



**World Customs
Organization**

Integrity Development Guide

2021 edition

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Integrity Development Guide

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LIST OF ABBREVIATIONS

AEO	Authorized Economic Operator
CBM	Coordinated Border Management
CBSA	Canada Border Services Agency
CITES	Convention on International Trade in Endangered Species of Wild Fauna
CPI	Corruption Perceptions Index
EDI	Electronic Data Interchange
EU	European Union
GE&D	Gender Equality and Diversity
GEOAT	Gender Equality Organizational Assessment Tool
HR	Human resources
HRM	Human Resource Management
HS	Harmonized System
IACC	Inter-American Convention against Corruption
ICT	Information and Communication Technology
IDG	Integrity Development Guide
KPI	Key Performance Indicators
LMD	Leadership and Management Development
MACN	Maritime Anti-Corruption Network
MoU	Memorandum of Understanding
NCP	National Contact Point
NGO	Non-Governmental Organization
NSW	National Single Window
OECD	Organisation for Economic Co-operation and Development
R&M	Reform and modernization
RAD	Revised Arusha Declaration
RKC	Revised Kyoto Convention
SMEs	Small and Medium-sized Enterprises
SOPs	Standard Operating Procedure
SRA	Strategic Risk Assessment
TFA	Trade Facilitation Agreement
TI	Transparency International
TRS	Time Release Study
UK	United Kingdom
UN	United Nations
UNCAC	United Nations Convention against Corruption
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNICEF	United Nations International Children's Emergency Fund
UNODC	United Nations Office on Drugs and Crime
VAT	Value-Added Tax
WB	World Bank
WCO	World Customs Organization
WG	Working Group
WTO	World Trade Organization

FOREWORD

Dear Customs colleagues and friends,

The roles and mandates of Customs administrations have evolved over time in response to the changing environment, new trends and emerging challenges. While revenue collection remains a key role, the focus has now shifted to the facilitation of legitimate trade while ensuring effective global security and control of the international supply chain.

The integrity of Customs administrations, other government agencies and private sector entities is essential for a country's growth and economic prosperity, and lack of it adversely impacts the welfare of society through loss of efficiency and effectiveness. In some countries which largely depend upon the revenue collected by Customs, issues related to integrity, including corruption, reduce the revenue available for development and thus in many ways compromise the ability of the government to invest in its future.

Governments and the anti-corruption community must respond effectively to the challenges posed by corruption today. Corruption does not stand still; nevertheless, the use of the latest innovations and the availability of enhanced technology can help make it easier to identify and cut down on corruption. Methods and measures to combat corruption must also take new forms and need to be considered by stakeholders in order to combat this phenomenon.

The dynamically evolving Customs environment, and new measures such as the use of new technologies, including digitalization, transformation of trade standards, addressing vulnerabilities and global crisis situations, have impacted the evolution of integrity in Customs. The risks of integrity violation are taking a new shape for criminal elements. Moreover, with the introduction of electronic Customs declarations, single window environments, the accelerated development of e-commerce infrastructures and other elements of digitalization and electronic data processing, many Customs administrations are increasingly faced with challenges with regard to the integrity of their internal systems, security of their information, and protection of sensitive commercial data, with private sector platforms hosting more data.

Furthermore, a global health crisis can rapidly reshape global trade and the Customs environment. The efficiency and effectiveness of Customs is more important than ever in responding to major crises, as Customs is a key actor in ensuring that the global supply chain remains efficient. In times of crisis, integrity is a key element to ensure that measures are in place to guarantee a quick global economic recovery. The Mercator Programme has been the World Customs Organization's (WCO) flagship initiative supporting Members worldwide in implementing the World Trade Organization's (WTO) Trade Facilitation Agreement (TFA) in a uniform manner by applying WCO instruments and tools. The Mercator Programme is a unique initiative supported by the practical experiences of the global Customs community, and has been evolving to address the needs and requirements of the Membership, including those arising from the most recent challenges faced by the COVID-19 pandemic.

Integrity must remain a key priority area for the international Customs community until corruption is totally eliminated, and the WCO is making it one of its own key priorities. Over time, different WCO strategy documents have emphasized the importance of integrity in Customs. Key messages have been quite clear about the critical need to fight corruption, to safeguard integrity and to enhance good governance measures in order to be a modern, effective and efficient Customs administration.

It is recognized that the WCO's Revised Arusha Declaration 2003 remains the focal tool and central feature of a global and effective approach to preventing corruption and increasing the level of integrity for WCO Members.

The ten key factors contained in the WCO Revised Arusha Declaration provide the most practical basis for the development and implementation of integrity and anti-corruption strategies relevant to the Customs operating environment. The Declaration is also supported by a number of other WCO tools for promoting integrity and anti-corruption, including the Integrity Development Guide (IDG).

Taking into consideration new emerging issues and best practices in the area of integrity development, the WCO now presents to its administrations and readers the revised and enhanced version of the IDG, 2021 edition. This latest version is designed to improve the integrity situation within Member administrations and to provide the necessary framework in which the entire range of integrity elements can be fully discussed and enhanced. Members are encouraged to keep this document relevant by making adjustments and updates that are beneficial to keep pace with the challenges they face.

In conclusion, I would like to encourage our Members to consider the following principles to structure their efforts in their fight against corruption, and their promotion of integrity:

- **Leadership and effective coordination:** Take ownership of the integrity initiative and adopt effective coordination mechanisms. An effective integrity strategy requires a high level of commitment from senior management. Acknowledgement and ownership by management must be displayed through continuous action.
- **Collective action:** Increase the utilization of standards, multi-stakeholder initiatives, and public-private partnerships to combat corruption and promote integrity.
- **Performance measurement:** Increase capacity to collect and analyse/utilize quantifiable data on performance to support the fight against corruption and the promotion of integrity.
- **Synergies:** Leverage other initiatives that address integrity and corruption issues.

Above all, the fight against corruption and the promotion of integrity is the responsibility of everyone.



Kunio Mikuriya

Kunio MIKURIYA
Secretary General
World Customs Organization

PURPOSE OF THE IDG

The aim of the Integrity Development Guide (IDG) is to provide guidance, advice, and best practices to WCO Members first and foremost. WCO Members each have their own national Customs administration which can fall within the remit of an integrated fiscal authority, a ministry of finance, a ministry of economy and trade, a ministry of the interior, a border management agency, or a stand-alone Customs administration, inter alia. The configuration of national Customs is the prerogative of each WCO Member. That said, these guidelines can be used in the context of all of these different arrangements, and be applied accordingly.

Customs administrations are by their nature highly susceptible to corrupt practices, as the working environment opens ample avenues to Customs employees to exploit their powers for personal benefit. Safeguarding integrity is a challenge for every Customs administration. The main purpose of the IDG is, therefore, to provide practical guidelines to assist Customs administrations around the world in implementing various measures designed to enhance integrity within their organizations.

The IDG revolves around the WCO Revised Arusha Declaration (RAD), which was adopted in 1993 and outlines ten key factors to be considered in order to maintain a high level of integrity in Customs. These ten key factors have proven their relevance through their application in Customs around the world, and have stood the test of time. The IDG emphasizes the equal value of all ten key factors and demonstrates how to apply them in the Customs context.

This enhanced version of the IDG emphasizes the importance of cross-cutting elements such as gender equality and diversity, and performance measurement, and also highlights the need for collective action in the fight against corruption and the promotion of integrity in Customs. In a wider context, the IDG reiterates the importance of cooperation with state anti-corruption authorities, and of Customs-to-Customs cooperation, and the role of the civil society, including the media. Against the background of systemic corruption in some countries, it is not easy to safeguard integrity in Customs in places where corrupt behaviour may be the expected behaviour of many employees. Collective anti-corruption efforts, with the participation of both stakeholders and community-based organizations, would be the most effective solution.

The IDG provides a descriptive step-by-step integrity assessment process, including the essential steps in developing an effective integrity action plan, along with a set of principles which are important in implementing that plan. Examples of good integrity practices which have been followed by Customs administrations are compiled separately under each key factor, providing a practical background to implementing successful measures.

This new version of the IDG takes into account the different levels of economic development in which our Customs administrations evolve. It strikes a balance in establishing an integrity development model that can be relevant for all WCO Members.

Leadership commitment is paramount in Customs integrity development projects. Senior management can take the necessary steps to start a dialogue among employees about the importance of maintaining integrity standards in Customs. It can establish a dedicated unit to promote integrity, with a gender-balanced and diverse participation of employees at all levels. Linking the efforts promoting Customs integrity with the private sector and other community-based anti-corruption groups, Customs administrations can achieve the results expected by applying the IDG.

HOW TO USE THE IDG

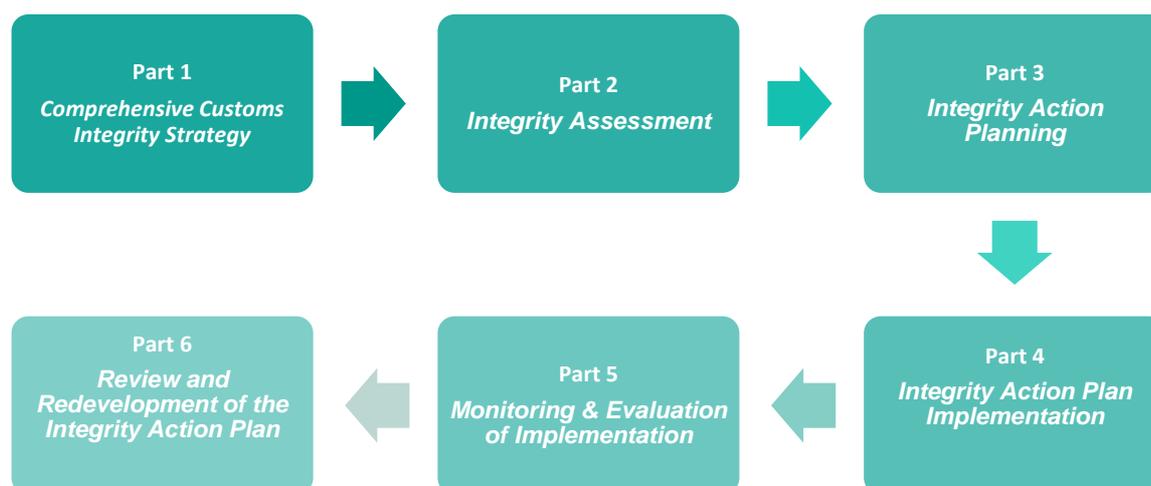
The Integrity Development Guide (IDG) is a comprehensive tool that addresses all aspects of an integrity development initiative undertaken by Customs administrations. While keeping within the general spirit and principles outlined in the WCO RAD, it goes a step further, providing detailed guidance to assist the implementation of a range of practical measures specifically tailored for use by Customs administrations.

The IDG is designed to provide flexible options; integrity assessment may be carried out in the shape of a facilitated face-to-face workshop supported by external experts, a self-assessment, or a remote or virtual workshop supported by external experts, using different technologies.

Although the IDG is targeted at Customs administrations, it can also inspire other public administrations, international organizations, the private sector or other key stakeholders which prioritize the fight against corruption and the promotion of integrity.

The IDG is divided into six parts, as illustrated in Figure 1 below:

Figure 1. IDG structure



Part 1 of the IDG is the prologue, which explains the current working environment of Customs administrations, the importance of integrity, key concepts, the key elements of an integrity strategy, the main steps of the integrity development process, and the key principles of the communication strategy to raise awareness of integrity.

Part 2 describes the steps required for the integrity assessment. This process is crucial for the development of integrity: if problems and deficiencies are not correctly identified, the appropriate actions cannot be planned and implemented. This part defines all of the steps and activities required to prepare, conduct and evaluate an integrity assessment process.

The IDG incorporates RAD principles as well as other elements, such as gender equality and diversity, and collective action, as the core of the integrity development process, and describes these principles in a comprehensive manner. Users of the IDG should therefore familiarize themselves with these principles before conducting an integrity assessment. They should also examine the

questions in the checklist in Annex 3 to the IDG very carefully, both before and during the assessment process, in order to make an accurate and detailed assessment of the situation.

The checklist questions serve as a roadmap for an in-depth analysis of an administration's management, administrative and integrity strategies. The aim is to identify areas in which the administration already has solid integrity practices in place, and areas in which action is required. Since the purpose of the checklist questions is to obtain a snapshot of the organization pertaining to the promotion of integrity, a simple "yes" or "no" answer is not enough; each question requires a detailed and informative reply.

Part 3 describes the planning required to determine the actions that are necessary to improve integrity. At this stage, all action planning activities, such as establishing priorities, setting objectives, establishing key performance indicators, identifying and consulting with stakeholders, defining resources and the implementation period, adopting the plan, and assigning responsibilities, are developed to facilitate the action planning process. This part provides all of the necessary information required to convert the outputs achieved through assessment into action.

Part 4 describes in detail the principles for the effective implementation of the action plan and their key elements. This is intended to provide guidance for administrations on how to manage the process of implementing the action plan, and how to achieve the expected results. These principles include effective coordination, collective action, synergies with parallel integrity initiatives, and performance measurement.

Part 5 defines the monitoring and evaluation of the implementation of an integrity development strategy and plan. It also describes why there is a need to monitor and evaluate the implementation of an action plan, and how to do this, so as to assess whether the intended measures are workable and the policies are on the right track.

Part 6 describes the review and redevelopment of the integrity action plan; this is where an administration assesses the outcomes of the initial integrity action plan, determines what areas require further attention, and develops an enhanced integrity action plan if need be.

The IDG also contains annexes comprising a glossary of terms, examples of good practice to inspire Member administrations undertaking integrity development initiatives, templates of the documents and forms used in the integrity development process, a description of the steps and activities of integrity assessment, a KPI Metadata sheet and a KPI Glossary. The IDG has been developed in a way that ensures all stakeholders in the integrity development initiative can work out and understand their own roles in the process. The roles of external experts, local facilitators, internal contributors and external contributors are all defined. It is therefore recommended that all stakeholders familiarize themselves with the IDG before undertaking the process.

I. COMPREHENSIVE CUSTOMS INTEGRITY STRATEGY

A comprehensive integrity strategy ultimately involves all aspects of the Customs administration. The WCO Revised Arusha Declaration provides guidance to Customs administrations on how to promote and improve integrity. It shows them that integrity cannot be improved by addressing integrity issues in isolation. Administrations must adopt a comprehensive approach covering all of the key factors which can directly or indirectly influence integrity.

1. Customs environment

The WCO is vital to the development of international standards and promoting their implementation in order to facilitate legal trade, to secure fair revenue collection, and to protect society, which subsequently translates into economic prosperity.

Customs administrations have a very challenging role to play against the background of changing trade patterns and an ever-evolving business environment. They have to respond quickly to technological advances in the global supply chain. The changing pace of international demand and supply also calls for smarter Customs clearance systems, and highlights the importance of risk management and post-clearance systems.

Customs administrations do not exist in isolation, hence the increased need for cooperation with all stakeholders to work together to move forward a common integrity agenda, including building trust among all key stakeholders, in particular the private sector. Collective action, and the acknowledgment that integrity is the responsibility of everyone, are paramount in the fight against corruption and the promotion of integrity.

Customs responsibility is no longer limited to the clearance of goods and collection of revenue; Customs administrations are now a key actor in global safety and security, and in environmental protection, etc., through the enforcement of related international conventions and agreements (e.g. the Basel Convention, CITES etc.). Trade facilitation (e.g. implementing the WTO Trade Facilitation Agreement) and compliance are at the forefront of the administration's day-to-day functions. Such functions require reform and modernization initiatives including technological innovations.

Equally important is the measurement of how administrations are performing in relation to integrity. A Customs integrity perception survey, inter alia, can be an effective tool in ascertaining the situation. Transparency International (TI) also conducts surveys at a country level, studying and gathering data from government organizations including Customs administrations. TI's Corruption Perceptions Index (CPI), the World Bank (WB) Logistics Performance Index (LPI), the WCO Time Release Study (TRS) and other such indicators and indexes help administrations identify the areas for reform which can help improve integrity and reduce the risk of corruption.

The WB's Doing Business (DB) project measures the cost and time of doing business in relation with other countries. DB follows reform initiatives, and studies their impact on reducing costs and time through data collection, surveys and interviews, etc. Such reforms promote automation, transparency and easier regulations, which in turn improve integrity.

Modern public service administrations are expected to eliminate red tape and remove undue burdens on traders. They are also expected to adopt sound governance and stewardship practices in line with international governance principles. Finally, they are expected to operate free from any form of interference.

Customs administrations need to be aware of the basic rights of staff, including gender equality and diversity. Discrimination and harassment of any kind should be condemned at all levels, and especially by senior management.

In today's world, Customs administrations are expected to create and maintain a positive and supportive working environment in which they can successfully complete their missions and uphold their institutional values. This culture will set the stage for a modern and efficient human resources (HR) regime that is supportive of its diverse workforce, and for a responsive organization that will interact positively with its stakeholders.

Customs administrations today are also expected to make proactive and positive use of media and social networks; this is essential to publicize the administrations' efforts and strategy in promoting integrity. Timely and verifiable information not only increases transparency, it also promotes client compliance and fosters trust. For example, social networks provide live information and establish two-way communication mechanisms facilitating a conversation on issues related to service delivery and integrity.

In today's world, Customs administrations should also be ready to respond to unforeseen situations or emergencies, in which the risks of corruption increase as normal business activity comes to an end. Such situations have the potential to create opportunities for corruption and should be strictly monitored.

Customs administrations now have access to the WCO Revised Arusha Declaration Implementation Resources Centre ([interactive integrity toolkit](#)), which provides guidance and points to key WCO integrity-related tools and instruments, and other international instruments, that can be used to fight corruption and to assess and improve integrity. Integrity has been, and remains, a key priority for the WCO. With this in mind, the Member administrations should also make integrity a priority of their own. The goal is to make corruption an "endangered species". This implies an expectation that WCO Members will strive to enhance the integrity and professionalism of Customs officials in cooperation with external stakeholders.

2. Integrity – key concepts

- a. **Integrity:** Some administrations have redefined the concept of integrity to include not just combating abuses of power or corruption, but compliance with delivery, as promulgated in documents such as service standards or client charters. In many administrations, the concept of integrity now means delivering services to meet the expectations of clients and stakeholders. Integrity can therefore be defined as a positive set of attitudes which foster honest and ethical behaviour and work practices.

In other words, integrity is more than just the absence of corruption. Rather, it involves developing and maintaining a positive set of attitudes and values which impact the organizational health and culture, and the spirit, of its integrity strategy. Integrity challenges remain a major obstacle to effective reforms and have a detrimental effect on the overall credibility, professionalism and functioning of an organization.

- b. **Corruption:** There is no universally agreed definition of corruption and none that specifically deals with corruption in Customs. Most useful definitions, however, focus on three key concepts to describe it effectively. These are:

- the departure from, or contravention of, public duty;
- the provision or receipt of some form of improper inducement; and
- the element of secrecy, or at least conduct without official sanction.

There are many specific behaviours and combinations of behaviours which are generally regarded as corrupt, e.g. improper payments to execute socially desired outcomes, often referred to as improper corruption. These typically fall under three broad headings: bribery, nepotism and misappropriation. Many aspects of Customs work are vulnerable to these forms of corruption, particularly as Customs often has monopoly power over certain services such as the release of cargo.

- c. **Ethics:** The standards which govern the behaviour and actions of individuals in public institutions, which may be referred to as moral principles. These principles are based on core values and norms which are standards of conduct guiding decisions, choices and actions. These standards are set by the administration to ensure the uniformity of expected behaviour.

The concept of ethics and integrity differ in that ethical questions are typically concerned with standardizing appropriate behaviour in a given situation. Integrity, as a concept, seeks to assure appropriate behaviour, not by relying on law-like codes and values, but instead by relying on the presence of an internal moral compass that guides the behaviour of public professionals. The compass is recalibrated through self-reflection, interaction, and association¹.

Why is integrity important?

Customs generally operates in four key areas: revenue collection, community protection, trade facilitation and national security. To manage these functions effectively, a high level of integrity is critical. The perceived lack of integrity and/or presence of corruption can destroy the legitimacy of a Customs administration. It can also severely limit its capacity to effectively accomplish its mission. The adverse effects of (a) corruption, (b) the perceived lack of integrity, and (c) a perceived lack of good governance measures within a Customs administration may include:

- revenue leakage;
- distortion of economic incentives;
- reduction in public trust and confidence in government institutions;
- reduction in the level of trust and cooperation between Customs administrations and other government agencies;
- low personnel morale and *esprit de corps*;
- increased costs which are ultimately borne by the community;
- reduction in the level of voluntary compliance with laws and regulations;
- undermining of national security and community protection;
- creation of unnecessary barriers to international trade and economic growth.

No country is immune to corruption. However, in some countries the effect of corruption is more detrimental, as it can impede reforms and development efforts. In addition, because of the scope, nature and complexity of their work, Customs administrations are particularly susceptible to corruption. Key reasons for this include:

- Customs employees having monopoly power over clients;
- Customs employees having discretionary power over the provision of goods or services;
- the level of control or accountability may be low, combined with the high expectations of family networks in some regions of the world;

¹Jacques A. M. van Blijswijk et al. (2004)

- Customs employees often work in remote and largely unsupervised border stations;
- the clearance of many goods and conveyances is time sensitive, creating additional incentives to circumvent Customs procedures and formalities;
- Customs employees often enforce a plethora of complex legislative regulations and exercise a wide range of discretionary powers.

For any deterrent to be effective it must present a real risk to offenders. Otherwise, even the most severe penalties might not deter corrupt behaviour. Disincentives associated with detection must be such that they are greater than the incentives associated with continuing to undertake corrupt activities.

To minimize the negative consequences of corruption, and to further develop and maintain public trust and confidence, Customs administrations need to address the issue in a logical and systematic way. They also have to develop and implement solutions which are relevant to their needs and which reflect Customs' unique operating environment.

Other international instruments to fight corruption

Over the years a range of conferences, declarations and conventions have focused on the issue of administrative corruption. They have all attempted to identify the problem of corruption and set out a variety of standards and practices considered necessary to deal with it.

Four declarations in particular – the WCO Arusha Declaration (1993), the Columbus Declaration (1994), the Lima Declaration (1997) and the Brussels Declaration (2020) – set out a range of Customs-related recommendations. The G20 Leaders have also adopted High Level Principles on Countering Corruption in Customs (2017) which are in line with the elements of the WCO Revised Arusha Declaration². The Organization for Economic Co-operation and Development (OECD), the Organization of American States (OAS), the European Union (EU), the United Nations (UN), the World Bank (WB) and Transparency International (TI) have also focused their attention on administrative corruption.

Prior to the 2003 United Nations Convention against Corruption (UNCAC), regional cooperation such as the Inter-American Convention against Corruption (1996) recognized the international reach of corruption and the need to promote and facilitate cooperation between states in order to fight against it. The UNCAC established a set of preventive measures and provided for the criminalization of certain acts of corruption, including transnational bribery and illicit enrichment. The OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (1997) is also worth noting; this established legally binding standards to criminalize the bribery of foreign public officials in international business transactions, and focused on the 'supply side' of the bribery transaction³.

The UNCAC was the first legally binding international anti-corruption instrument. The United Nations General Assembly recognized that an effective international legal instrument against corruption was desirable, independent of the United Nations Convention against Transnational Organized Crime, and decided to establish an *ad hoc* committee to negotiate such an instrument in Vienna, at the headquarters of the United Nations Office on Drugs and Crime (UNODC). The Convention was adopted by the General Assembly in 2003.

While the amount of international attention that has been devoted to this issue is encouraging, to date little practical work has been carried out on developing a comprehensive model to deal with the problems of institutional and administrative corruption in administrations. The WCO IDG, while keeping within the general spirit and principles outlined in the documents referenced above, and in particular the WCO Revised Arusha Declaration, goes a step further by providing guidance to assist in

² <https://www.oecd.org/g20/topics/anti-corruption/G20-principles-on-countering-corruption-in-customs.pdf> (last accessed on 11/12/2020).

³ <http://www.oecd.org/corruption/oecdantibriberyconvention.htm> (last accessed on 11/12/2020).

the implementation of a range of practical strategies specifically designed to be used by administrations.

The WCO Revised Arusha Declaration provides Customs administrations with a practical approach to anti-corruption policies as stipulated in the United Nations Convention against Corruption (UNCAC) Article 5. The Declaration also aligns with UNCAC Articles 7 (Public sector), 8 (Codes of conduct for public officials) and 10 (Public reporting), and encompasses elements of a number of other Articles relating to transparency and engagement with the private sector. Equally, the WCO Integrity Programme and integrity-related technical assistance and capacity building (TACB) projects act as an important change mechanism for WCO Members to realize their commitments under UNCAC Chapter VI (Technical assistance and information exchange).

3. Key factors of a comprehensive integrity strategy

The ten key factors outlined in the WCO Revised Arusha Declaration provide a practical basis for the development and implementation of a range of integrity and anti-corruption strategies relevant to the Customs operating environment. The key factors are:

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.

While the Revised Arusha Declaration provides the basic structure for this Guide, additional ideas, strategies and approaches etc. have been sourced from a wide range of other anti-corruption strategies and models. This Guide also explores the possibility of working with the key factors as well as the emerging integrity development trends which may impact the integrity situation directly or indirectly. The other factors relevant to Customs integrity are:

1. Cooperation with state anti-corruption authorities
2. Customs-to-Customs cooperation
3. Media and social networks
4. Gender equality and diversity

These four integrity development trends are considered to be components of the key factors of the Revised Arusha Declaration (Regulatory Framework, Audit and Investigation, Transparency and Human Resource Management respectively), but in view of the increasing importance attached to each of these elements, it was decided to consider them in more detail in a separate section of this Guide.

The Revised Arusha Declaration key factors and the other elements mentioned above form the foundation for the strategies that can help the administrations curb the threat of corruption, and improve ethics and integrity.

