

WCO ESA ROCB

ANNUAL REPORT

2019/2020



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2019/2020

Presented to

25th Governing Council
2020



City: Antananarivo, Madagascar

Host: Malagasy Customs

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BACKGROUND

Membership

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

- | | |
|-----------------|----------------------|
| i. Angola, | xiii. Mozambique, |
| ii. Botswana, | xiv. Namibia, |
| iii. Burundi, | xv. Rwanda, |
| iv. Comoros, | xvi. Seychelles, |
| v. Djibouti, | xvii. Somalia, |
| vi. Eritrea, | xviii. South Africa, |
| vii. Ethiopia, | xix. South Sudan, |
| viii. Kenya, | xx. Swaziland, |
| ix. Lesotho, | xxi. Tanzania, |
| x. Madagascar, | xxii. Uganda, |
| xi. Malawi, | xxiii. Zambia, |
| xii. Mauritius, | xxiv. Zimbabwe. |



Vision

A region that facilitates trade efficiently and professionally while ensuring economic growth and intra-regional trade.

Goal

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

Purpose statement

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

Values

- Transparency
- Probity
- Commitment
- Responsibility
- Respect
- Cooperation



Abbreviations / Acronyms

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



INTRODUCTION

This is the annual Report for the period 2019/2020 of the World Customs Organization, East and Southern Africa, Regional Office for Capacity Building. The report highlights capacity building activities and initiatives, programs and projects, and other statuses in regional matters and decisions over the said period. The format of the report takes up the flow of the Regional Strategy in line with its objectives aiming to; Promote Growth in Intra-Regional Trade, Promote Fair and Efficient Revenue Mobilization, Strengthen Intra-Regional Compliance and Enforcement and Enhance Integrity and professionalism in Human Capital. The Financial Statements, reviewed by the Region's Finance and Governance Committee (FGC), are presented separately.

Recall too that the ROCB embarked on Baseline Studies two years ago, which we presented to the Governing Council. We, thereafter, begun monitoring progress made by the Members on the different parameters, where are herein presented in this report.

This report is presented for discussions by the 25th Governing Council which was however postponed, in light of the COVID-19 global pandemic. Madagascar, which was scheduled to host key regional meetings in May, reiterated its commitment to hosting the region as soon as matters stabilise.





Heads of Delegations, Commissioners General and Commissioners attending the 24th Governing Council. Seated from left to right are WCO ESA ROCB Director Mr. Larry Liza, WCO Secretary General Dr. Kunio Mikuriya, Botswana Minister for Finance Hon. Matambo (centre), Ag. Commissioner General (Botswana) Mr. Phodiso P. Valashia, and the WCO ESA Vice Chair Mr. Dicksons Kateshumbwa (Uganda). Standing from right to the left are Heads of Delegations/Commissioners Ernest Z. Lainkana (Madagascar), Souef Kamalidini (Comoros), Fred Mugambi (RTC Kenya), Theron Beyers (South Africa), Kuzvinzwa Haplias (Zimbabwe), Alex Shyaka (Rwanda), Paul Barrack (Seychelles), Chibbabbuka Sydney (Zambia), Magera Stephen (Uganda), Mazani Faith (Zimbabwe), Brenda Mundia (WCO), Sabamahoro Gerard (Burundi), Kevin Safari (Kenya), Nyesemane Tseko (Lesotho), and Ramburun Vivekanand (Mauritius).



Delegates at the 31st Regional Steering Group meeting hosted by Zambia Revenue Administration in November 2019.



ROCB STAFF ESTABLISHMENT

The current ROCB staff comprises the Director, one Programme Officer, Finance Officer, Administrator/PA to the Director and a Clerk. All staff are from Kenya. The office received virtual support from the following Members: Botswana, Mauritius, South Africa, Uganda and Zimbabwe.



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WCO ESA Strategy

The Regional Strategy (2018-2021) was operationalized upon approval by the 23rd Governing Council meeting in Kigali, Rwanda, in 2018. Further to the approval, the 24th Governing Council meeting in May 2019 directed that the work of the regional structures should be geared

towards progressing the implementation of the Strategy. In that regard, the 31st RSG meeting held in Lusaka, Zambia, on 6th - 8th November 2019 considered the status of the Strategy and made a number of recommendations aimed at progressing the Strategy.



List of contracting Members to the RKC

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



Trade Facilitation Agreement (TFA):

142 WTO Members have ratified the TFA, including 18 from the Region's 24 Members. These are; **Mauritius, Botswana, Kenya,**

Zambia, Lesotho, Seychelles, Madagascar, Swaziland, Mozambique, Rwanda, Malawi, South Africa, Namibia, Djibouti, Uganda, Zimbabwe, Angola and Burundi.

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



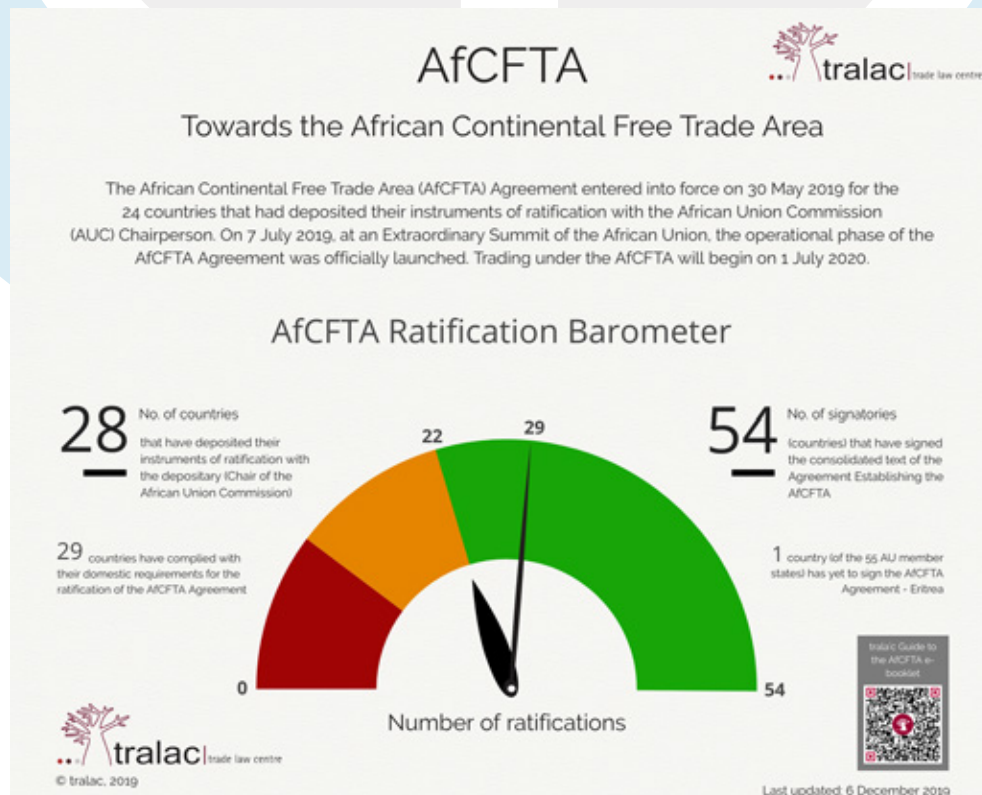
The ROCB established the requirements for ratifying the TFA and challenges experienced by Members in ratifying the TFA and this will be presented to the Governing Council for assessment and further guidance. The

challenges raised by members that have not acceded to RKC nor ratified the WTO TFA include lack of political will and frequent changes in their Customs leadership to progress work already achieved in this area.

AfCFTA

With respect to the African Continental Free Trade Agreement (AfCFTA), of the 55 African Union member countries, only Eritrea (a member of the ESA region) is yet to sign the AfCFTA. An Extra-Ordinary Heads of Customs meeting that was scheduled for March 2020 to consider Customs Administration preparations for the implementation of the AfCFTA starting 1st July 2020 was rescheduled due to the COVID-19 pandemic.

The 28 countries that have deposited their instruments of AfCFTA ratification with the AUC Chairperson (in order of their ratifications) are (ESA members in bold): **Kenya**, Ghana, **Rwanda**, Niger, Chad, **eSwatini**, Guinea, **Uganda**, Ivory Coast (Côte d'Ivoire), **South Africa**, Sierra Leone, Mali, Senegal, **Namibia**, Congo Republic, Togo, Mauritania, **Djibouti**, Egypt, **Ethiopia**, The Gambia, Saharawi Republic, **Zimbabwe**, Burkina Faso, São Tomé and Príncipe, Gabon, Equatorial Guinea, **Mauritius** and Cameroon.

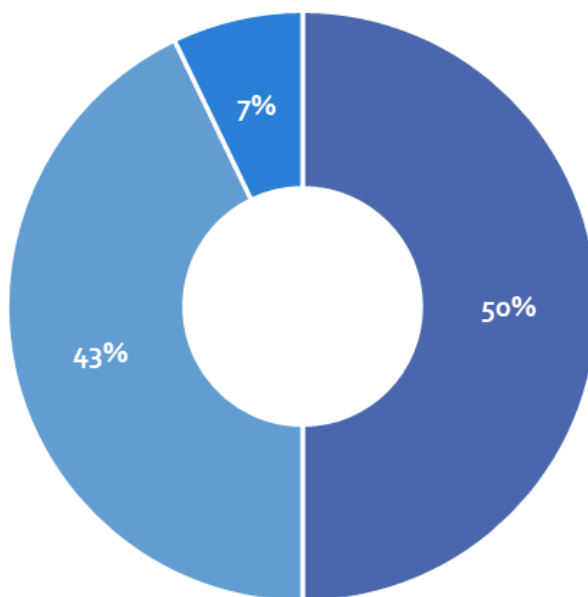


Donor support in the implementation of AfCFTA/Trade Facilitation Tools in ESA in the year 2018/19

At least half of the Members reported some form of assistance in implementing their Trade Facilitation objectives coming from different development partners. The World Customs Organization has continued to support this objective at national level under the Mercator Programme and has offered various Customs

related trade capacity building and technical assistance programs supporting the WTO-TFA implementation. 17 Members have formally joined the Mercator Programme. Those who have not include; Comoros, Djibouti, Eritrea, Kenya, Somalia, South Sudan, and Tanzania.

