

East Africa Community: Regional AEO Programme Lessons Learned

Richard Chopra - Programme Director, WCO
Martin Ojok, Regional Project Manager, WCO- EAC CREATE Project

Table of Contents

- ▶ Background: EAC Region
- ▶ EAC Regional AEO Programme - Benefits and Criteria
- ▶ EAC Regional AEO Programme - The critical path and current status
- ▶ WCO-EAC CREATE Project - Overview
- ▶ EAC Regional AEO Programme - Main achievements
- ▶ EAC Regional AEO Programme - Lessons learned
- ▶ EAC Regional AEO Programme - The way forward

Background - EAC Region

► One of the RECs in Africa

► Membership

1. Burundi
2. Kenya
3. Rwanda
4. Tanzania
5. South Sudan
6. Uganda



EAC Regional AEO Programme - Benefits and Criteria

BENEFIT

Automatic passing of declaration

No physical examination of goods, except for random or risk based interventions.

ECTS requirement waiver where applicable

Expedited payment of refund claim

Reduced Customs security where applicable

Priority to participate in Customs initiatives

Guaranteed renewal of Customs license

Priority treatment in cargo clearance chain

Waiver of movement bond requirements for AEO

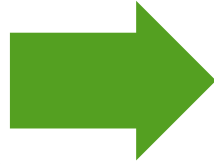
Self-management of bonded warehouse

- ▶ Company organisation structure
- ▶ Record of Compliance
- ▶ Security and safety standards
 - ▶ Internal controls
 - ▶ Premises security
 - ▶ Cargo security
 - ▶ Cargo conveyance security
 - ▶ IT security
 - ▶ Crisis management
 - ▶ Trade partners security requirements
 - ▶ Personnel security
 - ▶ Security awareness programs
- ▶ Financial solvency
- ▶ Maintenance of records

WCO - EAC CREATE Project Overview

Phase I: 2008 - 2013

- Regional decision to move with a regional AEO
- Initial national diagnostics
- Focus - Compliance Programme
- Pilot Phase (13 companies)



Phase II: 2014-2018

- Update and formalize the Regional AEO Programme
- Align with SAFE FoS
- Build governance capacities
- Build national capacities
- Build pool of regional AEOs
- Enhance IT Connectivity
- Move towards international MRA

WCO - EAC CREATE Project - Overview

Component 1 - Regional AEO Programme Governance

Component 2 - Risk Management, PCA, AEO Validation...

Component 3 - Regional AEO IT

Component 4 - Mutual Recognition Agreement

EAC Regional AEO Programme - Main Achievements

Regional
AEO
Programme

71 Regional AEOs

7% of regional trade

9% of revenue

3.0 Bln Annual Trade

EAC Regional AEO Programme - Main Achievements

1	<ul style="list-style-type: none">✓ Regional AEO Programme - Formalized with trade and aligned with EAC SCT✓ SOP Manuals developed and adopted at regional level✓ Regional AEO Working Group established✓ National AEO Consultative Groups established in 3 countries ✓ Over 600 officers at border posts and major ports sensitized on regional AEO✓ Regional AEO Programme Logo and regional AEO website
2	<ul style="list-style-type: none">✓ National AEO Diagnostics undertaken and national upgrade plans under implementation✓ Regional AEO Validation Training Material developed✓ Pool of regional AEO Validators (2 Training of Experts) being built✓ Regional Risk Management Strategy developed and adopted✓ Regional PCA Manual Updated and adopted
3	<ul style="list-style-type: none">✓ Regional AEO Identifier adopted at regional level and deployed in 3 countries
4	<ul style="list-style-type: none">✓ MRA Action Plan with South Korea Signed

EAC Regional AEO Programme - Main Challenges

- ▶ **Undertaking Security Audit is challenging**
- ▶ **Mindset at the border (Revenue Revenue Revenue)**
- ▶ **Uniform Application of Benefits across the region**
- ▶ **Regional IT connectivity**
- ▶ **Unequal level of readiness of the Partner States**
- ▶ **Competing modernization demands**
- ▶ **Keeping the regional AEO Programme relevant**

EAC Regional AEO Programme - Lessons Learned

- ▶ **Common legislation is enabling**
- ▶ **Regional steering group facilitates regional MRA**
- ▶ **Pilot Phase is critical**
- ▶ **Involving trade in the design of the AEO programme is a must**
- ▶ **Involving CBRAs is key to unlocking AEO potential**
- ▶ **National AEO Diagnostics are key to having minimum regional capacities**
- ▶ **AEO Validation skills need to be built**
- ▶ **Having robust governance mechanisms is essential**

EAC Regional AEO Programme - The Way Forward

- ▶ Building pool of experts
- ▶ Authorisation of more Companies
- ▶ Enhancing Benefits Management
- ▶ Enhancing Performance monitoring and Reporting
- ▶ Enter more Mutual Recognition Arrangements

Thank you

The background features abstract, overlapping geometric shapes in various shades of green, ranging from light lime to dark forest green. These shapes are primarily located on the right side of the frame, creating a modern, layered effect against the white background.