The best time to prevent corruption is when public trust, institutional effectiveness, economic development and national security are at stake. Reactive strategies are equally important to curb the menace of corruption, especially in organized crime. Even the most successful enforcement of criminal law happens after the crime has already been committed and the detrimental consequences of

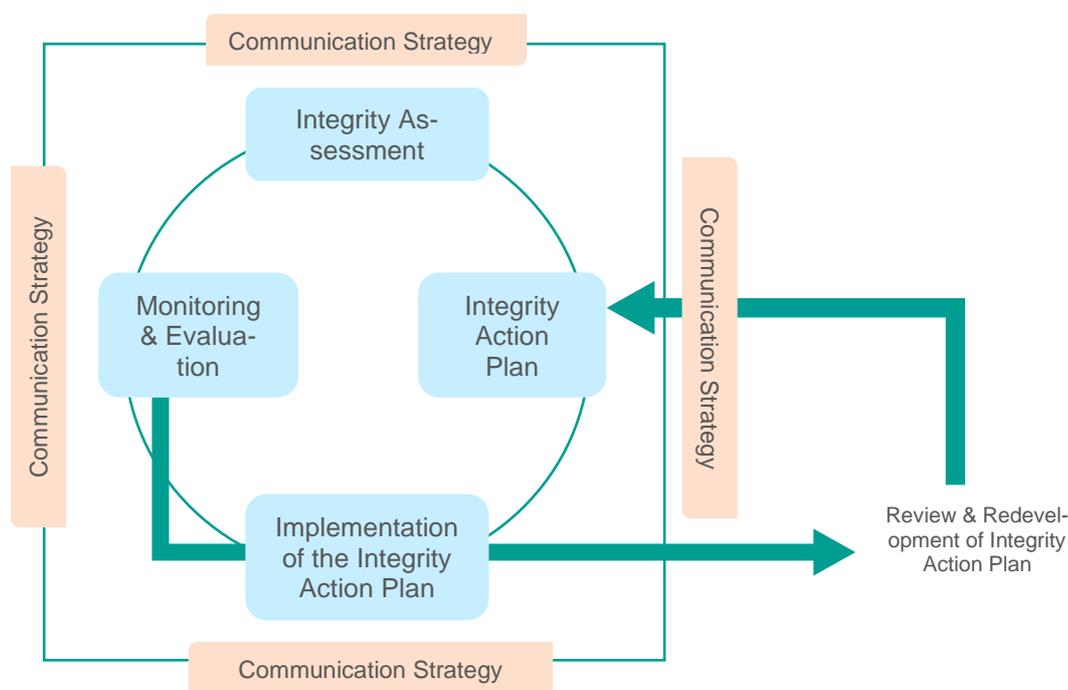
corruption have taken place⁴. The Revised Arusha Declaration provides a mixture of both types of strategies, with an emphasis on the preventive side.

4. The integrity development process

A specific process has to be followed to develop and implement an integrity strategy, to ensure that all aspects of the integrity development process are covered comprehensively. There are five main stages in this process (Figure 2):

- 1) Integrity assessment
- 2) Integrity action planning
- 3) Implementation of the integrity action plan
- 4) Monitoring and evaluation
- 5) Review/analysis and redevelopment of the action plan.

Figure 2. Integrity development process



Integrity assessment

The first step is to assess the current integrity situation. This should start by setting up a working group with the participation of employees from diverse fields. The group can plan the work to be carried out, and establish the scope of the assessment by reviewing the current situation on the basis of available records and documents. One of the most important aspects of the preparatory stage is mobilizing internal/external contributors in the assessment and incorporating their input. The participative approach ensures that a greater number of officials and stakeholders, from diverse backgrounds, are involved in the process from the outset, that they understand the purpose, and that they take ownership of the initiative. At this stage the administration can also learn from other integrity initiatives and WCO Member administrations best practices.

⁴ UNODC (2020a)

Integrity assessment should continue with a situational analysis to identify existing and ongoing integrity-related actions and initiatives, and to outline current integrity-related challenges and confirm the level of organizational commitment. This includes a facilitated self-assessment exercise using the key factors referred to in the IDG. In addition to the key factors, it is also recommended that administrations consider the positive impact of gender equality and diversity, and of collective action strategies with regard to integrity, which are described in detail in Part 2. The final step is the drafting of a report outlining all of the main findings, the major challenges faced, and areas in need of further improvement.

Integrity action planning

Following up on the above integrity assessment report, the administration must subsequently analyse the risks of corruption and integrity violation it identifies, set priorities, and then develop solutions that are tailored to achieving the desired outcomes. These will form the integrity action plan, which should outline the objectives, activities planned to achieve those objectives, parties responsible, deadlines and performance indicators. WCO experts can be called upon to provide advice on the development of the action plan. The next step is to engage external contributors in this initiative. External contributors should be informed about and consulted on integrity-related issues and solutions, thus contributing to the development of a joint integrity agenda. It is important to include as broad a set of stakeholders as possible to ensure the required buy-in.

The final step is to secure the financial and human resources required to implement the action plan within pre-defined timelines and a specified implementation period. Performance indicators should also be selected to monitor the progress and assess the success of the desired outcomes.

Implementation of the integrity action plan

The impact of an integrity action plan depends on the commitment of the administration (especially the executive and senior staff) and the working group set up to carry out the project. Once the plan is adopted, responsibilities are assigned to the team. Immediate implementation of priority integrity initiatives can be productive. A results-oriented approach creates momentum, and the administration can begin with one or more pilot projects. Those requiring fewer resources, and producing 'quick results', can have a significant impact in a short time, especially if stakeholders are involved in the implementation process.

Monitoring and evaluation of implementation

Monitoring and evaluation are essential to ensure that the plan produces the desired outcomes. Monitoring should focus on implementation, propose adjustments and raise red flags when necessary, and should encourage actions to address any issues arising. Evaluation should look at the outputs and outcomes of the project.

Review and redevelopment of the integrity action plan

The final step of the integrity development process is a review and analysis of the reports generated by the monitoring and evaluation teams. Against the background of these reports, the team, together with senior management and the stakeholders, will review the achievements against the desired objectives; some of these will be achieved quickly, while others may only be apparent longer term. Based on the outcomes – both shortcomings and achievements – the integrity action plan can be adjusted or redeveloped.

5. Communication strategy

The integrity development process must be backed by a comprehensive communication strategy to ensure that all stakeholders are involved at all stages, from preparation to review and redevelopment, and that they understand the progress, expectations and concerns, etc. The communication strategy needs to be instigated at a number of stages:

- **Assessment:** this requires a participative approach, with carefully selected internal and external contributors, to obtain comprehensive views and perspectives on corruption and integrity;
- **Planning:** stakeholder input is needed on issues that concern them and solutions that may impact them;
- **Implementation:** reforms may impact the work of stakeholders, e.g. automation can impact business processes, and so they must be informed about the implementation plan;
- **Monitoring and evaluation:** stakeholder input is required at each stage of monitoring, especially at the end, to assess the integrity situation;
- **Review and redevelopment:** the administration's achievements should be publicized, with further input required to redevelop the plan.

As shown in Figure 2 above, the communication strategy is a cross-cutting element of the integrity development process. All stakeholders, both internal and external, need to be informed about the process at every stage. An integrity communication strategy could therefore be developed on the basis of the recommendations made for the key factor Transparency (Section 3.3), Media and social networks (Section 4), and Implementation of the integrity action plan (Part 4).

The IDG introduces each of the Revised Arusha Declaration key factors in detail, and includes a checklist for each key factor of the Declaration (Annex 3). The IDG should be considered to be a living document, and Members are encouraged to submit additional good practices for inclusion whenever necessary.

II. INTEGRITY ASSESSMENT

1. Overview

An integrity development process should begin by providing an overview of the situation. This consists of gathering information about the environment in which the administration works, and analysing that information to identify the risks and challenges the administration faces in terms of integrity. The overview will also identify the level of organizational commitment, as well as the actions and initiatives currently underway to address the integrity challenge.

The Integrity Development Guide (IDG) defines the different phases of integrity development initiatives undertaken by Member administrations. The integrity assessment process forms the basis as it spotlights any problems with integrity within an administration. This phase therefore demands special attention, and the IDG is designed to provide facilitators and contributors with the assistance and guidance that they need.

An integrity assessment process can be designed according to the local conditions, needs and preferences of the administration concerned. The administration has a number of different options. The process can be carried out with the assistance of an international organization (such as the WCO) or another Member administration, calling upon external experts to guide and facilitate it. Alternatively, it can be carried out by the administration itself, by appointing designated officials termed local facilitators. These can obtain assistance from an external facilitator if necessary. In either approach, the administration can obtain the required guidance, assistance and support remotely or through a field mission.

Self-assessment activities conducted by an administration on the basis of the IDG provide opportunities to encourage staff to take action against corruption and to make them a part of the collective initiative. This is extremely helpful in building a culture of integrity within the organization. Compared to facilitated assessment, self-assessment can also provide flexibility, savings in terms of both resources and time, and greater self-confidence in the fight against corruption and the promotion of integrity.

UNODC emphasises that the most valuable benefit of self-assessment is that no one knows the administration's weaknesses, vulnerabilities and risks associated with corruption better than those who operate in this environment every day⁵. The potential drawback of the self-assessment exercise could be that internal staff in Customs may be reluctant to assess the integrity situation objectively for a number of reasons, including the risk of retaliation from peers and senior management, the additional workload that may be generated by the initiative, or a lack of expertise and experience in specific technical areas such as procurement or financial accounts. The risks associated with self-assessment can be mitigated by inviting external facilitators to assist the working group.

Integrity assessment conducted with the assistance of external facilitators is an alternative method for Member administrations who require an independent review of the process or simply a different perspective⁶. Facilitated assessment can be carried out in the form of a traditional field mission, remotely, or by applying both methods concurrently, depending on the situation.

Integrity assessment need not be seen as a one-off measure which is applied when an administration faces a case of corruption. For an administration free of corruption, the assessment process should be a routine administrative procedure regulated by binding administrative rules.

⁵ UNODC (2020b)

⁶ Regional Cooperation Council (2015)

The next part of the Guide defines the main activities and the steps that need to be taken by administrations conducting an integrity assessment.

2. Content of the integrity assessment process

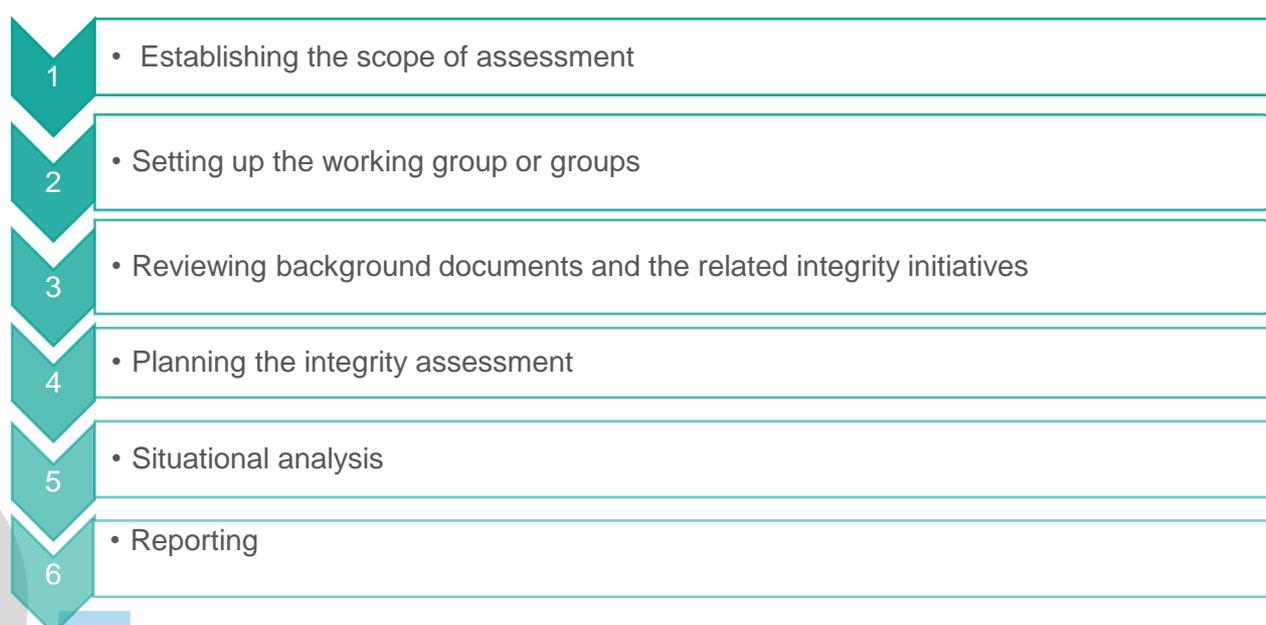
The integrity assessment process consists mainly of preparation, implementation and evaluation. The preparation stage involves establishing the scope of the assessment, setting up one or more working groups, and planning the process. Implementation is the principal stage of the assessment, in which situational analysis is conducted on the fight against corruption and the promotion of integrity, in line with the ten key factors of the WCO Revised Arusha Declaration (RAD), and the necessary arrangements are made for integrity action planning. In the final stage, a report is drawn up to inform decision-makers about the results of the assessment, and an evaluation conducted to assess the effectiveness of the assessment process.

These stages can be divided into various main steps and activities in line with the assessment method followed. In any approach to assessment, an individual or a group of experts will be responsible for planning, coordinating and undertaking these activities, working under a higher decision-making authority. These individuals may be local facilitators, external facilitators or integrity experts assigned to the project.

Annex 4 to this Guide describes the concrete activities involved in each integrity assessment step. Facilitators, local facilitators and contributors can select and use the corresponding activities in either in-country or remote integrity assessment.

The content of the integrity assessment is based on a series of steps to be carried out by the administration as illustrated in Figure 3:

Figure 3. Content (steps) of the integrity assessment



These steps are examined below one by one to understand better how to undertake an integrity assessment process.

Step 1 – Establishing the scope of assessment

In preparation for the integrity assessment, the Customs administration should establish the scope of assessment by defining the components of the assessment process, such as the context, methods, timing, responsible department(s) and person(s). This can be done by management, a department responsible for strategic planning and/or the reform and modernization office, or a steering committee set up for this purpose, depending on the structure and governance preference.

It is important to decide the context of the assessment at the outset, i.e. whether the process is comprehensive or target-specific. The IDG is designed to help Member administrations to develop a comprehensive integrity programme. Parts of it can be applied, however, in target-specific assessments. Nonetheless, since an effective national integrity programme must address each of the key factors in a global approach, all of the RAD key factors should be considered in an assessment to ensure successful outcomes.

Another aspect in determining the scope of assessment is the timing and duration of the process. The administration needs to define whether integrity assessment is to be a one-off event or a continuous process, when it is to start, and how much time it will take to complete.

The administration also needs to define who, or which department(s), will be responsible for the integrity assessment. The competent department and staff will carry out all of the steps and activities, coordinating all relevant stakeholders.

The chosen approach also needs to be defined in this step. The administration must decide whether it is going to obtain assistance and guidance from an external organization or administration, or plans to carry out the whole process by itself.

Step 2 – Setting up the working group or groups

The governance and operating framework is established in step 2 of the integrity assessment, together with the roles of the individuals who are to lead the assessment. Different actors carry out the integrity assessment depending on the approach followed. One or more working or groups can be set up, composed exclusively of internal contributors who are designated officials in the administration, or involving external contributors if necessary. The assessment process is run by the working group or groups and can be facilitated by local or external facilitators.

In the case of externally facilitated assessment, the contacts between senior management and local and external facilitators need to be clearly established and understood at this stage.

Where assessment is facilitated remotely, external and local facilitators and/or national contact points discuss and select the remote working tools and collaborative working platforms to be used. If deemed necessary, external facilitators should provide preliminary briefings and instructions to local facilitators on the modalities of remote assessment (e.g. documents, activities and steps, tools and platforms to be used, etc.).

The roles of the various actors in integrity assessment are described briefly below.

External facilitators:

External facilitators are integrity experts with knowledge in the relevant areas who are responsible for the overall coordination and implementation of the initiative, i.e. standardized delivery of an integrity assessment mission, completing the integrity situational analysis and producing the mission report, including recommendations. These experts also carry out other tasks, such as providing assistance and support to national contact points and local facilitators, and advice as needed, and ensuring that the integrity assessment runs smoothly and that objectives are met.

In an assessment process conducted under WCO guidance, the facilitator role can be undertaken by WCO Accredited Experts, Recognized Experts, and External Experts. The role of facilitator extends beyond assessing the situation and defining the risks to which an organization is exposed, and also involves providing information, motivation, tools, and orientation to the contributors undertaking the integrity assessment, raising the awareness of management and employees who are key to the assessment process as to the consequences of corruption, and helping them to analyse and produce solutions to mitigate the risks of corruption.

Depending on the conditions and desires of the Member administration, facilitators provide assistance, advice and guidance on assessment, strategic planning, strategic implementation and monitoring of the integrity development process.

Internal (local) facilitators:

Internal, or local, facilitators are the main interlocutors for the assessment process with regard to the facilitation of the work by contributors. They can be national contact points and/or other officials designated by the head of administration. Local facilitators (two or more, if deemed necessary) play the following roles: field coordination, facilitation and monitoring, and motivator and change agent, with the ultimate goal of ensuring that the contributors achieve the expected results.

In a facilitated assessment carried out with the guidance and assistance of a partner organization or administration, local facilitators work with external facilitators.

Contributors (internal):

This group consists of Customs officials from within the administration. Each contributor assumes responsibility and possesses expertise in a service or department devoted to an activity which has a direct or indirect impact on the fight against corruption and the promotion of integrity. These areas of expertise could be strategic planning, reform and modernization, human resources, training, regulations and procedures, legal affairs, internal audit, enforcement, investigation, internal affairs, quality assurance, post clearance audit, information technology, client service, external communication and public relations, Customs operations, or risk management, for instance.

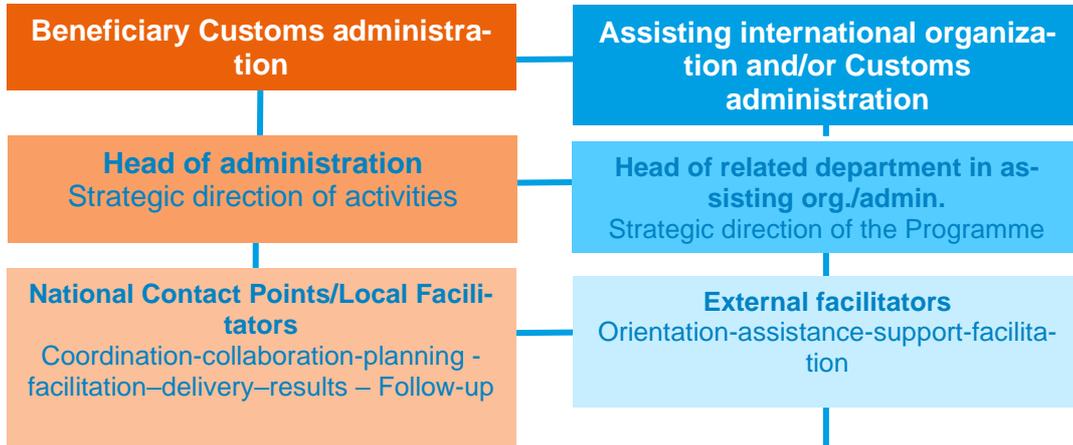
When planning an integrity development workshop, participants should be selected carefully. Ideally, they should come from different areas of work and from diverse backgrounds, since the level of expertise and diversity of the participants will influence the outcome of the workshop and the integrity action plan that arises from it. Workshop participants who are familiar with the current situation in their area of work, and are active at a level of decision-making that allows them to share reliable information, will positively influence the quality of the discussions and the resulting action plan.

Contributors (external):

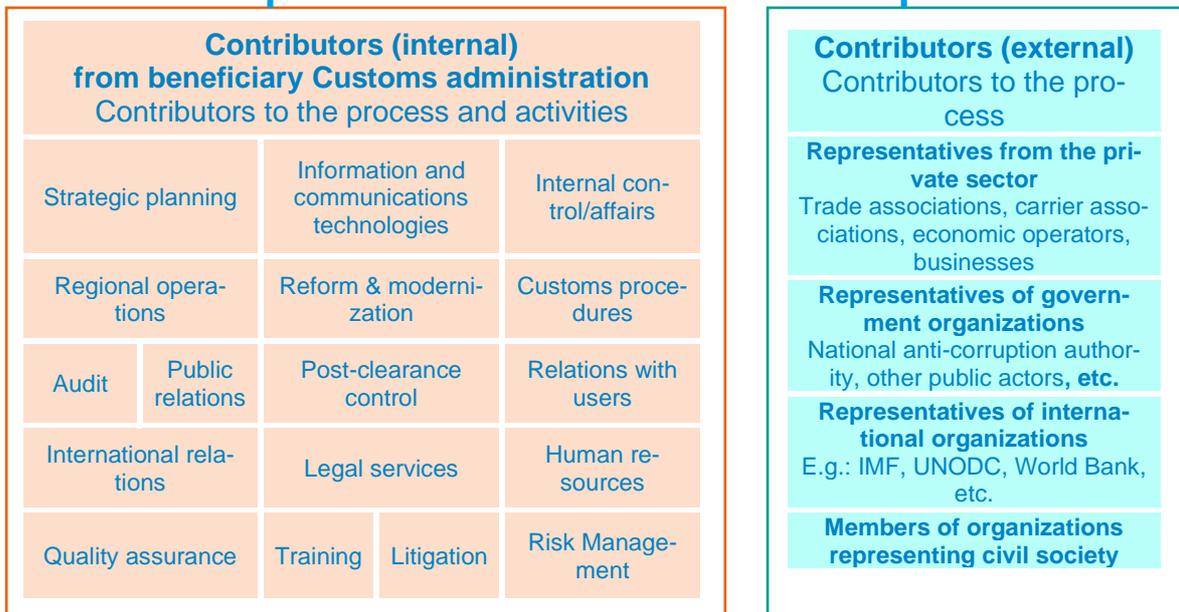
External contributors are actors who are actively engaged in the fight against corruption and the promotion of integrity. These contributors, identified by the administration, participate in the integrity assessment consultation process. They are representatives of the private sector (trade associations, Customs brokers/agents and carrier associations, business and warehouse operators, businesses participating in foreign economic activities, etc.), representatives of other government agencies (State anti-corruption authority, border control, other public actor, etc.), representatives of international organizations, and/or members of organizations representing civil society. As with the selection of internal contributors, gender and diversity considerations should be taken into account in the selection of external contributors.

Figure 4 below summarizes the governance of the integrity assessment process, the various roles and the responsibilities they entail.

Figure 4. Integrity Assessment Governance, Roles and Operating Framework



Working Group(s)
Analysis of the situation and definition of risky areas and possible actions



Step 3 – Reviewing background documents and the respective integrity initiatives

Before undertaking integrity assessment, preliminary research into the current situation should be conducted by reviewing background documents and the respective integrity initiatives, or even carrying out Customs integrity perception surveys. Interviews or discussions can be held with senior managers, employees in the relevant departments and external stakeholders to obtain their perspectives on integrity relating to the Customs operational environment.

Before starting a situational analysis, the working group needs to review and identify the following:

- any research and evaluation carried out on the results of previous WCO missions in the country, other integrity-related initiatives that have been carried out or are still ongoing,
- existing national anti-corruption and integrity-related regulations and legislation, the codes of conduct for Customs officials and for public service officials;
- the organizational structure, strategic and operational plans of the administration; Customs-related government strategies and plans,
- MoUs, legal and administrative documents and arrangements regulating the relationship with other government agencies and stakeholders with respect to the fight against corruption and the promotion of integrity;
- annual or quarterly reports on Customs performance, including in the area of integrity development and anti-corruption;
- existing public-private partnerships, anti-corruption assessment, international anti-corruption instruments to which the administration subscribes,
- basic data, statistics and survey results related to corruption and integrity in Customs;
- agreements, guides, country reports or other documents produced by international organizations on integrity;
- reports on the links between integrity, gender equality and diversity, etc.

Step 4 – Planning the integrity assessment

Key project management elements are discussed and decided in this stage, such as planning, logistics, a tentative calendar, the activity package, associated tools and deliverables.

Where the integrity assessment is conducted with external assistance, high-level contact between the assisting organization/administration and the beneficiary administration should be set up at this step. The national contact points of the administration and external facilitators make the necessary arrangements for the strategic conversation with the management of the beneficiary administration. High-level discussions should also take place between the head of administration and the management of the external organization or administration to ensure high-level commitment to the process.

A draft pre-mission report and/or terms of reference describing the results of research carried out and the objectives, inputs, expected outputs and outcomes of the assessment is drafted by external or local facilitators, or both, and shared with high-level management (and with counterparts in the beneficiary administration in the case of externally facilitated assessment) to ensure a common understanding of the assessment approach and secure support from the head of the administration. The draft pre-mission report and/or terms of reference becomes final following its approval by high-level management (from both sides).

The pre-assessment/pre-mission report and terms of reference should include the planning of the joint initiative, and the agenda, or programme, of the integrity assessment. Formulating an agenda is an essential basis to drive discussions and facilitate the attainment of the objectives of assessment.

Annex 5 gives an example of the terms of reference which are usually required for an externally facilitated integrity assessment; these lay down the necessary conditions for the process and record preliminary background findings. Facilitators might also find it useful to apply the good practices described in Annexes 6 and 7 to this Guide when engaging with working groups.

Step 5 – Situational analysis – Evaluating the Customs environment

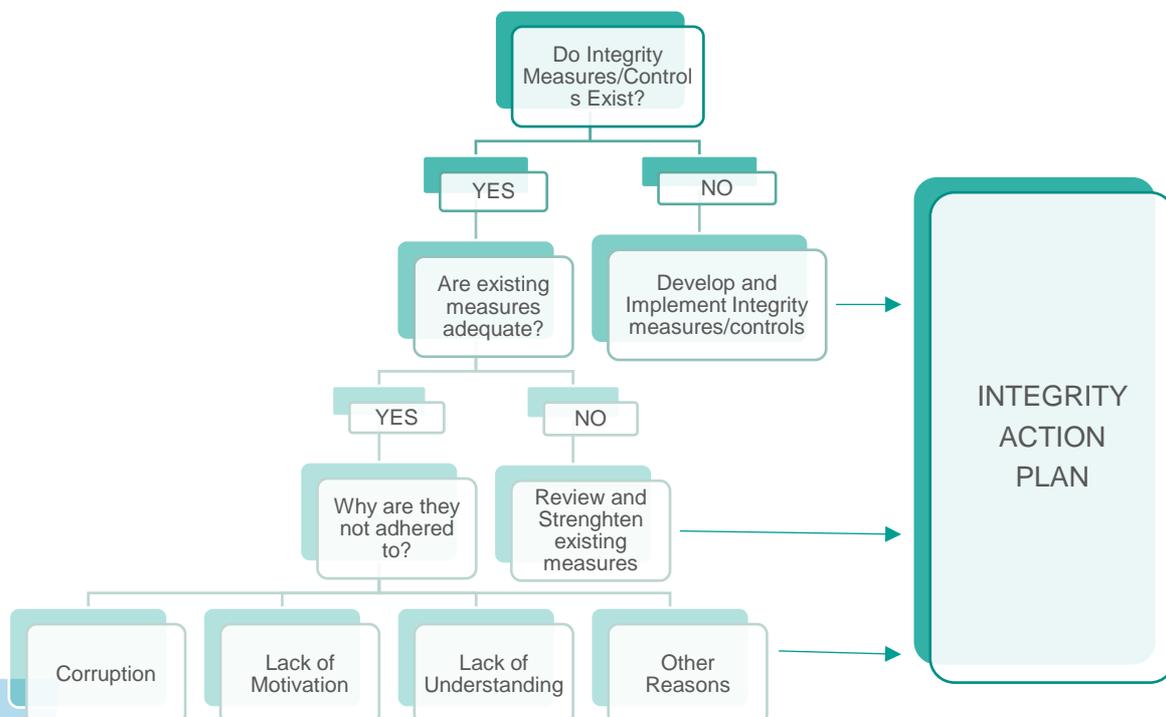
Situational analysis is the most important step of the assessment phase and is carried out by contributors and facilitators. The analysis in this step covers the areas defined by the ten key factors of the Revised Arusha Declaration, as well as collective action and gender and diversity issues. The IDG checklist questions should be used to assess the situation of the administration.