Donor Support



- Reported to have been supported by donors
- Reported not to have donor support
- Did not reply



Status of Single Window implementation in ESA

The Single-window system is a trade facilitation tool that allows a user to get sufficient information from one source. As such, the implementation of a single window system enables international traders to submit regulatory documents at a single location and/or single entity.

Country	Single Window: Have you implemented the single window as a way of promoting trade? (2018)	Single Window: Have you implemented the single window as a way of promoting trade? (2019)
Angola	No	No
Botswana	Yes	No
Burundi	No	No
Kenya	No	Yes
Lesotho	No	No
Madagascar	-	Yes
Malawi	No	No
Mauritius	Yes	Yes
Rwanda	Yes	Yes
Seychelles	No	No
South Africa	No	No
Tanzania	Yes	Yes
Uganda	Yes	Yes
Zambia	Yes	Yes
Zimbabwe	No	No



More than 50% Members have implemented Single Window as a way of promoting trade. Botswana reported that while the Single Window is not fully implemented, the process of implementation is ongoing. Members listed various challenges of implementing Single Window including; difficulties experienced in business process re-engineering at partner ministries and agencies, levels of automation at ministries and agencies being very low and the change management from paper to electronic has been reported to be very tedious and challenging. However, it is worth noting

that the benefits in trade facilitation achieved as a result of Single Window implementation including; simplified and more streamlined and efficient import processes, reduced paper burden as documents are standardized and only need to be submitted once, decreased cost of doing business as border crossings become more efficient through quicker validation and inspection have outweighed the challenges experienced and as such Members who have not implemented are encouraged to pursue its full implementation.

Transit Management

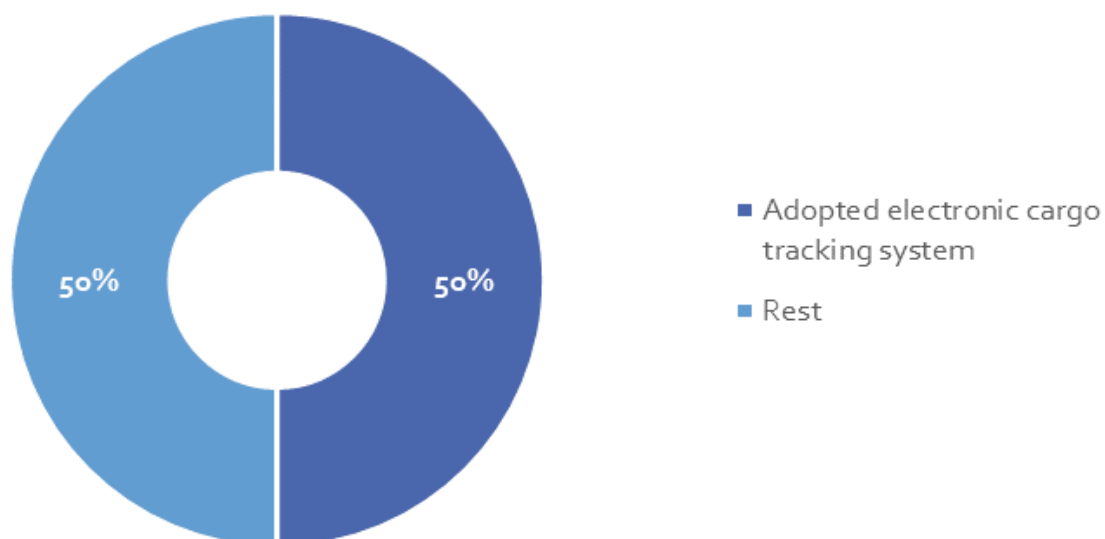
The African Union Commission - WCO ESA ROCB workshop on Transit Management Systems in Africa, hosted by the South Africa Revenue Service (SARS), was held in Pretoria, South Africa from 6th to 8th August, 2019. It was attended by participants from 20 ESA countries as well as representatives of COMESA, EAC, ECCAS, ECOWAS, SADC, UMA, UNCTAD, GIZ, ROCB WCO WCA ROCB, WCO ESA ROCB and the AUC.

The Transit Management Systems workshop produced recommendations on the Transit Bond Guarantee system, commissioning of a related study, adoption of the WCO transit guidelines, among others. The recommendations are expected to be adopted by the African Union Sub-Committee of the Directors General of Customs in their upcoming meeting.

At least half of the Members have adopted electronic cargo tracking system with EAC partners (Kenya, Rwanda and Uganda) using a Regional Electronic Cargo Tracking System. Other cargo tracking systems that have been implemented by Members include; SMIC - Integrated Cargo Monitoring System, and the COMESA Virtual Trade Facilitation System (CVTFS). Members are encouraged to take note of the Unique Consignment Reference Data Exchange which is the process of reciprocal, routine and real-time exchange of data in respect of goods traded between South Africa and Eswatini. The aim of data exchange is to eliminate the dual capturing of customs declarations in Eswatini and South Africa leading to greater trade facilitation and increased levels of compliance and risk management.



Electronic cargo tracking system adoption in 2018/19



Country	ii) What is the name of transit system?
Angola	SMIC - Integrated Cargo Monitoring System
Kenya	Regional Electronic Cargo Tracking System (RECTS).
Malawi	COMESA Virtual Trade Facilitation System(CVTFS)
Rwanda	Regional Electronic Cargo Tracking System (RECTS).
South Africa	Reporting of Conveyance of Goods Unique Consignment Reference data exchange
Tanzania	Electronic Cargo Trucking System(ECTS).
Uganda	Regional Electronic Cargo Tracking System (RECTS).



PROMOTING FAIR AND EFFICIENT REVENUE MOBILISATION

The activities under this objective include, supporting members to utilize WCO tools through among others, modernization of Customs legislation in line with RKC, Automation, Implementation of HS, Building of ToT pool on Valuation, HS and Rule of Origin as well as undertaking survey on Single Window implementation in the region. A study on the use of Customs Management Systems in the region, indicates that ESA Members (about 80%) have automated their Customs Systems of which 50-60% are using the ASYCUDA with the other Members using nationally instituted

platforms. Somalia is one member that is currently in the process of developing its automated system. To kick-start the work on Data Analytics, the WCO organized a Customs seminar on Data Analytics from 14th - 15th January 2020 in Brussels, Belgium. The seminar was intended to promote big data analytics in Customs administrations of the East and Southern Africa (ESA) Region of the WCO with the view to enabling the administrations to identify customs-related problems, develop policies, and measure their effect.



PROMOTING OF GROWTH IN INTRA-REGIONAL TRADE

The *Promote Growth in Intra-Regional Trade* strategic objective seeks to enhance and foster the opportunities for increased intra-regional trade amongst ESA member countries. The activities under the strategic objective are at different levels of implementation while others have not commenced. The activities include, encouraging and supporting Members' accession to the Revised Kyoto Convention (RKC)

and World Trade Organization Agreement on Trade Facilitation (TFA), supporting Members to implement TFA, educating and establishing cooperation frameworks of informal cross-border traders, adopting roadmap for regional transit management systems, establishing cooperation framework with RECs and private sector and promotion of cooperation between Customs and Tax services.

Revised Kyoto Convention (RKC) and WTO Trade Facilitation Agreement (TFA)

Revised Kyoto Convention (RKC): 15 out of 24 ESA members have acceded to the Revised Kyoto Convention (RKC). There have been no accessions to the RKC in the past two years in the region. Burundi, Comoros, Eritrea, Djibouti,

Ethiopia, Seychelles, Somalia, South Sudan and Tanzania are yet to accede to the RKC. The WCO is however supporting Burundi and Comoros on accession to the RKC.



It is worth noting that following the adoption of HS 2022 by WCO members, plans to commence its implementation are at an advanced stage and therefore, there was need for members' technical support needs to be expeditiously identified to ensure that the ESA region implements HS 2022 as soon as it comes into effect. Since the support on HS2022 is common among all members, the ROCB already submitted to the WCO as a capacity building need for ESA region. Currently, among the 24 members, South Sudan, Somalia, and Eritrea are the only members still not implementing the HS 2017. The WCO in partnership with the Southern African Customs Union (SACU) hosted a regional workshop on Tariff Management and the Harmonized System (HS) for the SACU region within the framework of the EU-funded initiative "EU-WCO Programme for HS in Africa". Considering the important role that SACU plays in the implementation of the HS by managing a Common External Tariff (CET) for its member countries, the workshop also

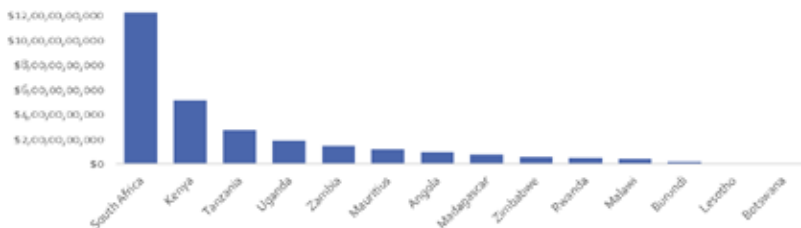
worked towards ensuring a coordinated and timely implementation of the new version of the HS entering into force on 1 January 2022 by all SACU member states. EAC Secretariat on the other hand, provided experts to facilitate a training where representatives of the six Partner States of the East African Community (EAC) gathered between 10 and 13 September 2019 in Mombasa, Kenya, to review their work in the area of implementation of the Harmonized System (HS). The meeting took place at the premises of the WCO Regional Training Centre in Mombasa and was organized in the context of the EU-WCO Programme for HS in Africa. SADC and COMESA have not carried out any HS related workshops recently.

Taking into account the need to host an IT conference at the regional level, the ROCB began preparatory work and consultations on the hosting of the regional IT Conference on Data Analytics.

