



WCO ESA ROCB

# ANNUAL REPORT



East and Southern Africa  
Region

**2020/2021**

**Presented to  
27<sup>th</sup> Governing Council  
May 2021**



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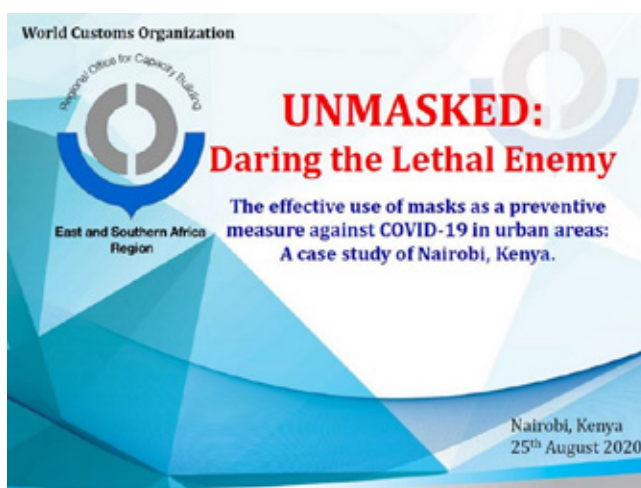
# Highlights of the season

## 1 COVID Updates – March 2020 to Present

- Monthly reports on the status of COVID in the region and continent
- Frequent updates on global outlook of COVID
- Dedicated COVID-19 page on the website.



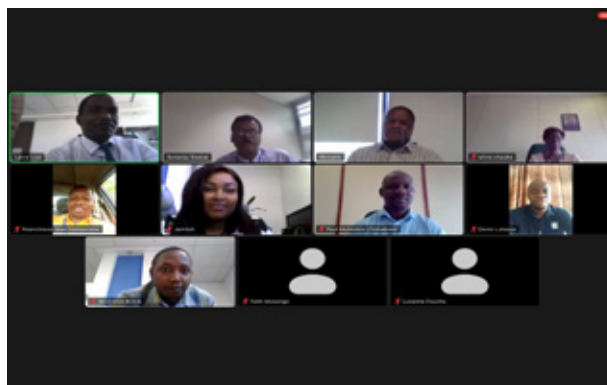
WCO ESA  
ROCB  
COVID-19  
Reports



## 2 Collaboration with UNCTAD – 2 webinars - What future for women small-scale and informal cross-border traders in Africa? and Conference on Leveraging the AfCFTA to Boost Women's Economic Empowerment.



# 3 Development of a ESA Regional Risk Management Compendium



# 4 AUC Cooperation – Effective Implementation of the AfCFTA – October 2020 and March 2020

**Effective Implementation of the AfCFTA:**  
What are the Needs & Challenges for Customs Administrations?

**THE AFRICA WE WANT 2030**

As of 1<sup>st</sup> February 2020, a total of 54 African Union member states have signed the Agreement and 25 of these have ratified it. The Agreement entered into force on 30 May 2019, after the minimum threshold of 22 ratifications had been reached and the AfCFTA was officially launched at the AU Summit in Nigeria on 7<sup>th</sup> of July 2019.

The AfCFTA will be operationalized starting 1<sup>st</sup> of January 2021, that will result in the free movement of qualifying goods in the continent. This will have an impact on Customs Administrations in that they will be required to facilitate the free and fast movement of goods across borders as they implement the negotiated tariff schedules.

The implementation is a major step and cornerstone in the success of the AfCFTA, with national Customs Administrations in Member States playing a key role to ensure the free flow of goods across the continent. However, a number of Customs Administrations will require technical assistance, mainly capacity building, in order to ensure the timely and effective implementation of the AfCFTA.

**October 2020**

**29**

12.00pm - 11.00pm (CAT)

**REGISTER**

**giz**

**KEY SPEAKER**  
Mr. Dabonay Katswe  
Senior Policy Officer, Customs Cooperation  
Trade & Industry  
(AUO)

**KEY SPEAKER**  
Mr. Willie Shumba  
Senior Customs Expert & Advisor  
(WCO)

**KEY SPEAKER**  
Mr. Larry Liza  
Director of the World Customs  
Organization, East & Southern Africa  
(WCO)

**MODERATOR**  
Mr. Mark Goodger  
GIZ Consultant & Customs Expert  
(WCO)

**THE NEEDS & CHALLENGES FOR AU CUSTOMS ADMINISTRATIONS IN IMPLEMENTATION OF THE AfCFTA**

**Feedback & Engagement Webinar Invite**

**Monday, 6th March 2021, 09.00am to 12.00pm (CAT)**

**LIVE WEBINAR PRESENTED BY THE AU, ROCB & GLOBAL EXPERTS**

GIZ in co-operation with the AU and ESA ROCB has conducted a needs assessment, among national customs authorities in the East & Southern Africa region, pertaining to the needs assessment in relation to implementation.

Your attendance and participation in this feedback session will be greatly appreciated.

**REGISTER NOW**

**WEBINAR AGENDA**

- Opening & Welcome - Mr. Mark Goodger (GIZ 10:00am)
- Address by ROCB - Director Larry Liza (10:05am)
- Difference between surveys & reports, new developments & updates - Mr. Willie Shumba (AU 10:10am)
- Importance of feedback & continued implementation - Mr. Dabonay Katswe (AU 10:15am)
- Findings of needs analysis & overview of GIZ leadership module - Mr. Mark Goodger (10:20am)
- Open Forum - Attendees input and comments (10:30am)
- Closing Remarks - Director Larry Liza (10:50am)

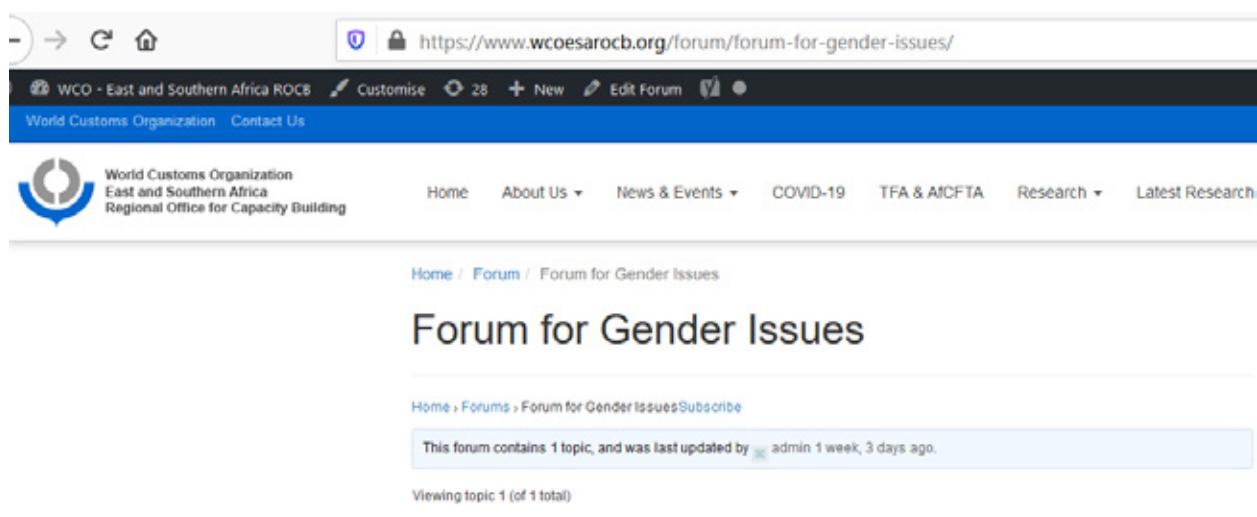
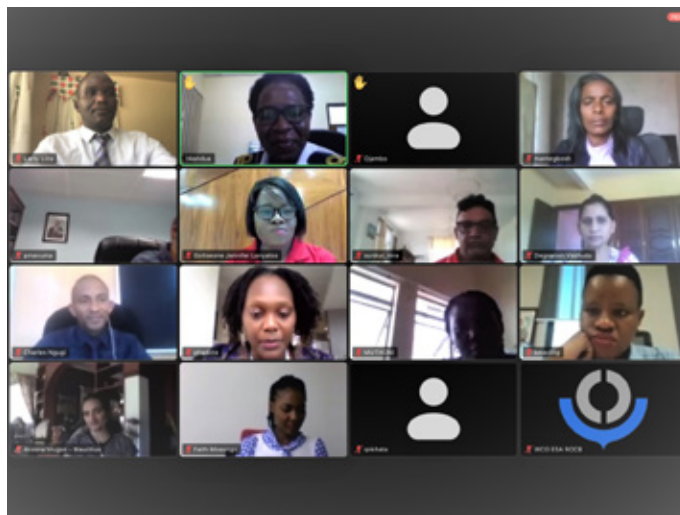
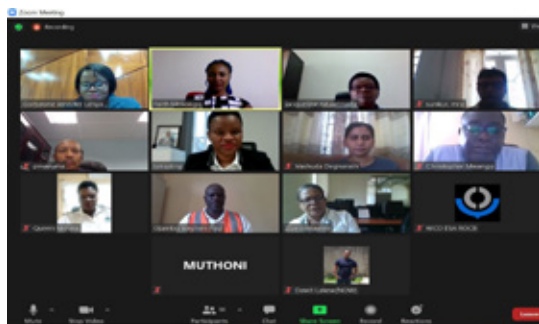
**giz** **ROCB** **AfCFTA**





# 5

## Development of Gender and Diversity platform



# 6

## Trade Facilitation

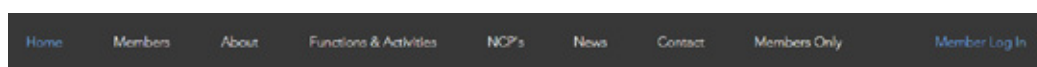


Tanzania ratifies  
on 08.04.2020

## 7 Experts Database Development – Accredited and recognized experts



## 8 RILO website development and launch - July 2020



World Customs Organisation East & Southern Africa



# 10

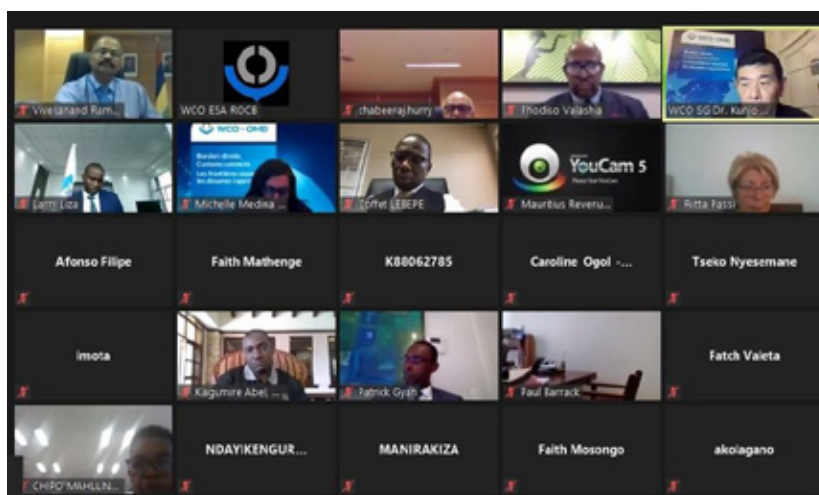
Staff Development - Strategy Execution  
Training – October 2020



