



MILLENNIUM CHALLENGE CORPORATION (MCC) CUSTOMS PROGRAM

Jordan Customs WCO Integrity Checklists

JORDAN CUSTOMS ADMINISTRATION MODERNIZATION PROGRAM

Submitted to:

USAID/Jordan

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1.0 LEADERSHIP AND COMMITMENT CHECKLIST

The prime responsibility for corruption prevention must rest with the head of Customs and the executive management team. The need for high levels of integrity must be stressed and commitment to the fight against corruption maintained over the long term. Customs managers and supervisors should adopt a strong leadership role and accept an appropriate level of responsibility and accountability for maintaining high levels of integrity in all aspects of Customs work. Customs managers should demonstrate a clear and unequivocal focus on integrity and be seen to set an example that is consistent with both the letter and spirit of the Code of Conduct.

- 1.1 Does the Government actively promote the maintenance of a high level of integrity within the civil service and/or Customs specifically?

Yes. HRH King Abdullah II has declared that the fight against corruption is a national priority and a pillar in the development and modernization process. The Government has implemented a National Agenda designed to achieve sustainable development through a transformation program emphasizing evaluation and monitoring of progress and implementation according to detailed performance indicators. The National Agenda is also unique in its emphasis on consistency and accountability. Among the initiatives included in the National Agenda is the objective of building trust between citizens and institutions and adoption of principles of transparency, good governance and accountability. The Government has recently enacted a law to fight corruption and hosted the first session of a conference of parties to the United Nations Convention against Corruption. Customs has received significant support in its reform and modernization efforts, as demonstrated by the implementation of new Customs bylaws aimed at increasing stature, morale, and professionalism; updating human resource management systems including compensation, performance recognition, and discipline; training initiatives including the development of a Regional Customs Academy; and WCO Vice Chairmanship for the Middle East.

- 1.2 Is there bipartisan support for the integrity program in Customs?

This instrument was designed for self assessment and this question clearly calls for the Customs Administration's response. Since the assessment has been conducted by an outside consultant, the response is based on opinions expressed by senior Customs managers during interviews. The consensus of managers interviewed is that such support is quite evident.

- 1.3 Are politicians aware of the organization's integrity efforts?

Yes.

- 1.4 Is the Minister responsible for Customs held accountable for the integrity performance of the organization?

HRH King Abdullah II has identified integrity throughout the Government as being a critical priority and has been an effective driving force. The roles and activities of the Anti-Corruption Department within the General Intelligence Directorate since 1996 and

- the recently formed independent Anti-Corruption Commission demonstrate that senior government managers are held accountable.
- 1.5 Does the Customs administration receive adequate resources to allow it to fulfill its functions effectively and efficiently?
- Yes.
- 1.6 Are strategies in place to increase or maintain political support for integrity in Customs?
- HRH King Abdullah II has identified integrity throughout the Government as being a critical priority and has been an effective driving force. There is no need for Customs to develop a strategy to maintain this support.
- 1.7 If so, are they effective?
- Not applicable.
- 1.8 Can they be improved?
- Not applicable.
- 1.9 Does the CEO actively promote integrity with external stakeholders?
- The Forwarders' Syndicate as well as Customs managers confirmed that the Director General and Senior Management staff promote integrity with external stakeholders. The Director General personally attends and chairs the Partnership Council meetings.
- 1.10 Does the CEO and the Senior Management Team provide leadership and demonstrate an active commitment to the integrity program?
- Yes. Interviews with the Senior Management team clearly confirmed a high level of leadership and management commitment to integrity and professionalism. This leadership and commitment have effectively been translated into action.
- 1.11 Is there proactive and visible leadership on the issue of integrity from the highest levels of management?
- Yes. Leadership is proactive with demonstrable results. Customs has identified integrity, discipline and accountability in its mission and values statements. The Director General regularly visits the various Customhouses to meet with the officers personally. Ethics is discussed during these meetings.
- 1.12 Do the CEO and the Senior Management Team lead by example?
- Yes. This leadership was immediately apparent during initial meetings with the Director General and Senior Management Team and confirmed throughout the course of the assessment through interviews and observation of senior managers.

- 1.13 How do the CEO and the Senior Management Team deal with or respond to allegations of corruption?

The Director General and Senior Management Team respond quickly and effectively through well-designed and documented reporting and screening mechanisms, internal investigations conducted by Customs Public Prosecutors, recommendations by a disciplinary committee to the Director General and the referral of cases for administrative discipline or criminal prosecution as appropriate.

- 1.14 Is there a strategy in place to address the issue of integrity among the Senior Management Team?

Yes, in addition to Customs promoting integrity at all levels, government-wide strategies are in place to monitor cases of corruption in the public sector. They include the Anti-Corruption Department within the General Intelligence Directorate established in 1996, and the independent Anti-Corruption Commission established in 2006, with the goals of developing and implementing effective policies to prevent and combat corruption and detecting all forms of corruption including financial and administrative corruption, nepotism and favoritism. The EC Delegation is providing technical assistance to the Anti-Corruption Commission.

- 1.15 Is there a system in place to assist managers to identify staff that, by virtue of temporary personal circumstances, may be vulnerable to corruption and malpractice?

No.

- 1.16 Are managers held responsible and competent to undertake this task?

Managers are competent to undertake the task should such a system be implemented.

- 1.17 In selection for management positions, is appropriate consideration given to the personal integrity of the officer?

All selections include appropriate consideration to personal integrity.

- 1.18 Does the selection process take account of their commitment to and ability to implement the administration's anti-corruption policies?

Yes.

- 1.19 Do managers work with staff to identify any weaknesses and vulnerabilities in relation to processes and procedures?

Yes. Customs has an active internal inspection and internal audit program for this purpose.

- 1.20 Do internal management training programs adequately address management responsibilities for corruption prevention and detection?

The Customs Training Center provides new employees and existing staff training on ethics and other aspects of integrity, but it is not clear that this training sufficiently emphasizes management responsibility for prevention and detection.

- 1.21 Do supervisors take a strong leadership role for promoting integrity and leading by example?

Yes

- 1.22 Is this a requirement of their role and are they held accountable?

Supervisors interviewed clearly understood that they are responsible for ensuring integrity within their operations, and control and oversight mechanisms confirm that they are held responsible for any breaches; however, position descriptions and performance evaluation plans do not consistently and specifically address these issues. Technical assistance is currently being provided by the Customs Administration Modernization Program (CAMP) and similar assistance will be provided in the near future by the EU Twinning project. Whether through these efforts or through local initiative, all position descriptions and the related performance plans should be revised to incorporate a consistent integrity element. For non-supervisory personnel, the element would address the employee's responsibility to perform his or her duties in an honest and straightforward manner. Managers would have a similar requirement supplemented by the responsibility for ensuring that their subordinates demonstrate a high level of integrity.

- 1.23 Are supervisors held accountable for corrupt practices and malpractice engaged in by staff under their supervision?

Supervisors are held accountable for the performance of the staff under their supervision. Active measures are in place to prevent and identify corrupt practices and malpractice including internal audits and inspections conducted on random and scheduled bases.