Before starting the analysis, contributors should familiarize themselves with the IDG, and facilitators should provide contributors with all the necessary instructions, information and details to ensure a fluid review process. The participants in the working group should also familiarize themselves with relevant job aids, including the IDG checklist questionnaire, which they need to complete.

In the situational analysis, the working group assesses the administration on the basis of the instructions and recommendations provided in the IDG. The assessment process may be carried out through face-to-face discussions with all participants present. Facilitators can use different methodologies to conduct an effective assessment. Dividing the contributors into groups according to their experience, and allocating key factors between these groups for discussion, can also be an effective approach. Rapporteurs are then asked to present their findings to the entire working group to obtain different views and perspectives and reach consensus on key priorities. The facilitators should provide instructions, collect results, give feedback on conclusions, and maintain the energy and motivation of the group.

The checklist questions serve as a roadmap for an in-depth analysis of an administration's existing integrity strategies, measures and anti-corruption controls. The aim is to identify areas in which the administration already has solid integrity practices in place, and areas in which action is required. Since the purpose of the checklist questions is to obtain a snapshot of the organization pertaining to the promotion of integrity, a simple "yes" or "no" answer is not enough; each question requires a detailed and informative reply. The working group is advised to follow the flow chart in Figure 5 to evaluate the existing integrity measures and controls.

Figure 5. Evaluation of existing integrity measures and controls



Source: adapted from UNODC (2020b)

Operational field visits

Operational field visits are an important sub-activity for externally facilitated assessment. They allow external facilitators to gain an appreciation of the Customs administrative and operational functions and assist in carrying out the assessment.

Field visits can be to ports, Customs offices, offices of related border administrations, and clearance centres. Interviews with local managers and officers, and on-site demonstrations of Customs systems and procedures, can be very helpful for external experts in analysing the situation.

External experts can also have meetings and consultations with external contributors (trade associations, carrier associations, economic operators, businesses, etc.), representatives of other government agencies (national anti-corruption authority, border control agencies, other public actors, etc.), representatives of international organizations, and/or members of organizations representing civil society in order to look at the situation from a broader perspective.

Preparing material for integrity action planning

Integrity assessment provides a solid basis for designing a detailed integrity action plan. The results of work and discussions carried out by the working group are documented in a manner suitable for use in the action planning phase. Action planning should preferably be conducted by the working group or groups that carried out the assessment, but this may not be possible in each case.

Step 6 – Reporting

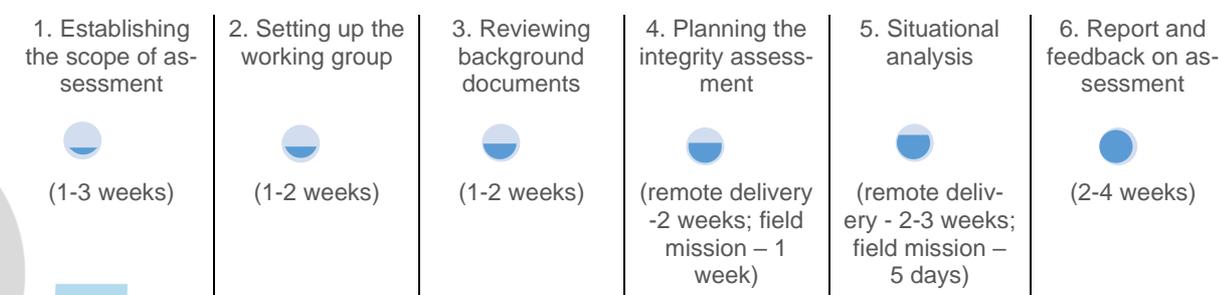
The integrity assessment process concludes with the drafting of a final report. This should include a description of the integrity assessment, the methodology followed, any challenges encountered, recommendations and solutions. The final report should provide details of the different activities, dates and duration, the topics addressed, results and a list of participants for each activity.

The final report is shared with all of the parties involved in the process. Its main purpose is to inform decision-makers of the results of the integrity assessment. It should therefore include strong key messages and clear outcomes.

Feedback on the assessment process is also obtained at this stage. This is done through evaluation and satisfaction surveys which help to measure the effectiveness of the approach by measuring the impact and identifying challenges encountered, areas to improve, best practices and lessons learned.

The 6 steps required to complete the integrity assessment are expected to take a total of two to three months, as illustrated in Figure 6 below.

Figure 6. Duration of the Integrity Assessment Steps



3. The Key Factors of the Revised Arusha Declaration

3.1. LEADERSHIP AND COMMITMENT

3.1.1. Whole-of-government approach

For a Customs integrity strategy to be successful, it is imperative that it be part of a broader government anti-corruption framework and be supported at the highest political level to achieve the intended results. It must adopt a whole-of-government approach with strengthened communication between the government and the administration. The absence of such linkage would weaken the effective implementation of Customs integrity strategies. It is important that the administration receive consistent financial, material and political support from the government with regard to the promotion of integrity and the fight against corruption in the Customs environment.

3.1.2. Role of management

The existence of information asymmetry (the subordinate has more information than his or her superior), prevents managers from fully observing the actions of employees and ensuring that all employees are pursuing the best interests of the organization⁷. Information asymmetry may give rise to employee opportunism and dysfunctional/corrupt behaviour⁸. Public management, economic and political studies have developed the principal-agent model which proposes three major mechanisms of holding subordinates to account, motivating employees to pursue organizational interests and overcoming information asymmetry: the use of incentives, exercising the control and monitoring function, and organizational culture (non-monetary incentives)⁹. Public managers at all levels, including in Customs, are encouraged to effectively apply these measures in order to reduce the opportunities for improper, or even corrupt, behaviour by employees at all levels¹⁰.

An effective integrity strategy also requires a high level of commitment from senior management. Acknowledgement and ownership by management must be displayed through continuous action. The roles and responsibilities must be defined through the organizational structure, leadership and a decision-making hierarchy that enables accountability and acts as a barrier against undue interference. Managers are expected to set an example and behave as per the letter and spirit of the code of conduct. The administration's management framework must promote managerial responsibilities for identifying and mitigating integrity risks.

The highest consideration must be given to merit, loyalty, and personal integrity, and to commitment to upholding integrity principles, during the process of finalizing the selection for appointment to managerial positions. The process needs to be expanded to ensure that both women and men are represented in key positions throughout the administration. Having a gender-balanced senior management sends a strong message to employees that the administration's commitment to diversity is an actual strategic corporate value¹¹.

The WCO has developed the Leadership and Management Development (LMD) Programme, to inspire senior managers to develop and integrate a positive leadership attitude and behaviour in their management style. The programme aims to develop leadership skills, by focusing on personal development to become more aware of their personal mission, attitude, behaviour and beliefs, and truly

⁷ Stiglitz, J. (2002)

⁸ Wilson, J. Q. (1989)

⁹ Brehm, J. & Gates, S. (1993)

¹⁰ Miller, G. & Whitford, A. (2002)

¹¹ WCO (2017)

understand and positively influence others. Module 9 of the programme addresses in detail how to promote integrity in the workplace¹².

3.1.3. Accountability and oversight mechanism

An independent oversight mechanism should be established to assess the integrity of senior management and employees in the Customs administration. In cases of integrity breaches of a criminal nature or otherwise by senior management, there must be an effective and objective mechanism to refer the cases to the appropriate authorities.

Employees at all levels should be encouraged to identify and report breaches of integrity. Accountability is an indispensable factor in promoting integrity. Managers must be accountable for the results of their teams; similarly, the administration must be accountable to the public and to external institutions.

The effectiveness of such a mechanism would depend on how well the controls are integrated at a system level. This refers to the functions and structures that support programmes and activities that cut across the administration. It includes processes supporting how the administration interacts, and/or policies and standards that must be adhered to.

3.1.4. Organizational commitment and individual commitment

For an organization to develop and to demonstrate a strong leadership and commitment to high standards of integrity, both organizational commitment and individual commitment are required; these need to work in tandem. Demonstration of high levels of integrity is a collective effort and the responsibility of every employee from the top down.

Management must communicate the sanctions applied in the event of breaches. This will demonstrate the leadership commitment to taking action against those engaged in misconduct.

3.1.5. Whole-of-society approach

The inherent complexity of global supply chains creates vulnerabilities that may encourage some businesses and individuals to engage in corrupt transactions. These risks must be mapped and effectively managed to remove any incentive to do so. Effectively addressing the integrity risks in Customs requires a shared responsibility between governments, the private sector and society as a whole¹³.

Senior management must adopt strategies to promote a whole-of-society culture of public integrity, collaborating with the private sector, civil society, and individuals, in particular to encourage them to uphold those values as a shared responsibility. In addition, senior management must engage relevant stakeholders in the development and implementation of the Customs integrity framework and provide regular updates on progress. Raising society's awareness of the benefits of public integrity, reducing tolerance for violations of integrity standards, and carrying out, where appropriate, campaigns to promote civic education on public integrity among individuals, in collaboration with relevant state agencies, is paramount in effectively raising awareness of the importance of integrity¹⁴.

¹² http://www.wcoomd.org/en/topics/capacity-building/activities-and-programmes/people-development/cb_leadership_management_development.aspx (last accessed on 10/10/2020).

¹³ OECD (2017a)

¹⁴ OECD (2017b)

A whole-of-government approach, combined with ongoing and proactive dialogue with the private sector and other external stakeholders, is needed in order to develop a comprehensive, coherent and focused integrity and anticorruption strategy for society as a whole. This is the backbone to upholding the integrity framework within the administration.

Examples of good practice

- Integrity checks carried out by supervisors
- Data collection mechanism to evaluate the ethical health of the administration
- Oversight mechanism to assess the integrity of senior management as a whole
- Complaint handling system to manage complaints inside and outside the organization

3.2. REGULATORY FRAMEWORK

Complex regulations, procedures or administrative guidelines may provide an environment that could allow corrupt practices to develop and flourish. The elimination of 'red tape' includes simplifying cumbersome processes and removing duplication of effort or unnecessary procedures.

3.2.1. Access to international conventions, instruments and standards

Possible strategies to minimize burdensome regulation and provide harmonized and transparent procedures include the adoption of internationally agreed standards, including:

- WCO Revised Kyoto Convention (RKC) on the Harmonization and Simplification of Customs Procedures;
- Harmonized System (HS) Convention;
- ATA Carnet Convention/Istanbul Convention;
- World Trade Organization (WTO) Valuation Agreement;
- WTO Trade Facilitation Agreement;
- WCO SAFE Framework of Standards, Framework of Standards on Cross-Border E-Commerce;
- International Convention on Mutual Administrative Assistance for the Prevention, Investigation and Repression of Customs Offences (Nairobi Convention).

3.2.2. Periodic review of national regulations relating to Customs practices, procedures and systems

It is essential to conduct a periodic review of national regulations relating to Customs practices, procedures and systems with a view to minimizing the incidence and complexity of Customs formalities, and decreasing and simplifying documentation requirements. Consideration must be given to legitimate policy objectives and many other factors such as changed circumstances, relevant new information, business practices, opportunities for integrity breaches, including corruption, the availability of techniques and technology, international best practice, and inputs from stakeholders¹⁵.

¹⁵ Article 10.1 "Formalities and Documentation Requirements" – WTO Trade Facilitation Agreement.

Customs regulation must meet modern requirements and business models, and should exclude ambiguities and gaps in order to prevent potential corrupt practices. Internal and external analysis of corruption risks ([corruption risk mapping](#)) effectively supports the review of regulation¹⁶.

3.2.3. Internal and external stakeholder consultation

A well-functioning working group on the development and review of Customs regulation should incorporate staff from multiple divisions with operational and strategic experience. A stakeholder consultation mechanism is essential for the development and review of policies, procedures and practices, and safeguards integrity in public decision-making¹⁷. Engagement with the private sector is a core element of good governance that helps to ensure regulation is informed by a diversity of viewpoints and responds, to the greatest extent possible, to the needs identified¹⁸. External consultations may also be conducted with representatives of other government agencies, non-governmental organizations, and other stakeholders who work closely with Customs in the area concerned¹⁹. Stakeholder consultation and engagement should be formalized.

3.2.4. Regulatory framework for core Customs competencies and business processes

A regulatory framework for core Customs competencies and business processes is an important component of the integrity of any organization (Figure 7). Each government agency, including the Customs administration, operates in accordance with the necessary set of regulatory instruments that support its smooth functioning within the legal framework. Such documents include regulatory acts defining the Customs administration, strategies, strategic and operational plans, regulations and administrative guidelines defining structural divisions, branch overviews, standard operating procedures (SOPs) for all divisions, job descriptions and job profiles, rules of internal interaction on the main operational processes, instructions and service charters to deliver Customs and other public services, a code of conduct, disciplinary code, etc.

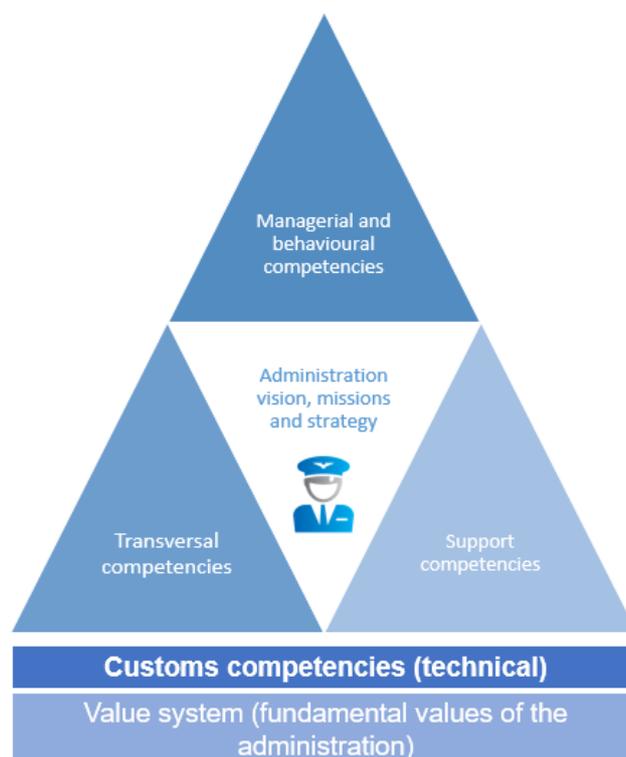


Figure 7: Competency system of a Customs administration

Source: (WCO, 2018).

All Customs business processes and organizational procedures should be regulated and documented, and have a clear distribution of competencies between divisions, as well as clear roles and

¹⁶ UNODC (2020b)

¹⁷ OECD (2017c)

¹⁸ WCO (2015b)

¹⁹ Article 2 – WTO Trade Facilitation Agreement.

responsibilities for each employee (managers and employees at all levels). Annex 8 sets out the list of relevant Customs competencies referenced in this section.

Examples of good practice

- Process for analysing the efficacy and compatibility of legislation against international standards and commitments
- Implementation of appropriate international instruments, agreements and standards
- Client and employee surveys (covering issues such as the degree of 'red tape', understanding of legislation, etc.)
- Publicly available documents which describe expected standards of performance
- Use of 'one-stop-shops' for entry formalities
- Participation in international benchmarking initiatives
- Consistent application of legislative provisions
- Formal process for periodic review of systems, procedures and rationalization of exemptions
- Formal process for the application of risk management
- Application of the WCO Time Release Study methodology
- Post-release collection of taxes and duties, release of cargo without examination, pre-arrival clearance and automated release of goods

3.3. TRANSPARENCY

Transparency, one of the most fundamental norms of the trading system, is generally seen both as legitimate in itself and essential in modern governance²⁰. The WTO Glossary defines transparency as "the degree to which trade policies and practices, and the process by which they are established, are open and predictable. It includes a number of interrelated actions, such as how a rule is or policy is developed at home, how it is enforced and how the rule is published"²¹. The United Nations Conference on Trade and Development (UNCTAD) publications describe transparency as 'sufficient information' in order to make informed decisions and meet obligations²².

The concept of transparency and integrity are intertwined. Transparency is essential in promoting integrity in an organization since it raises the credibility of an administration through certainty and predictability of dealings. It promotes an open and honest relationship with clients and stakeholders. Trust in an organization is crucial in maintaining the performance of the administration. Greater transparency in an administration can contribute to high compliance levels from stakeholders. However, a high level of transparency may not be easy to establish or maintain, but is nevertheless vital to the development of a comprehensive integrity programme.

In the event of a natural disaster and similar catastrophes, as well as sustained emergencies such as famine or disease, transparent and efficient information-sharing is crucial. For example, exporters and importers require immediate information about new procedures and regulations affecting exports and imports, newly introduced export restrictions, tariffs, taxes and regulations, and new Customs rules and transportation regulations²³.

²⁰ Lamy, P. (2007), cited in Collins-Williams, T. & Wolfe, R. (2010)

²¹ https://www.wto.org/english/thewto_e/minist_e/min99_e/english/about_e/23glos_e.htm (last accessed on 23.11.2020)

²² UNCTAD (2012)

²³ WTO (2020)

3.3.1. Communication strategy

Rules, policies, standards and practices are far more effective when the stakeholders understand them, know why they are in place (decision-making process), how they have been developed (rule-making process), who has been involved and at what stage to embrace them (implementation process). The visibility of each process will be decided based on the confidentiality requirements. Stakeholder awareness of organizational principles and practices increases compliance, accountability and transparency. Wide usage of print and electronic media such as websites, intranet, brochures, text messages, pamphlets, seminars and other communication channels can be important for disseminating the requisite information. **This information should be simple, precise and unambiguous.** It should also be gender responsive and inclusive, and available in different languages, and where possible in sign language, infographics and illustrations. A communication strategy ensures that the information reaches its intended audience in a timely manner and everyone is aware of the planned communication activities. A communication plan clarifies the objectives of the strategy and is developed around the following:

- **Information and its contents:** The information should be simple, precise and unambiguous. The administrations may refer to the IDG toolkit to learn more about transparency in the WCO and in the international context.
- **Intended audience:** The administration has to target the desired audience (end users) such as Customs brokers, chambers and trade associations, importers/exporters, tourists/travellers etc. for each type of information.
- **Method of release:** Use of a wide variety of print and electronic media such as websites, intranet, brochures, text messages, pamphlets, seminars and other communication channels can be important for disseminating the requisite information.
- **Frequency of release:** This should be based on the content and its usage/requirement by the stakeholders. The frequency of release of information is an important factor.

Administrations should establish effective mechanisms to disseminate information to stakeholders in the form of brochures, links etc. For immediate enquiries and support, online platforms should also be established, such as mobile apps.

3.3.2. Ongoing and periodic publication of Customs regulations and performance

Ongoing and periodic dissemination of information increases transparency. The administration must share information related to Customs regulations and Customs performance with its stakeholders. The administration may also publish international procedures and best practices that may be useful to the interpretation of regulations and determine compliance/non-compliance.

Updates to Customs regulations should be shared as soon as they are issued, in an easily accessible manner, and should be accompanied by explanatory notes to avoid misinterpretation.

The sharing of Customs performance should be regarded as mandatory to ensure stakeholders are in touch and up-to-date with the performance of the organization, e.g. the annual report. Such information should preferably be made available on a range of platforms, including online through the organization's website.

3.3.3. Framework for the exercise of discretionary powers

To enhance transparency and accountability in decision-making, the provisions to exercise discretionary power should be eliminated where possible. In circumstances where it is not possible to eliminate such discretionary power, it should be minimized to the greatest extent possible, with a clear framework governing it. Any deviations from laws and regulations, and use of discretionary power, should be justified and clearly documented for later review.

3.3.4. Appeal and review mechanisms

Capacity should be committed to appeal and review mechanisms - initially to Customs, but also to administrative or judicial review. The appeal and review should be carried out initially on an internal basis; however, clients should have access to an independent external review if they still have a grievance.

In developing or implementing appeal or review mechanisms, an appropriate balance should be struck between the need to make the process inexpensive, timely (with a set timeframe) and accessible, and the need to ensure it is not used inappropriately for frivolous appeals and complaints.

3.3.5. Organizational transparency

Transparency is a key issue for all administrations. Increasing accountability and maintaining an open and honest relationship with clients and stakeholders is crucial to maintaining public trust and confidence in the performance of administration functions. The organization should have transparent systems and procedures for the workforce as well as the stakeholders. Transparency can contribute to high compliance levels.

A Customs Manual can usefully be developed to ensure uniformity and consistency of procedures and services across the country in all Customs offices. Training courses can also be arranged to ensure standard operating procedures are adopted.

Client service charters are another way of increasing accountability and demonstrating the administration's commitment to providing a quality service to clients. Service standards should be high (but realistic) and be fully supported by the organization's systems and procedures.

The following initiatives may be considered to promote transparency within the administration:

- client and employee satisfaction surveys, which should also collect gender-disaggregated data;
- development of electronic systems within the organization such as e-governance, e-procurement, etc.;
- video surveillance/voice recording to document the decisions during meetings and procedures that may be vulnerable to corruption or require assurance for objectivity (e.g. recruitment, selection, disciplinary commission, procurement, etc.);
- periodic and random inspections to check the compliance of Customs standard operating procedures;
- online complaint management system and mechanisms to encourage whistle-blowers;
- internal standards.

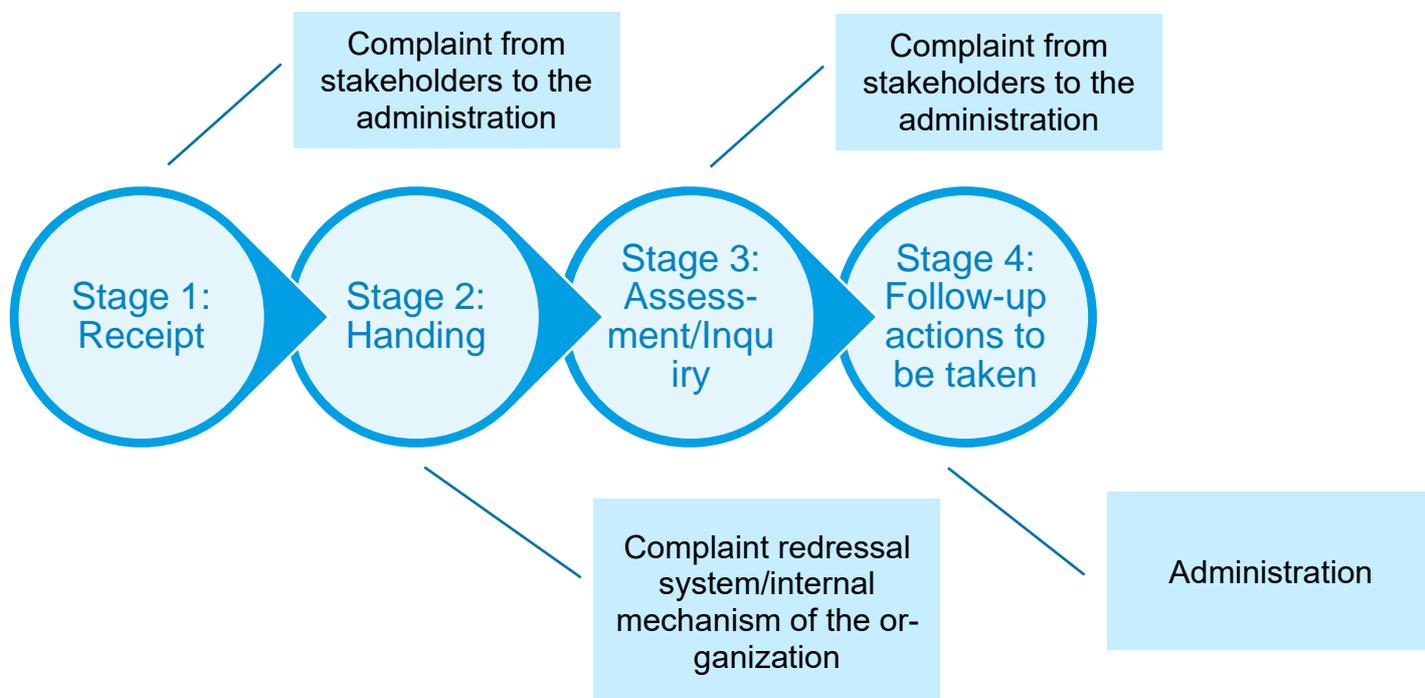
3.3.6. Transparency of Customs operations

Customs operations should be transparent and be documented. Consideration should be given to the following elements:

- development of electronic systems such as e-clearance, e-auction, e-appeals etc.;
- documentation of the clearance process (logging and time-stamping);
- video surveillance of port areas and Customs control zones, such as examination halls and passenger control areas, etc.;
- training in client service for relevant employees;
- publication of the grounds upon which the administration's decisions are made;
- formal procedures for seeking advance rulings on tariff classification, origin and valuation;
- online complaints tracking and analysis system, ensuring any complaints are examined and dealt with promptly;
- keep an audit trail to facilitate monitoring of the exercise of employee discretion.

Figure 8 provides an outline of a complaint management system that could be used by administrations.

Figure 8. Complaint management system



Source: (World Bank, 2013)

3.4. AUTOMATION

International businesses are increasingly adopting new ways to conduct trade. Customs administrations must employ the most effective means to respond to changing international trade practices, which are increasingly involving the use of electronic commerce. The electronic service delivery of Customs functions improves efficiency and effectiveness within the organization and the trading community and provides a mechanism to reduce the opportunity for corrupt behaviour. A fully automated Customs clearance system enables the administration to detect loopholes in the system and bad practices in specific areas of work. Administrations must adopt a comprehensive approach that is fully supported by sufficient resources and training, and design a system which complements the processes that cannot be fully computerized, such as the examination of cargo. The design of computerized systems should ensure that the most vulnerable points in the manual system are not replicated, and that the new system does not simply shift the point of corruption to a part of the process that is not being automated.

The existence of Information and Communication Technology (ICT) tools does not automatically translate into anti-corruption outcomes. Instead, the impact of ICT hinges on how suited it is to local contexts and needs, cultural backgrounds, local support and technological skills. ICT can also contribute to the centralization of corruption opportunities, such as a central database for all financial transactions, something which may previously have been highly decentralized. Automation does not automatically translate into less corruption, and so a great deal of caution should be exercised when leveraging on the results of the evaluation to feed plans to counter corruption. An automated system should overcome the vulnerabilities of a manual system, encompass the whole process from A to Z, and eliminate the face-to-face contact between Customs personnel and clients (e-payment of duty and taxes). The different aspects of ICT are discussed in detail in the RKC, General Annex, Chapter 7, Guidelines on Application of ICT.

3.4.1. Automation and use of new technologies in Customs

The world of digital technology brings new challenges for Customs each day, given the changing nature of trade, logistics, payment methods, data storage/organization and management methods.

