

CHEMONICS INTERNATIONAL INC.

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CHEMONICS INTERNATIONAL INC.

Electronic Document Submission Title Page

Contract No.: 278-C-00-02-00210-00

Contractor Name: Chemonics International, Inc.

USAID Cognizant Technical Office: Office of Economic Opportunities
USAID Jordan

Date of Product/Report: 18 October 2004

Document Title: Consolidation of Customs Recommendations

FINAL

Author's Name: John Howard

Activity Title and Number: Achievement of Market-Friendly Initiatives and Results
Program (AMIR Program)

Consolidation of Customs Recommendations
555.01 Customs Institutional Development

Name and Version of Application
Software Used to Create the File: *MS Word 2002*

Format of Graphic and/or Image File: *N/A*

Other Information: *WinZip Windows*

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555.01 Customs Institutional Development

Funded by U.S. Agency for International Development

This report was prepared by John Howard, in collaboration with The Services Group, a Subcontractor to Chemonics International Inc., prime contractor to the U.S. Agency for International Development for the AMIR Program in Jordan.

Data Page

Name of Component: Private Sector Policy Initiative

Author: John Howard

Practice Area: Trade and Investment

Service Offering: N/A

List of Key Words
Contained in Report: Customs, ASEZA, Intelligence, Risk Management, Compliance, Human Resources, database.

Abstract

Since 1988 AMIR Program consultants have prepared forty-six reports on a wide variety of customs activities in Jordan. This work was funded by USAID and the project has been managed by the AMIR Program based in Amman, Jordan. While the reports have been wide-ranging and regular there is an identifiable need to develop a tracking system to ensure that progress with implementation of recommendations is made easier for both the Jordan Customs Department (JCD) and the AMIR Program. Given this need, a high-level steering committee was created within the JCD that will examine each report and recommendation with a strategic and operational context. Having the ability to track and report on progress with the reports and recommendations will provide a new level of accountability that is sought by USAID, the AMIR Program, and the JCD.

Abbreviations and Acronyms

AMIR	Achievement of Market-friendly Initiatives and Results Program
JCD	Jordan Customs Department
PDA	Personal digital assistant
USAID	United States Agency for International Development

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Executive Summary

The scope of work for this report called for the development of a database that would form the foundation of a system to track and review progress on reports and recommendations prepared by AMIR consultants. This database was delivered on schedule and is profiled in the report.

The report incorporates the findings from two “watershed” meetings between AMIR consultants and JCD senior executives. While the reports and recommendations were not considered in detail by the JCD executives at these meetings, the discussions were significant in that they helped identify and prompt a number of extremely innovative proposals that will ultimately deliver better accountability and success in implementing the recommendations contained in the reports.

The term “watershed” is used quite deliberately in this report to describe, as per the dictionary definition¹, “a turning point in a state of affairs.” A major outcome from these two meetings was a proposal to establish a high level steering committee², chaired by the Director General, which would oversee, prioritize and monitor the recommendations made in the AMIR reports.

Recommendations

- Customs will establish a high level committee, chaired by the Director General, and comprising senior executives (directors) from all the key areas of customs to oversee, prioritize and monitor the recommendations made in the AMIR reports.
- AMIR will, in all future reports sent to JCD, have the recommendations included in the Executive Summary and the summary will be translated into Arabic.
- Customs will seek endorsement from the high level committee to place the AMIR reports executive summaries on the JCD intranet.

¹ *Pocket Oxford English Dictionary*, Ninth Edition 2002, Oxford University Press.

² At the time of writing this report, advice was received from AMIR that the Director General has agreed to establish and chair this new committee.

1. Background

1.1 Objective

The objective of this report is to review previous reports prepared under the AMIR 2.0 Program (and the matrix of recommendations) and to establish the current status of the reports and recommendations. The complete task of work and the objectives are contained in Annex 1.

1.2 Methodology

When the Scope of Work was first provided to the consultant it contained a number of tasks, one of which was to develop a database to track recommendations, track progress against each recommendation and produce reports.