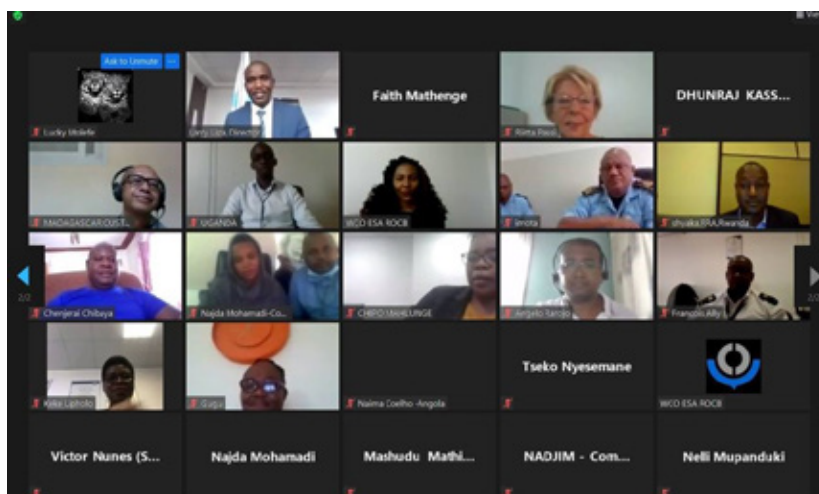
# 11

Regional Meetings held virtually

26<sup>th</sup> Extra-ordinary GC –  
November 2020



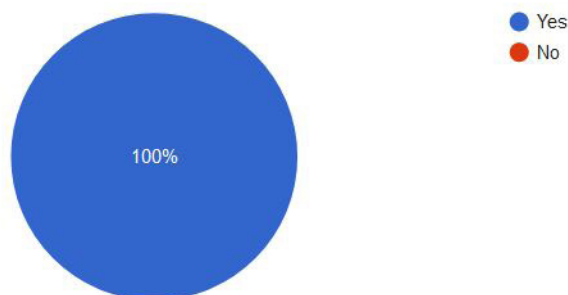
32<sup>nd</sup> Regional Steering Group  
Meeting – November 2020



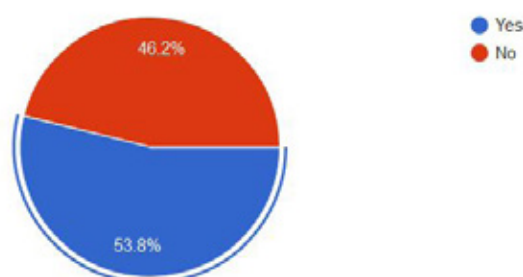
## Effects of the Covid-19 Pandemic

The ROCB carried out a study on the effects of the COVID-19 Pandemic in the ESA Region. The results were as follows;

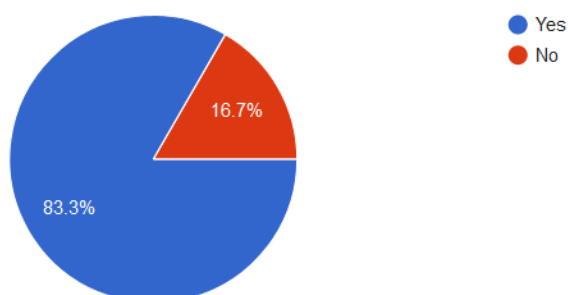
100% of the respondents have had part of their staff infected by the Coronavirus.



53.8% had staff that suffered death from the Coronavirus.



83.3% of the responses had their revenue collections affected (negatively) in the last 12 months based on their projections.



COUNTRY	REVENUE % GAIN/LOSS
Botswana	11.4% ↓
Kenya	3% ↓
Lesotho	↓
Madagascar	27.3% ↓
Malawi	27.6% ↓
Mauritius	7.86% ↓
South Africa	↓
Uganda	16.1% ↓
Zambia	8.9% ↑
Zimbabwe	10% ↑

Two Members, Zambia & Zimbabwe reported a positive revenue growth against their projections, compared to the rest of the Members who did not meet their projections.



## **Major imports and exports from ESA – COVID 19**

### **Imports**

Personal Protective Equipment (PPEs) - surgical masks, particulate filter respirators (such as P2 or N95), gloves, goggles, glasses, face shields, gowns and aprons.

Medicaments – supplements, medicines related to respiratory ailments and pain, chemicals such as hydrogen peroxide, ethanol.

Medical supplies – instruments and appliances (oxygen delivery devices, respiration apparatus, pulse oximeters), thermometers, COVID test kits.

Cleaning agents – Soap and detergents

Textiles

Foodstuffs –dry foods such as wheat products, sugar, and coffee.

### **Exports**

Foodstuff – fruits, fish.

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# Background

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## Membership

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

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

## Vision

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

## Purpose statement

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

## Goal

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

## Values

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





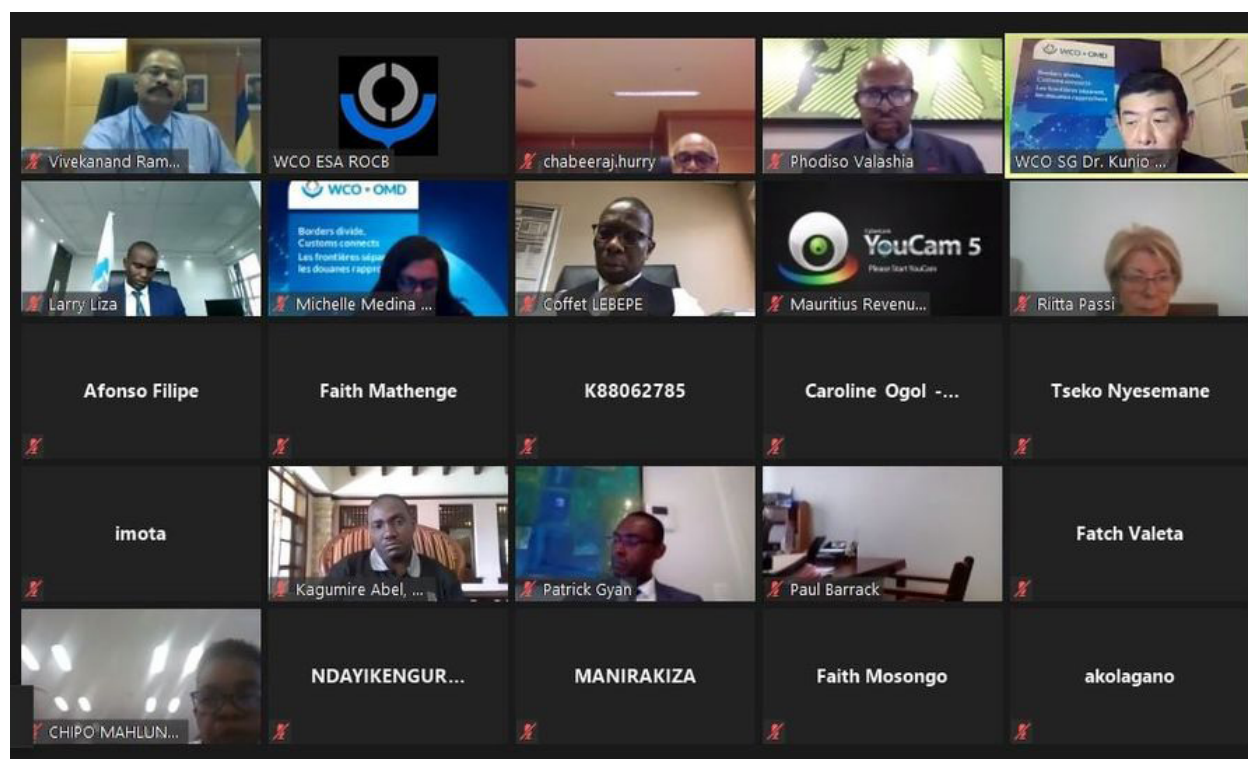
## Abbreviations / Acronyms

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 2020/2021 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.

This report is presented for discussions by the 27<sup>th</sup> Governing Council and the Regional Steering Group meetings in April & May 2021.



The 26<sup>th</sup> Extra- Ordinary Governing Council of the WCO ESA took place on 12<sup>th</sup> November 2020, virtually and attended by delegates from our Member countries and graced by the WCO Secretary General, Dr. Kunio Mikuriya. The ESA Vice Chair, Mr. Philiso P. Valashia, Botswana, chaired the meeting. The GC focused on countering the effects of the COVID-19 pandemic, regional strategy, as well as finance and governance matters.

## Status and outcomes of the 26th Governing Council

The 26<sup>th</sup> Governing Council was held virtually on the 12<sup>th</sup> November 2020 due to the ongoing COVID-19 Pandemic. The meeting focused on four items;

- I. Report from the 32<sup>nd</sup> RSG meeting of 5<sup>th</sup> November 2020.
- II. Finance and Governance Committee Report.
- III. Office registration and other governance matters.
- IV. Progress Report on Forensic Audit.

Status of the implementation of the decisions of the Governing Council

### Status of the implementation of the decisions arising from the discussions of the 26<sup>th</sup> Governing Council

#### Report from the 32<sup>nd</sup> RSG Meeting of 5<sup>th</sup> November 2020

##### **The Governing Council:**

directed the ROCB to monitor accession and ratification to the RKC and TFA respectively by at least two members by June 2021

##### **AfCFTA Updates**

Trading activities under the African Continental Free Trade Area (AfCFTA) commenced on the **1<sup>st</sup> of January 2021**.

To date, 36 countries have deposited their instruments of AfCFTA ratification with the AUC Chairperson. There have also been indications that Somalia and Algeria have received Cabinet approval for ratification; official confirmation is pending

14 out of 24 Members have deposited their instruments of AfCFTA ratification with the AUC Chairperson.

They include: Djibouti, Ethiopia, Kenya, Lesotho, Mauritius, Malawi, Namibia, Rwanda, South Africa, Eswatini, Uganda, Zambia, Zimbabwe and Angola.

### **TFA Updates**

To date, 153 WTO Members have ratified the TFA

19 out of 24 Members have ratified the TFA.

Ratifiers: Botswana, Djibouti, Kenya, Lesotho, Mauritius, Madagascar, Malawi, Mozambique, Namibia, Rwanda, Seychelles, South Africa, Eswatini, Uganda, Zambia, Zimbabwe, Angola, Burundi and Tanzania

5 members yet to ratify namely; **Comoros, Eritrea, Ethiopia, Somalia, and South Sudan.**

### **RKC Updates**

16 out of 24 ESA members have acceded to the Revised Kyoto Convention (RKC) and that there has not been any accession to the RKC in the past two years in the region.

