



Technical Report:

Angola WTO Trade Facilitation National Self-Assessment of Needs and Priorities

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EXECUTIVE SUMMARY:

The World Trade Organization (WTO) made a request to the Southern Africa Trade Hub to assist financially and technically in the WTO Trade Facilitation Self Assessment of Needs and Priorities in certain SADC Countries. The Trade Hub had already facilitated WTO Trade Facilitation Assessments in Mozambique, Swaziland and Lesotho using the WTO's Self-Assessment Tool.

The Angola WTO Trade Facilitation Assessment was conducted jointly by Trade Hub staff and an official from World Customs Organization on behalf of the WTO.

The WTO Trade Facilitation Assessment for Angola's needs and priorities highlighted the following areas where Angola would need assistance to comply with GATT Articles V, VIII and X:

- Use of international standards: this deals with the adoption of standards such as the Kyoto Convention, WTO Customs Valuation and even standards with respect to SPS (animal and plant health);
- Assistance for upgrading IT infrastructure and software development;
- Capacity Building with respect to human resources; training on trade and WTO issues;
- Establishment of mechanism for Authorized Economic Operators;
- Improvement of laboratory equipment;
- Training on WTO, WCO and other international standards from international organizations;
- Elimination of Pre-Shipment Inspection: pre-shipment inspection was still practiced often leading to time delays and adverse costs impact as well;
- Internet Publication of the Elements Set Out in Article X of GATT;
1994: there is need for updating information technology infrastructure and putting all laws in electronic format and publishing them on internet.
- Expedited Shipments: one thing that was most apparent was that the ports were often congested with ships waiting to dock. This proposal was therefore important for Angola.
- Risk Management/Analysis: there was need to strengthen risk management system especially in the advent of electronic data interchange.

It was noted that a Commission on Trade Facilitation and Commerce was already established. It was therefore recommended that the committee coordinates and effectively monitor the implementation of the proposals Angola was not yet fully compliant, develop an action plan and start implementing some of the measures to make it fully compliant with the proposals. Angola would benefit from improved trade facilitation measures.

It was also worth noting that with respect to Customs related issues there was a great presence of Crown Agents, who are already assisting Angola in implementation some of the measures necessary to make Angola compliant with some of the proposals.

INTRODUCTION:

The WTO made a request to the Trade Hub to assist financially and technically in the WTO Trade Facilitation Self-Assessment of Needs and Priorities in certain SADC Countries. The Trade Hub has conducted WTO Trade Facilitation Assessments in Swaziland, Lesotho, and Mozambique in the previous months. This is in line with recommendations of the WTO Trade Facilitation Negotiation Committee, on realization that there seems to be a greater level of consensus on trade facilitation issues by all member states, and also of the need to clarify Trade Facilitation GATT Articles V, VIII, and X. Therefore the proposals by member states seek to bring such clarity.

The Angola WTO Trade Facilitation Assessment was conducted by Trade Hub Officials and a delegate from the WCO (World Customs Organization).

OBJECTIVES:

- To facilitate Angola model their regulations, practices, and procedures in line with WTO Trade Facilitation proposals.
- To provide interpretation and clarity on the meaning and objectives of GATT Articles V, VIII, X, which relate to trade facilitation.

- To assess whether the proposals by various countries can actually be implemented by member countries in case they become part of the Agreement and to find ways in which members may develop plans to effectively implement them.
- To identify areas where Angola may need technical assistance/capacity building and find ways in which the Trade Hub could be able to assist with respect to Trade Facilitation.

HIGHLIGHTS:

- The facilitators from the Trade Hub and WCO gave short presentations on WTO Trade Facilitation Negotiations and an outline of the Trade Facilitation Assessment Guide developed by the WTO and WCO to be used during the assessments.
- The Trade Hub team was assisted by Ernani Chechucci from World Customs Organization (WCO) who had been appointed by WTO to assist in the assessment.
- Thereafter the workshop was marked by the self assessments of the needs and priorities with respect to trade facilitation.
- The workshop was closed by the Minister in the Ministry of Trade, who greatly applauded such a workshop and the work and support that given by the Trade Hub, WCO and WTO and reiterated the importance of trade facilitation for Angola.
- Godwin Punungwe, Transport Advisor, accompanied by Alan Harding, a Trade Hub Consultant also visited the USAID Mission in Luanda to brief them on both the WTO Trade Facilitation National Self Assessment and Trade Hub transport activities. At the Mission they met with Vic Duarte, General Development Officer; Michael Nehrbass, Program Officer; and Lorrie J Fussel, Brazil Desk Officer, Department of Commerce International Trade Administration.