The consultant undertook a number of interviews with key personnel in the AMIR II office in Amman, Jordan and developed the key field requirements based on these interviews. A database was then developed over a period of weeks and the consultant input a number of AMIR II reports in order to conduct a rigorous testing of the system.

Thirty-two (32) reports have been written so far in the AMIR II customs reform and modernization project. The consultant read all the reports prior to returning to Jordan in August 2004 and at the same time populated the database using the information from the reports. The database was then delivered to the Subcomponent Manager, as specified in the Scope of Work, 25 days prior to the commencement of the assignment in Amman. At Annex 2 is a selection of screen prints from the database.

The consultant also conducted a preliminary assessment of the reports and recommendations with a view to identifying dated and superceded material. This exercise would have to be confirmed or revised by customs after their review was complete (for details, see Table 1).

There were two meeting with senior customs personnel, the first on Sunday 5 September and the second on Tuesday 14 September 2004. A more detailed report on the outcome of these two meetings appears later in this report.

1.3 Statistics

Thirty-two reports with 332 recommendations were written by AMIR consultants during 1 August 2002 to 30 July 2004.

The reports can be divided into the following broad categories –

- Communications
- Legislation

- Intelligence
- Risk Management
- Human Resource Development
- Customs Bonds
- Governance, Strategy and Training
- Kyoto Convention
- Information Technology
- Compliance and Due Diligence

A number of the reports and associated recommendations are dated and the recommendations are no longer relevant to customs or the AMIR program. For example, there is a report dated 1 February 2003 on the impact of the evacuation of AMIR staff from Jordan and another on the use of personal digital assistants (PDAs) in Aqaba Special Economic Zone Customs. Both these events were given priority at the time but there is no input required from JCD so the reports will not be included in the references provided to the JCD. Annex 3 contains further breakdown of the reports completed in AMIR 1 and AMIR II.

Table 1

Report Name	No. of recommendations	No. of recommendations still current	No. of recommendations outdated, superseded or not implemented
Development of Border Risk Management, Intelligence & Risk Management Capabilities	17	4	13
Development and Integration of Risk Management, Intelligence and Investigation Capabilities within Jordan Customs	47	10	37
System Approach to Training	4	0	4
♣ Strategic Planning, Management & Leadership	4	0	4
♣ PDA Proof of Concept Plan for ASEZA Customs	3	0	3
Report on the Legislation Management Workshop	5	2	3
IT Strategic Plan for the Jordan Customs Department	16	8	8
♣ Internal and External Communications Development	15	0	15
♣ Impact of Evacuation on AMIR/PSPI	3	0	3
Human Resource Development Phase I	1	1	0
The Benefits and Use of Customs Bonds in Jordan	1	1	0
♣ Training Center of Excellence	9	0	9
Legal Review of Drafting Task Force Agreement	1	1	0
Intelligence & Risk Management Interface Intelligence Modeling	11	2	9
Amended Kyoto Compliance Assessment	6	6	0
Risk Management in Jordan National Customs	15	1	14
Workshop on Accession to the Kyoto Convention.	6	6	0
Intelligence and Information Management in Jordan Customs: Intelligence Modeling	4	0	4
Managing Compliance in Jordan Customs	13	3	10
Facilitation of Cross Border Trade Through Risk Management	1	1	0
Development and Integration of Customs Reform and Modernisation within Jordan 2002	10	0	10
Strategy for Risk Systems Weighting and for Training Systems Management	15	3	12
Integrated Tariff IT Options and Recommendations	7	1	6
Intelligence and Information Management in Jordan Customs	24	23	1
♣ ASEZA PDA Project	10	0	10
Corporate Planning and HR Development	1	1	0
Border Risk Management in Jordan Customs	5	0	5
Customs Bonds: Legal Legislation	3	3	0
A Legislation Strategy for Jordan Customs	24	24	0
Communication Baseline	11	11	0
Customs Reform and Modernization Phase 1	10	0	10
Border Process Mapping Phase 1& 2	5	5	0
Total	279	107	172

