ESA Newsletter

World Customs Organization East & Southern Africa Region Regional Office for Capacity Building

Word from Vice Chair

I write to give you a progress report on the work of our premier regional organization. It has been almost 6 months since I took over the helm of the organization. In my first communication with the region I made it abundantly clear that as a sub-region of this great continent, it is our principal responsibility to take the destiny of our institutions into our own hands. I am happy to report that there has been great energy and dedication by all of us especially our officials who have worked assiduously to implement our programme.

We have appointed our new Director Mr. Liza who has in the shortest time revitalised and rejuvenated the ROCB. Our debt of gratitude goes to him and his dynamic team for the job well done so far. The journey is very long; I can only hope that they will stay the course. We have managed to hold a number of meetings with the sole purpose of advancing our work. I had the distinct honour on behalf of all of you to officially open the Trade Facilitation Workshop and Regional Steering Committee held in South Africa. In both sets of meetings far reaching decisions were taken to strengthen and advance the conclusions of our Council meeting held in Angola. RILO also had a meeting to plot the way forward to deal with illicit activities and other major security challenges.

We must continue to utilize the Centres of Excellence in our respective sub-regions. As you are aware RTCs plays a crucial role in addressing the most immediate training requirements of our revenue administrations. As outlined above, it is critically important, where possible, that through our own funding we are able to use the RTCs. As you might have seen, our strategy document as presented to us by our Director is finding concrete implementation. This year where possible we will be able to revisit areas that need strengthening but in most part we must redouble our efforts to implement what we agreed to at our conferences and ROCB must drive this implementation.

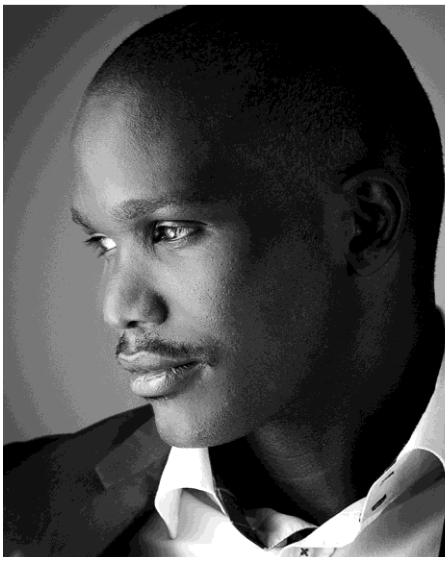
I am happy to announce that our partnership with Finland Government on capacity building has been renewed for additional three years. We must endeavour to use this programme to respond to our challenges especially as they relate to trade facilitation and regional integration with all the spin-offs that come from trading amongst ourselves. We must also thank for helping immensely in building capacity in our region. We must work very hard to secure additional donor funding so that all our countries with different languages benefit as well. It would be remiss of me not to thank the World Customs Organization for the seminal role they play in helping us to secure donations for our region. We are privileged to belong to this big Customs family. In implementing all what we agree on including the capacity building work of donors, ROCB should be central in driving this process. In this regard, I wish to thank the ROCB for this innovative way of communicating, it can only keep all of us fully informed of our work, as they say information is a life blood of any organization. Let’s continue our long march to build robust, responsive and well-resourced Customs institutions.

Tom Moyane - WCO ESA Vice Chair and Commissioner, SARS

WCO ESA Vice Chair, Mr. Thomas Moyane

IN THIS ISSUE

EDITORIAL



The WCO ESA Regional Office for Capacity Building is happy to share with you, yet again, a newsletter capturing programmes and activities of our Members, partners and stakeholders. We hope to be publishing the newsletter quarterly inasmuch as the rate of submission of articles is low. I invite you to feel free to share with us, regularly, any relevant articles, and we shall be happy to publish them and share them, not just with the region, but the global Customs community.

In this issue, we read from Mr. Tom Moyane, the Regional Vice Chair and Commissioner of the South Africa Revenue Service (SARS), we also share in the activities of some of our Members, including the ROCB's host Member, Kenya, as well as Lesotho, South Africa, Uganda and Zimbabwe. These articles thrive on topical issues aligned to our regional strategy whose objectives include; promotion of trade facilitation, revenue mobilization, protection of society, development of human capital and regional cooperation and integration. Speaking of cooperation, we are happy to share from our Regional Economic Committees, particularly the East African Community, Southern African Development Community (SADC), as well as Southern Africa Customs Union (SACU). The JICA, with which we are in continuous collaboration, also share a story.

We hope that these articles will be informative to you. And that they will spur you to share your stories with the region, and the world, through the ROCB Newsletter. Enjoy!

LARRY LIZA, DIRECTOR & CHIEF EDITOR.

CONTACTS

Larry Liza
Director
World Customs Organization,
East & Southern Africa,
Regional Office for Capacity Building,
Forodha House 3rd Floor,
3 Upper Hill Close,
P. O. Box 50581- 00200,
NAIROB, KENYA.
Tel +254 20 27 37 444 / +254 20 250 22 68

Email: larry.liza@wcoesarocb.org
rocb@wcoesarocb.org
Facebook: https://web.facebook.com/wcoesarocb
Twitter: https://twitter.com/wcoesarocb
Website: www.wcoesarocb.org

SARS hosted the first WCO meeting as the WCO Regional vice chair

South African Revenue Service (SARS) hosted the 23rd World Custom Organization (WCO) East and Southern Africa (ESA) Regional Steering Group (RSG) in Centurion from 4 to 6 November 2015.
In keeping with tradition, the head of the hosting Revenue Administration, SARS Commissioner, Thomas Moyane delivered the opening remarks. In his welcome note, Commissioner Moyane expressed his gratitude for South Africa's appointment as the Regional Vice Chair earlier in 2015.

Commissioner Moyane also encouraged regional integration noting that the tremendous growth of international trade over the last years has brought about new challenges for customs administration within the region. "Regional integration will help build markets, create new opportunities of growth and create more robust competitive and diversified economies in the region," he said.

The Commissioner assured the ESA delegates of his commitment and that of SARS to working tirelessly in taking the region to greater heights. "However, I cannot do that alone. If we accept that the word TEAM stands for Together Each Achieves More, I assure you that working together as the ESA team will certainly benefit not only ESA as a region but also our individual member administrations," said the Commissioner.

In reviewing the Regional Strategy and Implementation Plan for 2012-2017, it was acknowledged that 80% of the activities have been completed. The meeting also noted the progress made by Member States in the implementation of their National Committees on Trade Facilitation as required under the WTO Trade Facilitation Agreement. Participants also agreed to start in earnest discussions on the new Regional Strategy for 2018-2022, taking into account the global environment which inevitably impacts on the region.

"Africa, the Corruption Song Must Stop"

By Ziphathela Ncube, Zimbabwe , January 2016

"Petty corruption along the highways, routine corruption at various ports of entry and grand corruption in public offices seem to have become an incurable cancer in various African communities today. Poverty levels have reached alarming levels, health systems are in the intensive care, judiciary systems incompetent, economic growth stifled, many fingers are pointing to corruption. Several studies in the region by many organisations including Transparency International are attesting this. These studies unfortunately rank customs departments in the top five most corrupt divisions among various countries in the region. Honestly who is to blame? And whose responsibility is it? How come society seems to be increasingly accommodating this evil as a norm in its routine transactions?"

So many reasons have been brought forth as the cause. Poor remuneration to public officials is one of the alleged major culprits. This has been evidenced in many studies across the world to be the major catalyst. This writer contends that the cause is not poor remuneration but greediness and lack of proper basic life principles by people in positions of authority. The argument is that indeed remuneration might be low and even earned inconsistently but wait, and pause for a moment – of course remuneration could be low, but are those in positions of authority quite aware of the actual financial challenges over those who could be offering them bribes for them to perform their daily duties?

The painful reality on the matter is that those who could be soliciting for kickbacks from the public, are most likely doing so from already financially crippled persons. The same school fees, rentals and other subsistence expenses could be seriously posing a threat to their targets more than these officials are exposed because the officials are at least in employment. Most of these victims are unemployed, they are crossing borders not because they have money; they are doing this to make ends meet; they are all over the places trying to earn a living - there is no justification whatsoever for officials to expect something from them simply because they can use their offices to exploit the victims.

To all public officials out there, it's high time to think in other terms, it's high time to respect and value humanity much ahead of illicit wealth accumulation. This is the time to restore our values of ubuntu as a continent and stop this evil. Corruption will never be a solution to our problems, instead it inflicts much pain to the poor, hungry souls and vulnerable souls out there.

