



Tariff And Trade Affairs Directorate :  
Tel. (32 2) 209 92 41  
Fax (32 2) 209 94 92  
04/PM-1558

## TITLE PAGE

Descriptive title :

WCO/USAID Valuation Technical Assistance Programme  
to Sub-Saharan countries.  
Sixth Quarterly Progress Report in phase 2 of the project on the status of the WCO's work  
with the countries covered by the project (period from 1 October 2003 to 31 December  
2003)

Author's name :

Richardt Vork

Name of organization :

World Customs Organization

Grant number :

AFR-G-00-01-00005-00

Name of the USAID program office :

Bureau for Africa, (SD/SA) – EGAT/EG/EPG

Date of issuance of the report :

20 January 2004

## **WCO/USAID Valuation Technical Assistance Programme to Sub-Saharan countries**

### **Sixth Quarterly Progress Report in phase 2 of the project on the status of the WCO's work with the countries covered by the project (period from 1 October 2003 to 31 December 2003)**

#### **Introduction**

1. With its letter of 2 July 2001, the USAID granted to the World Customs Organization the sum of \$875,000 to provide support for the programs described in the Schedule of the grant and in attachment 2 of the letter, entitled "Program Description". In the Schedule, the purpose of the grant is described as "to allow the WCO to carry out a project of providing Technical Assistance to certain sub-Saharan African countries on issues related to implementation of the WTO Valuation Agreement, as more specifically described in Attachment 2 (the program description) of this grant". The effective date of the grant is the date of the letter. The original expiration date of the grant was 31 July 2003. With its letter dated 1 April 2003, the USAID agreed to extend the end date of the programme until 31 December 2003. On 8 May 2003, the WCO Secretary General signed the acknowledgement of the letter constituting the First Amendment to the USAID Grant No. AFR-G-00-01-00005-00. With its letter dated 24 November 2003, the USAID agreed to extend the end date of the programme until 31 March 2004. On 15 December 2003, the WCO Secretary General signed the acknowledgement of the letter constituting the Second Amendment to the USAID Grant No. AFR-G-00-01-00005-00.
2. The WCO identified Kenya, Lesotho, Nigeria, Senegal, and Tanzania as beneficiaries of this technical assistance. The WCO recruited Mr. Richardt Vork, Denmark, as Project Manager with effect from 1 October 2001 for a two year period expiring on 30 September 2003. Following the extensions of the end date of the programme, the WCO has extended the recruitment of the Project Manager until 30 April 2004.
3. The program description foresees that the programme consists of two phases. In phase 1 the WCO "will ascertain the current systems of customs valuation in the project countries by undertaking an initial needs analysis and, as a result will determine the needs in the areas of drawing up new legislation, training of personnel and other infrastructure requirements for implementation of WTO Valuation Agreement. Based on this assessment it will prepare a detailed work plan. The work plan will be provided to the USAID and USTR. It is expected that Phase 1 will be completed within approximately 9 months of receiving authorization to begin the program".
4. The WCO's strategy was to analyse each recipient country's situation, determine the needs, determine the actions necessary to address the needs, and deliver the required assistance. Consequently, the Project Manager conducted a needs assessment mission in each country. The WCO prepared the reports and work plans on this basis. The reports and work plans were reviewed, commented on and approved by the Customs administrations concerned. On 15 April 2002 the WCO sent the Needs Assessment

Reports and the reports containing the needs analysis and detailed work plan to the USAID.

5. It should be noted that Nigeria has not yet implemented the Valuation Agreement although the WTO obligation to implement the Valuation Agreement took effect on 1 January 2000. Nigeria had invoked the five-year delay period granted to developing countries. The delay period expired on 31 December 1999 and Nigeria did not request a further delay period. On 20 October 2003, the Deputy Comptroller General of the Nigeria Customs Service informed the Project Manager that the legislature had adopted a law on the implementation of the Valuation Agreement. The Nigeria Customs Service has prepared draft Service instructions for the implementation and envisages implementing the Agreement rapidly. The Nigeria Customs Service has not yet sent a copy of the new law to the WCO.

6. Phase 1 ended on 8 May 2002 when the USAID approved and agreed the Needs Assessment Reports and the reports containing the needs analysis and detailed work plan. The approval covers the suggested actions as well as the funding of the items requested by the beneficiary countries. These items are :

1. Study visits to another country (request by Kenya, Lesotho, Senegal, and Tanzania).
2. Supply of WCO documentation for the Customs School (all five countries).
3. Supply of audio-visual/IT equipment for the Customs School (all five countries).
4. Supply of IT equipment necessary to ensure the viability of an envisaged Intelligence Unit (Kenya, Senegal), Central Valuation Unit (Tanzania), and Post Clearance Audit Unit/Section (Lesotho, Nigeria, Tanzania).
5. A financial contribution towards the cost of developing the software for a national database with information on importers (FNID – Fichier National Informatisé et de Documentation) that can be used as an instrument for risk management (Senegal).