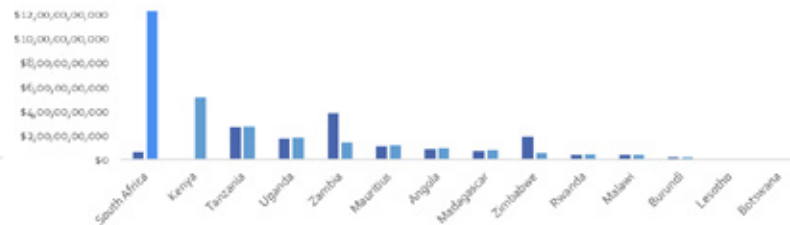


The amount of revenue collected by ESA Customs Administrations in the last financial year

Revenue collected by customs in the last financial year



Comparison of revenue collection by customs (2018-2019)



Country	What is the amount of revenue collected by Customs in the last financial year 2018/19? (Millions USD)	What is the amount of revenue collected by Customs in the financial year 2017/18? (Millions USD)	% change
Angola	936.44	836.58	12%
Botswana	55.02	54.10	2%
Burundi	196.50	200.82	-2%
Kenya	5122.00	4700.60	9%
Lesotho	64.00	-	-
Madagascar	759.51	728.20	4%
Malawi	396.04	358.98	10%
Mauritius	1176.60	1107.50	6%
Rwanda	436.76	402.71	8%
South Africa	12236.12	12139.91	2%
Tanzania	2714.98	2684.69	1%
Uganda	1833.50	1698.92	8%
Zambia	1428.90	2922.9	-51%
Zimbabwe	1,466.90	1,950.38	-24.52%



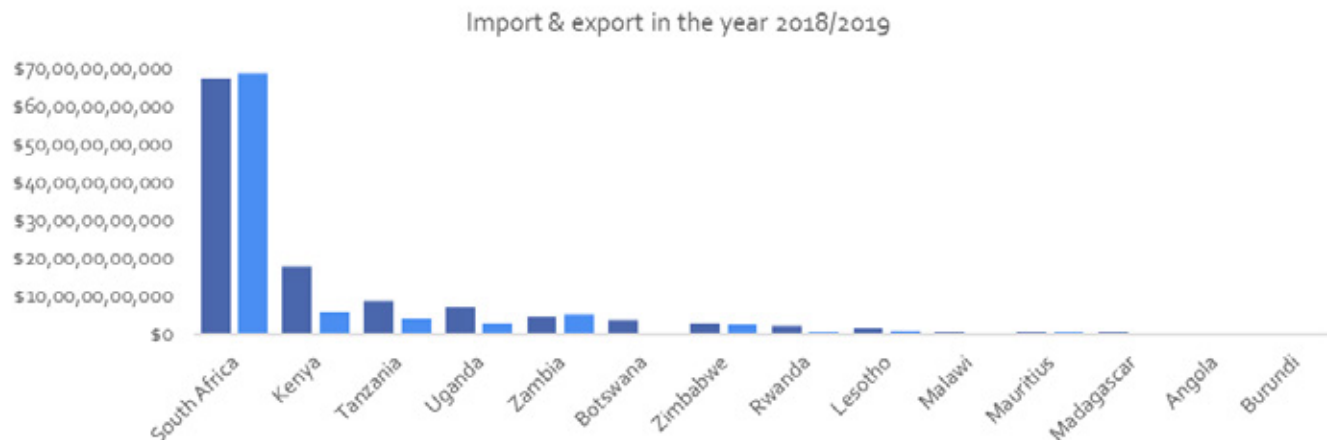
Observations:

Most Members recorded increase in revenue, ranging from 1% to 12% in 2018/2019 from the previous year. Angola registered the highest rise in revenue while Zambia and Zimbabwe registered significant drops. Zambia's drop - in dollar terms - is largely attributed to the loss of Kwacha's value against the USD while Zimbabwe's drop may be attributed, largely to the difficult economic times that have beleaguered the nation. The growth in revenue is attributed to a stable working environment

over the reporting period that allowed continuity in service provision and in the implementation of various revenue raising measures.

2019/2020 was expected to register an increase in the trend and did within the first half of the year. The COVID-19 pandemic however slowed revenue collection and mobilization processes in the second half of the period, projecting a negative effect on nearly all Members.

The ESA Customs Administrations imports and exports data (CIF value) in dollars in the year 2018/19



Country	What (is) the imports data (CIF value) in dollars in the year 2018?	What (is) the imports data (CIF value) in dollars in the year 2019?	What (is) the exports data (CIF value) in dollars in the year 2018?	What (is) the exports data (CIF value) in dollars in the year 2019?
Angola	\$ 29,484,284.12	\$ 25,492,431.25	\$ 73,882,722.64	\$ 64,259,047.31
Botswana	-	\$ 3,806,028,000.00	-	\$ 79,200,000.00
Burundi	\$ 782,330,000.00	-	\$ 177,660,000.00	-
Kenya	\$ 76,087,685.00	\$ 17,641,425,047.60	\$ 131,155,412.00	\$ 5,886,810,782.01
Lesotho	-	\$ 1,682,232,109.94	-	\$ 874,418,044.09
Madagascar	\$ 230,900,000.00	\$ 478,680,300.00	\$ 105,100,000.00	\$ 193,821,100.00
Malawi	\$ 24,800,000.00	\$ 739,980,564.98	\$ 8,500,000.00	\$ 230,455,769.34
Mauritius	\$ 683,800,000.00	\$ 675,780,000.00	\$ 479,100,000.00	\$ 500,730,000.00
Rwanda	\$ 529,032,400.00	\$ 2,228,757,095.00	\$ 155,241,576.00	\$ 542,978,223.00
Seychelles	-	\$ 2,423,300,000.00	-	\$ 574,600,000.00
South Africa	\$ 65,799,207,072.50	\$ 67,289,635,875.03	\$ 67,484,028,066.74	\$ 68,740,670,848.48
Tanzania	\$ 4,848,373,803.00	\$ 8,676,253,678.00	\$ 4,848,373,803.00	\$ 3,951,777,368.00
Uganda	\$ 956,402,237.00	\$ 7,043,613,521.00	\$ 1,390,452,474.00	\$ 2,849,233,289.00
Zambia	\$ 6,475,496,507.37	\$ 4,571,800,000.00	\$ 26,317,637,430.30	\$ 5,375,000,000.00
Zimbabwe	\$ 25,947,722,509.02	\$ 2,636,724,349.28	\$ 4,183,999,734.26	\$ 2,396,191,081.02

Most Members recorded an increase in the values of both imports and exports. It has not been possible to properly establish the percentages herein, due to a number of factors. For instance, the volatile exchange losses to the dollar for some countries hampered

proper wholesome reporting. Nevertheless, Zimbabwe registered the highest drop in their net imports, mainly attributed to the difficult economic climate the country faced during the reporting period.



Automation

One Member, Kenya, reported implementation of new automated system to manage Customs transactions, the integrated Customs Management System (iCMS) within the last year. However, Asycuda still remains the preferred system for more than half of

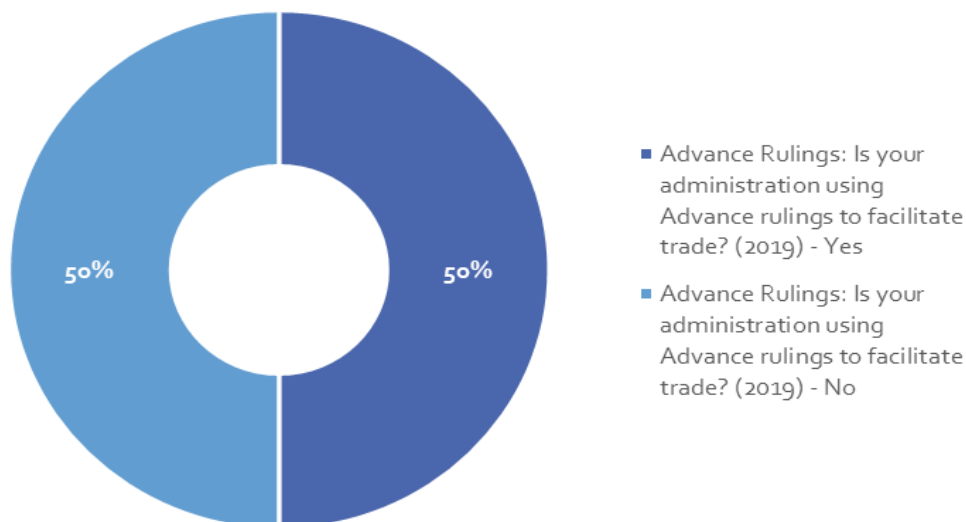
the Members while others have preferred national systems, such as Mauritius using CMS II, Tanzania using the Tanzania Customs Integrated System (TANCIS) and South Africa using the SARS Service Manager and Customs Automated Risk Engine.

Advance Rulings

Over 50% of Members reported using Advance Rulings in the facilitation of Trade. Some of the benefits of Advance rulings include enhanced certainty and predictability of cross-border trade transactions and speedy resolutions of Customs disputes. While Botswana reported

that the Advance Ruling system is not fully implemented, they are currently working on the regulations to govern the system. Uganda indicated that while they have not implemented the system, they have a consultant on board to ensure the system is fully implemented soon.

Use of Advance Rulings in 2018/19



Country	Advance Rulings: Is your administration using Advance rulings to facilitate trade? (2018)	Advance Rulings: Is your administration using Advance rulings to facilitate trade? (2019)
Angola	No	Yes
Botswana	Yes	No
Burundi	No	No
Kenya	Yes	Yes
Lesotho	No	No
Madagascar	No	No
Malawi	No	No
Mauritius	Yes	Yes
Rwanda	No	Yes
Seychelles	Yes	Yes
South Africa	No	No
Tanzania	Yes	Yes
Uganda	Yes	No
Zambia	Yes	Yes
Zimbabwe	Yes	Yes