As Africans, let us all be honest to ourselves and to our situation, if we are not prepared for the truth then let us celebrate driving in pot holed roads, let us enjoy the congested border posts, let us celebrate the inconveniences on our highways as drivers bribe their ways at roadblocks to their destinations because there is nobody to blame, but ourselves and our poor backward mentalities. Let us all have a heart and STOP the corruption menace in our societies. Customs Divisions are hereby encouraged to fully incorporate the provisions of the Arusha Declaration on Customs Integrity to address the scourge. It begins with me, it begins with you, and this is all our responsibility.

ESA ROCB Newsletter

World Trade Organisation Bali Agreement: A Flexible Trade Facilitation Agreement To Be Taken Advantage of

By Edina Mudzingwa, Zimbabwe Revenue Authority

Photo courtesy of: blogs.worldbank.org

The Trade Facilitation Agreement (TFA) 'Bali Agreement' was adopted at the World Trade Organisations (WTO) 9th Ministerial conference in Bali, Indonesia, in December 2013.

The TFA sets out measures for effective cooperation between customs and other appropriate authorities on trade facilitation and customs compliance issues. It further contains provisions for technical assistance and capacity building in this area.

Although 'Bali Agreement' is binding in its entirety from its entry into force, it recognizes that some member states will require more time and technical assistance before they can implement some or all obligations. It was agreed that commitments by developing and least developed country members will be implemented according to different categories. Flexibility arrangements are provided for where least developed countries implement trade facilitation reforms in stages or over long period of time. Implementation is based on national needs assessment to determine assistance needs, costs and scheduling of commitments at individual member state level. Developing countries are allowed to link their commitments to receipt of technical assistance and support for capacity building monitored by WTO.

Some of the major benefits of TFA include the following;

- Great opportunities for capacity building. The benefits in capacity building are huge as these include technical training for staff, upgrading of the infrastructure in order to meet the requirements of the Agreement as well as customs officers talking the same language with other revenue authorities' worldwide.
- Easier market access to developed countries' markets as the meeting agreed to duty free, quota access for the least developed countries. It is accepted that majority of African countries are already in that bracket and this is likely to improve growth prospects for developing countries.
- Bali Agreement provides for simplified rules of origin criteria for developing economies.
- One of the measures put into place for developing countries as a result of the Bali Agreement is the preferential treatment of services from least developed countries (LDCs). This will result in increased LDCs involvement in global trade
- The agreement is an important tool for enhancement of trade as it improves trade facilitation and harmonization of customs processes. African economies will thus not be left out of the global economic growth.
- Transit costs are likely to be reduced further and this would also lead to modernization of processes in line with what is happening with developed economies.

Feasible and Effective Action Towards Trade Facilitation

By Farayi Melody Banda (Mrs) - Training Officer at ZIMRA

International trade is one of the key areas of a country's economic prosperity. The world economy is in turmoil. Fiscal and trade imbalances continue unabated. New challenges are added to old ones. Tariff and non-tariff protection, export restrictions, the proliferation of regional trade pacts, the emergence of new and complex issues, such as climate change, high and volatile food prices, and energy production and consumption are all issues that need to be addressed sooner rather than later.

Opportunities for the achievement of efficient global supply chains have a great influence on the business decisions made in an economy in relation to international trade. Customs procedures involved in the movement of goods across borders can have an impact on international trade. Since the end of World War II, Africa has lagged behind in trade matters because she has long, complicated and inconsistent procedures for admission of goods into her territories. The emergence of trade facilitation could provide the much needed solutions. It is thus important for African economies to actively engage in trade facilitation so as to promote the quick, easy and cheaper movement of goods as this will help reduce traders' costs of moving their goods making them competitive in the receiving countries.


Photo courtesy of: www.ictsd.org

In a broad sense, trade facilitation according to the United Nations (2006) is simplification, standardization and harmonization of procedures and associated information flows required to move goods from one person to another in different states and to make payments for the goods. The World Trade Organization (2013) narrows the definition of trade facilitation to the streamlining of customs and administrative procedures for international trade transactions with the aim of easing border procedures and to facilitate the movement of goods while reducing complexities, costs of the trade transaction process and ensuring that all these activities take place in an efficient, transparent and predictable manner while observing legitimate regulations. This means that the commercial environment and the trade policies have a big role to play in avoiding procedures and formalities from becoming trade barriers.

Once there is an efficient and less costly movement of goods, benefits will be realised. It means that the following will be achieved: just-in-time delivery of goods which facilitates market penetration, more transparent and predictable processes that promote quick and less expensive movement of goods, economies benefit from the resultant foreign currency earnings through increased exports and there will be some considerable reduction of corrupt activities, while more Foreign Direct Investments will be attracted and there will be an increase in revenue collection (OECD 2014).

This, however, does not mean that no costs are incurred. The implementing country will have to finance reforms and new infrastructure, train and build capacity of employees, change the legislation that will guide implementation and set up new units and purchase new equipment.

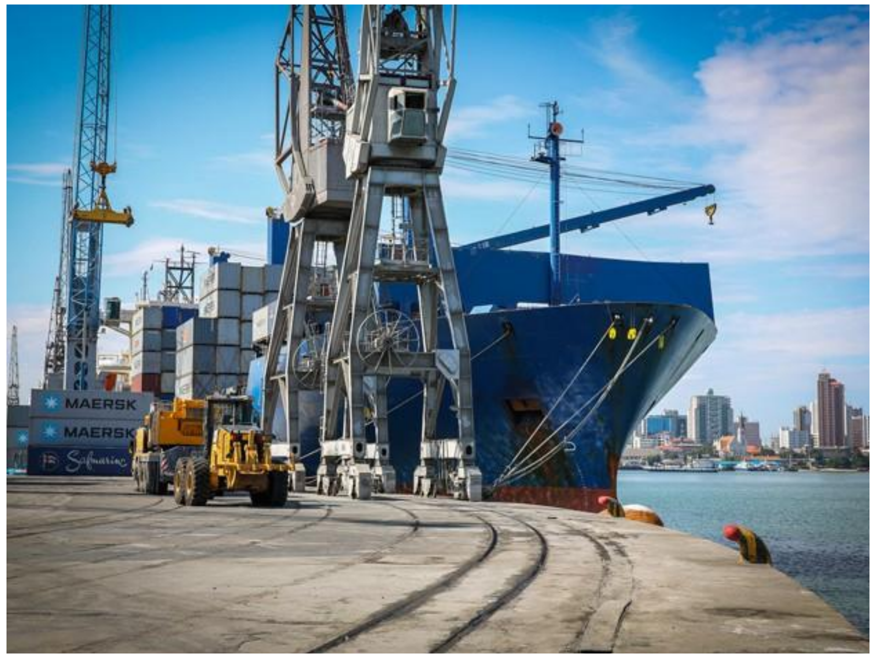


Photo courtesy of : www.icfafrica.org

EAC Implements a Regional Authorized Economic Operator (AEO) Scheme...

Background

In April 2008, the World Customs Organization and the Swedish International Development cooperation Agency entered into an agreement to support a programme entitled "Capacity Building Program - Regional Implementation of Columbus Programme Phase II in Sub-Saharan Africa 2008-2012".

This programme outlined Customs modernization capacity building activities in three sub-regions of Sub-Saharan Africa namely, the East African Community (EAC), the Economic Community of West Africa States (ECOWAS) and Southern African Customs Union (SACU).
The support provided to the EAC during the first phase (2008-2013) of the Project responded to the needs expressed by the Commissioner Customs and the EAC Secretariat to explore development of a regional approach to the modernization of Customs in general and the development of a regional Authorized Economic Operator (AEO) programme in particular.

The first phase culminated in the Pilot Phase of the regional AEO programme, which involved thirteen companies selected from the 5 Member-Administrations of the EAC.

Phase II of the project, which started in February 2014 with the signing of the new agreement between the WCO and Sweden, aims to consolidate and build on the gains of Phase I.

The Phase II of the Project, dubbed WCO-EAC CREATe (Customs for Regional East Africa Trade), especially focus on upgrading the regional AEO scheme to reflect the region's new realities (Single Customs Territory...) and to enhance the capacities of each Member to administer the regional AEO programme with a view to roll-out it and to eventually assist the region in entering Mutual Recognition Agreements with other trading partners/blocs

Continued on next page >>

EAC Implements a Regional Authorized Economic Operator (AEO) Scheme... continued

Project Milestones progress
The project governance was reconstituted under Phase II with the Project Steering committee composed of WCO, Commissioners of Customs, EAC Director Customs (Mr. Kenneth Bagamuhunda) and the Regional Project Manager, Mr. Wakoli J. Wambati. The Project Team consisting of five National Project Managers (NPMs), Deputy NPMs and Experts from the Customs Administrations were also appointed.

Thirteen (13) companies were awarded Regional AEO Status in a ceremony held in Kampala, Uganda. The ceremony was presided over by the EAC Director Customs and Commissioners of Customs from the five Partner States. The awarded companies had previously participated in the project pilot and continued with operations under scheme when the pilot came to an end in 2014.

