

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

TFA trends and challenges - Mercator Programme

Ratification of the WTO Agreement on Trade Facilitation (TFA)

Following ratification of the World Trade Organization (WTO) TFA by two-thirds of the WTO membership, the Agreement entered into force on 22 February 2017.

Overall situation

Mercator Programme

In June 2014, the WCO launched the Mercator Programme to ensure uniform implementation of the WTO TFA, using WCO instruments and tools as most of the TFA provisions relate to Customs.

The WCO established a Working Group on the Implementation of the TFA (TFAWG), open to Member Customs administrations, trade ministry representatives, international organizations relevant to border management, the private sector, academia and other stakeholders. The TFAWG meets twice a year with more than 200 delegates in attendance at each session. It examines each article of the TFA and develops new tools for the uniform implementation of the TFA provisions, drawing on the existing WCO instruments, tools and best practices of Members. These tools include the Revised Kyoto Convention (RKC), TFA Implementation Guidance, Coordinated Border Management Guide, National Committees on Trade Facilitation (NCTFs) Guidance, Single Window Compendium, Guidelines for Post-Clearance Audit and Technical Guidelines on Advance Rulings for Classification, Origin and Valuation.

The WCO has organized regional awareness-raising workshops for its six regions that cover all of its 181 Members. These workshops, aimed at Customs, trade ministries, the private sector and international organizations (governmental and non-governmental), have sought to raise participants' awareness of the TFA and the need to implement it using WCO instruments and tools. This approach has also enhanced partnership with international organizations, including the sanitary, phytosanitary and transport sectors to provide bases for border agency cooperation, as well as with business associations for Customs-business partnership. A **second round of regional workshops**, more focused on technical implementation issues, is under way.

Activities conducted under the Mercator Programme

Over the past two years, the **WCO has organized approximately 180 technical assistance missions in over 70 countries** having expressed needs in technical domains; these needs were often linked to Category A, B and C commitments as well as to the implementation of certain technical measures contained in the TFA.

Tailor-made support

The Mercator Programme includes tailor-made technical assistance, taking into account local conditions, for implementing trade facilitation provisions. The WCO offers this type of assistance to countries requiring

strategic advice, in the form of support activities relating to the TFA provisions. To that end, the WCO has held accreditation workshops to boost its pool of experts supporting implementation of the Mercator Programme.

Accreditation workshops

To guarantee its commitment to its Members, the WCO held a series of accreditation workshops in its six regions for Customs Modernization Advisors (CMAs) specialized in the TFA, an accreditation workshop for Technical Operational Advisors (TOAs) on the RKC, as well as accreditation refresher workshops.

- Two accreditation workshops focusing on Customs modernization and the TFA for English-speaking experts were held, respectively, in South Africa from 1 to 5 February 2016 and then 8 to 12 February 2016. One expert from Gambia and two experts from Liberia were able to take part and the WCO was able to pre-accredit 15 candidates, including one from Liberia.
- The workshop to accredit French-speaking experts as CMAs and Mercator Programme Advisors (MPAs) was held in Yaoundé, Cameroon, from 20 to 24 June 2016. This workshop, co-funded by the African Union and the WCO, was attended by 13 candidates carefully preselected by the WCO and hailing from African Customs administrations. At the end of this highly demanding workshop, seven candidates, six of whom were from the WCA region, were short-listed and were (or will be) invited to take part in a mission, in a Co-Facilitator capacity, in order to complete their accreditation process. These candidates are from Burkina Faso (2 participants), Cameroon (1), Madagascar (1), Mali (1) and Togo (1). Through the accreditation of these experts, the WCO will be able to provide French-speaking Members with greater support for reform planning and, more specifically, for implementing the TFA by means of the WCO Mercator Programme.
- Two (2) experts hailing, respectively, from Mali and Burkina Faso completed their accreditation process following their participation in missions, specifically in the Central African Republic (CAR) for the former (diagnostic and strategic planning mission) and in Gabon for the latter (progress evaluation mission: Columbus Phase 3). These two experts have just received their accreditation certificates. The other pre-accredited experts from the WCA region will be invited to take part in missions to complete this accreditation process.

