MEMORANDUM OF UNDERSTANDING

BETWEEN

THE EAST AFRICAN COMMUNITY (EAC)

AND THE

WORLD CUSTOMS ORGANIZATION (WCO)
The WORLD CUSTOMS ORGANIZATION* (WCO) of Rue du Marché, 30, B-1210 Brussels, Belgium and the EAST AFRICAN COMMUNITY (EAC) of Kilimanjaro Wing, AICC Complex, P O Box 1096, Arusha, Tanzania (referred to hereinafter as “the Parties”).

ACKNOWLEDGING that Customs is a critical institution for achieving regional integration and international economic prosperity, and for facilitating international trade;

RECOGNIZING that the WCO seeks to facilitate international trade through the use of international instruments, adoption of standards, best practices and programmes for modernization of Customs techniques;

RECOGNIZING that EAC equally seeks to promote trade, investment and development regionally and to strengthen economic, social, cultural, political, technological and other ties for fast balanced and sustainable development through the establishment of the EAC Customs Union and a Common Market as transitional stages, subsequently a Monetary Union and ultimately a Political Federation;

RECOGNIZING that in deepening and strengthening intraregional and international trade, EAC has, through the Treaty for the Establishment of the East African Community, established a Customs Union with the implementation of inter alia a common external tariff, an internal tariff elimination programme, common Customs laws, common trade facilitation, mechanisms, simplification, standardization and harmonization of Customs procedures and documentation, safeguard measures and export promotion programmes;

RECOGNIZING that the WCO and EAC wish to establish a mutually supportive relationship which is essential for the development of trade and the well-being of nations;

---
* Established in 1952 as the Customs Co-operation Council
RECOGNIZING that WCO and EAC wish to establish appropriate arrangements for co-operation which will help promote regional and international trade and otherwise be generally mutually beneficial to the Parties;

The two Parties agree as follows:

ARTICLE I
General

The Parties shall work in close co-operation and consultation on matters of common interest in order to harmonize their efforts in the discharge of their respective mandates and to contribute to the economic and social development of EAC Partner States and Member States of the WCO.

Article II
Scope of Co-operation

The Parties agree to establish and maintain effective, systematic consultation, co-operation, and exchanges of information, and undertake joint activities specified in Articles IV, V, VI and VII and in other areas as may be agreed on by the two Parties in support of this Memorandum of Understanding.

ARTICLE III
Financial Obligations

1. Notwithstanding any other provision of this Memorandum of Understanding, nothing in this Memorandum of Understanding shall be taken as creating any financial obligation for either Party prior to such obligation being mutually and expressly agreed in writing.

2. Any expenditure arising from the implementation of this Memorandum of Understanding that is routine and of negligible amount shall be borne by the Party concerned.
3. Where co-operation proposed by one of the Parties to the other under this Memorandum of Understanding has greater financial implications than the expenditure referred to above, EAC and the WCO shall consult each other with a view to determining the means of mobilizing the necessary funds, the most equitable way of defraying the expenditure and, where necessary funds cannot be readily found, shall decide on the most suitable means of procuring such funds.

**ARTICLE IV**

*Representation at Meetings*

1. The Parties shall invite each other to their meetings of common interest and also grant each other observer status at meetings in accordance with the rules of procedure for granting of such status by each Party.

2. The participation of representatives at such meetings shall be financed by each Party unless a Party offers to finance the participation of the other Party.

**ARTICLE V**

*Modernization of Customs*

The Parties agree to actively promote the modernization of Customs administration in the EAC region through the adoption and implementation of Customs instruments and tools sponsored or administered by the WCO in as far as EAC Partner States agree within the mandate sanctioned by the Treaty, the Protocol on the Establishment of the East African Community Customs Union and the East African Community Customs Management Act, 2004.

**ARTICLE VI**

*Joint Training Activities*

Whenever possible, the WCO Secretariat and EAC Secretariat shall, within the limits of the resources available to them co-ordinate joint training activities for Customs officers of the East African Community.
ARTICLE VII
Programme of Activities

The Parties shall communicate to each other their respective programmes of activities relating to harmonization and simplification of Customs procedures, application of the Harmonized Commodity Description and Coding System, Rules of Origin, Customs valuation, trade facilitation, compliance and enforcement programmes, integrity, capacity building and other Customs and trade-related activities undertaken by the two Parties.

ARTICLE VIII
Amendments

This Memorandum of Understanding shall be reviewed upon the request of either the Secretary General of the WCO or the Secretary General of EAC, and may be amended by mutual agreement in writing.

ARTICLE IX
Termination

1. Either Party may terminate this Memorandum of Understanding at any time by giving the other Party a written notice of six months.

2. The termination of the Memorandum of Understanding shall come into effect on the expiry of the notice period of six months unless the Parties agree on a specific date of termination.

ARTICLE X
Effect of Termination

The termination of this Memorandum of Understanding shall in no way affect obligations assumed during the duration of this Memorandum of Understanding.
ARTICLE XI
Dispute Resolution

Any dispute over the interpretation or application of any provision herein shall be settled through negotiations or by such other means as the Parties shall mutually agree.

ARTICLE XII
Entry into Force

This Memorandum of Understanding shall enter into force on the date of its signature.

In witness whereof the undersigned duly authorized representatives of the Parties herein, have duly affixed their signatures on the two originals of this Memorandum of Understanding in the English and French languages, both texts being equally authentic.

Michel Danet
Secretary General
World Customs Organization

Amb. Juma V. Mwapuatu
Secretary General
East African Community

Date: 4th September, 2007

-5-