



World Customs Organization
East and Southern Africa Region

WCO ESA ROCB ANNUAL REPORT



2016 - 2017



World Customs Organization
East and Southern Africa Region

ANNUAL REPORT

2016 - 2017

Presented to

26th Regional Steering Group (RSG)

8th – 10th May, 2017

and

21st Governing Council (GC) Meetings

11th and 12th May 2017



Venue: Commonwealth and Speke Resort, Munyonyo

City: Kampala, Uganda

Host: Uganda Revenue Authority

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BACKGROUND

Membership

The WCO East and Southern Africa Region consist of 24 Member Countries;

1. Angola	7. Ethiopia	13. Mozambique	19. South Sudan
2. Botswana	8. Kenya	14. Namibia	20. Swaziland
3. Burundi	9. Lesotho	15. Rwanda	21. Tanzania
4. Comoros	10. Madagascar	16. Seychelles	22. Uganda
5. Djibouti	11. Malawi	17. Somalia	23. Zambia
6. Eritrea	12. Mauritius	18. South Africa	24. Zimbabwe



VISION

“To be globally recognized for providing Capacity Building leadership as well as developing and managing innovations in the WCO East and Southern Africa Region”

MISSION

“To provide leadership in the WCO East and Southern Africa Region in the areas of sustainable customs capacity building and change management”

PHILOSOPHY AND CORE VALUES

ROCB provides customized services to members through delivery mechanisms that sustain improvement in their operations and adaptability to the changing environment in a timely, sustainable and cost effective manner. These services are founded on the principles of leadership, relevance, responsiveness, effectiveness and resilience.

ABBREVIATIONS / ACRONYMS

AEO	Authorised Economic Operator
AFEC	African Financial & Economic Crimes Forum
AUC	Africa Union Commission
CBM	Coordinated Border Management
CCF – Japan	Customs Cooperation Fund - Japan
CCF – Korea	Customs Cooperation Fund - Korea
COMESA	Common Market for East and Southern Africa
DfID	Department for International Development, UK
EAC	East African Community
ESA	East and Southern Africa
GC	Governing Council
HS	Harmonized System
JICA	Japan International Cooperation Agency
MC	Management Committee (of the ESA region)
PICARD	Partnerships in Customs Academic Research and Development
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
TFA	Trade Facilitation Agreement
ToT	Training of Trainers
UNECA	United Nations Commission for Africa
WCO	World Customs Organization

1.0 INTRODUCTION

I am pleased to present to you the Annual Report (2016/2017) of the World Customs Organization, East and Southern Africa, Regional Office for Capacity Building. This is my first full Annual Report, having been sworn in as the Director of the ROCB during the 21st Governing Council, in Maseru, Lesotho, in May, 2016. The team has continued to work to deliver in our mandate, focusing on promoting trade facilitation, mobilizing revenue collection, supporting the protection of the society, assisting in the development of human capital, and promoting regional integration.

This report is presented for discussions by the 26th Regional Steering Group (RSG) and the 22nd Governing Council and reports on among other matters; the activities of the ROCB during the period under consideration (May 2016 to April 2017) of the year 2016/2017, the status of the decisions of the 21st Governing Council held in Maseru, Lesotho in May 2016 and the annual Financial Statements of the ROCB. As at the publication of this report at the end of the financial year, 31st March, 2017. The Financial Statements were expected to be reviewed by the Region's Finance and Governance Committee (FGC) in their meeting hosted by the WCO ESA ROCB in Nairobi, Kenya on the 19th and 20th April, 2017.

We are thankful to the Kingdom and people of Lesotho for successfully hosting the 21st Governing Council, 24th Regional Steering Group meeting, and a meeting of the Heads of the Regional Training Centres (RTCs) in May, 2016.

The 21st Governing Council was opened by Honourable Minister Tsoeu Mokeretla, Chief Guest and Minister for Public Works and Ag. Minister for Finance (Lesotho) and hosted by Advocate Realeboha Mathaba, Ag. Commissioner General, Lesotho Revenue Authority. It was chaired by Mr. Jed Michaletos, ESA Regional Vice Chair and Chief Officer, Customs & Excise, South Africa, and attended by the WCO Secretary General Mr. Kunio Mikuriya and other dignitaries, Members, development partners and stakeholders.

I, as Larry Liza (Kenya), was sworn in as the Director of the Regional Office for Capacity Building, having been competitively recruited and appointed by the ESA Management Committee on behalf of the Governing Council. I had previously worked at the ROCB as a Programme Officer for the five years preceding this appointment.

We also thank the Government of Mauritius, through the Mauritius Revenue Authority (MRA), for hosting the 25th RSG meeting, the Regional Strategy Development meeting as well as the RTC Heads meetings in November, 2016.

The 25th RSG was opened by Mr. J. Audit, Ag. Director of Customs, Mauritius, who thanked the Region for the opportunity to host the RSG for the second time after 2011. He highlighted the renewed role of Customs in terms of trade facilitation and protection of society. The meeting was chaired by Mr. Siphithi Sibeko, the ESA Vice Chair Representative.



The WCO Secretary General, Mr. Kunio Mikuriya, attended the 21st ESA Governing Council, hosted by Lesotho Revenue Administration in May, 2016.



RSG meeting held in Lesotho May, 2016



RSG Meeting held in Mauritius November, 2016

2.0 ROCB STAFF ESTABLISHMENT

The current ROCB staff comprises the Director (Kenya), two Programme Officers from South Sudan and Kenya, Finance Officer, Administrator/PA to the Director and a Clerk (Kenya).



Larry Liza, Director

LARRY was sworn in as the Director of the ROCB at the 21st Governing Council, held in Maseru, Lesotho in May 2016. His appointment followed a recruitment process managed by the ESA Management Committee on behalf of the Governing Council. Prior to this, he served at the ROCB as Programme Coordinator for the region for a period of 5 years. He is seconded to the World Customs Organization in the region from Kenya Revenue Authority where he served in various roles within the Customs and Border Control Department.

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



Andrew Odhiambo, Finance Officer

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

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



David Ladu, Programme Officer

DAVID joined ROCB on 1st, August 2015 as a Program Officer. He graduated with a Master's of Science at University of Bellevue, Bellevue, Nebraska Human Services, Mental Health Professional, June 2006. He obtained a Bachelor of Arts degree in Social Science, Government and Politics, at University of Texas at Dallas, Richardson, Texas in 2002.

Previously, he worked for the Ministry of Interior Government of South Sudan, South Sudan Customs Service, as a Chief Customs Officer (C.C.O), Station Head, Western Equatoria State Yambio, 2013. He also served at the South Sudan Customs Service Juba HQs Accountant (2012 -2013) and as the Team Leader Financial Controller for Nadapal Station Eastern Equatoria State 2007 - 2012.

Faith Mosongo, Programme Officer

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

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

Judy Mwaura, Administrator & PA to Director

JUDY is a holder of Bachelor of Business Administration (Marketing) degree from St. Paul's University, Limuru (SPUL). She is an employee of the Kenya Revenue Authority and worked as the Executive Assistant/PA for the Commissioner of Investigation and Enforcement Department for nine years.

She has just completed her Post graduate diploma in Tax Administration from Kenya School of Revenue Administration.

Primorose Maina, Clerk / Assistant Administrator

PRIMROSE is a holder of a degree in Business Administration from Kenya Methodist University.

She is an employee of Kenya Revenue Authority and previously worked for Kenya Tea Development Agency (KTDA) as a Marketing Assistant and Brookside Dairy (BDL) as a Marketing Auditor.

Riitta Passi, Project Manager, WCO ESA Project

RIITTA is the Project Manager of the WCO ESA Project, supported by Finland and commenced her second tour of duty at the ROCB in October 2016. The first project ended in March, 2016. Priorly, her duties included: PICARD Programme Manager at the WCO, Customs Attaché at the Permanent Representation to the European Union during the two Finnish EU presidencies, National Expert at the European Commission DG TAXUD and various Customs posts in Finland since 1983.

3.0 REGIONAL TRAINING CENTRES (RTC)

The region has four WCO Regional Training Centres in Kenya, Mauritius, South Africa and Zimbabwe. The report of the RTC Heads, ROCB and WCO meeting, held on 4th and 5th May in Uganda will be presented to the RSG. The agenda of the meeting includes;

1. Review of the last RTC Heads meeting report & progress made.
2. RTC Reports; Kenya, Mauritius, South Africa, Zimbabwe.
3. Updates on the Regional Strategy and Implementation Plan 2017 – 2022.
4. Recent Developments on the Mercator Programme.
5. Outcomes of the 12th Global Meeting of the Heads of Regional Offices for Capacity Building, Regional Training Centres and Vice-Chairs' Offices.
6. New approach in the identification and evaluation of the Members' capacity building needs.
7. RTC role in the development of an organizational framework for the maintenance of the Best Practice guide, the development of a work plan and its follow-up.
8. WCO ESA PROJECT II (Finnish Funded).
9. Upcoming trainings / workshops.
10. 2nd ESA Regional Research Conference (ESARR Conference).
11. Training of Trainers programme and way forward.
12. Updates on Customs Professionalism.
13. RTC role in the implementation of the WTO Trade Facilitation Agreement.



RTC CONTACTS



East and Southern Africa Region
Regional Training Centre, South Africa

South African Revenue Service,
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Tel: +27 12 483 1752



East and Southern Africa Region
Regional Training Centre, Kenya

Kenya School of Revenue Administration,
Kenya Revenue Authority, P. O. Box 95707 – 08106, MOMBASA, KENYA
Website: <http://www.kra.go.ke/krati/>



East and Southern Africa Region
Regional Training Centre, Mauritius

Customs Department,
Mauritius Revenue Authority, Custom House, Mer Rouge, PORT LOUIS, MAURITIUS
Tel: +230 202 0500 | Fax: +230 216 7601
Website: <http://www.mra.mu>



East and Southern Africa Region
Regional Training Centre, Zimbabwe

ZIMRA Training Centre,
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Fax: +263 4 795 769 | Tel: +263 4 797 674
Website: www.zimra.co.zw

4.0 ONGOING PROGRAMMES/PROJECTS IN ESA

The following programmes/projects have been running in the region during the period under review;

- WCO ESA Project supported by the Finnish Government
- WCO - EAC Trade Facilitation Program supported by SIDA
- The SACU-WCO Customs Development Programme supported by SIDA
- Training Programmes supported by JICA

5.0 STATUS OF THE DECISIONS OF THE 21ST GOVERNING COUNCIL

Below is the status of the decisions made by the 21st Governing Council meeting in Maseru, Lesotho in May, 2016.

No.	Agenda item	Highlights of Decisions	Status
1.	Oath of Office for ROCB Director	Mr. Larry Liza (Kenya) was sworn in as the Director of the ROCB. Mr. Liza, who assumed office on 1st October, 2015, was competitively recruited and appointed by the Management Committee on behalf of the Governing Council.	The GC noted the Oath of Office.
2.	Vice - Chair's Report (Annexed)	<p>The GC deliberated on various issues as follows;</p> <p>i. Security; welcomed the development of a handbook on Custom and police matters</p> <p>ii. Customs & Tax Cooperation; noted the development of a draft guidance paper to be presented by the Policy Commission for Council's adoption in July 2016 and based on this identify areas to be further explored based on regional needs. It agreed that a questionnaire be sent out to Members to identify further areas to be explored (such as Enterprise Risk, etc).</p> <p>iii. Digital Customs; acknowledged its importance and the need to prepare adequate responses to the upcoming discussions on the matter. It noted that the Vice Chair nominated a contact person for the region, to work with the WCO and ROCB on Digital Customs matters.</p>	<p>The ROCB followed up on the GC request to the EAC and requested that the EAC Secretariat apprise the Vice Chair (South Africa) and the ROCB on the matter. The EAC informed the ROCB that they wrote to the EABC, however the EABC did not respond to them.</p> <p>The Vice Chair wrote to Members inviting them to engage their Private Sector Associations and nominate one who will be willing to represent the Region in the Private Sector Consultation Group (PSCG).</p> <p>South Africa Association of Freight Forwarders is the new ESA representative at the PSCG.</p>

