Republic of BurkinaFaso

Republic of Côte d'Ivoire

Republic of Mali

Republic of Senegal

Republic of Togo

Interconnection project for the computer systems of the customs administrations of burkina faso - cote d'ivoire – mali - senegal and togo.

March 2017

SUMMARY

ACCRONYMS

WCO	**:**	World Customs Organisation
ECOWAS	**:**	Economic Community of West African States
WAEMU	**:**	West African Economic and Monetary Union
ISRT	**:**	Inter State Road Transit
EPA	**:**	Economic Partnership Agreement
EU	**:**	European Union
PACIR	**:**	Support Program for Trade and Regional Integration
PFCTCAL	**:**	Trade and Transport Facilitation Project on The Abidjan-Lagos corridor
PAMOSET	**:**	Support Project for the Modernization of the Transport and Trade Facilitation) on the Abidjan-Ouagadougou Corridor
WB	**:**	World Bank
AfDB	**:**	African Development Bank

I- CONTEXT

With the development of international trade, it becomes increasingly imperative to work towards trade facilitation. This requires a sustained modernization of customs clearance procedures, including the inter-state transit system. Thus, ECOWAS, concerned about the competitiveness of the economies of its member States, has made interconnection its main battleground. To this end, member states signed Convention A/P4/5/82 on 29 May 1982 to govern Inter-State Road Transit (ISRT) in the subregion.

In this perspective, a solution approach had already been tried between Côte d'Ivoire and Ghana through a software called ALIX initiated by the Ivorian Customs. This project had a promising start but was subsequently suspended due to the difficulties encountered during the deployment.

In addition, as part of the commitments made by the European Union (EU) under the interim Economic Partnership Agreements (EPAs) in 2007, a financing agreement called the Trade and Regional Integration Support Program (PACIR) was signed between the State of Cote d'Ivoire and the European Union. One of the activities of PACIR was to establish a computer interface between the computer systems of the Customs Administrations of Burkina Faso, Côte d'Ivoire and Mali.

In this context, an interconnection project for the IT systems of the Customs Administrations mentioned above was initiated in 2013 between Burkina Faso, Côte d'Ivoire and Mali and then extended to Senegal in 2014 and Togo in 2016 under the supervision of the World Customs Organization (WCO).

The regional institution (ECOWAS), which intends to extend the project to all its members, has embarked on a relentless search for funding to start the project in the pilot countries (Burkina Faso, Côte d'Ivoire, Mali, Togo). It is supported in this initiative, by WCO and Côte d'Ivoire, the country leading the project.

In order to facilitate this search for funding, it is necessary to have a budget covering the implementation activities.

II- JUSTIFICATION

The use of information and communication technologies in customs clearance procedures is one of the recommendations of the World Customs Organization (WCO) to Customs Administrations. In its document « Customs of the 21st Century », it recalls the urgency for Customs Administrations to connect with each other to secure and facilitate international trade by adapting to the perpetual changes in the business environment.

With the computerization of Customs Administrations, the interconnection of computer systems proves to be an opportunity for efficient management of international movements of goods.

III- GOALS

The main objectives of this project are:

- facilitating and securing international trade through the implementation of best commercial practices in accordance with WCO standards framework;

- improve the efficiency and effectiveness of transit procedures;

- improve the prevention and detection of fraud;

- simplify and secure transit operations;

- allow electronic exchange of transit data;

- Establish a regional transit database;

- Obtain electronic cargo information in advance to confirm government revenue;

- reduce falsification of documents;

IV- <u>EXPECTED OUTCOMES</u>

- fraud and smuggling are reduced in the region; therefore, customs revenues are secure;

- movement of goods is monitored, the statistics produced are reliable for better targeting of risk management profiles;

- unique data entry will contribute to speedy customs clearance operations and reduced costs at border posts;

- business environment in the region is improved.

V- RISKS AND HYPOTHESES

- **Hypotheses**

It is assumed in the elaboration of this project that the government and economic communities of the WCO-WCA Region have a shared vision of integration and promotion of intra-regional trade. Another underlying assumption is that the main lenders support this vision.

- **Risks**

Risks	Probability	Consequences	Comments
Lack of funding	High	Decisive	Continue to promote the project to donors

VI- MANAGEMENT BODIES

For the success of the project, the General Directors of Customs have put in place an institutional framework comprising a steering committee, a project committee and a technical committee.

VI-1 Steering Committee

It is composed of the General Directors of Customs, an ECOWAS representative, a WAEMU representative, a country representative from the Chamber of Commerce and Industry, a representative of shippers.

This committee is responsible for conducting and monitoring all the work necessary for the implementation of the project.

VI-2 Project Committee

Composed of a country project manager and members of the structures in charge of transit, customs regulations, telecommunication infrastructures and operation of the computer system, IT studies, this committee is a collaborative working Steering committee and the technical committee.

It is responsible for:
- monitoring the progress of the work,
- managing excesses and corrective measures,
- following the schedule, following the quality of the products delivered,
- ensuring cohesion between the different phases of the project;
- presenting the results to the steering committee.

VI-3 Technical Committee

This committee is composed of a head of technical committee per country, persons in charge of telecommunication infrastructures and operation of the IT system, IT studies and persons in charge of customs regulations.

Its mission is to develop functional specifications, draft technical specifications, develop the solution and implement the solution.

VII - ACTIVITIES

The project activities have been divided into two phases: a study phase and an implementation phase.

VII-1 Study Phase

The following activities are carried out

• launching of the project;

• preparation by the technical committee of functional and technical specifications;

• adoption of the work of the technical committee by the project committee;

• the adoption of the report of the study phase by the steering committee and signature of a Memorandum of Understanding by Director Generals of Customs on 19 March 2015 in Abidjan;

- Presentation of the project to experts from other ECOWAS Member States on 3 June 2015;

- Presentation of the project at the first donor conference on 8 and 9 July 2015.