**Burundi, Comoros, Eritrea, Ethiopia, Seychelles, Somalia, South Sudan and Tanzania** are yet to accede.

### **Requirements by Members to enable Accession to the RKC and WTO TFA**

Members require financial and technical support among others to enable accession to the RKC and the WTO TFA.

The main requirements listed are as follows;

- i. Financial resources;
- ii. Technical expertise;
- iii. Political support;
- iv. Stakeholder support- especially support from the Private Sector.

### **Challenges Faced by Members that have not Acceded to the RKC and WTO TFA**

- i. Ongoing COVID-19 Pandemic affecting cabinet sittings critical for various approvals in the ratification process;
- ii. Lack of Administrative Continuity & Shifting Priorities;
- iii. Cumbersome constitutional requirements of treaty ratification;
- iv. Lack of Political Will; and
- v. Funding/Budgeting Challenges.



## CONCLUSION

Most Members who have not ratified the RKC and TFA are in actual sense implementing related articles in their processes albeit at different levels. Political and high level engagement will be key to seeing them complete their accession processes, considering the readiness of the WCO to support these accessions.

We also note that these Agreements have not been included in the Performance Management targets of the Administrators and/or of other leading officials in other national authorities – such as ministries – and therefore not keenly followed. Primarily, such accessions are pegged on national goodwill and leadership, thus the need for high level engagement to urge such accessions.

- a) Directed the ROCB to establish uptake of the EU-WCO HS Programme by ESA members;

The ROCB has continued to urge Members to utilize the assistance of the EU- WCO HS Programme in their move to the HS 2022 through various communication mediums especially in the various Webinars that have been held so far.

The ROCB is also in communication with the Global Trade Solutions with the aim of obtaining funding to support a Regional workshop on Tariff Classification focusing on HS 2022.

The ROCB has further carried out a survey aimed at establishing the uptake of EU-WCO HS Programme by ESA members.  
The results were as follows;

### 85.7% have not yet migrated to the HS 2022

Country	Current HS Version	Intended period of migration
Botswana	HS2017	
Eswatini	HS2022	Migrated
Ethiopia	HS2017	TBC
Kenya	HS2017	Pending ratification by EAC
Lesotho	HS2017	January 2022
Madagascar	HS2017	2022
Malawi	HS2017	January 2022
Mauritius	HS2017	December 2021
Rwanda	HS2017	Pending ratification by EAC
Seychelles	HS2017	February 2022
South Africa	HS2022	Migrated
Uganda	HS2017	2021
Zambia	HS2017	January 2022
Zimbabwe	HS2017	January 2022

- b) Urged members to commit to support the RILO in delivering its mandate and to contribute to enhancing the visibility of RILO website.
- c) Encouraged members to take advantage of the EU-WCO HS Programme support;

58.3% of the respondents were supported by the EU-WCO HS programme for ESA members in their migration to HS 2022.

- d) Approved that the Regional IT conference be held in 2021;
- e) Urged members to support RILO through uploading intelligence information and seizures on CEN as required;

Unfortunately, the report from the RILO indicates that participation by Member States in RILO ESA Activities is still very low [CEN and WCO or Other related Projects).

- f) Urged members to recognize the RILO function in their Strategies at national level under Compliance and Enforcement;

## Updates

13 out of 19-member states recorded seizures in CEN during the Year representing Year usage percentage of 68%; of the total only 6 Member States recorded more than 10 Entries. The highest user still remains South Africa while Uganda made the biggest jump when it recorded 800 Entries from January 2020 to February 2020. While drugs used to top the list, there has been a significant shift where Tax & Duty Evasion has taken the lead. The top 5 Items are Tax & Duty Evasion, Drugs, Tobacco, other prohibitions & restrictions, and CITES. Tax & Duty Evasion recorded 44.11% of the Seizures recorded followed by Drugs at 37.42%. Tobacco is 3rd at 10.10% from number 5 from the previous analysis. Medicines is at 0.20% down from 29%.

## Entry Registration

Activity is still restricted to a few member states due to the following;

- System challenges;
- Lack of training be personnel; and
- Lack of appreciation of the system.

4 Operations were conducted during the period under review. Invitations were cascaded accordingly and RILO ESA did not get any feedback as to which member states participated. The operations include: Global Operation Demeter V; Operation Sesha III; Operation Jubilarian; Operation USALAMI V1 and Operation STOP.

### **Recommendations**

- Member States encouraged to upgrade their nCEN to the latest Version;
- Member states to capture and submit their seizures for data analysis and sharing. Member States encouraged to utilize the WCO Tools;
- Member states with training or other technical needs encouraged to notify the RILO and WCO for facilitation of assistance; and
- Members who need country specific analysis done may contact the RILO ESA office.

### **Status of Decisions on the Finance and Governance Committee Report**

- a) Mid-Year Financial Statements and revised budget were adopted
- b) FGC developed the new template for Financial Statements and Budget reporting
- c) FGC to propose a process for revaluation of ROCB assets
- d) FGC enhancing budget by integrating the projected budget expenditures in light of the challenges experienced as a result of the COVID-19 pandemic.
- e) QuickBooks endorsed and being for ROCB Financial Reporting.

## ESA strategy

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

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# Promoting of Growth in Intra-Regional Trade

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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.

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.



### *List of contracting Members to the RKC*

<b>No.</b>	<b>COUNTRY</b>	<b>DATE OF RATIFICATION</b>
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):** As at 30<sup>th</sup> September 2020, **153** out of 164 WTO Members have domestically ratified a [Protocol of Amendment](#) and notified the WTO of their acceptance of this Protocol. This provides a ratification rate of 93.3%. The implementation rate currently stands at 66.2%. 19 Members from the Region have ratified the TFA; **Mauritius, Botswana, Kenya, Zambia, Lesotho, Seychelles, Madagascar, Swaziland, Mozambique, Rwanda, Malawi, South Africa, Namibia, Djibouti, Uganda, Zimbabwe, Angola Burundi and Tanzania.**

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	08.04.2020
22.	Uganda	27.06.2018
23.	Zambia	16.12.2015
24.	Zimbabwe	17.10.2018

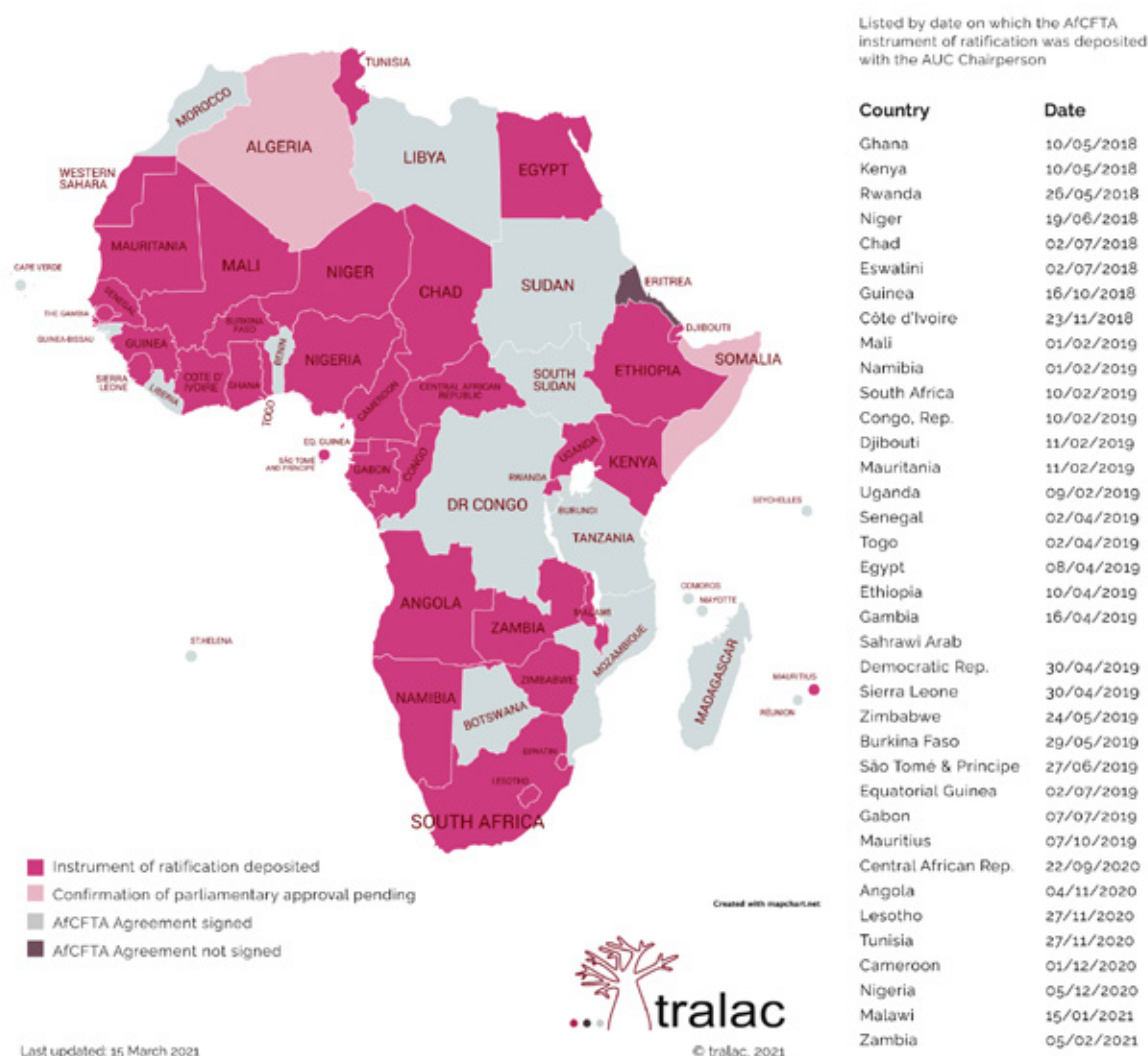
The ROCB established the requirements for ratifying the TFA and challenges experienced by Members in ratifying the TFA and this were presented to the Governing Council for assessment and further guidance. The challenges raised by members that have not acceded to RKC nor ratified the WTO TFA include lack of political will and frequent changes in their Customs leadership to progress work already achieved in this area.

## AfCFTA

The secretariat was commissioned on 17<sup>th</sup> August 2020, virtually, and currently still setting up its structures. The agreement is governed by 5 operational instruments: The Rules of Origin; the online negotiating forum; the monitoring and elimination of non-tariff barriers; a digital payments system and the African Trade Observatory. As at 5 February 2021, 36 countries have deposited their instruments of

AfCFTA ratification with the AUC Chairperson. There have also been indications that Somalia and Algeria have received Cabinet approval for ratification; official confirmation is pending. 14 out of 24 Members have deposited their instruments of AfCFTA ratification with the AUC Chairperson. They include: Djibouti, Ethiopia, Kenya, Lesotho, Mauritius, Malawi, Namibia, Rwanda, South Africa, Eswatini, Uganda, Zambia, Zimbabwe and Angola.