No.	Agenda item	Highlights of Decisions	Status
		<p>iv. Governance; Matter was discussed during the Closed Sessions.</p> <p>v. MAA and information exchange; Welcomed the work on a multilateral Customs MAA framework and the GNC concept and urged that this be expedited.</p> <p>vi. PSCG matters: the GC noted that the EABC has not been participating in any PSCG meetings and requested contact with them to establish their willingness to serve on the PSCG. It requested the EAC to make follow up with the EABC and report to the GC at the sidelines of the Council Sessions in July 2016 for a Decision to be taken.</p>	
3.	ROCB Annual Report (Annexed)	<p>i. The GC congratulated the ROCB Director on his appointment and applauded him for the efforts and achievements since his appointment. It also welcomed his first Annual Report. While commending him for the efforts to build the capacity of the office, it agreed on the need to capacitate the office further. It asked the Director to do an analysis on building the capacity of the office.</p> <p>ii. The GC congratulated Uganda for winning the bid to host the 4th Global AEO conference in 2018 and urged the Members to support them.</p> <p>iii. The GC commended the ROCB for its efforts to seeking partnerships and collaboration. It asked the ROCB to refer its MoU with Gainde 2000 to the WCO for the input of the Legal Unit before embarking on the project.</p> <p>iv. The GC acknowledged the fiscal discipline embraced by the ROCB.</p>	<p>The ROCB sent the MOU with Gainde 2000 to the ESA Regional Development Manager requesting him to share it with the WCO Legal team for the input of the legal unit. The WCO responded that this matter should be handled at the regional level.</p> <p>The ROCB requested Kenya to have their legal department go through the document and advice. The ROCB is awaiting feedback from Kenya on the matter.</p>

No.	Agenda item	Highlights of Decisions	Status
4.	WCO Secretary General's Report	<p>The GC;</p> <ul style="list-style-type: none"> i. Acknowledged with appreciation the report of the WCO SG. ii. Noted the Punta Cana Resolution and the work being undertaken by the WCO in support of the resolution. It pointed out that it looked forward to the completion of the Handbooks, as well as Recommendations of the PC. iii. Noted the importance of Customs-Tax cooperation and working together towards a common goal. iv. Noted the challenge in integration of Customs and Tax caused by the difference in operations Customs being real-time while Tax looks into Historical transactions (1yr) <p>Noted the importance of Information sharing and the development of a legal framework to manage Information Sharing.</p>	Noted
5.	RSG report	<p>The GC;</p> <ul style="list-style-type: none"> i. Approved recommendations on the Regional Strategy. ii. Approved recommendations on the RILO. iii. Approved recommendations from the RTC Heads meeting. iv. Acknowledged the continued support by Finland and asked the Vice Chair to write an appreciation letter to Finland. Also concurred that the project presents a standardised template for Member requests and proposals. v. Adopted the Communication Guidelines as proposed. vi. Asked the VC to make contact with the Heads of the RECs and develop a structured framework in cross cutting projects and initiatives. 	<ul style="list-style-type: none"> • The ROCB sent out a request to members asking them to nominate experts to form the Working Group in order to begin work on the next Strategy. While the response from the Administrations was positive, the office has experienced difficulties in having active participation among the WG Members. • A two day Strategy meeting was held on 10th and 11th November, 2016 to progress the works of the new Strategy. • The GC meeting in Uganda is expected to give its input in the Strategy before the finalisation of the document. The ROCB requests that the GC approves the Strategy at the sidelines on the WCO Council Sessions in Brussels in July, 2017.

No.	Agenda item	Highlights of Decisions	Status
6.	Finance & Governance Committee Report	<p>The GC;</p> <ul style="list-style-type: none"> i. Acknowledged the Report and expressed its satisfaction with the report of the independent auditors. ii. Noted non-attendance of the FGC Meetings by some Members and urged the Vice Chair to make the necessary follow ups. iii. Adopted the ROCBs 2015/2016 audited financial Statements. iv. Approved the ROCBs 2016/2017 annual budget. v. Approved the re appointment of Alekim & Associates as auditors for the 2016/2017 financial year. vi. Approved the proposed changes to the ROCB Financial Rules, which were presented in the last GC but not approved due to time limitation. vii. Noted with appreciation the progress made by Kenya in the registration of the office and expressed hope that the matter would finally be concluded. viii. Urged Members that are not paying their Subscription fees to pay. The Vice Chair will make further follow up with Members. 	The FGC was scheduled to meet on 19 th and 20 th April, 2017 in Nairobi, Kenya. Their report will be presented to the 26 th Regional Steering Group and 22 nd Governing Council.
7.	WCO Finance Committee Report	The GC noted the report and looks forward to the feedback on some of the issues mentioned and further reports on the recommendations.	Noted
8.	Presentation of Sotho Photo Contest & Communication Awards	The ROCB launched the ESA Sotho Photo contest as an Annual Contest to be voted at GC and named Sotho Photo Contest to honour first host, Lesotho. 16 Members submitted photos showcasing Member history, activities and successes in exercising mandate, with the winner & runners-up to be awarded trophy & certificates. The Winner trophy is expected to hold it for a year or new one offered <i>in lieu</i> . Meanwhile, all the photos submitted to form the <i>'ESA Sotho Photo Book; a collection of photos that tell Customs stories'</i> . Contest also aims to boost to WCO Annual Photo Competition.	<ul style="list-style-type: none"> a). The participants voted for the Photo of the Year as follows; <ul style="list-style-type: none"> i). Winner – Zimbabwe ii). 1st Runner Up – Malawi iii). 2nd Runner Up – Angola b). ROCB awarded the Communication Awards as follows; <ul style="list-style-type: none"> i). Best Member in Communication in the Year 2015/16 – Zimbabwe.

No.	Agenda item	Highlights of Decisions	Status
		The ROCB also did an analysis on Member Communication and availed awards for the Best Member in Communication in the Year and Best National Contact Point.	ii). Best National Contact Point – Mr. Jephath Mujuru (Zimbabwe).
9.	Closed Session of ESA Heads of Delegations only	<ul style="list-style-type: none"> i. Governance; a number of delegates took a position that the existing procedures on elections at the WCO be maintained. ii. GC elected Lesotho to the WCO Audit Committee for a 3 year term. iii. GC extended an allowance of USD. 1,200 to the Director, backdated to his assumption of office. It tasked the Management Committee to review the Staff/Finance rule's allowance structure for ROCB staff and report for a decision at the sidelines of the Council Sessions in July 2016. 	<ul style="list-style-type: none"> • Governance; The WCO Council, meeting in June 2016, voted to maintain the status quo regarding governance. • Allowances; The Consultation Meeting took note of the GC's decisions on the payment of allowances for the ROCB Director and that further review of the Staff Rules would be done in the future.
10.	Hosts and dates of next regional meetings	<p>The GC approved the next regional meetings as follows;</p> <ul style="list-style-type: none"> i. 25th RSG meeting; The GC to approve that the RSG meets from 7th to 11th, with 2 extra days to finalise the new Regional Strategy & Implementation Plan, thereby saving on costs for an extra meeting). ii. The 22nd GC and 26th RSG in 2017 to be hosted from the in Uganda; with the 26th RSG taking place 8th to 11th May, 2016, and the GC slated for 11th & 12th, May 2017. 	i. Mauritius hosted the 25 th RSG and Strategy meetings together with the RTC Heads Meeting.

No.	Agenda item	Highlights of Decisions
11.	Panel Discussion: Digital Customs	<p>The panel discussion was chaired by Mauritius (Mr. Vivekanand Ramburun, Commissioner for Customs) who introduced the topic and the participants. Members of the panel included Angola (Inelda Manjenje), Zambia (Reuben Kunda), EAC (Stephen Analo), SACU (Maggie Tladi), WCO (Kunio Mikuriya, SG). Following presentations and ensuing discussions, the conclusion of the panel were made as follows;</p> <ul style="list-style-type: none"> i. The GC acknowledged the progress made by different Members, RECs, and partners in supporting digital Customs. There was agreement that Members needed to upscale their resources towards Digital Customs.

		<ul style="list-style-type: none"> i. The GC noted the need to embrace big data analysis, especially by the region through the ROCB. ii. The GC also noted that Investing in ICT requires a big budget. iii. The EAC commended the Region on the progress made on digital Customs. iv. The GC recommended that the region shares the lessons learnt and develop case studies from the regions that have succeeded in developing various IT Systems.
12.	Special Address: Performance Measurement (Uganda)	<p>Uganda, represented by Mr. Stephen Magera, made a presentation to the GC on Performance Measurement. The presentation captured four broad areas namely;</p> <ul style="list-style-type: none"> i. i. Rationale (Why and What); aimed to address corruption, increase expectation, to evaluate individual work output, Marketing tool for donor support and Huge investment in automation vs increase in demand for staff ii. ii. Parameters (Enhancing the performance); Measuring performance and Set Target indicators iii. Two parameters were picked in this regard reduction in clearance time and Increase in revenue collection iv. iii. Result ; Exposure of staff and customs broker competence gap, Increase in average revenue yield per transaction, AEO queries reduced from 4% to 2.6%,Reduced staff valuation violation by 25%,Improved risk profiles and lane performance, Hit rate growth from 13% to 20% average <p>Following the ensuing discussions, the conclusion of the panel were made as follows;</p> <ul style="list-style-type: none"> i. Uganda noted that they are trying to leverage on the huge investment in upgrading the system, emphasizing on the efficiency gain and not on policy and financial investment. And so far the results are positive, e.g. reduced clearance time without increasing the number of staff or salaries. He further noted that Performance Measurement is still a very challenging area, there is a lot of subjectivity as there is no scientific way of giving exact results. ii. The WCO urged the region to do more research in this area and further urged members to share their experiences. iii. The GC acknowledged the comments by the WCO and agreed that the region takes into account the research WCO has done. iv. The work being done in South Africa will be shared with the region. v. The GC appreciated Uganda's presentation.

6.0 REGIONAL STRATEGY AND IMPLEMENTATION PLAN

The current Regional Strategy and Implementation Plan (2012 – 2017) comes to end in June 2017, with over 90% of the planned activities completed. The Governing Council accepted recommendations of the Regional Steering Group (RSG) meetings on the development of a new Regional Strategy.

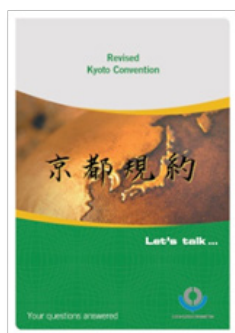
The 21st Governing Council meeting held in Lesotho decided that a working group comprising volunteering Members, RTCs, ROCB and WCO be formed in order to begin work on the next Strategy. The GC also approved a back to back two day Strategy meeting with the next Regional Steering Group Meeting (RSG) which was held in November, 2016 to progress the works of the new Strategy.

A special sitting of the GC is expected to give its input on the development of the Strategy and Implementation Plan, in May, 2017 in Uganda, before the finalization of the Strategy.

Highlights of Discussions and New Developments.

I. Promotion of Trade Facilitation

- a) **Revised Kyoto Convention (RKC):** Angola acceded to the RKC ON 23rd February, 2017. This brings to 15 out of 24 the ESA Members who have acceded to the RKC. The WCO Secretary General, Mr. Kunio Mikuriya received their instruments of accession from Angola's ambassador to Belgium, H.E Ms. Maria Elizabeth



de Carvalho. The RKC remains a key tool of the WCO and anchors the implementation of the TFA.

- b). On the Trade Facilitation Agreement (TFA), The WTO Trade Facilitation Agreement (TFA) entered into force on 22nd February, 2017, marking a momentous date in the life of international trade. The World Trade Organization (WTO) announced that this number had been reached with four countries, including Rwanda from the East and Southern Africa region, depositing their instruments of acceptance with the WTO, thereby bringing the number of countries to 110, just a little above the two third majority that was required for the agreement to enter into force.
- c). ESA held a panel discussion during the 24th RSG held in Lesotho during the month of May, 2016. The meeting concluded that there was need to build capacity for the National Committees on Trade Facilitation (NCTFs) through supporting their establishment and information sharing in order to have sustainability. The meeting also noted the importance to have clear road maps to speak to the overall Regional Strategic plan and entire National Development Strategies.
- d). The 24th RSG urged the Members to pursue the exchange of Accredited Regional Experts to do sensitization in this area. The RSG recommended to the GC that the Vice Chair should engage



the Heads of the RECs with a view to encouraging collaboration between the WCO ESA region and the RECs with a view to developing a structured cooperation framework

- e). The meeting also took note of the need for the region to do an overview of the donor support to leverage on the help that already exists and use it in terms of regional development; this effort of collaboration should be elevated to the Political level to guide at a National level as well.
- f). The 21st Governing Council asked the Vice Chair to make contact with the Heads of the RECs and develop a structured framework in cross cutting projects and initiatives.

