

ESA Newsletter

A Publication of the World Customs Organization East & Southern Africa Region Regional Office for Capacity Building

THE ROCB IS MOVING!

By Larry Liza,

Director, WCO ESA ROCB

The World Customs Organization, East and Southern Africa Regional Office for Capacity Building is moving offices. Our offices have been graciously hosted by Kenya Revenue Authority (KRA) at its Forodha House building in Nairobi's Upper Hill area since its inception.

Now we are moving! KRA is relocating us to a new and modern building (pictured), at Elgon Road, within the same Upper Hill, area. As part of her commitment to the region, Kenya has put in place measures to meet requirements of hosting an international office, and we are privileged to have been accorded an entire floor in the new building.

The new offices is close to various international bodies, including: The European Commission, International Monetary Fund, The World Bank Group, British High Commission, Japan High Commission, JICA, Rockefeller Foundation, Coca-Cola headquarters, Cisco Systems, Eltek, GSM Association, Huawei, among others as well as the Radisson Blu and Crowne Plaza hotels.

While we have ensured that our services are not disrupted, should you experience minor challenges contacting us, particularly on phone or physically, please bear with us.

As the Director, and on behalf of the WCO and the East and Southern Africa region, we commend Kenya for the continued support and hosting. We particularly are grateful to Mr. John Njiraini, the Commissioner General of the Kenya Revenue Authority, as well as his team for ensuring that our needs are continually met.



Uganda welcomes ESA back to the pearl of Africa!

The Pearl of Africa, Uganda, welcomes the East and Southern Africa (ESA) region back to their beautiful land for yet again this year. Earlier in the

year, Uganda successfully hosted the ESA Governing Council, at the luxurious Speke Resort in Munyonyo. The Governing Council comprised Directors General of from the region, the then outgoing Regional

Vice Chair (South Africa) and the WCO Secretary General. Uganda also hosted the RTC Heads Meeting and the 26th Regional Steering Group (RSG) meeting.

Uganda, newly elected as the Vice Chair, offered to yet again host the Region for its November meetings. The 27th Regional Steering Group will be held on 6th to 8th November, 2017. Two other

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EDITORIAL

We did it! You made it happen! While at it, made the ESA Newsletter global! This is our last Newsletter of 2017, and we remain committed to doing it again in 2018.

You will recall my commitment to the East and Southern Africa region, and the world, to publish The ESA Newsletter every quarter. I am thankful to the officials of the ROCB who have remained steadfast in ensuring its publication. Most importantly, I am grateful to our Members for continually responding to our call to submit articles for publication. We also give special recognition to Mr. Stephen Analo of the East African Committee and Mr. Dhunraj Kasseer of the African Union Commission for their commitment to this cause.

In this issue, we feature information on the new offices we are relocating to as well as upcoming regional meetings, in particular, the Regional Steering Group, Regional Training Centres (RTC) Heads meeting and the Finance and Governance Committee meeting which will be held in Uganda this November. The alluring ESA Regional Research Conference (ESARR Conference) will be hosted by the RTC Kenya in Nairobi, Kenya, also in November.

As you read on, know the first shipping line that has achieved paperless cargo reporting in South Africa which also shares its measures to decrease poaching in her national parks. Take a sneak peek at the upcoming 4th WCO Global AEO Conference 2018 which will be hosted by Uganda, and her neighbour, Burundi's measures to combat counterfeiting and piracy. Get to know what has been happening at the RTC Kenya on AEO validation, Rules of Origin and on combating Counterfeit and Illicit Medicines. Meanwhile, Tanzania has shared the implication and challenges of implementing WCO instruments and WTO TFA in developing countries, as South Sudan does on Customs Trade. Finally, see the collaboration of the African Union Commission with the Mauritius Revenue Authority in organizing a Experts Trade Facilitation Forum.

Finally, I take this early opportunity to wish you all a wonderful Christmas and festive season when they come.

See you again in January 2018!

Larry Liza,
Director.



Acknowledgements

Kenya Revenue Authority
South Sudan Customs Service
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World Customs Organization



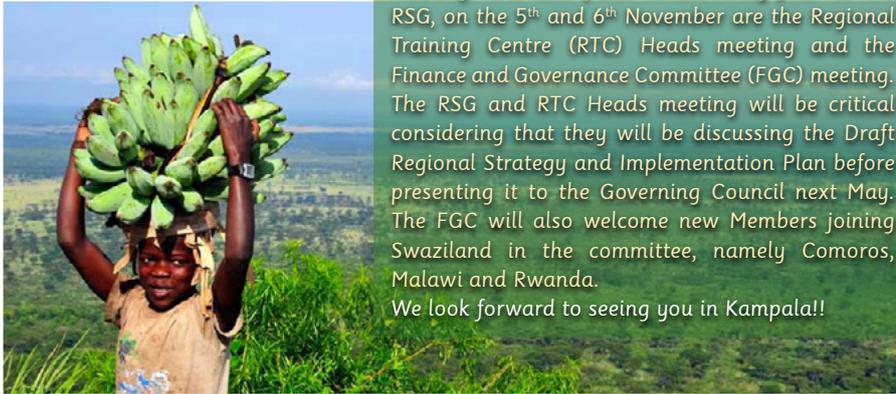
East and Southern Africa
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meetings will take place concurrently prior to the RSG, on the 5th and 6th November are the Regional Training Centre (RTC) Heads meeting and the Finance and Governance Committee (FGC) meeting. The RSG and RTC Heads meeting will be critical considering that they will be discussing the Draft Regional Strategy and Implementation Plan before presenting it to the Governing Council next May. The FGC will also welcome new Members joining Swaziland in the committee, namely Comoros, Malawi and Rwanda. We look forward to seeing you in Kampala!!