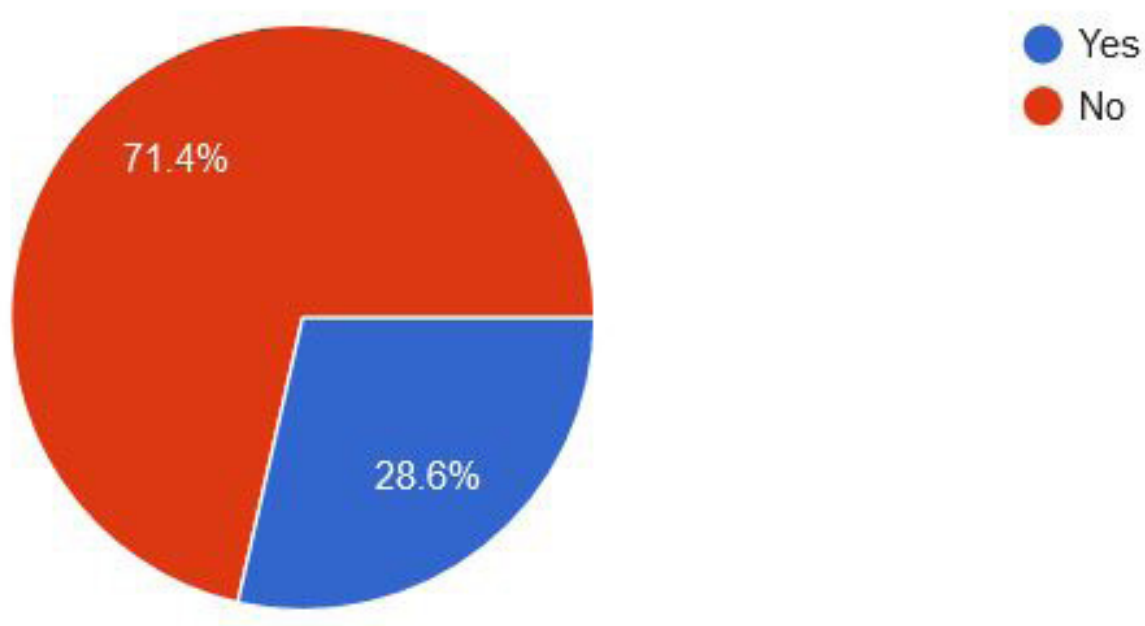
### Which countries have ratified the AfCFTA Agreement?



## Challenges being experienced that have resulted in the delay in depositing the instruments of AfCFTA ratification?

Country	Challenges
<b>Botswana</b>	The remaining negotiation areas including Rules of Origin and Tariff offers are critical for Botswana and therefore it is important that they are finalized as per the Roadmap shared by the AfCFTA Secretariat.
<b>Madagascar</b>	The submission of the draft laws to the parliament Awaiting of their decision
<b>Seychelles</b>	Awaiting completion of outstanding issues under Annex 2 Rules of Origin.

71.4% of the participating Members are yet to start trading under the AfCFTA



## Trading Under AfCFTA

### CHALLENGES BEING EXPERIENCED BY MEMBERS RESULTING IN DELAY IN IMPLEMENTING THE AFCFTA

- ✓ Covid-19 disrupted all planned activities.
- ✓ Need for capacity building
- ✓ Internal consultations underway
- ✓ Customs officials and other stakeholders yet to be sensitized on the AFCFTA
- ✓ Domestic Legal framework to implement the Agreement not yet in place
- ✓ Market access offer for trade under preferential regimes not yet finalized
- ✓ Awareness campaigns in progress.
- ✓ The exclusion and sensitive list of goods not yet approved and sent to AfCFTA
- ✓ The tariff offers for trading under the AfCFTA not approved and sent to AfCFTA
- ✓ Administrative infrastructures to handle rule of origin issues and AfCFTA operation not well organized and onboard to operation.

### CHALLENGES EXPERIENCED BY SMALL SCALE/ WOMEN CROSS-BORDER TRADERS AT BORDER POSTS

- ✓ Availability of information regarding both the general and specific rules and regulations that apply when crossing with goods
- ✓ Harassment (gender based violence)
- ✓ Corruption
- ✓ Agreements on Border trade protocols with neighboring countries not finalized
- ✓ Cumbersome inspection requirements
- ✓ Lack of capital to improve their businesses
- ✓ Delays in clearing goods at the border
- ✓ Transportation costs
- ✓ No modesty rooms for breast feeding and taking care of babies
- ✓ Inadequate & poor infrastructure with no gender considerations
- ✓ Extensive knowledge gap between the traders and officials who process them at the border leading to misunderstandings.
- ✓ Competition from big companies

### **Possible ways that the AfCFTA can assist in addressing these challenges;**

- ✓ Funding for capacity building of the associations for women traders
- ✓ Carry out training focused on gender awareness for both customs and other agencies
- ✓ Capacity building to small scale traders
- ✓ Develop harmonized procedures to small scale traders
- ✓ They have the opportunity to duty free transaction
- ✓ Vaster market for the traders.
- ✓ AfCFTA to be implemented by all the countries for equal handling of the goods at the border
- ✓ Supporting the formalization of informal cross border trade (ICBT)
- ✓ Support initiatives that recognize and empowers small scale traders, especially women.
- ✓ Conduct awareness programmes on AfCFTA

### **The importance of gender-awareness training for customs and other border officials on their obligations in line with the AfCFTA Agreement;**

- ✓ Strengthens protection and promotion of human rights.
- ✓ It improves the prevention and detection of human trafficking and smuggling.
- ✓ Gender awareness training facilitates the exchange of ideas and improves mutual understanding.
- ✓ It promotes a change in attitudes, behaviors and beliefs that reinforce inequalities between women and men.
- ✓ Promote and attain sustainable and inclusive socio-economic development, gender equality and structural transformation.
- ✓ Promotion of special programmes for women in small, medium and large-scale enterprises.
- ✓ Recognizing and supporting the national and regional associations of women in business to promote the effective participation of women in the trade and development activities.
- ✓ To implement trade facilitation agenda which improves safety and reduces the time and cost involved in trading particularly for small-scale female traders.
- ✓ The training opens an avenue for supporting legitimate trade thus mitigates smuggling and illicit trade.
- ✓ It fosters community inclusion since women are more active in community based work.
- ✓ Eliminate opportunities for corruption and sex harassment



## Donor Support

Donors supporting implementation of Trade Facilitation Initiatives in ESA.

Donor/Project Name	Activities Supported	Year Implemented
<b>African Development Bank</b> ✓ <b>Member:</b> Madagascar	Implementation of a commercial information portal (Phase 1)	2021 - 2023
	Establishment of a Border Risk Management Mechanism	2021- 2022
<b>ChinaAid</b> ✓ <b>Member:</b> Uganda	Cargo Scanners	2019
<b>COMESA</b> ✓ <b>Member:</b> Ethiopia	Border enhancement at Galafi and Moyale border posts	To be implemented from 2021
<b>Cadre Intégré Renforcé (CIR) and African Development Bank/Tarif Intégré National</b>	Studies of costs and formalities by tariff line	2020 - 2021
<b>Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)</b>  <b>Member:</b> Zambia	i) Automation of Customs Processes ii) Electronic Data exchanges with neighboring administrations	2020
<b>ESA Finnish Fund</b> ✓ <b>Member:</b> South Africa	Mercator Programme, Gender Equality	2018 - 2020
<b>EU</b> ✓ <b>Member:</b> Seychelles	Single Window	To be determined
<b>EU-WCO HS programme</b> ✓ <b>Member:</b> South Africa	Harmonised System	2019 - 2020
<b>EU SADC Trade Related Facility/Fund</b> • Customs Legislation ✓ <b>Member:</b> Botswana	Reviewing of the Botswana Customs Act and Regulations in line with International standards & instruments - Revised Kyoto Convention, the SAFE Framework of Standards etc.	2018 Regulations drafting ongoing
✓ <b>Member:</b> Lesotho	Coordinated Border Management	2018



<b>Global Alliance on Trade and Facilitation (GATF)/ Advanced Rulings and Ephyto</b>	Establishment of an effective infrastructure for the implementation of the Advanced Rulings in Madagascar on Origin and Tariff Classification and The Ephyto	2021 - 2022
<b>Japan International Cooperation Agency (JICA)</b> <ul style="list-style-type: none"> <li>One Stop Border Post (OSBPs)</li> <li>✓ <b>Member:</b> Botswana</li> </ul>	Implementation of OSBPs on Botswana's borders with Zambia and Namibia respectively	Zambia (2015 to date) Namibia – preliminary stage.
✓ <b>Member:</b> Uganda	Capacity building, Border surveillance	Since 2014
<b>JPCU/UNODC</b>	Enforcement against drug trafficking & counterfeits	2016
<b>KOICA</b> <b>Member:</b> Ethiopia	Electronic single window	Phase 1: 2020
<b>SADC/Coordinated Border Management</b> <ul style="list-style-type: none"> <li>✓ <b>Member:</b> Madagascar</li> </ul>	Conducting a gap study on the implementation of coordinated border management	2019
<b>SADC and CIR/Communication actions</b> <ul style="list-style-type: none"> <li>✓ <b>Member:</b> Madagascar</li> </ul>	Communication actions and stakeholder awareness on TFA measures	2020-2021
<b>SADC TRF</b>	Setting up of a centralized scanning room at Port Louis	To be completed by end of 2021
<b>SACU-UK</b> <ul style="list-style-type: none"> <li>✓ <b>Member:</b> Eswatini</li> </ul>	AEO, Data Exchange, Risk Management	
<b>Swedish International Development Agency (SIDA)</b>  <b>United Kingdom of Great Britain and Northern Ireland (UK)</b> <ul style="list-style-type: none"> <li>Authorised Economic Operator/Preferred Trader Programme (AEO/PT)</li> <li>✓ <b>Member:</b> Botswana</li> </ul>	Implementation Tools and Frameworks that have been developed; <ul style="list-style-type: none"> <li>Bilateral Arrangement to facilitate automatic exchange of information</li> <li>Preferred Trader Programme Stakeholder Engagement Strategy</li> <li>Training Manuals on Risk Management and Audit for Customs Officials</li> <li>Regional Risk Management and Enforcement Strategy</li> <li>Regional Compliance Management Strategy</li> <li>Internal and External Manuals to guide Customs Officials and Traders on implementation of the Programme</li> </ul>	2014-2018  2020 to date