On the Authorised Economic Operator (AEO),

- g). During the 24th RSG meeting the EAC informed the meeting that it has taken a regional approach and now it has Regional Authorized Economic Operators operating within the EAC. The decision to take this regional approach was made by the EAC Council of Ministers
- h). The EAC further noted that a regional approach brought dynamisms and opportunities to share experiences and allow borrowing of best practices.

II. Development of Human Capital

- a). Virtual Customs Orientation Academy (VCOA); during the 21st Governing Council meeting, the region expressed concerns over the selection criteria of the WCO-VCOA which requires that participants of the VCOA be newly recruited Customs officers and/or having served for a period not more than

two years. It was pointed out that most Members trained their new officials for two years before being considered full employees of the organization and are at a disadvantage of qualifying for any activities or programmes outside their national training programme.

- b). These concerns have however been addressed and the period has been extended to four years of service in Customs.
- c). The VCOA aims to provide newly recruited Customs officials with basic Customs knowledge and skills through a tutored curriculum. The course provides a unique opportunity for new Customs officers to learn, network and expand their competencies to face tomorrow's Customs challenges.
- d). The ROCB re-circulated the invitation letters of the Virtual Customs Orientation Academy to members and sent out a reminder to ensure that members met the set deadline for application.
- e). Training of Trainers (ToT): The ROCB and a technical team comprising officials from South Africa (lead), Mauritius, Swaziland and Zimbabwe, alongside the WCO worked on Evaluation Standards for the ESA Training of Trainer (ToT). The standards highlight the WCO Regional Training Charter, the scope, listing the principle methods of delivery, Documentation and steps in setting up and conducting a workshop.
- f). The 2nd ToT workshop was held in the month of September, 2016

III. Capacity to Support Regional Integration

- a). The Governing Council asked the Vice Chair to make contact with the Heads of the RECs and develop a structured framework in cross cutting projects and initiatives.
- b). Recommendations were also that RECs share periodic activities with Members and also through ROCB, and to explore implementation of the TFA and complementarities amongst the RECS at the various levels (mechanisms should be coordinated by ROCB).
- c). Previously, it was agreed that continued collaboration with RECs and sharing and adoption of best practices be on following areas;
 - SADC and COMESA on AEOs
 - Developments in the area of the RKC.
 - Customs to Business Partnership.
 - Exchange of information(SACU Piloting GNC).
 - Transit related issues.
 - AU on CFTA.

This report focuses on the activities, under the various objectives, planned or carried out during the period under review.

6.1 STRATEGIC OBJECTIVE 1: PROMOTION OF TRADE FACILITATION

This objective aims to achieve harmonized policies among members, legislation and procedures in a view to implement Coordinated Border Management (CBM), Enhanced Customs to Customs cooperation, and Enhanced Customs to Business partnership and Harmonised ICT strategy implementation.

1. TFA Regional Workshop held in Botswana from 20th to 23rd September, 2016.

- a). The Regional TFA workshop meeting was hosted by the Botswana Unified Revenue Services (BURS) in Gaborone, Botswana from 20th to 23rd September, 2016. This meeting was organized by the WCO and the ROCB in partnership with the Botswana Unified Revenue Services (BURS), and made possible by the financial support from the Department for International Development (DfID).
- b). The Workshop shared on general information on the TFA, the role of the WCO related to TFA implementation,



Participants of the Trade Facilitation Agreement Workshop, Gaborone, Botswana.

contents of TFA regulations and respective examples of implementation approaches, experiences of Trade Ministries and other institutions active in the region and held discussions on further approaches to Capacity Building and TFA implementation.

- c). The workshop focused on technical issues and allowed discussions on individual TFA Articles, including discussions on legal requirements, benefits, available implementation tools and Members' experiences. The workshop was attended by participants from Customs of Members of ESA Region, as well as representatives from the WCO, WCO ESA ROCB and development Partners.

2. The Region made the following conclusions and agreed on the next steps;

- i. Appreciation for TFA workshops; acknowledged the critical role played by the workshops in disseminating information on TFA and supporting its ratification and implementation. The Region thanked the WCO and the ROCB for their continued organization and agreed on the need for more workshops on specific areas and the regional and national levels. It also urged quarterly workshops incorporating other stakeholders such from trade and industry, commerce and finance, among others, as well as the provide sector.
- ii. Monitoring and Evaluation; it is imperative that the Region, with the support of the ROCB and WCO, develops a strong M&E framework to report continuous progress and development on the TFA. This should entail periodic feedback on the progress and sharing of best practices and challenges on implementation.
- iii. Implementation of the TFA; agreed that implementation of the TFA remained critical to the region, especially in light of the low levels of intra-regional trade in East and Southern Africa. Members

were urged to take necessary steps to ensure ratification of the TFA, considering that at the time of the workshop, only 7 out of 24 Members had ratified the TFA. The WCO and ROCB, as well as the RECs, were urged to support identified needs by Members and the players, such as in the development of the Terms of References (ToRs) for the NCTFs, technical assistance, among others.

- iv. National Committees on Trade Facilitation; the NCTF remained at the core of ratification and successful implementation of the TFA. The Region noted that some Members have not set up these committees and urged their formation. The Region noted that Customs played different roles in these NCTF, such as Chairing or Co-Chairing, serving as Secretaries or simply Members. The Region agreed that while Customs may not necessary head the NCTFs, Customs still remains a key Member of the committees and should enhance its participation as best as possible. There is also the need to ensure that decision makers are well represented in the NCTF in order to strengthen them.
- v. Breaking the Language Barriers; the Region, while noting that it has three official languages – English, French and Portuguese – thanked the WCO for ensuring interpretation during the workshops. It further urged the WCO and ROCB to take note of the limitations that arise in cases where material are not translated in all the languages and urged further development in this areas to ensure faster understanding of matters related to the TFA and its implementation.
- vi. Breaking the Transit of Persons Barriers; the Region noted that it still faced challenges in the movement of people across the borders, particularly on transit and other travel. It was agreed that this matter needed to be picked up and discussed further, aiming to offer lasting solutions and eradication of non-tariff barriers that hinder international trade, particularly in light of VISA and political restrictions.

3. AUC funded Regional Trade Facilitation Forum

- i). The ROCB and the African Union Commission (AUC) in partnership with the Directorate General of Malagasy Customs conducted the first AUC-WCO ROCB Eastern and Southern Africa Customs Regional Trade Facilitation Forum in Antananarivo, Republic of Madagascar from 21st to 22nd December, 2016.
- ii). The Forum explored among other issues; Africa's Regional Integration Agenda (Boosting Intra African Trade and the establishment of the CFTA), an overview of the Gap analysis Study on the implementation of the WTO TFA in WTO Least Developed Countries, as well as the latest survey on implementation of the TFA in ESA region and country experiences in the Implementation of Trade Facilitation Measures (Challenges and Technical Assistance requirements).
- iii). Recommendations of the 1st African Union - World Customs Organization Eastern and Southern Africa Regional Office for Capacity Building Customs Experts Trade Facilitation Forum -21-22 December 2016. Antananarivo. Republic of Madagascar

- **Africa's Regional Integration Agenda. Boosting Intra African Trade and the CFTA Project**

The Forum made the following recommendations:

- a) There is need for targeted capacity building at both Member States and regional levels to expedite the implementation of Trade Facilitation initiatives including under the BIAT and the WTO TFA.
- a) Member States Customs Administrations are encouraged to mobilize resources

to enable their effective participation in CFTA Negotiations as well as implement relevant BIAT Clusters

- **Overview and updates on implementation of Trade Facilitation programs in the Regions.**

The Forum made the following Recommendations:

- a) That the private sector be actively engaged and consulted on trade facilitation issues at both the national and regional levels. This active participation by the private sector could be through co-chairing the national committees as well as assisting the monitoring and evaluation of progress in implementing all plans and strategies on trade facilitation.
- b) Member States and RECs need to share information relating to donor supported activities on trade facilitation in their respective countries/regions. This will ensure close donor engagement and coordination on all donor-supported activities related to trade facilitation thereby reducing duplication and promoting better use of resources.
- c) That the RECs should take necessary measures to ensure a coordinated regional approach to TF issues, especially in relation to the preparation of notifications, the sourcing for funding and the conduct of capacity building activities.

- **Country Experiences in the Implementation of Trade Facilitation Measures**

The Forum made the following recommendations:

On Authorized Economic Operators

- (a) The Forum noted the relevance and benefits of implementing AEO program and recommended that Member States who have not yet done so, consider implementing the AEO Program in order

to facilitate trade while securing the trade supply chain.

On Coordinated Border Management

- (a) There is need to ensure synchronization of working hours among all border agencies
- (b) There is need for a clear legal framework for coordinated border management
- (c) Border agencies may consider delegating some of their functions among themselves to ensure streamlining of border clearance processes among them

On Risk Management

- (a) There is need for member states to legislate the risk management measures so as to have a legal framework to work with.
- (b) Member States are encouraged to incorporate other relevant border agencies in the design and management of risk management measures

On Publications and availability of Information

- (a) There is need for adequate ICT infrastructure to ensure effective publication and availability of information.

On National Committees on Trade Facilitation

- (a) That Member States should expedite the Establishment of National Trade Facilitation Committees where they do not exist or other appropriate institutional arrangements to focus on TF issues.
- (b) There is need for member states to legislate the NCTF so as to have a legal framework to work with
- (c) There is need to ensure that member States avail dedicated resources for the running of the NCTF
- (d) There is need for Member States

to ensure that the NCTF has a clear mandate as well as Rules of Procedure for its operations

- (e) There is need to ensure that there is political will to support the work of the NCTF

On Measures for Appeal and reviews

- (a) Customs Administrations need to ensure that their Appeals and Reviews System are in line with national legislation
- (b) There is need for Customs Administrations to sensitize their respective Judiciary Systems as well as other stakeholders on Customs Laws as well as the appeals and review procedures and measures
- (c) The Appeals and Review procedures and measures need to take into account the roles and mandates of other border agencies

On Technical Assistance and Capacity Building

- (a) The WCO ESA ROCB and UNCTAD are urged to continue supporting the Region by providing Technical Assistance in Capacity Building
- (b) The AUC should continue to collaborate with the WCO ESA ROCB in providing a forum for exchange of information on Trade Facilitation for Customs Administrations in the Region.
- (c) There is need for the WCO ROCB ESA to develop a tailor made Technical Assistance and Capacity Building program for the Republic of South Sudan and Somalia
- (d) UNCTAD is encouraged to continue offering Technical Assistance and Capacity Building in Trade Facilitation.
- (e) Member States are encouraged to access available assistance from international organizations such as the UNCTAD empowerment and Trade Facilitation programs.

6.2 STRATEGIC OBJECTIVE 2: PROMOTION OF FAIR AND EFFICIENT REVENUE MOBILIZATION

This objective aims to achieve effective Mobilization of Revenue Collection to enhance revenue collection techniques thereby increasing the tax base and maximizing the revenue yield.

I. Activities

- a). Regional Workshop for East and Southern Africa on Customs Valuation and Transfer Pricing.
- b). The WCO organized a Regional Workshop for East and Southern Africa on Customs Valuation and Transfer Pricing which was held in Harare, Zimbabwe between 20 and 24 February, 2017. 22 participants from 17 ESA Region countries took part in the event which was kindly funded by the China Customs Cooperation Fund and hosted by the Zimbabwe Revenue Authority (ZIMRA). The Workshop provided technical background on both topics and gave examples and exercises on the use of transfer pricing data by Customs.
- c). The Workshop also included sessions on the WCO's Revenue Package programme, designed to assist countries in the enhancement of fair and efficient revenue collection, with a special focus on the challenges of implementing the WTO Valuation Agreement in developing countries.
- d). The ROCB collaborated with the WCO in supporting providing Members with WCO Revenue Package materials, accessible through the WCO ESA ROCB members' Online website. These materials, available in English and French, have been availed to us by the WCO as part of our efforts to increase knowledge in Customs as well as the uptake of Blended Learning practices. These materials are for use by Customs Administrations and not made available outside the Customs community.

