



East and Southern Africa  
Region

# WCO ESA ROCB

## HALF YEAR REPORT 2022/2023

**RILO  
REPORT  
INTEGRATED**





# **WCO ESA ROCB & RILO HALF YEAR REPORT 2022/2023**

Presented to

**36th Regional Steering Group**

23rd – 25th November 2022

**Antananarivo, Madagascar.**

# HIGHLIGHTS OF THE SEASON

High-Level Customs Digitalization forum  
3rd & 4th November 2022, Kigali, Rwanda.

1



2



Cooperation with ULTRA Information Solutions Ltd.



**The Regional Seminar on Implementation of HS 2022  
for East and Southern Africa – 28th & 29th June 2022  
Addis Ababa, Ethiopia.**



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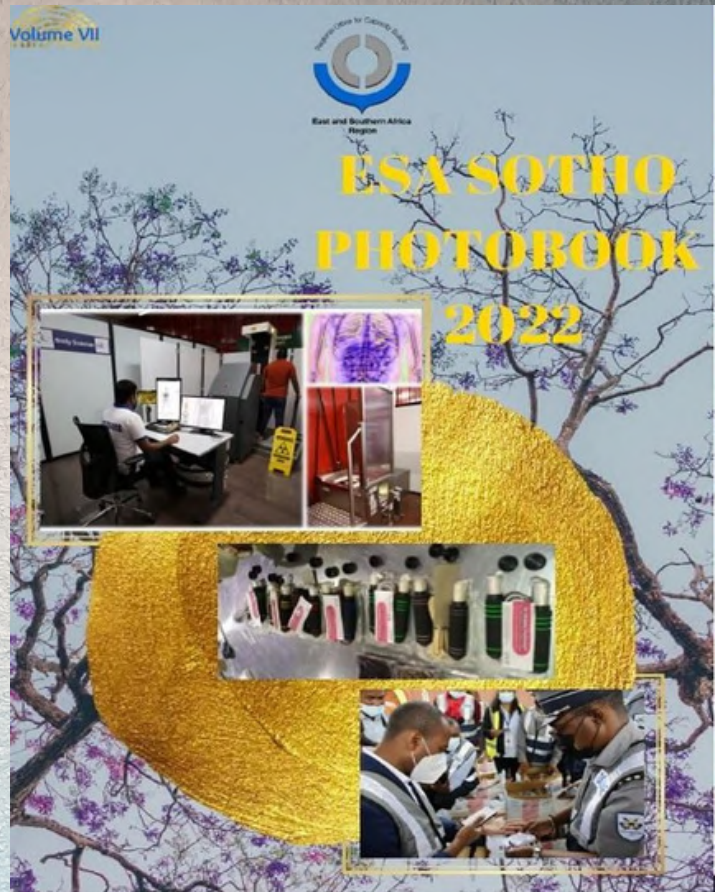
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**The final Steering Committee (SC) of the WCO ESA Project II.**



5



## ESA Certificates of Recognition.

6







Successful launch of the EU WCO Rules of Origin Africa Programme in Accra, Ghana.





8

First ESA Regional meetings held physically following the ongoing COVID-19 pandemic, May 2022, Mauritius – 28th GC & 35th RSG.





## SADC Electronic Certificate of Origin Launch



## RTC Kenya visits the ROCB





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# ABBREVIATIONS / ACRONYMS

AEO	Authorised Economic Operator
AfCFTA	African Continental Free Trade Area
AFEC	African Financial & Economic Crimes Forum
AUC	Africa Union Commission
CBM	Coordinated Border Management
CCF – China	Customs Cooperation Fund - China
CCF – Japan	Customs Cooperation Fund - Japan
CCF – Korea	Customs Cooperation Fund – Korea
COMESA	Common Market for East and Southern Africa
CFTA	Continental Free Trade Area (African CFTA)
CG	Governing Council
EAC	East African Community
ESA	East and Southern Africa
HS	Harmonized System
IFFs	Illicit Financial Flows
JICA	Japan International Cooperation Agency
MC	Management Committee (of the ESA region)
PICARD	Partnerships in Customs Academic Research and Development
PSCG	Private Sector Consultative Group
RECs	Regional Economic Communities
RILO	Regional Intelligence Liaison Office
RJCC	Regional Joint Coordinating Committee
RKC	Revised Kyoto Convention
ROCB	Regional Office for Capacity Building
RSG	Regional Steering Group
RTC	Regional Training Centre
SACU	South African Customs Union
SADC	Southern African Development Community
SIDA	Swedish International Development Cooperation Agency
ToT	Training of Trainers
WCO	World Customs Organization
WTO	World Trade Organization



# BACKGROUND

## Membership

The WCO East and Southern Africa Region comprises 24 Member Countries;

Angola,	Ethiopia,	Mozambique,	South Sudan,
Botswana,	Kenya,	Namibia,	Eswatini,
Burundi,	Lesotho,	Rwanda,	Tanzania,
Comoros,	Madagascar,	Seychelles,	Uganda,
Djibouti,	Malawi,	Somalia,	Zambia,
Eritrea,	Mauritius,	South Africa,	Zimbabwe.



### Vision:

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

### Purpose statement:

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

### Goal:

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

### Values:

Transparency  
Probity  
Commitment  
Responsibility  
Respect  
Cooperation



# INTRODUCTION

This is the Half Year Report for the financial year 2022/2023 of the World Customs Organization, East and Southern Africa, Regional Office for Capacity Building. The reporting format takes up the flow of the Regional Strategy in line with its objectives: Trade Facilitation & Integration; Efficient Revenue Mobilization & Customs Modernization; Security, Enforcement & Compliance; and Professionalism & Partnerships. All of these areas integrate digitization and big data analytics, while bearing in mind the important role played by all emerging technologies; Block Chain, Machine Learning, Robotics, Drones among others. This half year report goes further to integrate the reports and activities of the other regional entities and stakeholders in one, including those of RTCs, RILO, and the Private Sector Consultation group, among others.

The report also highlights capacity building activities and initiatives, programs and projects, and other statuses in regional matters and decisions over the said period. The Half Year Financial Statements, reviewed by the Region's Finance and Governance Committee (FGC), are presented separately.

This report is presented for discussions by the 36th Regional Steering Group Meeting



The 28th WCO ESA Governing Council held in Mauritius, May 2022. Attendees included heads of 19 out of the 24 ESA administrations, WCO Secretary General, Dr. Kunio Mikuriya, African Union Commission, RECs (COMESA & SADC), Regional Private Sector group, among others.



# Status and outcomes of the 28th Governing Council

The 28th Governing Council was held on the 12th and 13th May 2022 in Mauritius.

Status of the implementation of the decisions of the Governing Council

## Items for Decision

### Decision 1

The GC:

- a) Acknowledged with appreciation the opening remarks delivered by all speakers.

### Decision 2

The GC:

- a) Considered and approved the agenda of their meeting.
- b) Acknowledged with appreciation the presence of the Commissioner General of Malawi Revenue Authority, Mr. John Biziwick.
- c) Acknowledged with appreciation the new Commissioners present in the meeting: Angola, Malawi, Lesotho, Rwanda and Zimbabwe.
- d) Recognized the rebranding and renaming of Eswatini Revenue Service and Namibia Revenue Agency.

### Decision 3

The GC:

- a) Offered its appreciation to Kenya for finalising the registration of the ROCB and noted the benefits that the office stands to gain in light of this gazettelement.
- b) Noted the progress made towards accessions in the region. It congratulated Comoros for acceding to the RKC bringing the total number of ESA Administrations who have acceded to the RKC to 16 out of 24. It also congratulated Tanzania for acceding to the TFA bringing the total number of ESA Administrations who have acceded to TFA to 19 out of 24. It also encouraged the other Members who are yet to accede to the RKC and TFA to do so.



c) Noted the increasing significance of eCommerce and the critical need of developing measures on taxing eCommerce. It requested the WCO to offer support in the development of these policies nationally and regionally.

d) Noted new challenges to Cross Border Management, coming out during the COVID-19 pandemic that risked eroding gains previously made. It tasked the ROCB to consolidate best practices on taxing electronic eCommerce and on Cross Border Management.

e) Noted the importance of continuous assessment of regional needs, considering the dynamism of the Customs and international trade environment.

f) Thanked the ROCB for its commitment to offering sustainable capacity building initiatives to the region. It took note of various regional workshops/capacity building activities organized and held in collaboration with the ROCB in collaboration with the WCO, African Union Commission, the WCO ESA Project II, Private Sector, IMPACCT Working Group, among others. It further urged the ROCB to seek broader partnerships with the private sector to further Customs modernization plans in the region. – Signed an MoU with Ultra Trade Solutions focusing on building capacities on the region in the following areas: Enhancing Research in the Region; Building Capacity in Risk Profiling; and Supporting Regional AEO Implementation. Ultra is further committed to supporting Members in advancing the use of technology among Customs administrations towards increase of revenue collection and improving their efficiency and effectiveness.

g) Supported measures and proposals in enhancing in the Movement of Medicines and Medical Equipment in the region amidst crises.

h) Tasked the regional entities to promote measures against counterfeiting and illicit trade in the region and urging collaboration between national agencies. – Ongoing collaboration with SGS France – The ROCB in collaboration with SGS France held an operational Customs Seminar on the fight against illicit trade in Champagne & Cognac for Kenya Customs, with a follow up session dedicated to the fight against fake medicines. This initiative is intended to be cascaded to the whole region.



i) Acknowledged the ROCB for strengthening collaboration with the private sector in the region and encouraged greater collaboration and integration in joint delivery of capacity activities with the RECs. – The ROCB held the following capacity building activities in collaboration with the private sector and other development partners: High-level Customs Digitalization Forum in collaboration with AUC and GIZ; Bolstering Revenue and Public Safety through Digital Transformation Workshop in collaboration with Ultra; Disruptive Technologies in the ESA Region and AfCFTA: Uptake and Challenges webinars in collaboration with the WCO ESA PSG.

#### Decision 4 (a)

The GC:

- a) Acknowledged the comprehensive and informative report of the 35th RSG.
- b) Acknowledged with appreciation the work done by the GED Working Group (Angola, Botswana, Burundi, Ethiopia, Kenya, Madagascar, Mauritius, Malawi, Uganda, Zambia, Zimbabwe and ROCB) on the development of the regional Module on GED. It noted that the GED Framework was renamed Gender Inclusivity and Diversity (GID) Framework and adopted the GID framework.
- c) Encourage members to mainstream Gender Inclusivity and Diversity in their administrative policies and tasked the ROCB to monitor and report the state of GID in the region. It called for more awareness in the gender and inclusivity in the region, tasking the regional entities and urging development partners to promote the awareness. – The ROCB continues to participate actively as a member of the WCO Gender Equality & Diversity (GED) Virtual Working Group that is intended to promote Gender Equality & Diversity globally. The ROCB contributed an article on the GID initiatives launched by ESA and progress made in the area of gender equality and diversity, this will be published in the next edition of the WCO Compendium for GED in Customs. The ROCB has also embarked on the preparations towards holding the first High-Level Gender Inclusivity & Diversity (GID) Conference. The conference will be hosted by Lesotho Revenue Service in Maseru, Lesotho.



