faced with several challenges. These are in fact the lessons learned.

During the pandemic, it was critical to ensure the smooth supply of essential goods in particular medicines and medical equipment. Customs administrations worldwide, like other essential government services, have continued to operate during the crisis and took decisive measures to ensure supply chain and business continuity.

Customs authorities had to deploy staff from home and exploited digital processes through internet-based customs management systems. Customs administrations have also been required to protect their staff by using necessary personal protective equipment.

Customs had to re-think the way it operates. While previously it was impossible to think that Customs can operate remotely, during the pandemic and national confinements, Customs officers had to work from home and give clearance of goods. The concept of work from home emerged in Customs.

Customs had to harness technology to make work from home a reality. The automation of customs processes, as recommended by the Revised Kyoto Convention, has borne its fruits. Declarants can lodge their declaration electronically through internet-based customs management systems and Customs officers can log in Electronic Data Interchange systems remotely and give clearance. By leveraging on technology, Customs has managed to meet the challenges that emerged during the crisis.

Moreover, technology also enabled Customs administrations to conduct virtual meetings, workshops and capacity building programmes. Training of customs officers also continued through the WCO e-Learning and other platforms.

One of the most recent trends in global business, especially during the period of COVID-19 pandemic, is the unprecedented growth in trade in cross border e-Commerce, commonly known as E-Commerce, in physical goods. This has revolutionized the way businesses and consumers market, sell, and purchase goods, providing wider choices, advance shipping, payment and delivery options. E-Commerce has generated enormous opportunities for the global economy, providing new growth engines, developing new trade modes, driving new consumption trends and creating new jobs. Customs authorities are faced with the chal-

lenge to manage the exponential growth in the volume of goods that are traded electronically. Customs played an important role in ensuring the facilitation of legitimate cross-border E-Commerce trade, fair and efficient revenue collection and community protection.

Generally speaking, major events have the effect of propelling Customs administrations to the forefront of international efforts. This has occurred during the COVID-19 crisis, but it is also often the case in connection with comprehensive economic negotiations conducted for the purpose of concluding regional, multilateral or bilateral agreements. The technical nature of Customs' function makes them a crucial partner for governments in negotiating trade agreements like the African Continental Free Trade Agreement (ACFTA).

Key Developments for the Region

East and Southern Africa covers a wide scale of priorities for its members. Some of the areas of focus based on its members' development includes:

Trade Facilitation

Whether exporting or importing goods, trade facilitation benefits all countries by allowing better access for businesses to production inputs from abroad and supporting greater participation in global value chains (GVCs). Countries where inputs can be imported and exported in a quick and reliable manner are also more attractive locations for foreign firms seeking to invest and offer consumers lower prices, higher quality products, and a greater array of goods.

Trade facilitation also helps more – and smaller – firms participate in trade. Addressing unnecessary costs related to trade procedures is essential for firms to take full advantage of new market openings. This is especially true for micro-, small- and medium-sized enterprises (SMEs), for which the costs of trading can be disproportionately large.

In addition, trade facilitation is critical for perishable agricultural products and for high-tech manufacturing components, both of which are highly sensitive to delays. Moreover, trade facilitation is becoming more, not less, important in the digital era. The growing

numbers of parcels crossing international borders is both increasing demand, and creating new challenges, for trade facilitation.

Finally, not only does simplification of trading procedures promote economic efficiency, but it also removes incentives and opportunities for border-related corruption, thus supporting good governance and integrity.

The ratification of the WTO Trade Facilitation Agreement (TFA) is important for the region to promote economic welfare. It is encouraging to note that 20 out of 24 member states have ratified the TFA and the objective should be its ratification by all members and its full implementation.

Revenue Collection

Revenue collection is the prime function of all Customs administrations. Though revenues collected from Customs duty have declined in the past three decades due to trade liberalization, total revenue collections by customs remains important, and has even increased in some countries. This is because tariff revenues were replaced by broader domestic taxes on consumption (VAT and excises), which are collected by customs administration when goods are imported. Despite the fact that a large share of these revenues (primarily VAT) is offset against taxes paid later on domestic transactions, customs administrations act as a withholding agent for domestic tax administrations, and an effective risk management tool for collection of consumption and production taxes on imported goods.

Despite the fact that revenue derived from Customs duty is on the decline and its contribution to the national treasury is less significant than three decades ago it is still a concern for Customs administrations worldwide. The COVID 19 pandemic has confirmed this concern as the right amount of revenue to be collected is of high importance. The Revenue Package may be of great help and needs to be well understood and implemented by Customs Administrations of the region. In addition, the exact interpretation of the HS Code and implementing the updated version is highly recommended.

Protection of Society

Customs as the main border agency is also entrusted with the function of protecting society. To sustain the economy Customs has to ensure that the right amount of revenue is collected and to achieve this function it has to combat commercial fraud and smuggling which result in tax evasion. With time the role of Customs has evolved to such an extent that Customs authorities have been entrusted with administering matters for which other government ministries and agencies have policy responsibility, such as health, agriculture, environment, trade statistics and in some cases, immigration. Thus with this role Customs prevent the import of prohibited goods representing a danger for the country and controls the import of restricted goods ensuring that they satisfy all the required conditions. Furthermore, Customs is fully engaged in the fight against illicit trade of arms, ammunitions, dangerous drugs and in extension the financing of terrorism and money laundering. In addition, Customs Authorities also control the movement of counterfeit products and protecting society from consuming fake products which may be detrimental to their health and safety and in some cases even fatal. With the events of September 11 in 2001 Customs Authorities are highly involved in border security and security of the supply chain. This is of great importance for the region because of piracy at sea in Eastern Africa.