Regional AEO Scheme (selection Criteria and Benefits) and **Procedure Manual** was developed and Approved by the EAC Committee on Customs (COC) in Arusha, Tanzania, on November 5th 2015. The review of the scheme was carried out by regional experts and was a great milestone in the project as it will facilitate the roll-out of the scheme. This is an important in light of the changes brought about by the implementation of other regional initiatives especially the Single Customs Territory (SCT) and ensures that benefits remain attractive to traders. A stakeholder's consultative workshop was held to ensure input and buy-in of the stakeholders. The stakeholder recommendations were incorporated in the refines regional AEO scheme.

Project Results
A monitoring and Evaluation mission was carried out are selected Customs clearance areas which showed positive performance by the regional AEO companies amongst which includes improved efficiency in AEO performance through

- Shorter clearance time due priority treatment of AEO at Customs Clearance and less physical verifications. In some cases AEO Customs Entries are directly released in the Customs Management Systems while in others it takes an average of ten minutes from the time of lodgement.
- Better company performance as a result of self-management of Bonded Warehouse.
- Better business prospects because of the regional accreditation status

Coming in 2016...
In 2016, the project will Roll-out the scheme by recruiting more companies, support the Customs administration in building required capacity gaps that will be identified through administration of a diagnostic study to each country and enhance the scheme awareness to all stakeholders.

EXECUTIVE SUMMARY

The report outlines the outcome of illicit trade in tobacco and alcohol in SACU region during 2014-2015. Illicit trade affects credibility of trade facilitation and economic prosperity of any Country. In SACU, illicit trade undermines the application of customs legislation, uniform implementation of the Common External Tariff (CET) and results in revenue that could otherwise be collected through the Common Revenue Pool (CRP) being foregone. Tobacco and alcohol attract an excise duty in SACU, which is remitted into the CRP. Excise revenue has gained significance and currently accounts for 46 percent of the CRP on average since 2005/06 financial year. This broader impact on revenue highlight potential risks of illicit trade in

Continued on next page >>

Operation Topliq November 2014 - March 2015..continued

SACU Joint Customs Enforcement efforts have been implemented as part of broader enforcement and risk management approach to safeguard the border and protect the regional economy and its citizens. Enforcement actions at national and regional level have yielded a number of positive effects around compliance in general including closer cooperation between customs and other law enforcement agencies to combat illicit trade. Tightening borders in the region through joint operation is key towards identifying routes used, modus operandi and concealments methods. These results and lessons learnt will culminate into the regional customs enforcement and risk management strategy.
The region has embarked on a joint customs enforcement operation targeting tobacco and liquor products. This operation was named operation "TopLiq" and commenced in November 2014 till March 2015. The highlights of the operation include:

1. Fourteen arrests for the smuggling of illicit products mainly cigarettes and tobacco.
2. A total of 9 485 637 cigarettes amounting to 9 400 master cases

   the region and a total of 40 000 litres of un-denatured (100% alcohol with no additives) alcohol.
3. The revenue lost that would otherwise been collected through legal trade is estimated at R72 Million.
4. In contravention of Customs Law, most cigarettes did not have a diamond stamp which is used to indicate that duties have been paid.

The operation was under the auspices of the SACU-WCO Connect Project, with the region financial and technical support provided by the Swedish Government, the World Customs Organisation, respectively. The operation also benefited from cooperation from the Regional Intelligence Liaison Office (RILO) for East and Southern Africa (ESA).

INTRODUCTION
Customs is tasked with excercising control over the movement of goods, ensuring that the necessary duties and taxes are collected and to a larger extent, fighting against smuggling and counteracting customs fraud. SACU Member States customs administrations focus is on ensuring that illicit goods are not smuggled into and through SACU borders by unscrupulous traders and travellers. These, remain a challenge for the limited resources of the respective Member States and underpins the importance of a rational and cost-effective border management strategy encompassing all border enforcement agencies. A move away from a fragmented border control approach, in favour of cooperative border management approach, is the recognised international best practice. This report aims to provide the results of the SACU wide joint customs enforcement operation, named operation "TopLiq". The operation covered liquor and tobacco products. Statistical findings of the operation TopLiq such as the total number of detections and seizures, the number of cigarettes seized and total revenue

highlighted.

BACKGROUND AND RISK EVALUATION
The SACU regional customs policy is based on three pillars namely: protection of the economy and society, trade facilitation and border control. Risk management remains key to achieving the objectives of SACU regional customs policy. Drawing from the contextual risks to achieving the objectives of the SACU regional customs policy, it is imperative for SACU countries to have a robust risk management mechanism that does not only rely on the given and presumably static risk profile but also that allows for changes in the regional risk profile through detecting changes in the profile and identification of new and emerging risk profiling factors. This therefore requires that mechanisms are put in place to enable building and maintaining a reliable, relevant and adequate risk profile for the region. This in turn can allow enforcement agencies and customs to focus on the already identified risk areas, as well as enable proactive management of new and emerging risks as well as the dynamics of the SACU regional risk profile in the entire movement of goods.
Tobacco and tobacco products are fast moving consumer goods which are price inelastic. Therefore, increasing the price through taxes and levies has a limited effect on consumption. Put differently, a large percentage of smokers will not stop smoking despite increased taxes and prices. Cigarettes have particular appeal to potential smugglers because taxes often account for a large share of their price, making them a highly profitable product to smuggle.
Similarly, liquor products attract excise duties (which are levied in addition to customs duties). Excise duty and levies evasion create profit incentives for smugglers. A common challenge with liquor products is misclassification with aim to pay lower customs and excise duties.

EFFECTS OF ILLICIT TRADE
Illicit trade is strongly connected and

Proceeds from illicit trade are used to finance serious crimes such as terrorism, human trafficking and piracy among others. Trading in illicit goods often means that such goods have been manufactured without adherence to certain safety standards and required taxes also not paid. For instance, the manufacture of illicit tobacco products does not adhere to required prescriptions on amount of nicotine or tar in the products. As such this makes such goods hazardous to human consumption. The situation is more alarming when considering illicit trade in medical goods which have been manufactured without adherence to health requirements. Illicit trade affects revenue collection initiatives, safety and security of regional and national economy, Intellectual Property Rights (IPR) laws and drug trafficking and environmental considerations.

Continued on next page >>

Operation Topliq November 2014 - March 2015..continued

JOINT ENFORCEMENT OPERATION TOPLIQ

In 2014, the region designed and implemented a new enforcement operation named operation “TopLiq”. The operation focussed on liquor products and tobacco products and was implemented for a period of five months (150 days) commencing on 1 November 2014 and ending on 31 March 2015.

FINDINGS AND STATISTICAL ANALYSIS

A number of successes have been registered by the region as a collective and by individual Member States in some areas. All Member States participated in this operation although not all were able to register seizures. The operation also required preliminary inspections of the manufacturing facilities in Member States. The total number of messages registered in the CENcomm was 137. CENcomm is the data capturing platform used under the cooperation with the WCO.

Summary statistics on the outcome of operation “Topliq”

No. of Sticks / Litres	Duty Prejudice (R)	No. of arrests	Brands
93 484 600	72 510 441	14	cigarettes and other tobacco products
40 000	7 172 507		Ethyl Alcohol
N/A	79 682 948	14	

The Table above highlights that 93 484 600 cigarettes and 40 000 litres of alcohol were intercepted. Most of the cigarettes seized in this operation did not have a diamond stamp which is common to all SACU member administration in contravention of

States, customs authorities have no legal powers to establish roadblocks along national roads. These powers are vested into the Police Service and their cooperation in setting up roadblocks assisted customs to

Communities: communities in the form of whistle blowers and informants in Member States played a major role in alerting Customs and Police officials about suspected incidences of cigarettes smuggling. Community based support has provided valuable

either illicit or smuggled. In addition

Customs Legislation, indicating that most of the seized cigarettes were

to seizures outlined in Table 1 above related to tobacco and tobacco products, the Operation detected few cases of dagga and other alcoholic products

STAKEHOLDERS SUPPORTING REGIONAL INITIATIVES

The outcome of the operation was due to the cooperation collaboration by Member States. The cooperation indicates that different stakeholders recognise the ill effects of illicit trade. In particular, it was noted that the following stakeholders have provided significant support:

National Police Service: National

- **Arrest:** Similarly, in some Police Service in Member States have supported the operation through various means including the following:
- **Roadblocks:** in some Member

undertake required searches to detect illicit goods:

Member States customs authorities have no powers to arrest suspects, making it difficult to arrest persons found in possession of illicit goods. The Police assisted the operation by effecting arrests as necessary.