Before the administration adopts or standardizes new technologies, it is recommended that it first reviews them to determine interoperability with standard and emerging commercial systems used by traders, ports, carriers, etc.

In a fully automated Customs administration, all ICT Systems, such as Customs clearance, e-governance, e-procurement etc. should be integrated to encompass the whole chain of processes and procedures. The administration must also deploy the latest technologies to improve clearance and post clearance procedures, e.g. the use of Artificial Intelligence for Risk Management Systems (RMS) or blockchain for data tracing and retrieval.

3.4.2. Automated Customs clearance system

The G20 countries²⁴ have resolved to automate Customs systems in such a way that they improve efficiency, remove opportunities for corruption and increase the level of accountability. An automated Customs clearance system can limit human intervention, the use of discretionary powers and face-to-face contact.

²⁴ G20 (2017)

In view of their unique authority and expertise, Customs administrations contribute to both securing and facilitating global trade (the WCO SAFE framework of standards). Traditionally, Customs administrations inspect cargo and transport conveyances once it has arrived at their domestic ports. Today, Customs needs to have an ability to inspect and screen cargo and transport conveyances before arrival, or even prior to departure.

A system such as an automated entry and exit system for cargo ensures clearance is carried out without human intervention based on the RMS. The growth of e-commerce and the international fight against contraband goods also demand an end-to-end Customs clearance system.

The National Single Window (NSW) also helps by promoting an environment without human intervention in Customs-related paperwork and the requirements of other government organizations.

For an automated system it is important that processes which cannot be automated, such as examination, are properly integrated into the system via data entry with cross verification through checklists, images etc.

3.4.3. Risk management in Customs clearance

The Customs RMS is the most effective tool to counter integrity related issues. It reduces human intervention in the clearance of cargo by allowing low-risk consignments to pass through the system without any further processing. A comprehensive RMS has a high detection rate of cargo which needs to be segregated for further review, including examination, assessment, etc. The WCO's Customs Risk Compendium (Volume I and Common Part) is a good reference point when devising or updating the RMS.

The Customs RMS may work at different stages of clearance:

- Pre-clearance: before the arrival of the cargo
- Clearance: during the clearance of the cargo
- Post-clearance: after the cargo has been cleared.

3.4.4. Sustainability of automated systems

A fully automated system is only possible if the government supports the Customs administration's ICT policy and initiatives. An automated Customs system cannot work in isolation. The sustainability of the system is dependent upon the interconnectivity of all integrated processes and procedures with other stakeholders, which includes clients, for filing of goods declarations, government organizations, for certifications, and banks, for payment of duties.

The sustainability of the systems also depends on:

- the introduction of new technologies;
- data storage and back-up mechanisms;
- offsite back-up for emergency situations and unforeseen circumstances;
- data security and safety from internal and external threats;
- constant input of required resources.

3.4.5. System security and data protection

Automated systems can be vulnerable to attack and manipulation from inside and outside the organization. Where external consultants or contractors are involved it is important to ensure appropriate security checks are undertaken, and appropriate supervision and accountability systems are established. Where sensitive information is stored on automated systems, a suitable audit trail needs to be established to protect the information and identify any officials who may access information for private or inappropriate purposes. An annual IT audit plan may be developed to carry out such audits on a regular basis. It is important to establish an information security policy or plan for the administration. This way an annual IT audit plan can be developed to carry out regular access audits.

There is a constant need to upgrade technology and firewalls to reduce opportunities for cyber-attack. The administration should develop and commit to a roadmap for protection of data and information under the information security policy/plan.

3.4.6. Relation with users (internal and external)

Automated systems provide approved users with an interface to access authorized information only. It is important that there are training sessions to ensure that Customs officials and related stakeholders have a full understanding of how to use the systems properly. Attention must be given to arranging training sessions for persons with disabilities and special needs, female traders, disadvantaged minority groups etc.

All units in an administration have different rights and responsibilities, and must have access commensurate with their role, as permitted under the regulations. Decisions about the rights and responsibilities of different users should be discussed and scrutinized from time to time, and should be elaborated in the ICT policy. For example, internal users require an intranet for the exchange of files, communication etc. Access to the intranet should not be available to anyone outside the administration.

The administration must provide an interface to external users according to their needs. The external users of Customs information can be traders, clearing agents, chambers, private sector, passengers etc. The most technically advanced user of the Customs automated system is the client who files a Customs Declaration with the administration. The client has to submit all the technical information and documents online without any face-to-face interaction with the administration.

3.5. REFORM AND MODERNIZATION

Reform and modernization of the administration should be based on a comprehensive diagnosis of needs and be tailored to the individual circumstances and aspirations of the administration concerned. Reform and modernization (R&M) initiatives ensure that administrations remain capable of meeting modern-day challenges. It is important that R&M initiatives are sustainable in the long term and sufficiently resourced to ensure effective implementation.

The RKC is a key instrument that ensures that reform programmes deliver the desired results. All administrations should have a reform and modernization policy as a separate plan or a part of their strategic plan. The strategic plan may highlight the importance of the role of R&M and how it can improve integrity (see the WCO Strategic Plan 2019-2022).

Integrity is intrinsic to R&M initiatives. The Trade Facilitation Agreement (TFA) and Ease of Doing Business (EoDB), etc. all promote integrity as a positive externality. R&M initiatives are vital to the development of integrity as they improve the overall efficiency, effectiveness and responsiveness of administrations. As a result, the incentive to circumvent correct procedures is minimized.

Customs administrations may establish and strengthen R&M units to study, design and implement different projects to improve the overall operation of the administration. The units have to ensure that the initiatives are compatible with trade security and revenue mobilization. The R&M projects can be related to, but not limited to, the following:

- institutional reforms of management and human resources;
- the legislative and regulatory framework;
- procedural reforms including an automated entry and exit system.

The R&M units also study and review the regulations, practices and procedures to:

- eliminate the outdated and inefficient;
- simplify and harmonize the existing; and
- implement the essential and new, under international commitments and local requirements.

The G20 countries have resolved to periodically review their Customs systems and procedures, with the aim of streamlining outdated and burdensome practices and procedures, and increasing transparency in decision-making, with a view to minimizing opportunities to engage in unethical, fraudulent or corrupt acts²⁵.

R&M needs to be carried out in order to keep abreast of Customs challenges in the 21st Century and to address the changing role of Customs administrations. Besides its traditional role of revenue collection and prevention of smuggling, Customs is also involved in preventing transnational organized crimes including human trafficking, enforcing intellectual property rights, prohibiting narcotics and suppressing money laundering. With these changing roles, Customs needs to streamline its strategy to cope with the new functions. Obsolete procedures will hamper trade and prevent economic growth.

In term of reforms, changes need to be made in tariff classification, Customs valuation and procedures which need to be simplified and harmonized in accordance with international practices. Tariff classification needs to be applied in a uniform manner in accordance with the WCO's HS Convention. Adoption of a modern, common, simplified and harmonized tariff code, reflecting the reality of trade, will help traders plan their imports. It will also help the industrial players to determine their production costs. Customs valuation is another area in need of change. It is hoped that the adoption of the WTO Valuation Agreement will eliminate practices that are open to fraud and corruption.

Revamping of Customs procedures is also critical since they provide avenues for circumventing official processes. Procedures need to adhere to practices that conform to international standards and conventions. Adopting and implementing such conventions would help to eradicate corrupt practices and facilitate trade. The RKC is designed to simplify procedures.

Modernization refers to changes in management systems, and relationships with clients and other administrations, as well as technological changes in work processes and benchmarking. Management change includes human resource management.

Technological improvements in work processes should be encouraged. New tools should be embraced to apply non-intrusive inspection, automation, computerization and automated single window processing. Risk management should be a core practice through, for example, the use of pre-arrival notification (of passengers and cargo) and post-clearance audit control. Benchmarking should be understood as adopting international standards and conventions, as well as analysing best practices applicable in the domestic administration.

²⁵ G20 (2017)

3.5.1. Sustainable and continuous reform and modernization

The changing environment of trade brings new challenges each day. Today's reform may be tomorrow's obsolete procedure, and so there is a constant need to study, review and analyse working practices in order to mitigate the risks of failing to keep up. R&M should be a continuous improvement process to systematically address any existing malpractice or other procedural failings. The Customs administration should establish a mechanism to analyse the current system, identify any lapses, design suitable adjustments and implement changes.

The key theme is that governments should regard Customs administrations as an important national asset and a tool for trade facilitation, revenue collection, community protection and national security.

A sound reform and modernization programme should:

- be a permanent function of an administration;
- focus on simplifying and harmonizing systems and procedures;
- be comprehensive in nature and address all the administration's roles and responsibilities;
- be in line with the international best practice;
- be supported by the government, legal framework and leadership and top management;
- be all inclusive, involving all key stakeholders;
- promote gender equality, diversity and inclusiveness;
- focus on developing local ownership;
- be sufficiently resourced to ensure effective implementation;
- be sustainable in the long term; and
- be agile and in line with private sector business model changes, to the extent possible.

One example of this is the reforms launched by Bolivian Customs to restore institutional credibility, improve tax collection and reduce the high levels of institutional corruption (Customs Modernization Initiatives: Case Studies, Luc de Wulf). They focused on five of the above aspects of R&M: leadership commitment, human resources, financial support, private sector involvement and information technology.

3.5.2. Stakeholder engagement

Reforms change the work an administration does, and its working environment. This sometimes impacts on the rights and responsibilities of the workforce and stakeholders. The involvement and ownership of stakeholders on integrity and anti-corruption related work (see Figure 9) throughout the reform process is key to its success. The R&M unit could establish a mechanism to promote stakeholder engagement from the outset in the shape of an effective communication policy, for instance.

Figure 9. Customs stakeholders on integrity & anti-corruption



The involvement of government is a key element for any reform agenda, firstly because of the impact on government work or revenue, and secondly given the resources required to implement reforms.

Relationships developed between the administration and business should be used to support a move towards modernization. Trust and cooperation between both entities can improve service and encourage business compliance. This helps balance facilitation and enforcement.

3.5.3. Results-focused performance measurement

R&M initiatives can be considered to be projects with set targets and timelines. While it is important to monitor implementation, it is equally important to evaluate the impact and effectiveness of initiatives using clear indicators that measure how well they achieve the desired results and objectives. Without this it is not possible to determine success and continue to move forward.

3.5.4. Sharing reform and modernization practices and experiences

R&M practices and experiences across the world in different administrations can help other countries learn about the issues and challenges, and about other important aspects of the reforms.

Administrations can also learn from the practices and experiences of other government organizations. Regardless of whether the reforms are related to institutional development or human resource development, local experience is always helpful. It is important for administrations to learn from the experience of the private sector and other stakeholders as well. The private sector is, by nature, usually ahead of the curve, and Customs administrations can only keep pace with developments if experiences are shared regularly.

Examples of good practice

- WCO diagnostic
- Project management methodology/disciplines
- Dedicated team
- Reform and modernization are well supported by key stakeholders and the administration's senior management
- Management and implementation of the programme is coordinated effectively
- The R&M development and implementation process is sufficiently resourced, with roles and responsibilities clearly defined
- Klitgaard formula: corruption equals monopoly plus discretion minus accountability: $C=M+D-A$
- Appropriate results-focused performance standards and indicators have been established, regularly monitored and evaluated

3.6. AUDIT AND INVESTIGATION

3.6.1. Strengthened internal control

An independent and objective internal control mechanism is important. It provides a substantial degree of assurance the administration is achieving its objectives while complying with the laws and regulations. It can also verify that this is being done through efficient and effective operation of the administration's functions.

The name and functional setup of the internal control unit can vary. However, the purpose is to ensure that legal, regulatory and internal provisions are implemented and integrity safeguarded within the administration. The responsibilities of an internal control unit include conducting investigations (administrative or criminal – depending on the unit's remit) and disciplinary proceedings against alleged corrupt behaviours or malpractice by staff. It must carry out checks on controls, and receive and process complaints. The unit collects data by various means, and produces reports that it shares regularly with the head of administration. An effective internal control unit should carry out an educational, preventive and communication role related to integrity and anti-corruption within the administration and with stakeholders. These activities will demonstrate the transparency and accountability of the administration to employees, stakeholders and the public.

The internal control unit's operational functions must include the collection and analysis of information obtained from documents, interviews, surprise checks, complaints, and incoming reports, databases, corruption risk maps and statistics (both in-house and national). It must adopt approaches focused on prevention, detection and correction in performing its functions.

Given the sensitive nature of their role, officers employed in an internal control capacity often have a degree of independence and report directly to the head of the administration, to a board or to the higher-level executives in charge. Findings obtained through data collection and investigation will give the head of the administration the information needed to make informed decisions, and to develop strategies and measures²⁶.

3.6.2. Corruption risk management

In order to apply corruption risk management practices effectively, a risk management culture must be developed. It must support the overall vision, mission and objectives of the administration.

A corruption risk management mechanism must be able to identify operational areas across the administration that are at risk of potential exposure to corrupt practices, with a view to ensuring that adequate SOPs are in place to mitigate such risks. This will inform the appropriate anti-corruption framework/measures within which operations are to be carried out, with the aim of promoting a working environment that is free from corruption.

Corruption risk mapping

Risk mapping can help the administration pinpoint the areas with the greatest potential risks of corruption, and develop plans to prevent it. The objective is to develop targeted and preventive measures so as to improve the image of Customs and ensure that it enjoys the trust and confidence of Customs staff, stakeholders and the community as a whole.

The results of an effective corruption risk mapping exercise can be used to enhance the administration's internal control mechanism. They can also be used to formulate goals and objectives for the

²⁶ WCO (2019)

next strategic plan. Consistently applying risk management strengthens an administration's resilience to its changing environment²⁷.

Data analytics as an effective anti-corruption tool

Big data analytics, such as data mining techniques, make it possible to assess several different information sources to find details and expose irregularities, conflicts of interest and other signs of corrupt behaviour. These can otherwise be difficult to detect, given the complex and often lengthy records and documents involved. The ability to analyse and compare different sources of information is one of the biggest advantages of big data.

However, this requires the establishment of a framework for sharing data between enforcement agencies, the private sector and tax administrations to allow investigators to conduct a smarter, more efficient investigation process. It also requires the harmonization of data within the administration and across stakeholders to ensure data is reliable. Administrations also need modern data analytics tools and a qualified data analytics team to utilize data analytics as an effective anti-corruption tool.

3.6.3. Detection and investigation

To detect suspicious behaviour and interactions, it is important to use analytical research methods designed to flag indicators of potential workforce misconduct and corruption. Acting in concert with internal control and internal audit, the administration can implement significant steps to use their resources to identify operational data anomalies through corruption risk mapping, as discussed earlier.

To support the internal control, corruption risk management and disclosure functions, an investigative function is vital. This provides a systematic and thorough process of examination of the circumstances surrounding an incident or allegation. Its purpose is to establish and document all the relevant facts, and to analyse these in order to allow management to make an informed decision. The investigative function supports the administration's overall integrity.

Investigators must have the authority to conduct investigations. They must be capable of conducting an independent and impartial investigation in a thorough, timely, discreet, and sensitive manner. Training in investigation and interview techniques is essential. Investigators must also have the appropriate security clearance for the case under investigation, and be at arm's length from the employees they are investigating. Equally important, investigators must create an environment of trust and confidence throughout the investigation. Procedural fairness, i.e. the requirement that management be fair and reasonable, must be upheld while conducting investigations. A formalized discipline process must be established. These measures will ensure consistency supporting the overall integrity of the investigative process.

The results of investigations should be subject to a regular independent review. In the event of serious wrongdoings and corrupt practices, it is recommended the investigation be conducted together with the independent investigative authority, or these cases be transferred to such authorities, rather than the administration conduct the investigation itself. These measures will ensure the impartiality of the investigation and likely better stand up to public scrutiny and foster public confidence in the administration.

²⁷ WCO (2015a)

3.6.4. Disclosure and whistle-blower protection

The whistle-blower mechanism is one of the key integrity controls used to implement a credible and safe channel for employees, business partners and clients to report wrongdoing in relation to the administration's operations. Such a mechanism can gather important tips on which further investigations or audits may subsequently be built. Effective whistle-blower mechanisms encourage relevant individuals to report wrongdoing and grant sufficient protection for doing so.

Disclosures of wrongdoing should be mandatory in any administration. Employees should have an avenue for coming forward when they believe that wrongdoing has occurred, or is about to occur, in their workplace. Protected disclosure of wrongdoing is a formal process which guarantees protection for employees from reprisal when they disclose wrongdoing. Provisions should also be in place to allow employees to bypass their immediate supervisor and make anonymous disclosures, particularly if they think that supervisor might be engaged in wrongdoing. Every effort must be made to ensure confidentiality for all parties involved, making it a mechanism that is fair and objective, both for those who make the disclosure, and those against whom the disclosures of wrongdoing are made. Administrations must provide several ways to report wrongdoing and all of these should be known to the staff. Training sessions should be delivered to make employees aware of their responsibilities with regard to the disclosure of wrongdoing.

An effective and efficient complaint handling process would be an important way of ensuring the reporting of wrongdoing. SOPs for complaints handling must be in place to ensure that decisions are taken quickly, corrective action is taken where necessary and lessons are learned for improvement.

3.6.5. Internal audit

Internal audit is an independent appraisal function that brings a systematic evidence-based approach to assessing and improving the effectiveness of risk management strategies and practices, management control frameworks, systems and practices, and governance processes within an administration. It helps management achieve oversight and control of programme activities, apply sound risk management practices, target its attention to areas that need improvement and demonstrate accountability. The types of audits conducted by internal audit include financial, compliance and performance audits.

An internal audit function complements, but does not replace, an organization's investigations, inspections and internal control function and, preferably, should be separate from them. The internal audit's main purpose is not to uncover fraud or other irregularities as such, though it might do so as a by-product of its work.

3.6.6. External audit

An external audit function provides support to the legislative and oversight needs of the government. Its work emphasizes making a difference to the public by promoting answerable, honest and productive government that reflects a commitment to sustainable development. It carries out independent audits and examinations that provide objective information, advice and assurance to the government. This is done to promote fair and frank accounting of government stewardship; efficiency and productivity; cost-effectiveness; the collection of revenues; and compliance with authorities. External audits provide quality control procedures to ensure that a high standard is maintained in performing this core function for government.

3.6.7. Relationship with State anti-corruption authorities

While internal control is responsible for ensuring that the administration's legal, regulatory and internal procedures are implemented and integrity safeguarded; State anti-corruption authorities (external control) are responsible for the prevention, investigation and prosecution of corruption at a State level. The relationship between Customs and State anti-corruption authorities is of paramount importance and is explored in detail in Section 4, "Collective action to promote integrity: Cooperation with State anti-corruption authorities".

Examples of good practice

- Formalized organization strategy to address risk management is in place
- Strategic audit plan and strategy are established at target areas of highest risk
- Capacity to investigate allegations made against employees
- Employees allocated to audit and investigation functions are suitably qualified
- Appropriate degree of independence for audit and investigation personnel
- The administration is subject to external audit on a regular basis
- Access to external investigation when appropriate
- Audit and investigation personnel have a role in education and other preventive strategies

3.7. CODE OF CONDUCT

3.7.1. Establishment of a code of conduct

A key element of a sound integrity programme is the development, issuing and acceptance of a comprehensive code of conduct that sets out, in very practical and clear terms, the minimum standards of behaviour expected of all Customs employees. These standards of behaviour are to be demonstrated by all employees and are to serve as a guide when making decisions and taking action. An effective code of conduct must be seen as promoting good practices while at the same time acting as a deterrent that discourages misconduct.

The WCO Model Code of Ethics and Conduct recognizes 11 key elements that could form part of the Code, which all Customs employees must comply with in order to ensure public confidence in the integrity of the administration.

- 1) personal responsibility;
- 2) compliance with the law;
- 3) relations with the public;
- 4) limitations on the acceptance of gifts, rewards, hospitality and discounts;
- 5) avoiding conflicts of interest;
- 6) limitations on political activities;
- 7) conduct in money matters;
- 8) confidentiality and use of official information;
- 9) use of official property and services;
- 10) private purchase of government property by employees;
- 11) the work environment.

Some administrations use a general code common to the whole of the civil service. However, it is recommended a separate code of conduct be established for Customs officials as the specifics of Customs work is different, as Customs plays a vital role in trade facilitation and protection of national

borders, as well as revenue collection. Administrations should consider using the WCO model as a basis for the elaboration of their respective codes of conduct. It is important that staff and stakeholders are involved at all stages of design and establishment of the code²⁸.

3.7.2. Periodic and ongoing review of the code of conduct

The code of conduct must be periodically reviewed and updated. It is recommended that the code uses practical examples that are similarly updated to reflect the changing work culture and environment, and to adapt to new circumstances, in order to effectively reinforce messages that are key to implementation.

3.7.3. Implementation strategy

a) Management and leadership commitment

Strong, visible policy and support from senior management is the key for effective implementation of the code of conduct. Management must lead by example in following the provisions of the code of conduct and take appropriate action, including disciplinary action, when employees fail to abide by the required standards.

b) Awareness raising and sensitization on the code of conduct

Employees should be encouraged to be well acquainted with the code of conduct. All employees, including senior management, should be required to sign an acknowledgement that they have read the code and understand its provisions, obligations and responsibilities. This can be done when an employee is first employed by the organization, and can possibly be repeated on an annual basis.

Periodic training and awareness programmes should be organized for all Customs employees on the provisions of the code. These programmes must form part of the general anti-corruption training. All Customs employees should be encouraged to report breaches of the Code according to the legal provisions in the Customs administration.

External stakeholders, especially traders and Customs brokers, should also be made aware of the code of conduct in order to familiarize them with the rules to which employees are subject. The code of conduct should be readily accessible for all stakeholders, through different communication channels, either in electronic or printed form.

c) Penalty regime for non-compliance

The penalty system associated with breaches of the Code must be sufficient to provide a deterrent to engaging in behaviour contrary to the Code. Penalties should be calibrated to correspond to the seriousness of the violation and could, for example, include added managerial oversight, fines, written reprimands, suspension, demotion or dismissal. In order to ensure there is consistency in the system, several levels and categories of disciplinary measures and penalties should be practiced.

²⁸ WCO (2012)

Examples of good practice

- The code of conduct is compatible with the WCO Model Code of Ethics and Conduct
- There is consultation with and participation by employees in the development of the Code
- Employees are required to read, understand and endorse the Code
- There is an effective communication strategy and internal/external promotion of the Code
- The code of conduct is periodically reviewed and updated
- Introductory training includes coverage of the organization's values and the content of the code
- Prompt action is taken to redress any breaches of the Code

3.8. HUMAN RESOURCE MANAGEMENT

A key element in an effective integrity strategy is promoting, supporting and managing the personal integrity of employees. Building workplace integrity in the context of Customs involves developing and maintaining a high level of professionalism and respect in the workplace. It involves ethical leadership, the right people based on effective competency and merits-based human resource management (HRM) processes, and assertive and comprehensive professional reporting. In essence, building Customs workplace integrity is about creating the drivers and enablers which promote the development of high professional standards and the demonstration of the core values of the organization.

Customs officials must be able to demonstrate high integrity standards, objectivity, openness, fairness, efficiency and accountability in their daily work. Much of this depends on the quality and integrity of the administration's HRM practices. When abuse of authority, nepotism and favouritism, and other forms of conflicts of interest, are part of the HRM function and the hiring process, this will lead to widespread staff demotivation and low levels of public trust in Customs. A transparent HRM system based on processes that foster ethical principles, in line with a competency and merit-based approach, shows the standards of behaviour expected in Customs staff.

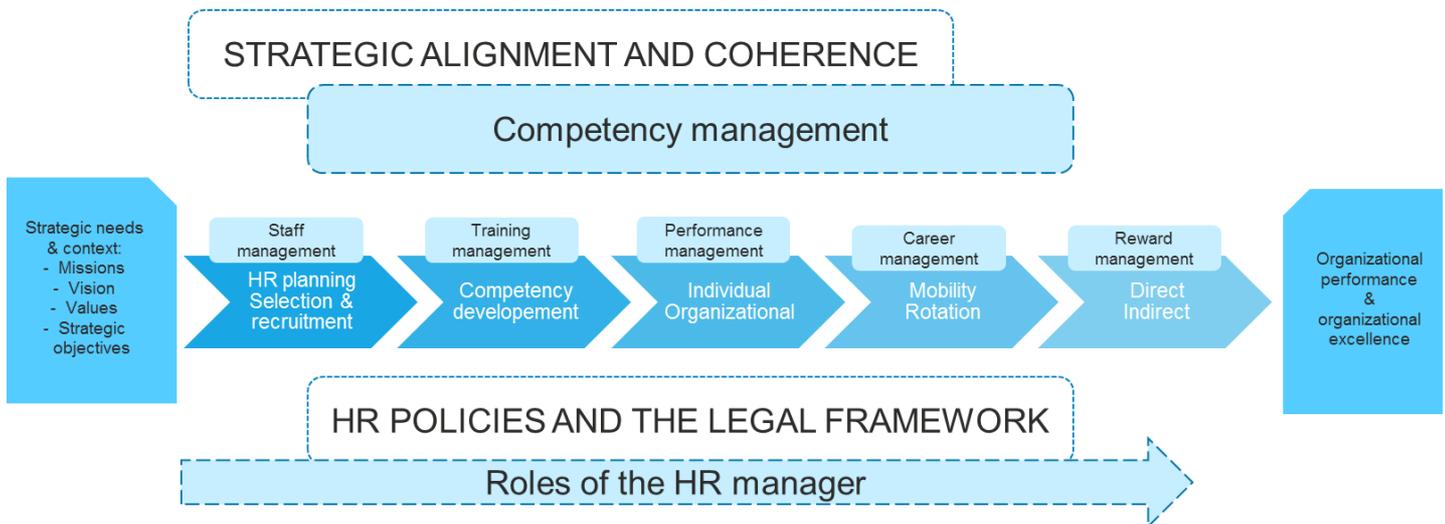
3.8.1. WCO initiatives to promote strategic and competency-based HRM development in Customs

The WCO recommends Customs administrations establish a strategic competency-based human resource management system (Figure 10) to enhance integrity. This acknowledges an understanding of the importance of the HRM transformation process and the need to focus on results and performance. To support this, the WCO has developed the following guidelines and recommendations:

- Framework of Principles and Practices on Customs Professionalism;
- Train-the-Trainer Workshop on competency-based training techniques;
- [Guide to Implementing Competency-Based HRM in a Customs Administration Environment](#);
- Executive and Professional Competency-Based Human Resource Management Programme;
- People Development Diagnostic Tool;
- [Gender Equality Organizational Assessment Tool](#).

All of these guidelines and tools are accessible on the WCO website.

