

CAPACITY BUILDING

The Afghan Customs Reform

A technical assistance in a very sensitive and crucial area addressing security and revenue concerns

General context

Afghanistan's Customs Reform program began in early 2003. In order to move forward in an organized and effective manner, a Strategic Plan, "*The Way Forward - A Five Year Plan (2003 – 2007)*", was created that outlines implementation of the reforms and responsibility of each Donor. The Plan was supplemented and further justified by a very detailed evaluation exercise, identifying the nationwide needs and costs for customs border and inland customs houses. Since its inception, the Plan has enabled the Customs Reform team to successfully achieve many milestones towards a mature and controlled Afghan Customs function. For example, revenue collection has tripled, classification of goods is based on the Harmonized Tariff, tariff rationalization has been implemented, simplified customs procedures based on international best practices have been implemented as well as a Afghan Single Administrative Document leading to reduction of customs clearance time from several weeks to 48 hours, a new customs legislation – EU oriented – was adopted and computerized data collection and publishing of trade statistics on the web have been introduced.

The period covered by the Plan is about to end. In order to continue moving forward successfully, a new Five-Year-Plan covering period from 2007 to 2011 has been designed, taking into consideration the evolving situation in Afghanistan.

The new 5-Year Strategic Plan provides a framework for successful implementation of the ongoing Customs Reform program. The Plan provides definition of the responsibilities of all stakeholders in the reform, leading to a better climate of security and engendering stability and economic interest. The 5-Year Strategic Plan started on the 21st of March 2007, in order to accommodate the clarity on the priority initiatives required during the first year of its duration, the Strategic Planning Team prepared the Action Program 1386 in conjunction with the Director General of the Afghanistan Customs Department. The Action Program has been endorsed by the ACD. The Action Program does fully cohere with the 5-Year Strategic Plan, including the Annexes relevant for program implementation. For example: the Gantt chart, and Logical Framework.

Quoting from the AP: "The ACD wants to build a professional public service organization, covering all aspects of the department by means of staffing, tools, resources and means; able to provide sustainable effective results, answering to its vision and providing maximum benefit through the treasury to the population of Afghanistan. The pressure on the ACD, if one considers the contribution the department as collecting agency provides to the national treasury, is unparalleled. With this in mind, the ACD is in the prime position to utilize this pressure to its advantage by influencing all entities surrounding the decision making structure towards the same goals.

Earlier initiatives have led to the preparation of numerous reports, including detailed technical descriptions. Unfortunately, most have as yet not come to fruition. A manifold of reasons have prevented the actual implementation to take place, some initiatives proved untimely, others were blatantly obstructed. This Action Program lists priorities, while being aware of all previous developed material in order to avoid duplication of

effort. Furthermore, the earlier designed material provides an opportunity to the ACD, since numerous reform subjects can be launched simultaneously without having to start from scratch, but instead build on these, utilizing its full effect.”

The 5-Year Strategic Plan’s Logical Framework and Gantt chart provide the required detail to come to a clear understanding where the Critical Path of implementation is situated. Since, the ACD is in front of a major implementation program, a range of issues will be tackled simultaneously, driving forward with the key priorities. It is without question that in order to succeed with this program substantial technical assistance will need to be brought in to actively participate with, and deliver on-the-job training, to all key staff within the Headquarters of the ACD. Reason for this approach is that the relevant structural and organizational changes can be introduced, while the staffing issues are sorted. This team effort provides the opportunity to verify the capabilities of the current staff, and allow the ACD to take the necessary measures to assure that the support within the structure will be of sustainable benefit to the organization. It is without doubt that the engine of reform is situated within the Headquarters of the ACD, and that all staff members are to receive the necessary, training, means, and tools, in order to assure that they are in the coming years able to deliver sustainable results.

Specific background

The Afghan Customs Reform benefits now from important assistance in the areas of constructions, customs facilities and security equipment almost exclusively supported by the European Commission.

The European Commission has agreed to provide Customs with high-tech security equipment such as Co-60 scanner(s) through an international open tender. **A Chinese company, IG-SCAN, won the tender and the scanner is arriving in Afghanistan this June 2007.**

The critical issue now is to use properly this equipment. Two complementary concerns have to be addressed at the same time:

1. Technology: production of the best quality images and maintenance of the scanner.
2. Utilisation of the pictures: (i) for security purposes; (ii) for Customs i.e. enhancement of customs efficiency that will impact on revenue.

By contract, the IG-SCAN will provide training addressing all concerns i.e. technology, maintenance and proper utilization of the equipment.

Customs has been advised ten months ago to select Afghans to be trained by the Chinese. However so far, Afghans with appropriate education have not yet been identified and it will take some time to find them.

The acquisition of this new instrument is part of a broader action plan, Customs Data, being implemented and supervised by the Customs Data Administrator who already centralises, verifies and publishes customs data on the Customs and the Ministry of Finance webs.

Finally, centralizing data paves the way to design of a customs risks management policy and implementation based on international standard and best practices. Additional technical assistance in this area has been approved by USAID .

This technical assistance is thus fundamentally important.

Technical Assistance Proposal

Co-60 scanner is an important investment for Customs. The security situation in Afghanistan raises serious concerns again. It is, at this time, simply unthinkable to handover to unskilled customs officers such important strategic equipment. Consequently, the only way out is to provide a new area of assistance that will facilitate a smooth handover of the equipment to Afghans officers. Torkham Customs will be the first place to receive a CO-60 scanner.