National Defence Force/Army: smuggling goods across borders often uses the weak controls at the borders lines. Customs in some Member States have limited capacity to patrol the borderlines between Member States. This makes detection of smuggling along the borderlines difficult to detect. As such the National Defence Force in Member States

Trade Facilitation Within SADC

Delegates during a Consultative workshop on the Comprehensive Trade Facilitation Programme in September 2015 at Southern Sun Hotel OR Tambo Airport, Johannesburg South Africa

A

have supported customs to undertake patrols and in most instances provided detected illicit goods to Customs for further action.

information to intercept the illicit goods.

CONCLUSION

Illicit trade is an all-inclusive challenge that affects all sector of the society. This requires broader educational initiatives with the communities closer to border crossings. The society needs to be educated more around the effects of illicit trade in particular illicit tobacco products.

The ongoing work on SACU risk management and enforcement strategy will inform priority areas to provide increased level of compliance throughout SACU. This strategy will support the existing national and regional cooperation between Member States which aim to align it with the WCO Policy framework on customs to customs partnerships and custom to business partnership.

t the international level, in December 2013, WTO Ministerial Conference adopted the Agreement on Trade Facilitation (ATF) which will have an impact on regional initiatives and the capacity of SADC member states to implement. In addition to improving the relevant aspects of Articles V, VIII and X of the GATT 1994, the Trade Facilitation Agreement identified new areas (Annex 1) which can be utilized to facilitate trade. Within SADC, three Member States (Botswana, Mauritius and Seychelles) have already ratified the Agreement. Others are implementing key trade facilitation initiatives such as Single Window, AEO concept, Advance Ruling since long time back. According to the OECD, the WTO Trade Facilitation Agreement (TFA) creates a significant opportunity to improve the speed and efficiency of border procedures, thereby reducing trade costs and enhancing participation in the global value chains that characterize international trade today. The 2015 OECD Trade Facilitation Indicators (TFIs) find that the implementation of the TFA could reduce worldwide trade costs by between 12.5% and 17.5%. Countries which implement the TFA in full will reduce their trade costs by between 1.4 and 3.9 percentage points more than those who do only the minimum that the TFA requires. The opportunities for the biggest reductions in trade costs are greatest for low and lower middle income countries.

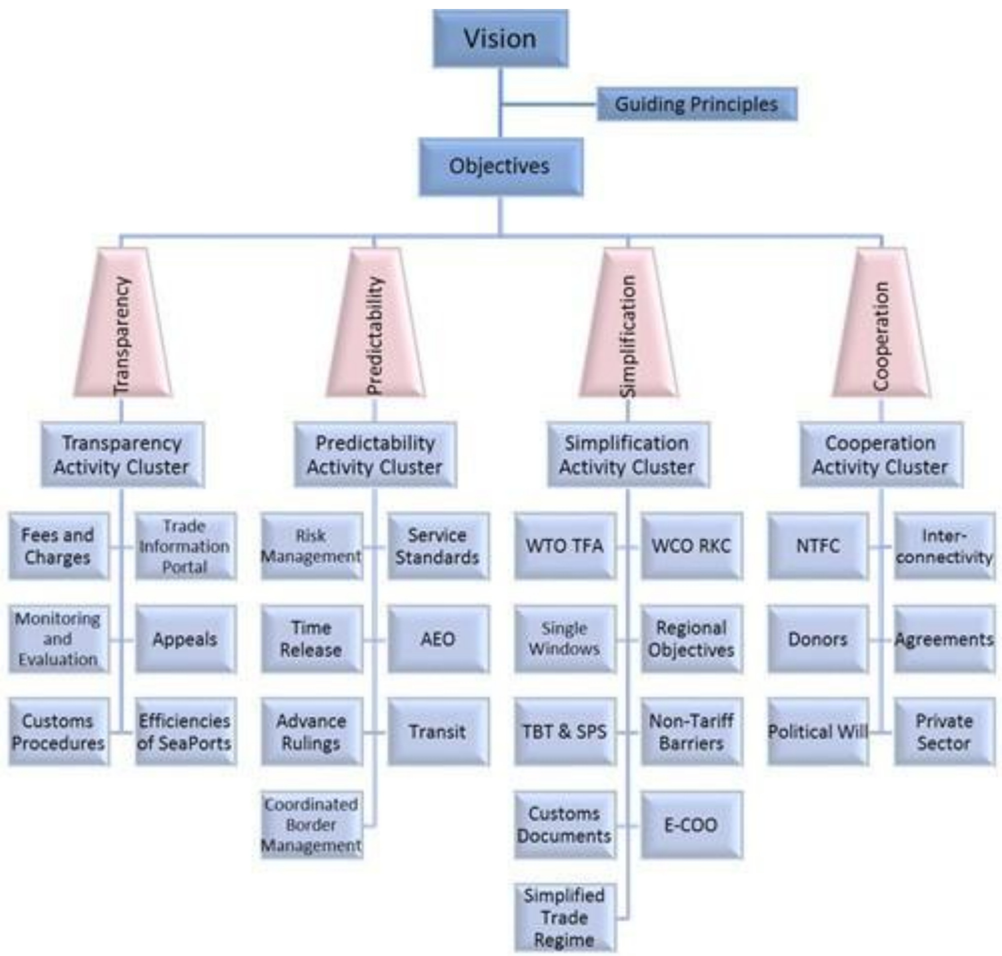
At a regional level, the SADC Treaty and the Revised Regional Indicative Strategic Development Plan (RISDP) provide for a development integration framework that seeks to address production, infrastructure and efficiency barriers to growth and development of the region. Trade is viewed as a catalyst to economic integration in SADC. The SADC Protocol on trade, which came into force in 2000, sought to establish a Free Trade Area (FTA), in which intra-SADC trade is free of tariff and non-tariff barriers. The SADC FTA was achieved in 2008, when 85% of intra-regional trade amongst the contracting parties to the Protocol attained zero duty. Thirteen (13) out of the fifteen (15) SADC member states are party to the FTA, whilst Angola and Democratic Republic of Congo are not yet participating in the FTA. Apart from tariff liberalization, the protocol on trade makes provision for

Continued on next page >>

Trade Facilitation Within SADC...continued

wide ranging initiatives to facilitate regional trade. Article 6 obliges member states to adopt policies and implement measures to eliminate all existing forms of NTBs and to refrain from imposing new ones. Under Annex II of the SADC protocol on trade, member states undertake to take appropriate measures, including arrangements regarding co-operation in customs matters, to ensure that the protocol provisions are effectively and harmoniously applied. Annex III on trade facilitation seeks to ensure that measures are taken to facilitate the simplification and harmonization of trade documentation and procedures. Annex IV provides for transit trade such that goods should enjoy freedom of transit within the region.

In 2015, SADC developed a Comprehensive Trade Facilitation Programme (CTFP) that will eliminate impediments to movement of goods across the SADC region and facilitate effective implementation of the agreed SADC frameworks on customs and trade facilitation as well as identifying related trade infrastructure needs. CTFP was developed taking into account the WCO Revised Kyoto Convention, the WTO Trade Facilitation Agreement, SADC Revised Regional Indicative Strategic Development Plan (2015-2020), the SADC Industrialization Strategy and the need to consolidate the SADC Free Trade Area. The CTFP has specific proposals under the four pillars or clusters of Transparency, Predictability, Simplification and Cooperation, all of which are central themes of the WTO Agreement on Trade Facilitation. The four pillars comprises of 28 activities as per the structure below:



ESA ROCB Newsletter

Trade Facilitation Within SADC...continued

The Comprehensive Trade Facilitation Programme has already been endorsed by the SADC committee of ministers of trade in November 2015 awaiting consideration and final approval from the SADC Ministerial Task Force for Regional Integration.

Furthermore, it's worth noting that SADC member states have also embarked on a number of trade facilitation initiatives such as the implementation of the single window concept, trade information portals, collaborative/coordinated border management, review and alignment of border operating hours, data exchange and interconnectivity and the elimination of non-tariff barriers in line with the WCO instruments and the WTO trade facilitation agreement.

JICA Cooperation in promoting trade facilitation and border control in the EAC region

"The journey ahead of us is most crucial for deepening our concerted efforts in enhancing trade facilitation in the region. Indeed the East African Community is an "economic powerhouse" with strong fundamentals and diversified opportunities. Enhancing trade facilitation and border control therefore becomes a prime mover in contributing to the accelerated development of the EAC region at large" said Ms. Keiko Sano, Chief Representative, Japan International Cooperation Agency (JICA) Kenya Office during the recent 5th Regional Joint Coordinating Committee (RJCC) meeting on the JICA Project for Capacity Development for International Trade Facilitation in the Eastern African Region held at Crowne Plaza hotel, Nairobi, Kenya, on 4th February 2016. This 4-year JICA Technical Cooperation Project has been implemented by the respective Revenue Authorities of Kenya, Uganda, Tanzania, Rwanda and Burundi and other relevant authorities since December 2013 as the Phase 3 of JICA Project for Capacity Building of Customs Administrations of the Eastern African Region.

