

World Customs Organization
Global Dialogue on Customs Capacity Building
London, 2 October 2008

***Concluding Remarks by Kunio Mikuriya,
WCO Secretary General elect***

Good evening,

Now this conference is coming to an end with many interesting ideas having been shared by the speakers and other participants which animated the discussions. We heard from donors on their experiences, from customs on several examples of customs reform and their interaction with donors, as well as from stakeholders on their views. There has definitely been encouraging signs of progress.

I would like to summarize some of the lessons learned in the recent years which emerged from today's discussion:

- The recognition of the need for capacity building in customs has considerably improved in the international community. By way of example, we learned about the WTO trade facilitation agenda which will provide political support for customs reform, the Aid-for-Trade initiative where customs modernization is viewed as a good candidate, and the business view on customs as an enabler of access. Consequently, the donor community shows increased interest in supporting capacity building in customs;

- Donors attach more importance than ever to an ownership approach. They understand that their role is not to take over, but to help reform, based on accurate demand-driven diagnosis. Indeed, there is no universal silver bullet, whether organizational or technological. The need for proper sequencing is emphasized;

- The focus of capacity building should be on output rather than input.

In other words, it must make a difference. In this connection, political issues must be solved because the door to change is often found locked from inside; and

➤ Customs reform is increasingly seen within a wider context of national and regional priorities, including cross-border transport and regional integration. Likewise, it should be accompanied by the improvement in services of other border agencies and service providers.

These findings underscore “ownership and leadership” as a recurrent theme. Many participants observed the shift in focus of customs reform and modernization. While the technical area of procedures, infrastructure and technology remain important, sustainable capacity building also requires change management - or people issues - including a change in culture. It is about the “state’s capacity” to manage the change and reform programme. This understanding should not be limited to the top level, but also include the middle and lower management levels as well as those at the bottom of the ladder. Human resource development is therefore vital to support necessary transformation. There has also been an intensive discussion on integrity and good governance, both key horizontal issues.

Another recurrent issue is “partnership”. Donors confirmed that money is not a problem. Customs managers need to convince national policy makers on the importance of investing in customs reform. On the other hand, access to donors proves to be complex from the recipient point of view. Many urged the need to rationalize aid procedures. As a matter of fact, matching efforts is necessary between the agenda and priorities of donors and the capacity building needs of customs. Donor coordination has also been identified as another challenge. There has been some progress in understanding the need at the global level. However, the responsibility of coordination essentially falls on recipient countries at national or regional levels. These countries need assistance.

On both issues of “ownership and leadership” and “partnership”, after

discussion participants suggested that customs, donors, business, academics, the WCO and other stakeholders should play their respective roles in a complimentary manner. For example, business suggested that they could play a supportive role in filling those gaps.

Finally, I would like to quickly review the role of the WCO in the area of capacity building. The WCO has been developing and maintaining technical standards in customs matters, including the area of integrity. In order to help its members implement these standards, the WCO has made huge efforts to deliver technical assistance in several forms. More recently, during the Phase 1 of the Columbus Programme, the WCO carried out diagnostic missions which in essence take a snapshot of a customs administration. These diagnostics allow a gap analysis against WCO standards and management issues to be undertaken, leading to the preparation of a country report with recommendations for improvement. What we have often found in performing this task is the existing gap in the institutional area, including change management, leadership and human resource issues.

As a consequence, what I identify as the priority for future WCO capacity building includes research, sharing experience and information, developing best practice and guidance in the institutional area, in addition to developing implementation guidelines covering traditional customs technical areas. These tools and the newly emphasized role of the WCO should be accompanied and supplemented by performance measurement indicators, monitoring models and an evaluation system. Another priority is research-based, high-level advocacy to garner political support and commitment for customs capacity building. These are the areas in which I need inputs and contributions from WCO Members, our development partners and other stakeholders. I expect to continue this dialogue to get more ideas and practical guidance from you in tomorrow's workshop, which will be guided by Mr. Lars Karlsson, the WCO Director of Capacity Building.

Now is the time to act together to make a difference in customs capacity building!

To conclude, let me express my thanks to the UK Customs for hosting this conference, and to the excellent co-chairs, Messrs. Doug Tweddle and Martyn Dunne for ably guiding the discussion, and above all, to all of you who have actively participated in this one-day conference with such intensity which led to good outcomes. The results of today's conference, together with tomorrow's workshop will be reported to the WCO Policy Commission to help them shape the roadmap of the WCO in the future.

Thank you for your attention.