2. Regional Workshop on the HS 2017 Edition Harare, Zimbabwe

- a). A Regional Workshop to assist the English-speaking Members of the WCO's East and Southern Africa (ESA) and West and Central Africa (WCA) Regions was held in Harare, Zimbabwe, from 25 to 28 July 2016.
- b). The Workshop was intended to ensure the uniform interpretation and application of the HS 2017 Nomenclature provisions by Members in the ESA and WCA Regions. During the Workshop, the participants received an update on the relevant WCO instruments, tools and supporting materials on the HS, and tools developed under the WCO Revenue Package to respond to Members' needs in respect of fair, efficient and effective revenue collection and to assist them with the implementation of the WTO Trade Facilitation Agreement.
- c). During the Workshop, comprehensive explanations on the scope of the HS 2017 amendments were presented, including the background to their development, with a view to ensuring the uniform interpretation and application of the HS Nomenclature 2017 Edition by Customs Administrations in the WCO ESA and WCA Regions.

6.3 STRATEGIC OBJECTIVE 3: PROTECTION OF THE SOCIETY

This objective aims to assist members to develop effective Risk Management policies, strategies and procedures.

I. Intellectual Property Rights

- a). The WCO organized an IPR workshop, hosted by RTC Kenya from June 6 – 10, 2016 followed by a 10-day operation at the Port of Kilindini, in Mombasa, Kenya. According to the WCO, 'Counterfeit and pirated goods continue to endanger consumer health and safety, and remain a priority area of concern for the World Customs Organization (WCO) and its Members. The results of recent Operations conducted by the WCO have highlighted the scope of this phenomenon and have made it possible to measure some of its consequences. It has also allowed the intercepting of millions of illicit drug doses, which are dangerous and possibly fatal. To address this challenge, the WCO Secretariat, with the support of the Institute against Counterfeit Medicines (IRACM), planned an Operation in Africa to detect and intercept counterfeit and pirated goods that may harm the health and safety of consumers.'
- b). This took place over 8 days in 16 main ports of the following countries: Angola (Luanda), Benin (Cotonou), Cameroon (Douala); Democratic Republic of the Congo (Matadi), Gabon (Libreville), Ghana (Tema), Côte d'Ivoire (Abidjan), Kenya (Mombasa), Mozambique (Maputo), Namibia (Walvis Bay), Nigeria (Lagos), Republic of the Congo (Pointe

Noire), Senegal (Dakar), South Africa (Durban), Tanzania (Dar es Salaam) and Togo (Lomé). This Operation also use the WCO tool "Interface Public-Members (IPM)".

2. Action against Counterfeit and Illicit Medicine

- a). The objective of this initiative, codenamed Operation "ACIM" (Action against Counterfeit and Illicit Medicine), was to quantify and qualify the scope of counterfeiting and piracy phenomena more effectively, and to test the practical applicability of risk analysis standards in live conditions. Given Kenya's importance in international trade flows in Africa, it was asked to host the operation.
- b). Operation "ACIM" took place from 5th to 14th September 2016, preceded by training (from 31st August to 2nd September) in risk analysis and IPR targeting techniques for two operational experts (specialized in sea freight) from each country participating in the Operation.
- c). The focus of Operation "ACIM" is not to impede a port's economic activity by inspecting all goods, but rather to use new targeting techniques developed to pinpoint consignments posing a risk and to inspect and interdict them under the Administration's supervision.
- d). Activities previously conducted under this strategic objective were Non-Intrusive Inspection (NII) workshop (funded by CCF/Japan), and nCEN implementation projects (supported by the WCO ESA Project) and Regional Workshop on Transit (funded by CCF/Japan). A pending Risk Mapping workshop is yet to be conducted as funding modalities are yet to be firmed up.

6.4 STRATEGIC OBJECTIVE 4: STRENGTHENING PROFESSIONALISM IN HUMAN CAPITAL

This objective aims to enhance regional research and analysis capacity in Customs, develop competent trainers for national and regional training, develop a regional E-learning platform, develop and integrated Human Resource Development (HRD) strategy to support the repositioning of customs as well as integrated Human Resource Management (HRM) strategy.

Activities planned included a Training of Trainers (ToT) workshop, building and implementing the regional E-learning platform and Regional Research Programme. Regional LMDP Accreditation Trainings previously took place, supported by the Finnish Government under the WCO ESA Project.

I. 2nd ESA Regional Research Conference (ESARR Conference)

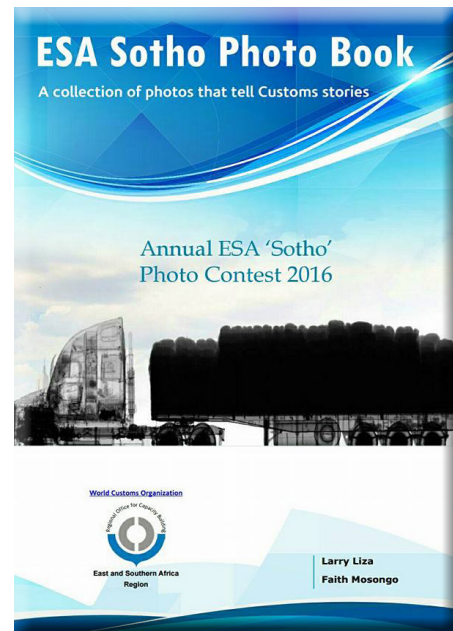
- a). The region aims to further regional development through research and host biennial research conferences. The ROCB obtained funding for the 2nd ESA Regional Research Conference, now christened the ESARR Conference. The RTCs deliberated on the details of the conference during their meeting held on 2nd and 3rd November, 2015, and provided feedback to the region.
- b). The objective of the Programme is to encourage research on topical themes for Customs in the East and Southern Africa. The programme also aims to develop a body of knowledge to guide decision making process concerning trade facilitation and regional economic integration in East and Southern Africa. It is also hoped that the research programme and results from findings from research initiatives will assist countries in sharing of experiences, ideas, knowledge and information on new innovations to improve customs operations, whilst creating new inventions to continue modernising customs to ease facilitation of trade in East and Southern Africa. The envisaged output from this process will always be the publication of an e-book.
- c). The ROCB informed the ESA Governing Council in Lesotho in May 2016 that it obtained funding for the 2nd ESA Regional Research Conference, now christened the ESARR Conference. It had made a proposal was made to the 9th Steering Committee of the Project titled “Building Trade Capacity through Customs Modernization in the East and Southern Africa Region”, supported by the Government of Finland. Upon further consultations, the Customs Cooperation Fund – Korea will now be the donor supporting the regional towards to preparations of the 2nd Regional Research Conference, which is expected to be held between June – August, 2016. The ESA RTCs had also deliberated on the details of the conference during their meeting prior to the Governing Council meeting.
- d). RTC Kenya expressed interest to host the 2nd ESARR Conference in Kenya in 2016. The RTC nominated its officials as its representatives and coordinators of the programme in the run up to hosting the conference and have commenced discussions with the ROCB.
- e). A Regional Research Panel has been established by the ROCB for the overall coordination of the conference. The Panel will comprise of representatives from the ROCB, RTC Kenya (host), WCO Research

Unit, Experts/Academician, a Member (country) and a second RTC, and any other person as found necessary. The Research Panel will, in its first meeting, agree on the theme of the conference alongside the timelines of activities. The programme toward the research conference will run from June 2016 to August 2017.

- f). The ROCB sent out a call for papers to the ESA Region (Member States, RECs, other Developmental Partners and the Private Sector) towards the ESARR Conference. The theme of the conference is 'Impacts and Implication of the Trade Facilitation Agreement and the WCO Mercator Programme to the ESA region'.
- g). Selected research areas include; 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.

2. The ESA Sotho Photo Book

- a). The ROCB launched the ESA Sotho Photo contest as an Annual Contest to be voted at Governing Council and named Sotho Photo Contest to honour the first host, Lesotho. 15 Members submitted photos showcasing Member history, activities and successes in exercising mandate, with the winner & runners-up awarded a trophy & certificates. All the photos submitted were to form the 'ESA



Sotho Photo Book; a collection of photos that tell Customs stories'.

- b). The ROCB published the ESA Sotho Photo Book and shared it with the Region, the book may also be downloaded from the Publications section of the WCO ESA ROCB Website.

3. ESA Training of Trainers

The Second Training of Trainers (ToT) Workshop - 26th to 30th September, 2016.

- a). The WCO ESA ROCB has been running the ToT programme aimed at developing a regional pool of experts for use in the region as well as by their respective national administrations in the dissemination of training. So far we have carried out two workshops. With financial support from the Department for International Development (DfID) and in partnership with the South Africa Revenue Service (SARS), the ROCB and WCO held the first ToT workshop from 14th to 18th March, 2016 in Pretoria, South Africa. The Regional Training Centres (RTCs), in conjunction with the ROCB, the WCO and RECs (COMESA, EAC & SADC) developed the modules of the training.

- b). The programme's framework envisioned that each Member administration nominates candidates involved with training in their administrations. The initial Training of Trainer workshop involved training on the standards, techniques and methodology in delivery of training, 23 trainers participated in the workshop together with 5 Members of the Technical team and a WCO Representative.
- c). The Second Training of Trainers (ToT) workshop took place from the 26th to the 30th October, 2016 in Port Louis Mauritius. This workshop was subsequent to the 1st ToT workshop held earlier in the year which involved training on the standards, techniques and methodology in delivery of training. The same participants from the first ToT were maintained in order to ensure consistency and achieve maximum results.
- d). The 2nd workshop focused on Risk Management, and aimed to empower the trainers with knowledge and training materials on technical subjects. This meeting was organized by the ROCB and the WCO in partnership with the Mauritius Revenue Authority (MRA), and made possible by the financial support from the Department for International Development (DfID).
- e). The ROCB and a technical team comprising officials from South Africa (lead), Mauritius, Swaziland and Zimbabwe, alongside the WCO worked on Evaluation Standards for the ESA Training of Trainer (ToT). The standards highlight the WCO Regional Training Charter, the scope, listing the principle methods of delivery, Documentation and steps in setting up and conducting a workshop
- f). In this charter, the Members are expected to; define national objectives linked to their participation in a WCO regional training programme and designate participant(s) having the proper profile for the training at issue, namely: sufficient grasp of the training subject, ability to represent his/her administration, ability to work effectively within a group, good knowledge of one of the WCO's two official languages, adequate level of responsibility and capacity to cascade the acquired knowledge back to the colleagues, compliance with integrity rules, etc. and Inform the ROCB of actions taken by the administration following the training, and of the results obtained.
- g). It also highlights the expectations of the participants and the regional network.
- h). The 3rd ToT took place from 1st to 30th April, 2017; this particular course was done online using the World Customs Organization CLiKC platform and focused on the Trade Facilitation Agreement. The course involved online discussions and tests, with the participants monitored by the ToT Technical Team to check on their progress.
- i). Future Plans; the ROCB looks forward to the WCO's continued support for the programme and we have had discussions with the WCO on a ToT workshop for the non-English speaking Members (initially French), as well as aiming to progress training the ToT Team. We hope to have a 3rd ToT workshop to further progress this agenda. Finally, we are seeking assistance in developing a monitoring and evaluation tool to make the programme more effective, especially regarding the participants practice in their national administrations and the region. We also hope that WCO can consider these trainers, based on their specialties, as



The 2nd Training of Trainers (TOT) Workshop - 26th to 30th September 2016.

WCO Accredited Experts in the various areas of accreditation.

4. Regional Workshop on Customs Organizational Performance Measurement, Pretoria, South Africa.

- a). The ROCB worked with the WCO in coordination and planning of the workshop. The aim of this workshop was to promote greater understanding of the purpose and practical implementation of performance measurement tools in the organizational context of Customs administrations. The workshop focused on the core framework of Organizational Performance Measurement, such as the types of performance indicators, the principles which underlie their design and their practical application and limitations based on Member administration's examples. It also offered the opportunity for sharing information and experiences on the developments in global approaches to Customs performance measurement and best practices.
- b). On the Next Steps regarding Performance Measurement, the region settled on the following:
 - i. Performance Management vs. Performance Measurement; While Performance Measurement remains key to Achieving Excellence in Customs, it is imperative that the region considers Performance Management and their interrelationship. The WCO was called upon to consider a workshop that will also have adequate sessions dedicated to Performance Management and cover all its five phases, from planning to rewards.
 - ii. Key Performance Indicators (KPIs), PM Tools & Guidelines; There is need to provide managers with the opportunity of learning how to set KPIs. Future sessions need to highlight some of the capabilities required to deliver on these KPIs and help mitigate challenges faced by various Members. We should now understand how the KPIs / Performance Guidelines can be put to use and improve performance, which will be relevant in identifying weaknesses and areas of improvement. On the Tools, Members need to identify and understand the different performance measurement tools that exist, such as the Balance Score

Card, know what they are and how they may be used. Future workshops should consider including these different tools in more detail in each presentation and how they can be put to use. On Guidelines, it would be to the Region's advantage if there were guidelines for cascading information to lower level employees. Future sessions must look at specific roles within Customs. There has to be specific examples of Performance Measurement tools for each of these roles. These will strengthen / empower employees and may be customized / simplified depending on their abilities.