The 5th RJCC Meeting, Nairobi, Kenya, 4th February, 2016 with Commissioner Generals and Commissioner Customs, WCO HQs and ROCB representatives, EAC Secretariat, JICA Representatives and Project experts.

On behalf of the World Customs Organization (WCO), Mrs. Brenda Mundia, Deputy Director, Directorate for Capacity Building, WCO HQs, appreciated JICA for the support and cooperation for the Customs Administrations in the region; "I am pleased to share our WCO's regional strategy and the recent conclusion of the Memorandum of Cooperation (MOC) with JICA. Indeed, through this project, we have been availing WCO experts to facilitate the Master Trainer Programme in HS classification, Customs valuation and Intelligence Analysis and some participants of the Programme had been accredited by the WCO". Her comments were echoed by Mr Larry Liza, Director of WCO Regional Office for Capacity Building (ROCB); "As the regional office, our office and JICA Project have been coordinating support and efforts in the region".

This JICA Project has been particularly supporting One-Stop Border Post (OSBP) operationalization, capacity building of Customs officers as well as Customs clearing and forwarding agents in the region. With the introduction of more simplified process and reform initiatives as well as equipping relevant officers and agents with necessary knowledge and skills, it is expected to contribute to effective and efficient clearance of goods and encourages investment, development and trade for the local industries. JICA has been providing support for

Continued on next page >>

JICA Cooperation in promoting trade facilitation and border control in the EAC region..continued

development of Africa for many years under the framework of the Tokyo International Conference on African Development or TICAD initiatives.

Under the current TICAD V, trade facilitation is highlighted as a key for further economic growth and development for the Eastern African region. Kenya will host the next TICAD VI on 27-28th August 2016, the first ever to be held outside Japan since the initiation in 1993.

Above; The 2nd Regional Task Force meeting on Joint Border/Water Surveillance, Nairobi, Kenya, 30th November to 4th December 2015. Together with WCO and Japan Customs experts, Customs managers/officers from the region.

Implementing a Single Customs Territory in the EAC Region

By Kenneth Bagamuhunda East African Community

The East African Community Partner States namely Kenya, Burundi, Rwanda, Tanzania and Uganda who are also members of the World Customs Organization have taken unprecedented step in transforming the Customs operations in the region by implementing what has come to be popularly known as the Single Customs Territory (SCT). The Summit of Heads of States at their meeting in 2010 directed the Council of Ministers to come up with recommendations on the attainment of a Single Customs Territory. In March 2011 the Council of Ministers directed the Secretariat to undertake a comprehensive study on the EAC Customs Union among others to:-

- propose best options and modalities for the implementation of the outstanding areas and the required interventions for a fully-fledged Customs Union;

In April 2012, the Summit considered the report of the Council of Ministers on the attainment of a Single Customs Territory (SCT) and agreed in principle to adopt the Destination Model of clearance of goods. The Destination Model is where customs revenue is collected and attributed to the country of destination or consumption of goods being imported. The Summit tasked the Council to develop the necessary policy framework to manage the implementation of the SCT. A Framework on the attainment of the Single Customs Territory was developed and adopted in November 2013.

The Framework is the policy document to guide Partner States on SCT implementation and it spells out the main pillars of SCT, the preconditions, principles and roadmap outline the activities to be undertaken.

The Implementation of SCT commenced on 1st January 2014 and all the necessary operational instruments were developed by July 2014. The SCT piloting started on the Northern Corridor on an incremental basis and roll out on the Central Corridor commenced in July 2014. The Northern Corridor runs from Mombasa to Kampala, Kigali and Bujumbura while the Central Corridor runs from Dar es Salaam to Bujumbura, Kigali with an inter-connector to Kampala. In other words, the two corridors converge in Bujumbura, Kigali and Kampala via Mutukula or Mwanza.

What is Single Customs Territory (SCT)?

A Single Customs Territory is described as a stage towards full attainment of the Customs Union which is achievable by the removal of restrictive regulations and /or minimization of internal border controls on goods moving between the Partner States with ultimate realization of free circulation of goods.

Objectives

- Seamless flow of goods to enhance intra EAC trade;
- Lowering clearance costs of goods within the region;
- Shifting from physical controls to electronic clearance processes;
- Coordination between agencies

Continued on next page >>

ESA ROCB Newsletter

Implementing a Single Customs Territory in the EAC Region...continued

responsible for clearance of goods;

- Enhanced compliance through a regional wide mechanism;
- Building a foundation for EAC Common Market and internal single market;
- Realizing economies of scale and optimal use of resources in clearance of goods; and
- Supportive institutional and legal framework for business.

Benefits

- Reduced cost of doing business by eliminating duplication of processes;
- Reduced administrative costs and regulatory requirements;
- Realization of economies of scale and optimal use of resources in clearance of goods in EAC;
- Enhanced attraction of foreign, domestic and cross border investment;
- Enhanced relationship between the private and public sector;
- Creation of a mechanism for prevention of smuggling at a regional level;
- Reduced risks associated with non-compliance on the transit of goods;
- Creation of an efficient mechanism of revenue management;
- Enhanced application of information technology (IT) and data collection at the regional level;
- Increased business turn-around times due to the elimination of duplicated processes along the corridors;
- Support of the EAC Common Market and creation of an Internal Single Market; and
- Elimination of Non-Tariff Barriers (NTB) to enhance seamless flow of goods within the EAC region.

How the Single Customs Territory operates

The SCT is premised on the three pillars of free circulation of goods, revenue management systems, and regional legal and institutional framework.

Goods imported into the Customs Union are entered only once in the country of destination and released at the first port of entry to the destination Partner State. Declaration process and payment of taxes is initiated in the destination Partner States when goods arrive at the first point of entry such as Mombasa or Dar es Salaam. For instance, an importer in Kampala declares the goods he is importing and pays taxes to Uganda Revenue Authority in Kampala, then goods are released in Mombasa or Dar es Salaam directly to the owner based on the declaration he made in Kampala. There are no multiple checks by customs or documentation as the goods move inwards. Where goods are to be paid for later under bonded warehousing, goods move under a single bond and electronic cargo tracking system without multiple posting of bond security in each country of transit. Goods manufactured or originating from another Partner State are referred to as intra trade goods and are declared in the Partner State where good are to be consumed. These goods are not declared for export in the Partner State where they are originating because the declaration made in the Partner State of consumption, will be transmitted to customs where the goods are coming from. For instance transferred goods from Nairobi to Kigali, the declaration is made in Kigali and the goods will be released in Nairobi based on the declaration made in Kigali. In this process, the internal border customs controls have been made minimal to only confirming arrival and exit in the system, an action that takes a few minutes. There is no fresh documentation that is made at the border.

To facilitate the operationalization of SCT, Partner States have deployed customs officers in other Partner States. Rwanda, Burundi and Uganda have deployed customs Officers in Mombasa, Dar es Salaam, Kisumu and Eldoret. Likewise, Tanzania has deployed customs officers to Nairobi and Mombasa. This integration of customs officers that work jointly with their counterparts has strengthened the corroborative mechanism through real time exchange of information, resolving customs related issues and sharing of facilities by the five customs administrations. It exhibits a true path of integration of customs and other agencies in supporting and driving the agenda of a borderless EAC.

Since the commencement of a Single Customs Union, a number of remarkable achievements have been registered.

- Multiple documentation has been reduced form a maximum of six times to a single declaration reducing on time taken to cross internal borders.
- Time taken to move goods from Mombasa to Kampala has reduced from 18 days to 4 days and from Mombasa to Kigali from 21 days to 6 days. On the central corridor time taken to move goods from Dar es Salaam to Kigali has reduced from 25 days to 4 days;
- Use of single Bond has reduced the cost and time in the movement of goods from the ports to inland destinations;
- Compliance improvement particularly of fuel products. Uganda has been registering increased revenues on fuels of up to 20% since the motivation to divert and smuggle fuel is wiped out by pre-payment system of duty prior to transfer of stocks;
- Removal of non-tariff barriers such as multiple customs check points installation of weigh in motion weigh bridges and removal of unnecessary police roadblocks. Physical escorting of trucks has been replaced with Electronic Cargo Tracking Systems;

Enhanced sharing of information by customs through system interfaces has led to real time processing and clearance of goods.

- The focus of the SCT implementation process is to continue rolling out products on the SCT particularly intra-trade product, address technological and administrative demands as well as continue creating awareness among the peoples of East African about the SCT.