7. The USAID agreed that it is possible for the programme to pay travel costs for WCO officials carrying out the expert missions for organizational review. After consultation with its Legal Department, the USAID agreed that it is possible for the programme to pay customs experts (government officials) of WCO member countries, who participate in the implementation of activities. The WCO may also hire/pay consultants to implement the activities.

8. Phase 2 started on 8 May 2002. The program description stipulates that

“In phase 2 of the project, in consultation with the USAID, USTR, and the customs administrations of the project countries, the WCO will implement the agreed work plan. The WCO work will result in the following outputs :

1. As necessary, creation or refining of country work plans for implementation of the WTO Valuation agreement.
2. As necessary, development of technical assistance materials for customs officials and the private sector on restructured customs procedures.
3. Quarterly progress on the status of the WCO's work with countries covered by this project, including any significant accomplishments and/or problems. The reports will include any legislative or regulatory actions taken by project country governments.

4. A final Project Report including detailed information on progress in each of the project countries as well as a list of accomplishments and unfinished business (if any). Progress will be defined in terms of the requirements of proper implementation of the WTO Valuation Agreement and measurable improvements in efficiency and transparency in project countries. The Project Report will also include recommendations on how any future technical assistance programs may be structured."

9. On 25 October 2002, the WCO sent the first Quarterly Progress Report on the status of the WCO's work with countries covered by this project. That report covered the period from 8 May 2002 to 30 September 2002. On 6 February 2003, the WCO sent the second Quarterly Progress Report on the status of the WCO's work with countries covered by this project. That report covered the period from 1 October 2002 to 31 December 2002. On 8 May 2003, the WCO sent the third Quarterly Progress Report covering the period from 1 January 2003 to 30 April 2003. On 18 July 2003, the WCO sent the fourth Quarterly Progress Report covering the period from 1 April 2003 to 30 June 2003. On 16 October 2003, the WCO sent the fifth Quarterly Progress Report covering the period from 1 July 2003 to 30 September 2003.

10. The following constitutes the sixth Quarterly Progress Report on the status of the WCO's work with countries covered by this project. The report covers the period from 1 October 2003 to 31 December 2003.

#### **Activity management**

11. Project Manager Richardt Vork under the authority of WCO Director Criticles MWANSA manages the WCO/USAID Valuation Technical Assistance Programme to sub-Saharan Countries. The Project Manager is a specifically recruited official of the WCO. He is responsible for determining the detailed needs with regard to technical assistance, documentation and equipment, for obtaining the necessary Customs experts, and for the supervision of the delivery of the programme. Each country has appointed a national co-ordinator with whom the Project Manager liaises for the actual delivery of the assistance. The Project Manager reports to the WCO and obtains prior approval of each technical assistance action. Annex I contains the output plan.

12. The Project Manager has informed the Customs experts delivering the technical assistance actions of their roles and responsibilities.

13. The Project Manager has conducted the activity management in accordance with the job description for the post.

14. All the beneficiary countries have expressed their satisfaction with the Project Manager's work.

#### Delays caused by security concerns

15. The Project Manager had agreed timetables with a number of Member administrations that would enable all the technical assistance to be delivered within the period foreseen in the contract between the WCO and the USAID, i. e. until 31 July 2003. However, on 26 February 2003 the U.S. Customs Service informed the WCO that (quote) :

"Pursuant to our discussions of February 26, 2003, the U.S. Customs Service corresponds to inform the WCO of the recent developments regarding the provision of technical assistance for Nigeria and Kenya Customs.

The U.S. Customs Service will be unable to delivery the contemplated technical assistance for Nigeria Customs, which was scheduled for March 2003. As a result of the current international unrest and the "high" alert stance from which the U.S. government currently operates, the U.S. Customs Service will be unable to release the technical assistance experts that would be required for the Nigeria training delivery.

Regarding Kenya, we respectfully request that you place the April delivery of valuation assistance on hold as we will monitor the security concerns and the U.S. will advise the WCO if it is able unable to move forward with the training programs. Given the time constraints of a July 31, 2003 end date for delivering all training, the U.S. would concur with a WCO approach to solicit trainers from other Developed countries if so desired by the WCO or as an alternative seek a minimum 6 month extension to the July 31, 2003 end date.

Notwithstanding these recent developments, the U.S. will remain in contact to advise of any new developments."