- d) Recommended that in addition to the already established GED forum, a regional GED network with all Member administrations be established to work closely with the global network with the aim of promoting the gender agenda. – The region continues to participate actively as members of the WCO Gender Equality & Diversity (GED) Virtual Working Group that is intended to promote Gender Equality & Diversity globally, with Mauritius, South Africa, Zambia and Zimbabwe contributing to the second edition of the WCO Compendium for GED in Customs.
- e) Took note that the ROCB is currently sourcing for funding to support the scheduled conference of Gender Inclusivity and Diversity.
- f) Acknowledged the work done on enhancing Risk Management in the region and supported the working group's proposal for further WCO input before finalization and adoption of their materials. – The WCO experts have since provided their input, the RM Framework is expected to be completed and submitted for consideration by Members by the end of December 2022.
- g) Stressed the importance of the RM Framework for the region and Member administrations as repeatedly highlighted by members during the annual needs assessment. - RM Framework is expected to be completed and submitted for consideration and adoption by Members by the end of December 2022.

#### Decision 4 (b) - RILO

The GC:

- a) Proposed that the region seeks for more sources of funding to support the work of the RILO.
- b) Highlighted the continued threats of illicit trade in different items and their growing effect on economic growth of members and the region. It encouraged greater collaboration and signing of MAAs in combating illicit trade and counterfeiting.
- c) Appreciated the Members who are fully utilizing the nCEN system and requested the WCO to offer capacity building to Members on the use of nCEN to ensure improved uptake of the nCEN usage in the region.



- d) Encouraged Members to upgrade their nCEN to the latest Version and sought the assistance of WCO in offering quick upgrade of the nCEN systems in member states.
  - e) Encouraged Members to capture and submit their seizures for data analysis and sharing timeously.
  - f) Encouraged Members to utilize all the WCO Tools including the revenue and the Compliance and Enforcement package and the guiding policies.
  - g) Urged Members with training or other technical needs to notify the RILO and WCO for facilitation of assistance. Members with country specific analysis done may contact the RILO ESA.
  - h) Urged Members to release NCPs to attend meetings and activities.
  - i) Directed RILO to finalize the survey of member needs, which will inform the next steps in ensuring members' participation in RILO activities.
  - j)Emphasized the need for full reporting and information and intelligence sharing of all activities so permitted under domestic legislation related to compliance and enforcement in the region.
- Noted and approved Burundi's request to the WCO that seizures input in the nCEN platform be technically validated by the head of RILO ESA as opposed to the Head RILO WCA. This will be actioned by the Head RILO ESA by August 2022.

[RSG to note that RILO will respond exclusively on these decisions.](#)

#### **Decision 4 (c) – RTC Heads Meeting Report**

The GC:

- a) Emphasized the critical role played by all the regional entities in the implementation of the Strategy and called for their inclusion in activities related its implementation.



- b) Noted that while the RTCs were providing needed training and capacity building activities in the region, language barrier remains a challenge as most of the activities are offered in the English language. It recommended that interpretation be provided in all these activities to ensure all Members benefit.
- c) The GC directed that the ROCB and all regional entities continue to seek for funding from the WCO and other development partners to support interpretation during all capacity building activities in the region to ensure inclusivity of non-English speakers.
- d) Regarding CEN usage, the GC requested for a fact-finding report by the RILO, in consultation with the Vice Chair to understand why Members were not reporting their seizures on CEN, with the intent of finding a lasting solution.
- e) Acknowledged with appreciation the increased utilization of KlikC!! in the region and encouraged RTCs to support the members under their coordination to further register and utilize the platform.
- f) Acknowledged with appreciation that the RTCs managed to adapt to the difficulties caused by the COVID-19 pandemic through utilization of online platforms to ensure continuous capacity building in the region.

#### **Decision 4 (d) – Capacity Building Reports**

- a) Thanked the People and Government of Finland for their support to the region and Member administrations.
- b) Called for enhanced and continuous collaboration among all the regional entities, RECs and all development partners to avoid duplication of capacity building activities.
- c) Proposed that the Governing Council engages the AfCFTA secretariat to ensure collaboration between the AfCFTA secretariat, the ROCB, the RECs, the AUC and all other regional to ensure the successful implementation of the AfCFTA.



d) Recommended that the RECs provide a bi-annual report on key areas of support provided to Members to assist the implementation of the regional strategic plan, to avoid duplication of activities, and to also aid in Monitoring and Evaluation of the strategy.

e) Noted with appreciation COMESA's efforts to formalize the small-scale cross border traders and further appreciated COMESA's efforts to introduce smart borders across the region.

f) Noted with appreciation COMESA and other RECs' efforts to promote regional integration and continental trade.

g) Noted progress in implementation of capacity building initiatives by SADC on trade facilitation such as the electronic Certificate of Origin which is planned to be piloted in 3rd quarter of the current financial year (2022/2023) as well as the implementation of the Time Release Study along the North South Corridor and the pilot of the Regional Customs Transit Guarantee.

## Decision 5

The GC:

a) Acknowledged with appreciation the presentation of the WCO.



## Decision 6

The GC:

- a) Welcomed the work done by the Strategy Working Group and the leadership of the Management Committee in ensuring the delivery of the document.
- b) Noted that the RSG proposed the inclusion of activities related to transport and economic corridors for the ESA region under the trade facilitation and integration objectives of the Strategy and to align to the continental agenda.
- c) Emphasized the need for collaboration with the RECs, the African Union, private sector and other development partners in the implementation of the Strategy. The GC called for the integration of the work plans of different stakeholders in supporting the implementation of the Strategy.
- d) Requested the WCO Secretary General to assist the region in getting donor and/or development partners to assist in ensuring the effective implementation of the Strategy.
- e) Tasked the ROCB and regional entities to also explore different options of funding in order to implement various aspects of the Strategy that require funding.
- f) Requested the WCO to continually integrate the needs and activities of the region as outlined in the Strategy in the WCO work plans, and equally assist the region with linkages to different donors and development partners.
- g) Took note of the challenges caused by the ongoing COVID-19 pandemic and note that some of the protocols put in place to combat its spread have resulted in a setback in Coordinated Border Management yet Member states had made huge strides in it. The GC called for further discussions on a post COVID Coordinated Border Management approach. It called on Members to endeavor to work with other partner states and development partners to ensure that operational activities in relation to CBM are normalized.
- h) Proposed that the region integrates emerging technologies in the implementation of the Strategy and focuses on embracing interconnectivity at the regional level to ensure prompt and efficient sharing of information.



## Decision 7

The GC:

- a) Approved and adopted the integrated WCO ESA (ROCB & RILO) budget for 2022/2023.
  - b) Considered and approved the Financial Statements of WCO ESA ROCB as submitted by External Auditors.
  - c) Directed the FGC and the ROCB to explore more ways of safe investment of office funds in addition to the fixed deposit option as the office is now registered.
  - d) Noted the difficulties faced by the ROCB in its operations, a case in point being lack of transportation at the ROCB and approved the inclusion and purchase of an office motor vehicle in the budget. The FGC will provide an update to the Management Committee and GC with more details on the purchase of the motor vehicle including all parameters involved.
  - e) Noted that the Management letter's recommendation for the ROCB to fully comply with taxation policies in Kenya is being implemented.
- Noted with concern that Eritrea, Djibouti and South Sudan continue to be inactive in regional activities and proposed that the Vice continues to engage them. The GC further agreed that a debt management intervention may be adopted on need basis.



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- Noted with concern that Eritrea, Djibouti and South Sudan continue to be inactive in regional activities and proposed that the Vice continues to engage them. The GC further agreed that a debt management intervention may be adopted on need basis.

## Decision 8

The GC:

- a) Noted with appreciation the progress report from the Regional Private Sector Consultative Group (WCO ESA RPSCG) and urged greater collaboration between the private sector and ROCB.
- b) Thanked the RPSCG for supporting the implementation of the ESA strategy as well their commitment to participate in all regional activities as invited.
- c) Requested the private sector to support the implementation of the Regional Strategy through linkages with development partners and donors.



## Decision 9

The GC:

- a) Acknowledged the progress report on capacity building initiatives by the WCO.
- b) Requested the continued support of the WCO and its different funds towards the implementation of the new Regional Strategy, support to WCO regional entities as well as for the infrastructural development of existing and new regional entities such as a Regional Customs Laboratory and a Regional Dog Training Centre.

## Decision 10

The GC:

- a) Took note of the presentations by all the four candidates.

## Decision 11 (a) - Vacant Positions

The GC:

- a) Filled the vacant positions in ESA region as follows:

Audit Committee Representative (1 position) – Malawi, joining Seychelles.

Regional Governance & Finance Committee Representatives (2 positions) – Lesotho and Zambia (reelected) joining Burundi and Ethiopia.



## Decision 11 (b) - Term of Director of the ROCB

The GC:

- a) Deliberated on the ending term of the current Director Mr. Larry Liza and appreciated his immense contributions and determination towards the development of the region. It renewed the term of the Director for a further three years.
- b) Urged the Management Committee to put in place governance procedures to monitor similar contractual issues to ensure timely interventions before expiry of service tenures. The Management Committee should also work on aligning recruitment and service tenure processes with those of the WCO upholding transparency in the process.
- c) Thanked Kenya for seconding the Director to the region and for accepting the region's decision approving a new term for the Director. It also appreciated Kenya for their continued support to the Director and staff, as well as the region through their hosting of the ROCB.

## Decision 11 (b) - Hosts of Next Regional Meetings

The GC:

- a) Accepted offers to host the next regional meetings as follows;
  - 36th Regional Steering Group meeting (RSG) – Madagascar – 23rd -25th November 2022.
  - 29th Governing Council – Madagascar – 11th & 12th May 2023
  - 37th RSG - Madagascar – 8th – 10th May 2023
  - RTC Heads meeting - Madagascar – 4th & 5th May 2023.





# ESA STRATEGY

The ESA Regional Strategy (2022-2025) was operationalized upon approval by the 28th Governing Council meeting in Port Louis, Mauritius, May 2022.

This Strategy and Implementation Plan 2022-2025, is the result of extensive collaboration with development 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; Professionalism & Partnerships. All of these areas integrate digitization and big data analytics, while bearing in mind the important role played by all emerging technologies; Block Chain, Machine Learning, Robotics, Drones among others.





# 1. TRADE FACILITATION & INTEGRATION

The ESA Regional Strategy (2022-2025) was operationalized upon approval by the 28th Governing Council meeting in Port Louis, Mauritius, May 2022.

This Strategy and Implementation Plan 2022-2025, is the result of extensive collaboration with development 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.