Figure 10. Building blocks of strategic competency-based human resource management



Source: WCO (2018)

3.8.2. Integrity risks of HRM practices in Customs

The principles of integrity apply to all HRM processes. A corruption risk assessment of HRM practices in Customs will consider the following risk factors:

1) Remuneration and conditions

Low salaries and weak monitoring systems are known contributing factors to corruption. Underpaid staff in Customs could develop individual or collective strategies to cope with hardship by using legal instruments (e.g. secondary employment) to raise their income, or resort to corrupt practices. The risks of corruption are significantly higher in roles where Customs delivers services to the private sector.

2) Recruitment, selection and promotion

The risks in recruitment, selection and promotion occur in four main areas:

Patronage: Recruitment, selection and promotion procedures may be manipulated to secure the appointment or promotion of a close friend, family member, or an acquaintance on grounds of political, ethnic or religious affiliations. This could be through political intervention and/or the actions of senior staff.

Buying and selling positions: Staff may 'buy' their positions, especially those considered to be lucrative and seen as providing opportunities for illicit enrichment. Conversely, corrupt managers or influential officials could sell positions²⁹.

Non-transparent procedures: The recruitment, selection and promotion process may not be transparent or fair. There is a lack of clear selection criteria, and ethical standards are not applied across the process.

²⁹ Chêne, M. (2015)

Compromised selection process: Senior managers could appoint members of the selection committee who can be easily influenced, or provide preferential treatment to internal applicants, by leaking information for instance. Equally, candidates could be asked different questions, questions that vary in difficulty or have been provided in advance. The process can also be compromised if interviews with prospective candidates fail to test professionalism or the qualifications of job applicants are not properly verified.

3) Deployment, rotation and relocation

Favouritism, political loyalties and nepotism could influence internal promotion and transfers. This could be when rotation or staff transfers are misused as a reward (e.g. staff are assigned to more attractive positions) or applied as a punishment (e.g. an unfavourable placement as a means of dealing with political enemies). These risks could also occur when the administration does not have a transparent staff rotation policy.

4) Performance management/appraisal

The performance management or appraisal process may not be transparent, or may be based on subjective criteria and have no regard for ethical standards and merit-based principles.

5) Training and professional development

Training and professional development opportunities may be made available to individuals on the basis of favouritism and nepotism, and lack transparency; for example, a manager may restrict access to training or scholarships to particular officials, and/or put forward unsuitable staff for these opportunities.

A competency assessment report that is not based on training-needs analysis can lead to a mismatch between the training delivered and the training needed to develop staff competencies. Training managers could also fail to assess the effectiveness of training in accordance with best practice.

6) Gender equality and diversity policy

HRM policies and procedures do not always consider the various gender equality and diversity dimensions and principles. Women and men face gender-based discrimination and other forms of discrimination including race, ethnicity, religion, disability, sexual orientation, or cultural stereotypes.

3.8.3. Corruption risk management strategies to promote integrity in HRM

A corruption risk assessment will help to identify the key corruption and integrity risks in HRM core processes. These can be mitigated by implementing appropriate risk management strategies and measures across the HRM functions.

Remuneration and conditions

- Appropriate conditions of employment, in particular remuneration, which sustain a reasonable standard of living, are extremely important. Salaries that are not sufficient will result in employees being tempted to supplement the income of low-paying government positions with illegal commissions. Whole-of-government support is needed to ensure appropriate remuneration packages are offered.

- A remuneration package may include social benefits such as health care, housing, and/or incentive payments. The latter could be used to reward individuals for behaviours that reduce or control corruption.
- Non-monetary rewards should feature in HRM policies. Such rewards could include promotional transfers, training, travel, and public recognition for officials who are performing well and/or demonstrating a professional attitude towards work and clients. To maintain integrity, these rewards must be evenly and fairly distributed.
- Mechanisms to identify employees facing serious debt problems are important as these individuals are more vulnerable to corruption. When employees are identified as facing severe financial difficulties, they should receive counselling and close supervision and, where appropriate, be transferred away from high-risk areas. Ways the organization could assist should also be considered, such as a salary advance or temporary loan.

Recruitment, selection and promotion

- Develop and implement clear and comprehensive procedures regarding recruitment and appointment based on open competition and merit (competency-based job descriptions). Sanctions should be imposed for any breaches. Train all relevant employees (e.g. staff in the HRM division, recruiting managers) in policy and procedures to ensure that they are aware of their accountabilities.
- Ensure vacancies are widely advertised and include all requirements for the position: eligibility criteria, proficiency levels for competencies, application deadlines and any additional merits. Define minimum standards of transparency and monitor their implementation.
- Adopt clear and transparent selection criteria to measure competency levels, and integrity and work ethics (personal qualities test) – What qualities is an organization seeking when hiring a new employee? What qualities is the organization seeking when hiring a new manager? Are these defined? Are these qualities well known and clearly articulated? Promote e-recruitment, where appropriate.
- Exclude potential internal applicants from any phase of the recruitment process, especially acting as contact person, preparing job descriptions or drafting job advertisements. Any activities relating to the process must be strictly confidential to the selection panel to prevent relevant information from being divulged prior to the interview.
- Each recruitment or promotion committee should be composed of independent members selected from different work areas of the organization or even outside the organization for more senior positions. They should also be diverse in terms of gender, etc. as this can minimize the chance of nepotism and corruption.
- Support the process of recruitment, selection and promotion with reference checking and security vetting of the preferred candidate.

Deployment, rotation and relocation

- Provide a comprehensive and competency-based job description and guidelines with expectations for performing work for every position. Communicate them effectively to all staff.
- Ensure vulnerable positions cannot be held for long periods of time. Roster rotation or mobility schemes are a good way of managing this. Decisions on posting of employees should be based on established objective criteria, and the basis of decisions to transfer staff should be recorded. Rotation should be based on organizational policy that takes into account the fact that having inexperienced employees in positions could delay the process for a period. Transfers might be an easier solution in cases where rotation is not possible, but decisions should also be based on objective criteria.
- Job segregation can be used to ensure discretionary functions are spread across a number of officials and that clients do not have to deal with one official only. For example, where exami-

nations or inspections need to be undertaken, these assignments should be allocated to individual employees on a random basis. The conduct of examinations or inspections should also be subject to regular peer and independent review.

- As part of the reward system, provide adequate opportunities to attract and retain qualified staff. Consider what incentives could be used to motivate staff in difficult-to-fill or high-risk positions (e.g. performance bonuses, recognition of best employee of the year, etc.).
- Establish a succession planning policy with clear criteria. This ensures the stability and longer-term accountability of the organization.
- Conduct an employee satisfaction survey. A high level of employee satisfaction is a recognized pre-condition for increasing integrity, productivity and staff retention. The organization could also consider a specific integrity survey.
- Ensure HR policies manage conflicts of interest. Consider establishing 'red flags' for each division (for example, unusual behaviour by an employee, no leave being taken, change in lifestyle) and creating appropriate response mechanisms.
- Ensure ongoing periodic security vetting for existing employees to make sure that employees constantly meet eligibility criteria and professional standards.

Performance management/appraisal

- Set up an appropriate merit-based and transparent performance appraisal and career development system to reinforce professionalism and foster high levels of integrity. Establish the knowledge requirements and work performance levels expected in each position. Performance discussions should occur throughout the assessment cycle. Is the employee meeting the expected work performance indicators? If not, is this being communicated in a timely and relevant manner with opportunities to improve?
- Implement clear and comprehensive staff performance indicators to limit managers' discretion, including ethical conduct and integrity indicators. Properly document the process to provide an audit trail.
- Establish potential career path options for each level of employee (officer, supervisor, manager, etc.).

Training and professional development

- Conduct a thorough training needs assessment for roles or divisions based on competency mapping. Provide needs-based training (including Customs ethics programmes) and ensure the transparency of training opportunities to secure equal access for eligible staff.
- Deliver training in integrity and ethics to senior and middle-management as well as HRM division staff to embed the integrity management process.
- Evaluate the effectiveness of training, including both classroom and on-the-job training, to ensure an appropriate impact on organization and individual performance. Evaluate training programmes and providers, and improve training processes based on the results.

Gender equality and diversity

- Promoting equality and diversity increases employee satisfaction, engages the workforce and promotes integrity. Implement a non-discrimination policy in all HRM processes to protect employees from discrimination on the basis of race, ethnicity, religion, gender, reproductive status (including pregnancy, childbirth, or related medical conditions), national origin, socio-economic background, ancestry, age, physical or mental disability, medical condition, caregiver status, veteran status, marital status, parental status, sexual orientation, and gender identity and/or expression. Monitor the application of this policy and ensure compliance with its principles. Zero-tolerance for discriminating, harassing and bullying behaviours.

3.9. MORALE AND ORGANIZATIONAL CULTURE

Apart from individual factors such as age, gender, work experience and self-control, sociocultural factors including norms, ethics and moral values can also influence the decision of employees to engage in unethical practices. The organizational culture, i.e. the system of assumptions, values and beliefs which exist inside the organization, explicitly affects the attitude of Customs employees towards corruption. In particular, a corrupt environment promotes corrupt practices to newcomers. Improving organizational culture, and maintaining high morale to promote employees' pride and loyalty in the service offered, is paramount in safeguarding the integrity of Customs administrations.

3.9.1. Role of senior management in promoting morale and organizational culture

Senior management must assess their organizational environment before attempting to implement effective integrity programmes. Its commitment and honest behaviour will be demonstrated in a corruption-free organizational culture. How senior leaders communicate the importance of integrity, support and engage their employees to be ethical, and demonstrate that they are committed to high integrity, directly impacts how employees embody the level of integrity required by the organization. It is essential to maintain transparency, credibility, and accountability when senior management make decisions. They must lead a dialogue among employees about the importance of maintaining an ethical culture. Employees who demonstrate high levels of integrity should be recognized by senior management.

3.9.2. Assessing organizational culture

Understanding the prevailing level of integrity within the administration will help in deciding the best strategies to improve the culture. Employee and client satisfaction surveys (including the private sector), audit reports, investigation findings, complaints from clients and corruption risk mapping all help to assess the work environment. Risk mapping provides an overview of the vulnerabilities of Customs processes and specific Customs divisions enabling informed decisions to be made on how to prevent and address the issue of corruption. An administration's anti-corruption and integrity efforts should be focused on areas that are considered high risk, prioritizing actions to achieve better results. The attitude of employees could be measured prior to, during and after employment using research methodologies such as corruption acceptance surveys.

3.9.3. Promoting sustainable organizational culture and high morale

Individual employees are not always able to connect their role (tasks and duties) to the higher plan within an organization. Where this is the case, the individual may not feel valued by their organization. This may directly impact how they work and interact with their colleagues as well as with clients and the public. Ongoing engagement with employees is necessary to develop the organizational culture. Building trust and practicing transparency at all levels are essential to ensure a high level of integrity is developed and maintained. Tools to maintain integrity are important if integrity is to be sustainable.

Participation of employees at all levels is significant in designing suitable anti-corruption activities inside the administration. There should be established mechanisms to understand the level of in-

egrity of employees. Integrity is one of the critical factors when determining promotions and transfers. High standards of integrity should be acknowledged by senior management and colleagues as the expected behaviour. Employees who are engaged in unethical practices must be held to account.

A clear understanding of the organization's mission and vision helps to enhance employee morale. Building a visible Customs culture where respect is the norm is also important. Uniforms, a ranking system, a Customs Museum, a Customs song, a mascot, Customs spirit and logo, etc. can all influence the ethical behaviour of staff.

3.9.4. Behavioural aspects for safeguarding Customs integrity

When corruption is widespread it is more challenging to find solutions, since corrupt behaviour is the expected behaviour of the majority of employees. At this point integrity cannot be addressed with individual-level solutions; behavioural policies will be needed to generate change³⁰. As the OECD has found, behavioural insights integrate two important aspects:

- first, integrity is an ethical choice based on individual moral reflection;
- second, society, peers, neighbours, and colleagues influence the integrity of the individual.

Integrity policymakers integrate the dynamics and pitfalls of these two aspects to make modern, effective policies³¹. The concept of “behavioural insights” in respect of corruption and integrity should assist decision-makers to understand human behaviour and contribute to the development of public policies that promote behavioural change, mitigating the risks of non-compliance.

Applying behavioural insights in integrity policies has two approaches:

1. Rethinking existing integrity policies and the design of integrity systems in the light of behavioural evidence.
2. Designing a specific intervention to fix a behavioural pitfall, improve an existing policy or activate a certain behaviour³².

Behavioural insights which work in one environment do not guarantee the same results in another environment since ethical considerations should also be adapted to the context. Applying behavioural insights needs to identify suitable policy interventions, measure the results and determine the impact of the policy interventions, and adapt policy intervention to reflect findings³³. Hence it is necessary to form a team to work on finding behavioural insights which suit the existing environment of their Customs administration. Customs can obtain the assistance of academia if it needs expert knowledge.

Examples of good practice

- Employees and client satisfaction surveys
- Effective employees and management consultative practices
- Special project teams tasked with integrity improvements
- Performance management/discipline framework
- Systems for monitoring and reviewing morale indicators such as employee attrition and absenteeism rates

³⁰ Kumanayake, (2019)

³¹ OECD (2017d)

³² OECD (2018)

³³ Haynes, L. et al. (2012)

- Client awareness of integrity initiatives in Customs/the administration
- Administrative practices based on procedural fairness and equity
- Prompt action when breaches of integrity occur
- Willingness to make public the results of corruption-related investigations
- Willingness to undertake self-assessment and other international integrity activities
- Employee participation in integrity-related initiatives
- Reputation of the administration as a good employer
- Effective 'whistle blower' procedures in place

3.10. RELATIONSHIP WITH THE PRIVATE SECTOR

3.10.1. Strong cooperation framework

The success of promoting integrity and combating corruption lies in the presence of mutual trust between the public and private sector. The establishment of a regular engagement and consultation mechanism is usually the first step, and is a prerequisite to setting up a collaborative partnership between Customs administrations and the private sector. This encourages a climate of shared responsibility and ownership, promoting the move towards developing sustainable goals, policies and programmes aimed at promoting integrity and fighting all forms of corruption. It helps to develop consensus on reform priorities, and to anticipate and manage emerging issues by allowing Customs to align its management plan and actions with the expectations, needs and demands of business. Establishing a framework through a MOU or mutual cooperation agreement could create a platform to provide opportunities for the private sector to participate in co-planning, cooperating and jointly monitoring the operation in a consistent and effective manner. This helps increase transparency and predictability between Customs and the private sector.

3.10.2. Service (quality) charters

Performance standards and/or service charters may provide a useful starting point as a practical monitoring mechanism to set up an effective and efficient operating system. When establishing and administering this kind of system, it may be useful to have feedback through client surveys on their perceptions of performance quality and operating effectiveness, complemented by specific integrity perception surveys. This may be in addition to the quality and timeliness standards that are measured under the client service charter. This in turn will instil a sense of ownership and belief in the advantages of constructive partnerships.

All information related to processes and procedures must be published and easily accessible to interested parties. Policies that impact clearance procedures should be clear and transparent.

3.10.3. Integrity training for the private sector

Training and awareness programmes play a primary role in bridging the gap between understanding and eliminating possible mistrust. This is true of both sessions for the private sector, and joint awareness-building sessions in collaboration with private sector partners. This gives both sides a clearer understanding of their roles and the impact of their decisions through exposure to each other's reality

via, for example, job shadowing, as practiced in some WCO Member administrations³⁴. These activities also act as a bridge to ensure policy-level understanding between both parties is effectively translated into action at the operational level. In addition, advisory panels and multi-stakeholder forums could be useful for involving the private sector in working directly with it, and developing long-term relationships.

The main objective of integrity training and awareness for the private sector should be to support the overall objective of building trust and promoting a culture of integrity with respect to Customs and its business working environments.

3.10.4. Joint anti-corruption task forces

A joint Customs-private sector structure involving trusted representatives from both sides could be created to safeguard integrity and fight corruption, as a kind of joint integrity observatory. It could consolidate complaints from both private sector operators and Customs officials who encounter corrupt practices within Customs or the private sector. It would not deal with complaints, but instead, could analyse problems to identify areas of concern and find potential solutions with a mutual focus. It could also assess the impact of anti-corruption measures, and analyse Customs-private sector relations from an integrity perspective. To add further value, it could study corruption trends and various modus operandi and suggest measures to counter them, including joint consultative bodies, voluntary two-party or multi-stakeholder initiatives for collaborating and developing mutually agreed solutions, joint plans of action and long-term partnerships.

3.10.5. Reporting and accountability mechanisms

Traders, the general public and third parties such as banking institutions and trade associations can provide potential sources of information about an organization's most vulnerable points, or about actual instances of corruption. Providing guarantees of anonymity can facilitate the provision of information, as can setting up a hotline and/or online complaints and feedback system. The information received needs to be thoroughly and fairly investigated, and it should be apparent that the administration has responded effectively. The results of such investigations should lead to the review of current integrity programmes, through further assessments and analysis of the most common complaints, with adjustments to plans made as needed.

3.10.6. Motivating the private sector to comply

Through programmes such as training, awareness and joint task force initiatives, it is important to maintain consistent and continuous engagement with the private sector. *Ad hoc* encounters rarely make impactful and lasting change. Using the results from ongoing interactions and other objective indicators, administrations can continually monitor and assess how the private sector responds to, and complies with, Customs procedures.

The administration must create the conditions necessary to facilitate and improve the level of voluntary compliance in the private sector, as this is a cost-effective and efficient approach. While non-compliance should be dealt with strictly, compliance can benefit from a reward and incentive mechanism such as simpler and quicker Customs clearance, fewer Customs inspections, support with duty and tax payments for SMEs and voluntary disclosure programmes for voluntarily compliant

³⁴See Canada's Customs-Business Awareness Building Sessions in Annex 2.

traders³⁵. Similarly, when a client voluntarily discloses an inadvertent breach, the penalty should be reviewed on a case by case basis and may be minimized or waived, where appropriate, in accordance with the relevant WCO/WTO tools.

In addition, stakeholders such as Customs brokers could be subject to a transparent ranking mechanism, which in turn will encourage and promote voluntary compliance. These and other incentives can facilitate voluntary compliance and will help administrations to concentrate their limited capacity on non-compliant clients who are more likely to be involved in corrupt behaviour.

3.10.7. Code of conduct for the private sector

The development of codes of conduct for the private sector, which clearly set out standards of professional behaviour, can be useful in encouraging the private sector to accept an appropriate level of responsibility and accountability, and assist in the identification and implementation of practical solutions. Such codes will also act as a guide and a policy, as they relate to the responsibilities of the private sector in the fight against corruption. Private-sector parties can be required to sign a code of conduct and to commit themselves to complying with it. The code must include consequences for breaches, such as penalties associated with engaging in corrupt behaviour. This in turn will be sufficient to deter private-sector parties from attempting to obtain preferential treatment from Customs by illicit means.

Examples of good practice

- Client satisfaction surveys
- Formal cooperative agreements in place
- Practical consultative mechanisms in place
- Joint Customs-business task force to address integrity issues
- Development and promotion of a system for reporting allegations of corruption
- Business partnership and outreach arrangements and programmes
- Effective screening process for licensed clients

4. Collective Action to Promote Integrity

The WCO has always advocated partnerships to combat corruption and enhance integrity, particularly partnership with the private sector, as set out in the Revised Arusha Declaration. International organizations, the private sector and civil society often present the term “collective action” as an approach that seeks to combat corruption “differently”. In a broad concept of collective action, four main sectors – the private sector, public sector, international cooperation, and civil society – participate in a joint initiative. In the Customs context, most clients represent the private sector. Apart from the trade community, Customs brokers, transporters, shipping agents, etc. work directly with Customs. There may be some victims of corrupt practices who may come forward to form part of a counter-corruption network.

Collective action has been identified as one of the crucial principles in implementing the integrity action plan, and its importance in the implementation process is also explained in Part 4 of the IDG. This section outlines what collective action is, the context in which it may take place, the practicalities involved, the barriers to be faced and the issues to be considered if positive developments are to be brought about.

³⁵ WCO (2014a)

Linking with State anti-corruption authorities and other government agencies, the collective action initiative in Customs can cooperate with the public sector. Customs-to-Customs cooperation provides international exposure to local anti-corruption actions. The support of civil society can be gained by educating people through the media and social networks.

Collective action – definition

The expression *collective action* is specific to social movements and organizations, encompassing all forms of action organized and undertaken by a range of individuals to achieve common objectives and to share the respective gains. Work on this concept has traditionally focused on motivation, the conditions of co-operation, problems relating to the co-ordination of members, and resource mobilization issues³⁶.

Collective action refers to actions undertaken by individuals and/or groups towards a collective purpose or goal³⁷. The principle of collective action relies on the motivation and interests of the parties concerned. It is sometimes useful or necessary to go beyond the usual partners to include other stakeholders who are often overlooked and who can help to combat corruption.

Collective action and anti-corruption

The World Bank Institute describes anti-corruption collective action as a collaborative and sustained process of co-operation amongst stakeholders³⁸. This expression is used in connection with combating corruption and arose out of a concern to find an innovative approach to this issue.

Political will is often cited to explain the limited results of anti-corruption efforts. The research seems to indicate that the failure of many anti-corruption initiatives is due to the sole focus on top-down oversight and control methods, and that the most effective anti-corruption reform should incorporate both top-down and bottom-up strategies.

Collective action can also help build political will by creating bottom-up demand for anti-corruption reforms, especially in Customs. The theory highlights the relevance of social or group dynamics, including trust in others, which allows inappropriate behaviour to be accepted and ensures corruption is seen as normal in a given context with its own rationale adhered to by the people who engage in it³⁹.

Barriers to collective action

Collective action against corruption offers many advantages that may also clash with barriers that must be anticipated if better results are to be ensured. These may include: political will, lack of motivation, cost, uncertain results, nepotism and cronyism. Lack of political will at the highest level may be due to the fact it is sometimes difficult for a public institution to be accountable to civil society. Political leaders may have no interest in forming part of an anti-corruption coalition for personal reasons, or they may be afraid to jeopardize a fragile stability with the potential for violence, which may have occurred previously. The other barrier referred to is cost, since such initiatives may entail some investment in material and financial resources and time⁴⁰. In circumstances in which various ethnic groups and clans intermix, interest in promoting the public good in general rather than serving the interests of one's own clan may be less prevalent.

While the barriers to the implementation of collective action must be acknowledged, it is also useful to reflect on the opportunities and means to overcome them. It is important to choose the right time to launch such initiatives. Sometimes this requires an ability to revisit a crisis or one-off event, such

³⁶ <http://www.universalis.fr/encyclopedie/action-collective/> (last accessed on 22.11.2020)

³⁷ Wheatland, B. & Chêne, M. (2015)

³⁸ World Bank Institute (2008)

³⁹ Wheatland, B. & Chêne, M. (2015)

⁴⁰ Aiolfi, G. (2014)

as an election. It is not advisable to adopt a confrontational approach in seeking to include parties which may not be particularly interested in the initiative. If an official institution is reluctant to join a coalition, it is preferable to make that institution aware that reducing corruption will allow it to achieve its objectives, and the objectives of the coalition may be consistent with those of the institution concerned. In some circumstances, confrontation may be necessary to get things moving. A combination of both approaches may be worthwhile. The advantage of collective action is that it may rally many interested parties (government, civil society, the private sector) to sit around the same table, and give them an opportunity to communicate, which in turn may allow confidence to build. To make such an initiative attractive, it must be possible to demonstrate its advantages, i.e. mutual support, networking, sharing information and access to a range of resources⁴¹.

4.1. Cooperation with State anti-corruption authorities

4.1.1. Relationship with external control

Internal control units ensure an administration's legal, regulatory and internal procedures are implemented and integrity safeguarded. However, State anti-corruption authorities, or external control agencies, are responsible for prevention, investigation and prosecution of corruption at a State level. External control agencies have the broad legal authority to conduct criminal investigations related to corruption and misuse of public office, but have limited knowledge of the operational procedures of individual government agencies, such as Customs. Similarly, Customs often lack authority or have limited access to information when tasked with large-scale or complex investigations. Internal control and external control agencies have a mutual interest in combatting corruption and the misuse of public office; they share the common goal of corruption prevention, detection and investigation.

The national legal framework is a crucial element as it sets out the competences and capacity afforded to external control agencies, and plays a major role in defining internal-external control cooperation. In many countries, internal control has sufficient investigative power and is authorized to conduct administrative investigations. However, the experience of WCO Members indicates that more serious and complex cases are generally investigated by the external control agencies⁴². Against this background, close cooperation between internal and external control agencies is crucial.

In many countries an external control agency is mandated by legislation to oversee and independently review the integrity and anti-corruption performance of government agencies including Customs.

4.1.2. Opportunities for cooperation

As in the case of detection and investigation, administrations must focus on the prevention of corruption in their efforts to promote integrity. Enhancing awareness, strengthening staff intolerance to corruption, and addressing corruption risks through corruption risk assessment are important tools for prevention that can be strengthened with external control cooperation. External control agencies can assist in formulating effective and coordinated policies against corruption, consolidating the overall integrity of the administration, and strengthening transparency and public reporting⁴³.

External control agencies often hold a great deal of information on corruption cases and trends. There may be cases where corruption in Customs is linked to a case involving organized crime or

⁴¹ OECD (2020)

⁴² WCO (2019)

⁴³ UNODC (2020a)

other cases known to the external control agencies. Sharing information and exchanging intelligence between Customs and external control agencies will help to achieve multiple operational objectives.

4.1.3. Implementing cooperation

Internal control units are often mandated to establish formal communications with relevant external control agencies, and hence to exchange information about challenges, concerns and needs as they arise in conducting activities related to prevention and detection. It is important to establish a formal cooperation arrangement by adopting a MoU or a memorandum of agreement (MOA). While the first describes a mutual understanding of goals, and plans shared by the parties, an MOA details the specific responsibilities of, and actions to be taken by, each of the parties so that their goals may be accomplished.

To give substance to any kind of cooperative agreement, it is important that internal control officials and external control agencies engage in joint activities to allow each party not only to gain a deeper understanding of each other's methods and cultures, but also to create routines and habits between the agencies that are essential to a coordinated and efficient approach to joint investigations. In conducting joint investigations, both agencies may decide to merge resources. This can potentially alleviate the question of limited resources, as well as reduce the need for additional human resources and make operations and investigations more efficient and effective. Cooperation must be mutual and can be based on the exchange of operational information about procedures before criminal proceedings; as well as support in obtaining evidence within the criminal process⁴⁴.

In large-scale cases that fall outside the operational and legislative jurisdiction of Customs, there is added value in creating joint investigation teams with relevant external control agencies. These can be set up for a fixed period and with a specific purpose, based on a high-level agreement on terms and regulations. Joint investigations allow Customs and the external control agency to follow the financial and other trails more closely, and thus disrupt criminal networks and bring to justice those in higher level positions, instead of identifying only the lower-level operators at their respective ends.

4.2. Cooperation with other government agencies

The border control set-up comprises a variety of actors with different roles to play. Among other agencies, Customs, immigration and border control, agriculture, transport, health and sanitary control, quality control, quarantine, and police primarily have border functions or responsibilities⁴⁵. Being a prominent agency at the border, Customs must work together with these agencies. Identifying the importance of interconnection between border agencies to remove unnecessary barriers and burdens to trade, the WCO has introduced several concepts and instruments to Customs administrations showing pathways to building cooperation with other actors.