- 1.24 To what extent are members of a work team held accountable for corrupt practices engaged in by other members of the work team?

To the appropriate extent depending on results of investigation into allegations of corrupt practices and the determination of culpability of the officer or officers involved.

- 1.25 Are all new projects, policies and initiatives examined to take into account integrity risks?

Observation of operational procedures confirmed that integrity risks have been considered and appropriate audit trails and controls built into the systems.

2.0 REGULATORY FRAMEWORK CHECKLIST

Customs laws, regulations, administrative guidelines and procedures should be harmonized and simplified to the greatest extent possible so that Customs formalities can proceed without undue burden. This process involves the adoption of internationally agreed conventions, other instruments and accepted standards. Customs practices should be reviewed and redeveloped to eliminate red tape and reduce unnecessary duplication. Duty rates should be moderated where possible and exemptions to standard rules be minimized. Systems and procedures should be in accordance with the revised International Convention on the Simplification and Harmonization of Customs Procedures.

- 2.1 Have the principles that underpin the Revised WCO Kyoto Convention been implemented? If not, is its implementation and ratification of the Convention a high priority and scheduled for introduction in the near future?

Yes, Jordan has ratified the Revised Kyoto Convention. A compliant Customs Code is currently under Parliamentary review.

- 2.2 Have other internationally agreed standards such as the HS Tariff Convention, the WTO Valuation Agreement, the ATA Carnet Convention/Istanbul Convention and the WTO Intellectual Property (TRIPS) Agreement been implemented or are they scheduled for implementation?

Yes.

- 2.3 Are systems and procedures periodically reviewed and/or re-engineered to eliminate red tape and avoid duplication?

It depends on the nature of the system and procedure and which Directorate is responsible. The Total Quality Management Directorate periodically reviews and re-engineers processes after observation and interaction with Customs staff and clients. However, the Procedures Section of the Tariff and Procedures Directorate also has responsibility for developing and publishing new procedures. Viewed from the perspective of a transition to a TQM approach, it was logical to continue to maintain the traditional procedural development capabilities while the new TQM approach was being developed. Now that the TQM directorate has demonstrated its capacity, the next logical step would be to consolidate procedural development efforts within that directorate to ensure that the TQM approach is applied to all procedural review, re-engineering, drafting and implementation. Observation at the Amman Customhouse clearly indicated duplication of procedures by Customs officers.

- 2.4 If so is the staff that performs the functions or procedures involved in the review process?

As mentioned in the previous paragraph, the TQM Directorate does involve the staff that performs the functions in the review process. On the other hand, the Procedures Section does not normally interact with the workforce or clients.

2.5 Does the organization have a formal system to implement a 'continuous improvement' strategy?

Yes. Jordan Customs has established both a Planning Unit and a Total Quality Management Directorate sharing responsibilities for continuous improvement.

2.6 When systems and procedures are being reviewed, is attention paid to eliminating the corruption-inducing combination of monopoly power, official discretion and minimal accountability?

Yes.

2.7 Are steps being taken to eliminate or reduce non-tariff barriers (such as quotas, import licenses, permits etc)?

Note: Import and export license requirements issued by the Ministry of Industry and Trade and other Ministries are available on the Comprehensive Integrated Tariff System website. The High Tariff Committee, which includes Customs, the Ministry of Industry and Trade and the Ministry of Finance, has been formed to address these issues.

2.8 Is there regular Customs representation at interdepartmental liaison on the reduction of tariff and non-tariff barriers to trade?

Yes. Customs participates in a member of the High Tariff Committee.

2.9 Are exemptions, concessions, regulations, procedures and legislation, transparent and communicated to stakeholders?

Yes. They are searchable on the Comprehensive Integrated Tariff System website.

2.10 Are changes based on periodic review and introduced in a transparent manner?

The Forwarders' Syndicate indicated that Customs attempts to do so whenever possible, but even Customs does not receive prior knowledge of changes dictated by the Ministry or other Government Departments and, therefore, cannot provide the trading community with advance notice. Customs forwarders and brokers did not feel that this was Customs fault. The Ministry of Industry and Trade has established a working goal to improve communication of changes to stakeholders in advance, thereby improving predictability.

2.11 Are stakeholders consulted on whether legislative provisions and procedures are workable and understandable?

Yes. They are when the circumstances allow Customs to do so.

2.12 Is the authority to approve exemptions limited and strictly controlled?

Allowable exemptions are stated in the law and are strictly limited, and a specialized exemptions directorate exists to implement and control the exemptions.

- 2.13 Are appropriate risk management policies and practices in place to identify high-risk cargo/passengers etc. and allow the speedy clearance of low risk ones?

No. Risk management systems are in place, but practices do not appear to be productive and it is unclear as to who is determining risk management policy and goals.

- 2.14 Are risk management systems and procedures in place reviewed and aligned to the provisions of the WCO Revised Kyoto Convention?

Risk management has been implemented through the ASYCUDA selectivity module and the development of a risk analysis directorate. Customs has developed and implemented an Authorized Economic Operator Program (The Golden List) that is in accordance with WCO guidelines and philosophy of encouraging voluntary compliance. The Golden List program has been favorably reviewed by US Customs and Border Protection C-TPAT evaluators. Unfortunately, risk management policies do not appear to be fully developed and the Golden List Program does not appear to have been adequately promoted. Jordan Customs and CAMP recognize that the Golden List Program has not been adequately promoted, and it is the intention of the Communications Campaign that will be developed by the CAMP communications consultant in 2007 to address this problem with vigorous promotion of the program and attraction of new participants. The application of risk management practices to transit does not appear to be consistent with Revised Kyoto Convention guidelines

- 2.15 Is the application of any administrative penalty system simple and straightforward and is it applied in a consistent manner?

Yes.

- 2.16 Is risk management supported by automated systems?

Yes. Jordan Customs currently operates ASYCUDA++ and is in the process of migrating to the web-based ASYCUDA World. Both systems support risk management through a dedicated selectivity module.

- 2.17 Is there close liaison and co-operation with other border agencies to ensure that policies and procedures are coordinated effectively and that opportunities to reduce or eliminate red tape are explored?

A Border Management Task Force has been established for this purpose and is in the process of designing and implementing a single window process with technical assistance from CAMP and the EU Customs Twinning Project.

3.0 TRANSPARENCY CHECKLIST

Customs clients are entitled to expect a high degree of certainty and predictability in their dealings with Customs. Customs laws, regulations, procedures and administrative guidelines should be made public, be easily accessible and applied in a uniform and consistent manner. The basis upon which discretionary powers can be exercised should be clearly defined. Appeal and administrative review mechanisms should be established to provide a mechanism for clients to challenge or seek review of Customs decisions. Client service charters or performance standards should be established which set out the level of service clients can expect from Customs.

- 3.1 Are clients provided with sufficient accurate, consistent, accessible and user-friendly information to allow them to meet their responsibilities to Customs?