Unquote

16. The U.S. Customs Service had agreed to conduct 14 training events, consisting of 11 workshops of 5 days duration and 3 Valuation seminars of half-day duration. The Project Manager immediately contacted other Member administrations and asked them to assist by providing experts for some or all of these workshops and seminars. Although positive, these administrations could not make experts available until after the summer holidays in 2003. It would therefore not be possible to conclude the delivery of the technical assistance by 31 July 2003. On 3 March 2003, the WCO suggested to the USAID amending the grant letter and determine the end date as December 31, 2003. On 1 April 2003, the USAID agreed to the extension.

17. The U.S. Customs and Border Protection (formerly U.S. Customs Service) conducted three workshops and a seminar in Tanzania and one workshop in Lesotho during the period June – August 2003. However, on 10 September 2003 the U.S. Customs and Border Protection informed the WCO that (quote) :

"I am corresponding to inform the WCO that the U.S. policy that restricts official government travel to Kenya is still in effect. There is no indication that the policy will change by the December 31, 2003 deadline. Thus, U.S. Customs and Border Protection will be unable to deliver training for the remaining portion of the WCO:U.S. - Sub-Saharan Valuation Technical Assistance Program.

It has truly been a pleasure to assist the WCO in its effort to provide training that will enhance our Membership Administrations' abilities to move toward a full implementation of the WTO Valuation Agreement.

We will be in touch with the WCO for a full return of deposit on funds that were provided by the WCO for the above referenced Program."

18. Also in September 2003, the British, the German, and the Dutch Customs administrations declined to conduct workshops in Nigeria, even though the Program Manager offered the payment of a fee.

19. The Project Manager obtained undertakings that German Customs experts will conduct two workshops and a Valuation seminar in Kenya. Two British Customs experts will conduct the remaining two workshops in Kenya, against payment of a fee. Two Danish Customs experts will conduct four workshops and one Valuation seminar in Nigeria against payment of a fee. A second Valuation seminar in Kano, Nigeria, will be conducted by a WCO official and the Project manager during the final evaluation mission. This means that it will be possible to deliver the entire technical assistance programme before the new end date of the programme, 31 March 2004.

### Financial management

20. The WCO Accounts Section manages the activity budget. On 21 February 2003 Mr. Pimpong, Branch Chief, Contract Audit Management Branch, Office of Procurement, informed the WCO of the need to commission the external audit of the programme. The WCO proposed the modalities for the external audit to the USAID, Office of the Regional Inspector General, Hungary, with its letter dated 15 April 2003. The external auditors commenced their work on 27 October 2003. The audit work is still in progress.

21. On the basis of expense estimates prepared by the Project Manager, and taking into account the roll-over of funds caused by delays in disbursements, the WCO has requested advances (standard form 270) from the USAID as follows :

1	2	3	4	5	6	7
Request No	Advance for period <i>MM/DD/YY</i>	Amount in US\$	Date of request <i>MM/DD/YY</i>	Date of receipt of advance <i>MM/DD/YY</i>	Days elapsed between 4 and 5	Comments
1	10.01.01-12.31.01	75,000	10/04/01	01/07/02	95	The WCO had an outlay until the advance was received. Travel restrictions following the 09 11 01 events delayed the full disbursement of the first advance. The WCO rolled over the unspent funds to the first 3 months of 2003 for which no supplementary advance was requested.
2	04.01.02-06.30.02	119,300	05 22 02	06 26 02	36	The WCO had an outlay until the advance was received.
3	07.01.02-09.30.02	136,470	07 10 02	09 26 02	68	A zero advance was requested for July 02 because the

						WCO rolled over unspent funds from the second advance that was received on June 26.
4	10.01.02-12.31.02	70,270	11.04.02	01.13.03	70	A zero advance was requested for October 02 because the WCO rolled over unspent funds from the third advance that was received on September 26. The disbursement of the advance was delayed, notably because the US Customs Service could not yet undertake missions, some Member Administrations did not invoice the WCO for their services during the quarter, and delays in procurement of equipment. The unspent funds were taken into account when advance request No 5 was formulated.
5	01.01.03-03.31.03	96,025	12/12/02	01/13/03	32	An urgent transfer of the advance was requested in order to meet the obligation to pay \$156.824 on 13 January 2003 to the US Customs Service, cf. the Memorandum of Understanding between the WCO and the USCS.

1	2	3	4	5	6	7
Request No	Advance for period MM/DD/YY	Amount in US\$	Date of request MM/DD/YY	Date of receipt of advance MM/DD/YY	Days elapsed between 4 and 5	Comments
6	04/01/03-06/30/03	172,980	03/19/03	04/02/03 05/22/03 06/06/03	14 45 60	\$66,610 Advance for April 2003. \$51,700 Advance for May 2003. Transfer awaited the receipt on May 6, 2003, by USAID of the Financial Status report. \$54,670 Advance for June 2003.
7	07/01/03-09/30/03	101,317	07/22/03	N.A. 08/08/03 09/15/03	 17 49	No advance requested for July 2003. \$72,197 Advance for August 2003. \$29,120 Advance for September 2003.
8	10/01/03-12/31/03	21,458	12/04/03	12/18/03	14	No advance requested for October and November 2003.
9.	01/01/04-03/31/04	82,180	20/01/04			No advance requested for January and February 2004.

