

ESA Newsletter

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

Rwanda welcomes ESA



TUSABE Richard Commissioner General for RRA

I am pleased to welcome you to Rwanda for the 23rd WCO East and Southern Africa (ESA) Governing Council and 28th Regional Steering Group meetings.

It is a great honor and privilege for Rwanda Revenue Authority to host these important meetings which shows Rwanda's commitment to the implementation of the WCO and WTO's recommendations towards securing and facilitating legitimate trade.

The WCO- ESA Governing Council and Regional Steering Group meetings are the highest policy meetings of WCO in the Eastern and Southern Africa group for 24 member countries.

The meeting is expected to review and consider; 1. the implementation status of the decisions made at the 22nd Governing Council held in Kampala-Uganda last year; 2. the role of WCO; Customs administration and other stakeholders in the implementation and

monitoring of the TFA, 3. Performance Measurement: monitoring and evaluation as key components of performance measurement among others.

We expect to share ideas and experience from these extraordinary meetings which will be attended by Commissioners

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EDITORIAL



We are pleased to, yet again, present The ESA Newsletter having just formally come to the end of our Regional year. We are gearing up to the Governing Council, bringing together the Directors General and Heads of Customs of our 24 Member countries on 4th and 5th May in Kigali, Rwanda. We are excited at the preparations Rwanda Revenue Authority has made to ensure successful hosting of this meeting, which will take place after the Regional Steering Group meeting and the meeting of the Heads of the Regional Training Centres, also hosted by Rwanda.

The region has enjoyed the limelight recently, with Rwanda playing host to Africa as most countries signed the African Continental Free Trade Area (AfCFTA) and Uganda hosting the 4th WCO Global AEO Conference. We are pleased to share with you highlights of these milestones in this Edition alongside other articles from our Members and partners. As you read, see how Kenya intercepted gold worth almost million dollars as Angola intercepted passengers with drugs of equally high value. Burundi, South Africa and JICA continue to further interest in the Authorized Economic Operator and the Preferred Trader Programme while South Sudan shares their Capacity Building initiatives.

As we celebrate our second year of publications since the relaunch of this Newsletter, we remain committed to continually sharing regional and global news of interest with you through this Newsletter and other upcoming publications. We also hope to continually improve on this Newsletter to establish it as the Newsletter of choice for all regional matters relating to Customs.

Enjoy the reading.

Larry Liza

Director and Editor-in-Chief

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4th WCO Global AEO Conference in Uganda



URA (UGANDA) www.ura.go.ug

The 4th WCO Global AEO Conference opened on the 14 March 2018 in Kampala, Uganda with more than 1500 registrations from over 95 countries to discuss dynamic developments in Authorized Economic Operator (AEO) programmes widely acknowledged as a key driver for solid Customs-Business partnerships.

The first AEO programme within the African continent was materialized in the East African Community (EAC) region, leading to the signature, during this Conference, of a Mutual Recognition Agreement (MRA) - Action Plan between Korea Customs Service (KCS) and the EAC Members. The delegates of this Conference also witnessed the signature of another important MRA between Peru and Uruguay Customs represented by the Directors General of Customs.

The Conference was opened by H.E. Yoweri Kaguta Museveni, President of Uganda with an inspiring message on the importance of regional collaboration among East African Countries and the need for a coordinated approach for broadening the scope of investment in Africa. He congratulated the WCO for providing a platform for discussing the topical issues of interests to the international

community and highlighted the need for renewed trust and commitment for cooperation among African Countries.

In his welcome address, Dr. Kunio Mikuriya, WCO Secretary General, underscored that this AEO Conference is the first of its kind in the African continent, more precisely in the pearl of Africa, Uganda. He echoed the President's appreciation of the commitment of the EAC towards enhancing trade facilitation in the region. Secretary General Mikuriya added that the African continent is actually booming with new developments in the field of security

“Promoting Mutual Recognition of AEOs to Strengthen and Secure Global Trade”

and facilitation of the supply chain. He stated that the theme of the Conference, “Promoting Mutual Recognition of AEOs to Strengthen and Secure Global Trade”, is very much in line with the increasing number of AEO programmes being implemented, including the number of Mutual Recognition Arrangements

(MRAs) signed globally.