- iii. Benchmarking, Sharing of Best Practices & Information Sharing; Communication within and between Revenue Administrations needs to be addressed in order to share knowledge gained from workshops to peers. Revenue Authorities from the region should partner with others such as SARS and understand their automated the Performance Measurement system. Such practices may be adopted / customized by other Members. Member countries that are more advanced may organize training sessions and assist others with benchmarking to understand their PM modalities.
- iv. Needs Identification; the Region and Members need to identify specific Capacity Building needs in the Performance Measurement category, beyond the Annual Needs Assessment, in order to assist Members in the specific areas that they need improvement in PM.
- v. Understanding Member Stages of Development; It is important to appreciate that different Members are at different levels of development and consider specific support such as national workshops in PM.
- vi. Finding Solutions within; Members should bear in mind that sometimes solutions to Performance Measurement may be found

within our own administration. e.g. getting ideas from Domestic Taxes and other departments, customize and implement in Customs.

- vii. PM for Stakeholders; Need to recognise how stakeholders and other working partners contribute to Customs performances, and emphasize how to conduct Performance Measurement them. These should include how they impact processes, considering that delays may not necessarily be occasioned by Customs.

5. Website Redesign and Development and Regional E-learning platform

- a). The ROCB now runs an ever-growing robust website and social media platforms, all which are regularly updated. The ROCB got into a partnership with Kenya's Strathmore University, which now provides the office with student interns in Bachelor of Business and Information Technology to support the management of the website.
- b). The ROCB engaged the WCO to allow the recruitment of another company to carry out the WCO ESA ROCB website Redesign and Development as communication with IT Band, the original company tasked with this assignment had hit a snag. The WCO was in agreement and Mind IT Limited was selected. Mind IT Limited has previously worked with the ROCB and has proven to be very reliable and professional.
- c). The WCO further agreed to process payment to Mind IT Limited to enable them embark on the project. The payment was made and the process of the Redesign and development of the new ESA ROCB Website has been on-going and expected to be completed soon.

6. WCO Knowledge Academy 2016

- a). The WCO Knowledge Academy 2016 was held from 27th June, 2015 to 6th July 2016. The 2016 Knowledge Academy's programme, in which the ROCB participated, included two important learning tracks focused on the WCO's principal areas of work, namely Tariff and Trade Affairs (Harmonized System, Rules of Origin and Customs Valuation) as well as Compliance and Facilitation (Trade Facilitation Agreement, WCO Data Model, and SAFE/AEO). The next Knowledge Academy will be held from 19th June, 2015 to 28th June 2017.

institutions. Key attendees included Bureau of Customs Captain Nicanor Faeldon, and the Undersecretary of the Department of Finance of the Philippines Antonette Tionko.

- c). The ROCB highlighted the ESA Regional Research Program, sharing the journey from its inception to the hosting of the 1st ESA Research Conference. It urged the replicating of the program in other regions, and offered to share best practices. The Director also called for partnerships between the academia, research institutions and development. Other presentations from the region came from or related to the region came from the African Union, Madagascar, South Africa and Uganda.

7. WCO PICARD Conference 2016



Participants of the Picard Conference, Philippines, 2016

- a). The 2016 Picard Conference was hosted by the Philippine Bureau of Customs from 27th to 29th September 2016, in Manila, Philippines. The ROCB Director attended the conference as a Speaker on the Role of Research in Customs Reform and Modernization.
- b). The conference was attended by over 250 participants from 54 countries representing Customs administrations, the academia (universities) and research
- d). The topical areas of focus during the conference included; Transit and Trade Facilitation, Customs Management, Digital Customs and Security, Illicit Trade in Cultural Property, AEO Benefits and Trusted Trade Lanes, Research and Academic Matters, Tobacco Control, Classification, Valuation, and Origin Matters, Reform and Modernization.

6.5 STRATEGIC OBJECTIVE 5: ENHANCE CAPACITY TO SUPPORT REGIONAL INTEGRATION

The outcomes of this objective are; Effective regional coordination procedures among the regional stakeholders, Effective Monitoring and Evaluation framework and Funding Mobilization.

I. Mission

- a). The ROCB has continued to participate in various missions that promote the delivery of its objectives. These missions are as a result of its collaboration with the WCO, RECs, various stakeholders and development partners.
2. **The 12th Global Meeting of the Heads of the ROCB, RTCs and the Vice-Chairs' Office**
 - a). The Director attended the 12th Global Meeting of the Heads of the Regional Offices for Capacity Building (ROCB), the Regional Training Centres (RTCs) and the Vice-Chairs' Offices that took place in Brussels (WCO Headquarters) on 2nd and 3rd March 2017. The meeting focused on following-up on the Best Practices Guidance for the WCO Regional Entities published in June 2016, aligning practices to better support the identification and evaluation of the Members assistance needs, the implementation of the WCO MERCATOR Programme and the mobilization of funds through the effective donor engagement.
 - b). During this meeting, the WCO announced that from next year, 2018 they would shift the meetings, with the ISC coming first, followed by the CBC, and

then the Global meeting of the ROCBs, RTCs and VCs. Previously the meetings have been held in this order; The Global meeting of the ROCBs, RTCs and Vice Chairs coming first, then the Capacity Building Committee (CBC), and finally, the Integrity Sub-Committee (ISC). While the meeting did not expressly object this change, some sentiments were expressed, particularly by the ESA ROCB and the Asia Pacific (AP) ROCB who pointed out that the WCO should have consulted the Members and especially the Vice Chairs before making this decision. The meeting agreed that the WCO would consult the Vice Chairs and give a justification before making a final decision regarding the matter.

3. **The 8th Session of the Capacity Building Committee**

- a). The Director attended the 8th session of the CBC took place in Brussels, from 7th - 9th March 2017. Among other issues, the meeting took note of the delivery report presented by the Director of Capacity Building. The Director highlighted the main issues of the WTO TFA, the WCO Global Counterterrorism Strategy, Digitalization and Data Analysis, Regional Integration, and Taxation.
- b). The CBC noted the progress made in the area of resource management, key developments in the six WCO regions, as well as statistics on recent activities and the further development of WCO tools, and encouraged the Secretariat to continue developing transparency on capacity building delivery, and further encouraged Members to participate in delivery, support and development of capacity building.

4. The 127th / 128th WCO Council Sessions

- a). The ROCB participated in the 127th / 128th Council Sessions of the WCO which took place in Brussels, Belgium, on the 14th – 16th July, 2016. The Council took note of and discussed various reports, particularly of the Policy Commission and the various Directorates.
- b). Of particular interest were the election procedures for the positions of the WCO Secretary General and the Deputy SG, as well as the WCO Directors. On the election of the Secretary General and the Deputy SG, the Policy Commission reported that they had not reached an agreement on a preferred procedure. The Council was divided on the various options and voted to retain the existing procedures on their elections (status quo).
- c). The ESA Region also held a Regional Consultation meeting at the sidelines of the Council. The deliberations of the meeting were shared with the region.

5. The 7th RJCC meeting, Kigali, Rwanda

- a). The ROCB attended the 7th RJCC meeting in Kigali, Rwanda, on 24th November 2016. Various issues were discussed including; the results of the Benchmarking Study on Customs Valuation in Japan, 17th -26th October, 2016, Operationalization of OSBPs under the Project on Capacity Development for International Trade Facilitation in the Eastern African Region (recent and envisaged highlights of operationalization of the Rusumo OSBP) and self-regulation as a key to professionalization of customs agents and freight forwarding services in the EAC.

6. Cooperation with the Tripartite (RECs) and other stakeholders

- a). The ROCB is mandated to collaborate with the RECs (EAC, COMESA, SADC and SACU), the African Union, among others in driving the regional agenda especially in areas of collaboration.
- b). Proposal to Co- organize a Capacity Building Activity with AUC; AUC wrote to the ROCB indicating that they had identified some funds that they would like to earmark for use in the ESA region, especially on a capacity building activity related to trade facilitation issues. They further inquired if they could work together with the ROCB to organize a capacity building activity (workshop or forum).
- c). AUC requested a priority list of the Region's planned activities for the year which are related to Capacity building and in particular Trade facilitation. The ROCB sent them a proposal as a result the ROCB and the African Union Commission (AUC) in partnership with the Directorate General of Malagasy Customs conducted the first AUC- WCO ROCB Eastern and Southern Africa Customs Regional Trade Facilitation Forum in Antananarivo, Republic Of Madagascar from 21st to 22nd December, 2016.
- d). The ROCB asked the RECS to share their reports on various regional activities that they have carried out or are planning to carry out

7. Collaboration with the African Financial & Economic Crimes (AFEC) Forum

- a). The WCO ESA ROCB got into partnership with The African Financial & Economic Crimes (AFEC) Forum.

AFEC has been formed to devise more effective ways of dealing with Surging levels of financial and economic crime in Africa, primarily by addressing a variety of readily identifiable factors which have stifled innovation, collaboration and efficiency in this field.

- b). The Forum is a multi-disciplinary, membership-based platform to facilitate professional networking, best practice, information sharing and a broader and better understanding of the nature and dynamics of financial and economic crime in Sub-Saharan Africa.
- c). As an Institutional Member the WCO ESA ROCB bears no cost, obligation or potential liability of any kind, now or at any future stage, yet affords all the benefits of ordinary Corporate Membership. In return, WCO ESA ROCB will publicize the Forum to our members, by whatever means is most appropriate – e.g. newsletter, website, etc.

8. Launch of the WCO ESA Project II

- a). The WCO ESA Project II, funded by Finland, in support of trade facilitation in ESA was officially launched during the month. The project aims to progress the Trade Facilitation agenda, within the framework of the WCO Mercator Programme, 2016-2019. The launch together with the Project's first Steering Committee meeting took place from 6th to 8th February, 2017.

9. Reports from the RECS

The 21st GC asked the ROCB to collaborate with the RECs hence the ROCB wrote to the RECS and asked them to share a brief report on the activities they had carried out in the

Region, or any other that they had planned. The ROCB informed them that they would like to partner with them in that regard and offer support in carrying the activities out if need be. The following reports were submitted.

10. SADC

The priorities activities for the next 12 months are:

- I. Assist SADC Member States to implement the electronic certificate of origin.
- II. To conclude the review of the SADC Regional Customs Transit Bond Guarantee (Transit Management System).
- III. Assist SADC Member to establish/strengthening/resuscitate/expand the scope/ of the National Trade Facilitation Committee.
- IV. Assist Member States to implement the Coordinated Border Management (CBM) concept.

11. COMESA

I. Ongoing COMESA Time Release Studies

The COMESA Secretariat in collaboration with the African Development Bank is to undertake a Time Release Study in ten (10) COMESA Member States on clearing processes at selected twenty six (26) border posts in the Democratic Republic of the Congo, Djibouti, Eritrea, Ethiopia, Kenya, Madagascar, Malawi, Sudan, Uganda and Zambia.

The objective of the study is to identify bottlenecks in the clearing process, customs documentation and related procedures, measure the time it takes to clear goods at border posts and document the number of government agencies operating at border posts and involved in the clearing process. The study will seek to measure the effectiveness of the clearing process and will have, as its final

output, a report containing recommendations for improving the clearing processes.

The study was launched by the COMESA Secretariat and the African Development Bank on 29 August 2016 and implementation commenced on 1 September, 2016. It should be completed by end of May 2017. The Secretariat has engaged the services of IMANI Development Limited to implement this study. IMANI Development Limited is working with national experts who will supervise the work on the ground in each of the ten countries.

The First Regional Training Workshop on the COMESA Time Release Study was held on 21 - 25 November, 2016 in Nairobi, Kenya. The workshop was attended by participants from ten (10) pilot COMESA Member States. The resource persons came from the World Customs Organisation (WCO), Japan Customs and IMANI Development Limited, the firm commissioned to lead the implementation of the pilot COMESA Time Release Study. The project has now entered Phase II, which is data collection, or the actual time release survey.

II. WCO – COMESA Collaboration

On 9 February 2017, Mr. Kunio Mukuriya, the Secretary General of World Customs Organisation (WCO) visited the COMESA Secretariat Headquarters to explore partnership in promoting and advancing the integration agenda for the region. Earlier on COMESA Secretariat submitted a proposal to explore possibilities of WCO assistance to COMESA and formulating and implementing a regional trade facilitation project in the area of Customs modernization, streamlining Customs procedures based on WCO standards that would benefit individual COMESA Member States in terms of improving Customs efficiency and effectiveness.