22. The WCO has submitted quarterly Financial Status reports (standard form 269) to USAID. As of 31 December 2003, the WCO had received advances from the USAID amounting to \$ 792,820 and had disbursed \$749,731. The disbursement (expenses actually paid by the WCO) corresponds to 85.68 % of the allocated grant of \$875,000 for the two years. The relatively low disbursement figure is due to the fact that the bulk of the training missions to Kenya and Nigeria have not yet been conducted, that the WCO has not yet received (and therefore has not yet paid) the invoices relating to the authorised procurement and delivery of audio-visual and IT equipment to three of the project countries' Customs administrations, and that the salary for the remaining months of the Project Manager's contract has not yet been paid. Having received the requested advance on 13 January 2003, the WCO paid \$156,824 on 14 January 2003 to the US Customs Service in accordance with the Memorandum of Understanding between the WCO and the USCS. The MOU foresees the payment of a second instalment of \$57,968, but the slow pace of delivery of the workshops by the U.S. Customs has meant that the payment of the second instalment has been delayed. Following the communication received on 10

September 2003 from the U.S. Customs and Border Protection<sup>1</sup>, the second instalment will not be paid to the U.S. Customs and Border Protection and the unspent part of the already paid advance will be reimbursed to the WCO<sup>2</sup>.

23. The WCO has had to request reimbursement of £630 from each of four Customs officers from Kenya Customs who participated in a study visit to U.K. Customs and Excise. The WCO had paid each of them an advance that covered per diem and hotel expenses, but due to a misunderstanding the participants left London without paying their hotel room bill of £630 for each person. HM Customs and Excise, U.K., paid the bills and sent an invoice for four times £630 to the WCO. The WCO paid the invoice from HM Customs and Excise and claimed reimbursement from the four participants. As of 27 January 2003, the WCO had recovered the funds from three of the participants. In June 2003, the Kenya Revenue Authority, Customs and Excise Department, promised to pay the outstanding funds, £630, on behalf of the fourth Customs officer. The WCO received the funds in early July 2003. This incident can therefore be considered as closed.

#### **Revision of Grant Budget**

24. On 6 February 2003 the WCO suggested that the USAID should agree to revise the funding levels for the cost components (but not the grant total) of the grant. The justification for the proposal was indicated in the second quarterly report to the USAID, paragraphs 16 to 21. The USAID agreed to the revision of the funding levels for the cost components with its letter dated 1 April 2003. The background is as follows :

25. Attachment 1 to the grant letter contains the following specification of funding levels :

<u>Cost Element</u>	<u>Total Estimated</u>
<b><u>COST COMPONENTS</u></b>	<b><u>SUBTOTAL</u></b>
Project Manager and Customs Experts	545,000
Travel expenses, airfare, per diem, and lodging	200,000
Other direct costs (production of materials translation, equipment, resource materials, etc.	50,000
WCO Administrative Fee	<u>80,000</u>
<b>GRANT TOTAL</b>	<b>\$875,000</b>

<sup>1</sup> See paragraph 17 above.

<sup>2</sup> On 5 January 2004, the WCO received US\$116,264.09 by cheque from the U.S. Customs and Border Protection. These funds will be used for the workshops in Kenya and Nigeria that the U.S. Customs and Border Protection was unable to conduct.

26. The WCO suggested that the grant budget should be revised in order to foresee the following funding levels for the cost components :

<u>Cost Element</u>	<u>Total Estimated</u>
<b>COST COMPONENTS</b>	<b>SUBTOTAL</b>
Project Manager and Customs Experts	620,000
Travel expenses, airfare, per diem, and lodging	55,000
Other direct costs (production of materials, translation, equipment, resource materials, etc.	120,000
WCO Administrative Fee	<u>80,000</u>
<b>GRANT TOTAL</b>	<b>\$875,000</b>

Note 1 : The cost component "Project Manager and Customs Experts" covers fees, salaries, travel expenses, airfare, per diem, and lodging for the Project Manager and the Customs Experts.

Note 2. The cost component "Travel expenses, airfare, per diem, and lodging" covers the travel expenses for Customs officials from the beneficiary countries.