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# REVISED KYOTO CONVENTION (RKC)

Revised Kyoto Convention (RKC): The Revised Kyoto Convention (RKC) now has 133 Contracting Parties globally, 16 out of 24 ESA members have acceded to the Revised Kyoto Convention (RKC). Burundi, Eritrea, Djibouti, Ethiopia, Seychelles, Somalia, South Sudan and Tanzania are yet to accede to the RKC.

## List of Contracting Members to the RKC

No.	Country	Date of Ratification
1	Angola	23.02.2017
2	Botswana	26.06.2006
3	Bourundi	In process of accession
4	Comoros	09.03.2022
5	Djibouti	In process of accession
6	Eritrea	In process of accession
7	Ethiopia	In process of accession
8	Eswatini	31.10.2012
9	Kenya	25.06.2009
10	Lesotho	15.06.2000
11	Madagascar	27.06.2007
12	Malawi	06.09.2013
13	Mauritius	24.09.2008
14	Mozambique	11.07.2012
15	Namibia	03.02.2006
16	Rwanda	21.11.2011
17	Seychelles	In process of accession
18	Somalia	In process of accession
19	South Africa	18.05.2004
20	South Sudan	In process of accession
21	Tanzania	In process of accession
22	Uganda	27.06.2002
23	Zambia	01.07.2013
24	Zimbabwe	10.02.2003



# WTO TRADE FACILITATION AGREEMENT (TFA)

**Trade Facilitation Agreement (TFA):** As at 7th November 2022, 156/164 WTO members ratified the TFA, marking 95%. 19 out of 24 Members have ratified the TFA.

**Ratifiers:** Angola, Botswana, Burundi, Djibouti, Kenya, Lesotho, Mauritius, Madagascar, Malawi, Mozambique, Namibia, Rwanda, Seychelles, South Africa, Tanzania, Eswatini, Uganda, Zambia and Zimbabwe.

**Missing:** Comoros, Eritrea, Ethiopia, Somalia, South Sudan

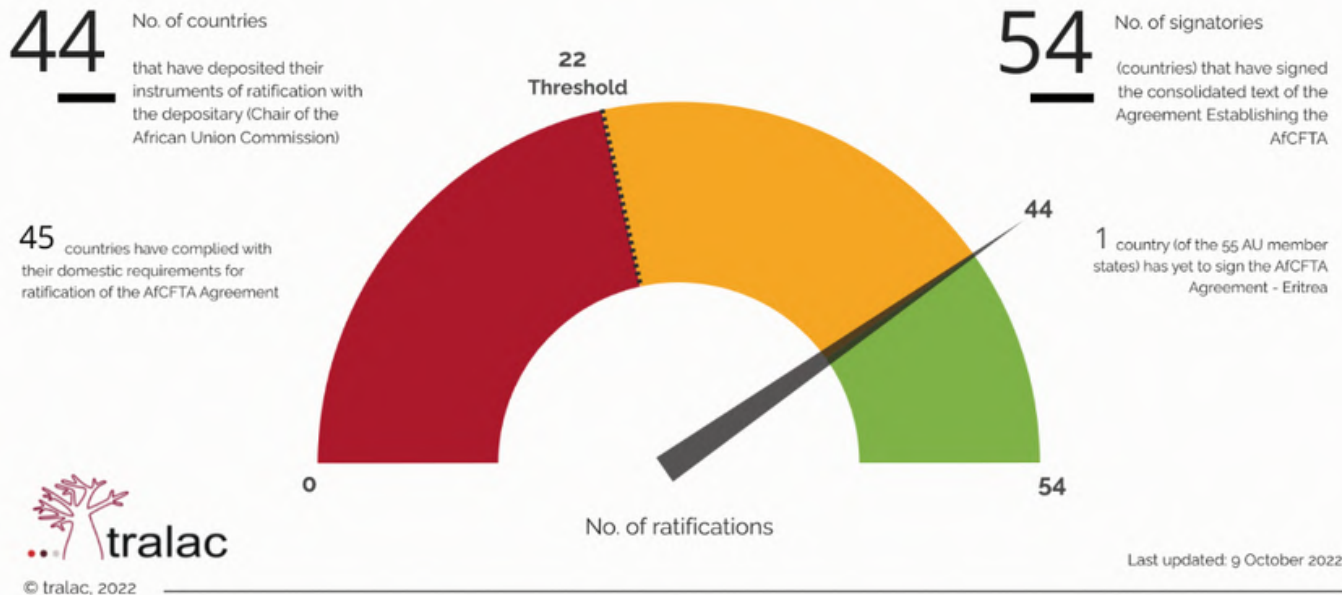
No.	Country	Date of Ratification
1	Angola	09.04.2019
2	Botswana	18.06.2015
3	Bourundi	12.12.2019
4	Comoros	In process of accession
5	Djibouti	05.03.2018
6	Eritrea	In process of accession
7	Ethiopia	In process of accession
8	Eswatini	21.11.2016
9	Kenya	10.12.2015
10	Lesotho	04.01.2016
11	Madagascar	20.06.2016
12	Malawi	12.07.2017
13	Mauritius	05.03.2015
14	Mozambique	06.01.2017
15	Namibia	09.02.2018
16	Rwanda	22.02.2017
17	Seychelles	11.01.2016
18	Somalia	In process of accession
19	South Africa	30.11.2017
20	South Sudan	In process of accession
21	Tanzania	08.04.2020
22	Uganda	27.06.2018
23	Zambia	16.12.2015
24	Zimbabwe	17.10.2018



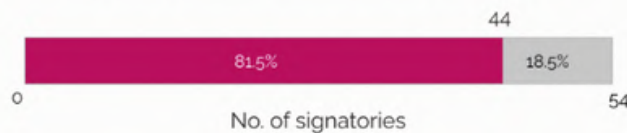


The operational phase of the AfCFTA Agreement was officially launched on 7 July 2019. On 7 October 2022, the AfCFTA Secretariat launched the AfCFTA Guided Trade Initiative in Accra, marking the commencement of trade under the Agreement.

## AfCFTA Ratification Barometer



### Number of ratifications deposited



As at October 2022, 44 of the 54 signatories (81.5%) have deposited their instruments of AfCFTA ratification with the AUC Chairperson.

The operational phase of the AfCFTA was launched during the 12th Extraordinary Session of the Assembly of the Union on the AfCFTA in Niamey, Niger on 7th July 2019. On 7th October 2022, the AfCFTA Secretariat launched the AfCFTA Guided Trade Initiative in Accra, Ghana, marking the commencement of trade under the agreement.

44 (17 from ESA) countries have deposited their instruments of ratification. Instrument depositors: Ghana, Kenya, Rwanda, Niger, Chad, Eswatini, Guinea, Côte d'Ivoire, Mali, Namibia, South Africa, Congo, Rep., Djibouti, Mauritania, Uganda, Senegal, Togo, Egypt, Ethiopia, Gambia, Sahrawi Arab Democratic Rep., Sierra Leone, Zimbabwe, Burkina Faso, São Tomé & Príncipe, Equatorial Guinea, Gabon, Mauritius, Central African Rep., Angola, Lesotho, Tunisia, Cameroon, Nigeria, Malawi, Zambia, Algeria, Burundi, Seychelles, Tanzania, Cabo Verde, Democratic Republic of the Congo, Morocco and Guinea-Bissau.

Countries that are yet to ratify both agreements indicate that their processes are at different stages of national approval, especially parliamentary processes and cabinet approval states.



# THE 10TH STEERING COMMITTEE (SC) OF THE WCO ESA PROJECT II



The 10th and final Steering Committee (SC) of the WCO ESA Project II was hosted by the Kenya Revenue Authority through its Commissioner for Customs Ms. Lilian Nyawanda on 18th & 19th May 2022 in Mombasa, Kenya. The meeting was chaired by WCO ESA Vice Chair Mr. Batsirai Chadzingwa, and attended by all members of the SC including Commissioners from Mauritius (Mr. Vivekanand Ramburun) and South Africa (Mr. Beyers Theron). Other participants were the Finnish Ministry of Foreign Affairs, Finnish Customs, WCO and the ROCB, as well as the Project Manager Ms. Riitta Passi. The Project has been supporting trade facilitation (TF) agenda, within the framework of the WCO Mercator Programme in the East and Southern Africa region, and was expended to wind up its operations end of May 2022.



# REGIONAL WORKSHOP ON FREE ZONES FOR THE EAST AND SOUTHERN AFRICA (ESA) AND WEST AND CENTRAL AFRICA (WCA) REGIONS

The World Customs Organization (WCO) organized an online Regional Workshop on Free Zones for the East and Southern Africa (ESA) and West and Central Africa (WCA) regions from 15th to 17th June 2022, in close cooperation with the WCO ESA and WCA Regional Offices for Capacity Building (ROCB/ESA and ROCB/WCA). 82 participants from 23 Member administrations joined the dialogue to explore the ways for the sustainable development of free zones with enhanced Customs involvement. This was the fourth regional workshop in a series of regional events aimed at discussing the harmonized and efficient implementation of the WCO Practical Guidance on Free Zones (FZ Guidance) that was endorsed by 2020 December Council.

“Free Zones should not be “free” from necessary Customs procedures and controls. Customs should be one of the main authorities and should coordinate with all public and private authorities.” said the Director of Compliance and Facilitation, Mr. Pranab Kumar Das, in his opening remarks. The Head of ROCB/ESA, Mr. Larry Liza, stressed in his opening remarks that this is an excellent time for them to walk through the elements of the Guide to enhance the functions of Customs since these elements, over the last one year, have even found greater significance for Customs. Experts from Customs administrations, Free Zone authorities, the private sector and the United Nations Conference on Trade and Development (UNCTAD) delivered perceptive presentations during the three-day workshop. Three pre-accredit WCO Experts also joined the workshop to moderate and provide presentations.

The workshop covered the key elements identified by the WCO Free Zone Guidance for adequate Customs procedures in Free Zones (FZs). These include enhancing cooperation, utilizing the concept of Authorized Economic Operator in FZs, Customs involvement in FZs, use of data and technologies, effective Customs control through Risk Management in FZs, IPR protection, and origin determination of goods produced in FZs.

The participants exchanged and discussed the challenges of FZs and special economic zones and the need for strengthening Customs involvement. The issue of capacity building and implementation of WCO instruments and tools have been widely discussed. Good practices of administrations and initiatives developed by the private sector were presented. Some Members shared the fraud cases that were identified and their impact on activities in FZs and related international and national legal frameworks. Determination of origin in FZs in the African Continental Free Trade Area (AFCFTA) context was also discussed. “Now is the time when Customs needs to take ownership for Customs involvement in Free Zones”, stated Mr. Brendan O’Hearn, Deputy Director in charge of Procedures and Facilitation, in his closing remarks delivered by the Secretariat. His message closed by expressing his desire that this workshop would trigger further discussions within all administrations on what Customs can do to obtain a safe, secure and competitive business environment in FZs. Mr. Abdel Kader SANGHO, Head of ROCB WCA, stressed it is essential that Customs and stakeholders continue to work together to develop practical, fair and innovative solutions that contribute to economic competitiveness while ensuring safety and security.