Economic Competitiveness

Economic competitiveness does not mean a competition among countries. The World Economic Forum which has been measuring competitiveness among countries since 1979, defines it as “the set of institutions, policies and factors that determine the level of productivity of a country”. The Institute for Management Development has defined it as “how a nation manages the totality of its resources and competencies to increase the prosperity of its people”. It is said that economic competitiveness attracts foreign direct investment which contributes to the economic growth of a country.

Customs administrations contribute to economic competitiveness but it is clear that economic competitiveness can best be improved by macroeconomic policies and also by non-government factors such as demographics, the weather and entrepreneurial skills. In terms of government policies, the most crucial contributor to economic competitiveness,

especially in times of economic distress such as we are currently witnessing, is appropriate fiscal and monetary policies.

The minor though important contribution of Customs Administrations to economic competitiveness is in three ways. Firstly, through trade facilitation, secondly through revenue collection and thirdly through social protection. These three factors have been discussed above but a summary is essential to highlight the contribution of each factor.

Trade facilitation involves the simplification and harmonization of international trade procedures with a view to promote seamless movement of goods. The International Convention on the Simplification and Harmonization of Customs Procedures, better known as the Revised Kyoto Convention (RKC), is the international standard for making Customs regulatory procedures as efficient as possible. 7 members of the region have still not acceded to the RKC and we need to facilitate their accession for the economic competitiveness of the member states and the region at large.

Revenue collection helps to improve economic competitiveness by enabling governments to invest in public goods such as education, health, welfare state, etc.

Social protection concerns the fight against illicit trafficking of arms, narcotics and combat terrorism and illicit movement of capital for the financing of terrorism. In addition, the strategy to detect fake and counterfeit goods contributes to the protection of society and enhancing economic competitiveness.

Compliance and Enforcement

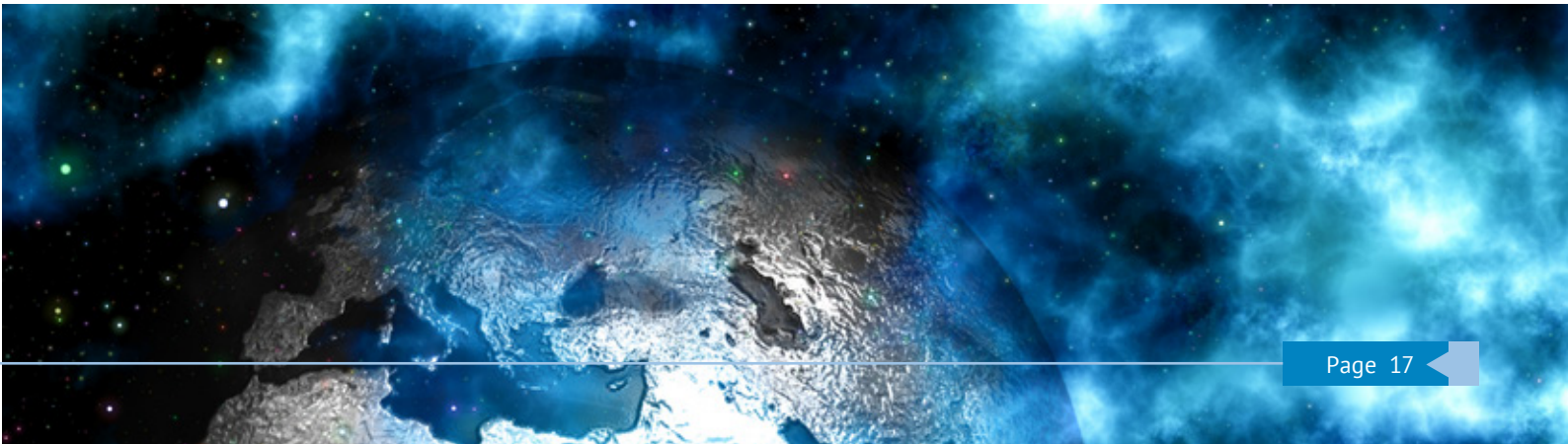
The role of Customs, like any law enforcement agency, is to ensure compliance with the law; and while this responsibility has remained unchanged for centuries, the manner in which Customs performs its role has changed dramatically over the course of the past three decades. With the considerable increase in the volume of international trade and the constant pressure for the expedited release of goods by Customs to improve economic competitiveness, Customs Administrations can no longer maintain the same type of enforcement. It is increasingly expected that there should not be intervention for the sake of intervention but rather intervention by exception.

Risk Management is the enabler to achieve intervention by exception. The TFA, RKC and the different enforcement tools developed by the WCO recommend the release of low risk consignments and intervention on high risk consignments. However, there is necessity for a proper risk engine coupled with appropriate capacity building for its implementation. The WCO included the Standard of the RKC in its Risk Management Guide to emphasize the importance of using risk management for compliance and enforcement. The standard from the RKC is reproduced below for better understanding.

- limit customs control to that necessary to ensure compliance with the law (Standard 6.2)
- use risk management in the application of customs control (Standard 6.3)
- use risk analysis to determine which persons and which goods, including means of transport, should be examined and the extent of the examination (Standard 6.4)
- adopt a compliance measurement strategy to support risk management (Standard 6.5).