Yes. Customs has established an online “Customs Encyclopedia”, the Comprehensive Integrated Tariff System, a searchable compendium of Customs laws, regulations, policies, directives, procedures and decisions. The Customs Encyclopedia is available on both the Customs intranet and the internet. The Customs internet webpage also includes a direct email link to Customs that is actively monitored. Customs receives approximately 10 emails per day originating on the webpage and provides response. Additionally, Customs has provided access to valuation information.

- 3.2 Are mechanisms in place to report new initiatives, decisions, or changes in legislative requirements and procedures that may impact upon clients (Customs Client Notices, etc.)?

Yes.

- 3.3 Is attention given to informing clients of their rights when dealing with Customs?

Yes.

- 3.4 Is this information easily accessible? For example, Customer Help Desks/Call Centers, Information Centers, Industry Consultative Committees, displays and signage.

The information is available on the Customs webpage in the Comprehensive Integrated Tariff System, in printed brochures, in signage, through a Customs-Trade Partnership Council and Customs Advisory Committee. During the evaluation, it was observed that requests for information are received telephonically and in-person. Customs offices were observed to have an open door policy and client service orientation. Additionally, CAMP is assisting Customs with the establishment of a Customer Service Unit in the Headquarters by providing Information and Communications Technology support.

- 3.5 Use of electronic media for dissemination of Customs information to clients.

Yes.

3.6 Are clients consulted to determine their information requirements and preferred media?

Yes. In fact, the access to current valuation information described in 3.1 was offered as an example of Customs responding positively to a client request.

3.7 Are there mechanisms in place to interact with the media?

Yes. Customs has contracted with a private public relations firm and the quality of the communications materials produced has been impressive. In addition, CAMP is conducting a scientific survey of the public sector's impression of Customs that will be the basis for the development of a Customs Communication Campaign in the autumn of 2007.

3.8 Are instances of non-compliance with Customs procedures analyzed to determine if the cause is a lack of adequate communication from Customs?

Yes, instances of non-compliance are analyzed to determine whether they were intentional or the result of a misunderstanding or mistake.

3.9 Is there a system for monitoring consistency between different offices, provinces or regions concerning decisions, procedures and information provided?

Yes. The Inspection and Control Directorate is responsible for this function.

3.10 Have simple processes or systems for seeking tariff classification and valuation rulings prior to importation been established in order to provide clients with a degree of certainty and predictability?

Anyone can request a ruling on the internet. And the Tariff and Valuation Directorates have open door policies.

3.11 Are these easily accessible (is there a library or database of previous decisions)?

Yes. They are accessible on the Customs webpage in the Comprehensive Integrated Tariff System which is easily accessible and searchable.

3.12 Is the basis or criteria upon which Customs officials exercise discretionary power clearly defined and publicly available and, where appropriate, have the reasons for decisions been conveyed to those affected?

Yes.

3.13 When a Customs official has exercised discretionary power, are the grounds upon which the decision was made required to be documented clearly and retained for later review?

Yes. Documentation is stressed throughout the Customs code.

3.14 Have appropriate review and appeal mechanisms been implemented to allow clients the opportunity to seek review or challenge Customs decisions, with the possibility of independent adjudication if required? If so, are the procedures published and promoted?

- Yes. The provisions are available in the Customs code, which is available on the internet and consists of three levels of review within Customs and an external review process through the Customs court.
- 3.15 Is there an independent external appeal mechanism in addition to internal mechanisms?
- Yes. Customs decisions are appealable to the court within 15 days.
- 3.16 Have citizen or service charters been developed which clearly state the level of service clients should be able to expect? If so, are service standards realistic and able to be supported by the organization's systems and resources?
- No.
- 3.17 Are service charters displayed in public areas such as airports, cargo inspection areas and Customs Houses?
- No.
- 3.18 Are staff members aware of the standards contained in service charters, and are those holding service positions provided with training in client service?
- No.
- 3.19 Have mechanisms been developed and implemented which monitor and evaluate the organization's performance against established standards?
- Yes, with respect to accomplishment of mission and financial goals.
- 3.20 Are the results of Customs performance made publicly available (i.e. internet, annual report)?
- Yes. An annual report is published.
- 3.21 Are all fees and charges levied published in order to allow traders to calculate more accurately the costs involved in complying with Customs requirements?
- Yes.
- 3.22 Are there suitable controls over procurement procedures and tendering for Customs work?
- Yes. Oversight is provided by the State Procurement Department.

4.0 AUTOMATION CHECKLIST

Automation or computerization of Customs functions can improve efficiency and effectiveness and remove many opportunities for corruption. Automation can also increase the level of accountability and provide an audit trail for later monitoring and review of administrative decisions and the exercise of official discretion. Where possible, automated systems should be configured in such a way as to minimize the opportunity for the inappropriate exercise of official discretion, face-to-face contact between Customs personnel and clients and the physical handling and transfer of funds.

- 4.1 Have your automated systems been designed with elimination of corruption in mind? For example, have all opportunities to reduce the risk of corruption been considered?

Yes. Access to the Customs automated systems is strictly controlled and monitored by both the Information Technology Directorate and the Inspection and Control Directorate. Automated systems provide the ability to identify and track attempts to misuse them.

- 4.2 Is there adequate separation of tasks between those officials associated with identifying risk and those officials involved in subsequent Customs procedures such as cargo inspection, revenue collection, risk assessment/target identification and inspection/investigation?

Risk management is conducted at the Headquarters by the Risk Management Directorate and the results are monitored. Examining officers are designated by an automated system. Examinations are performed at the Customhouses and audits and investigations are conducted by separate directorates. At the Customhouse, however, there is excessive interaction between brokers' employees and Customs officers.

- 4.3 Has a comprehensive risk assessment or review been conducted to assess the corruption risk posed by your automated systems?

Yes. The Information Technology Directorate has reviewed risks and developed an IT security policy that not only controls access to automated systems but prohibits access to hardware functions such as copying official files on to CDs or flash drives.

- 4.4 Has the opportunity for unnecessary day-to-day contact between officials and clients been reduced?

Yes.

- 4.5 Has the system been designed to minimize the input of data by Customs officials and to limit the routine requirement for physical presentation of documents to Customs?

The system has been designed to rely on input by the traders rather than Customs officers. Customs is currently upgrading from ASYCUDA++ to ASCYUDA World. The new system will have the capability of accepting electronic documents which makes it feasible to process declarations in an entirely electronic mode without the necessity of filing any supporting paperwork. Communications infrastructure limitations (external to Customs) will not support a totally electronic declaration due to the file size and Jordan

does not have a legal basis for electronic signature. For these two reasons, consideration of a paperless environment would be premature at this time.

- 4.6 Are appropriate security and firewall provisions in place to protect the systems from external misuse?

Yes.

- 4.7 Are processes in place to ensure that the system is not vulnerable to staff with relevant system knowledge?

Yes. CAMP will be assisting the Information Technology Department in arranging for and funding advanced system security training.

- 4.8 Is the number of officials with access to the system's programming limited and controlled?

Yes.

- 4.9 Is access to secure information strictly controlled, monitored, and regularly audited to ensure that information is not being viewed for inappropriate or private purposes?

Yes.