The concept of Coordinated Border Management (CBM) has been introduced to ensure efficient and effective control at the border by streamlining and harmonizing the regulations and procedures followed by border agencies. CBM is "*...a logical way to manage border operations to ensure efficient and effective processes and procedures used by all regulatory agencies who are involved in border security and regulatory requirements that apply to travellers, goods and conveyances crossing international borders*"⁴⁶.

⁴⁴ Interpol & WCO (2018a)

⁴⁵ Polner, M. (2011)

⁴⁶ WCO (2009)

The WCO SAFE Framework of standards is based on three pillars, and cooperation between Customs and other government agencies has become one of them. This cooperation helps to ensure that the government response to the challenges of supply chain security is both efficient and effective⁴⁷. The Single Window concept develops cooperative arrangements between Customs and other government agencies involved in international trade in order to facilitate the seamless transfer of international trade data and to exchange risk intelligence at both national and international levels. These initiatives can also be used as a basis for cooperation with other agencies on anti-corruption collective action and in promoting integrity. CBM can be used as part of the whole-of-government approach.

It might be a challenge to integrate all border agencies into one common anti-corruption programme; but it may be possible to link all agencies to the national level anti-corruption programme. As a good example, in 2014, the Indonesian government launched a national development agenda called “Nawa Cita” giving priority to reinforcement of its national anti-corruption programme. Joining with this programme, the Director General of Customs and Excise of Indonesia started a reform project to improve integrity in Customs by coordinating with other government agencies and conducting a joint programme with the Tax Authority⁴⁸.

Cooperation between border agencies either in the form of CBM, or in another form, will have direct and indirect effects on anti-corruption efforts. Harmonization and facilitation indirectly create cooperation between border agencies headed by Customs administrations. For instance, a single window provided by different administrations creates an indirect effect on reducing corruption by cutting the contact between traders and border administrations and speeding up transactions. A direct effect can be created through collaborative actions undertaken by border agencies to improve integrity.

4.3. Customs-To-Customs cooperation

4.3.1. Areas of cooperation

Customs administrations across the globe face very similar challenges and threats, including smuggling, misdeclaration of values or origins, presentation of fake documents, etc. These issues sometimes involve collusion between multiple parties. It is beneficial for Customs administrations to establish liaisons to improve integrity and curb the opportunities for corruption, for example, joint operations between countries to monitor international syndicates, the smuggling of illicit drugs and goods, and human trafficking.

The UNCAC also refers to strengthening international cooperation in preventing and combating the transfer of funds of illicit origin, derived from acts of corruption (including the laundering of funds) and in returning such funds.

Under the **international cooperation** pillar of the UNCAC, the signatories agree to cooperate with one another in every aspect of the fight against corruption, including prevention, investigation, and the prosecution of offenders. Countries are bound by the Convention to render specific forms of mutual legal assistance in gathering and transferring evidence for use in court, and to extradite offenders. Countries are also required to undertake measures which will support the tracing, freezing, seizure and confiscation of the proceeds of corruption⁴⁹.

The Inter-American Convention against Corruption (IACC) states two important purposes:

⁴⁷ WCO (WCO, 2018b)

⁴⁸ Presentation by Indonesia Customs at the 17th session of the WCO Integrity Sub-Committee

⁴⁹ United Nations Convention against Corruption, Chapter IV.

- to promote and strengthen the development by each of the States Parties of the mechanisms needed to prevent, detect, punish and eradicate corruption; and
- to promote, facilitate and regulate cooperation among the States Parties to ensure the effectiveness of measures and actions to prevent, detect, punish and eradicate corruption in the performance of public functions and acts of corruption specifically related to such performance⁵⁰.

Pillar 1, 'Customs-to-Customs', of the WCO's SAFE framework of standards promotes the idea of working cooperatively with common and accepted standards to maximize the security and facilitation of the international trade supply chain as cargo shipments and transport conveyances move along the nodes of the global trading system.

The WCO's model bilateral agreement on Mutual Administrative Assistance in Customs Matters references the relevant instruments of the Customs Co-operation Council, in particular the recommendation on mutual administrative assistance (5th December 1953), and Article 11 of the International Convention on mutual administrative assistance for the prevention, investigation and repression of Customs offences (Nairobi, 9th June 1977). The agreement encourages the exchange of information, assistance, notification and cross-border cooperation.

4.3.2. Information exchange

Customs administrations can curb international fraud in areas such as valuation, tariff classification and certificates of origin by sharing data electronically. Electronic Data Interchange (EDI) ensures the information regarding a particular consignment reaches the ports prior to the arrival of goods. The information is also helpful for the RMS and pre-arrival clearance of goods. The application and enforcement of Customs law, and the assessment of Customs duties, are examples of where mutual assistance through exchange of information might occur under the WCO's Model bilateral agreement on Mutual Administrative Assistance in Customs Matters.

4.3.3. Cooperation in times of crises

Customs administrations may also develop mechanisms, plans and processes aimed at maximizing the continuity and resumption of trade in the event of disruption within the international supply chain, including the development of a plan of action and the establishment of an effective communication mechanism. This is of primary importance in times such as a pandemic, for instance, when paper-based systems and face-to-face interactions become unsafe for human health and safety. Administrations can benefit from and support each other through exchange of ideas, information, technology and experiences. Exchange programmes can also be developed by signing agreements and MoUs.

4.3.4. Customs-to-Customs cooperation unit

Customs administrations can establish Customs-to-Customs cooperation units. The unit may be assigned the task of liaison between Customs administrations related to transnational crime and issues which may impact integrity. The unit can choose to appoint an international liaison officer as a focal point specifically for the purpose of integrity-related issues.

⁵⁰ Inter-American Convention against Corruption, Article II.

The international Customs units already established in many countries could expand their role to include work specifically with integrity and the fight against corruption, if a separate unit is not feasible.

4.4. Role of the media and social networks

Today's world is hyper-connected, and there are virtually no boundaries between connected objects and human beings. The communication landscape is constantly evolving, and Customs administrations also need to evolve, to understand the environment and respond appropriately.

Communication improves transparency, promotes awareness, fosters consensus and disseminates information for enforcement and compliance. The main objective of improved communication is to bridge the information and knowledge gap between the administration and its clients and other stakeholders.

The key factors of the Revised Arusha Declaration require well thought-out communication strategies to promote integrity. Media and social networks play an important role in the success of the Revised Arusha Declaration factors.

Any perception of Customs as a corrupt organization is an issue to be addressed through the:

- Elimination of communication barriers between the administration and clients;
- Promotion of a positive image by informing stakeholders of the progress and contributions of the administration towards the safety and security of society.

To promote integrity, it is important for administrations to convert useable information and knowledge into actionable plans. Administrations can use different communication concepts, such as illustrations (photo, video, infographics, etc.) and storytelling on media and social networks, to do this.

4.4.1. Media

The media creates a public perception of an administration. An integrity-related perception of an administration can also be managed through the media. Despite the fact that people have shifted to social networks, the credibility of paper and broadcast media is still the highest.

The media can be used to:

- promote positive news about the administration; and
- respond to allegations or incorrect or misleading information.

The media is also an effective tool for gathering information about negative feedback or behaviours (e.g. corruption) which can be used to reform processes and procedures or take action against a corrupt individual (after thorough verification of the facts).

4.4.2. Internet and social networks

The Internet and social networks can help administrations disseminate timely and verifiable information through official websites and mobile applications like Twitter and Facebook. Social networks are an effective tool which can be used to engage and consult stakeholders. Immediacy of the two-way flow of information helps the administration gather information related to the standard of public service delivery and the integrity-related issues that the stakeholders may be facing in real time.

4.4.3. Customs communication unit

Customs administrations should establish and strengthen dedicated Customs communication units. The units should be equipped with the latest technologies to collect and disseminate information in a timely manner. The greater the outreach, the more stakeholders will be aware of their rights and responsibilities, thus increasing transparency and compliance at the same time. The administrations must use a range of digital technologies to disseminate information, and to engage and consult with a wide variety of stakeholders.

The unit can engage in both internal and external communication and ensure gender responsive and inclusive communication with an outreach to all segments of the population. The job of handling media and social networks is technical in nature, and therefore administrations should consider hiring media specialists. Checks and balances need to be implemented to ensure accurate information is provided and that any photos or digital media align with policies such as ICT policy, code of conduct, etc.

Internal communication is an important tool for reminding staff of policies and procedures, and of the importance of integrity. Communication can be used to raise the morale of the organization and remind staff of the terms of the code of conduct. Meetings, events, newsletters, etc. should be used to encourage honest members of the administration, and to publicize criminal behaviour and how it has been dealt with.

External communication is a pillar to establish stakeholder confidence by making Customs regulations, processes and procedures transparent. If stakeholders have clear information and access to a helpdesk this promotes transparency, leading to integrity. The helpdesk can be available to clients 24/7 by using the latest technologies such as artificial intelligence.

Technology cannot fully replace traditional human-to-human contact. Call centres and account managers can be assigned for significant relationships to work through complex issues.

4.5. Cooperation with civil society organizations

The active participation of individuals and groups outside the public sector, such as civil society, non-governmental organizations (NGOs) and community-based organizations, has been identified as an important element in the fight against corruption. Civil society organizations can play the role of a “watchdog” by identifying and highlighting prevailing unethical practices. The United Nations Convention against Corruption (UNCAC), the only legally binding universal anti-corruption instrument, recognizes civil society as a crucial collaborator in anti-corruption collective action. Article 13 of the UNCAC emphasizes the need to take necessary measures to promote the active participation of civil society in preventing and fighting against corruption. On the other hand, collaboration with civil society organizations as part of the Customs collective action initiative would help form a bottom-up strategy paramount in effective anti-corruption reforms.

Key to success is the identification of appropriate parties from the civil society to the collective effort of Customs. Suitable candidates can be chosen from civil anti-corruption activists, academia, trade unions, consumer associations, human rights groups, etc.⁵¹. Their knowledge and experiences might be useful in both planning and implementing an anti-corruption initiative. Inputs of the civil society organizations are particularly recommended for inclusion during the integrity assessment process.

NGOs dedicated to promoting integrity in government agencies and society have their own working plans and experts. Their collaboration would be an added advantage to a Customs collective action

⁵¹ Transparency International and UNCAC Coalition (2013)

initiative. When the Customs programmes are opened to civil society and become attractive, NGOs may volunteer their support. For example, in Burkina Faso, the Customs administration's Great Apes and Integrity Project (GAPIN), focused on the protection of wildlife and related corruption issues, was able to gain the assistance of an NGO called 'SOS Elephants Chad'⁵².

Another important part of collective action is the selection of educational and awareness activities that promote integrity in Customs. With the participation of civil society organizations, a Customs anti-corruption programme can expand its activities and reach a larger portion of society.

However, it can be a challenge to encourage civil society to be part of Customs collective efforts. This will be easier if collective action is relevant, safe, credible, responsive, and accessible to the participant⁵³. There must be a clear understanding about the importance of promoting integrity in Customs and its relevance to society. Activities should be safe rather than putting people at risk. Demonstrating trust and genuine care can establish a more credible environment, as can timely communication and clear management of expectations. Achievable and realistic actions will likely make civil society more willing to respond.

⁵² WCO (2011)

⁵³ Transparency International (2019)

5. Gender Equality, Diversity and Integrity

The idea to advance gender equality and diversity (GE&D) helps remove the ‘glass ceiling effect’. Any discrimination or stereotyping at the workplace based on age, gender, religion, ethnicity, immigration status, national origin, race etc. creates a non-transparent environment in which decisions are not taken on the basis of merit. Customs administrations must allocate sufficient human, financial and technical resources to implement measures to promote GE&D and show zero-tolerance to any discriminating, harassing or offensive behaviour. Treating all stakeholders equally and fairly within the framework of the law, without discriminating according to their gender, race, ethnicity, religion or economic status etc., must be the normal way of working for administrations.

The United Nations (UN) Universal Declaration of Human Rights (UDHR) of 1948 promotes equal rights for men and women. ‘Gender equality’ is also one of the seventeen UN Sustainable Development Goals (No. 5 “Achieving gender equality and empowerment of all women and girls”). The WCO Gender Equality Organizational Assessment Tool (GEOAT) emphasizes that Gender equality is not about always reaching a 50-50 gender balance in its workforce. Instead, it is about creating the conditions and opportunities to allow women and men, as individuals, to have the same types of rights and opportunities based on their skills in a respectful environment. Hence, the application of the concept of gender equality to safeguarding integrity is based on finding the pathways to embed gender equality into the organizational culture, policies and procedures in the Customs administration.

Studies show that implementing gender responsive and inclusive measures can improve overall results and secure sustainability of activities. Promoting gender equality and diversity can also increase efficiency and be “smart economics”, since people with different backgrounds bring different perspectives and ideas to the organization. In addition, many gender responsive and inclusive measures aim at preventing harassment and promoting a work-life balance, which can lead to improved working conditions and wellbeing among employees, which in turn can increase motivation and efficiency.

Certain corruption-related issues specifically target women: a border official might request sexual favours in exchange for allowing a woman into the country, for instance⁵⁴. Conversely, some forms of flirtation might be exploited as a means to obtain preferential treatment at the border⁵⁵. Organized crime groups also use sextortion as a tool to facilitate smuggling for crime groups.

Better understanding of the links between gender equality, diversity and integrity is essential while designing integrity strategies. The relationship between GE&D, the WCO GEOA tool and integrity can be better understood by plotting the most important issues against the key factors of Revised Arusha Declaration (Figure 11).

Figure 11. Links between gender equality, diversity and integrity

Key Factors	GE&D, GEOAT and Integrity
Leadership and commitment	<p>An organization cannot implement GE&D principles without sound commitment from top management. Leadership commitment is essential as it can change the perspective of the organization, and it can do this quickly. All people (regardless of gender association) bring about positive and desired changes.</p> <p>As for integrity, the Gender Equality Organizational Assessment Tool (GEOAT) recommends drafting and adopting a Gender Equality and Diversity</p>

⁵⁴ Chêne, M. (2018).

⁵⁵ Heyman, J., & Campbell, H. (2007). Corruption in the US borderlands with Mexico: The “purity” of society and the “perversity” of borders. In Nuijten, M., & Anders, G., (2007)

Action plan that clearly outlines the organization's objectives, including a clear timeline, dedicated resources for implementation, and a robust monitoring and evaluation framework, with specific indicators that are revised periodically.

The leadership can also include GE&D principles in the administration's strategy document and publish a leadership statement on the administration's GE&D goals. It can also consider reducing the existing gender and diversity gaps in the administration, and can promote more gender balance and diverse representation and participation at all levels of the administration, including top management.

(GEOAT reference: Cross-cutting policies, Key Principle 4: Governance and Leadership).

Regulatory framework

(GEOAT reference: For instance, Cross-cutting policies indicator 2, Principle 1 - Element A, Indicator 4, Key Element B Indicator 1-2)

Transparency

The administration should have transparent decision-making processes in all areas where decisions directly or indirectly impact the GE&D.

All people (regardless of gender association) should have equal access to information, policies and procedures. Several studies show that women traders and other minority groups more commonly have less access to information. Therefore, it is important that Customs take proactive measures to ensure that they reach out to all different groups of the population for coaching and mentoring.

A complaint redress system that deals with issues related to GE&D and harassment should be available to all stakeholders.

(GEOAT reference: Principle 5, Key Element C Stakeholder relations)

Automation

Electronic systems to ensure minimum face-to-face interactions are completely neutral and so help both integrity and gender equality. Increased automation not only facilitates the work of traders (female and male) but can also help to prevent sexual harassment of traders and reduce the risks of corruption. Thus, it helps both integrity and gender equality.

(GEOAT reference: For instance, Principle 5, Key Element A, Indicator 3)

Reform and modernization

Administrations should be proactive to promote a more inclusive and diverse organizational culture providing equal and fair opportunities for everyone, ensuring that it reaches out to all segments of the population, safeguarding and meeting special needs.

Administrations must strive to modernize the physical infrastructure of Customs offices (especially local ones/border stations) in order to make the workplace convenient and safe for all officers and traders (especially women).

To ensure a gender balance, administrations may introduce special measures (e.g. quotas) for different jobs. The private sector, including traders and brokers, must also be encouraged to have a gender-balanced workforce.

(GEOAT Cross cutting policies, all indicators)

Audit and investigation

Systematic follow-up on complaints made through the reporting mechanisms and any other means are crucial in an administration with integrity.

Gender-disaggregated data is a way to analyse who is reporting corrupt behaviours, who is behind such behaviour, in what context, and whether appropriate actions were taken.

(GEOAT reference: Principle 5 – Key Element B – Indicator 1, Key Element C – Indicator 3.)

Code of conduct

The code of conduct should also include the concept of GE&D and should have strict sanctions for harassment etc. The administrations must support this with anti-harassment and anti-discrimination policies or include the same in the overall action plan on gender equality and diversity.

(GEOAT reference: Cross cutting policies – Indicator 2, Chapter on Multiple Discrimination/Intersectionality)

Human resource management

HR policies and procedures do not always consider the various GE&D dimensions. Discrimination in hiring, promotion, salary, benefits, discipline termination and layoffs should be prohibited. The administration should adopt written HR policies that address placement, transfer, layoff, discipline, discharge and complaints mechanisms to ensure that everyone has equal chances and takes into consideration the needs and circumstances of all employees.

Equal opportunities should be offered with regards to career development and training.

Training courses are often the best way to create awareness regarding emerging and important issues. The administration should arrange regular training courses to embed the values of GE&D in the administration. The WCO's e-learning course on Gender Equality can be a good and easy way to raise awareness of the issue.

Administrations may create policies that influence the female employment or return-to-work rate such as offering opportunities for special paid leave during pregnancy and immediately after the birth, or day-care for small children.

(GEOAT reference: Principle 1 – Key Element A, B, C, Principle 2 – Key Element A, B, C, Principle 3.)

Morale and organizational culture

The organizational culture of an administration determines the value it places on GE&D. The key idea is to embed GE&D principles into the core values of the administration and transform the organizational culture. If respect and equal opportunity for GE&D is part of the core values of an administration, it would automatically improve the morale of the workforce. The same can be taught through training courses and awareness programmes. The administration should ensure the topics of equality and diversity are regularly discussed and tackled within the Customs administration (e.g. through a committee, or a specific issue task force).

The unit should arrange regular training courses to embed the values of GE&D in the administration. The WCO's e-learning course on gender equality can be a good and easy way to raise awareness of the issue.

It is also recommended that gender equality and diversity is included in the administration's overall communication strategy to ensure gender responsiveness and inclusiveness in all communication, as well as consistency and sustainability in the way the organization reaches out to different segments of the population.

**Relationship
with the private
sector**

(GEOAT reference: Cross cutting policies).

It is important for an administration to evaluate its relationship with the private sector in the context of GE&D.

Some stakeholders, for instance SMEs, women traders, minorities, persons of disability etc. may face challenges that need to be addressed. Therefore, it is important that Customs maintains a continuous and constructive dialogue with all stakeholders, to consult and address the particular needs of different segments of the population. The specific challenges can relate to a lack of information, safety and/or harassment for instance, which may require proactive efforts including targeted training courses.

(GEOAT reference: Chapter 5 Customs Administration and Stakeholder relations)

III. INTEGRITY ACTION PLANNING

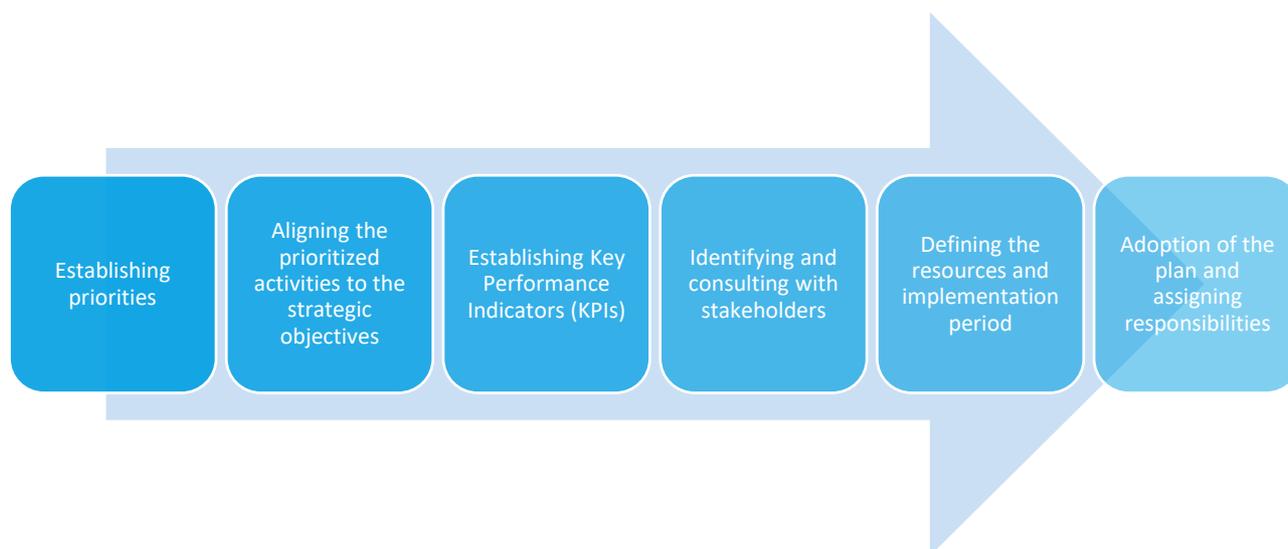
Developing the integrity action plan

On completion of the integrity assessment, a number of strategic areas that require intervention will have been identified. These should be prioritized, and an integrity action plan should then be developed. The action plan must be detailed, indicating key actions (activities), resources required, specific timelines and the responsible personnel assigned.

Ideally, the administration should incorporate the integrity action plan into broader operational and strategic plans. This will ensure that resources are allocated for its successful implementation, and that personnel with the required project management and change management competencies are engaged. As all administrations have limited resources in addressing identified risks, the action plan should be realistic and attention should be placed on prioritizing the actions. The process for developing the action plan is described in detail below (see Figure 12).

It is recommended that the action-planning process be led by the same working group set up to conduct the integrity assessment. Additional members and groups to be consulted can be assigned based on the individual administration's need.

Figure 12. Integrity action planning steps



Step 1 – Establishing priorities

The first part of this process involves prioritizing the activities that were identified during the assessment process. If only a few activities were identified, and the necessary resources required to address each activity is modest, prioritization may not be necessary, but this would not normally be the case.

After a realistic list of activities has been prepared, the priority of each activity must be assessed against established set of criteria.

The criteria used to determine the level of priority should include (but not necessarily limited to):

1. importance;
2. urgency;
3. consequence of failure;
4. probability of obtaining executive and employee commitment;

5. impact;
6. national/international obligations;
7. ease of implementation;
8. cost.

At this stage, the working group should develop estimates of priority for each activity using the above listed criteria, by taking into account the information available. Assessing priorities with a limited number of descriptive words (for example, “low”, “medium”, or “high”) is preferable to numerical estimates to avoid confusion or overconfidence in their accuracy⁵⁶.

Step 2 – Aligning the prioritized activities to the strategic objectives

The next step of the process is the alignment of the prioritized activities to the strategic objectives of the administration set in the strategic plan, strategic priorities, etc. During the assessment process, the working group will have collected information on the existing systems, mechanisms and procedures within the administration. The working group must identify the causes of particular weaknesses to determine which actions are likely to bring about the anticipated changes, to achieve the desired outcomes and contribute to the strategic objectives of the administration.

The changes in behaviour, outcome, and process must be measurable to show that change has taken place. In addition, specific objectives must be set to describe what is to take place and by when. Objectives must adhere to principles such as SMART criteria – they should be **S**pecific, **M**easurable, **A**chievable, **R**elevant and **T**ime-bound, for example, “100% of staff will have attended training on ethics and good governance by the end of 2022”.

Step 3 – Establishing Key Performance Indicators

The ability of any evaluation to guide policy depends on the level of trust in the evaluation methodology and data. The criteria used to select Key Performance Indicators (KPIs) will determine whether the indicators are relevant, reliable and in line with well-established quality standards.

As an example, reference can be given to the criteria of the KPIs agreed in the margins of the Working Group on Performance Measurement (WGPM) for the future WCO Performance Measurement Mechanism (PMM):

- **relevant** to Customs objectives and priorities, so that changes over time in the KPI score reflect actual changes in regulatory policy practices;
- **useful for policy making**, i.e. user focused, with data that are “fit for use”. User input is essential to any assessment of data quality⁵⁷;
- **timely**, to track progress and be of value for decision-making;
- **balanced**, covering all significant dimensions and possibly multiple sources of verification, as a way of data triangulation and enhancing measurement⁵⁸;

⁵⁶ UNODC (2020b, p. 21)

⁵⁷ OECD (2012)

⁵⁸ For instance, a comparison of statistics from victimization surveys to administrative data on crime may not only lead to a better understanding and validation of one’s data, but also contribute to greater conceptual harmonization between both sources. *UN Statistical Commission’s Handbook on Governance Statistics (Draft for Global Consultation, December 2019)*.

- **cost-effective**, balancing the benefits of the information against the costs of data collection, making sure that performance data for the indicators is obtainable and accessible by each administration^{59 60};
- **attributable**, capable of being influenced by the actions of an identifiable unit that should be accountable for it;
- **clear**, with unambiguous definition;
- **coherent** within the dataset, across datasets, over time, and across countries, so that elementary data items are based on compatible concepts, definitions, and classifications and can be meaningfully combined, and compared over time, and any differences can be explained;
- **disaggregated** (e.g. by individual components such as gender, type of revenue etc.);
- **accurate and reliable**, producing consistent results over time with multiple applications of the measurement tool, reflecting the underlying concept to be estimated (validity), and independently verifiable, so as to obtain credible assessment results..

Furthermore, to facilitate the KPI selection a KPI metadata sheet should be used to select and document them. In this regard, reference can be given also to the KPI Metadata Sheet approved by the WGPM to facilitate the process of selecting and elaborating the KPIs for the WCO PMM. The above-mentioned KPI Metadata Sheet includes the following fields to be filled in:

a) Name of the indicator

- Title of the indicator

b) Description of the indicator

- In order to avoid ambiguity, how can you describe in detail the indicator?

c) Related performance dimension

- Relevant expected outcome the indicator is meant to measure

d) Calculation method

- In case of quantitative indicator, how is it calculated? Which is the formula/ scale and the measure unit?

e) Rationale (relevance)

- To what extent does the data satisfy information demand?

f) Link to other indicators

- Which are the linkages between this indicator and others?

g) Type of indicator (non mandatory)

(Please note that one indicator might fall under more than one typologies – Annex 10)

Composite indicators, Structural indicators, Process indicators, Outcome indicators, Effectiveness indicators, Efficiency indicators, Objective indicators, Subjective indicators, Quantitative indicators,

⁵⁹ Where possible and appropriate, data collection should build on existing systems and sources rather than establish new ones, in order to support institutional strengthening objectives, avoid the creation of parallel information systems, and minimise additional cost.

