

2022 tralac Alumni Conference 11-12 October 2022

Edna Oduwo Customs and Border Management



Introduction

- Customs involvement in cross border trade has transitioned from their primary role of collection of duties and taxes on imported goods to a broader role that involves facilitating the flow of goods and services across international borders, ensuring the legitimacy, safety, and security of goods admitted into the various countries.
- In carrying out this diverse role, customs together with the other relevant border agencies apply certain controls that serve various public policy interests (protecting the economy from illicit trade practices, and safeguarding society and the environment from dangerous goods). It therefore becomes imperative that the relevant players in international trade maintain the delicate balance of facilitating trade vis a vis implementing these public policies. (LoC, Gh)
- Customs and border management reforms are often anchored around the following aspects:
 - **Legal:** Regulatory reforms aiming at a clear, concise, transparent legal framework.
 - **Organization:** Institutional development, private sector consultation, and inter-agency cooperation.
 - **Technology:** Introduction and modernization of infrastructure for electronic processing of trade.
 - **Documents** and related data exchange, including IT systems.
 - **Processes:** Changes in business processes and procedures.
 - **People:** Capacity building of implementing managers and officers.

Fundamental principles of trade facilitation in relation to border management

Transparency

Accessibility to trade info, utilization.

Simplification

Simplify customs procedures (duplications, redundancies)

Harmonization

Absolute commitment in the TFA, AfCFTA, Bilaterals, REs execute Instruments with enthusiasm and precision.

Standardization

Standardize cross border trade procedures.

Customs And Cross-border Management

Cross-border Management and Customs covers a diverse range of trade facilitation measures that enhances transparency, harmonization and efficiency of cross border procedures relating to the clearance of import, export and transit transactions, some of them include:

Security

Nii technology.

Mutual recognition.

Authorized Economic operator

Clearance

Customs risk management.

De minimis.

Publication

Trade data and data integrity and security.

Interoperability of customs IT systems.

Customs automation ; single window.

E-Payment.

Pre arrival processing.

Coordinated intervention.

Advanced ruling.

Operating hours.

Cross-border management

Customs cooperation.

International transit.

Joint border controls.

Proposed Solutions/roadmap to streamline customs processes and border management systems

- **Increase the reliance on advance electronic data transmission** but coupled with the need to mitigate against poor or inaccurate data and image quality
- **Recognition and acceptance of digitalisation as an integral part of a modernised customer environment** – immediately available for example in all DHL countries in SSA
- **Proper integrated system solutions** essential for a smooth clearance process with single window capability and reduce needs for manual paper based entry of documents. (interoperability)
- **Reliance on electronic document submission and digital certificates** such as Certificates of Origin, phytosanitary certificates.
- **Simplified document protocols** such as limiting to the basic data elements needs for a customs entry to be completed.
- **Risk profiling versus the need to have to paperwork based approach to customs processes.** Demonstrated compliance history and AEO programs will enhance and promote this.
- **E-payments** for fiscal charges and reducing the need for paper-based payment protocols
- **Mutual recognition of and increased development of AEO programs** which work hand in hand with the subsequent reduced dependency on paperwork.
- **OSBP; adopt smart land borders.**
- **Change management.**

According to the UN Global Survey on Digital and Sustainable Trade Facilitation, 2021, Kenya scored 74.19% on implementing trade facilitation measures. Transparency was at 93.33%; streamlining trade formalities: 66.67%; Institutional Arrangement and Cooperation: 33.33%; Paperless Trade: 92.59%; Cross-Border Paperless Trade: 61.11%.

Report available at: <https://www.untfsurvey.org/economy?id=KEN>