ISSUES AND RECOMMENDATIONS:

From the Self Assessment workshop the following areas were of most significance;

- Need for the development of information technology machinery and mechanisms to provide for effective publication of trade regulations on internet.
- Need for regular consultation amongst and between all stake holders on new or amended regulations pertaining to trade and trade related procedures.
- Elimination of Pre-shipment Inspection. Angola has submitted a proposal with respect to Pre-shipment Inspection where it seeks gradual elimination and longer transition periods, and non regulation of private inspectors.
- Importance of coordination and cooperation between border agencies and between countries in the same regions, establishment of transit agreements and acceptance of common regional transit regime and regional transit bond guarantee system.
- Need for the establishment of inquiry points.
- Need for establishment of a single window.
- Need to expedite shipments.
- Need to phase out mandatory use of customs brokers.
- Use of international standards, and training on international rules and obligations.
- Need for legislative and administrative mechanism to comply with most of the proposals and provide guidance on most issues.

Highlighted below are some of the main issues stressed where Angola needs to improve to comply with WTO Trade Facilitation Proposals;

- Use of international standards.
- Provision of Advance Rulings.
- Elimination of Pre-shipment Inspection.
- Internet Publication of the Elements Set Out In Article X Of GATT 1994.
- Expedited Shipments.
- Risk Management/Analysis.
- Authorized Traders.
- Establishment of Single Window.
- Establishment of Enquiry Points.

However, also highlighted were some of the reasons for non compliance or barriers which hinder effective compliance prominent amongst them were;

- Language disadvantage as Portuguese is not an official WTO language.
- There is no legal obligation to publish laws on the Internet.
- Lack of awareness and knowledge of WTO obligations.
- Lack of national export and import/ trade policy or strategy.
- Lack of trained personnel for instance, to manage web sites.
- Poor transit relations because of war.
- Lack of financial resources to fully implement proposals with regard to internet publication.
- No mechanisms in place to support implementation of proposals, for e.g. Establishment of Authorized Economic Operators.
- Inadequate skilled personnel with respect to WTO issues.

Furthermore, the delegates also recognized some actions which they may take locally to comply with the outlined proposals;

- Human resources capacity building; to capacitate and train people in general on trade issues.
- Defining uniform administrative rules and regulations amongst ministries and stakeholders.
- Improve cooperation amongst all stakeholders and organization within all ministries.
- Improve coordination on trade facilitation through Commission on Trade and Commerce.
- Establishment of websites and improvement on already existing ones.

Additionally, the delegates also highlighted areas where they will need technical assistance from relevant international and regional organizations such as the USAID Trade Hub, WCO or WTO. These include;

- Assistance for upgrading IT infrastructure and software development.
- Capacity building with respect to human resources; training on trade and WTO issues.
- Establishment of mechanism for Authorized Economic Operators.
- Improvement of laboratory equipment.
- Training on WTO, WCO and other international standards from international organizations.

There were also areas where the delegates confirmed that Angola was in compliance and may not need to work on the measures. These include;

- Publication and Notification Of Trade Regulations And Of Penalty Provisions.
- Disciplines On Fees And Charges Imposed On Or In Connection With Importation And Exportation.
- Reduction/Limitation Of Formalities Procedures And Data Documentation Requirements.
- Use of International Standards.
- Option To Return Rejected Goods To The Importer.
- Disciplines On Restrictions To Freedom Of Transit.
- Phasing out mandatory use of customs brokers.
- Pre-arrival processing.
- Separating release from clearance procedures.
- Objective criteria for tariff classification.

Also highlighted in the workshop were top negotiating priorities for Angola;

- Internet Publication.
- Elimination of Pre-shipment Inspection, see Angola's proposal referred to above.
- Single Window/One Time Submission.
- Inter Agency Coordination.
- Establishment of Enquiry Points.
- Test Procedures.
- Import Alerts/Rapid Alerts.
- Prior consultation on new and amended rules.

Furthermore, in view of working on the issues that were raised in the assessments, the following recommendations were made;

- To assess Angola's needs through the Commission on Trade Facilitation and Commerce; which is to coordinate and effectively monitor the implementation of the proposals.
- It is also worth noting that with respect to Customs related issues there is a great presence of Crown Agents, who are already assisting in implementation on some of the issues raised in the proposal.