⁶⁰ Information about expected new (or revised) data requirements should be shared across the organization, minimizing the risk of duplication of effort and waste of resources. In determining the data requirements, consideration is given to the trade-offs between content, coverage, frequency, accuracy, timeliness, costs and provider burden (OECD, 2012).

Compliance/ Implementation indicators, Leading indicator, Lagging indicators

h) Source of verification (SoV)

- Where and how the information about the indicator can be obtained (Data source)
 - Any eventual difficulty in data collection
 - E.g. from administrative records, special studies, sample surveys, observation, etc.) and/or the available documented source (e.g. progress reports, project accounts, official statistics, etc.).
 - Data sources for indicators can be primary or secondary: primary data are collected directly by the project (usually the implementing partner), and may include administrative, budget, or personnel data; surveys; interviews; and direct observation. Secondary data have already been collected outside the project and is readily available from other sources. Examples of secondary data include Government reports or existing statistics collected by international organizations.
-

i) References to existing databases and metadata (non mandatory)

- Internal/external databases and metadata
-

j) Periodicity (non mandatory)

- When / how regularly it will be measured (e.g. monthly, quarterly, annually, etc.).
-

k) Disaggregation

- If applicable (E.g. by gender)
-

l) Target value ⁶¹ (non mandatory)

- Given by standards/ benchmarks
 - Targets help define, in specific and measurable terms, the desired outcomes.
-

m) Country Example (non mandatory)

- Similar Indicator used by Member
-

n) Disclosure policy

- Accountability preferences to restricted users/public domain
The intended use and disclosure of the results: Country or Union level / WCO level/ Public level
 - Where do the information deriving from the measurement process using this indicators might appear /be communicated
 - Possibility to disclose detailed or only aggregated data (specify criteria for aggregation, e.g. minimum number of Country, etc.)
-

o) Other Considerations (e.g. limitations) (non mandatory)

⁶¹ They should be incorporated into a vision statement to contribute to a "SMART" objective. Each objective can be linked to multiple targets and each target could be linked to various KPIs.

-
- Indicator proposed as a proxy in absence of feasible alternative measurements, etc.
 - Which are the legal constraints regarding data collection, acquisition and use?
 - To what extent do current data sources meet user requirements?
-

KPIs form an important part of the integrity action plan, helping to focus on the achievement of the preferable immediate or intermediate outcomes of integrity developments.

A detailed example of the process of elaboration of an integrity-related indicator through a complete template capturing all of the above fields was drawn up by the Members during the WCO Virtual Regional Workshop on Organizational Performance Measurement for the WCO Europe Region (28 September – 1 October, 2020). This template is shown in Annex 11. The indicator serves to measure the expected outcome “advanced level of integrity” currently being evaluated for inclusion in the future WCO Performance Measurement Mechanism (PMM).

Step 4 – Identifying and consulting with stakeholders

It is important to ensure the process is open to external scrutiny through consultation with stakeholders from outside the administration, such as representatives from the private sector who work closely with the administration and possess the relevant information.

The commitment and confidence of all stakeholders, creating co-ownership and generating support for implementation at the beginning of the process through a good and effective communication mechanism, will contribute to the overall success. There is a need for an effective mechanism for engaging with all related parties and integrating their perspectives and efforts into the action planning and implementation processes. The identification of stakeholders and their role is critical. It is important that stakeholders take part in the identification of the problem, finding common objectives, and potential benefits, and therefore developing a sense of ownership, and identity with the programme. Stakeholder identification and engagement may not be easy; this will depend on the context of the administration.

Step 5 – Defining the resources and the implementation period

The working group must elaborate on the resources needed for implementation of the action plan. The plan must include information on the financial and human resources required, and specific timelines for successfully implementing key actions. It is important that the action plan be incorporated into the administration’s operational and strategic plans, to ensure that all resource requirements are understood and committed to.

Step 6 – Adoption of the plan

Prior to formally adopting the action plan, the linkages need to be established between the action plan and the national anti-corruption strategy. This will ensure the administration’s integrity development programme is aligned with the national strategy. In addition to senior management and the head of the administration, it is important to obtain endorsement of the plan from top government officials (minister, prime minister, etc.). Commitment from the highest level will ensure the continuity of implementation. Once the plan has been adopted, the responsibilities must be formally assigned to the relevant personnel. The plan must be detailed, with specific timelines that assign responsibility for successfully implementing key actions to named personnel, and it should be incorporated into the administration’s operational and strategic plans. The success of implementation will depend on the commitment of the administration and the working group established to lead the programme. Annex 9 gives an example of an action plan.

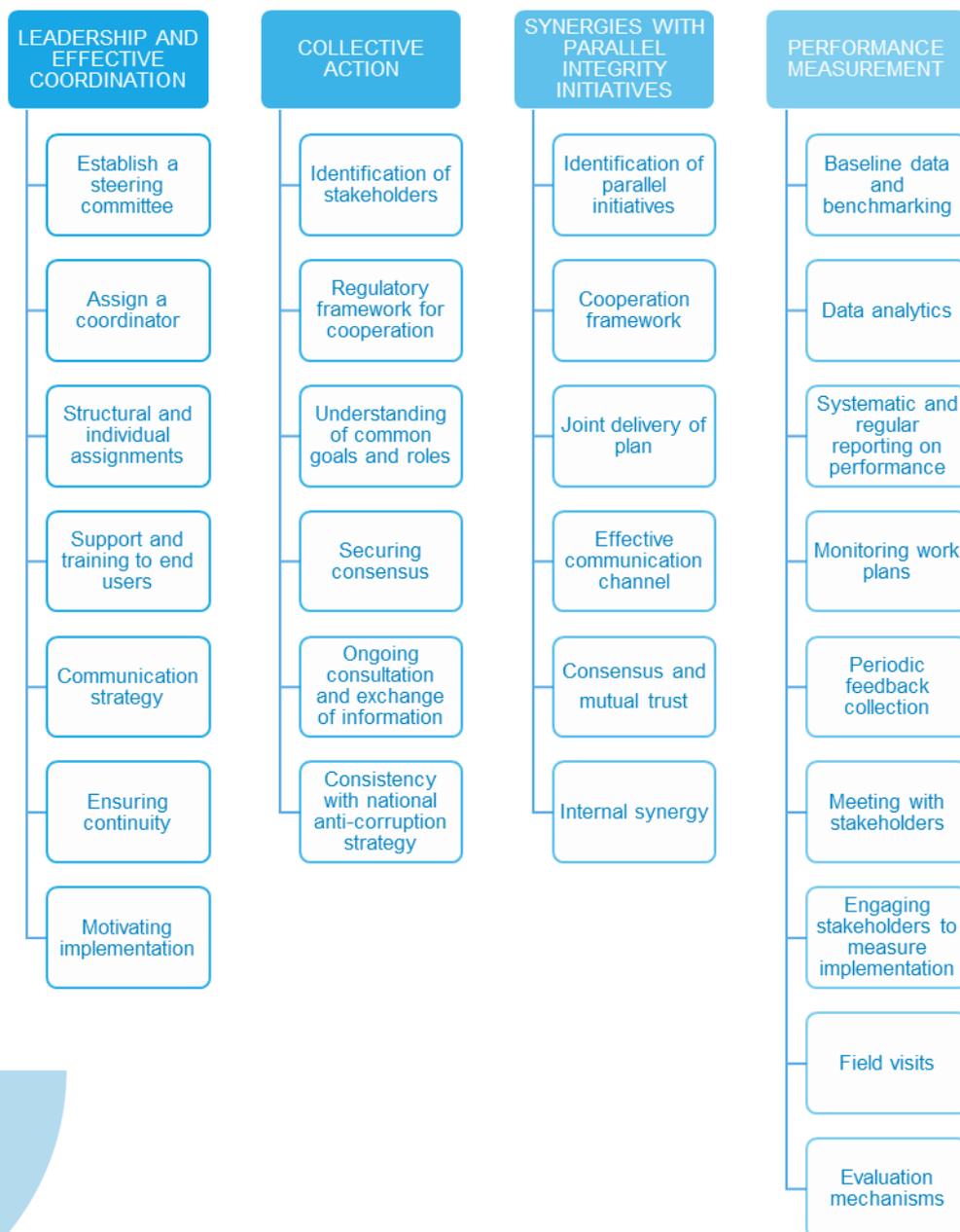
IV. IMPLEMENTATION OF THE INTEGRITY ACTION PLAN

Once the integrity action plan has been developed and approved, work should commence on implementation. Successful implementation is the ultimate goal of any integrity initiative, and will determine the effectiveness of any initiatives.

1. Integrity-related implementation principles to achieve results

It is important for the organization to adhere to principles that support the effective implementation of the activities contained in the action plan. These principles and their key elements are described in detail below and provide guidance for administrations on how to manage the process of implementation of the action plan and to achieve effective results (see Figure 13).

Figure 13. Integrity action plan implementation principles to achieve results



Principle 1 – Leadership and effective coordination

An effective integrity strategy requires a high level of commitment from senior management. Acknowledgement and ownership by management must be displayed through continuous action. Management should take ownership of the integrity initiative and adopt effective coordination mechanisms⁶².

Establish a steering committee

It is recommended that the working group that was involved in the assessment and action planning processes continues to work as a steering committee to monitor and evaluate the implementation of the action plan. It is also important that the steering committee has a proper and clear mandate of operation, and obtains the required approval and support from the senior management. The committee can be headed by an executive management member to ensure management commitment to the plan and proper communication. The steering committee ensures that the work carried out to implement the plan is objective. It usually meets on a quarterly, semi-annual or annual basis. The establishment of a steering committee will help to ensure the implementation process is not swallowed up by inefficient bureaucratic mechanisms, becoming just another plan to eventually be executed by the administration.

Assign a coordinator

The work of the steering committee, composed of representatives from different operational areas, should be supported by the permanent staff. One structural division (or several divisions) is assigned to coordinate and monitor the implementation of the plan. This division is a part of the administration responsible for integrity development strategies and anti-corruption work, and for ensuring compliance with ethical standards in the administration.

Structural and individual assignments

The relevant structural divisions of the Customs administration are also appointed. Each structural division will be responsible for the implementation of concrete activities and indicators in the plan. Each activity in the plan, and each indicator, must be assigned not only to a structural division, but also to a specific employee (performer). Administrations may use different mechanisms to assign responsibilities, including the adoption of worksheets, task-sheets and task profiles (see Figure 14). The application of task management software as a tool facilitating implementation can increase the transparency and accountability mechanisms – all work can be automated and an alert system can be used to keep everyone on track.

Support and training to end users

The process of assigning responsibilities is somewhat sensitive, since the assignment of responsibility implies consequences if the indicators are not met within the established deadlines, and it also imposes additional work on employees; employees may not have been involved in this kind of work from the start. This is why it is critical to engage the “right” people from the very beginning.

⁶² UNDP (2015)

It is not always possible to engage the team members who developed the plan, or those staff members simply cannot physically cover the entire spectrum of activities required to implement the plan. Usually, a working group on integrity assessment and action planning involves a limited number of employees who represent an entire area of work (e.g. risk management or Customs procedures). When it comes to implementation, responsibility for specific activities and items of the plan should be shared with a larger team.

It is very important that the coordinators provide constant support to employees who are assigned responsibility for the implementation of the plan, to ensure uniform approaches on implementation, reporting, monitoring and evaluation as well as to conduct appropriate training to ensure end users understand the need for, and the way to, change during the implementation phase.

Figure 14. Template Worksheet (National Tax and Customs Administration of Hungary)

Name of the public administration:	
To which year does the action plan relate?	
Activity number within the action plan:	
Title of the measure:	
Identification number of the task within the institutional work plan:	
Origin of the task (legal provision, ad hoc instruction, other):	
The planned result of the task:	
Which institutional objective does the result serve?	
Person responsible within the organization:	
Number of staff involved in implementation:	
External contributor/organization/co-ministry:	
Deadline:	
Cost of performing the task:	
Source of cost:	
Date of revision:	
Other (remark):	
Explanation of the content of the measure:	
Overall, how complex, resource-intensive and risky is the implementation of the measure expected to be?	slightly - moderately - greatly
To what extent is the implementation of the measure expected to strengthen the integrity of the public administration?	slightly - moderately - greatly

Communication strategy

To ensure the results of the integrity assessment and action planning process are properly understood and accepted by the executive and embraced by the majority of the organization's employees, it is important to develop a practical information and communication approach. For maximum benefit and synergies, any integrity strategy developed should be synchronized with other national or regional plans. The communication strategy must contain internal communication (to/among employees) and external communication (to external stakeholders).

Once it has been approved, it is recommended that the action plan be published. Publication of the action plan illustrates the administration's high level of commitment to transparency measures in relation to the fight against corruption, and will allow external stakeholders to monitor the progress of its implementation. Naturally, some parts of the plan that require confidentiality (e.g. sensitive enforcement and intelligence-related sections) should not be published⁶³.

The communication strategy should be based on a number of key principles. These include the need to:

- involve the people concerned with the implementation of the action plan;
- ensure coordination with the employee training plan;
- secure political and media support;
- secure private sector support and involvement;
- promote the real benefits of an improved integrity regime to all employees and stakeholders;
- show senior management commitment to the plan;
- ensure all identified participants are relevant to the process and plan an active role in the implementation of the action plan in line with their respective responsibilities;
- identify one or two individuals within the administration to drive the change.

Ensuring continuity

The commitment of the "Highest Level" to the action plan and anti-corruption strategy is essential, even beyond the level of the senior executive team in Customs. When planning anti-corruption strategies with a Customs administration, it is important (not only for Customs personnel, but also for the donors and other stakeholders engaged in the anti-corruption and integrity development strategies) to make sure that a change of senior executive team in Customs will not affect the strategies already planned, or those that have already been launched.

Continuity can be ensured by, for instance, making the Customs integrity strategy and its action plan part of a wider national anti-corruption plan. It could be endorsed or approved by the higher authorities directly responsible for Customs (e.g. the Minister of Customs, the Minister of Finance, Prime Minister's Office).

Motivating implementation

Motivation and incentive mechanisms should be constantly devised to support the effective implementation of the action plan. Coordinators should monitor the effectiveness and results of implementation. They can encourage continued implementation by providing recommendations to a steering committee and senior executive team members for monetary and non-monetary rewards to the divisions, regions, Customs offices, and employees achieving outstanding implementation results.

At the same time, reference should be made to accountability, (e.g. delays, failure to accomplish targets) and these should be reviewed by the disciplinary panel.

Principle 2 – Collective action

The principle of collective action is very common in various public and business management processes. The process of implementing an anti-corruption strategy also benefits significantly from this

⁶³ UNODC (2020b, pp. 28-29)

principle. The following components of collective action support the effective implementation of the plan.

Identification of stakeholders

The first step for any organization is to recognize the existence of various stakeholders with individual interests, but also with the overall goal of eliminating corruption and strengthening integrity. As stated above, external stakeholders should be actively consulted and involved not only in the development of the integrity action plan, but also at the implementation stage.

Regulatory framework for cooperation

Signing an integrity-related MoU or joint legal acts with external stakeholders would be an asset and provide a basis for cooperation. Development of an integrity pact and work programmes to enforce collective implementation will enhance the contribution to the implementation of the action plan.

Understanding of common goals and roles

To ensure collective action, there is a need to set a target, content, roles, responsibilities and timeframe that are clear to all stakeholders during the implementation phase. All stakeholders should be encouraged to play their parts in carrying out the tasks set out in the action plan.

Securing consensus

It is of equal importance to secure the consensus of all the parties involved in collective implementation. Any disagreement or different views about the action to be taken should be discussed and any fine-tuning carried out prior to implementation.

Ongoing consultation and exchange of information

Consultation and information exchange between Customs and its stakeholders to achieve objectives should be maintained in a continuous manner. For successful collective action, it is essential to have the commitment and confidence of all stakeholders, raise awareness about the benefits, create co-ownership and generate support for implementation at the beginning of the process through good and effective communication mechanisms. Establishing a mechanism for collecting feedback from the internal and external stakeholders involved in implementation throughout the process would be an effective means of ensuring the continuous support of everyone involved.

Consistency with national anti-corruption strategy

Customs anti-corruption strategies and plans should not be planned and implemented in silos. These strategies must always be conceived in a holistic manner. This will be consistent with political will and facilitate public support.

Principle 3 – Synergies with parallel integrity initiatives

Synergy is a fundamental principle in the conduct of any action, in particular in relation to integrity. Anti-corruption work and integrity programmes are carried out by all interested parties at one point

or another – other government agencies at the border (e.g. border services, phytosanitary and veterinary control services, transport control authorities, etc.), international organizations and development partners, and NGOs. It is important to ensure cohesion, interconnection and solidarity between parallel programmes and initiatives to avoid resource dispersion and achieve the desired, mutually acceptable and mutually agreed results. Synergy must be taken into account as it allows several initiatives to act together (jointly) and to work in a coordinated and synchronized way, in a framework of cohesion between the stakeholders and, through healthy and dynamic work, creating an overall effect with added value.

For instance, if there is no synergy or mutually agreed common approaches in the development of IT infrastructure, government agencies may go too far in different directions, which will delay agreement on a common understanding and common systems, and will hold them up in joining forces to create a single window environment for export-import operations⁶⁴.

Identification of parallel initiatives

Parallel integrity initiatives should be identified and evaluated in advance. The actions should be aligned with parallel initiatives to ensure consistent application and desirable results. Synergy can be achieved between successive initiatives that build on each other, or parallel initiatives that complement each other. Either way, determination of all parallel initiatives and joint planning are essential.

Cooperation framework

To achieve synergy among the initiatives undertaken by different organizations, a MoU, partnership programme or agreement (whichever works best) can be signed to regulate the conditions of that synergy.

Joint delivery of plan

Joint delivery is recommended to avoid duplication, optimize the available resources, facilitate the sharing of experiences and knowledge, and improve the synergy effect. Initiatives should not contradict, but should complement, each other.

Effective communication channel

To secure acknowledgement and agreement by everyone, an information exchange and effective communication channel should be established for delivering directives and collecting feedback. It is recommended that regular contact points be set up to ensure uninterrupted communication between different programmes. It is essential to share information, data and statistics (within the bounds of local privacy requirements), to present and make available educational materials and strategies, and to participate in and organize joint projects and working groups with external stakeholders, including with scientific and cultural institutions, to improve that synergy effect.

Consensus and mutual trust

All actions undertaken in this field must be carried out in consensus, with regular and open dialogue and demonstrated mutual trust, and with an acceptance of, and commitment to, each other's initiatives.

⁶⁴ WCO (2014b)

Internal synergy

While the above elements are mostly relevant and related to synergy with parallel integrity initiatives of external stakeholders, internal synergy is also an essential element in the implementation of an integrity action plan. In general, all units in a Customs administration are expected to act in accordance with the core values set out in the action plan, and for specific tasks (e.g. education, security audits), and for the units which are responsible for implementing activities which involve collective efforts (security, training, IT, etc.), the expectation is they will work together and share information with each other in a coherent way.

Principle 4 – Performance measurement

Performance measurement is a necessary practice that underpins all Customs administrations and is of particular importance for the implementation stage of an integrity action plan. The term “performance measurement” usually refers to the continuous gathering of data from specific functional areas. Performance measurement concerns the ongoing monitoring and reporting of a Customs administration’s progress towards reaching its organizational goals in relation to integrity. It is made up of an internal system that collects, collates and reports on workflows, outputs and outcomes⁶⁵.

The purpose of performance measurement is to assist in making decisions and to understand progress towards meeting the outcomes, on the strategic level and on the operational level, reflected in the respective action plans. Performance measurement also sets the background for reviewing the respective plans to reformulate and improve them while working towards the achievement of any expected results that are proving challenging or facing some difficulty. The method used should be objective and fair, and may require adjustment from time to time in order to accurately reflect the performance.

While discussing organizational performance measurement, it is recommended that the following be considered:

Input refers to the resources necessary to carry out activities, produce outputs and accomplish results;

Activity concerns the actions intended to contribute to the achievement of the outcomes, i.e. actions taken or work performed through which inputs are mobilized to produce outputs;

Outputs concern products and services that are relevant to the achievement of outcomes. Outputs can be considered as short-term products of completed activities. They can be measured on a regular basis while considering what was delivered within a specific timeframe and budget. Outputs can be attributed to the activities performed;

Outcomes are a specific change of behaviour that are derived from outputs achieved by the activities accomplished. To be more precise and target-oriented, the outcomes can be qualified as immediate, intermediate, or ultimate:

- **Immediate outcomes** – a desirable change of behaviour that is expected to occur once output has been delivered. These are short-term outcomes mainly referring to changes in capacity, such as knowledge, skills and abilities;
- **Intermediate outcomes** – a desirable change of behaviour that is expected to occur once the immediate outcome has been achieved. These are medium-term outcomes referring to changes in behaviour, practice and performance;

⁶⁵ WCO (2012)

- **Ultimate outcome** – the most comprehensive change of behaviour to be achieved through all previous outcome(s). The ultimate outcome is the most important reason for the change and for ensuring it is sustainable over time.

Baseline data and benchmarking

When developing a performance measurement system (design, policy, procedures and technology support), it is important to capture baseline information at the outset. Baseline information or baseline data is the initial collection of data which is then used to compare the same data collected/reported in future years. The baseline performance measurement data provides the basis for assessing improvements (or change) over time. Without baseline data to establish the pre-reform and modernization situation, it is difficult to demonstrate to government, stakeholders or donors whether or not progress at the “outcome” level can be shown to have taken place.

Over time, the baseline data will evolve into simply being a component of the historical performance data that accumulates. The performance reports are used weekly, monthly and annually for decision-making and may ultimately evolve for use as a benchmark. Benchmarking can improve Customs performance by identifying the best practices of other administrations that perform similar activities, such as Customs release times or effective risk management techniques. Benchmarking can also be used internally to compare when there are two or more port operations in a country that are similar in size and perform similar activities. The objective of benchmarking is to find examples of superior performance and to understand the processes and practices driving that performance. Companies then improve their performance by tailoring and incorporating these best practices into their own operations⁶⁶.

Most Customs administrations measure performance in terms of effectiveness and efficiency. **Effectiveness** refers to the extent to which the organization is achieving the outcomes and fulfilling its strategic objectives. **Efficiency** refers to the ratio of relevant outputs to relevant inputs and can include costs, steps in a process or time.

Data analytics

Fighting corruption and implementing an integrity action plan is not an easy task. However, data analytics can contribute to the effective implementation of the plan and support organizational performance measurement by offering new opportunities to detect and measure fraud, providing recommendations for prevention measures and introducing corrective measures to the plan⁶⁷.

Data analytics helps Customs understand, in relation to fraud and corruption, what has happened, or what is happening, and why. In addition to answering descriptive or diagnostic questions, data analytics uses data to predict outcomes or trends, and thus anticipate emerging corruption and fraud risks⁶⁸.

Data analytics can be used, for instance, to assess a number of different sources of information in order to identify trends and patterns in evidence collected during an integrity-related investigation, and therefore identify cases deviating from the norm. It can serve as a tool for auditors to investigate transactions in procurement⁶⁹ and payment models, check for anomalies, and identify and prevent

⁶⁶ Ibid, p. 3.

⁶⁷ The European Commission, in cooperation with Transparency International, developed ARACHNE data analytics software that cross-checks data from various public and private institutions and helps to identify projects susceptible to risks of fraud, conflict of interests or irregularities (Transparency International, 2015).

⁶⁸ OECD (2019)

⁶⁹ Researchers from the Corruption Research Center Budapest have examined massive data sets of public procurement procedures from European Union countries, searching for abnormal patterns such as exceptionally short bidding periods or unusual outcomes (e.g. no competition for the winning bid, or bids repeatedly won by the same company). Using inferential statistics – analysis that can be done to draw conclusions beyond what the data actually is capturing – they identified corrupt behaviour based on deviations from ordinary patterns (<https://blog.transparency.org/2015/01/09/the-potential-of-fighting-corruption-through-data-mining/index.html>).

fraud and corruption⁷⁰. Data analytics can also help Customs identify contracts or organizations that require in-depth audit, or request higher levels of reporting.

Customs can also use data analytics and machine learning to further advance the identification and examination of corruption risks, in order to inform mitigation actions and reduce vulnerability to fraud and corruption. Data analytics can also be useful in identifying patterns of patronage hiring or detecting irregularities, conflicts of interest and other signs of corrupt behaviour.

Despite the immense potential of data analytics, Customs administrations need to overcome some major challenges to fully benefit from the opportunities it offers. These can include data quality, access and availability, and data sharing, as well as limited resources and skills for the effective use of data analytics.

Investing in data quality is crucial for any analytics project⁷¹. The latest analytics technologies are intelligent technologies powered by artificial intelligence and with machine-learning capabilities. However, these platforms are still designed to process data and, if the information is not accurate, the results will not be accurate either. In addition, the successful implementation of data analytics to detect and prevent fraud and corruption requires a competent team of data analysts capable of extracting meaning from data through analysis, tools and techniques.

Data sharing between government agencies is another important element to consider when implementing data analytics to fight corruption and promote integrity. Having a common framework for open data helps set a common standard and build a foundation for a data infrastructure. This makes it much easier to extract and analyse information from different sources to discover trends that are otherwise easy to miss. Information that requires confidentiality (e.g. sensitive data related to law enforcement and intelligence) should be treated accordingly.

As a process and a tool, data analytics is influenced by laws, policies, guidance and other factors. Laws, regulations and policies on data governance and management, collaboration and exchange of data between government agencies, for instance, can influence effectiveness within the data value chain, and at the project level, and can either hinder or enhance the use of data analytics in corruption and fraud risk assessments⁷².

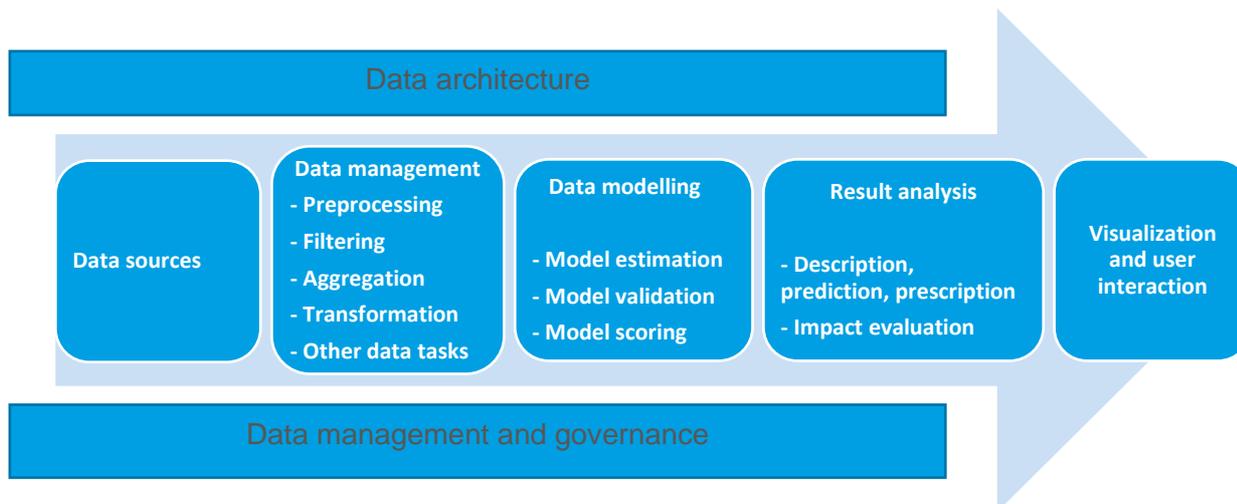
Effectively implementing data analytics to uncover, prevent and deter corruption, and promote integrity, requires a basic understanding of the data value chain. This should follow common principles and practices, such as effective institutional governance and data governance, data integrity and project-level planning.