# ATAF'S 6TH HIGH-LEVEL TAX POLICY DIALOGUE

ATAF's 6th High-Level Tax Policy Dialogue was held virtually on 3rd August 2022. It focused on Boosting Trade and Tax Revenues and also looked at the impact of the AfCFTA on Domestic Resource Mobilization in the next five years. This meeting was a high-level meeting and is part of the Nexus series.

The WCO ESA ROCB Director, Mr. Larry Liza chaired a panel on Trade Facilitation and Non-Tariff Barriers in the AfCFTA: Easing the cost of doing business for increased revenue mobilization. Other panel discussions included: Tariff revenue loss from AfCFTA: Real or Perceived? What measures can help bridge the gap; Reform priorities by Customs, Tax administrations and the Governments to maximize revenue mobilization from the AfCFTA; Curbing Illicit Financial Flows through trade misinvoicing in the AfCFTA; Trade, Customs and Tax coordination in the Regional Economic Communities and AfCFTA; and the Tax policy implications of the AfCFTA.





## 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.

### **Regional Seminar on Implementation of HS 2022 for East and Southern Africa - 28th & 29th June 2022 - Addis Ababa, Ethiopia.**

On 28th and 29th June 2022, the WCO East and Southern Africa (ESA) Region gathered for a seminar to discuss progress achieved in the implementation of the seventh edition of the Harmonized System (HS), which entered into force on 1st January 2022. The seminar was hosted by the Ethiopian Customs Commission in Addis Ababa, Ethiopia, and was organized within the framework of the EU-WCO Programme for Harmonized System in Africa (HS-Africa Programme), funded by the European Union.

The seminar brought together representatives of all main stakeholders of the HS implementation process: Customs administrations, Regional Economic Communities (COMESA, EAC, SACU and SADC), the AfCFTA Secretariat, the Africa Union Commission as well as the EU Delegation to the African Union. Officers of the ESA Regional Office for Capacity Building and the Regional Training Centres from Kenya, Mauritius and Zimbabwe also attended the seminar.

In his opening remarks, Mr. Debele Kabeta Hursa, Ethiopian Customs Commissioner, highlighted the significance of the HS in ensuring the smooth flow of legitimate trade, a higher degree of market integration, and an environment conducive to modernization and investment. He expressed his appreciation to the WCO, the EU and the HS-Africa Programme for the assistance provided to Ethiopia, which had been vital in delivering timely implementation of the HS 2022 amendments in the country, based on the strategic approach developed with the support of the Programme.

Apart from discussions of the content of the HS 2022, participants shared experience of their organizations and countries on the implementation of HS amendments.



Representatives of Botswana, Ethiopia, Mauritius, the EAC and the SACU offered presentations on transposition of Common External Tariffs and national tariff and statistical nomenclatures to new versions of the HS, highlighting the challenges faced in the process, solutions provided and lessons learned. The AfCFTA Secretariat presented an update on the state of implementation of the Continental Free Trade Area and the results achieved and stressed the paramount importance and relevance of the implementation of HS amendments for a successful AfCFTA implementation.

The seminar was an occasion to discuss digital transformation in Customs' work related to tariffs and commodity classification by presenting some of the projects recently implemented in the region, namely the electronic tariff platforms in Eswatini and Lesotho. It was felt that such initiatives would make a tangible difference for all stakeholders involved in international trade by making accurate information on applicable duty rates easily available. In conclusion of the seminar, a panel discussion on capacity building aspects of HS-related work was

held, chaired by Mr. Larry Liza, ESA ROCB Director, with representatives of RTCs as panellists. During the discussion, emphasis was placed on the importance of reaching out to relevant stakeholders to deliver capacity building support, challenges brought by Covid-19, as well as ways of measuring training efficiency.

Participants took note of the strategic guidance on competency development in the area of the HS, as well as new e-learning tools and the training package developed with the support of the HS-Africa Programme.

The seminar took stock of the progress achieved by the ESA Region on the implementation of the HS 2022, with three quarters of ESA Members having already migrated to the new version of the HS. The HS-Africa Programme pledged continued support for the countries and the RECs of the region and will keep delivering assistance to African partners and stakeholders, in accordance with its mandate.





## Successful Launch of the EU WCO Rules of Origin Africa Programme in Accra Ghana



The World Customs Organization (WCO) and the European Union (EU) held a continental inaugural conference on 19th & 20th July 2022 in Accra, Ghana, to launch the Programme on the implementation and application of rules of origin for enhanced Intra-African trade. Commonly dubbed the EU-WCO Rules of Origin Africa Programme, this initiative is aimed at supporting the African continent to improve its capacity to deal with rules of origin and ultimately to support the harmonized and well-coordinated implementation and application of the rules of origin under Annex 2 of the AfCFTA and other regional and international commitments.

The conference was attended by African Customs Administration Experts on rules of origin, Ghana Revenue Authority as the host Customs Administration, the AfCFTA Secretariat, the Tripartite Free Trade Area

Task Force, Regional Economic Communities (RECs), WCO Regional Offices for Capacity Building (ROCB), the Private Sector, UNCTAD, WTO, ITC, TRALAC, the European Delegation, and the World Customs Organization. In his opening remarks, Mr. Konstantinos Kaiopoulos, Director of Tariff and Trade Affairs stressed the central role of rules of origin for the implementation of any free trade agreement. He expressed his expectation that this programme will greatly contribute in building the capacity of customs and relevant stakeholders for enhanced understanding, implementation, and application of rules of origin in Africa.

The Head of Cooperation at the EU Delegation to Ghana, Mr. Massimo Mina, in his remarks, stated that the European Union strongly supports Africa's economic integration. Therefore, the EU-WCO RoO Africa Programme is an important new... 4



...step by the EU and the WCO to support and promote Africa's economic integration. The AfCFTA Director of Trade in Goods and Competition, Dr. Mohamed Ali, in his opening remarks, highlighted the commitment of the AfCFTA Secretariat to ensuring the success of the EU-WCO RoO Africa Programme. He stated, that given the fruitful experience of the first six months of partnership with the WCO and the EU, the AfCFTA can only be optimistic about the successful completion of the pending AfCFTA rules of origin matters including stakeholders' capacity building.

In his welcoming remarks, the Ghana Revenue Authority Commissioner Customs, Col. Kwadwo Damoah, stated that WCO's collaboration with the EU to heighten the importance of Origin has come at a good time to leverage the responsibilities bestowed on Customs Administrations by AfCFTA and other FTAs to which African States have signed up. He called on the customs experts to contribute more during the discussions and to highlight all the challenges they face in administering the rules of origin.

The conference sessions presented the scope, components and timeline of the implementation of the Programme and how the different activities shall be conducted to better meet the needs of all stakeholders and attain the sought objectives. Different presentations and panel discussions shed the light on the national and regional perspectives,

challenges and lessons learned and the AfCFTA secretariat shared the state of play on the implementation of RoO under the agreement and role of Customs in that process. International organizations and private sector stakeholders exchanged with the audience their experiences and expectations and proposed avenues for cooperation under this Programme and beyond for effective and successful implementation of the RoO.

The conference concluded by consensus on the need for capacity building and harmonized instruments to enable all stakeholders to manage and administer RoO effectively and that the EU-WCO RoO Programme is of utmost relevance and importance in that process. The commitment and engagement of all partners during the conference is a positive first step towards excellent collaboration on the successful implementation of this Programme. The outcomes of the conference and discussions will feed into the establishment of the Programme's work plan and the activities.

### **Workshop on HS 2022 Amendments for the ESA Region**

The workshop on HS 2022 amendments for the ESA Region was held virtually on 16th August 2022. The Workshop was organized by the World Customs Organization, East and Southern Africa, Regional Office for Capacity Building



(WCO ESA ROCB), in cooperation with the Zimbabwe Revenue Authority (ZIMRA). The aim of the training was to improve tariff classification competency in the Region as we implement the changes brought forth by the Seventh Edition of the Harmonized System.

The Director ROCB, Mr. Larry Liza gave opening remarks and congratulated Zimbabwe for hosting the virtual workshop. He acknowledged the support of the EU-WCO Programme for Harmonized System in Africa in the implementation of HS in the region and the different capacity building missions/workshops held for the region, one which inspired the organising of the workshop.

Mr. Batsirai Chadzingwa, the Commissioner - Customs and Excise who is also the WCO ESA Region Vice Chairperson officially opened the workshop. He reiterated the importance of collaboration in order to promote a regional approach to tackling customs issues.



## Launch of the SADC Electronic Certificate of Origin

SADC has taken an important step towards enhancing seamless flow of intra-regional trade following the launch of the electronic Certificate of Origin (e-CoO) in Blantyre, Malawi, on 7th September 2022 under the theme 'Enhancing trade facilitation through the SADC Electronic Certificate of Origin'.

The recently launched e-CoO is to intended address the challenges encountered with the use of manual Certificate of Origin by simplifying customs procedures, enhancing e-Commerce, eliminating fraud, improving record management and statistical data, reducing cross-border certificate verification time as well as reducing the cost of doing business.

The meeting was opened by Mrs. Agnes Katsonga, the Executive Director of MRA who saluted SADC for the launch of the pilot programme. She decried the challenges associated with manual processing of Certificates of Origin, leading to delays, higher costs, forgery, among others. She highlighted the inherent gains from digitalization (in response to eCOO) – efficiency, boost in revenue collection, regional integration, among other benefits to all stakeholders. Speaking at the launch of the SADC e-Certificate of Origin, Commissioner General of the Malawi Revenue Authority (MRA), ...



...Mr. John Biziwick, said the Certificate of Origin will improve the way business is conducted in the Region because the challenges that were associated with the manual processing of the certificate will be eliminated.

Mr. Sandwick Mtonakutha, the Director of Finance, Investments and Customs in SADC, called for enhancement of systems to ensure efficiency in trade facilitation, lowering cost of business which enhancing revenue collection.

The meeting (held in a blended format) was attended by Commissioners from various SADC members from Customs and Trade, alongside other stakeholders including the WCO ESA ROCB Director Larry Liza, the WCO, GIZ, among others.



### **Bolstering Revenue and Public Safety through Digital Transformation Workshop**

The workshop was held virtually on 22nd September 2022. It was co-organized by the WCO ESA Regional Office for Capacity Building, in conjunction with Publican by Ultra. The Workshop was attended by more than 70 participants from across the world. Participants included Senior Technical and

Administrative officials from various member Customs administrations, WCO Regional Training Centres (RTCs), the private sector, and other cooperating partners. It was also graced by the presence of a high level delegation including: the WCO ESA Vice Chair, Mr. Batsirai Chadzingwa, Zimbabwe; Mr. Rudy Kirzhner, Vice President, Trade and Customs, Publican by Ultra; Customs Commissioners and Directors General; and the WCO ESA ROCB Director, Mr. Larry Liza.

