



**9<sup>th</sup> AfCFTA Council of Ministers responsible for Trade**  
Accra, Ghana, 25 July 2022

**Remarks, Opening Session,**  
Dr. Kunio Mikuriya, Secretary General, WCO

**Excellencies, Ladies and Gentlemen,**

1. I am pleased to be here in Accra, Ghana at the Meeting of Ministers of Trade of the AfCFTA and be part of the history making towards a prosperous and integrated Africa.
2. I had the pleasure of welcoming Secretary General Wamkale Mene at to the WCO headquarters in Brussels last February, as he recognized the critical role played by Customs in regional integration.
3. The meeting was marked by the signature of an MoU that laid the ground for cooperation and collaboration between the two Organizations.
4. Established in 1952, the World Customs Organization is an inter-governmental organization specialized in Customs matters, with 184 Member Customs administrations around the world including 54 Members from Africa.
5. Strategically located at borders, Customs administrations are in a unique position to meaningfully contribute to socio-economic development through revenue collection and trade facilitation.
6. Indeed, the real benefits of any trade agreement cannot be realized without the significant involvement of Customs.
7. On the other hand, Customs administrations are also actively involved in public health, safety and security at borders to protect society.
8. For example, during the COVID-19 pandemic, the WCO organized global operations to ensure the integrity of the medical supply chain, which resulted in the seizure of millions of falsified, substandard or unrecognized medicines, medical equipment and vaccines.
9. This evolution of the Customs role over the years from a purely fiscal function to encompass far reaching missions and responsibilities of trade facilitation and protection of society has led to the WCO vision of “Borders divide, Customs connects”.

10. To enhance connectivity at borders, the WCO develops international standards and instruments, and provides capacity building assistance to help Members in the implementation of these WCO standards.

<[Revised Kyoto Convention \(RKC\)](#)>

11. One of the WCO's flagship instruments is the International Convention on the Simplification and Harmonization of Customs Procedures, known as the Revised Kyoto Convention or RKC, which was adopted in 1999.

12. The core of the RKC is risk management, whereby Customs assesses risks associated with each cargo by analyzing commercial data and decides on its intervention.

13. While those cargoes identified as low risk would be released quickly, Customs can allocate its limited resources to high-risk cargoes in order to protect society from illicit trade.

14. This way, Customs facilitates the movement of legitimate goods with simplified and harmonized procedures while effectively combating criminal organizations that attempt trafficking of narcotics, fake medicines, wildlife and other commercial fraud to make illegal profit.

15. As a result, the RKC not only provided the basis for the development of global value chains in the 2000's, but also supported the implementation of the WTO Agreement on Trade Facilitation, adopted late 2013.

16. At the request of the WTO, the WCO launched the Mercator Programme in 2014 to provide capacity building support to Members with its RKC and the related tools, and experts.

17. However, the RKC is also instrumental in regional integration.

18. For example, the European Union made it compulsory for its member States to accede to the RKC, as the harmonization of Customs procedures was considered indispensable for creating common market.

19. The EU and its members actively participate in reviewing the RKC and in developing guidelines and other tools as this will also help to address the ever-changing trade landscape.

20. Today, 36 African Members have acceded to the RKC out of 133 Contracting Parties, and this number is growing.

<[SAFE Framework of Standards, Authorized Economic Operators \(AEO\)](#)>

21. Another important WCO tool is the SAFE Framework of Standards to secure and facilitate global trade, which was adopted in 2005.

22. This instrument is aimed at incorporating security considerations in supply chain management after a series of terrorist attacks in the early 2000's.
23. The SAFE Framework complements the RKC through the use of technology, such as scanners, and promotes cooperation between Customs as well as partnership with business, and most African countries have agreed to implement it.
24. One of its important standards is the Authorized Economic Operator or AEO, which promotes concrete policy of Customs-business partnership.
25. Customs administrations could grant AEO status to companies with good compliance record, and in turn provide them with additional facilitation measures, including reduced inspection and periodic payment of duties.
26. Currently, 25 African countries have operational or under development AEO programmes, and some of them are negotiating mutual recognition of the AEO system with other countries with the aim of creating a trusted trader supply chain.
27. The WCO is constantly reviewing AEO validation standards and other processes to encourage harmonized AEO implementation and to include micro, small and medium-sized enterprises in the process.

#### <[Coordinated Border Management](#)>

28. In addition, Customs must not only implement Customs regulations but also ensure compliance with all national regulations at borders, involving many regulatory agencies interested in export and import control.
29. Therefore, the WCO strongly recommends Coordinated Border Management in cooperation with other government agencies to improve border efficiency.
30. In this context, the WCO supports the establishment of National Committee on Trade Facilitation involving public and private sector stakeholders for coordination and encourages Customs to take an active role together with the Ministry of Trade.
31. In my view, these national committees could undertake the Time Release Study, strongly recommended by the WTO Agreement on Trade Facilitation to be implemented following the WCO guide.
32. By measuring the time required for clearance at each step, the Time Release Study could identify bottlenecks caused by Customs, other government agencies and business.
33. The participants in the study could develop an action plan for addressing the identified bottlenecks.
34. This is a concrete way to improve the ease of doing business and several countries benefitted from this approach to move up in perceived rankings.

35. Another initiative that these national committees could tackle is the development of a Single Window.
36. In consultation with stakeholders, the WCO has developed its Data Model, a standardized dataset that responds to the data requirements of most border agencies, to enable the creation of a Single Window technically.
37. Most international organizations and Single Window implementation agencies use the WCO Data Model and its guide.