The WCO considered the proposal from COMESA Secretariat and Mr. Zerezhgi K. Kidane, Senior Customs Affairs Officer has been designated to be the COMESA contact point for the further engagement in the area of Customs modernization, streamlining Customs procedures.

III. Training Manuals And Transposition To Hs 2017

The COMESA Secretariat developed training manuals on Harmonised System, Customs valuation

and Rules of Origin in line with the international best practice the like WCO and the World Trade Organisation (WTO).

In addition the regional Common Tariff Nomenclature (CTN) has been transposed to the latest WCO HS 2017 version and the COMESA Council of ministers has instructed the COMESA Secretariat to support Member States in their efforts to migrate to HS 2017.

At institutional level there is a regional Heads of Customs Sub-Committee to oversee the Customs and Trade Facilitation work programmes in the region. The Heads of Customs three year (2015 – 2017) work programme is attached to this brief. The COMESA Secretariat looks forward to work with the WCO on providing technical assistance in Customs modernization, and streamlining **Customs procedures and implementation of the WTO, Bali Trade Facilitation Agreements.**

IV. Collaboration with UNCTAD on Customs Automation

With regard to Customs Automation all COMESA Member States use automated customs clearance and sixteen of them (except Egypt, Mauritius and Kenya use other custom management systems) use similar ASYCUDA-EUROTRACE (ASYCUDA ++ or ASYCUDA World) and most of them, except two (Eritrea and Comoros) have centralized server and eight out of the sixteen of the ASYCUDA users are migrating or have already migrated to ASYCUDA World.

UNCTAD appointed the ASYCUDA Programme Regional Coordinator for Eastern and Southern Africa with the main purpose of enhancing links between UNCTAD and COMESA, since 05 August 2016. Work is ongoing on the creation or revitalization of a COMESA ASYCUDA Regional Support Centre which will be a significant step in continuing the longstanding relationship between COMESA and UNCTAD. Further work is in process on developing a concept paper focused on ASYCUDA support (technical and functional) and capacity building for the region that it could boost the relationship between COMESA and UNCTAD.

The ASYCUDA Programme already provides technical assistance to Rwanda, Uganda, Zambia and Zimbabwe for the preparation and implementation of an ASYCUDA Electronic Single Window. Technical assistance is being provided to the Democratic Republic of the Congo (DRC) National Customs

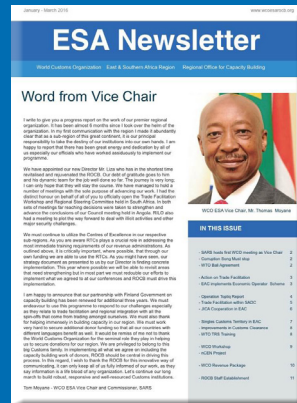
System (ASYCUDA World) and COMESA's Regional Customs Transit Guarantee Management Information System (RCTG-MIS) for the exchange of data related to regional transit. The efforts will be continued on the use of countries' capacities to improve and develop applications to ensure system's compliance with transit schemes, an important area of interest in COMESA, within the framework of WCO's Trade Facilitation initiatives.

The cooperation with the UNCTAD in the ASYCUDA Programme is expected to deliver further activities related to capacity building, migration to the latest version of ASYCUDAWorld and implementation of specific development for the enhancement of Risk Management and Valuation Control. Furthermore, the ASYCUDA Programme is in the process of implementing a module for performance measurement (ASYPM) a new solution (in DRC) and will be rolled out to the other Member States of the region.

12. 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. The first Newsletter of 2016 focused on January to March 2016 while the second, third and fourth newsletters focussed on activities carried out in the months of April to June, July to September and October to December respectively. The first newsletter issue of the year 2017 officially welcomes Members to Uganda for the ESA Regional

meetings during month of May 2017. The ROCB followed up and consolidated articles from Members, stakeholders and partners towards the publication of the eNewsletters. However the response from Members has been considerably low, and as such, to address this challenge, the ROCB staff opted to write some of the articles to be featured in the newsletters.



7.0 CONCLUSION

I am thankful to the Region (Members) for the support they have given us over the last year, enabling us achieve the successes outlined. We acknowledge the improved communication among Members, and I call upon the non active Members to play a greater role in the Region. The office of the Vice Chair (South Africa) alongside Members of the Management Committee (Uganda and Angola) has remained steadfast in their support. I acknowledge the leadership of Mr. Tom Moyane, ESA Vice Chair and Commissioner, SARS, alongside the members of his team who have worked with us over the last year. Of particular note are Messrs Jed Michaleto, Erich Kieck, Siphithi Sibeko, and Solomon Mathivhulula, as well as Mses Thabile Ntombela and Barbara Moeng’.

I am grateful to my home administration, and host of the ROCB, Kenya, for their enviable support, granted to me as an individual, to my members of staff, the ROCB as an institution and the Region. Of particular note is the Commissioner General of Kenya Revenue Authority, Mr. John Njiraini, and his team comprise the Commissioner for Customs Mr. Julius Musyoki and the National Contact Point, Mrs. Agatha Munyaka, together with the GC’s Tom Management Team and other staff.

The WCO Secretary General, Mr. Kunio Mikuriya has been committed in supporting the ROCB and the Region at large. We acknowledge the tireless work of his team, particularly from the Capacity Building Directorate, Mr. Ernani Checcucci, Ms. Brenda Mundia, and our Regional Development Manager, Mr. Patrick Gyan, Mr. Robert Ireland of the Research Unit, and other WCO officials.

Other partners and stakeholders with whom we have collaborated include the African Union Commission, the Secretariats of COMESA, EAC, SACU and SADC. Others

include the CCF Korea, CCF Japan and JICA, AFRITAC South, among other stakeholders. We are deeply thankful to them all for their cooperation and support.

We are happy to report that 95% of the activities envisioned in the Regional Strategy and Implementation Plan (2012 – 2022) have been completed and that a new one will come into force soon. We are thankful to the Members, development partners and other stakeholders for their support in enabling us meet the objectives set by the Region. We have assessed the relevance of the pending activities and integrated them in the upcoming Strategy. I look forward to the guidance of the Governing Council towards the completion of the Strategy under development, and remain ever so thankful to the WCO for their expertise and support towards the development of the new Strategy. I hope this matter can be concluded soon to enable us focus on the delivery of the identified objectives and implementation of the activities outlined therein.

The 2nd WCO ESA Project, supported by the Finnish Government, has commenced, with the Project Manager, Ms. Riitta Passi appointed and commenced her duties in October, 2016 while the rest of the project team (the Regional Expert and the Project Assistant) reported to work in April, 2017. The project is expected to fund a number of Regional capacity building activities and offer support to Members in certain specified needs.

The ROCB appreciates the support it has continued to receive from Members and especially in the growth of the now global ESA Newsletter. The profile of the region has also continued to grow globally, with recognition given to the region in various fronts, especially through invitations to various partnerships and representation at different fora, such as the Global meeting of the ROCBs, RTCs and the Vice Chairs, the Capacity Building Committee meeting and the WCO PICARD Conference.

8.0

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Annex I

ESA Sotho Photo Book

A collection of photos that tell Customs stories

Annual ESA 'Sotho' Photo Contest 2015



[World Customs Organization](#)



**East and Southern Africa
Region**



Background

The World Customs Organization, East and Southern Africa, Regional Office for Capacity Building, launched the **Annual ESA 'Sotho photo' Contest**. This called for Members to submit their 'best' photos to be displayed and voted for during the meeting of the region's Directors General, the Governing Council, annually. This contest was christened 'Sotho' in honour of the nation and people of Lesotho, which hosted the first photo contest in the region during Governing Council in May, 2016. We also hoped that this contest will further boost our Members' submission of photos for the WCO Annual Photo Competition.

Meanwhile, all the photos submitted form part of the **'ESA Sotho photo Book, a collection of photos that tell Customs stories**.

Editorial

I am happy to present to you the first ever **ESA Sotho photo Book, a collection of photos that tell Customs stories**. For the 2016 contest, we received photos from 14 out of our 24 Members countries. It is therefore our pleasure to present to you stories from Angola, Botswana, Ethiopia, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Seychelles, South Africa, South Sudan, Swaziland, Uganda, Zambia and Zimbabwe.

I congratulate the worthy winners of this contest, who were voted by the Members. As you flip through, enjoy the beautiful stories of our Members, showing reform and modernization, dedication and industry, zeal and zest in service delivery, and the ever growing opportunities for our region.



World Customs Organization



**East and Southern Africa
Region**

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ANGOLA

Use of sniffer dogs



Canine Unit: School children in rural areas learn about Customs and the use of Sniffer dogs as a working tool.



BOTSWANA

The BURS headquarters



The BURS headquarters, upon completion will ease the provision of its services to taxpayers, strategically located within the CBD. The design of the building encompasses some of the most modern state of the art information technology systems and takes into account the critical role BURS plays in mobilizing the resources needed for development in Botswana.

The ground breaking ceremony was attended by the Minister of Finance and Development Planning, Kenneth Matambo , who pointed to the buildings iconic and timeless status. "This is done because modern revenue services are enhanced by the efficiencies that can hold and should be derived from the use of ICT to drive business processes" he said. Since it is establishment, BURS has managed to meet and in some years exceed its revenue collection targets. The revenue collected over the past eight years has grown by 152 percent over the eight years period. On the other hand, the proportion of tax revenues to the total revenue has averaged around 70 percent for the period 2005 to 2014.



ETHIOPIA

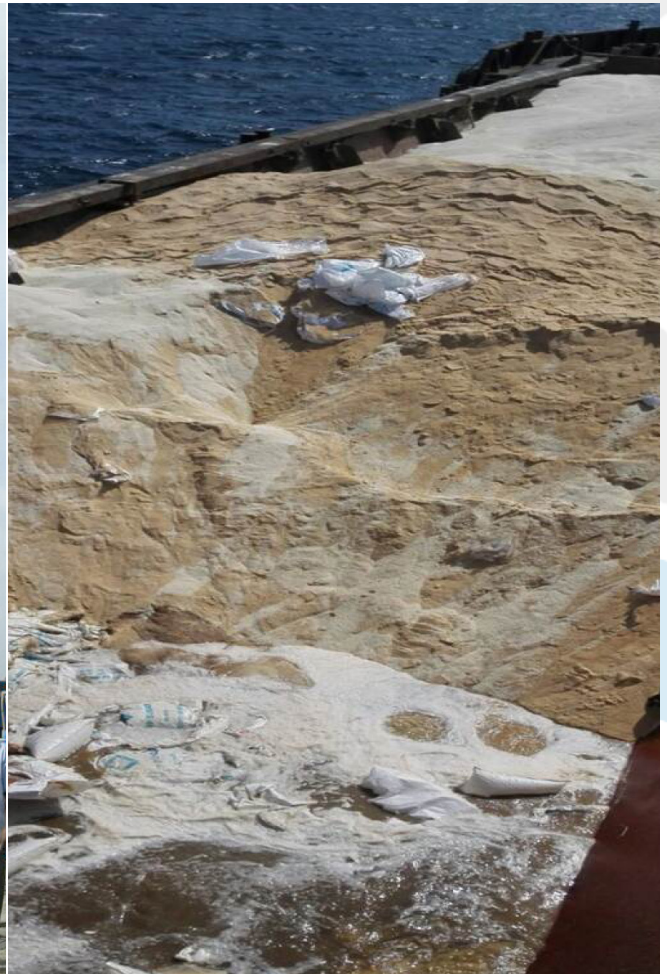
LIDAR remote sensing



The ERC surveyed 5,000km with the latest LIDAR remote sensing technology to create high-resolution maps to plan routes for the national railway network. On September 21, 2015, Addis Ababa opened the first part of its urban light rail system – the first of its type in sub-Saharan Africa.

KENYA

Consignment intercepted



Kenya Revenue Authority, Customs and Border Control Department destroy illicit goods and contraband consignment intercepted at the Port of Mombasa at high seas on 22nd January 2016.

The Commissioner of Customs and Border Control, Mr. Julius Musyoki among other KRA officials witnesses the destruction exercise at the high seas.