The workshop focused on various topical issues including: Innovative digitalization driving increased revenue and public safety - Rudy Kirzhner (Vice President, of Trade and Customs (Publican) for Ultra Information Solutions); The effects of Under Valuation in relation to Bolstering Revenue and Public Safety through Digital Transformation - James Ndege (Chief Manager-Business Intelligence & Analysis, Kenya Revenue Authority); The effects of Illicit Trade in relation to Bolstering Revenue and Public Safety through Digital Transformation - Cornelius Kakwesa (Deputy Commissioner for Customs Business Support, Malawi Revenue Authority); and Public Safety - Bolstering Revenue and Public Safety through Digital Transformation - Nundiswar Bhugwant (Section Head at the Mauritius Revenue Authority).



### 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.

#### 10th Pan African Conference on Illicit Financial Flows and Taxation

The 10th Pan African Conference on Illicit Financial Flows and Taxation was held on the 28th & 29th September 2022, Lusaka, Zambia. The conference, themed 'Tax Justice Amid Multiple Crises', brought together different organizations within the tax and customs systems from Africa and other countries outside the continent.

The conference explored the current global environment and the impact it has had on the African countries' ability to raise resources for recovery fairly and equitably. It also discussed recommendations on IFFs and the International Financial Architecture as well as Innovative Progressive Domestic Resource Mobilization Strategies, and within the context of climate change. The WCO ESA Director, Larry Liza, spoke on

maximizing Customs efficiencies to minimizing IFFs and shared the progress made in implementing the IFF Action Plan in the region and how the existing WCO tools, guidelines and instruments are useful in helping Customs fight against the IFFs. The meeting was co-organized by the Tax Justice Network Africa (TJNA), the African Tax Administration Forum (ATAF) and the Centre for Trade Policy Development (CTPD).





## The Operational Customs Seminar on the Fight against Illicit Trade in Champagne & Cognac for Kenya Customs

The Operational Customs Seminar on the fight against illicit trade in Champagne & Cognac for Kenya Customs was held on 12th September 2022 at the Hotel Villa Rosa Kempinski, Nairobi Kenya. The seminar was intended to raise awareness regarding potential health risks for the consumers of counterfeit alcohol and to provide Law Enforcement Agencies (LEA's) effective tools to combat counterfeit illegal alcohol, and for the purposes of this seminar, specifically, Champagne and Cognac.

Its specific purpose was to support Customs in the implementation of concrete actions such as new profiling and targeting techniques in order to be able to qualify and to quantify the level of counterfeit and illegal alcoholic beverages, through specialized capacity building training. The seminar was organized by the WCO ESA ROCB in partnership with SGS and Moët Hennessy.





## 4. PROFESSIONALISM & PARTNERSHIPS

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.

### Cooperation with ULTRA Information Solutions Ltd



The World Customs Organization, East and Southern Africa region and Ultra Information Solutions Ltd. signed a Memorandum of Understanding on 5th July 2022. The Agreement was signed by Mr. Larry Liza, Director of the Regional Office for Capacity Building and Mr. Elad Kotzer, the Chief Operating Officer (COO) of Ultra Information Solutions Ltd. The company will support a series of initiatives, in line with the WCO ESA Regional Strategy, over the next three years.

It is aimed at accelerating Customs Modernization and Digitalization in the ESA region.

While the scope of the agreement may be broadened, its key focus is on:

**Enhancing Research in the Region:** through support of and professional contribution to working groups, conferences, publications, events and missions, in collaboration with the region's private sector grouping.

**Building Capacity in Risk Profiling:** through support of bi-annual training on risk profiling to frontline officer and enforcement staff. This will include providing knowledge, resources, and trainers on Targeting through Open-Source Data- which we specialize in.

**Supporting Regional AEO Implementation:** here we have developed unique technology and methodology which will allow the inclusion of SMME's, while supporting MRA's + the development of innovative data strategies, as detailed in the Strategy.

Ultra is further committed to supporting Members in advancing the use of technology among Customs administrations towards increase of revenue collection and improving their efficiency and effectiveness.



## High Level Customs Digitalization Forum – Kigali, Rwanda

The ROCB together with the African Union Commission (AUC) and GIZ organized a High Level Customs Digitalization Forum held on the 3rd & 4th November in Kigali, Rwanda. The forum was attended by more than 100 participants from across the world. Participants included various member Customs administrations, WCO ESA Regional Training Centres (RTCs), the WCO, the African Union, Regional Economic Communities (RECs), the private sector, and other cooperating partners. The conference was also graced by the presence of a high level delegation including: The Minister of Information and communications technology, Rwanda, Hon. Paula Ingabire; the WCO ESA Vice Chair, Mr. Batsirai Chadzingwa, Zimbabwe; the Deputy Commissioner General, Rwanda, Mr. Kaliningondo Jean-Louis; the Deputy Head of Development Cooperation at the German Embassy in Rwanda, Mr. Clemens Siddhartha Häusler; AUC Senior Policy Officer, Mr. Dhunraj Kasse; and the WCO ESA ROCB Director, Mr. Larry Liza.

The WCO ESA Regional Strategy (2022-2025) recognizes the critical role played by Information Communication and Technology (ICT) for reform and modernization of the region, and in particular, Customs administrations.

Key components towards its successful implementation are digitization and data management. As Africa continues recovering in light of the effects of the COVID-19 pandemic, the place of information technology cannot be better underscored. More administrations have increased their investment in ICT over the last two years, through progressive change management, integrating new and latest technologies and plans in delivering their mandate. It is an opportune moment to engage in experience sharing at the regional and continental level on Customs digitalization. The digitalization of border procedures across the continent, with customs clearance processes at the forefront, will be a key enabler of the African Continental Free Trade Area (AfCFTA). The World Bank estimated that the AfCFTA could generate up to USD 450 billion in additional real income in Africa – more than 95% of it through improvements in trade facilitation. Customs administrations are at the forefront of introducing trade facilitation reforms and the most prominent reforms have been in the realm of digitalization in the past decade.

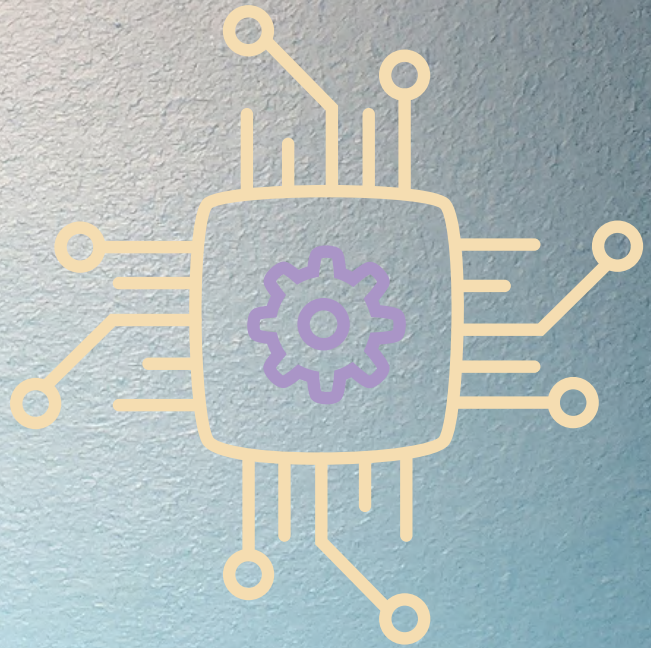
The AUC, the WCO ESA ROCB and GIZ therefore organized the Forum “Accelerating Digitalization in Customs to boost intra-African trade” to discuss trends in digitalization at national, regional and global levels and share best practices among key stakeholders, including the private sector, Regional Economic



Communities (RECs), Partner Government Agencies and the African Union Commission as well as the African Continental Free Trade Area.

The forum was aimed at enhancing Customs performance and increasing efficiency and effectiveness in the delivery of Customs' mandate as well as boosting Intra-African trade through the use of Information Technology. It provided a platform for Customs administrations and other government bodies from Africa, and of the world, to showcase their growth and development as anchored by ICT. It also allowed other international organizations, regional entities and the private sector to showcase how they have leveraged on ICT to bolster their performances.

The forum further explored the potential for digital trade and cross border eCommerce to drive economic development and transformation in Africa bearing in mind that successful implementation of the AfCFTA now provides wider opportunities to review and upscale regional strategies to develop Africa's digital economy.





# NEWSLETTER PUBLICATION

The ROCB aims to publish eNewsletters quarterly and urges Members and stakeholders to submit their articles to the ROCB on a rolling basis. During the reporting period two newsletters were published and shared with the region and the global Customs family. There issues herein are: July – September 2022 issue and the October - December 2022 issue.





# RILO-ESA ACTIVITIES REPORT

## 1.0 CUSTOMS ENFORCEMENT NETWORK (CEN) MANAGEMENT

### 1.1 CEN Usage

- Eight (8) out of 19-member states recorded seizures in CEN during the Half-Year representing 42.11% usage of the system by member states.
- CEN usage is still a major challenge in the ESA Region.
- 501 entries were uploaded onto the CEN system during the six months period in which 530 commodities were seized.
- Only one country recorded more than 50 Entries for the period under review (South Africa with 423 cases). This figure represents 84.43% of the total seizures reported during the half year.
- The second highest user was Malawi with 28 entries and followed by Kenya with 24 seizure cases.
- Four (4) other countries reported less than five (5) cases each.

### 1.2 Seizures by country

#### Validated cases

Country	Number of Cases
South Africa	423
Malawi	28
Kenya	24
Burundi	17
Namibia	3
Tanzania	3
Zimbabwe	2
Zambia	1
Mauritius	0
Uganda	0
Mozambique	0
Madagascar	0
Botswana	0
Seychelles	0
Angola	0
Ethiopia	0
Eswatini (Kingdom of)	0
Lesotho	0
Rwanda	0
<b>Total</b>	<b>501</b>

#### Comments

- South Africa recorded the highest number of Seizures with 423 cases uploaded onto the CEN system. The figure represents 84.43% of the total entries recorded.
- Malawi was the second highest contributor to the system with 28 cases followed by Kenya with 69 cases.
- Seven countries recorded less than 30 cases each with four (4) of them recording less than five (5) cases each.
- Eleven (11) member states failed to upload a single case onto the CEN system. These member states are Angola, Botswana, Eswatini (Kingdom of), Ethiopia, Lesotho, Madagascar, Mauritius, Mozambique, Rwanda, Seychelles and Uganda.