#### **Work plan and staff resources**

27. The WCO has prepared a work plan foreseeing that each country will receive a number of workshops for Customs officials and seminars for the business community. Lesotho, Senegal, and Tanzania have received all the workshops and Valuation seminars foreseen in the work plan. It has not been possible to respect the initial work plan with regard to the delivery of workshops in Kenya and Nigeria, but a revised work plan has now been agreed. The remaining workshops and seminars will be conducted in Kenya and Nigeria between January and March 2004. The programme will also fund expert missions on various Valuation-related topics, Customs officers' study visits to other Customs administrations, participation in the WCO Fellowship Programme, the supply of WCO manuals and limited amounts of audio-visual and IT equipment, and a financial contribution towards the cost of developing the software for a national database with information on importers (FNID – Fichier National Informatisé et de Documentation) that can be used as an instrument for risk management. The European Commission has informed the WCO of the possibility of co-funding of trade-related IT-infrastructure projects aiming at improving the functioning of Customs. So far, the Delegations concerned of the European Commission have expressed a positive attitude towards co-funding projects in Kenya, Lesotho and Tanzania, provided that a formal request supported by each government is made by the countries through the agreed channels. For further details, see below under the heading "Impact – funding by other donors" paragraphs 35-38.

28. The staff resources consist of the Project Manager who is employed full-time for the programme, and Customs experts made available short-term by the Customs administrations of Canada, Denmark, France, Morocco, Netherlands, United Kingdom, and United States. The Project Manager briefs the Customs experts in detail of the situation in each country and provides copies of the relevant Needs Assessment Reports, training material etc. to the Customs experts.

29. The WCO obtained firm commitments from the Customs administrations mentioned above to make experts available for the actions foreseen. The Dutch Customs administration had agreed to make Customs experts available for the risk management workshops in Kenya and Nigeria. The workshop in Kenya was conducted in June 2003, but in September 2003 the Dutch Customs administration informed the Project Manager that they could not conduct the risk management workshop in Nigeria. On December 17, 2002 the WCO signed a "Memorandum of Understanding Between The World Customs Organization (WCO) And The United States Customs Service (now Customs and Border Protection) concerning the WCO/USAID Valuation Technical Assistance Programme to sub-Saharan Countries". The MOU foresaw that full programme delivery takes place before the expiration of the grant on 31 July 2003. As mentioned in paragraph 17 above, security concerns delayed the implementation of the MOU, and the USAID agreed to two no-cost extensions of the programme until 31 March 2004. In June – August 2003 the US Customs and Border Protection conducted workshops in Tanzania and Lesotho. In September 2003 the U.S. Customs and Border Protection informed the Project Manager that they were unable to provide the training to Kenya and Nigeria. Customs officers from Denmark, Germany and the United Kingdom have agreed to provide the training in Kenya and Nigeria before 31 March 2004.

### **Performance Management**

30. The WCO foresees that a formal evaluation will take place in April 2004 on the basis of an evaluation mission in each of the beneficiary countries. Three of these evaluation missions were conducted in October 2003 (Tanzania and Lesotho) and in December 2003 (Senegal). The evaluation missions to Kenya and Nigeria have been scheduled for February 2004. In accordance with paragraph 4 of the Program Description (Attachment 2 to the grant letter), the progress will be measured in terms of the requirements of proper implementation of the WTO Valuation Agreement and measurable improvements in efficiency and transparency in project countries. During the delivery of the technical assistance, performance is measured by monitoring the timely delivery of the technical assistance actions, by the use of "WCO Course Evaluation Forms" filled in by participants, by reports prepared by the facilitators of each workshop, and through the feedback received from the Customs administrations. The technical assistance actions have been well received.

### **Impact – funding by other donors**

31. The WCO has informed the World Bank, the European Commission, and the WTO of the technical assistance programme. In its reply, the European Commission informed the WCO that co-funding of the WCO's activities is a possibility, but needs to be agreed and supported first by the respective African authorities. Accordingly, the WCO has assisted the Customs administrations of Kenya, Lesotho, Nigeria, and Tanzania with seeking co-funding from the European Commission for IT projects envisaged by these Customs administrations (computerisation of the Customs clearance process in Kenya, Lesotho, and Tanzania, and a communication link of the ASYCUDA system in the Customs Processing Centres in Nigeria).

32. The European Commission has agreed to provide co-funding to the Customs administrations of Kenya and Lesotho, and the Commission Delegation in Tanzania has expressed a positive attitude towards co-funding projects in Tanzania, provided that a

formal request supported by the government is made by Tanzania through the agreed channels. With regard to Nigeria the European Commission has informed the WCO that "the European Commission can not intervene, without the integration of the modernisation of the Nigeria Customs Service into the country support strategy that the European Commission has agreed with Nigeria in the framework of the 9th European Development Fund (EDF). Furthermore, it will be necessary with the formal support from the Government of Nigeria (through the national authorising officer of the EDF funds) to prioritise trade, and trade facilitation in particular, under the European Commission's national indicative development programme". The WCO has informed the Comptroller-General of the Nigeria Customs Service accordingly and suggested that he consider raising the issue with the National Authorising Officer of the EDF funds. The Project Manager has informed the Nigeria Customs Service of the name and other address details of the Nigerian Authorising Officer of the EDF funds.