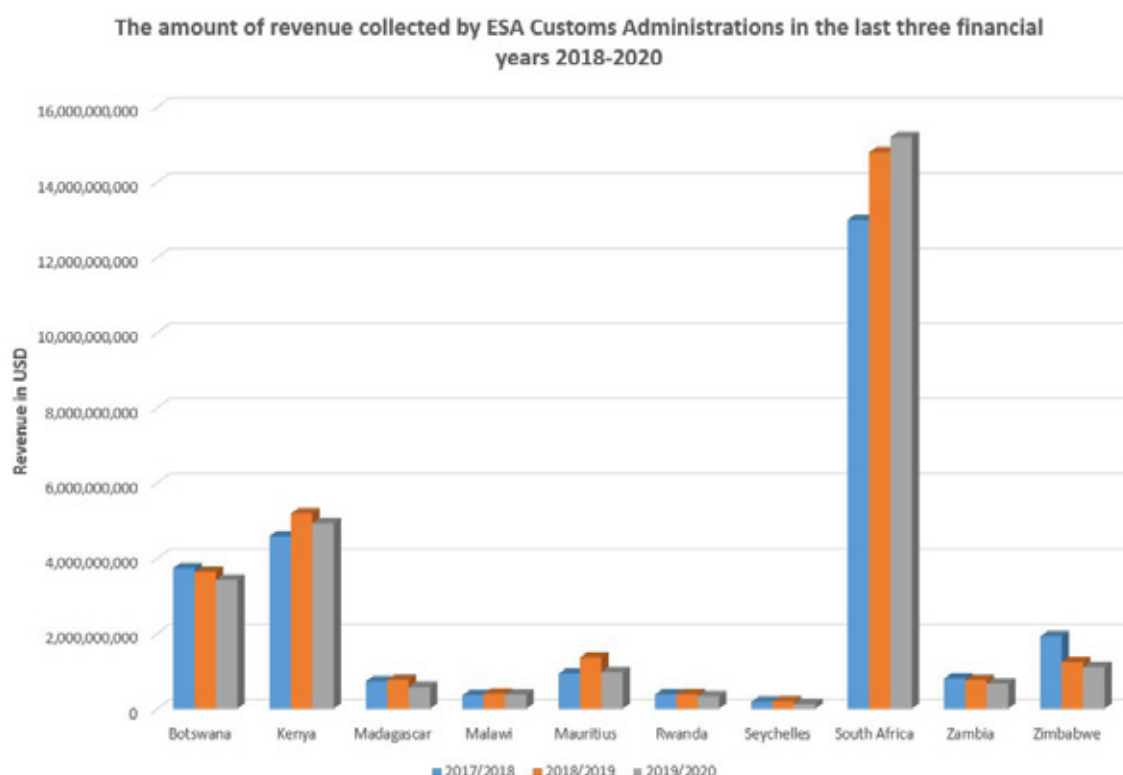


<b>Swedish International Development Agency (SIDA)</b>  <b>United Kingdom of Great Britain and Northern Ireland (UK)</b>  <ul style="list-style-type: none"> <li>• IT Connectivity</li> <li>✓ <b>Member:</b> Botswana</li> </ul>	Interfacing of IT System for Information sharing for purposes of RM through the use of the Unique Consignment Reference (UCR).	2014-2018  2020 to date
<b>Trade Mark East Africa</b> ✓ <b>Member:</b> Kenya	ICMS	
✓ <b>Member:</b> Rwanda	Advanced Rulings	2020
✓ <b>Member:</b> Ethiopia	Electronic cargo tracking system	Ongoing
✓ <b>Member:</b> Ethiopia	Electronic cargo tracking system	Phase 1: 2020
✓ <b>Member:</b> Uganda	UeSW, RECTS, Women in Trade	2014, 2016, 2018
	One Stop Border Posts	2012
<b>UNCTAD</b> ✓ <b>Member:</b> Lesotho	Information not provided	
<b>UNCTAD ; WCO ; COMESA/ Capacity building</b> ✓ <b>Member:</b> Madagascar	Capacity building of CNFE members on trade facilitation, and support to the functioning of the NTFC Permanent Secretariat	2020-2021-2022-2023
<b>WCO</b> <b>Members:</b> Eswatini	e-Customs Tariff	2020
	Competency based HRM, CBM	
<b>WCO/FCO/WB</b> <b>Member:</b> South Africa	Air Cargo Clearance Process	2020 – 2021
<b>World Bank</b> ✓ <b>Member:</b> Eswatini	Risk Management, TRS, CBM, Single Window	Ongoing
	Trade Information Portal	2020
✓ <b>Member:</b> Kenya	EARTTDFP	
✓ <b>Member:</b> Uganda	One Stop Border Posts	2014

## Promote Fair and Efficient Revenue Mobilization.

Economic growth and development among ESA Member relies significantly on government revenue mobilization. There is need to implement modernized revenue collection methods, processes and

procedures taking into account the need to ensure transparency and fairness in the process. A recent survey done by the ROCB yielded the following results, in relation to revenue mobilization ;



### Key measures in place to support revenue growth

- ✓ Automation of all processes including payments.
- ✓ Efficient, reliable and simplified business systems to simplify tax payer compliance and administration.
- ✓ Committed, competent and high performing workforce.
- ✓ Intensify audits of refunds for VAT and Income Tax.
- ✓ Revamping of Post Clearance Audits to assess risks and compliance levels.
- ✓ Expansion of data analysis, business intelligence and targeting.
- ✓ Enhance revenue enforcement at the borders by opening more border stations to curb smuggling.
- ✓ Encouraging use of the Authorized Economic Operator Programme.
- ✓ Enhancement of Cargo management through e-cargo monitoring and control.
- ✓ Resolve disputes in a timely manner through appeal and amicable settlement committee.

## The main challenges experienced in growing revenue

- ✓ Lockdowns and restricted movements have led to businesses are not performing well since consumers are locked down.
- ✓ Businesses have downsized, leading to loss of jobs, further reducing buying power.
- ✓ Smuggling of goods at port of entries or entering at ungazetted entries.
- ✓ False declaration (during customs declaration or filing of tax returns)
- ✓ Undervaluation.
- ✓ Covid-19 restrictions affected business activity.
- ✓ Low export revenues due to dealing in raw or unprocessed commodities.
- ✓ Policies that hamper effective collection processes (suspension, write-off, deferred arrangements).
- ✓ The increase in unemployment as people were retrenched and businesses closed.

## Automation

The ROCB carried out a survey on automation of Customs processes in ESA; Most of the ESA members have implemented the automated system to manage customs transactions with the exception of South Sudan and Somalia. Somalia is in the process of this automation. It was noted that Asycuda is the preferred system for most Members because of the following reasons:

It's a web based application, accessible everywhere; Can easily interface with other systems; Availability of technical support; May be customized and it streamlines customs clearance operations and revenue collection.

Other systems in place include:

Country	Customs Management System	Year Implemented
Botswana	CMS – Customs Management System	January 2017
Ethiopia	Electronic Customs Management System (eCMS)	2018
Kenya	Integrated Customs Management System (iCMS)	2017
Lesotho	ASYCUDA WORLD	2014
Malawi	ASYCUDA WORLD	2016
Mauritius	Customs Management System II (CMS II)	2009
Rwanda	ASYCUDA WORLD	2012
Seychelles	ASYCUDA WORLD	June 2013
South Africa	Auto Acquittal System	2020
Uganda	ASYCUDA WORLD	2012
Zambia	ASYCUDA WORLD	2013
Zimbabwe	ASYCUDA WORLD	2011

About 53.8% of members have not implemented the Single Window, the main challenges experienced being the high cost of funding as well as cooperation with other Partner Government Agencies (PGAs). Members that have successfully

implemented Single Window include Ethiopia, Kenya, Madagascar, Mauritius, Rwanda, Tanzania, Uganda and Zambia while some other members have submitted requests from technical assistance at the WCO.

### Integration of Customs Administration Systems with those of Partner Government Agencies.

Country	How your systems are integrated with those of Partner Government Agencies.
<b>Eswatini</b>	Integration with Namboard, Dairy board, Environmental Authority (for uploading Permits)
<b>Kenya</b>	ICMS is integrated with the following Partner Government Agencies: a) KPC (petroleum management) b) Single Window for KENTRADE c)TIMS for National Transport Services Authority (NTSA) d)KWATOS for Kenya Ports Authority (KPA)
<b>Madagascar</b>	a) The SW TRADENET is composed of two platforms: - Tradenet: for the dematerialization of the transfer order of duties and taxes as well as the monitoring of declarations by customs brokers, the management of port handling fees, - MIDAC: platform for the dematerialized processing of documents and authorizations by control agencies and ministries  b) Currently, for Madagascar, actors and regulators integrated into the Single Window is described as follows : <ul style="list-style-type: none"> <li>• Ministries and Control Agencies: 12</li> <li>• Banks: 10</li> <li>• Handlers: 11</li> <li>• Consignees: 14</li> <li>• Freight Forwarders (CAD - TM): 226</li> </ul> Operators: 1076
<b>Mauritius</b>	a) The Single Window is a web portal where OGAs are provided with a dynamic dashboard b) From there, the OGAs' officers process the permit application / clearance and the information is cascaded to the CMS. c) Customs proceeds with the clearance or seizures, as the case may be, based on the OGAs' response. d) The system is also configured for Customs and the OGAs to work independently. For example, Customs may proceed with the release of a consignment but the system will automatically grant delivery of the consignment only after the relevant OGAs have given their approval electronically.
<b>Rwanda</b>	Government agencies have their own portals which are interfaced with ReSW to exchange information.

<b>Zambia</b>	a) Agencies void of systems ride on Zambia Electronic Window system b) Agencies with legacy systems are connected to the Zambia Electronic Window system through Web services
<b>Zimbabwe</b>	a) OGA utilizing ZIMRA single payment platform for collection of all fees, charges and payments b) Clearance system is integrated with the Central Vehicle Registrar automated system c) Clearance system integrated with the Central Bank system

## HS Implementation in ESA

ESA members have been implementing the HS2017. Following the adoption of HS 2022, and with the support of the EU-WCO HS Project for Africa, various ESA Members have identified and submitted to the WCO request for technical assistance towards migration and therefore successful implementation of the new HS when it enters into force in 2022.

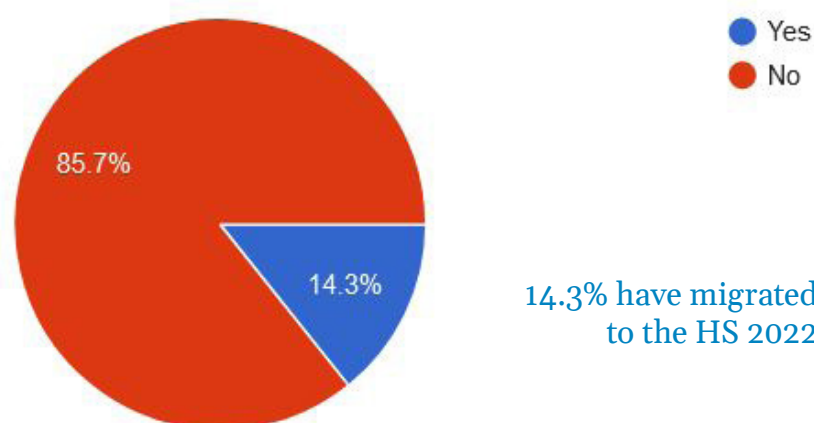
South Sudan, Somalia and Eritrea have however not implemented HS2017, the first two mainly pointing to the political instabilities that have characterized the countries, and that the HS being relatively complex and difficult to implement without very extensive training.