LESOTHO

Digital Customs



"Digital Customs: The LRA Clearance Hub was put in place following the introduction of the ASYCUDA World System at border posts in 2015. The WCO 2016 theme talks directly to the automation of customs procedures and processes that LRA customs has recently introduced. LRA embarked on Customs Modernization Programme in 2012 which comprised number of projects including; Trade Portal, Customs Scanners and Customs Procedures and Automation (CPA). The CPA incorporates the Centralized Clearing Hub, which meant to encourage standardized, fair and non-biased inspection to all declarants. There will also be clear guidelines for cause of action to avoid confusion and eliminate potential conflict with declarants."



MADAGASCAR

Contrôle de routine



Contrôle de routine au scanner des marchandises au bureau des douanes de Mamory Ivato effectué par les douaniers."

Customs Officials making routine checks for scanner goods at the customs office.





MALAWI

781 pieces of ivory seized



The Malawi Customs Officers seized 781 pieces of Ivory whose value was approximately estimated at US\$158 400 on 31st May 2013. The Ivory was in a van from Mbeya in Tanzania to Lilongwe, Malawi. The consignment was hidden between bags of cement.

The Customs Anti-Smuggling Team intercepted the vehicle on suspicion that it contained smuggled goods because it had no seals. After examination by Customs Officers it was discovered that underneath bags of cement were pieces of Ivory.

The importer and transporter were punished for smuggling prohibited goods against Section 142 of Malawi Customs and Excise Act.

The Ivory was surrendered to the Malawi Government which burned the Ivory in March 2016 in its effort to curb Illegal Trade and Wildlife Crime.



MAURITIUS

Use of technology



This picture shows the contrast between Customs and other stakeholders as far as the use of technology is concerned. The Customs Officer examining the consignment is accessing relevant information/documentation required for this process online on his laptop whereas the Customs agent is still relying on paper documentations. This picture evidenced the willingness of the Mauritius Revenue Authority to digitalise its Customs administration as encouraged by the various WCO instruments.





SEYCHELLES

Customs staff training

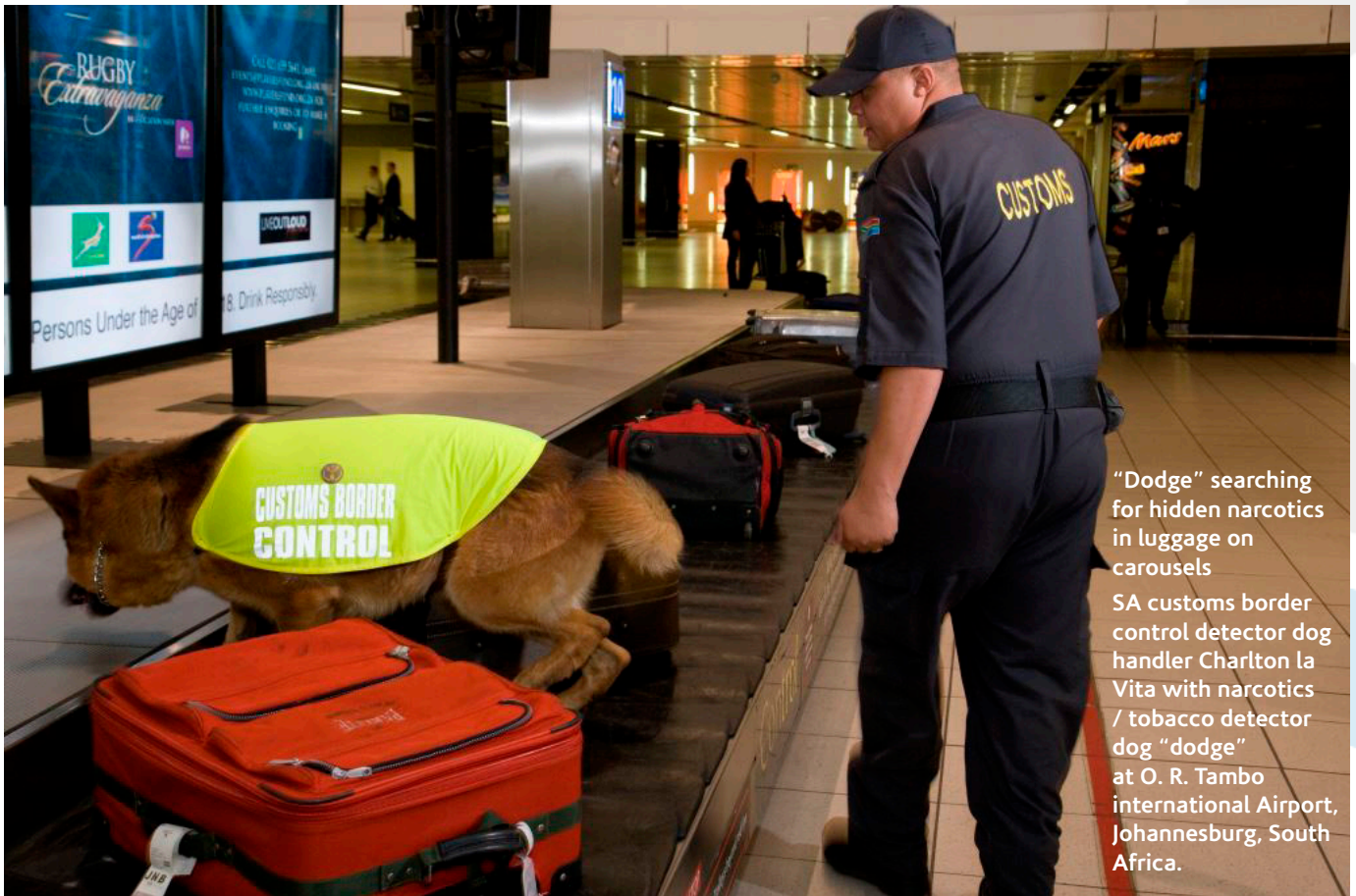


A group of Customs staff who participated in the Harmonized System Classification training held by WCO consultants.



SOUTH AFRICA

Hidden narcotics detection



"Dodge" searching for hidden narcotics in luggage on carousels

SA customs border control detector dog handler Charlton la Vita with narcotics / tobacco detector dog "dodge" at O. R. Tambo international Airport, Johannesburg, South Africa.

The South African Customs Border Control Detector Dog Unit established in 2007 has 112 dual trained dogs and handlers currently operational at air-, sea- and land ports of entry. The detector dogs are trained to detect the following illegal / illicit goods / substances hidden in vehicles, trucks, trailers, vessels, aircraft, containers, cargo, mail, rail, luggage and building: Explosives, firearms and ammunition; Narcotics; Endangered species; Currency; Tobacco products; Copper wire and DVDs. Over the 2015/16 financial year, the Detector Dog Unit assisted in detecting illicit drugs to the value of over R43 million that were being smuggled into South Africa.



SWAZILAND

Profiling and intelligence information



Profiling and intelligence information led to the detection of the smuggling of the cigarettes which were found concealed in a specially designed compartment underneath the body of the caravan. The caravan is fully equipped for a tourist and a ladder has to be used to climb inside. The smuggler, an old man was a regular frequenter into Mozambique from South Africa and would occasionally, cross the Lomahasha border, travelling alone in the evening and return the following morning.



SOUTH SUDAN

Nimule border post



Centre: Hon. Minister of Finance and Economic Planning Hon. David Deng, Left: Director General for Customs Mr. Mikaya Modi Legge and his deputy next to him in the far right is an official from Uganda Revenue Authority and the Media Houses

Photo Taken: On 11th January 2016 at 12:00 pm noon at Nimule Customs Enclosure. The photo depicts the visit by the Director General South Sudan Customs Service to Nimule Border Post (January 2016) where he was accompanied by the National Minister of Finance and Economic Planning plus officials from the neighbouring Uganda Revenue Authority after some Clearing Agents were been arrested for using false bank receipts as a result of not using Asycuda (Automation) to replace the current paper based documentation and the Trucks being showcased (background) under Customs Enclosure during the visit.

The visit was to foresee how the yet to be implemented One Stop Borders Post project would be set and also foresee the input on trade facilitation (Risk Management. News Papers, Radio Broadcasts were also present to increase awareness about the benefits of Customs Reforms and promote cooperation of business in following new procedures.





UGANDA

Destroying contraband

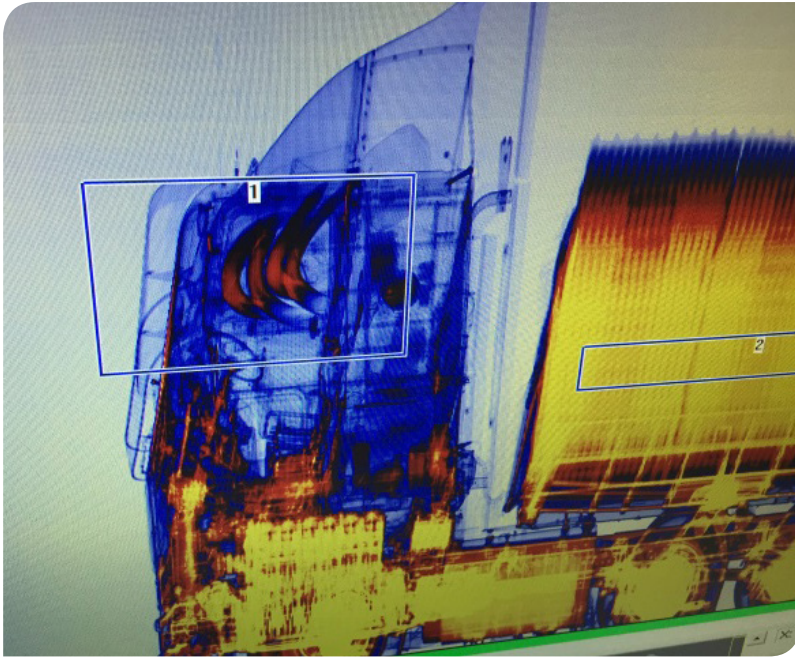


Uganda Customs Officials destroying cigarette contrabands.



ZAMBIA

Digital detection



DIGITAL DETECTION OF CONCEALED ELEPHANT TUSKS - KAZUNGULA BORDER POST, ZAMBIA

Zambia Revenue Authority through its modernization program has recently installed Non-Intrusive Equipment (scanners) at major border stations throughout the country. The modernization reforms which have principally also involved enhanced use of Information and Communication Technologies (ICT) in Customs Operations, resonates well with this year's WCO theme 'Digital Customs: Progressive Engagement'.

The Zambia Wildlife Authority (ZAWA) has been collaborating with Customs in combatting illegal trade in Wildlife, through WCO project GAPIN and INAMA project Initiatives.

In this pictures above, Zambia Revenue Authority shares with the wider Customs community an interception by Customs officials of elephant tusks which occurred on 31st January 2015 in which a contraband of four (4) tusks, representing two elephants which were killed, was detected using a scanner.

Thanks to 'Digital Customs'. This was a 'Progressive engagement' for Customs and protection of wildlife.



Note: First picture shows scanner image of concealed elephant tusks in the truck. In the second picture elephant tusks retrieved from truck on display.

ZIMBABWE

Fighting human trafficking



The photo shows a scanner image produced at Beitbridge Border Post which resulted in the busting of a human trafficking syndicate. The human trafficker had the nerve to expose the illegal immigrants hiding in the vehicle's compartment to radiation in the false hope that they would be smuggled across the country's border with South Africa. Beitbridge Border Post is the busiest port South of the Sahara. The introduction of non-intrusive inspection equipment in 2003 as part of the Authority's digitalisation and modernisation efforts continues to pay dividends.





Sotho Photo Contest Winners 2016



The WCO Secretary General Regional Vice Chair (South Africa) and hosting Director General presented awards for the 'Photo of the Year', alongside the 1st and 2nd Runners' up.

Zimbabwe was voted as the winner, and awarded a trophy and certificate, with Malawi and Angola voted as 1st and 2nd Runners up and awarded certificate.

ESA Country Reports 2016-2017

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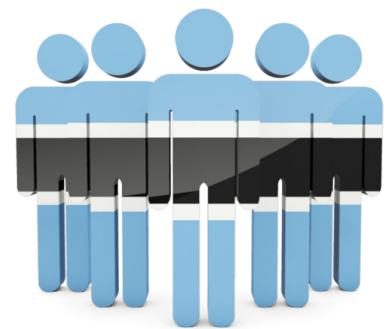
**East and Southern Africa
Region**

COUNTRY REPORTS 2016 - 2017

The following executive summaries have been shared by the Members, sharing their highlights of the year 2016/2017.