The European Commission has committed itself to continuing support to the Afghan Customs acquisition of this very expensive equipment – nowadays being extensively used by all Customs worldwide - provided the equipment is used appropriately. It is consequently very important for Customs to use properly the scanner(s) so that the EC can extend this assistance to other customs locations.

It has been agreed with the Director General of Customs to trust the complete management of the scanner(s) to international specialised technical assistance for a period of 18 months.

This means that complementary long-term TA has to be considered in addition to the specific training IG-SCAN will provide for free.

Based on the above, it is proposed to recruit a Scanner Team comprising five (5) Chinese expatriates and eight (8) Afghan nationals. With the assistance of the Chief Research Engineer of Beijing Nuclear Electronic Machine Co LTD (¹), the five Chinese have been identified and recruited as the core Scanner Team. The additional eight Afghan nationals in the Scanner Team will be trained at no cost by the five core Scanner Team members.

Proper utilization encompasses (i) control of the technology that will lead to sharp improvement of security – detection of illegal military devices like guns, bullets, weapons, rockets, RPG - and (ii) improved customs controls that will positively impact on revenue.

Funding is required for the salaries of the core Scanner Team working as trainers (see Annex 1 Proposed wages and entitlements for the core Chinese Scanner Team), and for expatriate member's wages (to be in accordance with local engagement policy).

Profile of the Chinese Scanner Team:

Expat Team:

1. Wang Jun, Male:
 - a. Birthday 11 December 1970.
 - b. Speciality: mastering the knowledge of electronics and computer.
 - c. Work task: controlling the whole system, diagnosing and calibrating the system, operator controller of the scanner system.

2. Wang Gudong, Male:
 - a. Birthday: 26 September 1977.
 - b. Speciality: computer applications.
 - c. Work task: operator controller of the scanner system.

3. Wang Weihua, Male:
 - a. Birthday: 24 September 1972.

¹ IG-SCAN was created by the Isotope Department of the China Institute of Atomic Energy, Beijing

- b. Speciality: computer and software.
 - c. Work task: inspecting and analysing at the operator working station; judging if illegal goods or explosive are hidden in the cargo; mainly use image analysis and process software.
4. Chen Zhenfa, Male:
- a. Birthday: 1 September 1980.
 - b. Speciality: electrician (electronics).
 - c. Job: daily maintenance of mechanical structure, including the working state of the detector, orienting the location, maintaining the device of radiation source.
5. Jiang Guotao, Male:
- a. Birthday: 29 August, 1977.
 - b. Speciality: electrician.
 - c. Work task: daily maintenance of electric system, including power supply system, distribution system and circuit and repair of the scanner.

Afghan Team:

1. Ahmad Jamshid Wasiq : Long Experience with the Implementation of the Afghan Customs Reform; Customs Enforcement Assistant, Economic Governance & Private Sector Strengthening (EG&PSS).
2. Doct. Ahmad: Long Experience with the implementation of the Afghan Customs Reform; long-term Customs Enforcement Assistant, Economic Governance & Private Sector Strengthening (EG&PSS); received a specialized training by the UK Customs (Scanner technology Training Program), (CO, RAPISCAM) Kabul Airport.
3. New Recruits:
 - a. Abidullah Mahammfi
 - b. Ghulam Nabi Rahmanzal
 - c. Hijrat Khan Jabarkhail
 - d. Mohammed Tariq
 - e. Shafiqullah Musfiq
 - f. Ahmad Zakir

Duration: 18 months starting February 1, 2008.

Locations: starting with Torkham; continuing later with Sher-Khan-Bandar and Heiratan as the constructions and equipment become there available.



Annex 1: Proposed wages and entitlements for the core Chinese Scanner Team:

Wang Jun	: US\$ 2,700
Wang Gudong	: US\$ 2,500
Wang Weihua	: US\$ 2,300
Chen Zhenfa	: US\$ 2,200
Jiang Guotao	: US\$ 2,200

Total /Month : US\$ 11,900 US\$ x 18 Months = **US\$ 214,200**

Note: IG-SCAN will provide for:

- Accommodation fee.
- Transport fee in Afghanistan.
- Per Diem.

- Food fee.
- Return ticket China-Afghanistan and
- Security of the Team.

Annex 2: Competency Matrix:

Notes:

1.  Denotes competency required by this person / position.
2. The training matrix identifies the required competencies for successful operation, maintenance and supervision of the scanner.
3. **RPL** in competency records denotes "Recognition of Prior Learning" and competencies acquired from similarly training or on-the-job experience have been assessed as suitable, eg previous training by U.K. experts on similar scanner operations.
4. On completion of training, trainees are assessed as being competent or not, and in the case where the level of required competency has not been achieved, further training will be required. The operator will not be allowed to operate the scanner or interpret images unless they have completed training, or are under instruction at the time.
5. Selection as either a "Main Controller" of "Image Inspector" will be determined following a post-training on-the-job assessment by trainers from the Beijing Isotope Company.
6. The matrix serves as a record of achievement following a successful assessment of trainees, as well as a register of competent operators. It also provides essential information for the management of performance of operators; where competencies have been achieved but performance is less than required, it will be necessary to look at factors other than training.
7. Activities requiring maintenance skills, especially electrical competencies are currently being addressed by Chinese Training Team members.
8. One member of the team has previously been trained by UK Customs in narcotic detection from scanner information, in Kabul, and assessed as competent. Two Afghan Scanner Team members have been previously trained by the Chinese core Scanning Team and assessed as competent (see Training Matrix).
9. Training in Scanner Maintenance Competencies will not occur until suitable pre-qualified Electricians have been recruited.

¥¥¥