The AEO Program

The Authorized Economic Operator "AEO" program is a customs initiative intended to operationalize the World Customs Organization SAFE "Security and Facilitation in a Global Environment" Framework adopted by the WCO council in 2005 to help member countries implement systems and practices that would lead to safety of the international supply chain and trade facilitation.

SAFE Framework



The SAFE framework has guided the implementation of AEO programs for the last 12 years due to the continuous review and update to cater for the new developments in international trade. The AEO program is currently implemented in the East African Community Countries, Japan, China, Korea, USA, 27 European Union countries, Switzerland to mention but a few. The global reach of the AEO program presents opportunities for trade facilitation far beyond the national and regional borders.

The AEO accredited companies have reported positive changes in the total clearance time for their consignments, improved compliance to the Customs laws and procedures as well as maintenance of global security while transacting under international trade. So with the hunger to maximize the benefits accorded to the operators, there has been an increasing request to get the same kind of treatment from other trading blocs under the WCO umbrella.

In the East Africa Community, five partner states started on their national and regional programs in 2008 with support from EAC Secretariat and the WCO which has resulted in to 46 regional accredited companies whose value of transactions processed contributes at least 3% of the total revenue collected in the partner states.

The 2nd East and Southern Africa (ESA) Regional Research Conference

By Larry Liza,
Director, WCO ESA ROCB

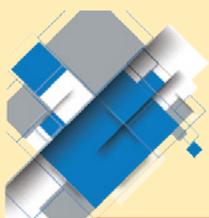
The ESA Governing Council established the regional research programme aiming to build institutional capacity and the body of knowledge in Customs through research.

The 2nd ESA Regional Research Conference will be hosted by the Regional Training Center (RTC) Kenya, in Nairobi Kenya, on the 23rd and 24th November 2017 at the Kenya School of Monetary Studies.

The theme for this year's conference is 'Impacts and Implication of the Trade Facilitation Agreement and the WCO

Mercator Programme to the ESA region' and will cover the following topics: Impacts of the WTO Trade Facilitation Agreement in East and Southern Africa; Data Analysis for Effective Border Management in East and Southern Africa; Best Practices in Digital Customs in East and Southern Africa; E-commerce as a driver for Economic Growth in East and Southern Africa; Securing and facilitating trade in East and Southern Africa, and Regional Integration: Addressing levels of intraregional trade in East and Southern Africa.

This has been made possible by the support of CCF Korea and RTC Kenya



2ND ESA REGIONAL RESEARCH CONFERENCE

THEME: Impacts & Implication of the Trade Facilitation Agreement & WCO Mercator Programme to the ESA Region

[Click here to register](#)

23rd - 24th November, 2017, Kenya School of Monetary Studies



The 4th WCO Global Authorized Economic Operator (AEO) Conference 2018, Uganda.

"Promoting Mutual Recognition of AEOs to Strengthen and Secure Global Trade."

Introduction

This article presents the background to the Authorized Economic Operator (AEO) Program and gives a sneak peak at the upcoming 4th WCO Global AEO Conference 2018.





Conference Venue: Kampala Serena Hotel

The 4th Global AEO Conference

After the successful closure of the third 2016 AEO Global conference in Mexico, Uganda was selected as the next host for the fourth AEO Global Conference under the theme “Promoting International Mutual Recognition of AEO schemes for sustainable and secure global trade” to further discuss the success of the AEO Program amidst the increasing global security threats.

The Global conference slated for 14th – 16th March 2018 at Kampala Serena Hotel is not only a mere recognition of the far we have come, but it presents us with the opportunity for Africa to set our mark on the global stage of trade facilitation. The 4th AEO global conference is expected to attract at least 1,000 international dignitaries from 169 countries in Government, Customs, Business community, Academia and other practitioners who will share their expertise and best practices on the AEO program as a trade facilitation tool.

Why you should attend the conference

The conference will offer a platform to:

Foster collaborative partnerships among the different trading blocs. Participants will have an opportunity to deliberate and share experiences on how best they can facilitate the Operators from the different trading blocs.

Learn from progressive AEO implementation strategies of different countries and challenges of Customs administrations in managing risk amidst the changing business environment.

Network with key economic players, industry leaders, and opinion leaders to

enhance business relationships from all over the world.

- Discover and appreciate emerging trends in trade from across the world.
- Showcase your business to a global audience.
- Experience the diverse and magical serenity of the Pearl of Africa. Participants will get a chance to visit and appreciate the unique features of Uganda.

How to take part in the conference

One can take part in the conference as;

- **Principal sponsor**
- **Associate Sponsor**
- **Key Note Speakers**
- **Delegate**
- **Promotional Partner**
- **Exhibitor**
- **Co-knowledge partner**
- **Supporting Associate**
- **Media Partner**

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Joint Operation in national parks sees decrease in poaching

The highly-trained detector dogs of SARS Customs are bolstering the fight against the smuggling of endangered species, particularly in our national parks. Our four-legged “secret weapons” have been notching up various successes since they joined a national security cluster initiative to root out smuggling of endangered species and weapons in the Kruger National Park (KNP) and the Hluhluwe area in Kwazulu-Natal.

In 2016, a three-month long operation in the Kruger National Park resulted in the number of rhinos poached dropping from an average of three per day down to one a day.

In July this year, the Detector Dog Unit (DDU) deployed a total of five detector dogs to cover the following areas: endangered species; narcotics; explosives, firearms and ammunition.

The main aim of the intensive month-long operation was to support the South African Police Service (SAPS) Task Team in the detection and prevention of illegal rhino horn being smuggled via our ports of entry. The team was deployed to perform high visibility patrols and roadblocks along major routes leading from the Umfolozi Game Reserve to Gauteng.

