

**COMMON MARKET FOR EASTERN
AND SOUTHERN AFRICAN STATES**



**Statement by
Mr Sindiso Ngwenya
Secretary General**

**At the official opening of the
9th Meeting of the Management Committee of the
Regional Customs Transit Guarantee (RCTG
CARNET) Scheme**

**KRA Customs House
Mombasa, Kenya**

5-6 May 2015

Chairperson;

Representative of the Commissioner of Customs of Kenya
Revenue Authority (KRA) Ms Mercy Njuguna,

Representatives of Commissioners of Customs Administrations,

Representatives of Government Authorities of Member States and
none member state,

Representatives of Managing Directors and Chief Executive
Officers of National Sureties of the RCTG Scheme,

Executive Director of the Federation of East African Freight
Forwarders Association (FEAFFA);

Representatives of the Clearing and Forwarding Associations of
Kenya and Rwanda;

Distinguished Delegates;

Ladies and Gentlemen;

On behalf of COMESA and on my own behalf, permit me before I
say a few words- to take this opportunity to join the Chairperson
in welcoming you all to the Ninth Meeting of the Management
Committee of Regional Customs Transit Guarantee (RCTG)
Scheme.

Mr. Chairperson, let me take this opportunity to thank most sincerely Kenya Revenue Authority (KRA) for hosting 9th Meeting of the Management Committee of the RCTG. This is a clear testimony of the commitment of the KRA and the Government and the People of Kenya to the programmes and objectives of COMESA.

Mr. Chairperson, allow me at this juncture to express my profound gratitude- through you- to the Government and People of the Kenya for the support they have given and continue to give to COMESA. Kenya has continued to demonstrate exemplary commitment to regional integration and co-operation.

Chairperson;

Distinguished Delegates;

Ladies and Gentlemen

I wish to inform you that today-- we have amongst us -the delegation of the Government of Republic of South Sudan. I am pleased to inform you that following COMESA's engagement at the highest level, the Government of South Sudan, has decided to join the RCTG Scheme. In this regard I am happy to inform you that the Government of South Sudan, in its letter of 22nd April 2016 has designated Speed Insurance Company as the National Surety and authorized the National Surety to sign the Inter-Surety Agreement and become a member of your Council of RCTG, On behalf of COMESA and on my own behalf, I would like to welcome South Sudan to the RCTG scheme.

I would like to take this opportunity to assure the delegation from South Sudan that the COMESA Secretariat would provide the necessary support to facilitate the speedy implementation of the RCTG Carnet in the country .

Chairperson;

Distinguished Delegates;

Ladies and Gentlemen

Let me now turn to the role of the RCTG CARNET and the purpose of this meeting by thanking you for the significant contribution the Customs Administrations, National Sureties and Clearing and Forwarding Agents made to the region during the last four years of operations. The RCTG CARNET has recorded encouraging achievement since its commencement of operations in 2012 and Member States and stakeholders participating in the scheme are deriving benefits from savings in the cost of transit and transport.

This can be witnessed from the high increase in the number of Carnets issued, amount of premium collected and increased participation of stakeholders. Since your last meeting held in April 2015 in Kigali, Rwanda, , several activities have been carried out and encouraging progress has been achieved in the operations of the RCTG scheme in the Northern, Central and Dar Corridor countries. These include:

- a. The number of RCTG CARNET issued has increased from - 17,000 to 34,000;

- b. The number of Clearing and Forwarding Agents and Sureties participating in the scheme has reached 548 and 46 respectively. And 90% of the 548 Clearing and Forwarding Agents are SME;
- c. The number of RCTG Bonds issued for goods in transit has reached 548 RCTG Bonds worth US\$ 400 million.
- d. The RCTG-MIS has been fully integrated with ASYCUDA World of Burundi, Rwanda and Uganda, with SIMBA of Kenya and TANCIS of Tanzania; and
- e. Several Revenue Authorities have replaced their national transit bonds with the RCTG Bond.

The above achievement, in a way, is a measure of commitment of the Member States. I wish therefore to thank the Commissioners of Customs of Kenya Revenue Authority (KRA), Uganda Revenue Authority (URA), Rwanda Revenue Authority (RRA), Tanzania Revenue Authority (TRA), the National Sureties and all those involved in the operations of the RCTG scheme..

I am also pleased to inform you that Burundi will commence operations of the RCTG in May this month; whilst the Democratic Republic of Congo will commence operations in June this year .

Chairperson

Distinguished Delegates

Despite the encouraging progress in the Northern ,Central and Dar Corridor countries, there are challenges in the implementation of the scheme in other Corridors. These include:

- a) Ethiopia and Djibouti National Sureties are yet to agree on sharing of premiums on RCTG Bonds on Carnets issued. This has contributed to the delays in the implementation of the RCTG CARNET in the Djibouti Corridor, which also include Sudan and South Sudan, and
- b) Zambia is in the process of engaging its stakeholders to join the scheme and member states in the North-South Corridor, namely: Zimbabwe and Malawi would be able to move forward in the implementation process of the scheme.

I would like, therefore, to request the Member States who have not yet joined or started operations to do so without further delays..

Chairperson

Distinguished Participants

Ladies and Gentlemen

I, have noted that you have a loaded agenda before you and I don't as such want to take much of your time . I therefore, would like to request the Management Committee to thoroughly consider the agenda items before you and take decisions that will make the RCTG Scheme a trade facilitation instrument of choice by users and contribute to the implementation of the World Trade Organization Bali Accord on Trade Facilitation .

Chairperson

Distinguished Delegates

I would also like to, once again, commend the Commissioners of Customs, the National Sureties and the Clearing and Forwarding

Agents for the dedication they have shown in the administration of the Regional Customs Transit Guarantee: RCTG CARNET

Before concluding my statement, allow me to once again thank Kenya Revenue Authority (KRA) for hosting this meeting and for the warm reception and hospitality that we have enjoyed since our arrival.

I wish you all success in your deliberations.

I declare the 9th Meeting of the Management Committee officially open.