Dr. Mikuriya also commended the Uganda Revenue Authority (URA), through its Commissioner General and Commissioner of Customs, for the strong dedication of the URA and the relentless efforts of their team in the organization of this successful event.

Rwanda Welcomes ESA

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for Customs / Directors General of Customs from various Revenue Authorities, Development partners, and the World Customs Organization Secretariat officials. The meetings will be held from 30th April 2018 to 2nd May, and 3rd to 4th May 2018 respectively.

I once again thank you for having chosen Rwanda Revenue Authority and Rwanda as a country to host the 23rd WCO-ESA Meetings. I invite you to visit the various Touristic sites in Rwanda and explore the Land of a thousand hills.

Murakaza neza mu Rwanda!

Welcome to Rwanda!



CFTA Milestone for Africa

Africa scored big as Presidents of 44 nations came together as they signed the African Continental Free Trade Area (AfCFTA) agreement in Kigali, Rwanda on the equinox of March 2018. Eighteen of the 24 countries in East and Southern Africa

African nations signed the Protocol on the Free Movement of Persons, Right to Residence and Right to Establishment. At least half of the signatories must ratify the the AfCFTA before it enters into force. More countries still have to go through various governmental

countries remove tariffs and permit freer movement of goods, increasing intra-continental trade by over 50% by 2022.

The population of Africa's 55 countries is reported to currently stand at 1.2 billion.

The African Union Commission lists the objectives of the CFTA as to: Create a single continental market for goods and services, with free movement of business persons and investments, and thus pave the way for accelerating the establishment of the Continental Customs Union and the African customs union; Expand intra African trade through better harmonization and coordination of trade liberalization and facilitation regimes and instruments across RECs and across Africa in general; Resolve the challenges of multiple and overlapping memberships and expedite the regional and continental integration processes and; Enhance competitiveness at the industry and enterprise level through exploiting opportunities for scale production, continental market access and better reallocation of resources.



Paul Kagame, Rwanda's president and the host of the AU summit during the signing of the Agreement.

region Members were among the 44 that appended their signatures on the document, christened, **Kigali Declaration**. At the same time, 27

and parliamentary processes before fully embracing the full vision of the AfCTFA. It is expected to lead into massive increase in flow goods as

KRA intercepts gold worth Ksh100m at JKIA

The Kenya Revenue Authority (KRA) has intercepted gold worth KSh100 million at the Jomo Kenyatta International Airport, Nairobi.

The gold is alleged to have been in the custody of a 46-year-old Tanzanian man, seized by KRA Customs officers and a team of security agencies attached at the

airport. At least 32,255.50 grams of gold bars and an accompanying invoice of USD 859890, worth approximately Ksh.100 million, were found in his possession.

The suspect was seized following intelligence alert; he had arrived at JKIA at 1505hrs, on Friday 16th, February, on board Precision Airlines from Mwanza via Kilimanjaro and

was heading to Dubai aboard Kenya Airways.

A team from the Directorate of Criminal Investigation accompanied by Revenue Protection Service Officers from KRA's Investigation and Enforcement Department, took statements from the suspect.

The transportation of goods is

Continued on the next page

KRA intercepts gold worth Ksh100m at JKIA

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contrary to provisions of the East Africa Community, Customs Management Act 2004 Section 85 (3) and Second Schedule Part B(4). This section of the law restricts the transiting of unwrought precious metals and precious stones across the region.

The gold bars are now under the custody of KRA, Customs and Border Control; investigations are being carried out to get to the details of the case.

KRA continues to put in more relentless measures and remains vigilant in stepping up the fight against smuggling at points of entry.

Commissioner Customs & Border Control

SOURCE: kra.go.ke



Helicopter, dogs and parades ... this year's ICD had it all

International Customs Day (ICD) was celebrated with "pomp, dignity and style" – in the words of the South African Revenue Service (SARS) Commissioner Tom Moyane – at an event held at the Cape Town State Warehouse on 26 January.

The red carpet was rolled out for dignitaries including members of the SARS Executive Committee, other government agencies, Customs stakeholders and the media. ICD is celebrated on 26 January every year. This year the World Customs Organisation (WCO) chose the theme: "A secure business environment for economic development".