A major highlight was the detection of poaching equipment in two vehicles en route to the Umfolozi Game Reserve. Five suspects were arrested and the case is currently under investigation with the SAPS. In the month that the team was deployed, they saw a decrease of 20% in poaching in the area compared to the previous month.

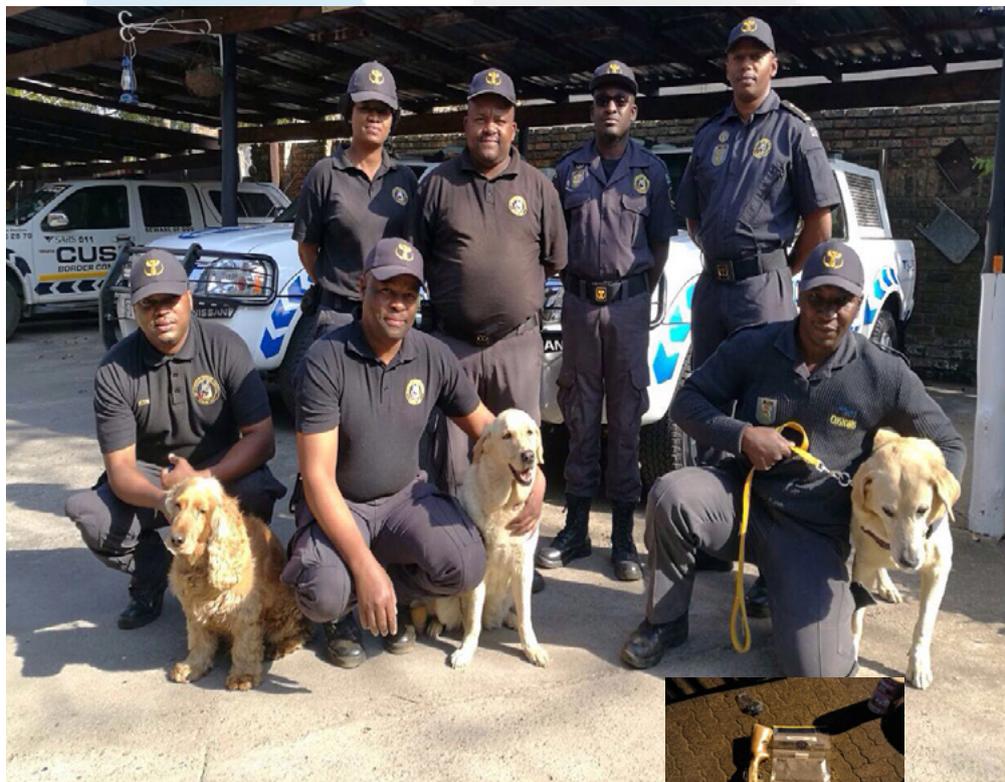
Apart from the successes against rhino poaching, the operation also achieved a number of other objectives. These include prevention of cross-border smuggling of various illicit goods (such as narcotics), prevention of wildlife trafficking, improved goods control, high visibility of customs and excise officers, capacity building within the DDU and revenue collection of duties and penalties – particularly at non-designated borders.

“It has made us realise that we are actually making a difference through our integrated approach with other government agencies in the prevention of wildlife poaching and cross-border smuggling,” said Senior Manager of the Customs and Excise Specialised Unit, Hugo Taljaard.

Hugo thanked the Customs and Excise DDU handlers who have been involved in the operation for their positive attitude, incredible contribution and for “making a difference in the mission”.

The team is expected to be redeployed to the KNP, as well as the Hluhluwe area, later this year for further operations.

*Rhino poaching has been declared a priority crime by the South African government as it has become a national and international security issue. These joint operations to combat the illegal trade in rhino horn and the poaching of rhino and other endangered species are also supported by provisions in SARS’ Annual Performance Plan to “protect the country and its citizens by disrupting organised crime and reducing the illicit economy”.



The DDU team deployed to the Hluhluwe area this year



One of the rifles confiscated in the Umfolozi game reserve



Burundi Customs administration strengthens its capacity to effectively combat counterfeiting and piracy

The office Burundi des Recettes (OBR) held in Bujumbura from 11 to 15 September 2017, a training for building the capacity of its Customs officers on the property industry rights and the fight against piracy and counterfeiting. This training which was supported by the World Customs Organization (WCO) and funded by the Customs Cooperation Fund (CCF) Korea included also representatives from the Ministry in charge of Health and fight against AIDS, the Ministry of Trade, Industry and Tourism as well as Rights Holders.

The trainees realized that Customs is a key player in the fight against counterfeiting and piracy for the sake of the wellbeing of the of the citizens.

“Now we understand the importance of protecting a trademark and patents of inventions; and we learned the role of customs in the protection of industrial property rights, in order to protect businesses, encourage inventions but also fight against unfair competition”, one of the trainees said.

The participants carried out fieldwork, notably at the Port of Bujumbura, where they opened a container for practical exercises.

“We analyzed a drug manufactured by an international pharmaceutical company, and we discovered that the meanest detail can alert us about product counterfeiting. For example, if a drug contains officially 10 tablets and you encounter in the same package 12 tablets, immediately you are alerted by such a case and you have to start investigations. For example, if there is an unusual sign on the name of a product, you check on the web site and if you find out that the manufacturer did not put such a sign on the original product, then the product becomes suspicious”, another trainee explains.

A specific case was detected at the International Airport of Bujumbura. A box did not mention the address of the manufacturer, instead there was the distance (5 km).

An observation has been that Burundian institutions namely the Customs or the Ministry of commerce do not have the adequate techniques and tools for detection of counterfeits.