- 4.10 Are staff members aware of the need to maintain privacy when dealing with confidential information?

Yes. Staff members are made aware of policies and consequences and are also aware that their uses of the systems are closely monitored.

- 4.11 When automated systems have been introduced, has appropriate attention been paid to increasing official supervision and accountability at those points in the process that cannot be automated (for example, cargo examination)?

The Forwarders Syndicate reported that Customs managers at Aqaba are intentionally mishandling automated risk management selectivity instructions, directing the staff to treat green channel goods as though they were red channel designations and to conduct physical examinations without appropriately redirecting the declaration to the red channel in the ASYCUDA system. If this is the case, the apparent purpose would be to falsify ASYCUDA statistics indicating the percentages of declarations processed through the green channel. This would give the impression to outside reviewers that Customs is making a more effective utilization of the selectivity module than it actually is and would also suggest that Customs was demonstrating a higher commitment to facilitating low risk declarations than it actually is.

- 4.12 Have automated payment systems been established which eliminate or limit the physical handling and transfer of funds between Customs officials and clients?

No. Automated payment systems have been established and are available for voluntary use. In four years, no brokers or importers have chosen to use them. Customs allows cash, credit cards, checks and electronic payment and Customs officers handle the

transactions. Collection desks are under video surveillance by the Internal Affairs Branch of the Intelligence Section. Consideration is being given to a pilot test this year to establish a bank branch at a major Customhouse and transfer collection responsibilities to bank personnel. Such change in procedure is highly recommended.

- 4.13 If external consultants and contractors are involved in the provision or support of computer systems, have they been subject to security checks, and have supervision and accountability systems been established to monitor performance?

Yes.

- 4.14 Does the administration have an on-line action plan supported by an IT security strategy addressing the risks associated with on-line electronic trading?

The administration has a security strategy covering all aspects of automated systems.

- 4.15 Are standardized data requirements as defined in the WCO Customs data model applied?

Yes.

- 4.16 Are there appropriate operating procedures to support the use of electronic trading?

Yes.

- 4.17 Is the use of on-line trading supported by self-assessment and audit-based controls?

Yes.

- 4.18 Is there a program of developing partnerships with business with the aim of increasing voluntary compliance with electronic commerce requirements?

Yes. Customs has established and implemented an Authorized Economic Operator program (The Golden List) that is in accordance with WCO guidelines and philosophy of encouraging voluntary compliance. The Golden List program has been favorably reviewed by US. Customs and Border Protection C-TPAT evaluators. (C-TPAT = Customs-Trade Partnership against Terrorism).

Jordan Best Practice Cited in WCO Integrity Best Practices Compendium:

“The application of the international standards of clearance procedures and day to day duties “ASYCUDA” – The Automated System for Customs Data This system connects Customs directly to the clearance companies through the DTI (Direct Trade Input) which minimizes the opportunity for the inappropriate exercise of official discretion.

Establishing several Central Database Systems; such as :

The Central Value Database System

Upgrading the Case Database System (based on CEN) and connecting it to the Risk Management Directorate and Intelligence Section

Guarantees System (applied in the HQ and other customhouses)

Exemptions System

Travellers Procedures System

5.0 REFORM AND MODERNIZATION CHECKLIST

Corruption typically occurs in situations where outdated and inefficient practices are employed and where clients have an incentive to attempt to avoid slow or burdensome procedures by offering bribes and paying facilitation fees. Customs administrations should reform and modernize their systems and procedures to eliminate any perceived advantages which might be obtained through circumventing official requirements. Such reform and modernization initiatives should be comprehensive in nature and focus on all aspects of Customs operations and performance. The Revised Kyoto Convention provides a sound reference point for such initiatives.

- 5.1 Is the administration's reform and modernization process based on a comprehensive diagnosis of the administration's capacity needs?

Yes. Customs has welcomed the support of various technical assistance projects in its modernization process.

- 5.2 Is the reform and modernization program comprehensive in nature and does it address all the key functional areas of Customs?

Yes.

- 5.3 Have sufficient human and financial resources been allocated to the reform and modernization program?

Yes.

- 5.4 Do staff members within the administration have access to expert advice and assistance necessary to ensure effective implementation of reform and modernization initiatives?

Yes.

- 5.5 Has attention been paid to ensuring the active involvement of key stakeholders, including the private sector and other government agencies?

The representatives of the Forwarders Syndicate spoke favorably of Customs welcoming their involvement.

- 5.6 Has relevant industry been consulted well in advance of reform?

The representatives of the Forwarders Syndicate spoke favorably of Customs welcoming their involvement but stated that many changes mandated by higher levels of Government are implemented without consultation or advance notice. They also stated that in these cases, Customs often does not have advance notice. It was noted that the Ministry of Industry and Trade is working toward improving predictability for traders.

- 5.7 Do staff members have a strong sense of ownership, and are they committed to the reform and modernization program?
- Yes, the sense of ownership and an almost pervasive commitment to professionalism and modern procedures and practices are easily discernable.
- 5.8 Has the reform and modernization program focused specifically on improving integrity?
- The reform and modernization program has given the highest priority and attention to improving integrity.
- 5.9 Are Customs' administrative controls designed to deter corruption and foster integrity?
- Yes.
- 5.10 Has job design and redesign focused on eliminating the corruption inducing factors of monopoly power, officer discretion and low levels of control or accountability?
- Yes.
- 5.11 Have other government agencies been consulted and areas of common activity simplified?
- The consultant was not able to meet with the Planning and Organization Directorate; however, a high level Border Management Task Force has been reactivated to design a single window process, with assistance from CAMP.
- 5.12 Has the reform and modernization process included an external review of the changes?
- Yes. Customs has developed a close working relationship with and taken advantage of external reviews and recommendations provided by international technical assistance project teams.
- 5.13 Has reform and modernization included an external audit to ensure that the reform is cost-effective and efficient?
- The consultant was not able to meet with the Planning and Organization Directorate; however, based on risk management inefficiencies it would appear that this has not been the case.
- 5.14 Are performance targets being set for core Customs processes?
- Yes. Results are reported in the Customs Annual Report.
- 5.15 Has Customs developed a process review mechanism that will ensure cyclical improvement?
- Yes.

5.16 Does Customs staff participate in the reform and modernization of their processes?

Yes, when performed by the TQM Directorate.

5.17 Have Customs processes been benchmarked with other administrations?

Yes.

5.18 Does the reform and modernization program focus on the adoption of agreed international standards and instruments (for example, the revised Kyoto Convention)?

Yes. Jordan Customs is a signatory to the Revised Kyoto Convention and the Customs code has been redrafted to comply with Kyoto provisions. The law has not yet been formalized by the cabinet.

5.19 Has Customs increased possibilities for electronic data submission?

It is not necessary to increase possibilities. Approximately 98% of declarations are filed electronically. Migration from ASYCUDA++ to ASYCUDA World will provide the capability to accept electronic invoices and supporting documents. Before this can happen, however, the Government will have to legalize electronic signature and the telecommunications infrastructure will need to be upgraded. (CAMP is upgrading the internet and telecommunications network.)