At SACU level the process commenced with a regional workshop in January 2020 at Cape

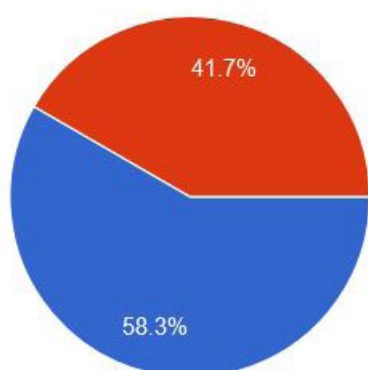
Town, where a follow up engagement is planned for further engagements. EAC Secretariat on the other hand, provided experts to facilitate a training where representatives of the six Partner States of the East African Community (EAC) gathered between 10 and 13 September 2019 in Mombasa, Kenya, to review 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 reported any HS related developments recently.

The ROCB carried out a survey on the status of migration to the HS 2022, the results were as follows;

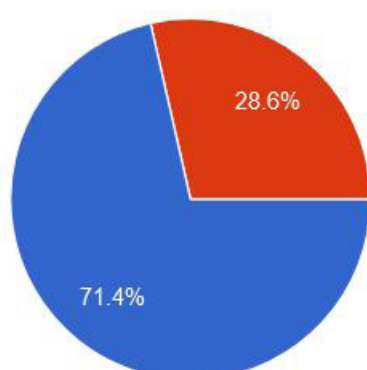


Country	Current HS Version	When you intend to migrate (Month & Year)
Botswana	HS2017	TBC
Eswatini	HS2021	Migrated
Ethiopia	HS2017	TBC
Kenya	HS2017	Pending Ratification by EAC
Lesotho	HS2017	January 2022
Madagascar	HS2017	2022
Malawi	HS2017	January 2022
Mauritius	HS2017	December 2021
Rwanda	HS2017	Pending Ratification by EAC
Seychelles	HS2017	February 2022
South Africa	HS2021	Migrated
Uganda	HS2017	2021
Zambia	HS2017	January 2022
Zimbabwe	HS2017	January 2022



58.3% of the respondents were supported by the EU-WCO HS programme for ESA members in their migration to HS 2022

## Advance Rulings



71.4% of the respondents to a recent survey indicated that they are using Advance rulings to facilitate trade i.e. Eswatini, Ethiopia, Kenya, Lesotho, Mauritius, Rwanda, Seychelles, Uganda, Zambia and Zimbabwe.

**challenges being experienced that have delayed the use of Advance Rulings;**

- ✓ Lack of enabling legislation
- ✓ The requirement for determination in the TFA are not yet implemented.



## One Stop Border Posts

35.7% of the respondents have implemented One Stop Border Posts in their Administrations. Madagascar, Mauritius and Seychelles are excluded by virtue of being islands

Country	Number of OSBPs	Year Implemented
<b>Botswana</b>	Botswana is at the advanced stage of implementing an OSBP at its border with the Republic of Zambia and on preliminary stages with the Republic of Namibia.	
<b>Ethiopia</b>	Construction of one OSBP at Moyale /border post between Ethiopia and Kenya has been finalized and will begin implementation soon	
<b>Kenya</b>	7	2016
<b>Rwanda</b>	6	2010
<b>Uganda</b>	6 operational and on-going construction works for 3 others	2014
<b>Zambia</b>	1	
<b>Zimbabwe</b>	1	2009

## Strengthening Intra-Regional Compliance and Enforcement

The RILO launched the RILOESA Website ([www.wcoesarilo.org](http://www.wcoesarilo.org)). The website was developed with the support of the ROCB and Global Trade solutions. The virtual launch was held on 20 July 2020 and was graced by the WCO Secretary General, Mr. Kunio Mikuriya, Vice Chair for the ESA Region and Commissioner of Customs and Excise, Botswana Unified Revenue Services (BURS) Mr. Philiso P. Valashia, ZIMRA Commissioner General, Ms.

Faith Mazani and all Director Generals from the region. Also in attendance were MD of GTS, Ms. Louise Wiggett and ROCB among other delegates.

A virtual Admin User training was conducted on 13 August 2020. All RILOESA office staff members were trained including some members from ZIMRA ICT and Corporate Comms divisions (who will be assisting RILOESA in maintaining the website). A walk through for all NCPs on

how to contribute and use the website will be conducted in due course.

13 out of 19-member states recorded seizures in CEN during the Year representing Year usage percentage of 68%; of the total only 6 Member States recorded more than 10 Entries. The highest user still remains South Africa while Uganda made the biggest jump when it recorded 800 Entries from January 2020 to February 2020. While drugs

used to top the list, there has been a significant shift where Tax & Duty Evasion has taken the lead. The top 5 Items are Tax & Duty Evasion, Drugs, Tobacco, other prohibitions & restrictions, and CITES. Tax & Duty Evasion recorded 44.11% of the Seizures recorded followed by Drugs at 37.42%. Tobacco is 3rd at 10.10% from number 5 from the previous analysis. Medicines is at 0.20% down from 29%.

Entry Registration is still restricted to a few member states due to: System challenges, Lack of training be personnel and Lack of appreciation of the system. 4 Operations were conducted during the period under review. Invitations were cascaded accordingly and RILO ESA did not get any feedback as to which member states participated. The operations include: Global Operation Demeter

V; Operation Sesha III; Operation Jubilarian; Operation USALAMI V1 and Operation STOP. There is generally a low uptake and participation rate in WCO led operations by Member States in the Region. The RILO ESA office has continuously encouraged all Member States to participate in such operations to enhance their effectiveness in curbing smuggling in the region and beyond.

## Recommendations

- Member States encouraged to upgrade their nCEN to the latest Version;
- Member states to capture and submit their seizures for data analysis and sharing
- Member States encouraged to utilize the WCO Tools;
- Member states with training or other technical needs encouraged to notify the RILO and WCO for facilitation of assistance; and
- Members who need country specific analysis done may contact the RILO ESA office.

## Cargo Tracking

50% of the respondents during a recent ROCB survey indicated that they have adopted the electronic cargo tracking system for transit consignments

Country	Electronic Cargo Tracking System in use	Partner Countries (if any)	Year Implemented
Kenya	Regional Electronic Cargo Tracking System	Uganda, Rwanda, Burundi	2017
Malawi	COMESA (CUTFS)		2014
Mauritius	Cargo Community System		2009
	WCO Cargo Targeting System		2021
Rwanda	Regional Electronic Cargo Tracking System (RECTS)	Uganda and Kenya	2017
South Africa	Improved Reporting of Conveyance of Goods	All countries	2021
	Improved Unique Consignment Reference data exchange	Swaziland	2020
Uganda	Regional Electronic Cargo Tracking System (RECTS)	Kenya, Rwanda, DR Congo	2016
Zimbabwe	Techno Bran Electronic Cargo Tracking System		2016



# Enhancing Integrity and Professionalism in Human Capital

Training of Trainers is currently being undertaken through different programmes including the Master Trainer Program (MTP) funded by JICA. MTP is implemented through the strong collaboration between the WCO and JICA to help Customs administrations develop more sustainable and self-contained training capacity on a variety of key issues necessary for Customs modernization. The programme was launched in Lusaka, Zambia in October 2018 with the participation of Customs officials from Botswana, Mozambique, Malawi, Zambia and Zimbabwe in the SADC region.

It is important for member administrations to utilise the expertise developed for the officials representing at the training activities for Customs officers on Valuation. The EAC runs a Training of trainer's workshop and in June 2019 held a workshop targeted at enhancing knowledge and skills of the officers with a view to boosting their capacity to implement the EAC Common Market Protocol and other border management related matters.

The participants included Immigration and Customs Officers drawn from different border posts namely;

Namanga, Holili, Sirare and Labour Officers from the Ministries responsible for Labour in mainland Tanzania and Zanzibar as well representatives from the EAC Partner States' Ministries responsible for EAC Affairs. COMESA runs the ToT programme and is currently running Training of Trainers National Workshops on the Online NTB (Non-Tariff Barriers) System aimed at providing technical training to Member States to users of the online NTB monitoring reporting and resolution system. More work is required on the development of more experts is therefore required on Rule of Origin and HS.

## The 3<sup>rd</sup> ESA Regional Research Conference

The 3<sup>rd</sup> 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 was postponed indefinitely due to the COVID-19 pandemic. It was to be hosted by the WCO Regional Training Centre (RTC), Mauritius, and sponsored by CCF-Korea. However, as the pandemic and its effects therein have persisted long into 2021, the region

is exploring hosting the conference virtually in July 2021. 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.

## ESA Sotho Photo Contest

Uganda, won the ESA Sotho Photo Contest having submitted a photo showing an Intercepted mother carrying a 'baby' aboard a Bus at Mpondwe Border of western Uganda, by Uganda Revenue Authority Customs Enforcement. She had crossed into Uganda from the Democratic Republic of Congo on the 8<sup>th</sup> of January 2020.

It turned out that the 'baby' was a dummy containing banned Cosmetics which contain Hydroquinone and Mercury other cancer causing chemicals.

For the 2020 contest, we received photos from 12 out of our 24 Members countries, with **Uganda** winning the contest! followed by **Kenya** who had previously won the competition three years in a row and **Mauritius** who were also the 2<sup>nd</sup> runners up in the 2019 Contest. All the photos submitted will form the ESA Sotho Photo book 2020.



**UGANDA'S Toxic Baby!!** *The photo shows an Intercepted mother carrying a 'baby' aboard a Bus at Mpondwe Border of western Uganda, by Uganda Revenue Authority Customs Enforcement.*

She had crossed into Uganda from the Democratic Republic of Congo on the 8<sup>th</sup> of January 2020.

It turned out that the 'baby' was a dummy containing banned Cosmetics which contain Hydroquinone and Mercury other cancer causing chemicals.

## 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 2020 issue, July - September 2020 issue, October - December 2020 issue and the January - March 2021 issue.





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# Governance

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## Management Committee

The Vice chair informed the WCO Secretariat on the ESA regional representation as follows; Vice Chair (Botswana), Deputy Vice Chair (Zimbabwe) and Additional Policy Commission member (Mauritius), WCO Finance Committee (Burundi) and Audit Committee (Comoros and South Africa) mandates will run until June 2021 when elections will be held for the region. However, South Africa, whose term as member of the WCO Audit Committee had elapsed, agreed to continue until 2021.