In order to play its role, the participants assert that Burundi Customs needs to set up a database of trademarks, in which all the trademarks information is compiled and require this procedure for all the companies or representatives of multinationals.

“So far, the Customs was limited to the control and protection of licenses only”, one of the officers in the Customs said

With the training outcomes, the expectation of positive changes is great, but the trained officers will have to rely on a multi-sectorial Committee, responsible for promoting procedures for combating counterfeiting and piracy as well as the monitoring of identified cases. There is therefore a whole structure that must be put in place to sustain the achievements of the training.

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Delivery of Certificates of attendance



The family photo of participants

Member of the East African Community, Burundi, 27834 km², is one of the African countries which operated deep reforms in the Tax Administration and customs, aligning its transport regulations with regional and international standards. Benefiting from capacity building support from multilateral partners, the OBR has engaged a cruising speed in customs reforms.

WORLD CUSTOMS ORGANIZATION EAC CREATE AEO VALIDATION TRAINING 19TH TO 23RD JUNE, 2017

The Kenya School of Revenue Administration (KESRA), Mombasa, hosted the World Customs Organization (WCO) East African Community (EAC) CREATE Authorized Economic Operator (AEO) Validation Training on the 19th to 23rd June, 2017. The workshop attracted over 20 delegates from the East African Community member countries.

The Training aimed at enhancing the capacities of the East African Community (EAC) Customs Administrations to implement and administer the Regional AEO Programme as provided in the EAC AEO Programme Procedure Manual.

The opening ceremony was graced by the Chief Manager, Customs and Border Control, Southern Region Mr. John Bisonga, who was the Chief Guest. The opening and welcoming remarks were done by the Principal, KESRA Mombasa Campus; Mr. Levi Mukhweso, the Custom Training Lead Expert, East African Community Mr. Stephen Analo and the programme Director WCO – EAC - CREATE, Mr. Richard Chopra.

Mr. Bisonga highlighted the Importance of the Regional AEO program and the Kenya Revenue Authority's commitment to its success. He emphasized on the need for the participants to go back and replicate the training.

The AEO programme is aimed at facilitating trade for compliant traders (AEOs) who on the basis of their status, are authorized to receive predetermined benefits specially designed to enable them carry out trade with minimum disruption when complying with Customs Formalities. The programme ultimately aims at enabling the EAC region enter into Mutual Recognition Agreements (MRA) with other trade blocs/countries for purposes of increasing EAC competitiveness.

The implementation of the programme as outlined in part V of the Customs Compliance and Enforcement regulations 2012, is based on the WCO SAFE Framework of standards. As part of the overall EAC Risk Management and trade facilitation strategy, the Scheme will play an important part in improving the region's capacity to efficiently facilitate trade while maintaining effective Customs controls.



**WORLD CUSTOMS ORGANIZATION [WCO] EAC, CREATE AEO VALIDATION TRAINING
19th-23rd JUNE 2017, AT WCO REGIONAL TRAINING CENTRE MOMBASA, KENYA.**





IMPLICATION AND CHALLENGES OF IMPLEMENTATION OF WCO INSTRUMENTS AND WTO -TFA IN DEVELOPING COUNTRIES

By George Msuya (Customs officer,
Tanzania Revenue Authority)

The study which was conducted by WTO Economists on 2015 projected 14.3% of the trade cost will be reduced when Trade Facilitation Agreements (TFA) is fully implemented. According to Economic co-operation and Development (OECD), the implementation of TFA will empower developing countries to gain 10% cut in the trade costs and are expected to save around 325 billion US dollars a year. Also the TFA is expected to condense the time needed to import goods by over a day and a half and to export goods by almost two days, representing a decrease of 47 percent and 91 percent respectively over the existing average. The Dublin Resolution concluded that the WCO should work close with the WTO to provide support of WCO members in order to offer technical assistance and capacity building based on WCO instruments by facilitating the good relationship between the Governments, Customs Administration and the business leaders

On 2001, after recognition of risks to the security (due to terrorism) on the facilitation of the international trade, the WCO noted and see the importance of involving the international trade supply chain (ITSC) and on 2005, the WCO council adopted the SAFE Framework of standards which was designed with standards that will both facilitate trade and maintain security in the trade traffic. The implementation of the SAFE Framework was intended to all WCO members both developed

and developing which provide new approach of relationship working methods for both customs-customs and customs-business provided that both TFA and SAFE Framework instruments are basically being introduced on the foundation of Revised Kyoto Standard (RKS) standard and Guidelines. There are some of challenges are likely to happening in the process of adoption and implementation of these instruments in the developing countries.

ICT & E-commerce

Developing countries Customs Administration are still behind in the area of practical trainings of ICT and e-commerce. Revised Kyoto Convention ICT Guidelines standard 7.1, 6.9, 3.21 and 3.18 of the RKC require Customs Administration to apply Information and communication technology including the use of e-commerce. WCO study report on cross-border E-commerce, the survey conducted on august 2016 indicated percentages E-commerce trade via internet to access global markets for 48 members. According to the statistics, accessibility to global market via ICT in the Europe is 48%, Fareast, South and South East Asia, Australasia and the Pacific Islands is 29%, Southern America, Northern America, Central America and the Caribbean is 19%, East and Southern Africa is 2% and North of Africa, Near and Middle East is zero.

The issue of ICT & E-commerce is very crucial in the facilitation of the WCO

instruments in order to link customs and global business environment, harmonizing the problem of low-value e-commerce goods flow, compiling issues such as security and the possibilities of customs to access online the economic activities of different international business enterprise. For these reasons developing countries has to prepare themselves by designing strategic plans which can pave way for technical assistance and capacity building from WCO and WCO partners to cooperate with customs administration in order to fix this gap and realize benefit of reduction of trade costs, time and security geared from implementations of these instruments.