33. The Director General of Senegal Customs has expressed his interest that WCO assists in the preparation of requests for co-funding for trade-related I.T. infrastructure projects of the Customs administration of Senegal. However, the Director General has not yet identified the projects for which co-funding shall be requested.

34. At the request of the Commissioner General of the Kenya Revenue Authority and the Commissioner of the Kenya Customs and Excise Department, the WCO has also written to the International Monetary Fund and the World Bank, explaining the funding needs of the Kenya Customs and Excise Department for an I.T. project to upgrade the customs clearance process. The IMF replied that it is unable to provide the requested funding. Following the request of the WCO, the World Bank Kenya Country Director held a meeting on the issue with the Commissioner of Kenya Customs. The Commissioner has thanked the WCO for facilitating the fruitful meeting.

35. It is now up to the Customs administration of Tanzania to raise the matter with the relevant government departments in order to present a formal request to the European Commission. In the case of Nigeria, the Customs administration needs to get the task "modernisation of the Nigeria Customs Service" integrated into the country support strategy that the European Commission has agreed with Nigeria in the framework of the 9th European Development Fund (EDF). The Nigeria Customs administration also needs to obtain the formal support from the Government of Nigeria (through the national authorising officer of the EDF funds) to prioritise trade, and trade facilitation in particular, under the European Commission's national indicative development programme.

36. The WTO has offered to assist the WCO with the delivery of the technical assistance.

#### **Sustainability:**

37. The WCO/USAID programme contributes to capacity building within the Customs administrations, and increases the level of understanding within the business community of the obligations and benefits resulting from the implementation of the WTO Valuation Agreement.

38. The WCO considers that the WCO/USAID programme constitutes a successful model that should be used for future technical assistance programmes.

## **Delivery of the technical assistance**

### WCO documentation

39. The WCO has supplied WCO documentation to the Customs schools of all five countries (Kenya, action K11, Lesotho, action L11, Nigeria, action N13, Senegal, action S07, and Tanzania, action T12).

40. For each workshop and seminar, the WCO has supplied appropriate Valuation-related documentation to the participants. Each participant in the workshops has received a WCO Certificate. A sample of a WCO Certificate was attached as Annex II to the second quarterly report. The Project Manager has instructed the facilitators to prepare a report on each workshop and to ask each participant to fill in the WCO Course Evaluation Form. The Project Manager analyses the participants' replies to the questions in the form. The WCO sends the Head of Customs a copy of the facilitators' report and of the analysis of the participants' replies to the WCO Course Evaluation Form.

### Audio-visual and I.T. equipment

41. The WCO has determined the needs for audio-visual and I.T. equipment of the Customs schools of all five countries and authorised the procurement of the equipment in question. There are unfulfilled needs for equipment for new units in Customs Headquarters (e. g. post clearance audit units). Only limited quantities of equipment to Customs Headquarters can be funded under the WCO/USAID programme, but co-funding by the European Commission and, possibly, the World Bank, should make it possible to achieve significant improvements. The Project Manager has informed the Customs administrations that the equipment supplied within the grant should not be subject to taxes.

### Training, study visits<sup>3</sup> and WCO Fellowship Programme

42. The WCO has organised the following training events during the reporting period :

#### Tanzania

24 October 2003      Valuation seminar for the business community (action T09).

43. In May 2003, Customs officers from Lesotho and Tanzania conducted a study visit to South Africa Customs focusing on post clearance audit (action L10 and T11). The participants have prepared reports on the study visit. Judging from the two reports, the participants believe that they did not gain much benefit from the study visit, and that the organisation of the study visit was poor. The WCO is concerned that the participants' time and the WCO/USAID programme funds would appear to have been expended without sufficient benefit being obtained. The participants suggest organising a second study visit. The WCO has written to the Head of Customs of South Africa asking him to indicate what problems were encountered with regard to the preparation of the study visit and during the study visit itself. Before any consideration can be given to a possible return study visit, the inefficiencies and problems of the first visit needed to be identified and dealt with. The Head of Customs of South Africa initiated an inquiry and sent a report to the WCO. The WCO sent a copy of the report to the Heads of the Customs administrations in Lesotho and Tanzania. The Project Manager discussed the issue during the final evaluation missions to Lesotho and Tanzania in October 2003. The two Commissioners of Customs and Excise took note of the report established by the South Africa Customs and agreed to

---

<sup>3</sup> A study visit to France was scheduled in November 2003 for two Customs officers from Senegal. At the request of the French authorities, the study visit has been rescheduled to 01-12 March 2004.

consider the incident as closed. They asked the Project Manager to envisage a second study visit focusing on post clearance audit in Kenya or South Africa. The Kenya Customs administration has replied that it does not yet have a functioning post clearance audit programme, but it has offered to host a study visit on Valuation issues. The South African Customs Service has not yet replied to the WCO's request to host a second study visit.