Organisational Development

Customs Administrations in their role as agent for economic competitiveness and growth can no longer operate in the ancient organisational structure. The need for change is pressing and many Customs Administrations have undergone drastic structural change. The creation of Revenue Boards or Authorities with some degree of autonomy is one example of the change. In addition, the role of Customs as discussed earlier is not restricted to the trilogy of Customs that is, Valuation, Origin and Tariff Classification (HS Code). Modern Customs facilitates trade by applying risk management, protects society by combating terrorism, preventing the illicit movement of arms, narcotics and counterfeit goods. New and modern organisational structure should include sections/departments such as Legal, International Cooperation, Research and Planning, Risk Management, Human Resource, Internal Affairs and Internal Audit among others.



Capacity Building

In the Customs context, capacity building is commonly understood to mean developing or acquiring the skills, competencies, tools, processes and resources needed to improve the capacity of the administration to carry out its allotted functions and achieve its objectives (WCO).

As it can be seen Capacity Building is much more than training and includes the following:

- ✓ Human resource development, the process of equipping individuals with the understanding, skills and access to information, knowledge and training that enables them to perform effectively.
- ✓ Organizational development, the elaboration of management structures, processes and procedures, not only within organizations but also the management of relationships between the different organizations and sectors (public, private and community).
- ✓ Institutional and legal framework development, making legal and regulatory changes to enable organizations, institutions and agencies at all levels and in all sectors to enhance their capacities.

Without capacity-building, you risk focusing all of your energy and attention on providing services and expanding projects. This lack of a strong foundation may lead to organizational instability, which might appear in old and deteriorating equipment, poor communication between leadership and staff, and “mission drift”—a loss of focus on your nonprofit’s founding principles. Capacity building should not be restricted to operational staff. It should start from board members and cascaded to operational staff.

The contribution of the WCO and the various RTCs in the region should be fully acquired for developing an integrated Capacity Building Programme for the region.

3. STRATEGIC DIRECTION

3.1 Vision:

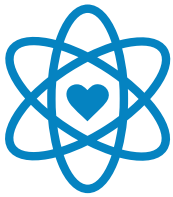
Ensuring economic growth and intra-regional trade by facilitating trade securely, efficiently and professionally.

3.3 Goal:

To contribute to the economic growth of the Region in trade, security, societal protection and human capital development.

3.2 Purpose statement:

To develop gender inclusive, professional and modernized Customs administrations that are fair, efficient and effective in revenue collection and border management service.[1]



3.4 Values:

- **Transparency**
- **Probity**
- **Commitment**
- **Responsibility**
- **Respect**
- **Cooperation**

1 According to the United Nations, gender-inclusivity refers to that that does not discriminate against a particular sex, social gender or gender identity, and does not perpetuate gender stereotypes. Given the key role of language in shaping cultural and social attitudes, using gender-inclusive language is a powerful way to promote gender equality and eradicate gender bias.

WCO ESA
33rd REGIONAL STEERING GROUP (RSG)
MEETING

KENYA

WCO ESA
AL TRAINING CENTRE (RTC)
HEADS MEETING

4. STRATEGIC RATIONALE AND OUTLOOK

The Strategy builds on the past successes and the new strategy therefore responds to deepening regional integration through trade facilitation, revenue collection, protection of the society and enhancing human capital development and integrity in the 24 ESA Member administrations through effective coordination and delivery by the ESA Regional Office for Capacity Building and Regional Training Centres, supported by the Vice Chair's Office.

The Strategy seeks to achieve this through the implementation of the four strategic objectives. The objectives are the foundation for the delivery of the 2022 -2025 strategy as depicted in the Theory of Change below.

The Strategy shall be effective for a period of three years, noting that resources and delivery shall be operative over the short-term period, May 2022-April 2023 followed by a review of the strategy to enable full implementation of the long-term initiatives over the period May 2022-April 2025.

4.I Strategic Objectives

4.1.1 Trade Facilitation & Integration

This objective seeks to enhance and foster the opportunities for increased intra-regional trade amongst ESA member countries. This shall be achieved by creating an enabling environment to facilitate the efficient movement of goods, people and conveyances as envisioned in the African Continental Free Trade Area (AfCFTA), the WTO Trade Facilitation Agreement, the WCO Safe Framework of Standards to Secure and Facilitate Global Trade and the Revised Kyoto Convention.

Trade facilitation, in the WCO context, means the avoidance of unnecessary trade restrictiveness. This can be achieved by applying modern techniques and technologies, while improving the quality of controls in an internationally harmonized manner. Regional economic integration is an effective means of boosting intra-regional trade and improving regional economic competitiveness.

The corresponding outcome and its indicators are listed below:

Outcome	Enhance Border Efficiency
Indicator	I. Number of Members who have fully implemented AfCFTA, TFA &RKC II. Number of Members that have harmonized, simplified and automated procedures III. Number of Members that have expanded their AEO programmes IV. Number of Members that have concluded Mutual Recognition Agreements (MRAs). V. Number of Members that have fully implemented CBM VI. Number of Members that have established collaborative structures with the private sector VII. Number of countries that have implemented the Transit Management procedures VIII. Number of Transit Management experts in the region.

4.1.2 Efficient Revenue Mobilization & Customs Modernization

Revenue mobilization is a key priority for ESA Members which is strongly linked to national developmental goals, poverty alleviation and economic growth. Customs administrations of the ESA region continue to play a critical role in mobilizing revenue to the national budget of their respective countries. It is imperative to enhance revenue compliance and combat commercial fraud and corrupt practices to eliminate risks of revenue leakage. It is also important to enhance the efficiency of revenue collection by implementing WCO recommended best practices, methods, procedures and instruments towards the journey to provide world-class and modern Customs services.