Comparison table with the same period of the previous year (2021)

Country	Number of Cases 2022	Number of Cases 2021	%Age Change
South Africa	423	572	-26.05%
Malawi	28	0	
Kenya	24	12	100.00%
Burundi	17	0	
Namibia	3	26	-88.46%
Tanzania	3	0	
Zimbabwe	2	0	
Zambia	1	0	
Mauritius	0	49	-100.00%
Uganda	0	17	-100.00%
Mozambique	0	22	-100.00%
Madagascar	0	0	0.00%
Botswana	0	0	0.00%
Seychelles	0	0	0.00%
Angola	0	0	0.00%
Ethiopia	0	0	0.00%
Eswatini (Kingdom of)	0	0	0.00%
Lesotho	0	0	0.00%
Rwanda	0	0	0.00%
<b>Total</b>	<b>501</b>	<b>698</b>	



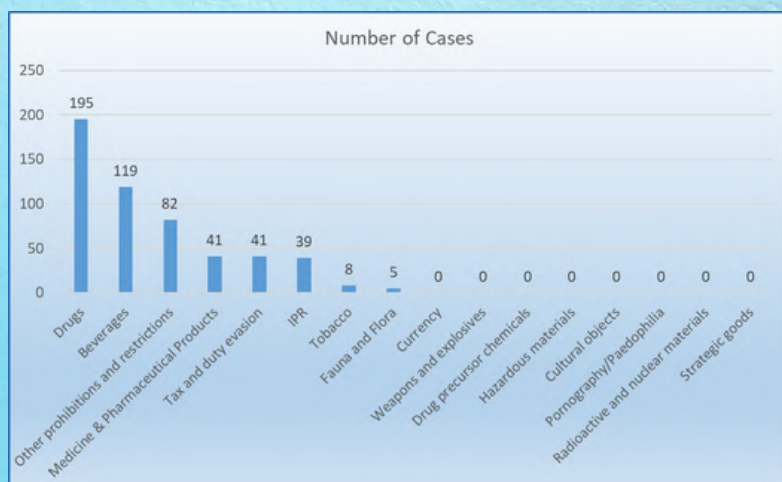
- South Africa remains the highest contributor over the two (2) periods though her seizures fell by 26.05%.
- The greatest leap was made by Malawi who contributed 28 cases compared to nil during the same period last year.
- Mauritius, Mozambique and Uganda did not upload any seizures onto the CEN system for the half-year period compared to 49, 22 and 17 cases in the previous year, respectively.

### 1.3 Seizures by Commodity

#### Comments

The total number of entries per commodity was 530 for the six months under review.

- Drugs topped the list with 195 seizures (36.79% of total commodities seized). The figure represented a decrease in drug cases from last year were 374 cases were recorded (representing a 47.86% decrease).
- Beverages, Tax & Duty evasion and Medicine & Pharmaceutical Products ranked second and third on the list with 119 and 41 cases each, respectively.
- As has become a trend for the Region, no cases were uploaded for strategic goods, radioactive & nuclear materials and Pornography/Paedophilia.



Commodity	Number of Cases 2022	Number of Cases 2021	%Age Change
Drugs	195	374	-47.86%
Beverages	119	153	-22.22%
Other prohibitions and restrictions	82	96	-14.58%
Medicine & Pharmaceutical Products	41	11	272.73%
Tax and duty evasion	41	10	310.00%
IPR	39	1	3800.00%
Tobacco	8	13	-38.46%
Fauna and Flora	5	22	-77.27%
Currency	0	35	-100.00%
Weapons and explosives	0	3	-100.00%
Drug precursor chemicals	0	3	-100.00%
Hazardous materials	0	0	0.00%
Cultural objects	0	0	0.00%
Pornography/Paedophilia	0	0	0.00%
Radioactive and nuclear materials	0	0	0.00%
Strategic goods	0	0	0.00%
<b>Total</b>	<b>530</b>	<b>721</b>	<b>-26.49%</b>

### 1.4 Comparison table (2021 and 2022)

#### Comments

- Total cases per commodity fell by 26.49% from the same period the previous half-year.
- Seizures were recorded for 8 commodities (2022) compared to 11 commodities the previous half-year (2021).
- The top three commodities remained Drugs, Beverages and Other Prohibitions & Restrictions, respectively.
- The greatest increase was reported for IPR products, which increased from a single case last year to 39 cases during this half-year.
- The greatest decrease was for Currency with no single seizure recorded compared to 35 seizure cases during the same period the previous half-year.
- Tobacco declined from being the commodity with the third highest cases in the previous year to number seven on the list this year.



## 1.5 Value of the Contraband

Commodity	Value
Drugs	US\$ 26,535,308.00
Other prohibitions and restrictions	US\$ 2,356,391.00
Fauna and Flora	US\$ 546,849.00
Tobacco	US\$ 176,387.00
Tax and duty evasion	US\$ 59,832.00
IPR	US\$ 21,242.00
Medicine & Pharmaceutical Products	US\$ 20,521.00
Beverages	US\$ 14,040.00
Cultural objects	US\$ -
Currency	US\$ -
Drug precursor chemicals	US\$ -
Hazardous materials	US\$ -
Pornography/Paedophilia	US\$ -
Radioactive and nuclear materials	US\$ -
Strategic goods	US\$ -
Weapons and explosives	US\$ -
<b>Total</b>	<b>US\$ 29,730,570.00</b>

### Comments

- The total value of contraband seized during the half-year was USD29, 730, 570.00 down from USD116, 191, 100.00 the same period previous year.
- The bulk of this figure was for drugs, which accounted for USD26, 535, 308.00 of the total value. (Representing 88.64%)
- The second highest value was for other Prohibitions & Restrictions with USD2, 356, 391.00 and then followed by Fauna & Flora with USD546, 849.00.
- Three commodities had less than USD50, 000.00 worth of goods seized.
- Significant Seizures (Per commodity)

### 1.5.1 Drugs

Drugs worth a total of USD26, 535, 308.00 were seized during the half-year. The tree biggest entries into the CEN system were:

a) 785kgs Crystal Meth seized at Johannesburg Airport in RSA on 26/08/2022. The drugs were destined for Australia. The consignment was valued at USD13, 839, 587.00.

The suspicious palletted cargo was declared as Multi-Purpose Anti Slip Mat. Upon inspection, of the mats a sugary substance was found concealed in weavings. A narcotics identification kit was administered on the contents, which tested positive for Crystal Meth.



b) 264kg Cocaine from China to RSA, transiting through Singapore seized at a seaport in Durban. The cocaine was valued at USD6, 832, 339.00.



c) 6.3Kg Cocaine seized at an Airport in Durban, RSA on 24/09/2022. The cocaine was valued at USD357, 849.00. The consignment was an export from RSA to the UAE.



### 1.5.2 Fauna and Flora

The total value of seized Fauna and Flora for the six months period was USD546, 849.00. The top two seizures were:

a) **Six (6) rhino horns weighing 30.7kgs** seized at an airport in Johannesburg on 28/04/2022. The consignment was valued at **USD242, 088.00**.



b) **Seventeen (17) rhino horns weighing 24.975kgs** seized at an airport in Johannesburg on 28/04/2022. The consignment was valued at **USD 192, 015.00**. The consignment was an export from RSA to UAE.



### 1.5.3 Other Prohibitions and Restrictions

Goods worth a total of USD2, 356, 391.00 were seized during the half-year. The biggest seizures w

a) 40 000 pieces of blank Turkish visas valued at USD2, 318, 461.00. The consignment was an export from RSA to Equatorial Guinea. The seizure was made at a mail centre in Johannesburg on 14/08/2022.



## 2.0 INTELLIGENCE PRODUCTS



**WCO**  
**RILO-ESA ALERT 05-2022**

**SEIZURE OF 208KGS CANNABIS AT FORBES BORDER POST - ZIMBABWE.**

<b>Date:</b> 12 April 2022	<b>Contact:</b> RILO-ESA Regional Intelligence Liaison Office for East & Southern Africa Zimbabwe Revenue Authority   10th Floor ZB Centre, Cnr First Street / Nkwame Nkrumah Ave Harare, Zimbabwe Direct line: +263 242773143 E-Mail: <a href="mailto:riilo-esa@zimra.co.zw">riilo-esa@zimra.co.zw</a>
<b>Origin:</b> Zimbabwe	
<b>Commodity:</b> Cannabis	

### i. Alert Messages

Drafted and distributed the following Alerts during the year.

- WCO RILO-ESA Alert 05 - 2022: Seizure of 208kgs cannabis sativa at Forbes border post – Zimbabwe.
- WCO RILO-ESA Alert 06 - 2022: Crystal meth & heroin concealed in false compartments of woven baskets.
- WCO RILO-ESA Alert 07 - 2022: Possible drug mule
- WCO RILO-ESA Alert 08 - 2022: Cannabis smuggling at mail centres 24 04 2022 to 03 05 2022
- WCO RILO-ESA Alert 09 - 2022: Method used to identify Illicit Cigarettes- Cigarette Pallet Markings.
- WCO RILO-ESA Alert 10 - 2022: Seizures of 3 consignments containing 23.27kgs crystal meth concealed in tennis balls and chargers from RSA TO AUSTRALIA.



- WCO RILO-ESA Alert 11 - 2022: 40 000 Blank Turkish visas seized at a mail centre in Johannesburg, South Africa.
- WCO RILO-ESA Alert 12 - 2022: Seizure of heroin at RGMI AIRPORT, ZIMBABWE.
- WCO RILO-ESA Alert 13 - 2022: 264kgs cocaine and 785kgs crystal meth seized in South Africa.

### ii. Analysis

Drafted and circulated an analysis report:

- WCO RILO ESA Conveyance Analysis for the First Quarter 2022. A Closer Look at the Preferred Methods of Conveyances – Trends and Routes.
- RILO ESA Newsletters. Produced and circulated 1 RILO ESA Newsletter covering periods January to June 2021.

## 3.0 INFORMATION & INTELLIGENCE EXCHANGE



Received and distributed several Alerts from other RILO as follows:

- 12 x RILO WE Alerts
- 6 x RILO ECE Alerts
- 3 x RILO JIO Alerts
- 4 x RILO ME
- 1 x RILO CIS

Received and circulated Info Magazine from RILO WE.

Received and shared information and alerts from member states to other RILOs and member states. Most of the alerts were from RSA, Namibia and Mozambique.

## 4.0 JOINT OPERATION / PROJECT MANAGEMENT

Invitations to participate in various joint operations were received and cascaded accordingly. There was an increase in the uptake and participation in the Operation Stop II by Member States in the Region. The RILO ESA office continuous to encourage all Member States to keep up the good work and continue participating in such operations to enhance effectiveness in curbing smuggling in the region and beyond.

### i. Operation STOP II

Three (3) members from the RILO ESA Region participated in Operation STOP II phase 3 that was held between 20 April 2022 to 4 May 2022. RILO ESA Region contributed 11% of the total seizures in the operation. The seizures were of illicit medicines where ESA Region contributed 5% of the illicit medicine

Below we look at the major points from the report related to the ESA region.