The event kicked off with a parade of Customs officers and Detector Dog Unit members who were inspected by the Commissioner and then Chief Officer: Customs and Excise, Jed Michaletos. The detector dogs were on top form, with



The Commissioner and Chief Officer address Customs officers

one of the dogs, a German Shepherd cross called Ice hoisting the SA flag and a Spaniel, Milo being lowered out of a helicopter in the arms of a DDU handler. SA Customs is the only administration in Africa with the ability to do dog unit helicopter drops, which are mainly used for vessel rummages, rapid response and joint operations.

The unit also gave an impressive display of their detector abilities, finding narcotics hidden in suitcases and cars, prompting cheers from the Commissioner and the crowd.

In his keynote address, the Commissioner said that SARS Customs would strive to ensure that we continue to be recognised as a world-class Customs service and that we contribute to improving South Africa's trade and economic competitiveness. Measures such as the World Bank's Logistics Performance Index already

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Helicopter, dogs and parades ... this year's ICD had it all

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recognised South Africa's effectiveness in this regard, and SARS would seek to improve on this, he said.

"I believe that this will be achieved through our efforts in improving service, quality management, investing in our people, developing our leadership and partnering with our stakeholders."

He added: "As the executive leadership of SARS, we celebrate the WCO and embrace its theme. We will continue to advance the objective of creating an enabling and safe environment for businesses to benefit from international trade.

The event also saw the official relaunch of the Cape Town State Warehouse which had recently been refurbished. Jed explained that the refurbishment of the

A secure business environment for economic development

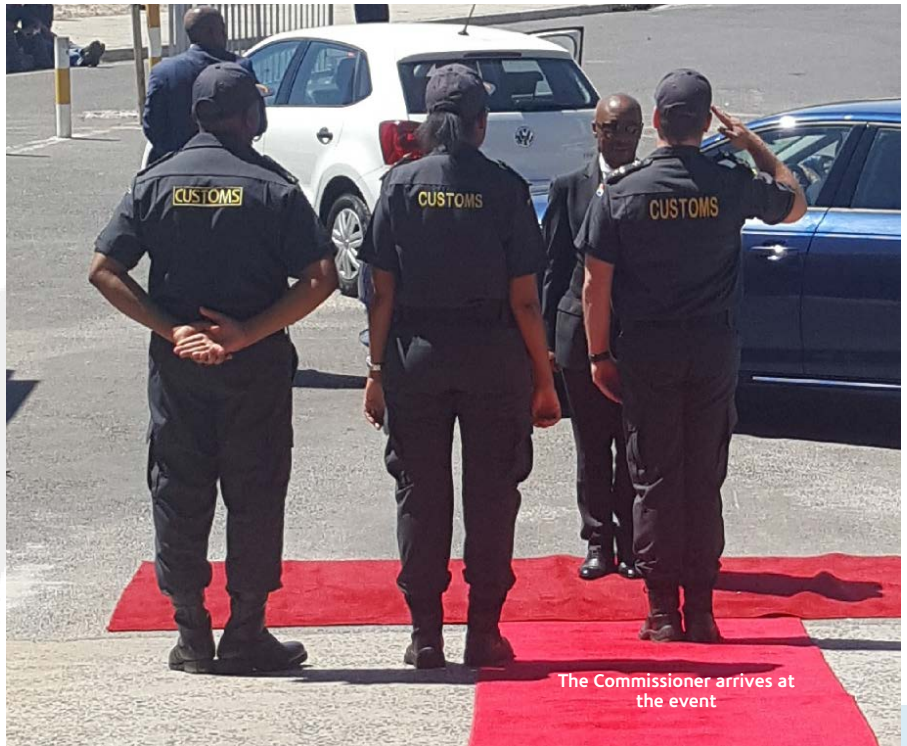
Cape Town State Warehouse formed part of Customs' overall strategic priorities for the year. He said they were very proud of some of the changes they had introduced, including tighter security processes and a new in-house upgraded information management system that would be able to track all goods coming in and out of the warehouse.

"This will enable us to deal decisively with illegal and counterfeit goods, which contribute to the illicit economy and loss of revenue to the state."

Jed ended by thanking not only SARS's partners in trade and government, but particularly Customs officials around the country.

"This day is for you ... this day is about you ... it is about thanking you, for you are a fundamental part of making South Africa a safer and more prosperous country for all South Africans."