The corresponding outcome and its indicators are listed below:

Outcome	Optimize revenue collection
Indicator	I. Percentage increase in the amount of revenue collected II. Percentage reduction in cost of collection III. Number of Tariff lines with reduction in rates of Customs Duty

4.1.3 Security, Enforcement & Compliance

The intention of this objective is to reinforce the efficiency and effectiveness in upholding compliance to Customs law, regulations and procedures in the region, and creating the enforcement mechanisms to strengthen regional security, protection of society to enable economic growth and development. This shall incorporate strategies to enhance regional trader compliance programmes and development of frameworks for customs-to-customs networking on information exchange, intelligence sharing and treatment of common and emerging risks.

The corresponding outcome and its indicators are listed below:

Outcome	A. Enhance risk management policy, strategy, and procedures B. Implement Coordinated Border Management (CBM) principles a. Secure business environment b. Stability of staff tenure of office
Indicator	I. Number of Members that have implemented compliance programmes supported by intelligence driven risk management II. Number of coordinated border enforcement actions III. Adoption of SAFE Framework IV. Adoption of API guidelines and PNR Reporting Standards V. Incorporate WCO CEN into Risk Management Program VI. Establish partnerships with entities such as United Nations Office on Crime and participation in the programmes VII. Number of interceptions on illicit contraband made. VIII. Number of member states with updated CEN Platforms IX. Increase in number of seizures captured on CEN platform X. Number of member states with dedicated officers for information sharing via CEN and other platforms XI. Number of members engaging in bilateral system interfaces XII. Number of member states engaging in declaration pre-population initiatives XIII. Number of officers trained in risk profiling XIV. Frequency of risk profiling training XV. Number of administrations with Risk and Intelligence officers who stay for 3 years or longer XVI. Number of members who have embarked or are currently embarking on use of Artificial Intelligence coupled with Machine Learning in its Risk Management Operations XVII. Number of members who are using Big Data Analytics and Block Chain Technology in their profiling and targeting approach. XVIII. Number of members who are using the WCO Cargo Targeting System (CTS).

4.1.4 Professionalism & Partnership

The ability of Customs to contribute to regional growth and development rests on the organizational efficiencies and effectiveness of Customs administrations in implementing modernized systems and procedures enabled by a strong professional workforce. This objective seeks to enhance integrity, professionalism and human capital development in Member customs administrations through the development of subject matter experts, promotion of gender equality and diversity and enhancing research initiatives.

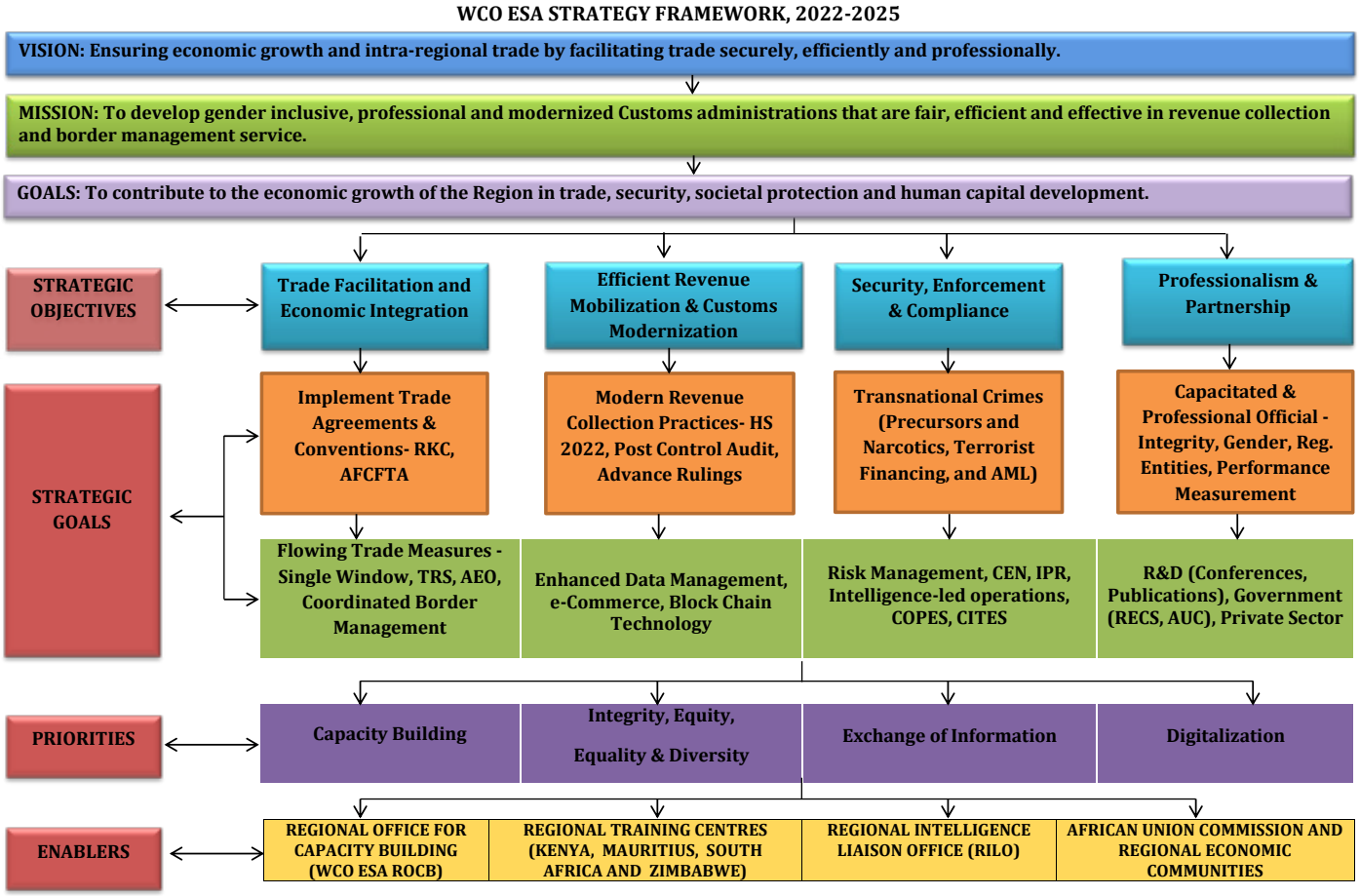
The corresponding outcome and its indicators are listed below:

Outcome	**A. Develop a pool of subject matter experts and expert trainers** **B. Promote integrity through utilization/implementation of the WCO Tools** **C. Promote gender equality and diversity** **D. Enhance research in the Region.** **E. Enhance collaboration with stakeholders**
Indicator	I. Increase in the number of regional subject matter experts II. Number of surveys related to officers' behaviors III. Number of officers participating in e-learning courses: IV. Integrated Regional Integrity and Anti-Corruption Framework developed V. Regional integrity policies socialized and embedded VI. Regional integrity capacity and capability developed and implemented VII. Ethics and Integrity training and awareness developed and implemented through eLearning and virtual platforms for empowering the region VIII. Compendium of integrity best practice established and available for the region IX. Customized CIPS and CIDA tools and Surveys Reports X. Integrity Implementation Plan and Objective Key Results applied in the region

Indicator	XI. Increased Equality, Diversity and Inclusion within the regional Customs environment. XII. Ensure that Equality, diversity, and inclusivity are relevant and applicable in the region. XIII. Number of sensitization workshops/orientation sessions conducted on Gender Equality XIV. Number of administrations who have a Safety Policy Framework for employees (against Anti-Sexual Harassment in the Workplace, Gender based violence etc…) XV. A regional system/mechanism that ensures that basic needs of employees are met (needs of security and safety) developed XVI. A regional strategic intent that is aimed at working towards diversity and inclusion developed XVII. Increased number of writers and publishers in the Region XVIII. Research forum in the area of Integrity and Ethical Standards organized XIX. Enhanced quality of research output in the Region XX. Improved number of citations and utility of research work in the Region XXI. Increased number of published research material in various titles and journals within the Region and beyond. XXII. Number of stakeholders' meetings conducted.

4.2 Strategic Outlook

The Strategic Outlook below showcases the region's overall strategic approach, from strategic goals through which the objectives ought to be reached and so in turn the mentioned priorities and enablers.



5. ESA OPERATING ENVIRONMENT

5.1 ESA Strategic Assessment Report

Strength (Internal)

1. Committed Governing Council
2. Continuous Customs reform and Modernization
3. Growing pool of regional experts
4. Dynamic, agile and knowledgeable staff
5. Regional Entities (ROCB, RTCs, RILOs & RDTCs) to support capacity building.

Weakness (Internal)

1. Inadequate funds to support capacity building
2. Inadequate Human Capital - Numbers and training
3. High turnover of Customs leadership
4. Cases of Integrity and Corruption
5. Inadequate capacity to avert revenue leakage
6. A challenged RILO
7. Poor ICT infrastructure
8. Misaligned legislation/procedures (not harmonized)

Opportunity (External)

1. Existence and Support from the WCO
2. Private Sector Cooperation
3. Availability of Donors interested in supporting the region
4. Vibrant Regional Economic Communities
5. Growth in Technology that support Customs Business processes

Threats (External)

1. International Crises (disasters, pandemics, etc.)
2. Social, political Instability
3. Violent extremism
4. Tax avoidance and evasion
5. Low levels of Intra African Trade
6. Transnational Organized Crimes and Smuggling
7. Low literacy levels especially among small scale cross border traders
8. Poor tax and customs knowledge among members of the public
9. Porous borders

5.2 Strategic Risk and Mitigation Measures

A number of challenges and risks can affect ESA's ability to implement the strategic objectives and goals and the underlying activities. These challenges and risks are predominantly of an external nature and therefore not in the sphere of influence of the ROCB. The foremost risks and challenges are summarised in the paragraphs below, together with potential measures that aim to mitigate certain aspects of these risks.

No.	Strategic Risk	Mitigating action	Responsibility	Severity	Likelihood	Ranking
1.	High turnover of Heads of Member administrations resulting in interrupted political will.	Provide continuous orientation on the regional Agenda to Heads of Member administrations.	Vice chair and ROCB			
2.	Limited funding	Promote and sustain Commitment to subscription	Vice Chairman/ Heads of Administration			
		Engage and mobilize Donor funding	ROCB			
		develop and implement a resource plan	ROCB			
3.	Low buy-in by Member administrations	Intelligence sharing Full utilization of RILO Participation in regional and international joint operations Full utilization of Customs Enforcement Network (CEN)	Member States RILO			
4.	Lack of continuous monitoring and evaluation of the strategy	Enhance the capacity of ROCB to develop and implement a Monitoring and Evaluation Framework	ROCB and WCO			
		Undertake periodic environmental scan	ROCB			
5.	Low level capacity in project and change management at the ROCB and RTCs	Enhance the capacity of ROCB and RTCs in project management	WCO			
		Develop the capacity of the ROCB and RTCs to manage change	WCO			

Table Key - Risk

High	16, 20, 25
Medium	9, 10, 12, 15
Low	1, 2, 3, 4, 5, 6, 8

5.3 Implementation Budget and Costing

To implement the 3-year strategy will require resources from different stakeholders. The strategy assumes member contributions will be maintained, and the remaining costs borne by donor contributions.