♣ Outdated or superceded

2. Consultations

2.1 Interviews Conducted

The following persons were consulted during the course of this consultancy:

M/s Greta Boye, PSPI Team Leader, AMIR Program
Mr. Walter Hekala, CRM Manager, PSPI/AMIR Program
Mr. Jamal Oliamat, Customs Specialist, PSPI/AMIR Program
Mr. Lubomir Dvorsky, Consultant, PSPI/AMIR Program
Mr. Andrew Ford, Consultant, PSPI/AMIR Program
M/s Lina Arafat, PSPI/AMIR Program
Eng. Marwan Gharaibeh, Director, Planning & Organization
Mr. Mohammad Obeidat, Head of International Co-operation
Mr. Mohammed Anaswa, Director Human Resources
Mr. Abedalla A. Joudeh
Mr. Mahmoud M. Al-titi
Mr. Firas Al-Momani
Mr. Tayseer Shboul, Intelligence Unit
Mr. Jawdat El-Qasem, Risk Management
M/s Somaya Al-Wahoush, IT

2.1 Meeting with Customs – 5 September 2004

Upon arrival in Amman, the consultant provided a copy of a database report to customs identifying every report prepared under the AMIR II project. The report was circulated to key personnel by Planning and Organization Section. The outcome of this meeting is summarized below.

- The majority of officers agreed that there was insufficient time to properly consider the reports and associated recommendations.
- There was a view expressed that lengthy reports were not adequately addressed by relevant directorates as the reports are only supplied in English and therefore cannot, in the majority of cases, be analyzed by subordinate staff.
- Not all the reports were relevant to modernization and reform issues.
- Many of the reports had not been discussed with the relevant work area. There was a view that report content and recommendations should be discussed with relevant directors prior to the report being finalized.

- There was a discussion regarding the need to translate entire reports and attachments in lieu of the current process (no translation) or proposed process (Executive Summary and Recommendations) to be translated into Arabic.
- The majority of officers agreed that the only way to successfully progress due consideration and implementation of the reports and recommendations was to establish a Steering Committee with endorsement by the Director-General.
- This issue of paying officers to read the reports after hours was discussed as it appears that workload is such that these tasks are not able to be completed within core business hours.
- It was suggested that if the reports were translated they could be added to the customs intranet and then staff could be encouraged to provide input and comment.
- Customs would like to be advised on which projects would be undertaken by AMIR II consultants so the relevant directors could meet with the consultant on arrival in Amman and set some ground rules and develop information collection plans to ensure the success of the project. [Comment: AMIR advised that the work program and the consultant list are agreed with Planning & Organization up to six months in advance of the arrival of the consultant].
- AMIR and customs agreed that future “proposed” scopes of work would be discussed ahead of placement on the work program.
- There was some discussion about the importance of ensuring all relevant areas are consulted when undertaking particular scopes of work.
- There was general agreement that customs must refer any of the reports that involve Information Technology matters to an executive steering committee.
- There was a great deal of discussion and debate regarding the future of the CASES database. It was agreed that AMIR would look at this issue and develop a scope of work to assist customs.
- Almost every aspect of training was discussed at various times during the meeting. While everyone recognized the importance of training there were doubts expressed about corporate commitments to training.
- The meeting agreed that the consultant should draft a letter regarding a way forward and that letter as well as the reports and recommendations would be considered at a meeting on 14 September.

2.2 Meeting with Customs – 14 September 2004

The meeting agreed that it was not possible to consider the reports and recommendations as the process needed to be undertake such a review should be approved by the Director-General.

The group proposed that a request be placed before the Director-General to establish a committee comprising senior executives from customs to give due and proper consideration to all the AMIR II reports and associated recommendations.

The majority of the officers believed that the committee should be chaired by the Director-General.