## Legal Status of the ROCB

The process of registering the ROCB with the Government of the Republic of Kenya is at its final stages as the registration documents are currently with the Kenya Government Cabinet sub-committee. The delay of approval was occasioned by the ongoing COVID-19 pandemic.

## ESA Regional meetings amidst the Covid-19 Pandemic

The COVID-19, commonly

known as the Coronavirus (disease) was discovered and first reported in Wuhan, in the Hubei Province of China in November 2019. As new cases and deaths mounted in China, it spread to other parts of the world. The World Health Organization (WHO) declared it a pandemic on 11<sup>th</sup> March 2020. The WHO declared it a pandemic on 11<sup>th</sup> March 2020. The first case of the virus was reported in Africa in Egypt on 14<sup>th</sup> February 2020, and in East and Southern Africa in South Africa on 5<sup>th</sup> March 2020.

At the beginning of the pandemic, Governments drafted measures to curb the spread of COVID-19, key among this measures were closing of international borders. The Governments enforced travel bans with the aim of combating the spread of the Coronavirus globally. As a result, most capacity building/regional activities planned by the ESA Region for the financial year 2020-2021 were postponed indefinitely. Some regional meetings; RTC Heads meeting, Finance and Governance Committee (FGC) and the Management Committee meetings have since been held virtually.

The meeting of the WCO ESA RTC Heads, ROCB

and the WCO, which was initially expected to be hosted by Malagasy Customs took place on the 7<sup>th</sup> and 8<sup>th</sup> May 2020 via the Google Meet Platform. It was attended by the Heads of the RTC Kenya, RTC Mauritius, RTC South Africa, RTC Zimbabwe as well as the ROCB, and the WCO. The Finance and Governance Committee (FGC) took place on 22<sup>nd</sup> May 2020, also through the Google Meet Platform while the Management Committee meeting took place on the 11<sup>th</sup> June 2020 via the Zoom Platform.

The importance of the region leveraging on technology to ensure business continuity was emphasized in these meetings and as a result the 25<sup>th</sup> Governing Council was held virtually on the 22<sup>nd</sup> June 2020 and 26<sup>th</sup> Extraordinary Governing Council on the 12<sup>th</sup> November 2020 via the Zoom Platform. The chairperson of the meeting, Mr. Phodiso Valashia, opened the meeting and welcomed the GC members to the Extraordinary Governing Council meeting. He acknowledged the presence of the WCO Secretary General, Dr. Kunio Mikuriya and thanked all delegates for attending the meeting. He thanked the WCO for the work it is doing

to build capacity among members and the critical role it plays in developing international tools and instruments that promote trade facilitation, reiterating the ESA region's continued support to the WCO.

### **ESA Region Change Management Approach**

In June 2020, the ROCB with the support of the Vice Chair's Office, Botswana, re-designed the organizational direction following major disruptions created by the COVID-19 pandemic. This disruption forced the region not only to change the ESA Region Annual Work Plan (AWP), but it also dictated change in the structure of the operational environment. The post COVID-19 work environment is characterized by travel restrictions, and adoption of remote interaction. It is

therefore crucial that the Region adopts new working methods in order to continue with business, and equally not expose Members to the COVID-19 while at the same time adhering to the health measures adopted by Governments to contain the pandemic.

### **Visibility: Website & emails**

To enhance visibility, ESA ROCB regional website will continue to be updated regularly so as to provide Members with up to date information. The ROCB will also continue to communicate with Members via emails while leveraging on various social media platforms for informational purposes. The ROCB has also approached the Global Trade Solutions (GTS), who developed the RILO website. This website

will be utilised in relaying real time intelligence information to Members during and post COVID-19.

### **Virtual Meetings**

The travel bans imposed by Governments in order to combat the spread of the COVID-19 meant that Members were unable to travel to scheduled workshops/events and it was also impossible to have technical experts deliver trainings in different Member states. The ROCB has been leveraging on various virtual conferencing platforms, especially Zoom, Google Meet, Skype and GoToMeeting. The office has also since purchased a ZOOM Business Licence that will enable the region to have online/virtual engagements using the ZOOM Platform.

## **WCO-FINLAND ESA PROJECT II "TO PROGRESS THE TF AGENDA, WITHIN THE FRAMEWORK OF THE WCO MERCATOR PROGRAMME 2016 - 2021 (AS EXTENDED)", FUNDED BY THE FINNISH GOVERNMENT.**

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 no-cost extension for the project was recently granted until 31<sup>st</sup> of December 2021 to allow for full implementation of planned activities.

The implementation of the planned in-house project activities were halted in mid-March 2020 due to the Covid-19 pandemic. A number of feasible activities have already been delivered virtually but given that the Covid-19 pandemic has disrupted activities at the country level requiring physical presence, many activities foreseen are still pending in the WCO-ESA Project II.

During the reporting period 1<sup>st</sup> July 2020 – 30th of June 2021, the following virtual events were conducted:



- Regional WS to Enhance Capacity in Customs Digital Information Analytics
- Multi-Regional WS on Organizational Performance Measurement (ESA and WCA Regions)
- NII Support for Uganda
- WS to Promote AEO Programme, Including on-line Training Session for Seychelles
- WS to Strengthen Capabilities in Risk Profiling in Eswatini
- Developing Training Material for Middle Managers (still on-going)
- 8<sup>th</sup> Project Steering Committee Meeting

### **WS on Organizational Performance Measurement**

The WCO was continuing its series of regional workshops on the topic of organizational performance measurement. A Virtual Multi-Regional Workshop on this topic was held successfully from 23 to 26 February 2021 for the WCO East and Southern Africa (ESA) and West and Central Africa (WCA) Regions, in cooperation with the Anti-Corruption and Integrity Promotion (A-CIP) Programme (financed by the Norwegian Agency for Development Cooperation) and WCO-ESA Project II whose objectives are “To progress the Trade Facilitation (TF) Agenda within the framework of the WCO Mercator Programme in the East and Southern Africa Region, 2016-2021” financed by Finland’s Ministry for Foreign Affairs.

Seventy Participants attended the WS from Customs administration in the ESA and WCA regions with knowledge/ experience in the area of strategic planning and implementation and knowledge/ experience of Customs operational procedures in at least one of the following areas: Trade Facilitation and Economic Competitiveness; Revenue Collection; Enforcement, Security and Protection of Society; and Organizational Development.

### **WS on Customs Data Analytics**

The World Customs Organization (WCO) virtual workshop on Data Analytics (DA) for manager levels in the ESA region was held 21 – 22 April 2021, supported by the WCO-ESA Project II and CCF-Korea.

Data science has emerged since the year 2000 as a powerful tool for governments to identify problems, develop policies, and measure their effects. While Customs Administrations collect a huge amount of data on traded goods, stakeholders and logistics governing trade on a daily basis, only a small percentage of the collected data is utilized, mainly to produce world trade statistics. However, some Customs Administrations have been making good use of data analytics to enhance risk management processes and improve compliance.

Acknowledging the potential of data analytics and open-source information technology, the workshop on Customs Digital Information Analytics provided a valuable opportunity for Customs managers to discuss strategies aimed at promoting Customs data analytics as well as exploring the Capacity Building Framework for Data Analytics and good practices from the Members.

The workshop focused on the policies required to promote the use of data analytics in daily Customs operations to enhance internal processes and improve resources allocation and performance.



## **NII Support for Uganda**

From 2 to 5 November 2020, the World Customs Organization (WCO) delivered an Online National Workshop on Non-Intrusive Inspection (NII) for the Uganda Revenue Authority (URA). The workshop was organized as part of the WCO Customs Capacity Building project for the East and Southern Africa (ESA) region funded by the government of Finland.

The use of NII technologies is outlined in the Customs to Customs cooperation pillar (Pillar 1) of the SAFE Framework of Standards and serves one of the key objectives of SAFE - to promote the seamless movement of goods through secure international trade supply chains. As per standard 3 of Pillar 1 of the SAFE Framework of Standards, non-intrusive inspection equipment and radiation detection equipment should be available and used for conducting inspections, where available and in accordance with risk assessment. The standard also prescribes that the equipment is necessary to inspect high risk containers or cargo quickly, without disrupting the flow of legitimate trade.

Video-conferencing technology brought together more than 20 URA scanner operators and X-ray image analysts, WCO accredited and recognized experts from Australia and the Netherlands, and WCO Secretariat staff.

The online workshop sessions covered various topics such as deployment of NII technology; NII officers' selection, training and integrity; radiation detection; radiation safety; and image analysis.

The workshop helped the participants identify the strategic direction for future work, add value to the process of increasing the supply chain security and was appreciated as an opportunity to learn about emerging trends and best practices in the NII area.

## **Developing training material for MMD**

The WCO LMD Programme aims to support committed WCO Member administrations in the development and implementation of modern, consistent and sustainable leadership and management. Leadership and Management Development is a vital need for the development of Customs leaders and managers to enhance their ability to lead reform and modernize their organizations. The WCO LMD program brings together expertise from Member administrations, Academia and the private sector and contributes to the development of Customs leaders and managers Customs. It is based on the components and principles of the PICARD Professional Standards and international best practices and focus on the challenges and specificities of the Customs operating environment. The objective is to develop the leadership qualities, managerial skills and knowledge of Customs managers and thereby improve their capacity to contribute to the reform and modernization. To produce an organization-wide change in the leadership and management culture, the LMD Programme offers support on three different levels: executive (Top Executive Retreat), senior (LMD WS) and middle management.

The third core element of the LMD Programme, the Middle Management Development (MMD) is new and addresses middle managers (MMs) of CAs by expanding their knowledge, skills and understanding of modern management and developing in them the right behavior and attitude of a modern manager. This training will equip middle managers with a set of fundamental competencies necessary to manage oneself, teams, stakeholders and the organization on a daily basis.

The WCO identified the need to develop the specific modules and materials for the further implementation of the MMD



Training and the delivery of pilot projects in WCO regions with the support of the Global Trade Facilitation Programme (GTFP) and the WCO-ESA Project II. The MMD training package materials will be finalized by the end of June 2021.

### **AEO Workshop for Seychelles**

The WCO held a virtual Authorized Economic Operator (AEO) training workshop for The Seychelles Revenue Commission (SRC) from 20th to 23rd July, 2020. The workshop was made possible through the WCO-Finland ESA Project II with the financial support from the Ministry of Foreign Affairs of Finland.

The key objective of this workshop was to support SRC to build their capacity towards the implementation of an AEO Programme in line with the provisions of the SAFE Framework of Standards and Article 7.7 of the WTO Trade Facilitation Agreement (TFA).

The SRC participants gained an understanding of the three pillars of the SAFE Framework of Standards, criteria and requirements for an AEO scheme, AEO benefits, and the process of validation and authorization of economic operators adopting a whole supply chain approach.