Impovements In The Customs Clearance Systems To Facilitate Trade And Enhance Compliance

In the period 2011-2015, the Uganda Revenue Authority designed and adopted into its corporate strategy a programme focused on an effort to improve compliance, by leveraging on technology and professionalism in revenue service. Under the Customs department, this was geared toward enhancement of the Customs clearance systems. In November 2012, URA upgraded from the ASYCUDA ++ system to the ASYCUDA World system which is a robust web based system. The upgrade has the implementation of several functionalities that ease the clearance of goods. On this note, is the implementation of the valuation control module was implemented in 2014.

The Valuation control mechanism deployed in the ASYCUDA World system uses a Tariff Specification Code (TSC) which is input on the Single Administrative Document (SAD). The code is placed at the end of the commodity code and it was designed to identify all the various products that are covered by the commodity code.

The TSC code is defined in terms of its commodity code; the countries of origin and of export of the product, the brand name and description of the product.

The valuation control is dependent on a valuation database system which is fully integrated with the ASYCUDA declaration processing system and employs a selectivity facility to control the value of a product declared. The minimum and maximum expected values of a product are pre-loaded on the system, in a value file, in terms of the unit value of the product. This file is designed to compare declared values against the pre-set maximum and minimum values and if the declared value is within the range, it will be accepted by the system. If it is outside of this range, then it will trigger a selection criterion. The criterion is normally set as yellow "for value failure" so that, the selected declarations can be checked by Document Check officers at the Document Processing Centre.

It is important to note that the selectivity based valuation system does not automatically replace a value. When selectivity is triggered, the declaration is simply selected for the value to be verified by an officer who is able to pursue any necessary query in conformance with the WTO requirements.

Article 17 of the GATT Agreement affirms that Customs Administrations have the right to "satisfy themselves as to the truth or accuracy of any statement, document or declaration presented for Customs valuation purposes".

The facility has thus been used as a tool to facilitate trade through the realization of improved time clearance, enhanced knowledge and awareness of Customs technical aspects of valuation as well as classification has been realized. In addition, the uniform monitoring of valuation by the system has created a harmonized application of values for the same items. Furthermore, improved statistical data has been obtained through the valuation control system.

As part of the effort to enhance our Customs Business Systems, in May 2014, URA launched the Electronic Cargo Tracking System (ECTS) which is used to monitor the location and movement of cargo in transit on real time basis and provide alerts on any incidents of tampering or delays that may occur to such cargo. The electronic tracking is done with the use of an e-seal for the shipping containers, box body trucks or an E-track for the motor vehicles which are fixed on the motor vehicle respectively and transmit information to the centralised monitoring centre. The alerts raised in the Central monitoring Centre (CMC) are relayed to rapid response teams which are deployed in strategic areas country wide along the gazetted geo-mapped routes which follow-up to conduct a physical check on the consignment where necessary.

Prior to the ECTS, the method used to monitor cargo in transit was through the physical convoy flag offs of trucks for each major route. Later there was the monitoring by validation in the customs clearance system which lacked the possibility to confirm the movement of the cargo. It thus necessitated the physical escort of high risk goods to ascertain that the goods in question had exited the country.

The benefits so far realised from the ECTS are immense; there is a reduction in transit time from seven to two days for cargo destined to DRC Congo or South Sudan through Uganda. This is because truck drivers cannot park on the roadside un-detected. Improved security of cargo has been witnessed with several incidents of alerts raised in the system which have led to the saving of trucks in transit from being vandalised by highway thieves who break them open while in movement. The ECTS has further contributed to decreased cost of doing business given that the cost of physical escort of trucks was eliminated since monitoring is done though the system. The system also provides real time feedback to clearing agents, the importers and transporters who are informed of the location of their cargo on a real time basis. The transporter is therefore able to effectively manage his/her trucks and make the most out of them by use of the ECTS thus improving the Customs- business relations with the stakeholders involved.

The benefits obtained from an enhanced Customs clearance system are not limited to Customs but are broadened to business since they can easily access information through the Customs system. There is therefore increased transparency, accountability and improved Customs – Business relations thus higher levels of compliance are realised. We recognised the support that we have obtained from the Government of Uganda and the development partners, especially Trademark East Africa in the implementation of these system improvements.

ESA ROCB Newsletter

Lesotho participates in WCO TRS training

Participants at the WCO workshop on the development of advanced ruling system for Tariff Classification and Rules of Origin in Maseru.

In light of trade facilitation, Article 7 of the World Trade Organisation (WTO) Agreement recommends establishment, implementation and publication of the average release times encountered on cross border trade transactions, and this may be achieved through adoption of some of the reliable Customs tools such as the Time Release Study (TRS) which aids in identification of the time taken in processing transactions in the supply chain.

Lesotho as a Southern African Customs Union (SACU) member state, participated in the World Customs Organisation (WCO) 5 days training on Time Release Study. The training was held in Johannesburg, South Africa from the 13th-17th July 2015.

The Lesotho delegation comprised of the Customs Officers, the Government officials from relevant Ministries as well as the private sector (traders and Clearing Agents).

TRS is a diagnostic instrument designed to aid in measuring the efficiency and effectiveness in the processes engaged in clearance of goods by both the Customs offices and the government Ministries and agencies manning the border posts inclusive of the role played by other stakeholders such as Clearing Agents and or Freight Forwarders. The tool measures the time taken by each party involved in the clearance process, from start to finish of the transaction untilluntil such a point when the consignment in question reaches the importer's destination.

The key objectives of the Time Release Study were as follows:

1. Identifying bottlenecks in the international supply chain and/ or constraints affecting release of goods
2. Assessing newly introduced and modified techniques, procedures, technologies and infrastructure, or administrative changes
3. Establishing baseline trade facilitation performance measurement
4. Identifying opportunities for trade facilitation improvements
5. Estimating the country's approximate comparative position as a benchmark tool

The workshop came at the appropriate time for Lesotho; the country is undergoing automation of the Customs processes with the aim to improve service delivery in the clearance of imports, exports and transit of goods, and it would be ideal to conduct a survey on completion of the exercise.

The similar survey was conducted in Lesotho back in 2011 before automation of the Customs Processes; therefore on completion of the Customs Processes Automation it would be commendable to assess the efficiency and effectiveness of the new processes in comparison with the results from the previous survey.

Not all stakeholders, for example, border agencies and traders to mention a few have automated their processes and not all of them have access to the automation system (ASYCUDA) adopted by the Lesotho Customs, it will be in the interest of all parties to push for collaborations to level the playgrounds especially in data and equipment sharing. In order for this second phase of the survey to be conducted, data sharing will be given a priority, such that both manual and automated data required to complete the survey is included.

Lesotho attends WCO workshop on Coordinated Border Management, Single Window & Data Model

The Course facilitators - Mr. Jørn Hindsdal - The WCO Deputy Director in Tariff and Trade Affairs(first from left) and - Mr. Toshihiko Yamate - a Technical Attaché in the WCO (far right) were presented with gifts of appreciation after the course .

The World Customs Organisation under the project "Building Trade Capacity through Customs Modernization in the East and Southern African Region", held a three days' workshop on Coordinated Border Management, Single Window and Data Model for the ESA member customs administrations. The workshop funded by Ministry of Foreign Affairs, of Finland was held in Kigali, Rwanda. In an endeavor to sustain the collaborative efforts anticipated and pursued through the Lesotho's Heads of Border Agencies committee (HOBA) and with a consideration of the nature of the subjects for discussion at the workshop, the Lesotho delegation to the workshop comprised of officers from three out of the eight border agencies manning the Lesotho border posts namely; Customs Department, Department of Livestock, and the Department of Immigration.

The workshop discussed three concepts: - the Single Window, Coordinated Border Management and the WCO Data Model. The Single Window (SW) commonly defined in World Customs Organisation (WCO) context as a tool enabling provision of international trade data regarding import, export and transit of goods to one out of the many other border regulatory agencies for purposes of cross border clearance.

The Coordinated Border Management (CBM) was defined as a concept seeking greater efficiencies in managing trade and travel flows, without compromising the security requirements. It is designed to address issues of harmonization of processes and procedures for better service delivery by all the border agencies. CBM has since been accepted by the Customs member states as the potential solution for the challenges in the 21st century where globalization is seen to be dictating efficiency and effectiveness in all areas of work. TheThe WCO Data Model (DM) was defined as a trade facilitative solution enabling electronic data exchange between border regulatory agencies, the government and the trade in order to fulfilfulfill the import, export, and transit related regulatory requirements. This simplifies transacting on international platforms and promotes transparency on trade related matters as well as compliance to trade requirements by the government. Although it has been mentioned that submission of data becomes easy to implement on electronic environment, this concept can also be applied in a manual environment with the co-operation of all border authorities.

