



Addis Ababa, ETHIOPIA P. O. Box 3243 Telephone + (251)115517 700
Fax: + (251)115510467

2nd AFRICAN UNION CUSTOMS EXPERTS MEETING ON COORDINATED BORDER MANAGEMENT IN AFRICA

20– 22 May 2015
Harare
Zimbabwe

Doc: **CCD/TWG/2.CBM /AM1**
Original: English

AIDE MEMOIRE

2nd African Union Customs Experts Meeting on Coordinated Border Management in Africa

Aide Memoire

Introduction

1. The Commission of the African Union envisages holding of a 2nd African Union Customs Experts Meeting on Coordinated Border Management in Africa from 20-22 May 2015 in Harare, Zimbabwe. The meeting is organized pursuant to the activities in the Trade Facilitation Cluster of the Action Plan for Boosting Intra Africa Trade that was endorsed by the African Union Assembly of Heads of State and Government through their decision (Assembly/ AU/Dec.394 [XVIII]) during their 18th Ordinary Session held in Addis Ababa, Ethiopia, in January 2012. . Among other things, the Decision is aimed on promoting Africa's Regional Integration agenda as well as making trade serve more effectively as an instrument for the attainment of Africa's rapid and sustainable socio-economic development.
2. Two decades after the Abuja treaty was signed, both intra-African and external trade have remained stubbornly low, and while regional trade in North America and Western Europe reach 40 % and 60 % respectively, intra African trade is approximately 10 %. If Africa trades with itself more, it can take advantage of short travel distance and an already available market from its huge population of 1, 032 billion people. Apart from its poor and dilapidated physical infrastructure which has been a deterrent to regional trade, poor trade facilitation measures and instruments, coupled with uncoordinated border management practices have immensely contributed to Africa's minute show up in trade levels.
3. Trade Facilitation has become a topical subject in the recent past. At the level of the WTO, discussions on Trade Facilitation were incorporated in the Doha Round in 1996, and were commonly known as the Singapore Issues, and more specifically, the "July Package". To address and show commitment to the problems encountered in the trade facilitation process, the Ministers of Trade made the Singapore Ministerial Declaration (1996) under Article 21: "We further agree to direct the Council for Trade in Goods to undertake exploratory and analytical work, drawing on the work of other relevant international organizations, on the simplification of trade procedures in order to assess the scope for WTO rules in this area". Negotiations on the WTO ATF were concluded at the 9th Ministerial Conference held in Bali in December 2003, and will come into effect after ratification by two thirds of its Members. To date, only 8 African countries have ratified the Agreement. Articles 8 and 12 of the Agreement specifically relate to the need for Coordinated Border Management and cooperation.

Integrated and Coordinated Border Management

4. Coordinated Border Management is based on the need for agencies and the international community to work together to achieve common goals. The model suggests that border management agencies can increase control while providing a

more efficient service, and that they can do so while retaining their own organizational mandates and integrity. Typically, coordinated border management is not achieved through forced organizational change, which invariably has the potential to create conflict, but by creating an overarching governance body charged with establishing a border management vision and ensuring that all stakeholders work together to achieve it. This therefore requires strong political will and commitment and appropriate incentives and disincentives.