5.20 Has Customs identified compliant traders so that their entries may be fast tracked to enable targeting of high-risk traders?

Customs has initiated a "Golden List" Authorized Economic Operator program that encourages compliance through voluntary agreement on the part of the trader to maintain a high compliance level and to implement processing and security standards.

5.21 Has Customs considered the post-release collection of taxes and duties?

This is not allowed under current Ministry of Finance regulations.

6.0 AUDIT AND INVESTIGATION CHECKLIST

The prevention and control of corruption in Customs can be assisted by the implementation of a range of appropriate monitoring and control mechanisms such as internal check programs, internal and external auditing and investigation and prosecution regimes. Such regimes should strike a reasonable balance between positive strategies to encourage high levels of integrity and repressive strategies designed to identify incidences of corruption and to discipline or prosecute those personnel involved. Customs personnel, clients and the general public should be encouraged to report corrupt, unethical or illegal activity and, when such information is provided, it should be investigated in a prompt and thorough manner and sources should be protected. Where large scale or complex investigations are warranted or in administrations where corruption is widespread, there should also be recourse to independent anti-corruption agencies.

- 6.1 Have effective internal audit and internal investigation/affairs units and programs been established and appropriately resourced?

An Intelligence Section has been established to perform these functions. The unit is in its formative stages and has been in existence for approximately three months. As of June 2007, staffing resources are inadequate. However, Customs plans to upgrade the status of the Section to a Directorate and create an Internal Affairs Section within the Intelligence Directorate.

This matter also has been given careful consideration by both the CAMP Human Resources management consultant and the EU-Jordan Customs Assistance Twinning Project, and both have identified the need for a specialized Intelligence Directorate that would concentrate on developing and analyzing information related to smuggling, commercial fraud and other Customs issues. This is the classic application of the intelligence function to a Customs administration. The internal affairs function, within the current Intelligence Section, needs to be designated and upgraded as a separate Internal Affairs or Internal Investigations Directorate.

- 6.2 Are the role and functions of such units promoted within the organization, including procedures for reporting instances of alleged corruption?

Yes. Established reporting and screening mechanisms appear to be effective.

- 6.3 Are the people selected to perform such functions at arms length from the officials they are investigating?

Generally yes, but due to current resource limitations, some functions are delegated to the Legal Directorate which may then delegate the investigation to a public prosecutor assigned to the same work location as the officer being investigated.

- 6.4 Are they sufficiently trained, and do they have appropriate powers of investigation?

They have received some training assistance, but require in-depth onsite training and mentoring. They have the necessary authority.

6.5 Is the audit program sufficient to ensure regular review of high-risk work areas and functions?

Yes. The audit function is highly developed and conducts a minimum of two announced audits of every Customs office annually, supplemented by unannounced audits.

6.6 Are any data obtained from audits and investigations analyzed to identify trends, vulnerabilities, and opportunities for improvement?

Yes. Effective communications paths and cooperation exist between the audit, risk analysis and intelligence staffs

6.7 Is the general control environment conducive to maintaining high levels of integrity (internal controls, audit trails, reporting relationships, level of staff competence, delegations etc.)?

Yes. The control and monitoring environment is well-developed.

6.8 To what extent do major activities carry an inherent risk of corruption (dealing in cash, approving applications, licenses, permits etc.) and what systems have been put in place to identify and manage these risks?

Cash collections always carry a risk of corruption. Cash collection sites are monitored by the Intelligence Section via television and internal audits are conducted on a regular basis. Internal controls, inspections and audits have been created to cover all aspects of Customhouse operation. There is an over-reliance, however, on paper forms and small amounts of cash are left laying on the cashier's desk rather than being secured in a cash box or cash register.

6.9 Does the audit function ensure that effective and comprehensive internal controls are in place to prevent corruption?

Yes.

6.10 Are inspections and examinations subject to regular internal audit, peer review, and/or independent review?

Yes.

6.11 Are the results of audits reported and regularly followed up for review?

Yes

6.12 Have special task forces been established to conduct unannounced inspections at high-risk Customs posts?

Yes. Dedicated staffs have been established to perform these functions. Ad-hoc teams are formed to conduct each unannounced inspection.

- 6.13 Are staff members aware of the positive role of the special task forces?
These are not special task forces. Staff members interviewed were uniformly aware of the positive role.
- 6.14 Are records kept of all high-risk decisions made by officials for later review and audit?
Yes.
- 6.15 Where large-scale corruption is suspected or alleged, does Customs have access to an independent anti-corruption investigation authority?
Yes.
- 6.16 Are clients, the general public and third parties such as banking institutions actively encouraged to report instances of corruption or attempted corruption?
Yes.
- 6.17 Are staff aware of the channels they should follow to report instances of corruption?
Yes.
- 6.18 Can staff members report instances of corrupt activities in a way that bypasses their immediate supervisors or work areas, for example, directly to an internal affairs unit?
Yes.
- 6.19 What guarantees/commitments are provided to clients, third parties and staff that any information provided will be treated confidentially? Are they kept?
Confidentiality requirements are set forth in the Customs Code.
- 6.20 Are allegations of corruption followed up? Does the audit and investigation function include education and other preventative strategies?
Yes to all three questions.
- 6.21 Are actions taken as a result of audit and investigation?
Yes.
- 6.22 Are these actions communicated to staff?
They are communicated to the responsible manager who must respond with corrective action.
- 6.23 Are sufficient resources available to ensure allegations are fully investigated?
Not at the present time. However, the Department intends to increase staffing resources.

7.0 CODE OF CONDUCT CHECKLIST

A key element of any effective integrity program is the development, issue and acceptance of a comprehensive code of conduct which sets out in very practical and unambiguous terms the behavior expected of all Customs personnel. Penalties for noncompliance should be articulated in the code, calibrated to correspond to the seriousness of the violation and supported by appropriate administrative and legislative provisions.

7.1 Does Customs have a formal Code of Conduct?

Yes.

7.2 Was Customs' Code developed in consultation with clients, other government agencies and staff at all levels?

The Code of Conduct was developed by an internal working group.

7.3 Does the Code provide a range of practical examples and guidance for dealing with ethical issues that is relevant to the different types of work carried out by staff in Customs?

Yes.

7.4 Are staff members required to sign a provision indicating that they have read and understand the Code, and accept its provisions, obligations and responsibilities?

Yes. They are also required to swear an oath.

7.5 Are new and existing staff members given training in the application of the Code?

Yes. Staff training has been conducted since 2001.

7.6 Is the Code readily accessible to all staff and periodically promoted within the organization?

Yes.

7.7 Do senior managers promote the Code with their staffs and lead by example?

Yes.

7.8 Do supervisors and managers take appropriate action when staff members fall short of required standards?

Yes.

7.9 Is the Code promoted to clients, especially in relation to acceptance of gifts and tokens, and appropriate relations with stakeholders?

Yes.