Inspection tools

Modern technical equipment in cargo inspection is still under course. Some of the developing countries are still employing a challenge method of intelligence by using informers who are giving crimes and fraud information to customs station done by Authorized Economic Operators (AEO). Most of these informers are not faithful for such task, often they turn back and cooperate with smugglers against customs officers. For instance in Tanzania, Customs station are obliged to pay 0.3% of duties & taxes to the informer reported the correct information of goods which are prohibited & smuggled and entered into free circulation without paying of duties & taxes.

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This is not a reliable method of managing risk and security due to the human nature of changing, in case of being bribed more than 0.3%.

Developing countries should learn from Mauritius Revenue Authority in their reform and modernization programme of Non-instructive inspection tool on tracking, rescue and detection of drugs, explosives and currencies. Trained dogs known as sniffer dogs have brought a significant impact in the detection of illicit drugs. Since 2012 to 2016 street value of Drug seizures by K9 amount to sum of 583,191,307 Rs in Mauritius. (ESA ROCB Newsletter, Jan-march 2017)

Non-instructive inspection (NII) and radiation equipment such as high technology scanner should be placed in the earlier stage of adoption and implementation of WCO instruments in every busy boarder. For example all entries of landlocked countries and ports, most of time appeared to be over loaded with containers. The use of technology in inspection is necessary to detect the high risk containers and cargo quickly without wastage of time and movement of goods. The Regional Electronic Cargo Tracking System (RECTS) implemented in Kenya and Electronic Cargo Tracking System (ECTS) implemented in Tanzania are the advance step achieved in East Africa especially on monitoring of movement

transit container to their destination by the reason of avoiding smuggling and facilitating of trade. The government should cooperate with customs administration in this matter (NII) in order to safeguard security. The National should set aside a reasonable amount of her budget to finance the procurement of the modern equipment and trainings to customs officers so as to avoid the leakage of the revenue collection and enhance the business flow

Integrity

Employee integrity and other competent authorities is one of the main agenda in the developing countries. Corruption is the one of the biggest issue which can distort the effort and effect of the adoption and implementation of WCO instruments. The adverse effects of corruption include reduction in national security and community protection, revenue linkage and fraud, reluctant in voluntary compliance in payment of taxes and duties etc. The revised Arusha declaration (RAD), June 2003 addressed factors that national should employ to combat corruption which are closely in line with WTO – TFA section 1 article I-V i.e. Transparency. TFA section 1, article 1 is explaining the need of customs to publicize all procedures of customs formalities which can be accessible by all traders via internet.

The need of publication of the customs procedures concerning issues like criteria on duties & taxes, rules of classification and valuation, procedures for appeal or review etc. is to make sure all traders are aware about customs and avoid faults that can lead to corruption. On other side the RAD addressed the issue of HRM practices to make sure the customs employee should not involve in corruption by offering them with sufficient salaries and bonus, promotion and training as means to uplift the live to the standard that will not tempt them into engagement in such a crime. The developing countries should know the customs is dealing with both local and international clients. In order to balance the equation regardless the level of economic growth, the HR departments in Customs Administration might consider the cost of living of their workers and discrepancies of salaries with their neighbor countries especially those who are working under one stop boarder in order to avoid inferiorities among them which can open up inducements to corruption.

In concluding this, there is the need of developing countries to be encouraged and participate in this move. The only thing that can make difference is the understanding by observing the challenges and economic & social impacts toward adoption and implementation of WCO instruments.

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South African Revenue Service

First shipping line achieves full paperless cargo reporting with SARS

Pretoria, 12 SEPTEMBER 2017:

Durban-based Hamburg Sud is the first shipping line – and the first SARS client – to be granted exemption from the requirement to submit paper manifests to local Customs branches, thereby becoming a fully electronic cargo reporter.

While the electronic reporting of pre-arrival manifests to SARS has been a requirement since August 2009, shipping lines were still required to present pre- and post-arrival (acquittal) paper manifests to local Controllers (Customs branches) in order to account for their cargo and because the data accuracy of electronic submissions varied greatly between different reporters.

With the implementation of the new Manifest Processing (MPR) system in June 2016, SARS provided industry with the mechanism to also report acquittal manifests electronically. Additionally, the system was able to match customs clearances to their corresponding declarations in order to identify instances of non-reporting.

Three months after MPR was introduced, the facility for full paperless cargo reporting was made available to shipping lines and airlines who:

- submit both pre-arrival and post-arrival (acquittal) manifests to SARS electronically;
- submit complete sets of manifests without any omissions;
- achieve a reporting data accuracy rate of 90% or higher in respect of both their pre-arrival and acquittal manifests reported for each of the three (3) months preceding any application for exemption from paper reporting requirements; and
- can maintain that level consistently.

This is a massive benefit to carriers who can spend hundreds of thousands of rand a year just in the paper and administrative costs associated with submitting paper manifests to SARS offices.

Mr Jose Jardim, General Manager of Hamburg Sud South Africa, commented: “Hamburg Sud’s core business strategy is to deliver a premium service to our customer, and to achieve this, compliance is a core driver. SARS paperless reporting is in line with our compliance and sustainability strategy.



We understand sustainability as seeking to reconcile economic efficiency, environmental protection and social responsibility based on stable economic development.

We can also provide to our customers a superior service experience through efficient and faster processes which provides a better audit trail, security and confidentiality.

We are very proud of achieving this goal and we congratulate our team for their dedication and hard work."