#### <[The Harmonized System](#)>

38. The SAFE Framework and RKC along with the WTO Trade Facilitation Agreement, already provide a solid basis for Customs to play its role in the implementation of regional integration in Africa and responds to many needs and priorities as set in the AfCFTA agreement annexes.
39. Of course, we cannot discuss Customs and trade facilitation without shedding light on the basics of Customs, namely the Harmonized system, Customs Valuation and Rules of Origin.
40. The Harmonized System or commonly known as HS is the universal language of trade, developed by the WCO.
41. It is used by over 200 countries and economies as the basis for their Customs tariffs, the collection of international trade statistics and any trade restrictive measures.
42. The HS is therefore indispensable for day-to-day cross-border trade transactions and the WCO maintains the rules and tools to keep its application uniform, which is crucial for international trade.
43. Given the evolution of technology and changes in trade patterns, the WCO updates the HS approximately every five years and most countries have migrated or are in the process of migrating from the 2017 version to the current [2022 version](#).
44. Convinced that any initiative to create a free trade area requires the uniform application of the HS, the WCO has spoken to donors to support the implementation of the AfCFTA agreement.
45. Recognizing the importance of the partnership with Africa, the European Union decided to financially support the WCO to provide assistance to all AfCFTA members and regional economic communities to implement the latest versions of the HS in a timely and coordinated manner through the [EU-WCO HS Africa Programme](#).
46. The support provided under this programme has yielded impressive results of getting 49 countries, by the end of 2021, to implement the [HS 2017](#), which was the condition for the submission of tariff concessions under the AfCFTA.

47. Currently, more than two-thirds of African countries have implemented the [HS 2022](#) and we aim at continent-wide implementation of this version by the end of the year.
48. The programme has also assisted several countries in introducing electronic tariff platforms and advance rulings, that will bring the necessary transparency and predictability to Customs decisions and procedures in the implementation of the AfCFTA agreement.
49. A flagship initiative under this EU-WCO programme is the development of the AfCFTA e-Tariff Book in partnership with the AfCFTA Secretariat.
50. The programme also focuses on improving Customs infrastructure and good working methods in tariff classification and on delivering capacity building support to Customs, related agencies and the private sector.

#### <[Rules of Origin](#)>

51. Building on the success of the HS Africa Programme, the WCO engaged with the EU and has launched the EU-WCO Rules of Origin Africa Programme.
52. The proper and successful implementation of rules of origin across the continent will be an important step in enhancing intra-African trade, thus leading to sustainable development.
53. This Programme, approved in December 2021, contributed to the Sub-committees on Rules of Origin for the finalization of the AfCFTA Rules of Origin Manual.
54. Also in close partnership with the AfCFTA Secretariat, the programme will conduct continent-wide awareness raising campaigns, capacity building and development of tools and instruments for effective interpretation and administration of rules of origin.
55. With regards to rules of origin, the WCO is also implementing the [WCO/JICA Master Trainer Programme](#) which complements the [WCO/JICA HS Master Trainer Programme](#) and is aimed at building a pool of experts and center of excellence that could provide capacity building in all African countries in a sustainable manner.
56. We are also exploring the possibility of addressing the valuation issue not only in Africa but also at the global level.

#### <[Challenges and opportunities](#)>

57. As we live in a rapidly changing and often challenging trade environment, let me share with you some of the current WCO's focus areas.

58. First, during the COVID-19 pandemic we learned that digitalization of Customs procedures has become all the more important to promote paperless trade in respect of social distancing.
59. As digital technology produces a huge volume of data that Customs receives from businesses, Customs should be able to improve risk management at borders, by using technology and innovation.
60. On the other hand, the same data could provide useful information to governments and businesses to help them make evidence-based decisions.
61. With this vision in mind, the WCO Council adopted the Data Strategy in June this year to reshape Customs into a data-driven organization.
62. Secondly, in a similar vein, the exponential increase in e-commerce that has applied digitalization has compelled us to ensure that Customs receives quality data in a timely manner.
63. The WCO has developed the Framework of Standards for cross-border E-Commerce to provide guidance and Members have started to implement the Framework and share their experience.
64. Third, against the background of climate challenge and the related environmental issues, the WCO has engaged in dialogues with its stakeholders on a role of Customs in reducing the environmental footprint of trade as well as on opportunities to promote the circular economy.
65. Fourth, while the world is recovering from the ill effects of COVID-19 pandemic, the war in Ukraine has dealt a huge blow to global trade and economy, including the looming food and energy crises.
66. We are looking into one of the causes of these disruptions, namely fragile borders with the presence of internal or external armed groups.
67. While other security forces tend to close fragile borders, main function of Customs is to keep borders open in order to provide a lifeline to border economy and collect revenues in a fair manner.
68. Otherwise, grievances of the inhabitants of the border areas, who often live on small-scale trade, would further destabilize the government's legitimacy and peace.
69. At the same time, without security, Customs has difficulties in facilitating trade and collecting revenue, and should be protected as a critical infrastructure at borders.
70. In response, the Council in June 2022 condemned attacks on Customs borders and stressed the critical role played by Customs in facilitating the delivery of relief goods and the export of commodities to the global market.

71. In conclusion, there is much scope for enhancing collaboration between Customs and the ministry of trade to achieve the common goal of regional integration in Africa and your political support in this regard is much appreciated.

**Thank you for your attention.**

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