STRENGTHENING INTRA-REGIONAL COMPLIANCE AND ENFORCEMENT

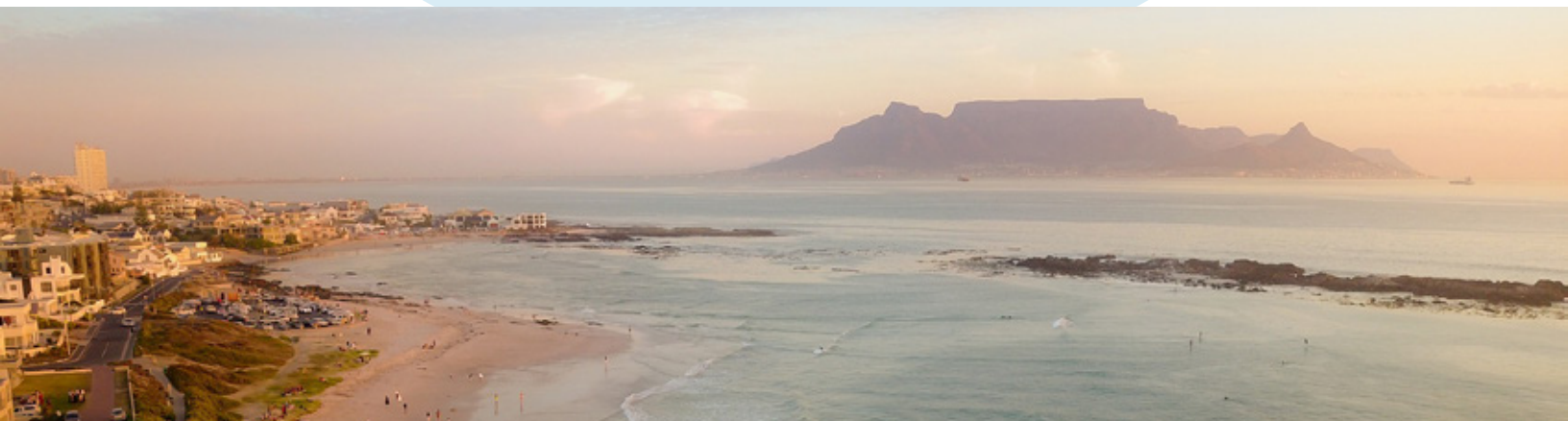
The 24th Governing Council meeting directed that RILO aligns its activities to the Regional Strategy to enhance proper coordination and consolidation of support. RILO has in some cases missed important WCO and other international meetings due to lack of funding, including inability to host their annual National Contact Persons (NCP) meetings. RILO therefore takes charge of the implementation of this Strategic Objective.

14 out of 19 of RILO-ESA members recorded seizure cases in nCEN during the period January to June 2019 representing 74% usage of the system. 1047 seizure cases were validated during the period 1st January to 30th June 2019. The top 5 highest risk product types consist of drugs which recorded 427 cases (41%), followed by Medicines and Pharmaceuticals with 297 cases (29%), Intellectual Property

Rights violations with 112 cases (11%), followed by tax and duty evasion with 66 cases (6%) and Tobacco with 57 cases (5%).

The top five countries with the highest number of recorded seizures are: South Africa with **481 cases**, which constituted 45% of all cases, followed by Angola with **241 cases** (22%), Zimbabwe with **142 cases** (13%), Tanzania **54 cases** (5%) and Mauritius **35 cases** (3%). Note thought that this may not be a true reflection of what transpired in different RILO members, noting that lack of reporting to the RILO by other members may have shifted the actuals.

Burundi on the other hand has opted to join the RILO Central Africa Region pointing to ease in the language for reporting, enabling its staff to play a greater role in information sharing.

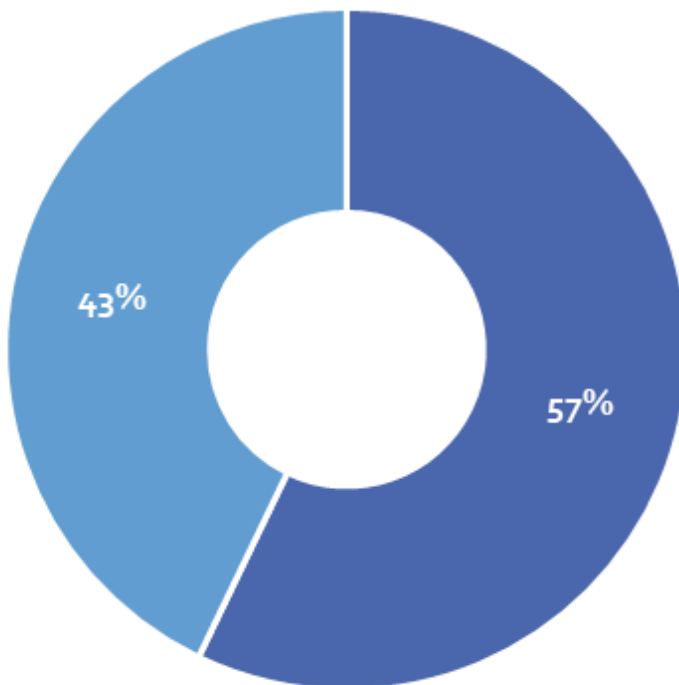


Coordinated Border Management

There has been an increase in the implementation of CBM among respondents in the region, from 37% to 57% in the last year with Lesotho being the latest implementer of the CBM. The advantages listed by Members from the implementation of CBM include enhanced sharing of information and intelligence, sharing of resources hence optimization of the available government resource, enhanced trade facilitation due to clearance by all relevant government agencies at a central point, increased interceptions and enhanced integrity of the supply chain

- minimized incidences of collusion. Others include minimized disputes related to collection of samples from the shipments, reduced cost to traders, increased clarity on the processes, efficiency and transparency in import / export procedures, reduction of bureaucracy and corruption, promotion of integration and cooperation among border agencies. Their challenges in implementing CBM include lack of legislative authority, lack of political will and the lead agency determining priorities on behalf of other organs of state.

Coordinated Border Management Implementation



- Implemented Coordinated Border Management in the past one year.
- Not implemented Coordinated Border Management in the past one year.



Challenges being experienced by ESA Administrations in managing international road conveyances and the measures put in place to address/manage the challenges

Country	What are the challenges being experienced by your administration in managing international road conveyances?	What are the measures that your administration has put in place to address/manage the challenges mentioned above?
Angola	None	N/A
Botswana	No answer	No answer
Burundi	a) Smuggling b) Route deviation	a) Implementation of a rapid response unit b) Implementation of a cargo tracking system
Kenya	a) Concealment, undervaluation, mis-declarations and under declaration b) Use of non-gazetted routes c) Illegal transshipment d) Use falsified documents or lack of supporting documents e) Tampering with consignments especially those not under seal or under cargo tracking system Splitting of consignments	a) Regular patrols b) MAT cooperation c) Penalties and heavy fines to offenders d) Intelligence and information sharing e) Profiling and targeting f) Sensitization of transporters especially passenger buses and trucks g) Regular patrols h) Multi Agency Team cooperation
Lesotho	a)none so far	
Madagascar	a) Difficulties to control general cargos which consist of miscellaneous goods. b) Difficulties to track the trucks carrying containers.	a) Pre-arrival risk analysis carried out on the basis of electronic cargo tracking note, in order to share risk alert for control purpose. b) Post-clearance audit on the basis of risk management.
Malawi	a)Use of unchartered routes by some operators taking advantage of porous borders	a) Considering procurement of drones for surveillance
Mauritius	a) Not applicable as Mauritius is an Island State	
Rwanda	a) Diversion of trucks to non-authorized routes b) NTB's along the corridors c) Smuggling on goods of high value (liquors & wines, used clothes and shoes, Kitenge etc)	a) Implementation of Regional Electronic Cargo Trucking System B) Use of Regional Customs Bond b) Engage Security agencies (Police and army forces) to support c)NTB committee in place to reduce/ eliminate un necessary barriers along the Corridors



Country	What are the challenges being experienced by your administration in managing international road conveyances?	What are the measures that your administration has put in place to address/manage the challenges mentioned above?
South Africa	a) Diversion of goods into the local market without payment of relevant taxes b) Non/late acquittal of transit declarations	a) The outcome of declaration assessment is communicated to the declarant when the transport arrives at the border b) Acquittal process for procedures that need to be acquitted. c) Risk based targeting and execution relevant to identified risk e.g. prescription of routes for high-risk goods and/or additional security to cover duty.
Tanzania	a) System challenges e.g. Systems downtime b) Ignorance of transporters on procedures, rules and regulations relating to internal road conveyance c) Bad condition of the Vehicles used to convey goods d) There is no proper or official communication among stakeholders CFA, Driver, Transporter involved in transport business.	a) Establishment of Rapid Response Team b) Establishment of Customs check points at different routes c) Penalties for reporting late at the checkpoints d) Suspension of Customs License
Uganda	a) Dumping of tax paying goods B) Limited ability to monitor performance of transit systems, people and processes. c) system application failures d) Limited skills on risk system, data analysis.	a) Use of Transit systems (RECTS & TMS) b) Improved staff supervision and administration of punitive penalties of offenders. c) Continuous system improvements and maintenance d) Development of performance reports of systems, processes and people. (continuous training on risk, systems and data analysis)
Zambia	a) Smuggling b) Congested border crossings c) Inadequate capacity to conduct physical inspections due to limited manpower or equipment d) Inadequate border infrastructure e) Delayed clearances F) ICT Customs System limitations	a) Information sharing with neighbouring customs administrations by receiving advance cargo information or verifications of documents upon requests b) mandatory pre-registration of import goods by declarants c) consignments referred to inland ports for destination inspections d) Routine reconciliations of transit accounts
Zimbabwe	a) Insufficient supporting infrastructure b) Connectivity challenges c) None implementation of Advanced Automated Road Cargo Manifest	a) Engagement of potential funding partners to support and improve the infrastructure b) ASYCUDA Systems upgrade and engagement with internet service providers c) Prioritization of implementation of Advanced Automated Road Cargo Manifest