Globalization has brought the world together thus compelling it to standardize some of the processes engaged in international trade, such as those suggested under WTO and WCO. Today's trade necessitates up to date modalities to run their businesses hence the need for modernisation of processes by government agencies dealing with trade. someSome agencies however, are more advanced than others hence the need for

Lesotho attends WCO workshop on Coordinated Border Management, Single Window & Data Model...continued

collaborations, single window and data sharing concepts as put forth by the WCO.

These trade facilitation solutions work in an electronic format and are engaged to intensely simplify international trade procedures for the parties therein; Trade and Government. In essence, it allows business to conduct a once off submission of the required cross border trade data to a single agency, and such data will be shared with the rest of the other regulatory bodies through that recipient. In the process each border agency will focus on the data relevant to its requirements for clearance of consignments.

If properly implemented there are quite number of benefits that could be derived from these trade facilitation solutions such as the following:

- Time saving for the traders
- Standard information received by the border agencies;
- Promotion of collaboration among government agencies involved in international trade;
- Improved compliance towards border regulations, which in turn will also help in social protection;
- Reduced duplication of efforts; Improved control over imports and exports

In an endeavour to work towards implementing these trade facilitative tools (CBM, SW and Data Model) the Lesotho border agencies have established a border committee commonly known as HOBA, which seeks to pursue harmonisation of the border processes and sharing of resources where necessary. The committee is currently under the leadership of the Commissioner Customs and it has so far achieved the development of the Coordinated Border Management Strategy (CBMS), a document due for presentation to parliament for ease of enforcement of the collaborative efforts anticipated through the document.

Noting that not all of the border agencies have automated their processes, to reduce the waiting period, the CBMS document has proposed that agencies which have already automated and have common interest with agencies not yet automated, such agencies should find the means of sharing the data for joint operations and improved service delivery and where circumstances call the data may also be shared manually so long the concerned parties are at consensus.

LRA Completes nCEN Project

With the assistance of the World Customs Organization (WCO), the Lesotho Revenue Authority (LRA) in January 2016 signed-off acceptance and completion of National Customs Enforcement Network (nCEN) project. The nCEN is a system developed by WCO to assist Customs administrations in the collection, storage, and exchange of enforcement related information at the national level hence is of great benefit to Lesotho. The nCEN system attracted the LRA interest when both the former LRA Commissioner General; Mr Thabo Letjama and Commissioner Customs; Mrs 'Makali Lepholisa were in attendance of WCO Revenue Package national Workshop hosted by the LRA from the 06th to the 10th July 2015 in Maseru.

The Finnish-funded WCO assistance through "Building Trade Capacity through Customs Modernization in the East and Southern Africa (ESA) Region project" to LRA comprised full sponsorship of the nCEN hardware, software and training to the tune of over USD 10,000.00. Fourteen LRA trainers from Customs and Enforcement Divisions were trained by WCO trainers earlier in November 2015 with the aim that they will also pass the training to other LRA employees.

The implementation was commended by the CEN Applications Specialist Iwona Sawicka as being "one of the swiftest and best executed deployments in the region", and thanked the LRA team for their cooperation during the project.

The LRA appreciates and is grateful for the assistance rendered on nCEN as well as other past, on-going and future Technical Assistance initiatives by WCO.

RTC ZIMBABWE: WCO REVENUE PACKAGE HIGHLIGHTS

The first group of officers to be trained.

The Regional Training Centre (RTC) Zimbabwe is a WCO ESA designated Centre of excellence for the Revenue Package. The revenue package was put in place by the WCO in response to member country's concerns over declining revenues as a result of the global financial crisis of 2008 coupled with falling rates of duty courtesy of bilateral, plurilateral and multilateral trade agreements. Whilst the role of Customs has expanded to include for example the protection of the society, counter-terrorism and protection of international property rights, the collection of revenue especially for third world countries remains a primary customs responsibility. Zimbabwe is a good example as the country collects about 20% of its revenue from customs duties which is by any standard a significant contribution.

The WCO Council in religious pursuit to a resolution it passed in June 2009 designed to enhance delivery of effective capacity building intended to bolster revenue collection without prejudice to trade facilitation developed the revenue package material (tools) for use by the member states. For ease of implementation, the WCO also came up with a Revenue Package schedule for member states to use as an implementation checklist.
(*See Diagram 1 on the next page*)
To start the ball rolling the WCO hosted a Revenue Package training workshop in Harare in 2013 whose target group were trainers from the ESA region. This workshop was then expected to be followed by training workshops at the RTC in Zimbabwe and cascading workshops in the members' states. Needless to say, the RTC has been making frantic efforts in the years 2014 and 2015 to secure funding to finance the Revenue Package regional workshops pursuant to the expectations of the WCO but without success. However, 2016 started well for our RTC as funds were secured to enable us to host our first regional Revenue Package workshop in the second quarter of the year.
The lack of funding for the Regional workshops though frustrating did not stop RTC Zimbabwe from pursuing low cost cascading efforts at a national level. The RTC took a deliberate effort to include one session in 2014, two sessions in 2015 and one session in the first quarter of 2016. To date close to 100 customs officers have been trained in the 4 sessions done so far. These sessions were facilitated by RTC trainers with each of them articulating a topic of specialty in the Revenue Package.

Continued on next page >>

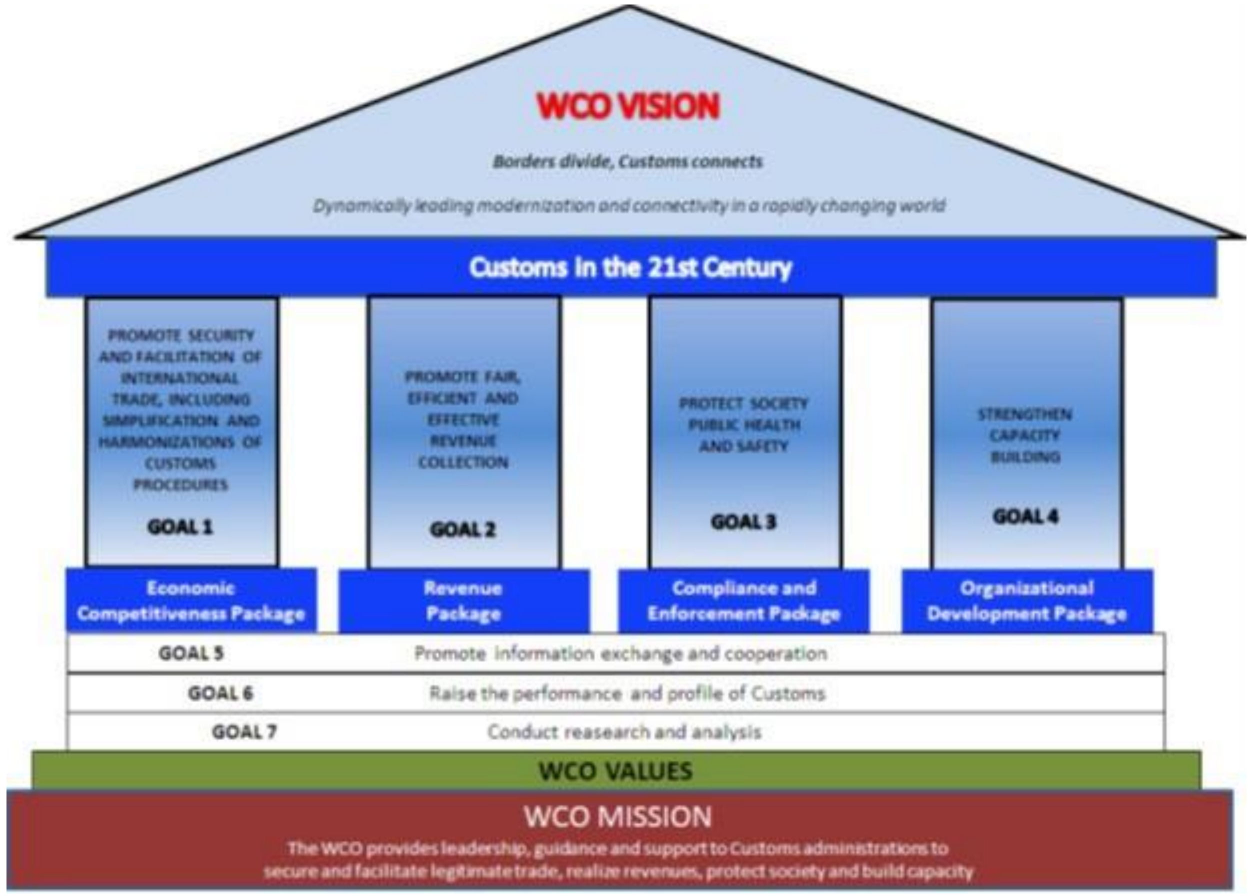


Diagram 1

The sessions were much appreciated by the participants as testified by their comments in the post course evaluations, their performance in the impact assessments and the robust discussions during the sessions. During these sessions the gaps between the WCO's recommended best practice as instructed by the Revenue Package tools were thoroughly examined. Participants were required at the end of the one week sessions to come up with action plans which they were required to implement back at their stations. To ensure implementation of the action plans the RTC as part of its standard procedure followed up the participants through a post course evaluation, four months after the training sessions. These evaluations are giving us a satisfactory indication that the effectiveness and efficiency of our procedures is responding well to the WCO Revenue Package.
The content of our sessions covered in much detail among other things are the Guidelines on Valuation control, Guidelines and National Practices Catalogue on Preferential Origin verification, Guidelines and Diagnostic Tool on Tariff classification work and related Infrastructure and Guidelines for Post- Clearance Audit. Participants were also introduced and encouraged to use other supporting instruments