\* \* \*

WCO/USAID Valuation  
 Technical Assistance Programme to Sub-Saharan Countries

20 January 2004

Valuation workshop for Customs officials, 20 participants.	K01	Kenya	21	26-30/01/04	Germany
Valuation seminar for the business community, 40 participants.	K02	Kenya	22	06.02.04	Germany
Train-the-Customs Valuation Trainers Workshop, 30 participants.	K03	Kenya	23	01-05/03/2004	U.K.
Expert mission in order to carry out an organizational review.	K04	Kenya	11	28/05-07/06/03	Canada
Valuation Workshop for Middle and Senior Managers, 25 participants.	K05	Kenya	26	02-06/02.2004	Germany
Workshop on risk management, 20 participants.	K06	Kenya	24	16/6-20/06/03	NL
Expert mission concerning the organization and operation of a Post Clearance Audit Section.	K07	Kenya	12	28/05-07/06/03	Canada
Expert mission concerning the organization and operation of an Intelligence Unit	K08	Kenya	14	28/05-07/06/03	Canada
Workshop on post clearance audit,	K09	Kenya	25	08-12/03/2004	U.K.
Study visit to another country (U.K.)	K10	Kenya	31	23-27/09/02	Kenya
Supply of WCO documentation for the Customs School	K11	Kenya	32	22 June 2003	
Supply of audio-visual/IT equipment for the Customs School	K12	Kenya	33	Oct. 2002	WCO approval received
				quotations for approval	sent on 17 October 2003.
Supply of IT equipment necessary to ensure the viability of an envisaged Intelligence Unit	K13	Kenya	34	P.M.	
Valuation workshops for Customs officers 25 participants.	L01	Lesotho	21	04-08/11/02; 11/14/11/02	U.K.
Valuation seminar for the business community, 15 participants	L02	Lesotho	22	15.11.02	U.K.
Train-the-Customs Valuation Trainers Workshop, 16 participants.	L03	Lesotho	23	02-06/09/02	U.K.
Expert mission in order to carry out an organizational review.	L04	Lesotho	11	07-11/04/03	Canada
Expert mission concerning the introduction of a risk management programme	L05	Lesotho	15	07-11/04/03	Canada
Expert mission concerning the organization and operation of a Post Clearance Audit Section.	L06	Lesotho	12	07-11/04/03	Canada
Workshop on risk management, 10 participants.	L07	Lesotho	24	18 22/11/02	Denmark
Workshop on post clearance audit, 25 participants	L08	Lesotho	25	28/07 01/08/03	USA

WCO/USAID Valuation  
Technical Assistance Programme to Sub-Saharan Countries

Valuation Workshop for Middle and Senior Managers, 20 participants.	L09	Lesotho	26	22-26/7/02	U.K.
Study visit to another country (South Africa) and to the WCO Fellowship Programme	L10	Lesotho	31	17-31/05/03; 23/09-01/11/02. A second study visit to South Africa has been requested. A Valuation study visit to Kenya has been offered by Kenya.	Lesotho
Supply of WCO documentation for the Customs School	L11	Lesotho	32	July 2002	
Supply of audio-visual/IT equipment for the Customs School	L12	Lesotho	33	Authorised in July 2003	
Supply of IT equipment necessary to ensure the viability of an envisaged Post Clearance Audit Unit/Section	L13	Lesotho	35	P.M.	
Visit to Nigeria Customs Service Headquarters by a high-ranking official with valuation expertise, from a developed country already having implemented the Valuation Agreement, for advisory talks on how to overcome initial implementation problems, including the risk of revenue loss caused by under-declaration of value.	N01	Nigeria	16	09-13/06/03	Canada
Valuation workshop for Customs officers. In Lagos.	N02	Nigeria	21	02-06.02.04	Denmark
Valuation seminar for the business community. In Lagos	N03	Nigeria	22	06.02.04	Denmark
Valuation seminar for the business community. In Kano	N04	Nigeria	22	26.02.04	WCO
Valuation seminar for the business community. In Port Harcourt	N05	Nigeria	22	P.M.	Project Manager or this workshop will be covered by N03 and N04.