SARS' Chief Officer, Customs and Excise, Jed Michaletos, had this to say: "The mandatory submission of cargo reports forms a significant part of the new Customs Control Act in order to secure and facilitate the international supply chain." With the implementation of the Reporting of Conveyances and Goods (RCG) component of NCAP scheduled for 2018, shipping lines and airlines are urged to follow Hamburg Sud's example and ensure that they become compliant in good time so that they can enjoy a smooth transition to the new legal dispensation.

"We congratulate Hamburg Sud on their hard work in achieving such a high level of reporting compliance and trust they will see many benefits as a result.

For SARS, paperless cargo reporting will bring an end to one of the last remaining paper-based processes in Customs and will further contribute to the expedited processing of legitimate trade through an enhanced and integrated risk assessment capability.

*SARS said the technical stakeholder sessions to implement the reporting requirements introduced by the new Customs Control Act are due to start soon and carriers are urged to attend in order to ensure they adapt their systems in good time.



Customs Executive, Ashika Pillay (right) congratulates the GM of Hamburg Sud, Jose Jardim and Area Manager, Margie Foord on Hamburg Sud becoming the first fully electronic cargo reporter

Accreditation Workshop for Expert trainers on Rules of Origin in ESA and WCA Regions



**WORLD CUSTOMS ORGANIZATION RULES OF ORIGIN ACCREDITATION WORKSHOP
20th-24th MARCH 2017 AT RTC, MOMBASA, KENYA.**

The World Customs Organization (WCO) held a Regional Accreditation workshop for English speaking trainers on Rules of Origin between 20th-24th March, 2017 at the Kenya School of Revenue Administration (KESRA) Mombasa, which is WCO's East and Southern Africa Regional Training Centre for Capacity Building.

Ms. Beatrice Memo, Commissioner Head RTC, delivered the opening address at the event attended by 16 participants from various Custom Services across the region. Countries that participated in the training included: Botswana, Comoros, Ethiopia, Kenya, Lesotho, Malawi, Namibia, Nigeria, Rwanda, South Africa and Tanzania.

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The five-day Workshop was organized as part of the WCO strategic approach to expand overall the pool of Member Experts in order to assist the WCO in the effective delivery of capacity building activity. In particular, this event aimed at further developing the team of WCO Rules of Origin Expert Trainers capable of conducting international training activities in line with WCO standards.

South Sudan Customs Trade

Trade Mark East Africa (TMEA)

In the wake of South Sudan's independence in July 2011, the government resolved to diversify its tax base away from oil and find other ways to sustain the economy. Oil has provided 95 per cent of tax income but it is estimated to dry out in 25 years.

The government made reforming the Customs Administration a priority due to its potential to boost trade and raise significant revenue. In late 2011, Crown Agents was appointed to support Trade Mark East Africa (TMEA) on behalf of DFID, to help modernize the administration and kick-start the country's economic growth.

Transparency, consistency and predictability

After selecting four technical experts with practical experience of working in conflict-affected states, we carried out an in-depth analysis of existing customs procedures. We supported officials from Customs, the Ministry of Finance and Economic Planning to thrash out a customs strategy, determining priorities including stopping drugs smuggling and promoting trade and working with neighboring Ugandan Revenue Authority to strengthen cross-border trade.

Working in partnership with the Director General of Customs, we:

- revised the basic existing policies and procedures and produced operating manuals to ensure transparency, consistency and predictability within the administration
- supported the implementation computerized form-filling, which will replace paper-based documentation for speed and efficiency – truck drivers have said time has been "cut in half"
- provided on-the-job mentoring to senior and middle customs management and developed a technical skills and management

training programme, instilling a sense of pride

- opened a central warehouse at Juba airport making it easier for traders to pay tax by filling out declaration forms on site rather travelling to a clearance office located miles away
- helped the government to raise revenue by taxing high value luxury goods rather than daily essentials

1,100 per cent revenue increase

Revenue collection has dramatically increased since the start of the project. Speaking at the World Customs Organization, Customs Service Director General Maj. Gen. Frederick Lokule, said: "When we became independent, we brought in new laws, trained everyone and put them into practice. Revenue over six months has increased by 1,100 per cent, year on year."

Crown Agents – South Sudan customs trade

Source: www.crownagents.com





AUTOMATED CUSTOMS DATA MANAGEMENT SYSTEM

Angola introduces two modules of ASYCUDA WORLD



The launch of the second phase of implementation included the Bill of Lading module (B/L) and the Customs Declaration. The two electronic instruments allow agents in the import & export chain to intervene on the ASYCUDA platform with relative easiness.

The Angola Revenue Administration (AGT), started this year to implement ASYCUDA WORLD - the Automated Customs Data Management System, aiming at the development and integrated electronic management of customs procedures and the dematerialization of related processes.

With ASYCUDA WORLD, the Angolan Revenue Administration intends to reduce, to a large extent, the bureaucracy in customs procedures, regarding the number of forms, requirements, customs clearances and related costs, as well as the reinforcement of customs controls, the automation of processes (currently managed manually), and to provide, in real time, statistical data on Foreign Trade.

Similarly operators of the International Trade chain will also enjoy greater convenience in view of the improvement of the management and treatment of urgent goods, greater control of tax and customs exemptions, as well as the integration and cross- AGT and the other partners in the chain, namely the Ministry of Commerce, for the simplification and modernization of the

import and export licensing process, the National Statistics Institute, the central bank, commercial banks, among others.

Experimental phase:

The second phase of implementation of ASYCUDA WORLD began on April 17, 2017, when the module "Bill of Lading" was introduced, in sequence, was launched in early June 2017, in the port city of Lobito, province of Benguela (coastal center of the country), the module "Customs Declaration, Accounting and Payment and Selectivity".