To date, the solution has been developed as a standard for the interconnection of the IT systems of customs Administrations.

VII-1 Implementation Phase

This achievement requires the satisfaction of a series of requirements, the most important of which are identified by the following activities:

- UNCTAD assistance for implementation of the PACIR interconnection solution;
- Training of the technical teams on the implementation tools of the PACIR solution;
- Acquisition of materials and licenses;
- Implementation of a communication and user training plan.

The following tasks remain to be executed:
- modelling of messages to the WCO data model,

- IT developments of the messages to be exchanged (developing processes and messages, installing, configuring and testing the ActiveMQ exchange module);

- for countries using ASYCUDA World, the signing of a convention for the development and implementation of the solution with UNCTAD;

- training of technical teams on identified tools to ensure transfer of skills;

- acquisition of equipment and licenses;

- end-user training;

- Implementation of the communication plan developed.

We note that several development partners have been interested in this project, but given the very high cost of its implementation, they have opted for bilateral action.

Thus, between Côte d'Ivoire and Ghana for the **PFCTCAL** (Trade and Transport Facilitation Project on the Abidjan-Lagos Corridor) project financed by the World Bank (WB), an agreement was signed between Côte d'Ivoire and UNCTAD for the development and implementation of the **PACIR** solution.

Another project called **PAMOSET** (Project to Support the Modernization of the Transport Sector and Facilitation of Trade) on the Abidjan-Ouagadougou Corridor will allow the interconnection between these two States. Another project called **PR 8** (Road Development and Transport Facilitation Project) on the Bamako-Zantiebougou-Boundiali-San Pedro corridor funded by the African Development Bank (AfDB) will also make it possible to interconnect the two states.

VIII- FINANCIAL ASSESSMENT

CATEGORY	DESCRIPTION	AVTIVITIES	QUANTITY	TOTAL (XOF)	TOTAL (USD
SOFTWARES	Adaptation of the ASYCUDA World transit module to PACIR specifications	Project coordination	01 convention	522,060,000	1,044,120
		Technical support(development)			
		Customs support (development)			
		Technical support (test)			
		Functional expert (deployment)			
		IT expert (deployment) Support			
	New transit module for the customs clearance system of Senegal	Consultancy and implementation of the solution	01 contract	132,000,000	264,000
	Consultancy for Apache ActiveMQ	Implementation of Apache ActiveMQ	05 countries	65,500,000	131,000
	TOTAL (SOFTWARES)			**719,560,000**	**1,439,120**
TECHNICAL TRAININGS	Implementation tools of the solution	JMS	20 participants	15,000,000	30,000
		Apache ActiveMQ	20 participants	39,060,000	78,120
		XML	20 participants	39,060,000	78,120
		Strut 2	04 participants	7,812,000	15,624
		EJB 3	04 participants	6,502 000	13,004
	TOTAL (DEVELOPMENT TOOLS)			**107,434,000**	**214,868**

CATEGORY	DESCRIPTION	ACTIVITIES	QUANTITY	TOTAL (XOF)	TOTAL (USD
MATERIAL EQUIPEMENT + LICENCES + TRAINING ON THE MATERIAL	Implementation of servers for the 5 members countries	Acquisition of servers and licences	5 countries	250,000,000	500,000
	Communication Infrastructure of the systems for the 5 countries	Installation of server software (Linux, VMware...)	01 installation	30,000 000	60,000
		Training on servers	20 participants	240,000 000	480,000
	Communication Infrastructure for the systems of the 5 countries	Acquisition of network equipment	02 routers/ country For 5 countries	450,000,000	900,000
		Configuration of network equipment	5 countries	75,000,000	150,000
		Internet Link + recurring cost on 6 months	02 links/ countries 5 countries	500,000,000	1,000,000
		Training on VPN concentrator VPN	20 participants	96,950,000	193,900
	TOTAL (MATERIELS PAYS MEMBRES)			1,641,950,000	3,283,900
	Application Servers for the ECOWAS central site	Acquisition of application servers and licences for ECOWAS	02 servers	50,000,000	100,000
		Installation server software (Linux, VMware...)	01 installation	6,000,000	12,000
		Training on application servers	04 participants	12,000,000	24,000
	Database Servers for the ECOWAS central site	Acquisition of database servers and licences for ECOWAS	01 server	450,000,000	900,000
		Oracles licences	05	951,142,500	1,902,285
		Training on database servers	04	300,740,000	601,480

			participants		
	Communication infrastructure of ECOWAS systems	Acquisition of network equipment (Firewall/Router)	02 routers	90,000,000	180,000
		Training on VPN ECOWAS concentrator	04 participants	19,389,979	38,780
		Internet link + Recurring cost on 6 months	02 links for 06 months	100,000,000	200,000
	TOTAL (ECOWAS MATERIALS)			**1,979,272,479**	**3,958,545**
Communication (Managing change)	**Communication plan and training of users**	Communication Plan	05 countries	1,684,750,000	3,369,500
		Training of users	05 countries	439,500,000	879,000
	TOTAL (COMMUNICATION)			**2 ,124 250 000**	**4,248,500**
TOTAL				**6,572,466,479**	**13,144,933**

IX- CONCLUSION

The importance of monitoring inter-state transit for the member countries of the Region implies the implementation of fluid and open computer solutions.

At the end of the work under the PACIR project, these solutions were described and included in the functional and technical specification documents and presented to regional bodies and development partners.
Successful implementation of these solutions in pilot countries depends on the provision of funding.

These solutions comply with standard norms, are scalable and can be extended to all countries in the region.