ENHANCING INTEGRITY AND PROFESSIONALISM IN HUMAN CAPITAL

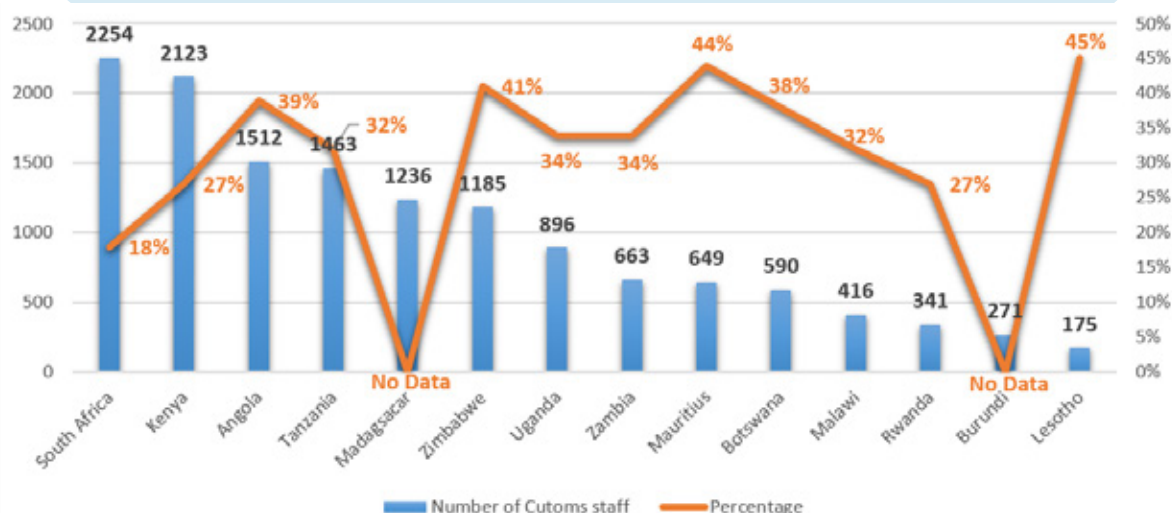
The Regional Training Centre (RTC) Heads meeting convened on 4th to 5th November 2019 in Lusaka, Zambia. The meeting considered various capacity building activities that have been carried out by the four RTCs of Kenya, Mauritius, South Africa and Zimbabwe. The operational RTCs have been inward looking in undertaking their work as these are national bodies. It is however important that when they meet at Regional level they focus on regional Capacity Building, their Agenda will be determined by what has been agreed in the Regional Strategy including development of

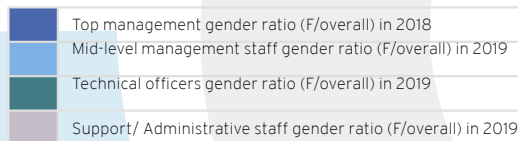
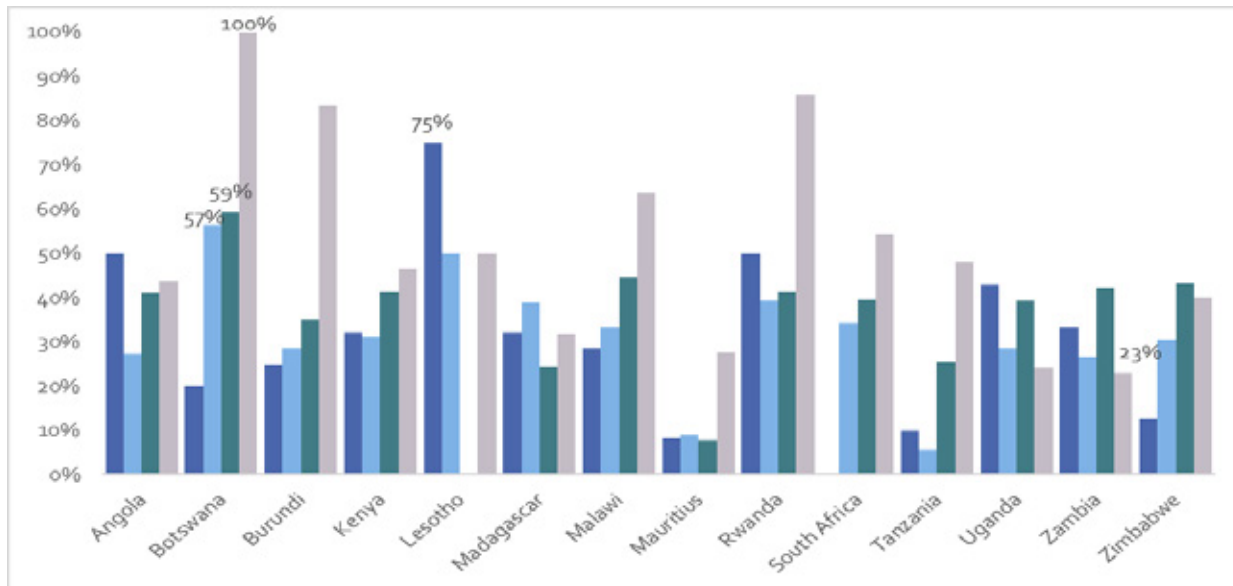
experts in areas of RoO, Valuation etc. During the reporting period there was progress on delivery of WCO missions in the region including the Leadership and Management Development (LMD) Programme, delivery of three Top Executive Retreats (TER) to Directors General and the executive managers of Lesotho, Malawi and Kenya Customs administrations. TER for top executive team in the Zambia Customs administration was delivered in December 2019. Tailored HRM diagnostic mission has been delivered for Mauritius Revenue Authority (MRA) in the ESA region.

Human Capital Development in ESA

Customs accounts for an average of 30% of the staff in administrations that have Customs integrated within their revenue authorities.

South Africa has the highest number of Customs officers in the region, 2,254 followed by Kenya at 2,123.

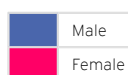
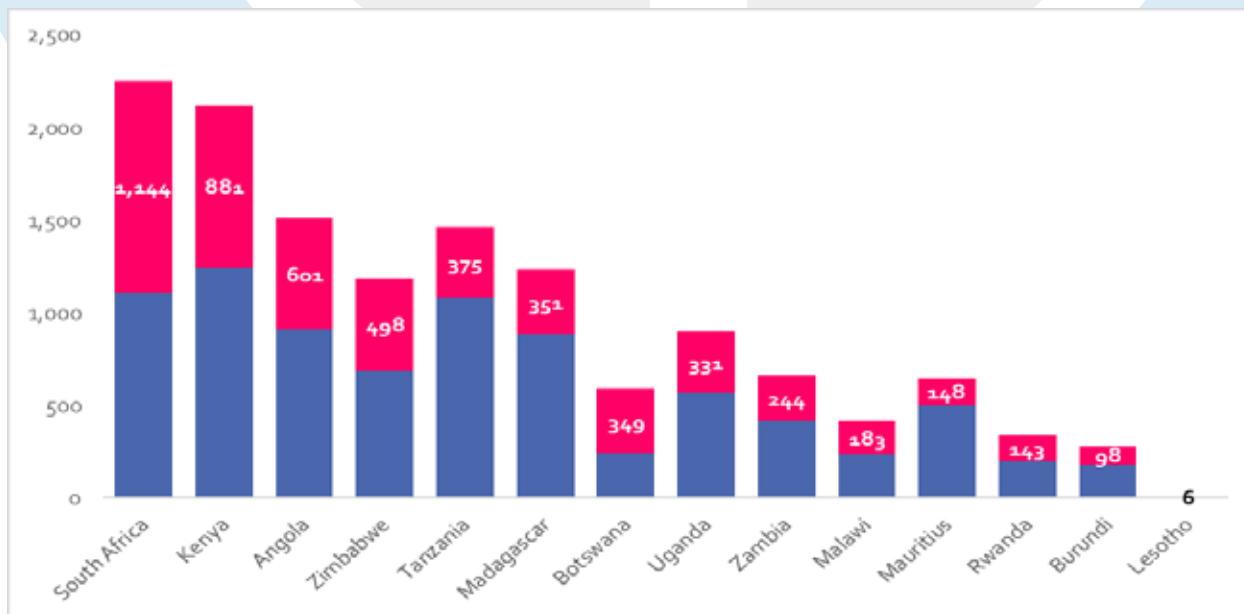




Lesotho reported the highest number of top management officers.

South Africa constitutes the largest number of support and administrative staff.

Kenya reported the largest number of technical officers.



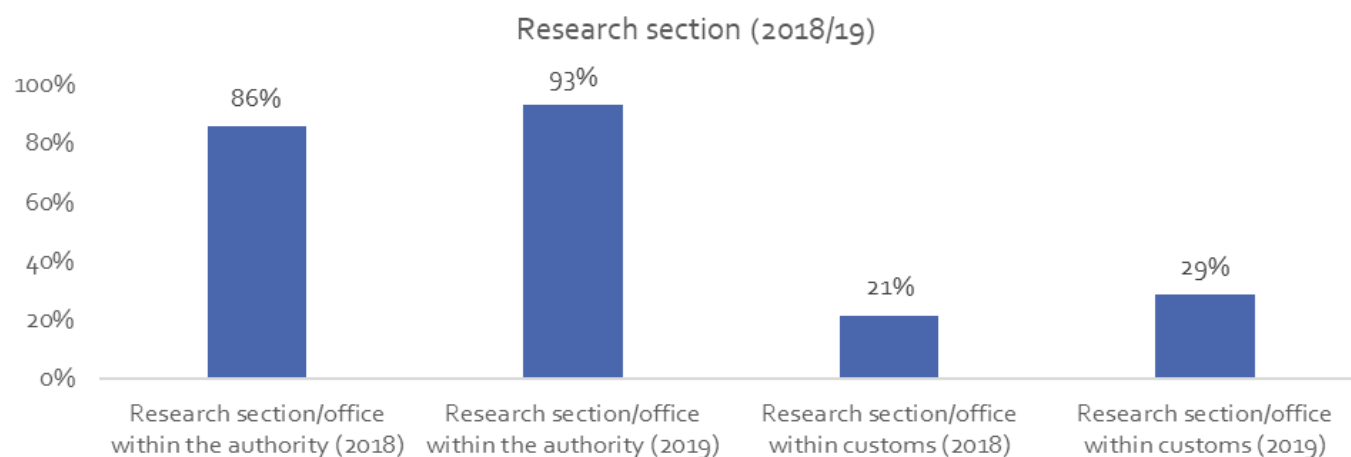
Females comprise about 40% of Customs staff in the region, about the same ratio as the previous year where Seychelles, Eswatini, Rwanda and Botswana reported a higher ratio of female staff compared to men. South Africa lead by the absolute number of female staff though, followed by Kenya.

Angola has reported a high positive change in top management gender ratio Y-o-Y, at 21%. Uganda reported a positive change of 10%, followed by Burundi with 5%. The ratio has remained unchanged at a healthy 50% for Rwanda across 2018-2019.

Research

Considering the present set of respondents in a study carried out by the ROCB, 93% have a research section within the authority as on 2019. Madagascar is the only country which has mentioned absence of a research section within the authority in 2019. It also reported in the negative in 2018. Only four countries - Botswana, Malawi, Mauritius and Zambia

- have reported to have research section/office within customs. Malawi and Mauritius had reported them last year as well. Botswana and Zambia did not have the research section within customs during last year baselining but have reported existence of the same in the current year.



