20TH OSCE ECONOMIC AND ENVIRONMENTAL FORUM CONCLUDING MEETING
Prague, 12-14 September 2012

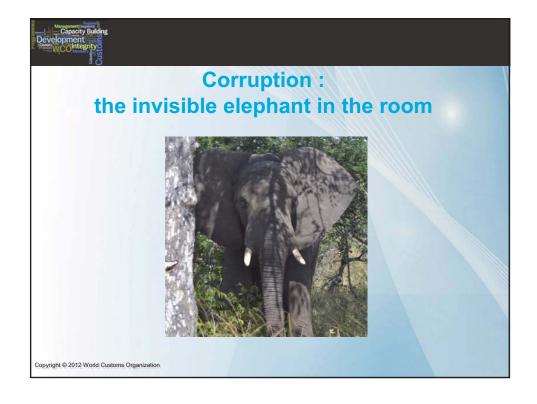
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Ms. Patricia Revesz, World Customs Organization

Session 5







Negative consequences of corruption in Customs

- Revenue loss
- Erosion of public trust and confidence
- Reduction in compliance
- Decline in social protection and national security
- Obstacle to Customs reforms
- Hinders international trade and economic development
- Increased costs borne by the community

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Why is it difficult to counter corruption?

- > Corruption is a hidden phenomenon
- Corruption in Customs is specific and so must be the measures used to tackle it (technical and practical solutions)
- Lack of appropriate sanctions for a number of reasons
- Customs is part of a system changes will take time



WCO Integrity Strategy

- Tools:
 - ➤ Revised Arusha Declaration
 - ➤ Integrity Development Guide (under review)
 - > Revised Model Code of Ethics and Conduct
 - ➤ Leadership and Management Programme
- Awareness raising (Integrity Sub-Committee, workshops, national/regional events, Integrity Newsletter)
- · Integrity pilot projects
- · Empirical approach

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Capacity Building Development Colliterative

WCO Revised Arusha Declaration

- 1. Leadership and Commitment
- 2. Regulatory Framework
- 3. Transparency
- 4. Automation
- 5. Reform and Modernization
- 6. Audit and Investigation
- 7. Code of Conduct
- 8. Human Resource Management
- 9. Morale and Organizational Culture
- 10. Relationship with the Private sector



Integrity Pilot project : Uruguay Partnership with the private sector

- Comprehensive Customs reform
- Stakeholder's perception survey revealed a negative image of Customs
- ▶ 9 MOUs on Ethics and Transparency with Customs partners (Customs brokers, free zones, exporters, express carriers, international road transport associations, etc.)
- Signed by the Director General of Customs and the heads of the associations
- Regular meetings between Customs and the associations
- > Follow-up of MOU implementation

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Cameroon: Performance measurement

- Comprehensive reform of Customs launched in 2007
- Individual performance contracts signed between the DG and frontline officers in Douala Port
- Contracts with importers
- Indicators to measure economic activity from a Customs point of view, the time taken by Customs officials and brokers to process files, the effectiveness of controls and so-called "sensitive" procedures and compliance with Customs channels.
- Monthly reports and monthly meetings with the DG



Cameroon: Performance measurement

☐ Results:

- Bad practices identified and changed
 - 1) Competition between frontline officers
 - 2) Rerouting of declarations
 - 3) Focus on larger cases of fraud
 - 4) Faster assessment times
- Increased revenue: (3.3% and 20% from 2009 to 2010)
- ➤ Reduction in Customs clearance times: between 2009 and 2010, waiting times were cut to one quarter and one third of the previous times in two of the offices under experimentation
- Increased facilitation no risk to revenue
- Improved relationship with stakeholders

Cantens (2012) to be published in "Revue d'Economie du Développement"

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COOPERATION WITH OSCE

- OSCE/WCO Long-lasting cooperation in various domains :
 - WCO SAFE Framework of Standards awareness campaign
 - Guidance with the Handbook of Best Practices at Border Crossings
 - AEO regional training workshop (Dushanbe)
 - Integrity seminars (Astana/Almaty, Kazakstan)
 - WCO experts have participated in many OSCE events
 - Discussions for further cooperation in the area of integrity
 - Advantage: WCO has Customs expertise, while the OSCE offers larger outreach to all border agencies