- 7.10 Are there appropriate sanctions for non-compliance with the Code?
Yes.
- 7.11 Does the Code describe management and staff responsibilities with respect to the collection, storage, maintenance and dissemination of information obtained in the course of duty?
Yes.
- 7.12 Does the Code include provisions related to the acceptance of gifts, rewards, hospitality and discounts?
Yes.
- 7.13 Are staff members required to declare their investments, assets, indebtedness and possible conflicts of interest?
Staff members are not required to file financial declarations. Conflicts of interest are addressed in the Code.
- 7.14 Are members staff required to declare any financial problems or hardships they might be facing?
No.
- 7.15 Are appropriate mechanisms in place to provide financial support to officials facing temporary hardship in order to ensure that they are not tempted to engage in corrupt practices to overcome financial problems?
No.
- 7.16 Do effective disciplinary measures exist in Customs or public sector legislation?
Yes.
- 7.17 Are there appropriate mechanisms for staff to report suspected breaches of the Code?
Yes.
- 7.18 Are there procedures in place to investigate alleged or suspected breaches of the Code?
Yes.
- 7.19 Are breaches of the Code fully investigated and the results made available?
Yes. The results are made available only to those who have a need to have access to them.

7.20 Has the introduction of a limited amnesty been considered as an element of the integrity strategy?

No.

7.21 Do members of the senior management team lead by example and model behavior that is consistent with the spirit of the Code of Conduct?

Yes.

7.22 Does the Code describe the values of the administration in a practical way?

Yes. This is supplemented by the Customs Department's published Values Statement and Mission Statement which follow:

Mission of the Customs Department

Providing an excellent Customs service that fulfills the comprehensive growth requirements and copes with the developments at the national and international levels by:

- Contributing to the commercial and economic growth of the Kingdom and promoting investment.
- Continuing to supply State Treasury with revenues.
- Controlling the movement of passengers and goods across the borders of the Kingdom.
- Combating smuggling and other illegal trade activities.
- Protecting the environment and the local community.
- Achieving discipline and accountability of employees.

Values of the Customs Department

Customs service in Jordan is based on deep-rootedness, excellence and pride. The following values depict the loyalty and patriotism of Customs officers:

- Integrity: Knowing the good and bad as well as the allowed and forbidden, besides behaving in away that upholds the reputation of the Jordan Customs.
- Professionalism: Performing the job efficiently, accurately and effectively.
- Discipline and accountability: Every employee should perform his duties and be responsible for them.
- Creativity and learning: The ability to create new ideas in our work and providing all employees with them.
- Equity: Treating all in a civilized and fair way, making balanced, reasonable and impartial decisions.
- Focus on results and clients: Results must be the basis of our work; we must do our duties in a professional and high standard way under fair competitiveness.
- Pride: We believe in our mission, are proud of our Jordan Customs deep-rootedness, and we are ready to spare no effort to maintain that.

- Culture of excellence: Always endeavor to root the culture of excellence in our performance at the local, regional and global levels.
- A learning Jordan Customs: Endeavor to be a permanently learning Jordan Customs applying successful knowledge management strategies.

Jordan Best Practice Cited in WCO Integrity Best Practices Compendium

The Jordanian Customs Department has issued the “Code of Conduct and Job Ethics Guidebook” which sets out the following matters:

- *Performing duties, good management of time, good appearance*
- *Commitment to laws, instructions and regulations*
- *Tact*
- *Faithfulness*
- *Drinking alcohol, using drugs or gambling*
- *Dealing with criminals or violators*
- *Previous criminal behavior*
- *Preserving public property*
- *Property and goods of the country*
- *Keeping confidential information*
- *Financial matters, banning presents, accepting favour, performing responsibilities*
- *Conflicts of interest, banning external work that conflicts with job performance*
- *Notification of violations and arrests*

The officers are acquainted with the Code of Conduct and Job Ethics Guidebook through the training courses held in the Customs Training Centre as well as through the distribution of this Guidebook to all customs personnel in their workplaces.

8.0 HUMAN RESOURCES MANAGEMENT CHECKLIST

The implementation of sound human resource management policies and procedures plays a major role in the fight against corruption in Customs. Human resource management practices, which have proved useful in controlling or eliminating corruption in Customs, include :

- *providing sufficient salary, other remuneration and conditions to ensure Customs personnel are able to maintain a decent standard of living;*
- *recruiting and retaining personnel who have, and are likely to maintain, high standards of integrity;*
- *ensuring staff selection and promotion procedures are free of bias and favoritism and based on the principle of merit;*
- *ensuring that decisions on the deployment, rotation and relocation of staff take account of the need to remove opportunities for Customs personnel to hold vulnerable positions for long periods of time;*
- *providing adequate training and professional development to Customs personnel upon recruitment and throughout their careers to continually promote and reinforce the importance of maintaining high ethical and professional standards; and*
- *implementing appropriate performance appraisal and management systems that reinforce sound practices and that foster high levels of personal and professional integrity.*

8.1.1 Do staff members receive sufficient remuneration to maintain a reasonable standard of living?

Yes.

8.1.2 Are remuneration levels for Customs officials comparable to similar public/private sector positions?

Yes. When Customs vacancies are announced, it is quite common to receive a large number of applicants from private industry.

8.1.3 Is the government aware of the important role that conditions of service, and in particular, adequate remuneration, plays in maintaining high standards of integrity?

Yes. The Government has raised Customs to a special status with respect to salaries and Customs has established a sophisticated schedule of salary, supplemental amounts, benefits and awards.

8.1.4 Do remuneration levels for Customs officials take into account the opportunity presented by Customs work to supplement income through illegal commissions?

Yes.

8.1.5 Are mechanisms available to identify signs of serious indebtedness of staff?

No.

8.1.6 Is there a reward system, and if so, is it fairly administered?

Yes. The CAMP Human Resources Management Consultant has reviewed the rewards system and concluded that it is both effective and fairly administered.

8.1.7 If so, does the reward system share the benefits widely amongst all staff that demonstrate appropriate ethical standards; does it encourage the development and maintenance of high standards of work performance; or does it only recognize a small number of those officials who work in a particular area where seizures and prosecutions are commonplace?

Yes to the first two questions.

(RECRUITMENT, SELECTION AND PROMOTION)

8.2.1 Are selection criteria published and strictly adhered to for all Customs vacancies?

Criteria are published for new positions. Sound criteria are not established for promotion of staff into higher level positions.

8.2.2 Do the selection criteria focus on high ethical standards as well as job specific knowledge and technical competence?

Yes.

8.2.3 Is the appointment and selection process based on merit or does it help to know someone in Customs?

The initial appointment process appears to be almost exclusively based on merit.

8.2.4 Is staff fully aware of the selection process and are results communicated promptly?

As identified in the Review of Jordan Customs Training Program conducted by CAMP, there is a lack of clarity among Customs employees as to how officers are selected for managerial leadership positions. This evaluator concurs with recommendation 6 of that report. The CAMP Training Program Consultant has proposed a new merit promotion system.

8.2.5 Are selection committees selected to ensure they are impartial?

Yes.

8.2.6 Are members of selection committees chosen on the basis that they come from different work areas?

Yes.

- 8.2.7 What external checks are performed on new recruits (for example background and police checks, previous employment records, references)? Are references and qualifications always checked?