In addition, detailed discussions were held with regard to future steps for the development of an AEO Programme for SRC including establishing a project team, consulting with stakeholders, establishing a legal basis, framing of criteria, requirements and validation process, conducting of a pilot, and drawing up an implementation plan with key deliverables and timelines.

Going forward, based on the further need of SRC, a follow up workshop will be planned to further support SRC officers together with stakeholders from the business community and partner government agencies.

### **Other Activities**

Other activities conducted during the reporting period include WS to Strengthen Capabilities in Risk Profiling in Eswatini in April 2021 and Project Steering Committee meeting held in September 2020.

### **UPDATES FROM THE REGIONAL PRIVATE SECTOR GROUP (RPSG)**

#### **1. Background, formation, and overarching objective**

During the problematic year just passed, the WCO ESA Regional Private Sector Group (RPSG) celebrated several milestones, none more so than developing a website to inform the regional private sector of customs and trade-related matters in the ESA region.

In providing some background, the ESA-RPSG was formed to verify the implementation, monitoring, and assistance of various instruments in the WCO Instruments and Tools, making trade easier without comprising or imposing a higher risk profile. This approach will also allow the private sector to articulate its regional integration challenges and possible solutions for addressing the known obstacles. We need to manage them effectively to ensure we create a safe, fair, and compliant environment for all. The private sector consultation takes place via online webinars.

#### **A cutting-edge website for the private sector in the region**

For 2020, the RPSG is pleased to announce the development of a cutting-edge website (<https://www.wcoesarpsg.org/>). The website contains essential customs and trade-related topics for the private sector in the region. The website's core content involves the most pertinent issues in facilitating trade in the region and the discussion thereof on quarterly webinars.

As a result, the RPSG hosted its first webinar for the year on AEO on 18 March. The 9<sup>th</sup> webinar – *"Unpacking AEO in the East and Southern Africa Region"* – aimed to encourage a more extensive roll-out of AEOs across the region. In summary, the uptake of AEO should be accelerated and merged with the provisions of respective AEOs in the AfCFTA agreement so that significant trader benefits can be unlocked. In line with Article 7.7 of the WTO-TFA, the signing of MRAs based on accreditation programmes in place with various Customs Administrations worldwide should also be prioritised, supporting C-2-C communication.

In addition to the webinars, the website contains newsletters and situation reports keeping the private sector updated. Concerning the rest of the content, the RPSG focuses on six primary objectives, which are also well-articulated on our website.

The six focus areas of the WCO-ESA-RPSG are:

- (1) SMART Borders
- (2) AEO
- (3) Education and awareness
- (4) Research in the region
- (5) Measurements; and
- (6) Non-tariff barriers.

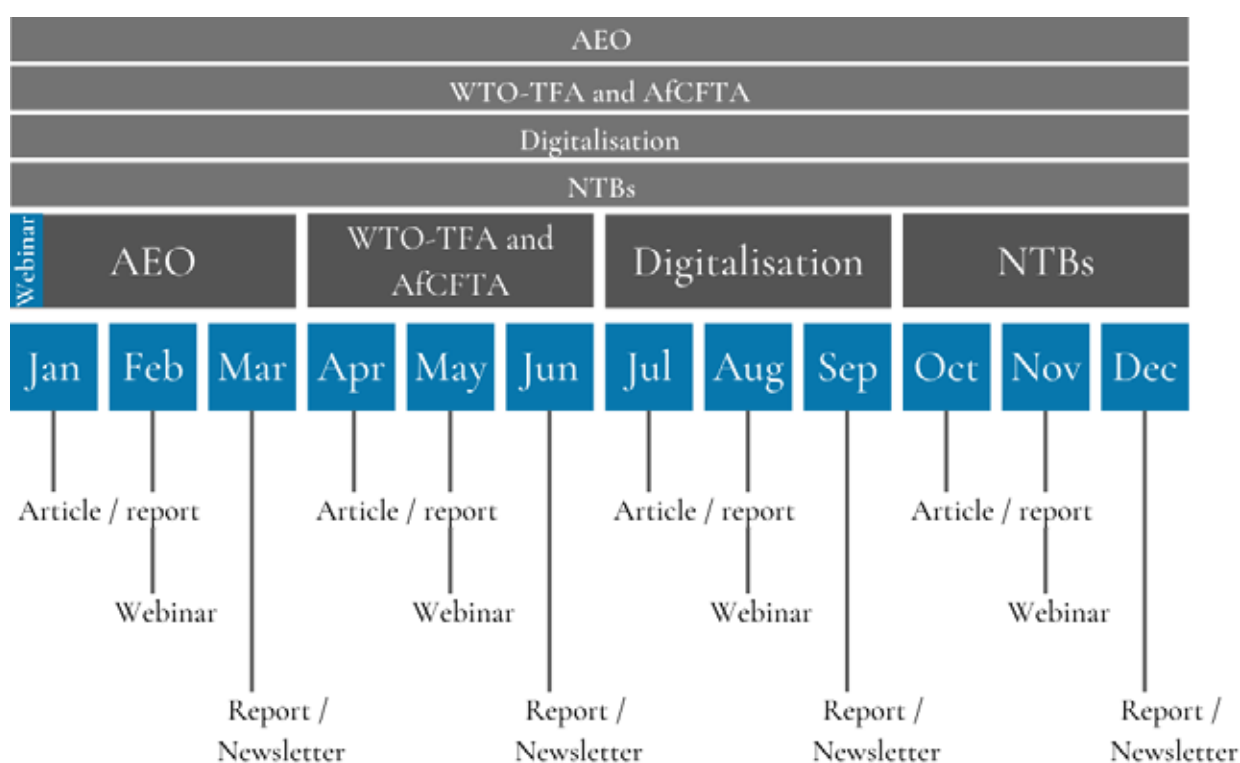
Apart from the webinars and newsletters, various customs and trade articles and reports will be released regularly. A core motivation of the website is to increase awareness of the topics covered by the RPSG. Consequently, the RPSG encourages the broader trading community in the ESA region to use them and further engage with the RPSG. Soon, the RPSG hopes to become the apex private organisation in the ESA region.



## RPSG work plan and objectives for 2021

The RPSG hopes to make inroads on the most relevant customs and trade-related issues to aid trade facilitation in the ESA region. Along with the RPSG's primary objectives listed on the website, several focus areas for 2021 have been identified. These include a need to expand the reach of the reports, webinars and newsletters being issued.

These focus areas and related projects will continue to run throughout the year; however, the focus will be on **(1)** AEOs, the **(2)** WTO-TFA and linkage to the AfCFTA, **(3)** increase the uptake of digitalisation; and **(4)** tackling various NTBs in the region. Each of these focus areas has been identified as high priority areas for 2021 by stakeholders.



There are three focus areas for 2021 regarding deliverables: newsletters, webinars, and research (articles and reports). The newsletters will continue to build on the work that has already been done. These newsletters will be supported by regional situation reports that have provided updates on the region's response to the outbreak of the pandemic.

An essential goal of the RPSG is to expand its reach through awareness and knowledge capacity building. Some of the ways this can be done are:

- Recruit border customs and trade communities and associations.
- Increase the footprint of the RPSG on social media, undoubtedly the foremost communications platform presently.
- Accelerate the linkages with other REC bodies.

Increasing the research being done and the documents (reports/articles/webinars) will speak to one of the group's six projects and expand the extent of the research being carried out. The RPSG hopes to have a fruitful year in 2021, and we encourage all private sector representatives to engage with us.



## Customs into the future

### – work from the Private Sector Consultative Group in Brussels

As many may know, the WCO has divided the world into six distinct regions, with the East and Southern African region being one. In terms of the private sector deliberations of the WCO, the RPSG falls under the WCO Private Sector Consultative Group (PSCG). The PSCG was formed to inform and advise the WCO Secretary-General, the Policy Commission and WCO Members on Customs and international trade matters from the private sector's perspective. Incidentally, the RPSG in the ESA is the most mature group in terms of regional private sector consultation globally and serves as a pilot project called the PSCG in Brussels.

Since its establishment in 2006, the WCO Private Sector Consultative Group (PSCG) has been closely tied to the WCO SAFE Framework of Standards. As such, the recent focus has been on the SAFE review cycle and the pandemic's effects on customs administrations. As such, the PSCG compiled a document on "*Customs in the future*".

The COVID-pandemic has highlighted deficiencies in the present system, particularly in dealing with emergencies and essential goods and facilitating the flow of all goods across borders. To best manage the evolution of Customs, border authorities and trade from now on, we collectively need to:

- Identify and remedy the fragmented and insular border management approaches that have historically been applied nationally and regionally.
- Utilise technology and give AEOs the status they deserve.
- Streamline procedures since risk management in some border agencies has led to significant breakdowns and delays
- at borders (with added pressure created by COVID-19).
- Strengthen and reinforce current proposals with concrete action plans and fixed deadlines.

Now is the time for expediting and harmonising processes across borders through innovative and aligned use of technology (paperless, risk-based selectivity, etc.). There is a need for resilience and efficiency in supply chains and consistency in paperless procedures, automated systems, electronic data, e-payment, risk management processes and the movement of revenue collection processes away from the border.

The PSCG argues that despite the crucial role Customs plays, there is no doubt that Customs agencies have limited political influence, and this is where a solid partnership with the private sector makes sense in terms of communicating Customs' agenda to other government authorities.



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# ROCB Staff Establishment

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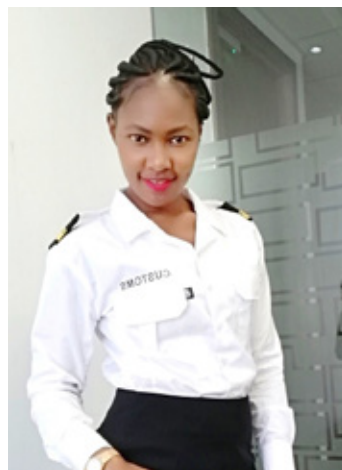
The current ROCB staff comprises the Director, one Programme Officer, Finance Officer, Administrator/PA to the Director and a Clerk. All staff are from Kenya.

The office received virtual support from the following Members: Botswana, Mauritius, South Africa, Uganda and Zimbabwe.



**Larry  
Liza**

**Director**



**Faith  
Mosongo**

**Programme  
Officer**



**Vincent  
Gituma**

**Finance Officer**



**Judy  
Mwaura**

**Administrator &  
PA to Director**



**Jamilah  
Mutah**

**Clerk / Assistant  
Administrator**



**Erick  
Kaburu**

**ICT Officer**



### **Contacts**

**Larry Liza,**  
**Director,**  
**World Customs Organization,**  
**East & Southern Africa,**  
**Regional Office for Capacity Building,**  
**P. O. Box 50581- 00200,**  
**NAIROBI, KENYA.**  
**Tel.: +254 70 901 1611/12/15**  
**E-mail: [larry.liza@wcoesarocb.org](mailto:larry.liza@wcoesarocb.org)**