Role of ICT in Regional Integration

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Regional integration and ICT

• What is Regional Integration?
  – Closer cooperation among countries in a region;
  – Promotion of economic growth through regional trade;

• Many Regional Integration Arrangements in Africa
  – A wide range exists: FTA → Customs Union → Common Market → Economic Union

• ICT is an integral tool for socio-economic development.
  – ICT for improving global competitiveness of the region
Infrastructure for Regional integration

- **Transport Infrastructure**
  - Regional Transport Corridors
  - Regional gateway port & airport connectivity

- **Legal Infrastructure**
  - Harmonized trade procedures and trader interfaces
  - Facilitating movement of transport means & transport workers
  - External Trade Tariff & Rules of Origin

- **Supply-chain ICT infrastructure**
  - eCom/EDI facilities / Electronic Single Windows
  - Electronic payment & settlement infrastructure
Regional Integration:  
Business Processes Affected

- Publication of commonly managed rules and procedures
- Declaration Management
- Goods Classification & Rules of Origin Management
- Trader Identity Management
- Supply-Chain Security Management
- Transit Management & Guarantee Management
- Customs Receipts & Debt Management
- Risk Management (Compliance & Security Risks)
Regional Integration:
Information Systems - I

- Declaration Processing & Data Sharing
  - Standardization of goods declarations (Examples: EU:SAD // SACU:SAD500; // EAC:SAD; MERCOSUR//DUAM; CA4//DUCA; ASEAN//ACDD)
  - Common Customs Procedure Codes
    - Linkages with intra-region trade in domestic excisable goods
  - Agreement on supporting documents
    - Agreed inspection & testing facilities; authorize parties & authorized signatories
  - Authorization and Control results
  - Other common master data to be published online
Regional Integration: Information Systems - II

• Transit Management
  – Transit information exchange
    • EU: NCTS
    • EAC: RADDEX
  – Guaranty management
  – Transit tracking
    • Eg: EU Transit MRN Follow-up website
  – eTIR
Regional Integration: Information Systems - III

• Goods Classification & Rules of Origin
  – Online access to Common external Tariff & Non-tariff management:
    • EU: TARIC; EBTI; SUSP; QUOTA
    • SACU: Jacobsens Harmonized Customs Tariff Online
    • CARICOM Single Market and Economy (CSME): Common external tariff & Common protective policy
  – ICT-based Origin administration
    • Application of common Rules of Origin
    • Certificates of Origin information exchange
Regional Integration: Information Systems - IV

- **Trader Identification & Supply-Chain Security**
  - Trader Identification at a regional level
    - Eg EORI
    - Authorization
  - AEO program administration
    - Mutual recognition of AEOs
  - Advance Reporting
  - Common Risk Assessment profiles
ICT in Regional Integration: WCO Instruments

- Globally Networked Customs
- Co-ordinated Border Management
  - Compendium on How to Build a Single Window Environment
- SAFE Framework of Standards
  - Integrated Supply Chain Management Guidelines
  - Trader Identification & AEO
- WCO Data Model
- UCR
Globally Networked Customs:
Ideal for Regional IT Connectivity

National Domain

Commercial Track (T1)

Country A

Enforcement Track (T2)

GNC

Utility Blocks

AEO

Supply Chain Integrity

Risk Evaluation Engine

Commercial Fraud

Single window

Narcotics & Precursor

Others

Commercial Track (T1)

Country B

Enforcement Track (T2)

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Utility Blocks

The Heart of GNC

Entities Layer

Business Rules Layer

Data Cluster Layer

Trigger Layer

Interface Layer

Integration Layer

Communication Layer

Customs

Trade

Provide Information

Transmit Information
WCO Initiatives in Africa for Regional Integration: Examples

- **SACU**
  - IT Connectivity is an important part
  - Independent evaluation of IT pilots
    - South Africa – Swaziland - Community Hub
    - Namibia - Botswana – Cloud Computing
  - Pilot operators for Preferred Trader scheme identified

- **East African Community**
  - AEO
  - Fast Track Clearance
  - Coordinated Border Management
  - Effective Private sector Participation

- **ECOWAS**
  - Transit Management
WCO Initiatives in Africa for Regional Integration: Advantages

- Regional collaboration
- Regional facilitation
- Improved controls, joint controls
- Improved logistics
- Joint processes and measurements
Thank You

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