The 3rd ESA Regional Research Conference

The 3rd ESA Regional Research Conference - bringing together Customs experts, scholars, analysts, Customs officials, private sector practitioners, as well as aspiring researchers was scheduled to take place in March 2020 but has been postponed indefinitely due to the COVID-19 pandemic. It will be hosted by the

WCO Regional Training Centre (RTC), Mauritius and sponsored by CCF- Korea. The conference will focus on Opportunities presented by emerging issues in Customs and Trade. The papers presented at the conference will be published in a book.

Theme

The theme of the conference is ***'The effect of emerging issues on the role of Customs and Trade'***.

i. Cross-border e-commerce: Enhancing trade facilitation and impact of cross-border e-commerce on Customs and international trade in East and Southern Africa.

Cross-border e-commerce refers to a phenomenon where consumers buy online from merchants, located in other countries and jurisdictions. Cross-border e-commerce has gained great momentum as customers purchase products from outside their borders.

Papers on this area should focus on how Cross-border e-commerce has enhanced trade facilitation as well as its impact on Customs and international trade in East and Southern Africa.

The conference committee welcomed proposals of ongoing or completed research on the following topics:

ii. Potential effects of the implementation of the African Continental Free Trade Area (AfCFTA) on trade and Customs in East and Southern Africa.

The African Continental Free Trade Area was launched on 21st March 2018 during an extraordinary summit of the African Union (AU) in Kigali, Rwanda. The version endorsed included a framework agreement as well as protocols on trade in goods, trade in services, and dispute settlement, along with various annexes and other legal texts if successfully implemented, analysts say that the agreement could increase economic diversification and intracontinental trade significantly.

Papers on this area should shed more light on the likely impact that the AfCFTA would have on trade and Customs within the ESA region.



iii. Security and development: Challenges and opportunities presented by technologies and emergence of new trade practices and their potential effects on security.

Customs is charged with ensuring security at border crossings and ports as well as protecting the financial and fiscal interests of the State by ensuring the collection of international trade taxes. on both imports and exports. However, the advancement of digital technologies, ushering in new business methods, has meant that Customs agencies have had to evolve to keep up with the new border threats brought on by the digital disruption.

Papers on this area should share experiences and best practices in the area of security. Focus should be on the challenges and opportunities presented by technologies, the emergence of new trade practices, and their potential effects on security.

iv. Gender Equity, Equality and Diversity: Highlighting opportunities presented in the integration of gender practices and promotion of diversity in Customs and Trade in East and Southern Africa.

Gender Equality and Diversity are fundamental rights outlined in the United Nations Universal Declaration of Human Rights (UDHR) from 1948, are considered prerequisites for achieving sustainable development and growth; and for enhancing performance in organizations.

The WCO finds it essential to make Gender Equality and Diversity one of the priorities in its capacity building agenda and has launched various initiatives to that effect. Papers on this area should highlight opportunities presented in the integration of gender practices and promotion of diversity in Customs and Trade in East and Southern Africa.

v. Compliance and Enforcement: Essential tools in enhancing revenue collection, safety and security.

Customs aims to promote voluntary compliance to facilitate international trade and at the same time to control non-compliance through enforcement with the tools and equipment available.

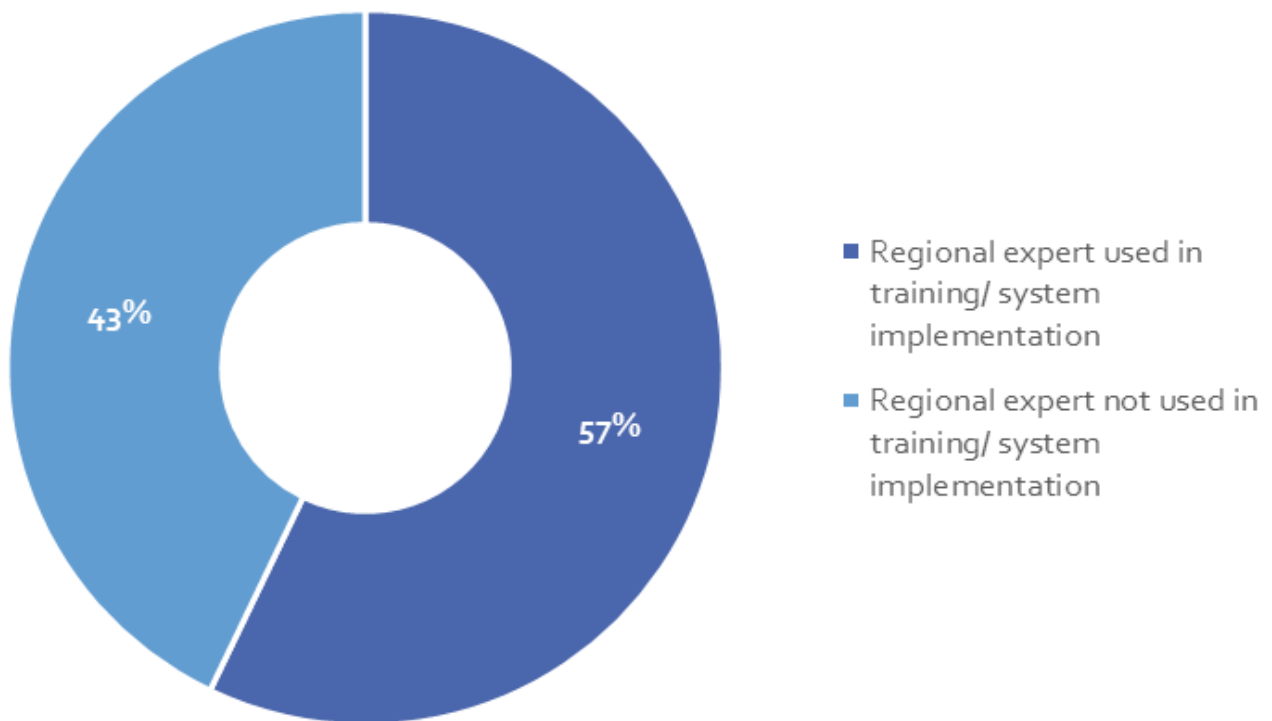
Papers on this area should look at essential tools in enhancing revenue collection, safety and security as well as other ways of enhancing Compliance and Enforcement.



Utilization of Regional Experts

8 of the 14 respondents reported using regional experts in training/ system implementation with all reporting a smooth process of requesting for their services.

Utilization of regional experts



Below are areas reported to be covered by regional experts for training/ implementation

(Mauritius reported the highest – utilization in 11 areas):

Country	Area of expertise was covered/system implemented
Angola	African Tax Administration Forum – ATAF: Tax Audit AFRITAC South/IMF: Leadership management
Botswana	Valuation and Classification
Mauritius	Valuation (Advanced) HRM Competency- Based Framework Data Analytics UNIPASS Anti- Money Laundering K-9 COPEs Intellectual Property Right Customs Laboratories Vessel Boarding, Search & Seizure Building Intelligence Capacity in relation to maritime activity, narcotics and money laundering
Rwanda	Customs applications development (Advance ruling, petroleum module developed, Goods description manual) Time release study (TRS)
South Africa	Risk Management - No system implemented Authorised Economic Operator - No system implemented Single Window - No system implemented
Uganda	Valuation Risk management WCO Mercator Programme
Zambia	A National Workshop on Single Window in Zambia facilitated by World Customs Organisation. Advanced ASYCUDAWorld Training by United Nations Conference on Trade and Development (UNCTAD) Development of Non-Standard Features of ASYCUDAWorld such as the valuation module and bonded warehousing module.
Zimbabwe	ASYCUDA Upgrade and Implementation of ASYPM Module Capacity building in HS Risk management Post Clearance Audit



ESA Sotho Photo Contest

For the third year running Kenya won the ESA Sotho Photo Contest for the third time in a row, getting to keep the trophy permanently. Kenya submitted a photo showing heroine intercepted by Kenya Customs officials at Jomo Kenyatta International Airport concealed in wooden art/ sculptures. The consignment was destined for Greece. Zambia voted as the 1st Runner Up and Mauritius the 2nd Runner Up. All the photos submitted formed the ESA Sotho Photo book 2019.

Newsletter Publication

The ROCB aims to publish eNewsletters quarterly and urges Members and stakeholders to submit their articles to the ROCB on a rolling basis. During the reporting period four newsletters were published and shared with the region and the global Customs family. There issues herein are: April - June 2019 issue, the July - September 2019 issue, October - December (2019) issue and the January - March (2020) issue.



MONITORING, REPORTING TOOL AND EVALUATION OF THE STRATEGY

Since its adoption, execution of the Regional strategy has proven to be challenging mainly due to technical and financial constraints. The process to engage and establish partnerships with the development partners on the implementation of the Strategy has been ongoing, with a view to address the bottlenecks including the acquisition of office for the ROCB. In view thereof, the office of the Vice Chair took the initiative to approach the governments of Finland, and Embassies in Kenya being; Germany, Japan and China with a request to support the implementation of the WCO-ESA Strategic Plan. None of the governments have responded except that, the Finish government has undertaken to consider the matter as an

extension of the current WCO-ESA Project. In order to bring more focus to the request for technical support, the ROCB developed a Request for Technical Support Document. Execution of the strategic plan commenced on 1st July 2018 and it will be ending on 1st June 2021. Monitoring and review of the strategic plan has been ongoing, though without a standardized process for monitoring and evaluation of the strategic plan deliverables. It is against this background that the region took the initiative to develop and define an ESA strategy development, monitoring and evaluation framework. The framework that has been developed is a manual one and captures all features that will enable the region



to periodically develop its strategy, monitor and evaluate both strategic and operational performance. Furthermore, the framework has elements that will enable the region to communicate performance to its member countries. It is important to note that Techno Brain has offered to develop an IT solution that will translate the strategy framework from a manual system into an online platform. Techno Brain will provide the services under the auspices of the Memorandum of Understanding between the Company and ROCB. The development and automation of the ESA strategy management framework will provide for design, development and automation of the ESA strategy management framework that aligns with principles of the Balanced Scorecard (BSC). The online system will have features that will enable the region to perform several activities including, to update, monitor and evaluate performance based on the regional Annual scorecards; update, monitor and evaluate project progress at a regional level; Update, monitor and evaluate project progress at member country level; Update, monitor and evaluate member country and regional strategic risks; Develop individual performance scorecards for the ROCB staff that are linked to the Annual scorecards; and Generate biannual individual performance appraisals for ROCB staff.