ASYCUDA is being implemented by the Ministry of Finance through the AGT and the Public Finance Information Technology Service (SETIC-FP), in partnership with the United Nations Conference on Trade and Development (UNCTAD).

Its implementation allows Angola to be in line with international standards of simplification and good practice, including the recommendations of the Kyoto Convention, the World Trade Organization (WTO) and the World Customs Organization (WCO).

Expected impact with implementation

The first immediate and notable impact expected with the implementation of "Bill Lading" and the "Module of Customs Declaration, Accounting and Payment and Selectivity" is the considerable reduction of the use of paper, the greater convenience of taxpayers and other stakeholders in the import and export process, since they no longer need to travel to the AGT premises to submit their respective manifests and declarations. With these modules, the operator can submit

the essential documents from the respective office.

In Angola, ASYCUDA is also enabling the availability, in real time, of statistical data on foreign trade and the strengthening and maximization of customs controls.

The Angolan Revenue Administration plans to expand and complete ASYCUDA World's implementation program for all tax services in the first quarter of 2019.

Integrated Tax Management System

In addition to ASYCUDA World, AGT is also implementing SIGT (Integrated Tax Management System), an integrated and centralized IT solution, able to monitor and supervise all taxpayer activity and which should replace the various systems and tools currently in use tax areas of the AGT.

The two systems should promote and facilitate the automation and progressive dematerialisation of processes, introducing innovative means based on the latest technologies (internet, mobile phone, ATM, among others), making AGT's activity more modern, efficient and effective, responding effectively to needs of taxpayers.

The integration of several functionalities in the same system is indicated by the AGT as one of the main advantages of this system, which allows all the actors of the import process to interact and share data in the same platform, a technological revolution that should promote the best control of the information and the reduction of customs clearance time.

By betting on IT solutions, AGT wants to see its services in line

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with simplification standards and international best practices. While ASYCUDA arises to improve and simplify customs procedures, SIGT will provide automation and progressive dematerialization of tax processes, introducing innovative means that guarantee the modernization and efficiency of the tax system, with clear advantages for the taxpayer.

The ongoing changes in the institution are making taxpayer contact with the AGT easy and quick, paying taxes and fees online, through mobile phones or ATM terminals and the Taxpayer Portal. The taxpayer can also obtain information and consult the updated tax legislation and submit tax returns electronically, among other services that should be available in the short term.

Since the Republic of Angola is a member of international conventions (Kyoto) and organizations regulating customs and foreign trade (WTO and WCO), AGT has had to implement a new integrated system of commercial computer technology, which enables the catapultation and align the country to standards of simplification and other international values.

It is the responsibility of the Ministry of Finance of the country and the United Nations Conference on Trade and Development, to implement ASYCUDA World software, which includes the

simplification and computerization of customs procedures, the holding of meetings, the formation of partners and the installation of technological infrastructures at customs offices, among other electronic configurations.

The Angolan Ministry of Finance is represented in this process by two institutions - Information Technology and Public Finance Communication Service (SETIC-FP), for the technological part, and the Angolan Revenue Administration (AGT), regarding customs procedures.

The World Customs Organization (WCO)

Action Against Counterfeit and Illicit Medicines Workshop; Pride Inn Paradise Beach Resort, Mombasa



Delegates at the workshop

The Kenya Revenue Authority (KRA) hosted the second World Customs Organization (WCO) Action against Counterfeit and Illicit Medicines (ACIM II) at the Pride Inn Paradise Beach Resort in Shanzu from 7th to 9th June, 2017. This was preceded by the first WCO ACIM workshop that took place at the same venue in August, 2016.

The Workshop primarily focused on Pharmaceuticals, while maintaining a general focus on all counterfeit and pirated goods, particularly those that may pose a threat to health and safety.

Mr. Kiprono Bullut, Chief Manager Port operations, delivered the opening address to over 70 delegates from across the globe including: Angola, Belgium, Brazil, Democratic Republic of Congo, Germany, Ghana, India, Israel, Macedonia, Mexico, Senegal and South Africa. The Director of Studies at the Institute of Research against Counterfeit Medicines (IRACM), Mr. WilfridRoge and Ms.Sandra Wens, an expert in combating Counterfeiting and Piracy with the World Customs Organization(WCO) also gave their remarks.



The workshop provided a technical lever aimed at strengthening the potential of different actors in the anti-counterfeiting and piracy fight. It was mainly organized for the benefit of operational services of Customs Administrations and right holders action.



Mr. Kiprono Bullut giving the opening address.

The objective of the workshop, specifically within the framework of Operation ACIM 2, was to provide relevant stakeholders with the best possible practices and to create a favorable environment for sharing experiences about:

- How to distinguish between a genuine and a fake article (sessions will be led by right holders)
- Customs' operational services

criteria used in order to target high-risk operations and that have resulted in recent seizures (sessions led by Customs Administrations).

Participants also had the opportunity to learn first-hand about the latest ploys used by counterfeiters to carry out their schemes:

- New delivery and fraud techniques (changes in routes and massive use of transshipments, keeping goods in countries where risk of detection is lower before being sent to their ultimate destinations,

false invoicing, complicity with intermediaries, etc.);

- Use of multiple means of transport;
- Splitting consignments and shipping in smaller batches, thereby reducing the risk of interception and concealing the true origin and place of departure of the goods;
- Serial repackaging, etc.

The workshop was followed by a 10 day operation at the Port of Kilindini.

African Union Commission, Member States and Regional Economic Communities (RECs) urge the implementation of Trade Facilitation measures.