Handbook for Mercator Programme Advisors (MPAs)

In order to assist CMAs and MPAs with their work, the WCO Secretariat recently developed a Handbook which was adopted at the 8th Session of the Capacity Building Committee held in Brussels in early March 2017. This Handbook contains detailed instructions to help MPAs and WCO capacity building experts draw on the WTO TFA. The WCO Secretariat believes that the Mercator Programme's greatest strength lies in experts' abilities to use WCO tools, coupled with their practice experience and knowledge which underpin their commitment to and understanding of trade facilitation needs.

The idea of developing such a tool took root following the conclusion of the TFA by the WTO membership. The WCO's Capacity Building Directorate (CBD) had already implemented a number of programmes. However, none of them addressed the TFA in such a holistic, up-to-date and detailed manner as the Mercator Programme. As a result, the CBD decided to develop a set of tools and procedures to modernize Member Customs administrations through an approach which would be both standardized and personalized.

This new approach was rolled out in early 2016, driven by an already substantial pool of WCO experts. The WCO Secretariat undertook to consult some Members, donor organizations and private sector stakeholders which helped it produce the final product. Thanks to the work by all the WCO Sub-Directorates and to external input, it was possible to roll out the overall approach deemed necessary for Customs modernization purposes. The outcome achieved required considerable effort by a myriad of contributors.

Progress in the WCA region since the last Conference of DGs of Customs for the region

Chad, Côte d'Ivoire, Gabon, Ghana, Mali, Niger, Nigeria, Senegal and Togo are the only countries in the region to have ratified the **WTO TFA** at 31 March 2017.

Bearing in mind that the TFA covers a wide range of topics, the majority of WCO activities can be carried out within this context. The most important activities for the WCA region include the following:

- National workshops were held in Togo and in Ghana to support these countries with the establishment and operationalization of their NCTF.
- A regional workshop on PCA, in which 17 officials from the WCA region participated, was held in Yaoundé (Cameroon) in January 2017. This workshop provided an opportunity to raise participants' awareness of related WCO standards and tools and to develop a more harmonized understanding of this concept, especially by differentiating PCA from Customs investigations and deferred controls.
- A regional workshop on risk management was held in Abuja in February 2017. Some 20 officials from the region took part. This workshop was an opportunity to begin the work on developing a holistic risk management strategy based on potential risks facing the WCA region.

To prepare its Members for implementation of the TFA, the WCO is organizing a second workshop for officials from WCA countries in Lomé (Togo) from 29 to 31 May 2017, the first workshop of this kind having also been held in Lomé from 17 to 19 November 2015. In addition to Customs administrations from WCA region countries, it will be attended by representatives of these countries' Ministries of Trade, representatives of regional economic communities and representatives of other government structures and the private sector.

In 2015, the WCO concluded a partnership with the United Kingdom's HM Revenue and Customs (HMRC) and the United Nations Conference on Trade and Development (UNCTAD) to support substantive implementation of the TFA in certain countries, including three countries in the WCA region, namely Ghana, Liberia and Sierra Leone. The **HMRC-WCO-UNCTAD Programme** is designed to provide capacity building support targeting selected developing countries, enabling them to implement the TFA in an effective manner using the available WCO tools and instruments, as well as UNCTAD's expertise in the implementation and development of NCTFs.

Following a needs assessment mission carried out in cooperation with the World Bank in May 2016, **the HMRC-WCO-UNCTAD Programme** has developed a made-to-measure plan to implement the Mercator Programme for Sierra Leone. According to this plan, a number of activities were carried out in 2016, particularly a strategic planning workshop (September 2016), a diagnostic study on valuation, classification and controls on origin - Revenue Package (September 2016) and a training seminar on the Time Release Study (TRS) (October 2016). To ensure proper coordination with other development partners operating in this country, this multi-component and multi-year programme is supported by an MPA and has forged cooperation with other stakeholders such as the World Bank and *Adam Smith International*.

In Ghana and Liberia, the HMRC-WCO-UNCTAD Programme focuses its support on the NCTFs. In Ghana, the WCO and UNCTAD jointly held three workshops in 2016 to support the NCTF. Further workshops are planned to round out the assistance provided to these countries by other development partners.

Further assistance activities are already scheduled or being planned to assist the region's countries with TFA implementation, under the Mercator Programme *tailor-made* track.

Key upcoming activities

- 2nd Regional Workshop on TFA for WCO-WCA region countries, Lomé (Togo) from 29 to 31 May 2017.
 - 2nd WCA Donor Conference, Togo on 1 and 2 June 2017.
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