It was suggested that the committee be made up of representatives from Planning and Organization, Risk Management, Information Technology, Legal Services, Intelligence, Communications and Public Relations. Further, that if a regular member is unable to attend, that member must have a representative attend in their behalf. The repetitive attending in behalf of a regular member of the committee will have full delegation of authority. There was a view expressed that any officer attending a meeting of this committee should be fully "empowered" to represent the relevant directorate. It was agreed that the committee, when approved, should meet regularly and address the recommendations as well as preparing a prioritization matrix.

3. Conclusion

The customs and modernization component of AMIR II has produced an extensive range of reports over the past several years. In fact, the CRM subcomponent has more than doubled the number of reports and areas/programs for which reports have been written in AMIR II over AMIR I (Annex 3).

The work undertaken as part of this consultancy has resulted in the development of a database that will be used to record and track reports and recommendations produced by the consultants working for the AMIR program under the customs and modernization component.

It is important for AMIR and the principal donor, USAID to be able to assess the success of the customs reform and modernization project. The database initiative will provide a platform from which the partnership can assess progress the current round of reports and recommendations as well as any written in the future.

The database will be maintained by staff at the AMIR office in Amman and will serve as a useful tool for AMIR, JCD and USAID when used to track, not only the actual reports but also progress in implementing agreed recommendations. Based on prior experience, the consultant believes that such a system will develop a level of organizational accountability that is necessary to monitor the implementation and ultimate success of the various reports and recommendations.

The database when combined with initiatives such as placement of the AMIR II reports on the JCD intranet, has the potential to engage a much broader group of staff in the decision making process. The database will certainly bring some organizational accountability to the partnership and will assist with accelerating change in JCD. The proposal to establish a committee chaired by the Director-General of Customs is an excellent idea and full credit should go to the officers who attended the meetings and suggested the idea.

Annex 1

Short Term Consultancy Agreement Scope of Work

Activity:	555.01 Customs Institutional Development
SOW Title:	Consolidation of Customs Recommendations
Modification:	Original
SOW Date:	June 28, 2004
SOW:	Final
Task and Consultant:	LOE/F/Consolidation of Customs Recommendations JLH John Howard

I. Specific Challenges Addressed by this Consultancy

Jordan has made significant strides in customs modernization over the past few years. Despite this progress, there is still considerable work ahead for Customs to transform itself into a modern organization based on international best practices. Since the inception of the AMIR 2.0 program, over 260 recommendations contained in 29 reports have been made to assist the Customs Department in the modernization process. As with all modernization efforts, specific recommendations over time should either be accepted, rejected, or in some instances overcome by changes in circumstances. The process of making recommendations is always far easier than implementing them and, as new studies and a better understanding of the Jordan Customs Department emerges, the weight of the significance of recommendations changes.

As part of the AMIR Program approach to the reform process, we will revisit each of the specific recommendations to determine:

- status: has it been accepted or rejected;
- current validity of the recommendation: has it been overcome by external or internal circumstances;
- reasons behind a recommendation that was not implemented;
- duplicative recommendations that can be consolidated;
- prioritization that the AMIR Program customs team gives to each of the outstanding recommendations; and
- steps to take to overcome obstacles in moving forward on priorities.

II. Objective

The objective of this consultancy is to assist the Customs Department and the Government of Jordan in better implementation of recommendations made by the AMIR 2.0 Program to modernize customs.

III. Specific Tasks of the Consultant(s)

Under this scope of work, the consultant shall perform, but not be limited to, the tasks specified under the following categories.

A. Background Reading Related to Understanding the Work and Its Context

Consultant shall read, but is not limited to, the following materials related to fully understanding the work specified under this consultancy:

All AMIR 2.0 customs technical reports prepared to date.

B. Background Interviews Related to Understanding the Work and Its Context

The consultant shall contact personally, by e-mail, or by telephone the following individuals in order to fully understand the work specified under this consultancy.

- Greta Boye, Private Sector Policy Initiative (PSPI) Team Leader/AMIR Program
- Walter Hekala, Customs Reform and Modernization (CRM) Manager, PSPI/AMIR Program
- Jamal Olaimat, Customs Specialist, PSPI/AMIR Program
- Lina Arafat, Customs Liaison, PSPI/AMIR Program
- All relevant Customs directors including:
 - Planning & Organization
 - Intelligence Unit
 - Risk Management
 - IT department
 - Border Management Project Team

C. Tasks Related to Achieving the Consultancy's Objectives

The consultant shall use his education, considerable experience, and additional understanding gleaned from the tasks specified in A. and B. above to achieve the following.