Strategic Objectives	2022/2023	2023/2024	2024/2025	Cucumalitive Total
Trade Facilitation and Integration	USD 40 000	USD 40 000	USD 40 000	USD 120,000
Efficient Revenue Mobilisation and Customs Modernisation	USD 30 000	USD 30 000	USD 40 000	USD 100,000
Security, Enforcement and Compliance	USD 150 000	USD 150 000	USD 185 000	USD 485,000
Professionalism and Partnership	USD 150 000	USD 150 000	USD 150 000	USD 450, 000

STRATEGIC PLAN

The vision for the region and goal will be achieved through the following objectives

TI. Trade Facilitation & Integration

Operational Objective(s)	Activities/ Priority Areas	Tasks	Timing	Costs (USD)/ DONOR	Responsibility	Indicator
Enhance border efficiency	Support members in the implementation of Trade Agreements, Conventions, WCO Instruments and Tools	Together with the WCO Secretariat: • Offer technical assistance to countries to implement TA&C. • Secure donors • Build a pool of experts in TA&C implementation	2022-2025	TBD	• All ESA members • ROCB • WCO • VC	i. Number of Members who have fully implemented Trade Agreements.
	Conduct and publish the TRS to provide the baseline for improvements	• Implement Single Window nationally and regionally. • Publication of TRS report • Develop a framework for clearance of digital goods (e-commerce) (tangible or intangible) • Create AEO trade lanes to facilitate 'green lane' processing at borders • Expand the AEO programme to include additional segment of trade supply chain by developing and piloting segment specific programmes with SMMEs, domestic agencies involved in cross border trade and members of ESA that will inform the legislative framework and augment the benefit of the programme. • Conclude MRAs, AEOs with trading partner countries	2022-2025	60,000	• All ESA members • ROCB • WCO • VC • RECs	i. Number of Members that have harmonized, simplified and automated procedures ii. Number of Members that have expanded their AEO programmes iii. Number of Members that have concluded MRAs

RI: Efficient Revenue Mobilization & Customs Modernization

Operational Objective(s)	Activities/ Priority Areas	Tasks	Timing	Costs (USD)/ DONOR	Responsibility	Indicator
R1.1 Optimize revenue collection	Fully implement WCO tools & instruments – the Revenue Package prove Transit management controls	Implement HS 2022	2022 -2025	60,000	VC/ Members/ WCO	i. Percentage increase in the amount of revenue collected ii. Percentage reduction in cost of collection
		Implement advance Ruling system for Classification	2022 -2025	N/A	VC/ Members/ WCO	
		Implement Advance Ruling system for Valuation	2022 -2025	TBD	VC/ Members/ WCO	
		Implement Advance Ruling system for Origin	2022 -2025	TBD	VC/ Members/ WCO	
	Implement best practices to eliminate revenue leakage, to cope with increase in trade and emerging trends that can potentially impact on revenue	Enhance revenue compliance and combat commercial fraud	2022 -2025	TBD	VC/ Members/ WCO	
		Implement PCA and develop guidelines on PCA	2022 -2025	TBD	VC/ Members/ WCO	
		Enhance integrity of the process of examination of goods	2022 -2025	TBD	VC/ Members/ WCO	
		Increase use of NII technology and enhance image interpretation capabilities	2022 -2025		VC/ Members/ WCO	
		Implement best practices/standards to deal with the upsurge in cross border e-Commerce to prevent loss of customs revenue	2022 -2025	TBD	VC/ Members/ WCO	
		Develop and apply risk management guidelines and techniques to identify revenue leakage	2022 -2025	40,000	VC/ Members/ WCO	
		Enhance data management by using WCO data model, data analytics & block chain technology	Ongoing	TBD	VC/ Members/ WCO	

CI: Security, Enforcement & Compliance

Operational Objective(s)	Activities/ Priority Areas	Tasks	Timing	Costs (USD)/ DONOR	Responsibility	Indicator
C1.1 Enhance risk management policy, strategy, and procedures	i. Develop a Risk Management model plan that provides a reference to review existing risk management policies strategies and procedures ii. Implement Block Chain Technology, Big Data Analytics, Artificial Intelligence and Machine Learning in the Risk Management Functions.	i. Working group to finalize the Draft Regional Risk Management (compliance strategy) which includes regional strategy and policy, roles and responsibilities and tools. ii. Adopt/ adapt and implement the WCO Safety, Security & Enforcement(SSE) Policy. iii. Participate in SSE Programmes	2022 Q2	45,000	ROCB/ RTC Mauritius	i. Number of Members that have implemented compliance programmes supported by intelligence driven risk management. ii. Number of members who have embarked on the use of Block Chain Technology, Big Data Analytics, Artificial Intelligence and Machine Learning in their Risk Management functions. iii. Number of coordinated border enforcement actions. iv. Adoption of SAFE Framework; v. Adoption of API guidelines and PNR Reporting Standards, vi. Incorporate WCO CEN into Risk Management Program vii. Establish partnerships with entities such as United Nations Office on Crime and participation in the programmes.
	iii. Strengthen Risk management process by promoting Intelligence sharing through Data exchange and full utilization of the CEN platform	Update the CEN platform on environmental crime, including hazardous waste and wildlife crime among others. Publish and disseminate intelligence analysis on the said products. Capacity building of National Contact Persons CEN and nCEN. Enter into Customs Mutual Assistance Agreements to improve information sharing	2022 Q4	80,000	RILO/ RTC Mauritius	Number of interceptions on illicit contraband made. Number of member states with updated CEN Platforms Increase in number of seizures captured on CEN platform