Jed Michaletos subsequently resigned from SARS and has been replaced by Teboho Mokoena.



The Commissioner arrives at the event



The Customs parade



The helicopter drop

On February 4, 2018, 2 (two) passengers both with South African nationality, coming from Brazil, more precisely from São Paulo, were interviewed in the Passenger Traffic area of Migration and Foreigners Services (SME) bound to South Africa, by experts from the Criminal Investigation Service (SIC) and the Angola Revenue Administration (AGT).

After being sent to the baggage check room of AGT, the passengers were inspected by the Body Scanner, having detected the existence of strangers wrappings in the stomach, genital and anal regions.

Passengers were then escorted to the Criminal Investigation Department at the airport for prosecution.

Thereafter screening and medical



Following the recent seizures, it should be mentioned that on March 2, 2018, **3,677 kg** (three kilograms, six hundred seventy-seven grams) were seized in a 28-year-old passenger with South African nationality, who landed on a flight from São Paulo - Brazil, while in

Subsequently, the passenger was subjected to a non-intrusive inspection through the Body Scanner where the existence of strangers wrappings was detected in the two lower legs of the passenger, more precisely in the thigh area. Then it was conducted for a

Drug Arrest

4 de Fevereiro International Airport - The Danger of Passengers in Transit

examinations, the passengers expelled until 07/02/2018 a total of **146 capsules containing drug**, with positive result of **Cocaine**, of which, 81 capsules, with **1,323 kg** carried by the passenger **A** and 65 capsules, with **1,146 kg** carried by passenger **B**.

the area of Transit of the Migration and Foreigners Service, bound for Johannesburg.

At this time she was selected by the officer from the AGT Dog Brigade, on suspicion of presumed transport of prohibited substances.

physical inspection, and whereby the evidence, it was referred to the Criminal Investigation Service at the Airport, the **volumes packed with bandages** containing substances proven to be cataloged as **Cocaine** were removed.

The offender alleged that the prohibited substances would remain in Angola, while she would travel to South Africa.

Passengers in transit constitute a risk in the commitment of infringements as a result of their condition regarding temporary stay in the country, namely in transit.



The Authorized Economic Operators Programme said to be advantageous

The Burundi Revenue Authority (OBR) Commissioner General met on Wednesday, January 31, 2018 in Bujumbura the bosses of companies that are likely to be included in the programme for sensitizing them on the benefits from the programme. The entrepreneurs took the opportunity to thank the OBR for everything it does to make it easy for them to do business, but also to express their grievances.

The Commissioner General of OBR, Hon. Audace Niyonzima said in his opening speech. "We want other economic operators to join the circle of champions in tax compliance. The programme of the Authorized Economic Operators is one of the business facilitation programs including the Single Customs Territory, the Electronic Cargo Tracking System, the COMESA Regional Customs Transit Guarantee Scheme and the One Stop Border Post that are being implemented in the EAC and the COMESA communities which Burundi is part of General view of the participants in the meeting.

"As an Authorized Economic Operator, we have already benefited from a lot of advantages like the priority and the speed in the customs processing of

our files. Our files spend between half a day and two days maximum in the customs, and the renewal of the license is guaranteed", testifies Gilbert Ntiyankundiye, the Manager of the customs agency GCFA, during this meeting. He invites others entrepreneurs to introduce their application files into this program.

The Deputy Director General of Brakhresa Grain Milling Burundi Mr. Massoudi Ben Ali declared: "with the program, the company saw the cost of production decrease by 0.8%". The Managing Director of the Sugar Company Product SOSUMO urged that his factory "be urgently integrated into this program so that he benefits from it" too.

These reactions followed the presentation on the program of the Authorized Economic Operators made by Mrs. Ancilla Nteturuye, Director of Programs and Monitoring in the Customs and Excise Department in



Hon. Audace Niyonzima

which she had detailed everything related to this program including the legal framework, the benefits, the selection criteria, the accreditation procedures, and the post-approval management.

The general advantage for an Authorized Economic Operator is the privileged treatment of his customs file, which allows him to save both time and money. To benefit from it, it is compulsory first of all to prove a good past tax compliance.