5. In most countries, a number of agencies have some form of regulatory responsibility at the border. Each of these agencies has its own specific mandate from government, and taken together they cover such issues as diverse as health, product safety, quarantine, immigration controls, vehicle inspections, insurance, road access tolls, and security as well as revenue and other customs concerns. Notwithstanding that there may be several agencies with border management responsibilities, the fundamental nature of the challenge that each confronts is the same. The challenge is to facilitate the legitimate movement of people and goods across increasingly blurred, or even virtual, borders while at the same time, meeting the government's mandate to maintain the integrity of the border, to protect the community, and to prevent the unlawful and/ or unauthorized movement of both people and goods.
6. Consequently, unless regulatory authorities with border responsibilities coordinate their activities, there is the real danger that border delays will be realized on a more regular basis along with unnecessary compliance costs and the associated administrative cost of operation. There is also potential for the unlawful entry of goods or people if border agencies fail to share intelligence, thereby providing a complete risk profile of a particular consignment or individual.
7. While border agencies have a mandate to provide an appropriate level of facilitation to trade and travel, there is need to maintain regulatory control in a way that reduces the impact of interventionist strategies as much as possible. This therefore implies keeping the amount of intervention or interference to the minimum necessary to achieve the policy outcome and also ensuring that regulatory requirements (red tape) are not unduly onerous or overly prescriptive. In seeking to achieve this balance, border agencies must simultaneously manage two risks, - the potential for noncompliance with relevant laws and the potential failure to provide the level of facilitation expected by their government.
8. The motivation for a holistic approach to coordinate activities at border crossings stems from the need to reduce the costs of doing business, thereby facilitating trade. Trade costs,(consisting of transportation costs, time costs, and policy barriers-coupled with tariffs and non-tariff costs, information costs, contract enforcement costs, exchange rate costs, legal and regulatory costs) are large, and a significant portion of them results from nations' economic policies. Research has indicated that there are more benefits to be realized from the efforts in increasing Trade Facilitation than those realized from tariff reductions. It is estimated that output gains from average tariff decreases under the Uruguay Round negotiations amounted to 2 % of total trade value, whereas gains deriving from trade facilitation could rise as high as 3 %.

9. One of the areas which arguably is gaining momentum in trade facilitation is implementation of Single Window systems. The single window aims to provide all trade related parties in a country; government agencies, commercial actors, and individuals either directly or indirectly concerned in an import or export process, usually in an increasingly paperless environment that reduces processing costs, improves revenue collection, and boosts compliance. At the same time, the single window system aims to facilitate trade by keeping delays in goods receipt and delivery as low as possible.
10. A single window concept, already adopted in varying degrees in Africa can make information more available, improve its handling and simplifying and expedite information flows between trade and government. It can also lead to more harmonizing and sharing of data across government systems, bringing great gains to all parties involved in cross border trade. If properly implemented, the single window concept can make controls more efficient and effective.
11. The principle of integrated and coordinated border management in most countries already exists. This is manifested by the existence of border committees, usually put in place for the management of border posts or at times, for a specific function or project. The most ideal situation however is to have the same committees at a higher level, say Ministerial and to also make them a permanent feature of integrated border management.

Purpose, Objectives and Scope of the Meeting

12. The Meeting is expected to contribute to the development of an AU Border Management Strategy, provide a platform for exchange of views and experiences on issues of Trade Facilitation in line with the WTO Trade Facilitation Agreement, and movement of people across borders. It is also anticipated that participants will explore areas requiring capacity building for effective implementation of Coordinated Border Management Programs. This Meeting will also assist African Union Members States that are also members of the World Trade Organization as they prepare to implement the WTO Trade Facilitation Agreement, which largely contains provisions on Coordinated Border Management.
13. The outcomes of the Meeting will be presented to the 7th Ordinary Meeting of the African Union Sub Committee of Directors General of Customs scheduled to be held in September 2015.

Participants

14. The meeting will comprise of the following participants:
 - Customs Experts drawn from the Customs Department of each REC;
 - Customs Experts from the Bureau of the African Union Sub Committee of Directors General of Customs;
 - Customs-Expert drawn from AU Member State holding the chairmanship of RECs;

- Customs Experts from the World Customs Organization;
- Trade expert from the United Nations Economic Commission for Africa;
- An expert from the International Organization on Migration
- Officers from the AU Commission.

Information

15. The following staff can be contacted for further information relating to this meeting:

- Mr. Aly Iboua Moussa, Head, Customs. Customs Cooperation Division, Department of Trade & Industry, P.O. Box 3243, Addis Ababa, Ethiopia, Telephone: (251) 115182958. Email: alyM@africa-union.org
- Mr. Chenjerai Chibaya, Customs Expert-Regional Integration. Customs Cooperation Division, Department of Trade & Industry, P.O. Box 3243, Addis Ababa, Ethiopia. Telephone: (251) 115182968. Email: chibayac@africa-union.org
- Mr. Charles Chiza N. Chiumya, Policy Officer, Customs. Customs Cooperation Division, Department of Trade & Industry, P.O. Box 3243, Addis Ababa, Ethiopia, Telephone: (251) 115182954. Email: chiumyac@africa-union.org

**Customs cooperation Division
Directorate of Trade and Industry
Commission of the African Union
Addis Ababa
March 2015**