References are checked and police checks are conducted prior to appointment.

- 8.2.8 To what extent are conflicts of interest tolerated? Are officials allowed to engage in secondary employment, and if so, do they have to obtain approval to do so?

Advanced approval is required. Failure to obtain it can result in disciplinary consequences.

- 8.2.9 Are officials nominated for promotion assessed on merit and their willingness to accept an appropriate level of responsibility for corruption prevention and promotion of integrity? Is acceptance of the Code of Conduct a prerequisite for employment?

Acceptance of the Code of Conduct is mandatory. The merit promotion process is unclear. The CAMP Human Resources Management Consultant is addressing this situation.

(DEPLOYMENT, ROTATION AND RELOCATION)

- 8.3.1 Are staff members prevented from holding vulnerable positions for long periods of time?

Yes. But the system appears to lack written guidelines.

- 8.3.2 Are staff members expected to transfer or rotate at regular intervals?

They are expected to transfer or rotate when directed to do so.

- 8.3.3 Are rotation guidelines clear and is rotation/mobility a clearly understood condition of service?

Mobility is a clearly understood condition; however, there is no routine or scheduled rotation system. Customs has addressed integrity issues through intensive and overlapping internal audits and internal inspections. The CAMP Human Resources Management Consultant has recommended that Customs establish a managed rotation system.

- 8.3.4 Has consideration been given to a separate rotation scheme for technical positions?

Not applicable.

- 8.3.5 Is the rotation policy enforced and subject to independent review?

No. But the CAMP Human Resources Consultant is recommending policies and guidelines for equitable rotation of employees.

- 8.3.6 Are there established mechanisms in place to oversee the rotation of staff at regular intervals? Is this process free of bias or favoritism?

Mechanisms are in place; however, there seems to be a lack of written policy guidelines. This is being addressed by the CAMP Human Resources Management Consultant.

- 8.3.7 Does the working environment foster the development of an inappropriate relationship between staff and clients?

Yes.

- 8.3.8 If so, what mechanisms are in place to ensure suitable control, accountability and supervision of staff working in such environments?

Documentation, audit trails, internal checks, internal audits, closed-circuit television monitoring of work areas.

- 8.3.9 At the point of interaction with the public, such as passenger and cargo control points, are there mechanisms in place to prevent prior knowledge that particular officials will perform particular functions at certain times?

Yes, automated systems have been implemented.

- 8.3.10 Are functions segregated in areas that are vulnerable to corruption? For example is it possible for an individual official to initiate, check and authorize payments?

Yes. Functions are well segregated.

- 8.3.11 Are examinations and inspections allocated on a random basis, rather than on a commodity, industry or geographical basis?

Not to any appreciable extent.

- 8.3.12 Are inspections subject to regular independent review?

Yes.

(TRAINING AND PROFESSIONAL DEVELOPMENT)

- 8.4.1 Does all formal training cover and reinforce the integrity/anti-corruption message and focus on the standards of behavior expected of all officials?

Yes.

- 8.4.2 Does the administration provide formal vocational training and structured on-the-job training for staff covering both general and specialist skills?

Yes. The Customs Training Center was opened in 1998, and work is currently in progress to also establish a Regional Customs Academy with academic accreditation.

8.4.3 Are new recruits specifically given introductory training regarding integrity principles/Code of Conduct in the organization?

Yes. This training has been ongoing since 2001 and has undergone two revisions.

8.4.4 Is the on-the-job training structured and positive, and does it reinforce the integrity policies of the administration?

Yes. On-the-job training is well designed.

8.4.5 Is there a program of succession planning to ensure that the administration does not become over-reliant on a few key individuals?

No formal succession planning program was identified. This issue was identified in the Review of Jordan Customs Training Program conducted by CAMP. This evaluator concurs with recommendation 6 of that report.

8.4.6 Is the effectiveness of training periodically evaluated?

There is no consistent method in place to measure effectiveness of training. This issue was identified in the Review of Jordan Customs Training Program conducted by CAMP. This evaluator concurs with recommendation 8 of that report.

8.4.7 Are responsibilities and accountabilities for corruption prevention and detection clearly identified and understood by all staff? Do these responsibilities include identifying and correcting any behavior that falls below expected standards?

Yes.

8.4.8 Does the performance management/appraisal system identify development needs and reinforce integrity principles?

No, it stands alone from the Code of Conduct and disciplinary systems, and there is no specific mention of development needs in the performance appraisals.

8.4.9 Are local operating practices consistent with the content of formal training programs?

Yes.

(PERFORMANCE MANAGEMENT/APPRaisal)

8.5.1 Does the administration have a performance appraisal system in place?

Yes.

8.5.2 If so, is the system fairly administered and regularly monitored and reviewed?

Yes.

8.5.3 Are performance appraisals undertaken on a regular basis?

Yes, quarterly.

8.5.4 Is there a reward system linked to the performance appraisal system?

Yes.

8.5.5 If so, does the reward system share the benefits widely amongst all staff that demonstrate appropriate ethical standards, does it encourage the development and maintenance of high standards of work performance, or does it only recognize a small number of those officials who work in a particular area where seizures and prosecutions are commonplace?

Yes to the first two questions; however, it stands alone and is not adequately linked to the performance evaluation system.

8.5.6 Does the performance appraisal system link performance to the administration's Code of Conduct?

No. For non-supervisory employees, the Code of Conduct and the performance appraisal system can stand alone. Supervisory employee performance plans should include the responsibility for ensuring that subordinates perform their duties in accordance with the Code of Conduct.

8.5.7 Is demonstrating a high level of personal and professional integrity specifically included in the performance appraisal process?

Indirectly, but this could be improved.

8.5.8 Do staff members have the opportunity to challenge their performance assessments if they disagree with any aspect of their appraisals?

No, the performance evaluation is secret. Only the final score is shared with the employee. If the employee is rated "weak", he or she may appeal to a committee.

8.5.9 Are managers required to take an active role in managing the performance of staff?

Yes, with demonstrable results. This year, Customs won the King Abdullah Golden Award for best performance of any department within the 42 ministries. A Customs manager won the award in the best individual government manager category.

Jordan Best Practice Cited in WCO Integrity Best Practices Compendium

Jordan – transfer and rotation

“Policy of Transfer and Rotation: For the purpose of promoting transparency and participating in this subject, Jordan Customs Department relies on the following:

- *Consultation with the managers of Directorates and Customs Houses regarding the transfer of officers*
- *Forming a committee to consider the transfer applications in accordance with the Department’s need and circumstances.*
- *Using the transfer and rotation policy on the partial level (inside the Directorate or Customs House) in such a manner that experiences and abilities of officers are developed as well as acquainting them with the different jobs tasks in the Customs House.”*

9.0 MORALE AND ORGANIZATIONAL CULTURE CHECKLIST

“Corruption is most likely to occur in organizations where morale or ‘esprit de corps’ is low and where Customs personnel do not have pride in the reputation of their administration. Customs employees are more likely to act with integrity when morale is high, where human resource management practices are fair and where there are reasonable opportunities for career development and progression. Employees at all levels should be actively involved in the anti-corruption program and should be encouraged to accept an appropriate level of responsibility for the integrity of the administration.”