- Review the prior reports prepared under the AMIR 2.0 Program and the matrix of recommendations prepared from those reports to confirm their validity.
- Based on the report review, redraft the matrix to consolidate the recommendations where different reports have resulted in the same or similar conditions.
- Design a database to track recommendations, track progress against each recommendation, and produce reports. The database will be developed in both Microsoft Access and Word formats and submitted for review and comment at least 25 days prior to arrival in Jordan.
- Using the consultant's familiarity with the Jordan Customs Department and the AMIR Program CRM Subcomponent, review each recommendation to determine the status of implementation.

- Where specific recommendations have become outdated based on changed external environment or other factors, develop a consensus of opinion from Customs and the CRM team on deleting or updating the recommendation from the matrix.
- Work with the Customs Department to determine the reasons why certain recommendations have not been implemented. In those instances where the Customs Department, as represented by the Director of Planning, rejects specific recommendations, note the recommendations and reasons for rejection.
- Survey the CRM team members and key directors of the Customs Department to determine a consensus of opinion for prioritization of all outstanding recommendations.
- Work with the Customs Department on defining actions to implement outstanding recommendations and agree to timelines for implementation with the Director of Planning. The proposed steps for implementation will be prioritized based on the Strategic Plan 2004 to 2006 prepared by the Customs Department.
- Work with the CRM Subcomponent Manager to prepare a presentation for USAID and the executive management of the Customs Department on the analysis of the findings and suggested steps to move forward.

IV. Time Frame for the Consultancy

Unless otherwise specified in writing, the time frame for this consultancy is specified by the expenditure start and end dates shown in Annex C.

V. LOE for the Consultancy

The days of level of effort are allocated by location in Annex C.

III. VI. Consultancy Qualifications

The consultant shall have the following minimum qualifications to be considered for this consultancy.

Educational Qualifications

- Formal training in instructional techniques and proper qualifications in an appropriate discipline relevant to the customs issues proposed in the SOW.

Work Experience Qualifications

- Minimum of ten years of experience in customs administration in both developed and developing economies, including extensive work in the design and delivery of training.

VII. Notes

For all training events scheduled during the consultancy the consultant will prepare and submit at least 15 days in advance of the event a training candidate profile, in-country training event checklist, and master copies of training materials for duplication. Any training materials recommended for translation will be provided at the earliest opportunity to determine feasibility of translation.

The body of the final report required at the end of this consultancy should not exceed 15 pages. Additional material may be included as annexes.

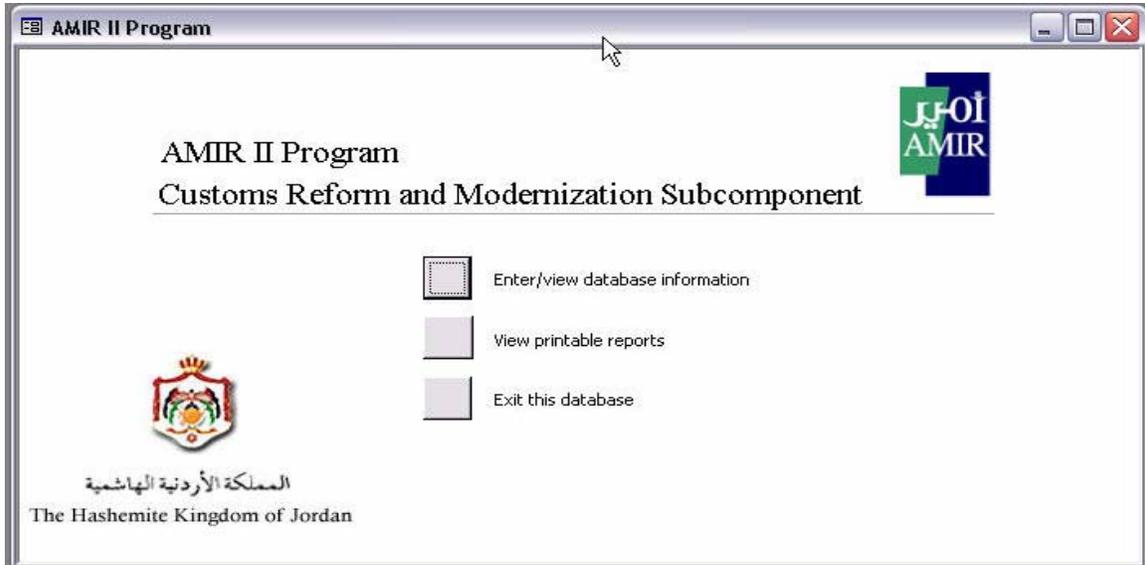
The draft final report must be submitted for review with at least 15 percent of the LOE remaining. The deadline for the final report is ten days from the end of the assignment.