CONTACT DETAILS FOR THE RTC

1st Floor Kurima House Building
89 Nelson Mandela Avenue
Box 4360
Harare, Zimbabwe
Tel: +263 4 797674/80; +263 4 703 159
Fax:+263 4 795 769
Website: www.zimra.co.zw

The Kenya School of Revenue Administration (KESRA) is a specialized training institution on Customs, Tax Administration and Fiscal Management studies. KESRA, Mombasa is also a World Customs Organisation (WCO) East and Southern Africa (ESA) Regional Training Centre (RTC). The RTC is headed by a Principal, who reports to Head of KESRA through the Deputy Commissioner in charge of Academic and Student affairs.

In line with its philosophy of providing quality training services and enhancing efficiency and integrity in work performance, the institute not only trains KRA staff but also provides tailor made training programmes to Customs Agents, other Revenue Authorities in the region, members of the public and government departments. The institute also offers Research and consultancy services including, facilitation in various programmes organised by other government departments, Revenue Authorities, donors and various learning institutions in the WCO ESA region.

Located on the coast of Kenya, Kenya School of Revenue Administration is situated in the up markets suburbs of Nyali, Mombasa an attractive tourist environment that offers a serene setting suitable for serious training. The ideal location has immense advantages which includes KESRA's proximity to one of the biggest ports in the region, and an international Airport the Port of Kilindini and Moi International Airport and not to mention the border stations. This allows hand on practical training to the trainees and participants of workshops.

The institute has adequate capacity in terms of both resident and / or non-residential training and offers excellent catering and accommodation services. It has fully computerised training rooms and an operation cyber café. The recreation facilities offered in KESRA include in-door and out-door games and satellite television.

WCO trainings were temporarily put on halt to allow for major renovation of the KESRA facilities to meet international standards. Following the renovations, KESRA as a WCO Regional Training Centre is now ready to resume WCO training programmes. Currently, KESRA has just completed the training of 92 new Customs Officers. The Officers were trained in the following:

- WCO Harmonized System
- WCO Rules of Origin
- WTO valuation
- Customs Clearance Procedures
- Customs Audit Procedures
- International Trade policy and processes
- Customs Enforcement
- Research methodology
- Customs Information Systems

The RTC is expecting to train 150 Border Control Assistants from mid-June, 2016. There is also an on-going Customs Agent course where Customs Agents are trained on

- Customs module which includes WCO Harmonized system, Rules of Origin, WTO valuation and Customs Law and procedures.
- Freight forwarding which includes various subjects in freight forwarding and Port operations.
- Management module includes soft skill like time management, and Customer care.

The RTC is hosted the 'DHS/CBP ATS-G SGI program' on Airport interdiction on April 21^{st} - 22^{nd} and 25^{th} by the US Customs and Border Protection. This was followed by an operation of the same at the Moi International Airport.

The RTC is to host the WCO Risk Management mission WCO-DFID ESA Project -phase 2 in June, 2016.

ROCB Staff Establishment

The office has both international staff as well as officials serving courtesy of the Host Administration. Current staff members include the Director, Programme Officers, Finance Officer, Administrator/PA to the Director, and a Clerk as well as the Project Manager of the WCO ESA Project supported by the Government on Finland. The office also has staff working on virtual secondment from South Africa and Swaziland. Other countries which have previously provided staff to the ROCB include Mauritius and Zimbabwe.

LARRY LIZA was appointed Director of the ROCB with effect from 1st October, 2015 following a recruitment process managed by the ESA Management Committee on behalf of the Governing Council. Prior to this, he served at the ROCB as Programme Coordinator for the region for a period of 5 years. He is seconded to the World Customs Organization in the region from Kenya Revenue Authority where he served in various roles within the Customs and Border Control Department.

Larry holds a Masters degree in Environmental Planning and Management degree from the University of Nairobi where he also obtained his undergraduate honours degree in Bachelor of Science. He has various other qualifications in Customs, Information Technology, among others. Larry is also a renowned poet who has performed globally since the age of 4. He serves as a Global Goodwill Ambassador for the White Ribbon Alliance for Safe Motherhood where he champions maternal and newborn health across the globe.

RIITTA PASSI is a Senior Advisor with the Finnish Customs currently working for the WCO ESA Project as the Project Manager. Priorly, her duties included: PICARD Programme Manager at the WCO, Customs Attaché at the Permanent Representation to the European Union during the two Finnish EU presidencies, National Expert at the European Commission DG TAXUD and various Customs posts in Finland since 1983.

ANDREW ODHIAMBO is an employee of the Kenya Revenue Authority, Customs and Border Control Department. He is a holder of a Masters of Business Administration (Finance) and a Bachelor of Arts in Economics, Honours degree, both from Kenyatta University.

He is also a Certified Public Accountant (CPA-K), and a member of the Institute of Certified Public Accountants of Kenya (ICPAK).

Continued on next page >>

DAVID LADU joined ROCB on 1st, August 2015 as a Program Officer. He graduated with a Master's of Science at University of Bellevue, Bellevue, Nebraska Human Services, Mental Health Professional, June 2006. He obtained a Bachelor of Arts degree in Social Science, Government and Politics, at University of Texas at Dallas, Richardson, Texas in 2002. Previously, he worked for the Ministry of Interior Government of South Sudan, South Sudan Customs Service, as a Chief Customs Officer (C.C.O), Station Head, Western Equatoria State Yambio, 2013. He also served at the South Sudan Customs Service Juba HQs Accountant (2012 -2013) and as the Team Leader Financial Controller for Nadapal Station Eastern Euatoria State 2007 -2012.

FAITH MOSONGO joined ROCB on 7th, December 2015 as a programme Officer. She has a Masters degree in Business Administration (Strategic Management) from Kenyatta University and a Bachelor of Science First Class honours degree from the University of Nairobi.

She is a trained Customs Officer with Kenya Revenue Authority who served at the Authorized Economic Operator (AEO) section of KRA and has worked alongside with the WCO in this regard in the region, particularly in the East African Community. She was the Alternate National Project Manager and contact of the WCO AEO in Kenya before joining the ROCB after an extensive and thorough recruitment process.

She also previously worked at Kenya Medical Research Institute (KEMRI).

JUDY MWAURA is a holder of Bachelor of Business Administration (Marketing) degree from St. Paul's University, Limuru (SPUL). She is an employee of the Kenya Revenue Authority and worked as the Executive Assistant/PA for the Commissioner of Investigation and Enforcement Department for nine years. She is a prospective Master's degree student at United States International University (USIU) in September 2014 to study International Relations and Diplomacy.

STEPHEN OMALLA is an employee of the Kenya Revenue Authority. He holder of a Business Administration diploma and currently pursuing a Bachelor of Business Leadership degree at the Pan Africa Christian University. He also serves as a Youth Pastor at Fem Family Church in Karen, Kenya.

ESA ROCB Newsletter

WORLD CUSTOMS ORGANIZATION
ORGANISATION MONDIALE DES DOUANES

EDITORIAL TEAM

Larry Liza – Chief Editor
Margaret Irungu – Managing Editor
Faith Mosongo - Coordination and Links
John Kosgei - Editorial Support
Philip Daku – Layout & Design

CONTRIBUTIONS / ACKNOWLEDGEMENTS

WCO EAC CREATE Project
Kenneth Bagamuhundra - EAC
Dhunraj Kassee - SADC
Marcel L. Ratsiu – SACU
Yoko Konishi– JICA
Farayi Banda - Zimbabwe Revenue Authority
Edina Mudzingwa- Zimbabwe Revenue Authority
Ziphathele Ncube- Zimbabwe Revenue Authority

Tom Moyane – ESA Vice Chair & Commissioner, SARS
Lesotho Revenue Authority
Uganda Revenue Authority
South Africa Revenue Service (SARS)
Regional Training Centre (RTC) Zimbabwe

SPECIAL THANKS

Kenya Revenue Authority (Marketing & Communication Division).