Operational Objective(s)	Activities/Priority Areas	Tasks	Timing	Costs (USD)/ DONOR	Responsibility	Indicator
C1.2 Implement Coordinated Border Management (CBM) principles	i. Support development of coordinated clearance procedures ii. Increase/ build up an effective and efficient border control system.	i. Conduct joint training / workshops Draft and sign MOUs/ bilateral agreements between ESA countries for the implementation CBM	2022 Q2	120,000	Members	
	Conduct and publish the TRS to provide the baseline for improvements	ii. Create a committee to write policy- To be done at National level iii. Implementation of policies (if the policies have been developed)	2022 Q2	N/A	VC	
		iv. Develop legal and regulatory framework to be done at National level. v. Implementation of legal and regulatory framework (if they have already been developed) vi. Engage members in the development of streamlined procedures vii. Develop better collaboration through sharing of resources and leverage capabilities to enable cross border agencies to better respond to emerging threats viii. Align the physical movement of goods with that of flow of information/ intelligence.	2022 Q3	N/A	Members	
Secure business environment	Improve information sharing among member states	i. Strengthening the RILO ii. Employ dedicated staff for capturing of seizures on CEN and other information sharing tasks. iii. Establish partnerships with the public and private sectors through establishment of forums including research and other communication mechanisms.	Q3 2022	120,000	Member Customs administrations	Number of member states with dedicated officers for information sharing via CEN and other platforms

	Build in compliance through the use of technology	i. Form Customs to Customs system interfaces ii. Encourage Pre-population of import declarations from export declarations of countries of export	Yearly	TBA	Member states	Number of members engaging in bilateral system interfaces Number of member states engaging in declaration pre-population initiatives
	Build capacity in risk profiling	• Conduct bi-annual training on risk profiling to frontline officers • Conduct training on enforcement staff in charge of intelligence	Bi-annually	120,000	ROCB/ RTC Mauritius	Number of officers trained in risk profiling Frequency of risk profiling training
Stability of staff tenure of office	• Maintain a stable pool of enforcement staff in charge of intelligence and Risk Management	• Promote staff stability in National administrations	On-going	N/A	ROCB/ Member administrations	Number of administrations with Risk and Intelligence officers who stay for 3 years or longer
	Support Development of coordinated clearance procedures	Promote support and development of coordinated border management	ongoing	N/A		Number of members that have implemented compliance programmes supported by risk management

PI: Human Capital and Professionalism

Operational Objective(s)	Activities/ Priority Areas	Tasks	Timing	Costs (USD)/ DONOR	Responsibility	Indicator
P1.1 Develop a pool of subject matter experts and expert trainers	Continuation in developing a pool of subject matter experts and expert trainers	i. Operational objectives will be achieved through the following programmes, amongst others: -Leadership and Management Development; -Advanced Gender equality, Integrity & Ethics; -Change Management (identified as a gap that is missing; -Competency based development of Workforce-Talent	2023 Q3 2024 Q1 2025Q3	180,000	ROCB/ WCO/ RTC	i. Increase in the number of regional subject matter experts ii. Number of surveys related to officers' behaviors Increased Channels of utilization is through: -eLearning developments & utilization, Virtual Customs Orientation Academy -Hosting classroom interactions and web-based programmes
		ii. Develop and utilize a database of the regional pool of experts.	2022 Q4	N/A	WCO/ ROCB	
		iii. Establish a forum of regional experts- Request WCO to create a virtual group for the experts on CLiKC!	2023 Q3 2024 Q3 2025 Q3	N/A	ROCB/ WCO	

Operational Objective(s)	Activities/ Priority Areas	Tasks	Timing	Costs (USD)/ DONOR	Responsibility	Indicator
P2.2 Promote integrity through utilization/implementation of the WCO Tools;	Formulation of a regional integrity strategy to combat Fraud and Corruption	Design, Develop and implement an integrated Integrity and Anti-Corruption Framework	2022 Q3	60,000	ROCB/WCO	Integrated Regional Integrity and Anti-Corruption Framework developed
		Develop a Regional Code of Conduct and establish and socialize a values system that guides the region	2023 Q2	TBD	ROCB/WCO	
		Share and socialize integrity policies that have been benchmarked with the other Customs administrations	2023 Q3 2024 Q3 2025 Q3	N/A	ROCB/ WCO	Regional integrity policies socialized and embedded
		Develop regional Integrity promotion programme for capacity and capability building.	2023 Q3	N/A	ROCB/WCO	Regional integrity capacity and capability developed and implemented
		-Develop an ethics & integrity training and awareness programme (which will be channeled through e-learning courses, virtual Integrity awareness and induction sessions as well as having integrity as a standing item in both operational and management meetings)	2024 Q2	TBD	ROCB/WCO	Ethics and Integrity training and awareness developed and implemented through eLearning and virtual platforms for empowering the region
		Develop a compendium of good integrity practices.	2022 Q3	TBD	ROCB/WCO	
	ii. Leverage on existing WCO tools to Institutional Integrity Strategy	Identify and utilize WCO tools e.g. CIPS and CIDA to establish the current state of integrity in the Region	2023 Q1	TBD	ROCB/WCO	Compendium of integrity best practices established and available for the region
		Conduct surveys across the Region and share data that will enhance and direct national and regional interventions.	2022 Q2	TBD	ROCB/WCO	Customized CIPS and CIDA tools
		Develop Integrity Implementation Plan with units of measure to address the identified gaps and areas of improvements				Surveys Reports