Delegates at the workshop

The African Union Commission in collaboration with the Mauritius Revenue Authority organized the 3rd African Union Customs Experts Trade Facilitation Forum. The three days forum was organized in line with the Action Plan for Boosting Intra-African Trade, endorsed by the African union Assembly of Heads of State

and Government through their 2012 decision (Assembly / AU-Dec 394 [XVIII]) on Boosting Intra African Trade and fast tracking the establishment of the Continental Free Trade Area (CFTA) by 2017 as an indicative date and as well as taking into account the coming into force of the WTO Trade Facilitation Agreement (TFA) on 22

February 2017. The ultimate objective of the forum was to assist AU Member States in their endeavor related to the simplification and harmonization of customs procedures including their documentation and regulations to boost intra-African trade within the context of the Agenda 2063 ten year implementation plan.



The meeting was attended by delegates from nearly 30 (Thirty) African Union Member States, representatives of Regional Economic Communities (RECs), Private Sectors, and experts from the African Union Commission. Mr. William Murashwa Gadzikwa of Zimbabwe Revenue Authority Chaired the meeting in Zimbabwe's capacity as chair of the AU Sub-Committee Director General of Customs. Due to his delayed arrival, Mr. Gasper Konneh delivered an address in his capacity as Vice- Chair of the AU Sub Committee of Director General of Customs of Cameroon.

Director General of Mauritius Revenue Authority Mr. Sudhamo Lal, welcomed all the participants to the Forum and indicated that the implementation of trade facilitation measures will bring numerous benefits to the African Continent through improvements in the areas of Transparency and fairness, good governance and modernization of the trade supply chain.

Mr. Lal highlighted some of the achievements of the MRA customs department in terms of trade facilitation and tax administration reforms.

After thanking the Government of Mauritius and Mauritius Revenue Authority for organizing the Forum, Mr. Gasper Konneh Vice Chair of the African Union Sub- Committee of Directors General of Customs said "It's our hope that the quality of the outcomes of this Forum will be commensurate with our high expertise in the various issues and with the high expectations placed on us by our various countries and organizations who have invested their limited resource to ensure the effective participation of delegates in this forum".

Addressing, the participants, Mrs. Treasure Maphanga, Director of Trade and Industry extended her gratitude to the Government and People of the

Republic of Mauritius for hosting the meeting and thanked the participants for responding positively to the invitations to attend the meeting. "The Commission of the African Union is in the process of developing a draft AU Trade Facilitation Strategy for the consideration of African Union Member States and we believe that it will facilitate the implementation of both, the WTO TFA and the AU's BIAT Program" she said. Mrs Treasure applauded the Africa's customs Administrations for undertaking various modernization program in respective countries so as to ease the way of doing business on the continent. "What we are talking about shall undoubtedly contribute to the attainment of our common vision for Africa in Agenda 2063, but what we need to keep in mind is that we need to act on it with the urgency required as if we were implementing Agenda Now" she concluded.

In his Speech, Mr. Vivekanand Ramburun, Director, Customs Mauritius Revenue Authority (MRA), welcomed the participants to the Mauritius Multilingual Regional Training Center for the meeting and raised the importance of Trade facilitation Agreement (TFA) that entered into force in February 2017. He strongly said that the implementation of TFA measures is a mandatory and no longer a choice. In addition Mr. Ramburun urged Customs administrations to be more forceful in various forum where Trade facilitation is on Agenda. He welcomed the opportunity to share experiences in order to move forward together.

Finally, Mr. Lal, Director General of Mauritius Revenue Authority officially declared the Forum open and wished a fruitful deliberation.

The Report of the outcome of the Meeting will be submitted to the Director Generals of Customs in November for consideration and adaptation.



The 4th African Union Technical Working Group Workshop on Interconnectivity of Computerized Customs Clearance



The delegates who attended the 4th African Union Technical Working Group Workshop on Interconnectivity of Computerized Customs Clearance on 31st July to 2nd August, 2017 in Yaounde, Cameroon

The ROCB participated in the 4th African Union Technical Working Group (TWG) Workshop on Interconnectivity of Computerized Customs Clearance meeting funded by the African Union on 31st July to 2nd August, 2017 in Yaounde, Cameroon.

The meeting was chaired by Mr. Adrian Swarres, representative of Zimbabwe, the current Chair of the AU Sub-Committee of Directors General of Customs (AUSCDGC). The major objective of the 4th TWG meeting was to review the Roadmap and Strategy on Interconnectivity of Computerized Customs Clearance Systems in Africa in light of the study on interconnectivity undertaken in 2014 and consider the various legal frameworks in place in the region to allow data exchange and interconnectivity as per

recommendations of the Directors General of Customs, during their 4th Ordinary Session held from 6th -7th September 2012 in Ethiopia, and during their 5th Ordinary Session held in Cotonou, Benin from 12th -13th September 2013 respectively.

The AUC considered that Customs reforms and modernization play a centre stage of each and every Customs administration in Africa, and the use of ICT has become core to such reforms. While Customs modernization offers great promise for unlocking trade potential, the efficiency of the supply chain goes beyond customs, hence the need for an integrated approach. It is no doubt that use of ICT by Customs reduces duplicative processes and data capture, eliminating physical movements that consumes time, and

minimizing human factors, like arbitrary decision making.'

The following Member States and RECs participated in the workshop: Cameroon, Comoros, Cote D'Ivoire, Ghana, Ethiopia, Madagascar, Togo and Zimbabwe. The following RECs and International Organizations also participated in the workshop: East African Community (EAC), Economic Community of Central African States (ECCAS), Economic Community of West African States (ECOWAS), Inter-Governmental Authority on Development (IGAD), World Customs Organization Regional Office for Capacity Building for Eastern and Southern Africa (WCO ROCB ESA) and World Customs Organization (WCO).

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