1. BOTSWANA

The Botswana Unified Revenue Service (BURS), with the aim of being compliant with international best practice including the WTO TFA, embarked on a process of transformation, modernisation and alignment of Customs processes with internationally accepted standards and best practices coupled with the development of people, who are key to ensuring that these reform and modernisation initiatives are successfully implemented. The process kick-started with a decision to modernize the Customs law to provide for these international best practices. The review of the organizational structure was also undertaken to support implementation of modernisation initiatives: Introduction of a new Customs Management System and the Introduction of Canine Unit.



2. LESOTHO

The Customs Administration of Lesotho sailed through very rough seas in the financial year 2016/17. However a few positive highlights punctuated the journey throughout the difficult year as follows;



- i. Completion of national roll out of automation of basic import and export procedures throughout all the commercial ports of entry. This marked the completion of a phase that had taken over two years in the ongoing reforms under Customs Modernization Program.
- ii. Integration of Customs system (ASYCUDA World) with Taxes system (ETPM): With all commercial ports now connected, the next step was the integration of Customs system



(ASYCUDA World) with Taxes system (ETPM). This integration was a game changer in the sense that for the first, a Taxpayer could pay for all their taxes at any LRA cashiering office. In the past, import taxes could only be paid for at the borders and only at the particular port where goods were declared to come through.

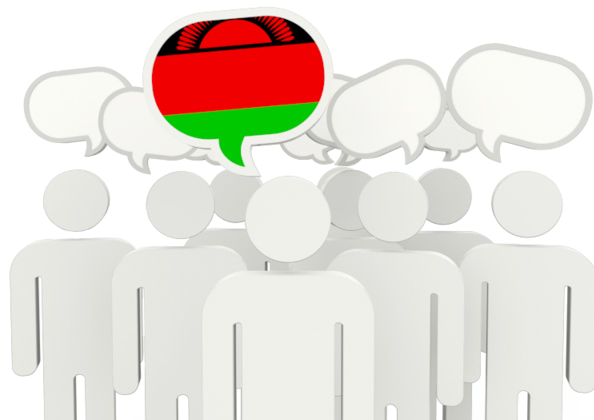
- iii. Deployment of first baggage scanner; the beginning of the year saw deployment of the only baggage scanner at the international airport. This was in response and in keeping with global trends of the elevated role of customs in the fight against contraband goods and terrorism
- iv. Successful migration to HS 2017; For the first time ever, LRA was able to successfully migrate from HS 2012 to HS 2017 for effective application on the first of January 2017. In the past we had relied on private companies for preparatory work and only purchased updated books for immediate application as compelled by the virtue of being in a customs union.

3. MALAWI

To achieve the core objectives of the Customs and Excise Division and to respond to the changing environment, the Division has embarked on various reforms which have improved efficiency and effectiveness in its service delivery. The Division has also enhanced its cooperation with Other Government Agencies, Customs Administrations and the Private Sector. The Division with the support from the African Development Bank rolled out ASYCUDA World in 2016. The System has improved Risk

Management and Enforcement activities and users are able to generate reports from which they can base their activities, monitor performance measurement of the selected criteria and improved revenue collection as Customs brokers cannot transact after twenty one (21) days if they have outstanding declarations in the system.

To improve its capacity and to better serve its clientele, the Division has embarked on various modernization initiatives including: implementation of the Cargo Scanner operations at major border posts; advance states in the implementation of National Electronic Single Window and One Stop Border Points and rolling out Cargo tracking & Electronic Seal management to all major border posts with assistance from COMESA.



4. MAURITIUS

In the context of the on-going Customs Reforms and Modernization Programme, MRA Customs has implemented various ICT-related trade facilitation initiatives pertaining to the progressive development of the Mauritius Trade Link (National Single Window), the extension of Deferred Payment Scheme and Electronic Warehouse Management System. Other services available to stakeholders such as Electronic payment, e-auction sales system and e-registration of Economic Operators, have been enhanced with a view to reduce time and costs for doing business and promote transparency. The EDI System has been reinforced through the implementation of the Sea Export Module, Air Transhipment Module and the submission of Electronic Courier/Postal Manifest.



Other trade facilitation measures implemented relate to (i) the reinforcement of the existing mechanism enquiry point system and, (ii) the release of the “National Time Release Study” report to identify bottlenecks in the logistics supply chain and formulate remedial measures among others. Furthermore, a dedicated Customs Anti-Narcotics Section (CANS) was set to efficiently and effectively combat drug trafficking and other contrabands. MRA Customs has acquired a Fast Interceptor Boat, provide the “Stopdrugs” link on the MRA’s Website for reporting on illicit drug trafficking and set up a Gantry Scanner in June 2016 to enforce security. Training on Surveillance, Intervention and Controlled Delivery in October 2016 by French Customs conveyed necessary skills and knowledge in this regard.

5. MOZAMBIQUE

Sumário Executivo das Actividades da Autoridade Tributária junto a Organização Mundial das Alfândegas para a Região da África Oriental e Austral (OMA-ESA) referentes ao ano de 2016



Em relação as actividades da AT junto a Organização Mundial das Alfândegas para a Região da África Oriental e Austral referentes ao ano de 2016, somos de destacar as seguintes:

- v Envio à OMA-ESA do relatório de actividades da AT e do ponto de situação da implementação do Acordo de Facilitação do Comércio da Organização Mundial do Comércio;



v Envio das actividades da AT para figurarem no Relatório de Actividades da OMA-ESA relativo ao período 2015-2016;

v Participação na 24ª reunião do Grupo Técnico de Trabalho – RSG e na 21ª reunião do Conselho Directivo – GC, realizado em Maseru Lesotho, entre os dias 23 a 27 de Maio de 2016;

v No que concerne as actividades da RILO-ESA, se destaca:

ü Participação em 06 (seis) operações conjuntas no combate ao comércio ilegal, a saber: Container Comm, Catalyst, Gryphon II, Westerlies, Skynet II, Chimera.

ü Participação em 05 (cinco) reuniões nomeadamente: 1) 19ª Reunião da GRM (Global RILO Meeting), e 14ª reunião CENmat (CEN Management Team) no mês de Janeiro de 2016, em Bruxelas; 2) 35ª sessão do Comité do Enforcement que teve lugar em Bruxelas – Bélgica de 29 de Fevereiro a 04 de Março de 2016; 3) 24ª reunião do Grupo Técnico de Trabalho – RSG e da 21ª reunião do Conselho Directivo – GC, realizado em Maseru Lesotho, entre os dias 23 à 27 de Maio de 2016; 4) Reunião sobre a Tributação de Tabaco na Região de África, organizado pela Organização Mundial da Saúde - OMS, em Kigali – Ruanda, entre os dias 23 – 24 de Agosto de 2016; e 5) 2ª Reunião global da rede de aplicação da lei, das instituições que lidam com florestas e fauna bravia que teve lugar de 28 - 29 do mês de Setembro de 2016.

6. NAMIBIA

Namibia has moved from using Asycuda ++ to a modern automation the Asycuda-World. In order to ensure smoother cross-border facilitation Namibia has signed the following bilateral Agreement, One-Stop Border Post concept is a reality on the Namibian borders with Angola and Zambia and is currently under way.

This was necessary to “minimise the cost of doing business”. “Previously the traditional way of doing things was more focussed on revenue collection, now Namibia is changing to service delivery. This initiative is being supported by the Japanese Cooperation Agency.

The Namibia Trade Information Portal, a web-based platform that will provides a ‘one-stop shop’ information platform for customs matters was launched. This crucial trade facilitation tool is an example of a Namibian solution to improve Namibian commerce. Namibia has also made progress in: Bilateral Agreements mutual assistance, Trade Facilitation Agreement (TFA) and Cooperation with other regional customs administrations.



7. RWANDA



Rwanda in relation to Customs administration has registered a lot of achievements mainly in the area of trade facilitation, Single Customs Territory (SCT), Electronic Cargo Tracking System (ECTS), and capacity building and One Stop Border Post (OSBP). For the past one year the achievements made include on Single Customs Territory, a stage towards full attainment of the Customs union achievable by the removal of restrictive regulations/or minimization of internal border controls on goods moving between the Partner States with an ultimate realization of free circulation of goods. Creation of Single Bond instead of multiple bonds; Reduced turn-around time has been achieved; Removal of road blocks, in Kenya they were reduced from 17-4 road blocks, Uganda from 13 to 5 & Tanzania from 20-3 road blocks. General reduction on NTB's; Reduction in costs: A 40"ft container was reduced from \$7000-\$4500 in the northern corridor and Central corridor from \$6,000-\$4200; Implementation of modern weighbridges (weigh in motion type); Implementation of Electronic Cargo Tracking Common Platform along Northern Corridor Partner States (Kenya, Rwanda and Uganda) and; Mutual Recognition of Customs Clearing Agents by Revenue Authorities.

8. SOUTH AFRICA

Implementation of the Manifest Processing (MPR): On 17 June 2016, SARS implemented its new cargo processing system to address non-compliance and improve goods control levels whilst, simultaneously, providing compliant shipping lines and airlines with a full electronic cargo reporting service without the need for any further paper processes. For SARS, this signals the end of one of the last remaining large paper-based processes in Customs and the start of an integrated view of both clearances and cargo data which, through holistic electronic risk assessment, will further contribute to the expedited processing of legitimate trade. MPR also brought a number of improvements to road freight utilising the same approach of increased controls balanced with the introduction of a number of benefits for legitimate and compliant trade. In the month following its implementation, SARS experienced a 108% increase in the number of persons registering as users of the system and a 24% increase in the number of pre-arrival electronic manifests submitted compared to the previous period, which points towards the successful implementation of MPR. MPR, furthermore, also lays the foundation for the implementation of the new cargo provisions under the Customs Control Act, 2014 to be implemented as part



of the New Customs Act Programme (NCAP). SARS also rolled out its new Cargo Container and Baggage Scanners project and made advances on Authorised Economic Operator with the auditing of selected large trader in order to accredit them as preferred traders, as a first step towards an AEO program with mutual recognition. SARS will be launching the Preferred Trader Programme on 8 May 2017.

9. ZAMBIA

The authority hosted a number of Capacity building activities such as the advanced ASYCUDA Functional Training for experts, the World Customs Organization (WCO) INAMA project sponsored training for enhancing risk management and intelligence and the WCO transit workshop that reviewed the WCO transit guidelines.

Key Modernisation projects in the Zambia Revenue Authority include: Centralised Processing Centres, and One Stop Border Posts (OSBPs). In the period under review, Zambia has since implemented and operationalized a second OSBP on 1st February, 2017 at the Nakonde/Tunduma Border with Tanzania. The Zambia Revenue Authority is working on implementing a OSBP at Victoria Falls border which is shared with Zimbabwe in quarter four 2017. Other advances are on E-Payment Solution, Customs Self-Assessment, E- Certification of Origin, Trade facilitation and structural changes.




10. ZIMBABWE

In 2016, ZIMRA successfully embarked on the following modernisation and trade facilitation initiatives: a pilot Electronic Cargo Tracking System (ECTS) at 3 major border posts namely Forbes the Border post between Zimbabwe and Mozambique, Chirundu the border between Zimbabwe and Zambia, and Beit bridge Border Post the border post between Zimbabwe and

South Africa. This initiative has brought about greater controls on the movement of transit cargo, particularly fuel products. The implementation of electronic cargo tracking systems is planned to be rollout to other border posts later in the year, once the contracted supplier delivers all purchased equipment. During the year, CCTVs were also installed at Beitbridge Border Post to help in combatting smuggling and curbing corruption. ZIMRA launched an Ease of Doing Business Pilot program at Beitbridge to enable ZIMRA to collect fees





and levies on behalf of all the Government Agencies operating at Ports of Entry, in line with the Single Window Concept. AEO program was expanded to include additional clients, who are receiving expedited clearances at ports of entry, with minimal formalities being undertaken at ports of entry. Canine Unit has increased coverage to cover 7 ports of entry.

WCO carried out an Awareness training conducted to Technical officers areas on the establishment of a Customs Laboratory.

Kenneth Head and Mark Connolly from AFRITAC South- carried out an Intelligence Training to determine the feasibility of establishing a National Intelligence Centre and program to coordinate its intelligence function across Customs and Tax programs and equip ZIMRA personnel with analytical and intelligence capabilities.


On Border Agency Cooperation, Agneta Gustafson from WCO and Rhys Lloyd Jones from Her Majesty Revenue Services (HMRS) coordinated the first Coordinated Border Management workshop held by ZIMRA personnel under the theme 'Collaborative Border Management- Together we can manage risk and facilitate trade and travel'.



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