



**Technical Report:**

**NAMIBIA WTO Trade Facilitation Self Needs  
Assessment**

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### ANNEX 1: LIST OF PARTICIPANTS

## EXECUTIVE SUMMARY:

1. World Trade Organization (WTO) members have stressed the importance of identifying needs and priorities in the area of trade facilitation. This is the context within which various member states have provided proposals with regard to the interpretation and clarification of General Agreement on Tariffs and Trade (GATT) Articles V, VII, and X. The proposals relate to issues of publication of trade related laws, faster processing of documents and reduction of formalities, and other measures of ensuring traffic in transit in any country is treated in the same manner as traffic destined in that country. Most countries in the Southern African Development Community (SADC) region had already undertaken their Trade Facilitation Needs Assessments (TFNA) to assert their level of compliance with the proposals submitted to interpret the above GATT articles.
2. The Namibia TFNA highlighted the following issues with respect to their compliance with the given proposals:
  - Namibia recognized they were in compliance with almost half of the measures, including:
    - Pre-arrival processing of goods;
    - A legislative mechanism that provides for right of appeal on customs related matters;
    - Elimination of Pre-Shipment Inspection; and
    - Regional transit agreements or arrangements, such as Trans Kalahari Corridor (TKC).
3. However, it did not fully comply with provisions relating to the following measures for which it will need to take local actions, and may need technical assistance to comply with:
  - Publication and internet publication/establishment of official website of trade related legislations, regulations and formalities;
  - Establishment of enquiry points;
  - Risk management/analysis;
  - Use of international standards, for instance full compliance with the Revised Kyoto Convention;
  - Authorized traders;
  - Expedited shipments; and
  - Single window/one-time submission.
4. The main constraints to compliance were identified as follows:
  - Lack of awareness, on some measures raised in the proposals, e.g. operation of single window;
  - Information and Communication Technology (ICT) infrastructure constraints to support most of the proposals, with respect to internet publications, risk management systems, and inter connectivity necessary for trade facilitation initiatives;
  - Lack of legislative and administrative arrangements for instance, the current customs legislation is outdated; and
  - Limited human resources and skills constraints to undertake risk management, advance ruling, post clearance audit, etc.
5. Measures needed to support compliance, included the following:
  - On a local level, sensitize the relevant authorities, for instance, engage policy makers, e.g. Ministry of Trade and Industry (MTI), Ministry of Finance (MOF),

etc to raise awareness on the need to publish. Also legislative and administrative arrangements such as review of the country's national legislations and administrative arrangements;

- Technical assistance necessary to ensure compliance with proposed measures include;
  - ICT infrastructure needs, including ICT training of local experts, customs systems automation, integration and inter connectivity activities, establishment of risk management and single window systems, and
  - Training and human resources skills capacity building including training for customs operational managers, mid-level managers and trainers for effective implementation of risk management, single window, post clearance audit and other proposed measures.

In conclusion both the delegates and the high-level officials agreed to establish a National Committee on Trade Facilitation to fully review the findings of the TFNA workshop and regularly give input to the Namibian WTO Trade Facilitation Negotiator.

## **INTRODUCTION:**

The World Trade Organization (WTO) made a request to the Southern Africa Global Competitiveness Hub (Trade Hub) to assist financially and technically in the WTO Trade Facilitation Self-Assessment of Needs and Priorities in certain Southern African Development Countries (SADC) Countries. The Trade Hub has so far conducted WTO Trade Facilitation Needs Assessment (TFNA) in Malawi, Swaziland, Lesotho, Mozambique, Angola, Seychelles, Zambia and Botswana using the new WTO Self-Assessment tools.

Godwin Punungwe, the transport advisor and Kudzai Madzivanyika, the trade facilitation assistant were engaged as facilitators to assist Namibia in the Trade Facilitation Needs Assessment (TFNA) from March 8 to 12, 2010. Patricia Wihongi of the World Bank was also a member of the workshop facilitation team.

## **OBJECTIVES:**

- The main objective was to identify Namibia's trade facilitation needs and priorities and determine the country's capacity to implement WTO proposed trade facilitation measures;
- To identify how Namibia may model its policies, regulations, practices, and procedures in line with WTO Trade Facilitation proposals, by assessing the level of compliance, local and technical capacity needed to comply with proposals submitted by members in interpreting the General Agreement on Tariffs and Trade (GATT) Articles V, VIII, X relating to trade facilitation; and
- To recognize and explore areas where there may be need for technical assistance and find ways in which the Trade Hub may be able to assist with respect to trade facilitation.

## **HIGHLIGHTS:**

The workshop was officially opened by Mr. E. Kamboua, the under secretary in the Ministry of Trade on March 8, 2010. In his remarks he highlighted the importance of trade facilitation to Namibia, especially considering that Namibia is a country highly engaged in facilitating transit transport because of its port and geographical location. He echoed the need to implement such trade facilitation measures that would improve their Logistics Performance Index rating, which reflects Namibia as one of the least performers in the world.

Mr. Benjamin Katjipuka the Namibian attaché to the WTO, Ms P. Wihongi from the World Bank and Mr. Godwin Punungwe from the Trade Hub also gave introductory remarks. They provided an overview of the trade facilitation negotiations, the framework, and scope of the trade facilitation proposals and needs assessment.