As part of measures aimed at enabling the Region to adequately achieve its strategic goals, there is need to identify and close any proficiency (governance, administrative structure and technical acumen) and resource gaps that may exist within the ROCB. In order to ensure that the ROCB is properly positioned to enable the Region to achieve its vision of meaningfully contributing towards economic growth and intra-regional trade across the Region, the WCO Secretariat was requested to consider identifying an expert(s) to undertake a diagnostic assessment of the ROCB's capacity to deliver. In the main, the diagnostic exercise will focus on the following: governance; administrative structure; technical expertise; financial management framework; performance management framework; human capital framework; and financial and other resource requirements. It is anticipated that, recommendations coming out of the envisaged ROCB diagnostic would give the Region an opportunity to more objectively explore options for strengthening this very important office. The WCO has indicated their support in this regard at a meeting on the margins of Capacity Building Committee sessions in March 2020 and are hoping to have achieved this by July 2020.

The Vice Chair's office organised and held a strategy retreat from 10th – 21st February 2020 to cascade the ESA Strategy to all the officers of the ROCB and commence implementation of a Performance Management System-based annual contracts.



GOVERNANCE

Management Committee

It is important to note the key role played by the Management Committee in the operation and running of the ROCB and the region. It is therefore necessary that the Committee's meetings are formally structured as for other ESA region working bodies. The MC at their meeting in February 2020 considered and agreed on the structure and frequency of their meetings as well as the level of representation as stipulated in the Rules and Procedures. MC will therefore consider reports from regional structures prior to Governing Council. MC further proposed that for continuity of regional work, the outgoing Vice Chair for the region and the Finance & Governance Committee Chairperson should remain members to the Management Committee.

Financial Report

The WCOESA Financial Report is an independent report and will be presented to Members as an annex of the ROCB Annual Report. The Financial Report from FGC comprises of the following:

1. External Auditors report for the past Financial Year
2. Financial Performance up to Mid-Term
3. Proposed Budget for the next financial year

Four Members who had defaulted on their membership subscriptions, being Djibouti, Eritrea and South Sudan, have been removed from the list of debtors pending their commitment to pay as directed by the 24th Governing Council. Eritrea and Somalia however paid their subscriptions; the ICT intern has been paid his outstanding allowances;



the ROCB has fixed funds with current bank amounting to USD 250,000 at 3% interest rate whilst awaiting ROCB registration to enable the amount to be invested in financial instruments that attract better return; capacity challenges in preparations of Financial Statements; lack of fixed asset policy; and, ROCB has purchased a web-based quick books accounting system, with three users being the Director, Finance Officer and Systems Administrator.

The Report indicates that writing-off of debts resulted in a deficit and that there has been a huge drop in asset base. Subscriptions have been received from members including Somalia, however Madagascar has not paid for three years, which may require that Management Committee engages with Madagascar on their challenges.

GC will further note that Kenya's financial support to the ROCB amounts to about USD 143, 000 comprising of salaries of the staff among others. The FGC has also established that there was no clear-cut way of accounting for the expenses and itemized expenditure and have since advised the ROCB to open a savings account.

The Management Committee (MC), during their meeting in February 2020, considered and noted the contribution made by Kenya at USD 143 000, which was not included in the Financial Statement, raising a concern that this has a bearing on the governance and management

of the ROCB staff by the region when Kenya contributes almost the whole of the Budget. FGC was therefore directed to draft a Proposal with clear recommendations and options on the host administration contribution and how it should be spent, to allow the GC to reflect on this matter and make a determination on how to properly engage KRA at its next meeting. The Paper should also spell out the requirements for hosting the ROCB with a view to providing guidance on what it would take for the region to acquire its own office instead of the KRA doing so.

Legal Status of the ROCB

The process of registering the ROCB with the Government of the Republic of Kenya remains ongoing. As a follow up on the progress made, the Vice Chair met the Kenya's officials in September 2019 and in February 2020.

The registration of the Office will enable the regions of different regional policies including the Investment Policy from which the region could leverage towards self-sustenance. The process to register the ROCB as a legal entity has been ongoing since 2015 when Kenya developed Host Country Agreement and their Trade and Foreign Affairs Ministry had signed it. At the time when the WCO Secretary was to sign the Agreement, the Policy Commission decided that ROCBs and other regional entities should be independent of the WCO. The WCO therefore sent the Agreement back and advised that the matter be finalised at a regional level.



Regional Policies

The 24th GC called for a comprehensive review of the proposed Hiring Policy and Investment Policy of the ROCB and requested Zimbabwe to take the lead with the support of South Africa in enhancing the Hiring Policy with Uganda taking the lead in enhancing the Investment Policy. The Policies have been finalised with inputs from the Finance & Governance Committee and are now ready for adoption by Governing Council for implementation.

Taking into consideration the increased need for monitoring and evaluation of the Regional Strategy and hence the requirement for Performance Contract to be signed between the Vice Chair and Director ROCB, the Finance and Governance Committee developed a Policy on Performance Contracts.

Regional Needs

The ROCB consolidated and analyzed the ESA Member needs for 2020 following the WCO Capacity Building directorate's commencement of the annual process. The ROCB identified key regional needs highlighted in the table below, and presented to the WCO for consideration and possible support.



Need identified (e.g. area of expertise, type of support, etc.)	Background and context (e.g. national/regional development priority; project, programme component; WTO ATF requirement)	Proposed type of action to address need (e.g. national/regional workshop, support mission, training)	Objectives and Expected results (e.g. immediate and long-term results pursued through this action)	Other comments (e.g. link with other activity; available funding; etc.)
Data Analytics in Customs	Regional Development priority considering the place of Big Data among Customs families. Needs exist to familiarize with governance/management of data and its analysis, and development of data centres.	Regional workshop	<ul style="list-style-type: none"> • To enable Members, learn later day data governance and management strategies • To learn enhancing data integrity and safe sharing for compliance and enforcement • To learn the management of big data, efficiently and effectively. • To learn the processes of developing and maintaining data centres. 	Workshop to include participation of regional entities as the key managers of data in the region.
Emerging Technologies	The emergence of exponential technologies has redefined the need for Customs to adopt these in its functions, considering the adoption of blockchains, Customs robotics/drones, IoN, ML, etc.	Regional Workshop	<ul style="list-style-type: none"> • To manage novel risks and opportunities through emerging technologies (ET) • To enhance understanding of the ETs. • For enhanced coordinated border management and security using ETs. • To enhance Customer Service delivery. 	Workshop to include participation of regional entities.
Accessions to RKC and TFA	9 Members are yet to accede to RKC while 6 Members are yet to ratify the TFA (most being non Members of WTO). Challenges exist in ratification, including political will, understanding of the importance of ratification and competing interests by new Agreements.	Support Mission	<ul style="list-style-type: none"> • To enlighten the non-ratifiers of the importance of the process. • To mitigate identified challenges in ratification. 	Special visits by the WCO SG, Vice Chair and ROCB Director may add value to the missions.



Implementa- tion of Trade Agreements (AfCFTA & TFA)	<p>Most members have ratified the agreements but still face challenges on implementation, mainly quoting high costs for various measures and effective monitoring process, among others.</p>	Regional Workshop	<ul style="list-style-type: none"> • To learn quick wins in mitigating the high costs of implementation associated with implementing specific TF projects and measures • To implement effective Monitoring and Evaluation Process • To promote cooperation and coordination between ministries and government agencies. 	<p>Request to involve ROCB and the RTC in charge of ECP package in drawing the ToRs and coordinate the workshop.</p>
Implemen- tation of HS 2022	<p>Most ESA Members have implemented HS 2017 and geared to implementing HS 2022 but not familiar with its outlook. New Customs officers are also not familiar with processes of migration.</p>	Regional Workshop	<ul style="list-style-type: none"> • To familiarize with the tenets of HS 2022 • To learn the preparation and process of migration to HS 2022 as a region 	<p>Request to involve ROCB and the RTC in charge of Revenue Package in drawing the ToRs and coordinate</p>
Engaging the Informal Sector	<p>There is no formal regional framework for Customs' adoption to engage the informal sector. Yet the sector continues to grow and thrive with opportunities for better management of their revenue.</p>	Regional Workshop	<ul style="list-style-type: none"> • To share national and regional block experiences in engaging the informal sectors • To develop an informal sector framework and establish cooperation framework for informal cross border traders. • Form a follow up WG from participants to develop simplified procedures for informal cross-border traders that deliver better controls and trade data • To integrate Information Technology in the management of the informal sector. 	<p>Invite RECs (EAC, COMESA, SACU and SADC) alongside regional entities to workshop.</p>



Transit	There is the increasing need to develop a common approach framework for transit management, heightened by the TFA and AfCFTA articles on the same.	Regional Workshop	<ul style="list-style-type: none"> • To adopt a common approach to electronic tracking of transit consignments. • To develop a risk management paper on behaviors of international road conveyances. • To draft a business case for a single bond guarantee. 	To collaborate with the African Union considering their steps for a continental transit system.
RILO support / Intelligence Sharing	RILO ESA recently set up in Zimbabwe and needs concerted efforts to upscale its functionality and enhance its support to the Members, in light of new global threats.	Regional RILO workshop & Training	<ul style="list-style-type: none"> • To offer training to RILO staff and NCPs in relevant topical issues • To learned enhancing intelligence information sharing • To promote real-time uploading of seizures in the nCEN 	
Regional Customs IT conference	The region intends to organize the first conference in Customs & IT in the summer/fall of 2020, bringing together various players.	Conference	<ul style="list-style-type: none"> • To leverage on the platforms of the global IT conference in organizing the conference • To exploit opportunities offered by the informal sector for enhanced revenue performance and border security. 	Request to WCO to assist VC/ROCB identify funding and sponsors.
Development of Experts	The WCO has been supporting the region build its pool of experts, and there is greater need to increase and utilize the experts in various subject matters. The region's Governing Council has directed the congregation of the first Experts forum to deliberate various core issues.	Regional Forum & Accreditation Opportunities	<ul style="list-style-type: none"> • Build a ToT pool for the revenue package giving priority to Valuation, HS, PCA, and Rules of Origin. • Support Members to utilize WCO tools effectively • Assist ROCB in developing a database of the regional pool of experts. 	