2  
20 January 2004

WCO/USAID Valuation  
Technical Assistance Programme to Sub-Saharan Countries

Expert mission concerning the introduction of a risk management programme	N06	Nigeria	15	09-13/06/03	Canada
Expert mission concerning the organization and operation of a Post Clearance Audit Unit	N07	Nigeria	12	09-13/06/03	Canada
Train-the-Customs Valuation Trainers Workshop, 25 participants.	N08	Nigeria	23	23-27/09/02	Netherlands
Workshop on risk management methodology	N09	Nigeria	24	01-05/03/2004	Denmark
Workshop on post clearance audit,	N10	Nigeria	25	23-27/02/2004	Denmark
Valuation Workshop for Middle and Senior Managers	N11	Nigeria	26	26-30/01/2004	Denmark
Valuation workshop for Customs officers.	N12	Nigeria	21	Not possible.	This workshop will be covered by N02
Supply of WCO documentation for the Customs Schools	N13	Nigeria	32	Oct. 2002	
Supply of audio-visual/IT equipment for the Customs Schools	N14	Nigeria	33	Authorised in August 2003	
Supply of IT equipment necessary to ensure the viability of an envisaged Post Clearance Audit Unit/Section	N15	Nigeria	35	P.M.	
Train-the-Customs Valuation Trainers Workshop, 12 participants.	S01	Senegal	23	02-06/09/02	France
Workshop on risk management	S02	Senegal	24	07-11/04/03	France
Workshop on post clearance audit,	S03	Senegal	25	14-18/04/03	France
Valuation workshop for Customs officers. (Chefs de visite and Chefs de Section), 20 participants	S04	Senegal	26	23-26/09/02	Morocco
Valuation seminar for the business community.	S05	Senegal	22	27.09.02	Morocco
Study visit to another country	S06	Senegal	31	17-28/11/2003	Senegal/France
Supply of WCO documentation for the Customs School	S07	Senegal	32	Sept. 2002	
Supply of audio-visual/IT equipment for the Customs School	S08	Senegal	33	All paid.	
Supply of IT equipment necessary to ensure the viability of an envisaged Intelligence Unit	S09	Senegal	34	P.M.	
A financial contribution towards the cost of developing the software for a national database with information on importers (FNID – Fichier National Informatisé et de Documentation) that can be used as an instrument for risk management	S10	Senegal	37	Paid in September 2003	

3  
20 January 2004

WCO/USAID Valuation  
 Technical Assistance Programme to Sub-Saharan Countries

Expert mission concerning the organization and operation of a Post Clearance Audit Unit	S11	Senegal	12	22/02-01/03/03	France
Expert mission in order to carry out an organizational review.	T01	Tanzania	11	31/03-04/04/03	Canada
Expert mission concerning the organization and operation of a Post Clearance Audit Section.	T02	Tanzania	12	31/03-04/04/03	Canada
Valuation workshop for Customs officials, 25 participants.	T03	Tanzania	21	23-27/06/03	USA
Valuation seminar for the business community, 40 participants.	T04	Tanzania	22	19.06.03	USA
Train-the-Customs Valuation Trainers Workshop, 24 participants.	T05	Tanzania	23	02-13/12/02	Netherlands
Expert mission in order to assist with development of systems and procedures aiming at moving away from Pre-Shipment Inspection and toward inspection at destination (The mission is dependant upon Tanzania confirming the wish to move away from Pre-Shipment Inspection)	T06	Tanzania	13	31/03-04/04/03	Canada
Workshop on risk management, 20 participants.	T07	Tanzania	24	16-20/12/02	Denmark
Workshop on post clearance audit,	T08	Tanzania	25	21-25/07/03	USA
Valuation Seminar for customs clearing agents and importers, 25-part (Not possible because U.S. Customs Service is restricted in conducting seminars for the business community). <i>Replaced by</i> Valuation seminar for the business community, in Arusha	T09	Tanzania	22	24.10.03	WCO
Valuation Workshop for Middle and Senior Managers, 25 participants.	T10	Tanzania	26	16-20/06/03	USA
Study visit to another country (South Africa)	T11	Tanzania	31	17-31/05/03. A second study visit to South Africa has been requested. A Valuation study visit to Kenya has been offered by Kenya.	Tanzania
Supply of WCO documentation for the Customs School	T12	Tanzania	32	March 2003	

4  
20 January 2004

WCO/USAID Valuation  
 Technical Assistance Programme to Sub-Saharan Countries

Supply of audio-visual/IT equipment for the Customs School	T13	Tanzania	33	May/June 2003		
Supply of IT equipment necessary to ensure the viability of an envisaged Central Valuation Unit	T14	Tanzania	36	P.M.		
Supply of IT equipment necessary to ensure the viability of an envisaged Post Clearance Audit Unit/Section	T15	Tanzania	35	P.M.		

5  
 20 January 2004