Participants during the meeting

Capacity development

JICA implementing a project for capacity development for South Sudan Customs Service with the support of URA in Uganda



Hs Code Training course at the Juba Hqs

The Republic of South Sudan became an independent nation on 9th July 2011. Since then, the country's economy has depended heavily on oil revenues. In 2010, it accounted for 71 percent of its total Gross Domestic Product (GDP) and 98 percent of total revenue in 2010. In this context, importance of the role of South Sudan's Customs Service (SSCS) to increase tax revenue through its proper operations has increased. In particular, improvement in efficiency of customs procedure at borders is highly important. Being a land locked country; South Sudan depends on cross-border trade with Kenya, Uganda Sudan for large portion of its foreign trade.

Under these circumstances, JICA has been implementing a project for capacity development for SSCS since JICA dispatched an Expert to SSCS in 2011. JICA has also contributed to the development of fundamental capacity on customs administration by implementing trainings for customs officers and clearing agents in cooperation with third country experts.

Customs procedure at border offices of SSCS has not been always efficient due to the weak capacity of Customs officers and lack of training in customs administration. In addition, South Sudan was admitted to one of the member states of East African Community (EAC) in 2016, which increased the needs for the standardization of cross border management. However, foreign trade statistics are not available at present, making it difficult to make international comparison on trade statistics of the country.

Therefore, SSCS is in urgent need of improving its staff capacity and administrative capacity, as well as its capacity of collection and compilation of trade statistics. More specifically, the introduction of Harmonized System Code (*1) in preparation for migration to ASYCUDA system (*2) is one of the most important issues which SSCS is to deal with.

In this regard, SSCS through the government of the Republic of South

Sudan requested the support to the government of Japan for the introduction of Harmonized System. The three years project started on 22 June 2016 with the arrival of JICA experts in Juba.

Due to the eruption of the fighting in and around Juba in July 2016, all JICA's experts and staffs were forced to evacuate, which made it difficult to conduct activities in Juba. However, the Project resumes its activities in Uganda in September 2016 through conducting seminars and workshops in Uganda on remote basis by inviting the beneficiaries (SSCS custom officers and Customs Clearing Agents) from South Sudan.

Overall Goals

Customs administration system in accordance with international standard would be established in the Republic of South Sudan (RSS) for trade facilitation globally

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Capacity development

JICA implementing a project for capacity development for South Sudan customs service with the support of URA in Uganda

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Project Purpose

Customs administration based on Harmonized System code (HS code) is introduced in the RSS

Output

1. HS code is stipulated for customs clearance system of RSS
2. Staff in charge of customs clearance is able to impose appropriate customs tariff using HS code
3. Clearing agents are enhanced to file appropriate customs declaration using HS code.
4. Regular reports from Customs branch offices are based on HS code.
5. Customs Officers are able to make statistical analysis based on HS code.



HS TOT training with the support of URA in Kampala-Uganda



Project Activities

<input type="checkbox"/>	Conduct Baseline study of current customs administration by SCS
<input type="checkbox"/>	Revise the project design based on the results of the baseline study, if necessary.
<input type="checkbox"/>	Thorough PC training actual Tariff Book will be converted to digital file.
<input type="checkbox"/>	Putting HS Code to the digitalized Tariff Book
<input type="checkbox"/>	Adding missing and new items with HS code into the digitalized Tariff Book.
<input type="checkbox"/>	Verifying the New Tariff Book comparing with the EAC countries case.
<input type="checkbox"/>	Planning the HS code introduction schedule by task team in South Sudan Customs

SA's Preferred Trader Programme grows steadily

Since the official launch of South Africa's Preferred Trader Programme (PTP) by SARS Commissioner Tom Moyane in May 2017, there are now 55 Accredited Clients who have been awarded Preferred Trader (PT) status nationally.

The accredited clients have been assigned a Customs & Excise Relationship Managers (CRM) who is responsible for facilitating the relationship between the South African Revenue Service (SARS) and the clients. The Accreditation

Review Customs Committee has been meeting regularly and ensuring that the PT status is awarded only to clients who qualify and meet the compliance requirements of SARS.

Over the past few months, external stakeholder engagements were conducted with the South African Police Service and Cross Border Road Transport Agency.