### Highlights from the report:

25 seizures were made in the region and these were distributed as follows:

COUNTRY	NUMBER OF SEIZURES
South Africa	14
Namibia	10
Uganda	1



South Africa contributed the highest number of seizures with 14 cases followed by Namibia with 10 cases and then Uganda with 1 case. The other 16 participating countries did not report any seizure cases for the duration of the operation.

## **ii. Operation Demeter V111**

Operation Demeter is a global operation on the monitoring and control of transboundary movements of hazardous wastes and their disposal controlled under the Basel Convention; and on the illegal trade in ozone depleting substances and other global warming contributing gases controlled under the Montreal Protocol.

Operation Demeter 2022 pre- operational phase commenced 18 July and ended 30 September 2022. A series of workshops and meetings were held from 27 July to 16 September 2022. The meetings are as follows:

a) Operation DEMETER pre-operational phase workshop held on 27 July 2022.

b) 4 webinars for Operation DEMETER on 1 September: virtual Operation DEMETER VIII Opening Session, 2 September: Webinar 2 Montreal Protocol.

12 September: Webinar 3 – Basel Convention and 16 September: Webinar 4 – CEN training which presented the reporting and messaging tool (CENcomm) that NCPs are expected to use throughout Operation DEMETER VIII.

## **5.0 INTERNATIONAL COOPERATION**

### **i. 19th NCP Annual Administrative Meeting**

The 19th Annual Administrative Meeting of the National Contact Point (NCP) for the World Customs Organisation (WCO) Regional Intelligence Liaison Office (RILO) Eastern and Southern Africa (ESA) was successfully held in a blended manner from 23-25 August 2022.

The meeting was attended by NCPs from the ESA Region as well as other invited guests who included the WCO ESA Region Vice-Chair and Zimbabwe Revenue Authority (ZIMRA), CEN Programme manager, representatives from RILO ECE.

Also represented at the meeting were the SADC TWIX, the WCO and some Namibian Revenue Authority members of staff.

Countries represented in the meeting including South Africa, Kenya, Mauritius, Botswana, Madagascar, Angola, Burundi, Mozambique, Eswatini (Kingdom of), Seychelles and Zimbabwe and the majority presented their country reports. Members were encouraged to upload their seizures on CEN and to be more active in the WCO Projects or operations.

### **Commitments made:**

- RILO ESA to assist with information requests to and from other RILOs
- Continuous exchange of intelligence with RILO ESA members and other RILOs
- Have the website timeously updated with additional people given Administration roles. The additional people to include RILO officers, French speaking and Portuguese speaking and NCPs from South Africa in the South and Kenya in the North and East Africa
- A committee to be formed for operation SITT
- To use the desktop app, CENcomm to capture seizure cases to CEN.
- To utilise RILO ESA office when needing training or any assistance in uploading files to CEN
- Member states agreed to collaborate, share information and improve in submitting cases in CEN
- RILO ESA to look into best practices for drug seizure process

### **The Head RILO ESA also attended the following meetings:**

- the RTC/RSG/GC meetings held in Mauritius from 5-6, 9-11, 12-13 May 2022 respectively
- workshop on IWT in South Africa from 26-30 September 2022



## **WCO Environment Programme Officer visit to RILO ESA**

- The IWT Programme officer, Environment Programme Compliance and Facilitation Directorate in the WCO office in Brussels Mr Igor JAKUPIC visited the RILO Office from 09 to 11 May 2022. His visit was mainly to discuss wildlife and environmental issues affecting the region and how WCO can assist.
- The WCO EP committed to support RILO ESA with all assistance required be it technical or training so that RILO ESA can become a major partner to the region Customs administration and NCPs.

## **Other Meetings**

- Attended a virtual WCO-RILOs/INCB-RTOs Regional Technical officers TEAMS meeting that was held on 9/05/2022.
- Attended a virtual SADC-TWIX Regional General meeting that was held on 17/05/2022.
- Held a virtual 19th NCP preparatory meeting on 14/06/2022.
- Attended a WCO Free Zone Workshop for ESA&WCA Region 15-16 June 2022
- Attended a SADC-TWIX webinar meeting on Illegal shark fin trade in Southern Africa – a demonstration of innovative identification tools on 19 August
- Attended the WCO RILO Eastern and Central Europe and Western Europe webinar on Information Exchange Services and Tools for Customs Officer on 29 September 2022.

## **Operation Demeter V111**

a) Attended Operation DEMETER pre-operational phase workshop held on 27 July 2022.

b) Attended 4 webinars for Operation DEMETER on

- September: virtual Operation DEMETER VIII Opening Session
- September: Webinar 2 Montreal Protocol,
- 12 September: Webinar 3 – Basel Convention
- 16 September: Webinar 4 – CEN training which presented the reporting and messaging tool (CENcomm) that NCPs are expected to use throughout Operation DEMETER VIII.

## **Operation STOP II meetings**

A number of Operation Stop meetings were held during the year and RILO ESA managed to attend the following sessions:

a) Attended virtual Operation STOP II Regional Workshop for Phase 3 on 13/4/2022.

b) Participated in Operation STOP II Phase 3, which began on 20/04/2022 and ended on 04/05/2022.

c) Attended a virtual Operation Stop II workshop held on 9/06/2022

## **6.0 LEARNING AND GROWTH**

RILO ESA member staff attended the following on-line training sessions conducted by the CEN Programme Manager:

- i. CENComm3 Training
- ii. Offline Template Training
- iii. Desktop Application Training
- iv. Excel Upload training



# UPDATES FROM THE REGIONAL PRIVATE SECTOR GROUP (RPSG)

## Introduction

This report aims to provide an overview of the work conducted by the SAAFF Secretariat for the benefit of the World Customs Organization, East- and Southern Africa Regional Private Sector Group (WCO ESA RPSG) in the period of May 2022 to October 2022. The work conducted includes (1) webinars, (2) governance meetings, (3) position papers, (4) situation reports, (5) public engagements, and (6) WCO SAFE/PSCG, to name a few.

## Webinars

### a) Disruptive Technologies

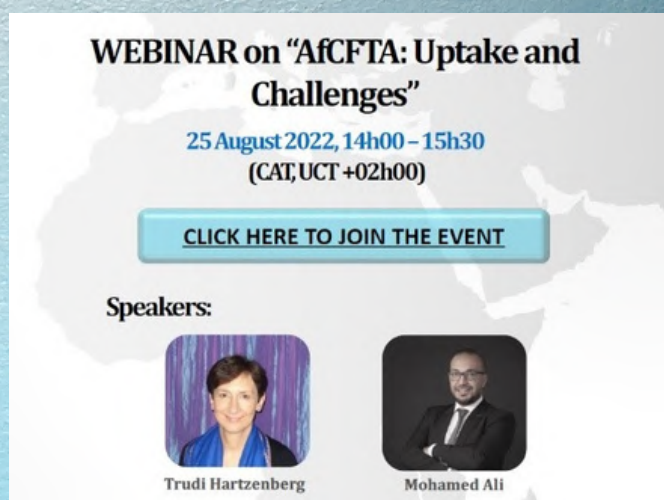


On 23 June, the WCO ESA RPSG hosted their webinar, "Disruptive Technologies in the ESA Region". These technologies include Blockchain, IoT, AI, Biometrics, Drones, Virtual Reality, and 3D printing. The main speaker was Werner van Niekerk from Maluti-X, a 2018-start-up supply chain solutions company aiming to build robust and sustainable solutions in the technological space of the supply chain. The webinar tackled several case studies of the practical uses of these technologies, notably transporters and warehouse operations in South Africa, Namibia, Botswana, and Mozambique. The webinar was recorded and is available on the RPSG website and YouTube channel.

### b) AfCFTA Uptake and Challenges

On Thursday, 25 August, the WCO ESA RPSG hosted their 14th webinar, "AfCFTA: Uptake and Challenges".

The event was headlined by two distinguished speakers, Mohamed Ali, Director of Trade in Goods and Competition of the AfCFTA Secretariat, and Trudi Hartzenberg, Executive Director of the Trade Law Centre. A total of 235 unique viewers attended the webinar. During the event, several poll questions yielded fascinating results. Some highlights include that 45% believed that the AfCFTA would increase intra-African trade to between 20-30%, and 31% think that it will increase to 30-40%, compared to the current figure of 14%. Despite some optimism in the group, 24% of attendees said there is insufficient information on the AfCFTA. Lastly, on a more positive note, 84% of attendees believed that SMMEs would benefit from the AfCFTA, which is vital considering that the vast majority of trade in Africa is informal and takes place between small entities. The webinar was recorded and is accessible on the RPSG's website and YouTube channel.



## Governance Meetings

On 21 July, the World Customs Organization East- and Southern African Regional Private Sector Group (WCO ESA RPSG) hosted their 2nd governance meeting for the year. Critical topics discussed for the region included position papers on Rules of Origin and Single Window Systems, which are instrumental to fast-track trade in the region. Moreover, feedback was provided from the WCO ESA Regional Office for Capacity Building (ROCB), which guides the RPSG.



Some of the critical action items for the next quarter: (1) regional implementation of the WCO instruments and tools, (2) categorization of the main industries in the ESA region, (3) monitoring of the ongoing situation around the shipping lines and the subsequent ocean freight rates, and (4) representation of SMMEs in the RPSG.

The WCO ESA RPSG hosted their 3rd governance meeting on 13 October 2022. One of the most important outcomes of the meeting relates to the new election term, which is fast approaching. Dr Juanita Maree advised during the most recent meeting that the next meeting is scheduled for 8 December 2022. She further encouraged everyone to diarize the meeting to attend as a chair, and the vice chair will need to be nominated from the various countries for submission to the ROCB, and a closed election will occur.

## **Position Papers**

### **a) Rules of Origin**

The African Continental Free Trade Area (AfCFTA) is a remarkable achievement in the continent's history. However, success or failure depends mainly on the Rules of Origin (RoO) agreements. Within a free trade area such as the AfCFTA, the RoO specify the conditions and criteria under which a party can claim origin status and subsequently benefit from the preferences offered by the trade agreement. For the World Customs Organization East and South African Regional Private Group (WCO ESA RPSG), these conditions have been highlighted at a continental kick-off conference on 19-20 July 2022 in Accra, Ghana, to lay the groundwork for collaboration between the private- and the public sector. Collaboration between the public- and private sectors is essential in ensuring that the gains to be made using an effective set of RoO are not undermined if such rules are not appropriately designed and enforced to support preferential trade liberalization.

The RPSG encourages dialogue and engagement under the RoO framework, including the increased uptake of technology as an enabler of trade and streamlining the most effective RoO approach.