Operational Objective(s)	Activities/ Priority Areas	Tasks	Timing	Costs (USD)/ DONOR	Responsibility	Indicator
P3.3 Promote gender equality and diversity	Creating safe, conducive, diverse, equal, inclusive and gender-based violence (GBV) free work environment	Align to Universal declaration of Human Rights: - D30 – No state or person has a right to take away any of the rights. - D1 All Human beings are free and equal - D2 No discrimination. - D23 Right to work. - D21 Right to democracy. - And the Sustainable Development Goals: - SDG 5 - - SDG17 – - All the SDGs depend on the achievement of Goal 5 • Ensuring equal access to Customs services rendered within the region, e.g. the reasonable accommodation of persons with disabilities in the rendering of service.	2023 Q1	TBD	ROCB/WCO	Integrity Implementation Plan and Objective Key Results applied in the region Increased Equality, Diversity and Inclusion within the regional Customs environment. Ensure that Equality, diversity, and inclusivity are relevant and applicable in the region. Striving to Change behavior in the customs space and influencing changed behaviors in the region; A regional system/mechanism that ensures that basic needs of employees are met (needs of security and safety) developed; A regional strategic intent that is aimed at working towards diversity and inclusion developed;
		Engage regional stakeholders in our ecosystem (taxpayers and traders) to adopt the stance of gender-based violence free environments and promote equality.	2022 Q2	60,000	ROCB/WCO	
		• Influence regional decision making that will lead to the tax system recognizing societal inequalities and contribute to gender equality and equality for persons with disabilities and their inclusion into the mainstream economy, and contribute to socio-economic transformation;	2022 Q3	TBD	ROCB/WCO	

Operational Objective(s)	Activities/ Priority Areas	Tasks	Timing	Costs (USD)/ DONOR	Responsibility	Indicator
P4.4 Enhance research in the Region.	Develop the region's knowledge base and provide the region with information that is current and relevant to the dynamic operational environment.	Develop institutional capacity to undertake research through the following activities: i. Identify national lead officials to be responsible for research; ii. Support officials to undertake training in research skills; and, iii. Draft and mainstream regional guidelines that articulate ESA research standards.	2022 Q2	30,000	ROCB/WCO	Increased number of writers and publishers in the Region Enhanced quality of research output in the Region Improved number of citations and utility of research work in the Region Increased number of published research material in various titles and journals within the Region and beyond.
	ii. Register and participate in appropriate conferences; and seek opportunities to publish in internal and external Journals	i. Continue to identify opportunities to promote, present and publish research work through the following activities: ii. Support an online library for publishing research papers;		60,000		

ANNEX I- IMPLEMENTATION MATRIX

OBJ	Activities/ Priority Areas	Tasks	2022 – 2023				2023 - 2024				2024 - 2025				2025	
			Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
T1																
R1	Fully implement WCO tools & instruments – the Revenue Package	Implement HS 2022														
		Implement advance Ruling system for Classification														
		Implement Advance Ruling system for Valuation														
		Implement Advance Ruling system for Origin														
R2	Implement best practices to eliminate revenue leakage, to cope with increase in trade and emerging trends that can potentially impact on revenue	Enhance revenue compliance and combat commercial fraud														
		Implement PCA and develop guidelines on PCA														
		Enhance integrity of the process of examination of goods														
		Increase use of NII technology and enhance image interpretation capabilities														
		Implement best practices/ standards to deal with the upsurge in cross border e-Commerce to prevent loss of customs revenue														
		Develop and apply risk management guidelines and techniques to identify revenue leakage														
		Enhance data management by using WCO data model, data analytics & block chain technology														
C1																
P1																

ANNEX 2- MONITORING, REPORTING AND EVALUATION OF THE STRATEGY

The monitoring, reporting and evaluation of the strategy for the region will be done in alignment to the WCO Secretariat standards and alignment and commitments.

2.1 Monitoring

The strategy will be monitored using the implementation plan as attached in Annex 1. Monitoring will be an ongoing process. The secretariat will develop action plans which will be monitored throughout the period of the strategic plan.

2.2 Reporting

Performance reporting on the strategy will be done quarterly, bi-annually and annually. Reports will follow a standardized reporting framework that will be developed and shared with member administrations. The ROCB will coordinate the reporting process with support from the RSG.

2.3 Evaluation

The strategic plan will be reviewed annually to align it with existing /prevailing environmental factors. This will also help to incorporate emerging issues.

ANNEX 3-CHANGE MANAGEMENT STRATEGY

Strategy	Activities	Responsibility Centre	Date
Stakeholder Management	Formation of the stakeholder-working group.	ROCB/ VC	
	Identify stakeholders. • Member administrations. • Regional Bodies: • ROCB, RTC, • RECS: • EAC, COMESA, AUC, SACU, SADC. • OGAs • Private sector	Working Group	
	Assess change readiness.	Working Group	
	Develop and implement the change management plan.	Working Group / ROCB	
Communication	1. Create a communication-working group.	ROCB	
	2. Develop the communication plan	Working Group	
	3. Develop Communication tools; Email, Intranet, Print Media, Messages, electronic designs templates, ESA Website.	Working Group	

ROCB STAFF ESTABLISHMENT

The current ROCB staff comprises the Director, one Programme Officer, Finance Officer, Administrator/PA to the Director and a Clerk. All staff are from Kenya. The office received virtual support from the following Members: Botswana, Mauritius, South Africa, Uganda and Zimbabwe.

Larry Liza
Director

Faith Mosongo
Programme Officer

Samuel Wachiuri
Finance Officer

Judy Mwaura
Administrator &
PA to Director

Jamilah Mutah
Clerk / Assistant
Administrator

Erick Kaburu
ICT Officer

East and Southern Africa Region

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