The assessment was held from March 8 to 12, and was attended by 39 participants from various institutions including Ministry of Trade, Ministry of Finance (MOF), customs, and freight forwarders, Ministry of Transport and Chamber of Commerce and Industry.

On March 12, there was the closing ceremony, where delegates presented their findings to the high level officers. Present was the under secretary in the Ministry of Trade and Industry, director of Trade, Mr. E. Kamboua, director of Customs and other representatives

including from Namibian Standards Institute, and the Southern African Customs Union (SACU). The list of participants is in Annex 1.

## **ISSUES AND RECOMMENDATIONS:**

1. In assessing proposals with respect to GATT V, VIII, X relating to transparency, fees and formalities and publication of regulations and formalities in the import and export of goods, Namibia determined that it was in compliance with proposals relating to the following issues:
  - Pre-arrival processing of goods;
  - A legislative mechanism that provide for right of appeal on customs related matters;
  - Option to return rejected goods to the importer;
  - Elimination of pre-shipment inspection;
  - Regional transit agreements or arrangements, such as Trans Kalahari Corridor (TKC); and
  - Objective criteria for tariff classification, through the use of HS 2007.
2. However, on the following proposals, Namibia will need to take local actions, and may need technical assistance to fully comply:
  - Publication and internet publication/establishment of official website of trade related legislations, regulations and formalities;
  - Establishment of enquiry points;
  - Risk management/analysis;
  - Use of international standards, for instance full compliance with the Revised Kyoto Convention;
  - Authorized traders;
  - Expedited shipments; and
  - Single window/one-time submission.
3. The main constraints to compliance were as follows:
  - Lack of awareness;
    - On the need to publish decision, e.g. Customs & Excise Classification, and
    - On the operation of new proposed measures like single window.
  - Lack of focal point, one stop centre to facilitate convenient publication and distribution of publications;
  - ITC Infrastructure Constraints;
    - Current data storage and transfer capacity makes publication of acts and regulations difficult, and
    - Limited interconnectivity for risk management, single window, etc.
  - Lack of legislative and administrative arrangements for instance, the current Customs legislation is outdated; and
  - Limited human resources and skills constraints
    - Shortage of technical expertise (e.g. risk management, advance ruling, post clearance audit, authorized trader, expedited shipments – G.3, C.1, G.4, G.6, G.7).
4. Namibia identified a number of actions it can take locally to fully comply with above measures and these include:

- Sensitization of the relevant authorities, for instance, engage policy makers, e.g. MTI, MOF, etc to raise awareness on the need to publish;
- Conduct World Customs Organization (WCO) Time Release Study (TRS);
- Undertake legislative and administrative arrangements;
  - Review of Namibia's national legislations and administrative arrangements,
  - Establish a national committee on trade facilitation, and
  - Update the customs legislation.
- Undertake training and needs assessments
  - ICT Training on internet publication.

5. To fully comply with WTO proposed measures Namibia will also need technical assistance in the following areas:

- ICT Infrastructure needs;
  - ICT training through international ICT expertise to be seconded for the provision of training and secondments of local expertise to developed countries,
  - Needs assessment for ICT infrastructure and need for investment for ICT infrastructure,
  - Financial resources to buy scanners and software,
  - Training in record management and archiving,
  - Technical assistance needed to determine and acquire connectivity equipment and software required,
  - Systems automation, integration and connectivity of sectoral national enquiry points and MTI enquiry point, and, other software and hardware,
  - Technical assistance for an external consultant to assist in the establishment of single windows, should also cover awareness sessions/programmes,
  - Financial and technical assistance to establish a risk management database and obtain necessary equipment.
- Training and human resources skills capacity building;
  - Training/workshop on Revised Kyoto Convention,
  - Technical assistance is required for benchmark mission/familiarization tours to countries where such systems are established and operational for single window operations,
  - Training for customs operational managers, mid-level managers and trainers for effective implementation of risk management,
  - External customs experts to:
    - Identify skills required and develop and deliver audit and post clearance audit training programme for identified officers, and
    - Design an effective advance ruling programme including necessary legislative amendments.
- Physical Infrastructure needs
  - Need technical assistance in infrastructure development of common facilities that provide for amongst other things, joint inspection, and training in One Stop Border Post (OSBP) procedures.

6. To be able to follow through with the WTO TFNA process, the participants recommended the following:

- Ministry accounting officers to own the trade facilitation process solicit and secure political support, and administrative managers to consider the suggested actions as a matter of priority;
- MTI to engage all involved stakeholders in trade facilitation, and further review the first results of the needs assessment in a bid to clarify and review all issues discussed;
- An establishment of a national committee on trade facilitation to regularly give input to the Namibian WTO trade facilitation negotiator. This should be an inter-sectoral committee comprising of all the stakeholders with full commitment to realize the accomplishment of the trade facilitation assessment process.

In closing, the under secretary and director of Customs supported the formation of the national committee on trade facilitation involving all stakeholders to review the workshop findings and lobby for buy-in at the political level.