SARS's PT unit is actively involved in the development of a Southern African

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AEO Conference in Uganda, an important stepping stone of JICA Project



JICA, in cooperation with WCO, has been working with 5 EAC Partner States for the implementation of Trade Facilitation Project (TF Project) in East Africa. Upon completion of phase 3 of the TF Project in December 2017, a follow-on Project on Capacity Development for Trade Facilitating and Border Control in East Africa (TF & BC Project) was immediately launched by the 5 Eastern African Revenue Authorities including more focus on enhanced border control. In this new Project, 5 EAC Partner States will work for the next 3.5 years on (1) Effective OSBP operation and (2) Customs Capacity Building, namely Risk Management, Master Trainer Program on PCA and Program Global Shield, with the support to be jointly extended by JICA and the WCO through the WCO/JICA Joint Project.

The 4th WCO Global AEO Conference was successfully held in Uganda on 14-16 March 2018. Considering the value of this Conference for the effective implementation of the newly launched TF & BC Project in East Africa, JICA sponsored the participation of 2 Customs officials each responsible for Risk Management and PCA from 5 EAC Partner States in this event. To maximize the benefit of this excellent opportunity, the Project not only contributed to one of breakout session – to secure and facilitate trade – but also those invited officials gathered after the Conference and produced a joint report with a number of lessons-learnt from the Conference and recommendations to its home Administration and the Project. It is expected that, considering those lessons-learnt and recommendations as well as by seeking the synergy between the Project and other ongoing trade facilitation initiatives in East Africa, the TF & BC Project will be implemented in a more effective manner and contribute to the development of East Africa further.

SA's Preferred Trader Programme grows steadily

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Customs Union (SACU) Accreditation Programme and a Mutual Recognition Agreement with SACU member states. The current Customs and Excise Act of 1964, Rule 64E is being amended and will be published to include benefits to SACU states. SARS plays a vital role in the development of the SACU Accreditation Programme Internal and External Procedure Manual and Audit Training Modules.

Furthermore, the PT unit is developing strategic documentation regarding the implementation of an Approved

Economic Operator (AEO) level 3 Accreditation Status in line with the World Customs Organization (WCO) SAFE Framework of Standards implemented in 2005.

Another exciting development is that Africa has hosted the fourth Global AEO Conference, which was held in Kampala, Uganda, from 13-17 March 2018. South Africa was represented by SARS's Customs and Excise division. This conference is organised by the WCO once every two years in partnership with a host Customs administration, and it provides a key

platform for all players who have an interest in international trade, including the private sector.

When the first conference was held in 2012, there were 45 AEO operational programmes, which subsequently increased to 77 countries who implemented the programme by the end of 2017. There are 31 operational Customs Compliance programmes internationally – SARS runs one of them.

My ICT Internship Experience



My name is Erick Kaburu. I joined the ROCB on 11th September 2017 as an Information and Communication Technology Officer under the ROCB Internship Programme. I recently graduated from Jomo Kenyatta University of Agriculture and Technology (Kenya), with a Bachelor's degree in Business Information Technology. I previously worked as an intern at Co-operative Insurance Company (Kenya) as an Assistant Network Administrator as well as at COSEKE Kenya Ltd which is a premier Document Management Solutions Company with offices throughout the East African region as a Bureau Supervisor and Systems Support.

My duties as an ICT officer at the ROCB include: Managing content for the East and Southern Africa (ESA) regional website, Enhancing online visibility of the region through the website and social media platforms, Preparation and distribution of the regional eNewsletters and other promotional materials, Redesigning and improving the web pages, Assisting in research aimed at further improving the region's presence globally, studying developments through the websites of other partner organizations and

stakeholders (such as WCO, UN, AU, COMESA, EAC, SADC, SACU, etc.) and linking relevant information to the regional website therefore enhancing ease of access to these materials for ESA Members and other interested parties who frequently visit the website.

It is a great honor working with the World Customs Organization Regional Office for Capacity Building and learning from my colleagues about Customs. I have grown, learned and appreciated new things that I will always appreciate in my career, a highlight being a member of the organizing committee for the successful 2nd ESA Regional Research Conference held in Kenya in November 2017. As the ICT officer, I have been responsible for the dissemination of information of the conference via the ROCB website, online registration of guests and covering the proceedings of the conference via social media. I was able to share my ideas on that committee and also learned from the best in preparing for regional conferences and other important events. I would like to take this opportunity to thank the ROCB Director, Larry Liza, and his team for giving me this opportunity to learn and serve them.



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