Consequently, there is a need for effective integration of technologies and systems, such as E-CoO, aligning with the ASYCUDA and Interfront systems to ease the processes associated with the customs administrative compliance requirements related to the RoO and enhance trade under preferential or free trade agreements. Lastly, for the efficient and effective functioning of RoO under the AfCFTA, the RPSG proposes the following: (1) Establish a small functional working group on the RoO. (2) Utilize the WCO Harmonised System Toolkit and link the tool to the Interfront/ASYCUDA system. (3) Establish a small research team from the ESA region to complement the WCO work. (4) Establish a monitoring and evaluation mechanism for E-CoO and other proposed measures and the implementation by member states.

### **b) Single Window Systems**

The assessment of Single Window Systems (SWS) in various African countries determined that SWS positively impacts trade in these African countries; however, there are several areas with room for improvement. Data sharing, key risk indicators, SMART borders, and authorized economic operators are identified by the RPSG as critical aspects that need to be considered when implementing SWS, as well as how these aspects can complement SWS if implemented correctly. Some of the lessons learnt around the SWS implementation include (1) anticipating resistance as benefits are not always clear, (2) securing top-level government commitment, (3) being more flexible, (4) not all African countries implement the same SWS, (5) the private sector needs assistance, (6) be clear on the different risks in the supply chain movement, (7) the capacity-building program needs to focus on the specific skill sets required.

### **c) Time Release Study on the North-South Corridor**

A TRS measures the process and clearance of customs entries from lodgement to the release of cargo to measure clearance process performance and help identify associated bottlenecks.



It can examine whole customs entry processes even before the cargo arrives at the border, and therefore, it can quickly identify the proportion of time spent on each customs clearance process and bottlenecks in efficient processing throughout customs clearance. With technological developments, TRS data is increasingly collected electronically, mainly using customs system data, but manual collection techniques using paper survey forms are also used. However, one caution for electronic surveys is that timestamps shown by customs systems are not the times of actual movement of trucks in the Border Post but the time of processing procedures in the system. Therefore it is necessary to seek cooperation for real-time processing in the system and to deploy enumerators at the border and monitor the physical movement of trucks.

Therefore, A TRS should measure the process and clearance of customs entries from lodgment to the release of cargo, i.e. data collected electronically using Customs Systems Data in conjunction with the manual collection process using Enumerators and survey forms to monitor the physical movement of trucks to identify bottlenecks.

## Situation Reports



The Regional Private Sector Group (RPSG) recently published their 12th "COVID-19 Situation Report" at the start of September 2022, which provides a brief overview of the state of trade for the 24 countries in the East and Southern Africa (ESA) region. In addition, the report provided an update on (1) Africa's economic outlook for 2022, (2) COVID-19 vaccines and infections, (3) an impact on trade (including services, merchandise, ocean, air, and road), and also (4) economic recovery recommendations. Growth for the African continent

is predicted to stabilize at 4.7% in East Africa and is projected to decelerate to 2.5% in Southern Africa in 2022 due to diminished fiscal stimuli. Consequently, the outlook appears less than ideal, as Africa's low COVID-19 vaccination rollout, persistent sovereign debt vulnerabilities, high debt levels, and climate and environmental concerns remain the main threats to long-term growth prospects. In addition, disruptions to global trade and supply chains — primarily in agricultural, fertilizers, and energy sectors — following the Ukrainian war and the accompanying sanctions on trade with Russia have tilted the balance of risks to Africa's economic outlook to the downside. The report, along with other resources on customs and trade-related issues in the region, is available on the RPSG's website.

The 13th COVID-19 Situation Report is nearing completion and should be published shortly. The publication will provide an overview of the 3rd quarter of 2022 and will briefly portray the outlook for the remainder of 2022 proceeding into 2023.

## Public Engagements

### a. Feedback from the Rules of Origin launch in Namibia

"First and foremost, I do believe it was well received and well supported by the WCO, even having the WCO Secretary General, Mr Kunio Mikuriya, available at the Launch. From a Namibian perspective, NamRA, as the appointed Lead Agency, admitted that they have failed to include the Namibian Private Sector in their planning. I believe the fact that we are looking to play a pivotable role in the setup of RoO for the AfCFTA, it is critical to consider the following:

- Technical Guidelines on Advance rulings for Classification, Origin and Valuation as published by the WCO.
- WTO - Chapter 3 – Advance Rulings

Having the WCO around was great because we could get real-time responses from the experts regarding the advanced rulings and how they should work. I believe Namibia has put in a lot of effort and we hope to see all our members on the same platform if you are not there yet."



WCO PSCG SAFE Working Group feedback

Dr Juanita Maree provided an update during the latest Governance meeting and said that the SAFE Working Group was established after 9/11 to bring security into the supply chain. The collaboration is between customs administrations across 189 countries. Together a framework (the Safe Framework of Standards – SAFE – Pillar I, Pillar II, and Pillar III ) was crafted through the consultation of boarder Private Sector Participation, ensuring the Standards under each Pillar speak to creating a compliant, safe and secure trading environment in which legitimate trade can flourish.

The meetings occur three times a year, generally in March, June, and October. June is typically the Policy Commission, as is the case in October. Any requests and proposals to amend, add or enrich existing standards will be tabled to the WCO Secretariat. The SAFE working structures allow an excellent platform in which the different Customs Administrations and Private Sector can debate the proposal and evaluate the different proposal , with a good collaboration, understanding and insights. The proposals do range over all the three Pillars of the SAFE (I, II, and III).

The current proposals range from forced labour, green economy standards, and good governance, aiming to make supply chains safer and more secure (international trade). Private sector raised caution as the standards might to too much and not practical to execute. The uptake of all these standards and protocol will depend on the maturity of each country and Customs Administration. The landscape is changing, and adding more standards or protocols might need to be considered more carefully.

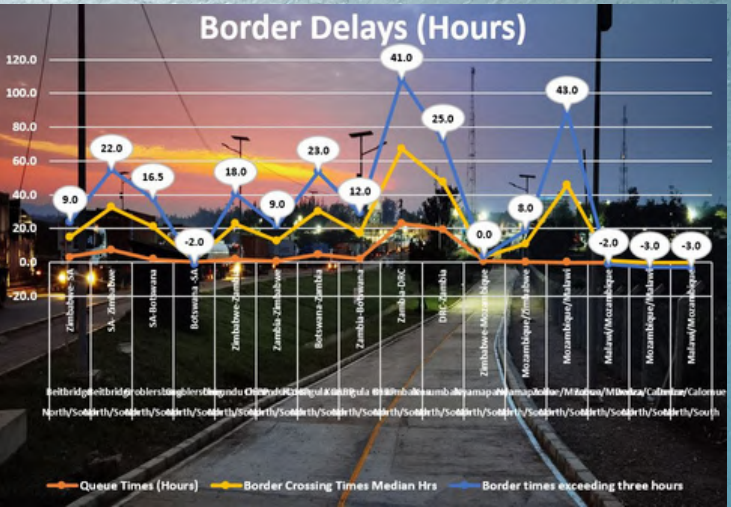
As the ESA Regional Private Sector Group (RPSG), we need to participate more as a group for a comprehensive view. Ensure we address the most concerning issues in our region with a pragmatic approach and data information with key deliverables. Indeed, a good stimulating debate was about whether the private sector could participate in the broader capacity building and obtain some WCO material free of charge, assisting the private sector in gaining more understanding and building

a compliant, safe, and secure trading environment.

Weekly Cross Border Reports

The RPSG, led by the guidance of the Federation of East and South African Road Transport Association (FESARTA), has recently provided members with some weekly feedback on cross-border road freight flows in the ESA region. Border data are presented in bi-directional Heavy-Goods-Vehicle flows and show the (1) arrivals per day, (2) queue times, (3) border crossing times, (4) HGV tonnage, (5) delays, (6) cost of delays. Main corridors split the information in the region. Transporters, traders, and cargo owners are encouraged to use the non-tariff barrier (NTBs) online tool developed by UNCTAD and the AfCFTA Secretariat. For a more regional approach, transporters are encouraged to contact FESARTA and join their TRANSIST Bureau, which has achieved great success in facilitating regional trade.

The following provides a weekly snapshot of the North-South Corridor, replicated on the other regional corridors, including Walvis Bay, Mozambique, and Dar Corridors.



Monthly AfCFTA update

After the most recent governance meeting on 13 October 2022, a request surfaced for updates to be provided every month on the AfCFTA agreement. We are currently exploring the prospects of this document and aim to issue the first update soon.



## Regional Economic Outlook

According to the World Bank, growth in Africa is expected at 3.7% in 2022 and 3.8% in 2023, which is on par with projections made in January. Yet, excluding the three largest economies, growth was downgraded by 0.4% in 2022 and 2023. Although elevated commodity prices would underpin recoveries in extractive sectors, rising inflation would erode real incomes, depress demand, and deepen poverty in many countries. In addition, growth in low-income countries (LICs) was revised downwards by almost a full percentage point this year as food price inflation and food shortages are expected to take a particularly severe toll on vulnerable populations, further worsening food insecurity in those countries.

As a result of these high inflation rates in Africa, the World Bank has illustrated its commitment to finance USD30 billion over a period of 15 months in areas such as agriculture, nutrition, social protection, water, and irrigation as part of a comprehensive, global response to the ongoing food security crisis. This financing will include efforts to encourage food and fertilizer production, enhance food systems, facilitate more significant trade, and support vulnerable households and producers. In addition, another glimmer of hope is provided to African countries facing food security challenges as the "Black Sea Grain Initiative" is ramping up grain and fertilizer exports from Ukrainian- and Russian ports, easing the food shortage faced in many countries. The agreement has made it possible for almost 240 vessels to leave Ukrainian ports conveying approximately 5.4 million metric tons of grain and other foodstuffs since the initiative's inception on 1 August 2022. This initiative is slowly but surely enhancing the confidence level in the shipping industry as more ships are committing their vessels to facilitate Ukrainian exports, resulting in reduced insurance premiums.

Furthermore, the International Monetary Fund (IMF) provides policy advice, capacity development, and financial support to help member countries tackle the global food crisis under the new Food

Shock Window initiative. The new Food Shock Window provides increased access under emergency financing instruments for countries that have an urgent balance of payment needs associated with acute food insecurity, the rising costs of food and fertilizer imports, or substantial cereal export shortfalls. To date, several African countries such as (1) Benin, (2) Cabo Verde, (3) Mozambique, (4) Tanzania, (5) Zambia, (6) Jordan, and (7) Senegal stand to benefit from the initiative with the view to strengthen their social safety nets and address the balance of payment challenges associated with food insecurity.

### Survey From the Region

The regional survey is one of the newest projects currently undertaken, allowing private sector engagement on a much larger scale, testing our alignment in priority settings, trade facilitation and other focus areas.



# 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



**Programme Officer**  
**Faith Mosongo**



**Samuel Wachiuri**  
Finance Officer



**Judy Mwaura**  
Administrator &  
PA to Director



**Jamilah Mutah**  
Finance &  
Administrative  
Assistant



**Erick Kaburu**  
ICT Officer





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