



**Conference of Directors General of Customs for the World Customs Organization (WCO)
West and Central Africa (WCA) region - Dakar, Senegal, 24-28 April 2017**

Inspection companies – WCO Secretariat overview of the situation and developments

For many years, the WCO has been supporting its Members with their initiatives to take back control of Customs' tasks outsourced by their government to private sector inspection companies.

The support provided by the WCO in this respect is primarily based on the *Niamey Declaration* initially developed and adopted by WCA Customs in 2013 and subsequently incorporated in the WCO Revenue Package. The Package was produced by the WCO in response to Members' concerns regarding falling revenue returns in the context of the global financial crisis and generally declining duty rates.

The Conference of Directors General of Customs for the WCA region adopted the following recommendations concerning inspection companies:

2014, Cameroon

- That the WCO Secretariat and Member administrations should take ownership of the Niamey Declaration on the intervention of inspection companies;
- That the WCO Secretariat should continue discussions with technical and financial partners on the one hand, and inspection companies on the other hand.

2015, Abuja

- To Customs administrations: to research, and return to the WCO, the recent questionnaire concerning the Niamey Declaration and the intervention of inspection companies, for compilation/evaluation by the WCO Secretariat.
- To the Vice-Chair: to inform the WCO Secretariat of developments and best practices in order to suggest new activities in this area;
- To the Vice-Chair: to encourage administrations to terminate the inspection companies' contracts, pre-shipment and at destination, drawing inspiration, in particular, from the

experiences and good practices of other Customs administrations that have succeeded in doing so.

Progress made since 2013

In 2013, the WCO devised a questionnaire to document the situation with respect to contracts signed between WCA governments and inspection companies. An update was produced in 2016. The results of this work were presented progressively to the Conference of Directors General of Customs for the WCA region in 2014, 2015 and 2016. A further update is expected to be produced for the 23rd Conference in 2018.

Since 2013, the Governments of the Democratic Republic of the Congo, Ghana, Mauritania and Nigeria have not renewed their respective contracts with the inspection companies and their Customs services have been able to reclaim their tasks, also thanks to the support lent by the WCO.

In addition, the contract between the Government of Guinea-Bissau and an inspection company has been suspended.

The support given to Benin and Gabon has enabled those countries to analyse their situation as regards scanner contracts, to launch calls for tenders and to take ownership, at least in part, of these scanners and their use.

The Members who are reclaiming outsourced tasks have undertaken to inform the Conference of Directors General of Customs for the WCA region about the outcomes of their initiatives and to share their experiences with other Members in the region for a period of at least three years. This document does not address those experiences.

Ongoing support

Burkina Faso, Liberia and Sierra Leone have officially sought the WCO's assistance to support their Customs administrations with their respective initiatives.

Burkina Faso: The WCO has made a commitment to support this Administration so that it can regain control of functions such as Customs valuation, tariff classification and determination of origin. This support should prompt the Government to no longer renew the existing contract after 2019 and to assist Customs in executing Focus Area 2 of its Strategic Plan.

Liberia: Since coming out of the Ebola crisis, Liberian Customs has received considerable support from a range of partners. The most significant initiatives are being led by the International Monetary Fund (IMF), the World Bank, the European Union (EU), the Government

of the United Kingdom and the WCO. These Organizations are working together to ensure the synergy of the support. The assistance already given has enabled this Customs Administration to develop a multi-year Strategic Plan and to set up a structure that will steer the reform and manage the Administration's major projects. Upcoming initiatives will focus on Customs valuation, tariff classification, origin, risk management, advance processing of manifests and Customs declarations, and post-clearance audit (PCA).

Sierra Leone: Cooperation with the WCO in this area began in September 2016 with a support mission enabling this Administration to develop a strategic approach and Action Plan, spanning two years, to take back control of outsourced functions. The Action Plan encompasses many areas of assistance, including Customs valuation, tariff classification, origin, risk management, advance processing of manifests and Customs declarations, PCA, Authorized Economic Operator (AEO) status, and e-learning. To ensure more sustainable support, the WCO-HMRC (United Kingdom) project provides sizeable financial assistance and has also made it possible to hire a Mercator Programme Advisor (MPA).

African Development Bank (AfDB) - WCO cooperation: For some time now, both Organizations have been exploring options for jointly supporting WCA Customs administrations wishing to reclaim outsourced tasks. The latest coordination missions were held in April 2017.