Advance Rulings	With Advance Rulings a tenet of the TFA, the region aims to enhance its implementation and creation of a database on the same.	Regional Workshop	<ul style="list-style-type: none"> • Strategize on proper implementation of Advanced Rulings • Familiarize with issuance, declining, annulments and modifications on advance rulings on classification, origin and valuation. • Consolidate case studies and share experiences in Advance Rulings • Draft ToRs for the creation of AR database 	
Capacity Building - Integrity Integrity Testing tools	BURS established the Integrity Unit in 2009 but was never capacitated to make sure it adheres to Revised Arusha Declaration	Support Mission	<ul style="list-style-type: none"> • To make sure that the organization is in line with the Revised Arusha Declaration. • To utilize the integrity testing tools as the best practice. 	Special visits by the WCO Integrity Sub-Committee experts and, ROCB Director may add value to the mission
National Single Window Diagnostic/ Readiness assessment for participating agencies	Botswana notified Article 10.4 of the WTO TFA under Category C, thus indicating the need for technical and financial assistance for its development and implementation.	Training and Support mission	<ul style="list-style-type: none"> • To establish the requirements for successful national single window implementation. • To ensure all stakeholders readiness for successful implementation. 	Availability of funds and WCO experts



REGIONAL PRIVATE SECTOR CONSULTATIVE GROUP

Exciting matters have taken place with the WCO ESA RPSG over the course of the last 12 months or so, none more so than the establishment of a new website. To distribute communications about matters concerning the RPSG, a digital newsletter has also been established. Furthermore, the RPSG will

Website

The RPSG is proud to announce the launch of our website! All-important customs and trade related information concerning the regional private sector will be distributed on the website; including: **(1)** Newsletters; **(2)** Projects; **(3)** Webinars; **(4)** Reports; and **(5)** Resources. Please click on the following link to browse the site:

<https://www.wcoesarpsg.org/>

The development of the website follows from the discussions in the RPSG's last Webinar of 2019 to promote private sector matters in a more vigorous way.

To assist the RPSG with this matter, we kindly urge all RPSG members to share the website with as many private sector role players in your association/country/region as possible. Also, the RPSG further urge all prospective interested parties to subscribe to our newsletter to stay abreast of all information that will be shared to the greater private sector in the region. Furthermore, since the website is still in its infancy phase, we welcome any comments

continue aiming to achieve its goals by hosting quarterly webinars involving members of the 24 respective East and Southern African countries, providing feedback on these matters via the newly established website. Hereafter follows a short summary of the most pertinent matters concerning the WCO ESA RPSG:

and/or suggestions to make it better.

Questionnaire

Along with the newsletter that has been sent out, the RPSG have issued a call for all private sector role players in the region to help us gather information on customs and trade related matter in the region by filling out this short 4-min questionnaire. If members have not yet filled out the questionnaire, please follow the link below:

WCO ESA RPSG questionnaire

Once again, we urge all RPSG members to share the questionnaire with as many private sector role players in your association/country/region as possible.

Webinars

As discussed and agreed upon throughout the reports and minutes of the WCO-ESA-RPSG, the intended platform of communications will continue by means of online webinars. The RPSG are hereby proposing to have 4 webinars throughout 2020. All webinars are proposed



to start at 10:00 CAT (UCT +02:00), with a duration of approximately 2 hours.

Given the current situation with regards to the Corona virus (COVID-19) pandemic, the next webinar will be slightly pushed back. Communication regarding the webinar will be follow up on as soon as possible. In the meantime, please feel free to send forth any agenda items you would like to discuss.

Newsletter

The aim of RPSG is to issue monthly Newsletters to our contacts database, with a larger 'bumper' issue every March, June, September and December. This remains the aim. Input for the Newsletters will be welcomed throughout the year.

Once again, we kindly urge all members of the RPSG to circulate the Newsletter to all interested parties active in trade in the region.

Projects

From the webinar the following matters remain high upon the agenda of the RPSG for the coming months:

- Authorized Economic Operator (AEO) programs
- WCO Instruments and Tools
- World Bank Ease of Doing Business - Trading Across Borders
- Customs-to-Customs IT Connectivity
- World Trade Organization (WTO) Trade Facilitation Agreement (TFO)
- African Continental Free Trade Agreement (AfCFTA)

Since the RPSG was formed for the purpose of verifying the implementation, monitoring and assistance of various mechanisms in the WCO Instruments and Tools that will make trade easier without comprising or imposing a higher risk profile, it is the aim of the RPSG to further engage with private sector throughout the region on the projects outlined above. This will also allow private sector to better articulate their challenges in regional integration and possible solutions for addressing the known obstacles effectively and create a safe, fair and compliant environment for all.



WCO ESA PROJECT II ACTIVITY REPORT 2019 2020

Project “To progress the trade facilitation (TF) agenda, within the framework of the WCO Mercator Programme in the East and Southern Africa Region 2016-2021”

Funded by the Ministry for Foreign Affairs of Finland

ACTIVITY REPORT

July 2019 – June 2020

The project was launched in July 2016 “To progress the trade facilitation (TF) agenda, within the framework of the WCO Mercator Programme in the East and Southern Africa Region 2016-2019” which addresses Customs Capacity Building needs in the WCO ESA region. A non-cost extension to the project until 28 February 2021 was granted to allow for full implementation of planned activities. For some activities during the period, the project had joint funding arrangements with other projects including Her Majesty Revenue & Customs (HMRC), Trade Mark East Africa (TMEA) and the Global Alliance for Trade Facilitation (GATF).

During the reporting period 1st July 2019 – 30th of June 2020, the delivery of a comprehensive TFA implementation planning mission in Botswana established a holistic strategy for implementation of articles of the TFA. During the mission, full accreditation was granted to two experts from

the region as Mercator Programme Advisors (MPA'S). Through joint funding support from the WCO-Finland ESA Project II and the Global Alliance for Trade Facilitation (GATF) through GIZ, Kenya received support for implementation of Pre-arrival Processing, bringing a higher level of predictability and transparency to Customs procedures. To familiarize with process flow for import and export cargo, Uganda was supported by the project under a co-funding arrangement with Trade Mark East Africa to conduct a road trip to Mombasa Port through Nairobi for TRS Process Mapping. This will be followed by a data collection phase, data analysis and publishing of TRS results later in 2020. Burundi was able to publish the findings of the TRS in December and ratify the TFA Agreement also in December after the successful Mercator Scoping mission that resulted in a clear road map for the implementation of the TFA articles.



Other activities conducted over the reporting period include a diagnostic workshop on Customs Laboratories for Mauritius, in July 2019. In the same month, Kenya received support for establishment of an Advance Ruling framework in Origin, Tariff and Valuation. In November and December 2019, Zimbabwe and Eswatini both received support in advanced Post-Clearance Audit to improve competencies in executing onsite audits through the provision of practical audit techniques, while Malawi and Seychelles received AEO support, improving the professional knowledge necessary to develop policy regulations. Seychelles was also supported in the area of Customs Valuation. One of the highlights for the period, was a forum in Burundi for the release of findings for a Time Release Study, with support from the project. Malawi also released their 2019 TRS results, following WCO capacity building support to Malawi.

A WCO National Training Workshop on Classification and Identification of Textile products, was held in Harare, Zimbabwe from 18 to 21 February 2020. Fifteen selected Customs officials working in different Customs posts attended this practical course, co-facilitated by an expert from the Secretariat and a WCO recognized expert. Also two microscopes and high precision digital laboratory scale were donated to ZIMRA to improve its capability on identifying textile products.

The period saw considerable funding support provided in the area of Human Resource Management and Development, with a People Development diagnostic mission conducted in Mauritius in August 2019, while a follow-up mission to a People's Diagnostic for Comoros held in December 2019, verified recommendations, resulting in improved knowledge and skills in the implementation of a Competency Based HR framework. LMD Top Executive Retreats were conducted in Kenya, Malawi and Uganda.

The WCO launched its first ever state of the art pilot of the Executive and Professional Competency-Based HRM Programme (EPCB-HRMP). The event took place in Pretoria, South Africa, at the South African Revenue Service (SARS) Regional Training Centre (RTC) from January 27-31, 2020 with the financial support of the HMRC-WCO-UNCTAD TFA Capacity Building Programme and the WCO-Finland ESA Project II. A total of 20 HRM directors and professionals from 8 countries in Eastern and Southern Africa (ESA) region including Eswatini (SRA), Lesotho (LRA), Malawi (MRA), Mauritius (MRA), South Africa (SARS), Uganda (URA), Zambia (ZRA), and Zimbabwe (ZIMRA) attended this five days pilot which was the first part of a two weeks face to face approach. The second half of this pilot is scheduled to take place later in 2020.



Gender Equality - Blended Training Package on “Advancing Gender Equality in Customs Administrations” was developed and finalized with the assistance of the four (4) RTCs and Eswatini, Malawi, Rwanda and Uganda:

By the end of June 2020, ten (10) of the fourteen (14) ESA supported countries under the WCO ESA Project II are benefiting from the multi-year (MY) tailor made WCO Mercator Programme. By the end of June 2020, 13 out of 14 assisted countries have benefitted from the national Programme activities: Angola, Botswana, Burundi, Comoros, Ethiopia, Eswatini, Kenya, Malawi, Mauritius, South Africa, Seychelles, Uganda and Zimbabwe. All the 24 ESA Members have been invited and 6 of ‘non-supported’ countries have attended either Regional or Sub-Regional Events. The four countries that have not benefitted from the Project activities are Somalia, South Sudan (in-active countries of the WCO), Eritrea (not able to receive assistance due to internal reasons) and Djibouti.

A mid-term evaluation was conducted in August 2019 and the findings were released in a comprehensive report in December 2019. The objective of the assessment was to prepare an external, independent analysis and assessment of the Project performance, technical arrangements and location changes in Customs administrations and beneficiary countries, make a comparison with a “reference project”, report on lessons learned and prepare recommendations for the Project and the relevant authorities. The Evaluation was based on the OECD template, with seven (7) criteria: Relevance, Efficiency, Effectiveness, Impact, Sustainability, Coordination and Gender. Conclusions of the Report confirmed that the project has generally met all the 7 criteria applied in the evaluation:

Due to the Covid-19 pandemic, several planned activities for the 4th financial year have been postponed since March 2020 to be carried out only after July 2020.