- 9.1 Do senior managers lead by example and demonstrate their commitment to integrity and fairness through their behavior?

Yes. Interviews with the Senior Management team clearly confirmed a high level of leadership and management commitment to integrity and professionalism. This leadership and commitment have effectively been translated into action.

- 9.2 Is senior management decision-making open and transparent?

Yes. Senior management has delegated authority in writing to subordinate managers to make decisions within their areas of expertise and responsibility.

- 9.3 Are staff encouraged, recognized, acknowledged or rewarded for identifying methods by which corruption can occur and for suggesting improved control mechanisms?

Yes. Customs has both complaint and suggestion boxes in almost every corridor. Complaint forms are routed to the Intelligence Section and suggestions are routed to the Total Quality Management Directorate.

- 9.4 Are special project teams used to develop integrity strategies for their work areas? Do all staff members have the opportunity to contribute?

Customs has established a disciplinary council that oversees the integrity program. Regular meetings of senior managers with officers in their work areas and the complaints and suggestions programs offer all staff the opportunity to contribute. There was no indication of routine use of special project teams to develop integrity strategies.

- 9.5 Are activities undertaken to measure levels of morale, such as staff surveys to gather feedback and provide suggestions?

Yes. There are complaint and suggestion boxes, and senior manager meetings are held with line officers.

- 9.6 Are mechanisms available in which staff can raise, discuss and resolve any cultural and/or moral issues that impact on the administration’s anti-corruption efforts?

Yes. Customs officers are free to raise any question to their supervisors, to the next level supervisory officers, or to any of the members of the Disciplinary Committee or the

Intelligence Section. The Intelligence Section, however, with its limited staffing is not able to take a proactive approach in this effort.

- 9.7 Are meetings and staff journals used to communicate the standards of expected behavior, instances of meritorious behavior, and exposure of those found to be involved in corruption?

Standards of behavior and examples of meritorious behavior are addressed in staff meetings and journals.

- 9.8 Do the administration's systems and culture recognize and respect the rights of staff and the need for fairness in all human resource management matters?

Yes. Employee rights are clearly delineated.

- 9.9 Is staff recognized or rewarded for performance demonstrating high levels of integrity?

Yes. The incentives award program allows for appropriate staff recognition.

- 9.10 Are internal communication mechanisms used to discuss integrity and ethical issues? Are cases of corruption discussed openly?

Internal communications mechanisms exist. Customs maintains an observable atmosphere of integrity and accountability.

- 9.11 Is prompt action taken against those who fail to meet integrity standards?

Yes. Screening, investigations, management review, and disciplinary systems are in place and effectively managed. Cases warranting criminal prosecution are promptly referred to appropriate authorities.

- 9.12 Is effective legislation in place that protects staff that report breaches of integrity?

Answer was not obtained.

- 9.13 To what extent are staff members at all levels encouraged to identify and report breaches of integrity?

Promoting integrity is addressed through training and management meetings. Signs with a toll free reporting number are posted at all Customs offices, but these are not specifically targeted at Customs staff. It is not clear that there is a concerted effort within Customs in this regard. This should be a responsibility of an internal affairs unit. The Intelligence Section, with its limited staffing and broad area of responsibility, is not able to take a proactive approach in this effort.

- 9.14 Are staff members who come forward to report corrupt practices rewarded or victimized?

Neither, but they are protected.

9.15 Are penalties for corrupt behavior sufficient to deter inappropriate behavior?

Yes. Penalties include loss of pay, suspension from duties until final determination, removal for cause and criminal prosecution.

10.0 RELATIONSHIP WITH THE PRIVATE SECTOR CHECKLIST

Customs administrations should foster an open, transparent and productive relationship with the private sector. Client groups should be encouraged to accept an appropriate level of responsibility and accountability for the problem and the identification and implementation of practical solutions. The establishment of Memoranda of Understanding between Customs and industry bodies can be useful in this regard. Likewise, the development of codes of conduct for the private sector, which clearly set out standards of professional behavior, can be useful. Penalties associated with engaging in corrupt behavior must be sufficient to deter client groups from paying bribes or facilitation fees to obtain preferential treatment.

10.1 Have all relevant stakeholders and clients been identified and their support and co-operation obtained?

Yes. Customs and the trade have formed a Partnership Council. Comments from the Forwarders Syndicate were favorable regarding the council and the level of cooperation with Customs.

10.2 Do client groups accept a share of responsibility for both the problem and the solution?

Yes. The president of the Forwarders Syndicate stated that he never comes to Customs with just a problem; he always comes with solutions and alternatives. He stated that Customs has been quite receptive to recommendations.

10.3 Have appropriate consultative mechanisms been established to facilitate communication and co-operation between Customs and client groups?

Yes, through a Customs-Trade Partnership Council and Customs Advisory Committee.

10.4 Have major client groups been involved in the development of Customs' anticorruption strategies?

No.

10.5 Have formal co-operative arrangements been established with industry bodies incorporating aspects such as the knowledge of Customs' procedures, information exchange and two-way training?

Yes, through a Customs-Trade Partnership Council and Customs Advisory Committee, the Customs Training Center and the Information Technology Directorate.

10.6 Has the development of codes of conduct for the private sector, which clearly set out standards of professional behavior, been established?

No.

10.7 When corrupt practices are detected involving members of client groups, are clients penalized for engaging in such behavior? Are the penalties imposed sufficient to deter future violations?

Yes.

10.8 Do legal provisions appropriately recognize all parties involved in corrupt practices or do they only cover the Customs officials involved?

Both.

10.9 Are clients, the general public and third parties such as banking institutions actively encouraged to report instances of corruption or attempted corruption?

Yes, via the internet and by signs and posters in every Customs office.

10.10 Are mechanisms in place for reporting instances of corruption, such as hotlines or a complaints and compliments system? Are these mechanisms regularly promoted to stakeholders?

Yes. Customs maintains a toll free hotline that is fully staffed with competent officers and supported by an automated system to record complaints.

10.11 What guarantees/commitments are provided to clients and third parties that any information provided will be treated confidentially? Are these commitments kept?

Article 175 of the Customs Code provides that Customs employees must consider all documents, information and statements, as well as any other information relating to this law or execution of its provisions as secret and confidential and shall be handled accordingly. The Code of Conduct reinforces this requirement in Article 7.

10.12 Are mechanisms in place to investigate information provided to Customs by third parties?

Yes.

10.13 Do clients accept their share of responsibility for maintaining a corruption free environment?

The larger clients accept responsibility, particularly those enrolled in the voluntary Golden List authorized economic operator program.

10.14 Is there a client communication strategy not only to provide information to clients, but also to promote the achievements of Customs?

Customs and CAMP are working together to develop a client communication strategy and campaign. A local firm will be contracted to do scientific research of public perception of the way Customs operates and relates to the trade and travelling public. In the autumn of 2007, a communications expert will develop and recommend a Communications Strategy to improve Customs' interaction and image with the public/trade sector and with other agencies.