The consultant should provide a weekly report on his progress to the responsible person at the AMIR Program, including accomplishments and amount of LOE expended.

Grammar and syntax should be consistent with standard English, as set out in *The Chicago Manual of Style* (<http://www.press.uchicago.edu/Misc/Chicago/cmosfaq/>) or *The AP Stylebook*. Style should be consistent with principles set out in such leading style guides as *The Elements of Style*.

Annex 2

Front Screen



Input Screen

AMIR II Program - Customs Reform and Modernization Subcomponent
Report Tracking System

Title:

Classification:

Report Date: (mm/dd/yyyy)

To Component Manager: (mm/dd/yyyy)

To Component Leader: (mm/dd/yyyy)

Report to Customs: (mm/dd/yyyy)

Handover Date: (mm/dd/yyyy)

Responsible_Area:

Responsible_Officer:

Current Entries:

Current Author(s):

Current Contacts:

Recommendations and Actions: 0

Implementation Issues/Problems: 0

Author(s) | Contact(s) | Recommendations and Actions | Implementation Issues and Problems | Return to Main

Record: 33 of 33

Annex 2 (continued)

Recommendations

Recommendations Form

Recommendations / Actions

Recommendation: That attention be given in the short term to the organisational structure having in mind the strategic objectives of the organisation as well as the operational conditions and constraints. Further that every staff member

Action: There has been no obvious changes to the structure of Jordan customs since 2002. There has been some work undertaken to advise staff of changes to the National Strategic Plan.

Priority Status: Partially Implemented

Reason for Current Priority Status: Follow up with Planning and Organization.

Delete Record Return to Report Form

Record: 1 of 17 (Filtered)

Report Format

Report Selection Form

Reports

Report Type: Please Select One

Filters:

Title: No Filter

Author: No Filter

Classification: No Filter

Report During the Period:

On Off

Starting Month: 1 Year: 2004

Ending Month: 1 Year: 2004

Generate Report

Return to Main

Annex 3

Category	AMIR II	
	No. of Reports	% of Total Reports
AMIR Issues	3	9.38%
Legal Affairs	3	9.38%
IT	2	6.25%
ASEZA	1	3.13%
Risk Management	3	9.38%
Border Process	1	3.13%
Communications	2	6.25%
Compliance	1	3.13%
Human Resources	2	6.25%
Bonds	2	6.25%
Intelligence	3	9.38%
Kyoto	2	6.25%
Strategic Management	2	6.25%
Tariff	1	3.13%
Training	3	9.38%
Due Diligence	1	3.13%
	32	100.00%

Category	AMIR 1	
	No. of Reports	% of Total Reports
AMIR Issues	1	7.14%
Legal Affairs	3	21.43%
Ethics	1	7.14%
Valuation	2	14.29%
IT	1	7.14%
ASEZA	1	7.14%
Risk Management	3	21.43%
Rules of Origin	1	7.14%
Transits	1	7.14%
	14	100.00%