Figure 15. Data Value Chain

⁷⁰ European Court of Auditors (2019)

⁷¹ KPMG (2016)

⁷² OECD (2019, pp. 37-39)



Source: WCO (2020)

According to the data value chain (Figure 15), the different steps to perform analytics for integrity purposes are as follows:

1. **Define the objectives:** Identifying the objectives of the data analysis can help Customs to understand and target the areas in which corruption and fraud are most likely to occur. Activities such as interviews with experts, workshops, focus groups, audit reports, media coverage and the results of previous data analyses may all contribute to shaping the data analytics objectives.
2. **Identify data needs and sources:** The next step is to identify the data that will be needed to identify the fraud or corruption risks defined in the first step, as well as to ascertain the sources of that data. This may include data that exists within the organization, data from other government agencies, or data from external, non-government entities. The specific data needed to conduct the analysis will depend on the analytics objectives.
3. **Data storage and management (select, obtain and store the data):** The following step is to collect the data necessary to conduct the analysis. This step involves acquiring, collecting and/or requesting and cleaning the data before storing it. Data management also involves pre-processing, filtering, aggregation, transformation, and other data processing tasks.
4. **Data modelling and result analysis:** After data storage comes analytics processing. This activity relies on analytics tools and technologies to develop analytics products. It provides insights that enable decision-makers to take action to achieve the intended outcome or result based on the objectives already set at the beginning of the process.
5. **Visualization and user interaction:** The presentation of the analytics outputs is an essential step in the analytics process. Data visualization can be expressed in the form of charts, maps, and other graphical representations. It allows users to better understand and perceive complex analytical products, which in turn promotes the adoption of well-informed decisions and corrective measures.

The scope of data analytics is extremely specific and requires technical knowledge. To support the willingness of Customs administrations to explore the potential of data analytics in more depth, the WCO has developed a Comprehensive Capacity Building Framework for Data Analytics in Customs.

Key elements of Principle 4 – systematic and regular reporting on performance, monitoring work plans, periodic feedback collection, meeting with stakeholders, engaging stakeholders to measure implementation, field visits and evaluation mechanisms – are further described in detail in Part 5 of the Guide (“Monitoring and Evaluation of Implementation”).

V. MONITORING AND EVALUATION OF IMPLEMENTATION

It is important to ensure that the implementation of the integrity action plan is on schedule and that the planned results are being achieved. This will allow adjustments to be made to correct or prevent issues if implementation of particular measures is delayed or experiencing difficulties.

Building an effective monitoring and evaluation system provides decision-makers in Customs administrations with an additional management tool. Zall-Kusek and Rist (2004) state that:

- **monitoring** gives information on *where* a policy, programme, or project is at any given time (and over time) relative to the respective targets;
- **evaluation** gives evidence of *why* targets and outcomes are or are not being achieved, and seeks to address issues of causality.

These two processes are complementary to each other and of particular importance for the implementation phase of the integrity development strategy and plan as can be seen in Figure 16 below.

Figure 16. Complementary Roles of Results-Based Monitoring and Evaluation

	MONITORING	EVALUATION
OBJECTIVE	Track progress towards objectives.	Evaluate the impacts of the intervention; to what extent it achieved its objectives.
TIMING	For the whole duration of the intervention (usually annually, or more frequently)	Performed after the intervention has had time to register an impact, typically several years from the outset.
TOOLS	Indicator frameworks, reporting requirements, qualitative assessments, implementation reports.	Counterfactual and other evaluation methods, statistical analysis, stakeholder consultation
DATA REQUIRED	Indicators related to outputs or products of the intervention, higher level contextual indicators.	Additional data that are too expensive to monitor on a continuous basis or that measure longer-term effects; Micro data (describing e.g. companies, regions, individuals) relating to the impacts of the intervention.
ADVANTAGES	Simple, easy to communicate, can be done from the outset.	Separates the effect of the intervention from external factors.
LIMITATIONS	Indicators will often be influenced by external factors, or will only concern outputs of the intervention, rather than impacts.	More time-intensive, requires detailed data and expertise, only feasible after (typically) several years from the outset of the intervention.

Source: European Commission Better regulation toolbox TOOL #41⁷³.

⁷³ https://ec.europa.eu/info/law/law-making-process/planning-and-proposing-law/better-regulation-why-and-how/better-regulation-guidelines-and-toolbox/better-regulation-toolbox_en (last accessed on 20/06/2020)

1. Monitoring mechanisms

Building a monitoring system to track the implementation of an integrity action plan is essential for managers. The monitoring function provides ongoing information “...on the direction of change, the pace of change, and the magnitude of change”⁷⁴. It also identifies whether or not the change is taking place at all, and is critical to seeing whether the intended measures are workable and if policies are on the right track.

Administration management and implementation coordinators, as well as other stakeholders, can use various mechanisms to monitor the implementation of the integrity action plan. The most common ones are:

- **Monitoring work plans:** This document assists managers and plan coordinators to hold those performing the activities to account, and to assign responsibilities. It helps to identify the logical sequence, expected duration and any dependencies that exist between activities. This “to-do” list of activities is compiled according to a specific time line, illustrating the start and due dates for each item, as well as who will be responsible for what actions⁷⁵.
- **Field visits:** One of the oversight mechanisms to be used by management and plan coordinators is regular field visits. In addition to inspecting the facilities and physical results of the project, the visits should focus on interacting with target groups to obtain their views on how the introduced changes affect them (directly or indirectly, positively or negatively) and obtain end-user solutions to perceived problems⁷⁶. Field visits also show the focus of the executive team on the initiative or measure being implemented;
- **Systematic and regular reporting on performance:** Responsible performers and units report information on implementation of the assigned activities (i.e. on a monthly, quarterly, semi-annual, and/or annual basis). Monitoring is a continuous and systematic process of data collection (or access) throughout the life cycle of an intervention, usually via indicators and qualitative assessments⁷⁷. Its aim is to check whether the intervention is on track to achieving its objectives. It is a good way to reflect the fact that fighting corruption is neither a starting point nor a goal – it is a way of working;
- **Meetings with stakeholders and periodic feedback collection:** Corrective actions should be taken to align actual results with the set objectives, and monitor the timely delivery of the activities with respect to the set targets. Effectiveness assessment should enable a dialogue with the target “owner”, responsible for accomplishing the objective, also enabling qualitative assessments of any factors that might have delayed implementation or made it difficult. An update of the action plan may be necessary. Performance information should be used for steering and control, to influence behaviour, motivate, and reassess budgets and resource allocation;
- **Engaging stakeholders to measure implementation:** Depending on the selected KPIs and means of verification, engaging internal and external stakeholders might provide a good source of verification. Subjective or perception-based KPIs will help assess progress with respect to the key factors of the Revised Arusha Declaration, with particular reference to leadership, accountability and individual commitment.

2. Evaluation

⁷⁴ Zall-Kusek, J. & Rist, R. (2004, p. 113)

⁷⁵ Ibid, (p. 97)

⁷⁶ UNDP (1997)

⁷⁷ UK National Audit Office (2016)

Explanations of *how* or *why* outcomes are achieved comes from evaluation⁷⁸. Performance measurement and evaluation are connected – ongoing performance measurement can be considered to be part of evaluation. Ongoing performance monitoring information that is collected regularly is used in periodic evaluations of a policy or programme.

Evaluation should address the following key areas in relation to both progress or failure:

- **relevance** – are the KPIs, with the corresponding objectives, consistent with the current priorities of the Customs administration or government priorities;
- **success** – are the KPIs, with the corresponding objectives, assisting in making progress toward the achievement of the outcomes;
- **cost-effectiveness** – are the most appropriate and efficient means being used in a reasonable way to achieve the desired outcomes.

The evaluation phase should only be undertaken after both the (self-) assessment process and implementation of an integrity action plan have been completed. The result of evaluation will be a comprehensive integrity gap analysis that will determine whether the administration needs to revisit certain aspects of the self-assessment process, in order to develop a revised action plan to further develop the organization's integrity programme. It is recommended to elaborate on the scope of evaluation for the development of the expected outcomes, and the sustainable delivery of ongoing improvements in relation to integrity.

⁷⁸ UNDP (1997)

VI. REVIEW AND REDEVELOPMENT OF THE INTEGRITY ACTION PLAN

The WCO will remain available to review, evaluate and re-develop the integrity action plan once it has been implemented. Reviewing the integrity action plan will help Member administrations to:

- assess their individual integrity strategies to determine whether they have achieved the outcomes anticipated in the initial integrity action plan;
- determine the areas that require further attention and/or initiatives that might build on the momentum already established;
- develop an enhanced integrity action plan.

The review, evaluation and re-development process should involve a second self-assessment process using the checklist questions contained in Annex 3 to this Guide. The answers to the questions, together with an examination of the verifiable performance indicators identified in the integrity action plan, should provide the necessary data upon which to evaluate the success, or otherwise, of the individual strategies or activities included in the action plan. Indicators of performance that might prove useful in assessing the success of the integrity action plan include:

- results of client/stakeholder satisfaction surveys;
- number of complaints or allegations against Customs employees;
- number of successful investigations and/or prosecutions for integrity breaches;
- positive/negative media coverage of integrity in Customs;
- reports by international agencies;
- number and nature of ombudsman complaints;
- complaints by the public, Customs brokers or importers;
- results of internal and external audits;
- achievement of performance targets/client charter standards;
- increase/decrease in operational performance statistics.

Once this review and evaluation process has been completed, it is necessary to develop a new integrity action plan. The new plan will include:

- activities and strategies previously identified that require continued attention;
- variations to activities and strategies to improve or re-focus elements that were addressed in the previous action plan;
- a range of new activities and strategies.

The revised integrity action plan will include the identification of existing problems or opportunities for improvement, identified solutions, responsible officials, timelines for implementation and verifiable performance indicators. Following this process, appropriate attention should be paid to ensuring executive endorsement of and commitment to the revised action plan and the effective marketing of it to employees and relevant stakeholders.

ANNEXES

Annex 1. IDG Glossary

TERM	DEFINITION	SOURCE
Accountability	The obligation of an individual or an organization (in either the public or the private sectors) to accept responsibility for their activities, and to disclose them in a transparent manner. This includes the responsibility for decision-making processes, money or other entrusted property.	Glossary-U4 Anti-Corruption Resource Centre ⁷⁹
Action plan	The action plan is a way to make sure that an organization's/institution's/group's vision is made concrete. The action plan also describes the path that the group and the organization will be following in order to reach the planned strategy and to reach the objectives. The action plan should include the actions that are to be taken, the person responsible for every action, clear deadlines for completing the specified actions, the resources that are to be used for the actions as well as the communication tools required for the coordination.	Council of Europe-European Union: Glossary on Youth ⁸⁰
Activity	Activity actions taken or work performed through which inputs, such as funds, technical assistance and other types of resources, are mobilized to produce specific outputs.	OECD, Glossary of Key Terms in Evaluation and Results Based Management 2010 ⁸¹
Administration	Administration, also referred to as business administration, is the management of an office, business, or organization. It involves the efficient organization of people, information, and other resources to achieve organizational objectives.	The Institute of Administrative Management U.K. Inspiring Professionals since 1915. What is Administration? ⁸²
Anti-corruption	A term used to designate the range of approaches to combat corruption. Many broader good governance and democracy-promotion approaches produce similar outcomes, even if they are not explicitly labelled as "anti-corruption."	Glossary-U4 Anti-Corruption Resource Centre ⁹⁰

⁷⁹ <https://www.u4.no/terms> (last accessed on 11/12/2020).

⁸⁰ <https://pip-eu.coe.int/en/web/youth-partnership/glossary> (last accessed on 11/12/2020).

⁸¹ <https://www.oecd.org/development/evaluation/2754804.pdf> (last accessed on 11/12/2020).

⁸² <http://www.instan.org/Administrative-Management> (last accessed on 11/12/2020).

Appeal	The act by which a person who is directly affected by a decision or omission of Customs and who considers himself to be aggrieved thereby seeks redress before a competent authority.	WCO Glossary of International Customs Terms 2018 ⁸³
Arusha Declaration	The <u>Arusha Declaration Concerning Good Governance and Integrity in Customs</u> , which was adopted in 1993 and revised in 2003, is the focal tool and central feature of a global and effective approach to preventing corruption and increasing the level of integrity for WCO Members. The ten key factors contained in the WCO Revised Arusha Declaration provide the most practical basis for the development and implementation of integrity and anti-corruption strategies relevant to the Customs operating environment. The Declaration is also supported by a number of other WCO tools for promoting integrity and anti-corruption, including the Integrity Development Guide.	Revised Integrity Development Guide June 2014
Assessment	An assessment analyses the situation in a country, sector or institution to identify the system's shortcomings and other factors (including political dynamics) that enable and sustain corruption.	Glossary-U4 Anti-Corruption Resource Centre ⁹⁰
Audit	An internal or external examination of an organization's accounts, processes, functions and performance to produce an independent and credible assessment of their compliance with applicable laws and regulations.	Transparency International Glossary, Corruptionary A-Z ⁸⁴
Automation	Computerization of Customs functions which can improve efficiency and effectiveness and remove opportunities for corruption. Automated systems should be configured to minimize the opportunity for the inappropriate exercise of official discretion, face-to-face contact between Customs personnel and clients, and the physical handling and transfer of funds.	WCO, Revised Arusha Declaration (1993) ⁸⁵
Behavioural insight	An inductive approach to policy making that combines insights from psychology, cognitive science, and social science with empirically-tested results to discover how humans actually make choices.	OECD. Website/Behavioural Insight ⁸⁶
Client	The direct recipient of products or services who engages in transactions with providers to obtain access to those services.	A Discussion Paper from the Treasury Board of Canada Secretariat ⁸⁷

⁸³<http://www.wcoomd.org/-/media/wco/public/global/pdf/topics/facilitation/instruments-and-tools/tools/glossary-of-international-customs-terms/glossary-of-international-customs-terms.pdf?db=web> (last accessed on 11/12/2020).

⁸⁴<https://www.transparency.org/en/corruptionary/audit> (last accessed on 11/12/2020).

⁸⁵http://www.wcoomd.org/-/media/wco/public/global/pdf/about-us/legal-instruments/declarations/revised_arusha_declaration_en.pdf?la=en (last accessed on 11/12/2020).

⁸⁶<https://www.oecd.org/gov/regulatory-policy/behavioural-insights.htm> (last accessed on 11/12/2020).

⁸⁷https://www.tbs-sct.gc.ca/Pubs_pol/opepubs/TB_O/12qq01-eng.asp (last accessed on 11/12/2020).

Client service charter	Client service charters are a way of increasing accountability and demonstrating the administration's commitment to providing quality service to clients.	Revised Integrity Development Guide June 2014
Code of Ethics and Conduct	The Code of Ethics and Conduct describes, in very practical and clear terms, the minimum standards of behaviour required of all Customs employees. These standards of behaviour shall be demonstrated by all Customs employees and are to serve as a guide when making decisions and taking actions.	WCO, Model code of Ethics and Conduct (2011) ⁸⁸
Collective action	Collective action refers to actions undertaken by individuals and/or groups towards a collective purpose or goal.	U4 Anti-Corruption Resource Centre /Barriers to collective action against corruption by Ben Wheatland and Marie Chen (2015) ⁸⁹
Communication strategy	The plans for communicating information related to a specific issue, event, situation, or audience. They serve as the blueprints for communicating with the public, stakeholders, or even colleagues.	United States Environmental Protection Agency, Communication Strategies (2018) ⁹⁰
Conflict of interest	Situation where an individual or the entity for which they work, whether a government, business, media outlet or civil society organization, is confronted with choosing between the duties and demands of their position and their own private interests.	Transparency International Glossary, Corruptionary A-Z ⁹⁵
Consequence of failure	The impact that a failure event has upon the failed equipment's operational context, including business, people, and the environment.	International Journal of Engineering Business Management, Vol. 1, No. 1 (2009), pp. 33-36. Clarification of Failure Terminology by Examining a Generic Failure Development Process ⁹¹
Corruption	The Organization for Economic Co-operation and Development (OECD) describes corruption as "the abuse of a public or private office for personal gain"	OECD, Corruption a Glossary of International Criminal Standards (2007) ⁹²

⁸⁸ <http://www.wcoomd.org/-/media/wco/public/global/pdf/topics/integrity/instruments-and-tools/model-code-of-ethics-and-conduct.pdf?la=en> (last accessed on 11/12/2020).

⁸⁹ <https://www.u4.no/publications/barriers-to-collective-action-against-corruption/> (last accessed on 11/12/2020).

⁹⁰ <https://semsub.epa.gov/work/HQ/100002214.pdf> (last accessed on 16/10/2020).

⁹¹ https://www.researchgate.net/publication/221786522_Clarification_of_Failure_Terminology_by_Examining_a_Generic_Failure_Development_Process (last accessed on 11/12/2020).

⁹² <http://www.oecd.org/corruption/anti-bribery/39532693.pdf> (last accessed on 11/12/2020).

	and the non-governmental organization (NGO) <u>Transparency International</u> (TI) defines it as “the abuse of entrusted power for private gain”	and Transparency International, What is Corruption? ⁹³
Customs	The government service which is responsible for the administration of Customs law and the collection of duties and taxes, and which also has the responsibility for the application of other laws and regulations relating to the importation, exportation, movement or storage of goods.	General Annex, Chapter 2 of the Revised Kyoto Convention (WCO) ⁹⁴
Customs performance	The accomplishment of Customs efficiency and effective goals related to revenue mobilization and the safe and smooth movement of people and goods across borders while fostering trade facilitation and economic competitiveness, enforcement, security and the protection of society.	WCO Performance Management Expert
Customs regulation	Laws, regulations, guidelines and procedures made by the Customs administrations for the purpose of regulation of Customs practices and procedures.	Revised Integrity Development Guide June 2014
Diversity	The fact of there being people of many different groups in society, within an organization, etc.	Cambridge Dictionary ⁹⁵
Evaluation	The systematic and objective assessment of an ongoing or completed project, programme or policy, its design, implementation and results. The aim is to determine the relevance and fulfilment of objectives, development efficiency, effectiveness, impact and sustainability.	OECD, Glossary of Key Terms in Evaluation and Results Based Management 2010 ⁹²
External audit	Carries out independent audits and examinations that provide objective information, advice and assurance to the government. This is done to promote fair and frank accounting of the government’s stewardship, efficiency and productivity, cost-effectiveness, the collection of revenues, and compliance with authorities.	Revised Integrity Development Guide June 2014
External control	Other government and State agencies with responsibility for preventing and/or prosecuting corruption (external control) take different forms, depending on the State and legal system. That said, such forms commonly include national anti-corruption committees/agencies which report to parliaments or to presidential offices responsible for elaborating and monitoring the implementation of national anti-corruption programmes/plans; police; State security and other gov-	WCO Compilation of Integrity Practices on Internal Control and Relationship with External Control (2019) ⁹⁶

⁹³ <https://www.transparency.org/en/what-is-corruption#define> (last accessed on 11/12/2020).

⁹⁴ http://www.wcoomd.org/-/media/wco/public/global/pdf/topics/facilitation/instruments-and-tools/conventions/kyoto-convention/revised-kyoto-convention/body_gen-annex-and-specific-annexes.pdf?la=en (last accessed on 11/12/2020).

⁹⁵ <https://dictionary.cambridge.org/dictionary/english/diversity> (last accessed on 11/12/2020).

⁹⁶ <http://www.wcoomd.org/-/media/wco/public/global/pdf/topics/integrity/instruments-and-tools/compilation-of-integrity-practices-on-internal-control-and-relationship-with-external-controls-from-wco-membersen.PDF?la=en> (last accessed on 11/12/2020).

	ernment enforcement agencies responsible for investigating corruption by government officials; prosecution offices; offices of the attorney general; and institutions in charge of conducting criminal legal proceedings.	
Gender equality	This refers to the equal rights, responsibilities and opportunities of women and men and girls and boys. Equality does not mean that women and men will become the same but that women's and men's rights, responsibilities and opportunities will not depend on whether they are born male or female. Gender equality implies that the interests, needs and priorities of both women and men are taken into consideration, recognizing the diversity of different groups of women and men. Gender equality is not a women's issue but should concern and fully engage men as well as women. Equality between women and men is seen both as a human rights issue and as a precondition for, and indicator of, sustainable people-centred development.	UN Woman Training Centre: Gender Equality Glossary ⁹⁷
Good practice	Good practice is a successful experience that has been tested and replicated in different contexts and can therefore be recommended as a model. It deserves to be shared, so that a great number of people can adapt and adopt it.	Good Practices, Food and Agriculture Organization of the United Nations (FAO) Capacity Development. (2020) ⁹⁸
Head of administration	The head of administration is the official responsible for managing the day-to-day-affairs of the Customs administration. The term "head of administration" is often used in this Guide in a generic manner to apply to the official who is the head of the Customs administration, because this term is well established in the WCO vernacular and may apply to many titles for top officials, such as Director General, Minister, Commissioner, Chief Executive Officer, Director, Chairman/Chairwoman, etc.	Revised Integrity Development Guide June 2014
Indicator	Quantitative or qualitative factor or variable that provides a simple and reliable means to measure achievement, to reflect the changes connected to an intervention, or to help assess the performance of a development actor.	OECD, Glossary of Key Terms in Evaluation and Results Based Management 2010 ⁹²
Integrity	A positive set of attitudes which foster honest and ethical behaviour and work practices.	Revised Integrity Development Guide June 2014

⁹⁷ <https://trainingcentre.unwomen.org/mod/glossary/view.php?id=36&mode=letter&hook=G&sortkey=&sortorder=> (last accessed on 11/12/2020).

⁹⁸ <http://www.fao.org/capacity-development/resources/good-practices/en/> (last accessed on 11/12/2020).

Integrity development process	A philosophy of continuous improvement by implementing an ongoing process of integrity self-assessment, strategy development and progress evaluation, which is undertaken as a group exercise drawing on the strengths and experience of a range of people of an organization.	Revised Integrity Development Guide June 2014
Internal control	The investigation of incidents and suspicions of illegality and professional misconduct related to officer corruption.	WCO Compilation of Integrity Practices on Internal Control and Relationship with External Control (2019) ¹⁰⁷
Investigation	A systematic and thorough process involving the examination of circumstances surrounding an incident or allegation, the purpose of which is to establish and document all the relevant facts, and to analyse these in order to allow management to make an informed decision. The investigative function supports the overall integrity of the administration.	Revised Integrity Development Guide June 2014
Information asymmetry	Information asymmetry is a condition wherein one party in a relationship has more or better information than another.	Information Asymmetry in Management Research: Past Accomplishments and Future Opportunities. Journal of Management Vol. 45 No. 1, January 2019 122–158. ⁹⁹
Impact	Positive and negative, primary and secondary long-term effects produced by a development intervention, directly or indirectly, intended or unintended.	OECD, Glossary of Key Terms in Evaluation and Results Based Management 2010 ⁹²
Media	Media is the main means of mass communication (broadcasting, publishing, and the Internet) regarded collectively.	Oxford Dictionary ¹⁰⁰
Modernization	Modernization refers to changes in management systems, relationships with clients and other administrations, as well as technological changes in work processes and benchmarking.	Revised Integrity Development Guide June 2014
Monitoring	A continuing function that uses systematic collection of data on specified indicators to provide management and the main stakeholders of an ongoing development	OECD, Glossary of Key Terms in Evaluation and Results

⁹⁹ <https://journals.sagepub.com/doi/pdf/10.1177/0149206318798026> (last accessed on 11/12/2020).

¹⁰⁰ <https://www.lexico.com/definition/media#h47193983556940> (last accessed on 11/12/2020).

	intervention with indications of the extent of progress and achievement of objectives and progress in the use of allocated funds.	Based Management 2010 ⁹²
Principal agent model	In principal-agent models, an actor (or a group of actors) called an agent undertakes an action on behalf of another actor (or group of actors) called a principal. The principal, for its part, can make decisions that affect the incentives of the agent to take any of its various possible actions.	Accountability and Principal-Agent Models* Sean Gailmard† August 2012 ¹⁰¹ .
Private sector	Organizations that engage in profit-seeking activities and have a majority private ownership (i.e. not owned or operated by a government). This term includes financial institutions and intermediaries, multinational companies, micro, small and medium-sized enterprises, co-operatives, individual entrepreneurs, and farmers who operate in the formal and informal sectors. It excludes actors with a non-profit focus, such as private foundations and civil society organizations.	OECD, Understanding Key Terms and Modalities for Private Sector Engagement in Development Co-operation (2016) ¹⁰²
Qualitative indicators	Indicator articulated as a narrative, in a categorical form, and based on information on objects, facts or events that are, in principle, directly observable and verifiable (fact-based indicators) or indicator articulated as a narrative, not necessarily in a categorical form, and based on information that is a perception, opinion, assessment or judgement (subjective indicators)	UN Human rights Indicators A Guide to Measurement and Implementation © 2012 ⁷⁴
Quantitative indicators	Indicator articulated in quantitative form and based on information on objects, facts or events that are, in principle, directly observable and verifiable (fact-based) or indicator articulated in quantitative form and based on information that is a perception, opinion, assessment or judgement, using, for instance, cardinal/ordinal scales (subjective indicators)	UN Human rights Indicators A Guide to Measurement and Implementation © 2012 ⁷⁴
Review	An assessment of the performance of an intervention, periodically or on an ad hoc basis.	OECD, Glossary of Key Terms in Evaluation and Results Based Management 2010 ⁹²
Risk	Effect of uncertainty on objectives.	WCO Customs Risk Management Compendium ¹⁰³

¹⁰¹ [https://www.law.berkeley.edu/files/csIs/Gailmard - Accountability and Principal-Agent Models\(2\).pdf](https://www.law.berkeley.edu/files/csIs/Gailmard_-_Accountability_and_Principal-Agent_Models(2).pdf) (last accessed on 11/12/2020).

¹⁰² <http://www.oecd.org/dac/peer-reviews/Inventory-1-Private-Sector-Engagement-Terminology-and-Typology.pdf> (last accessed on 11/12/2020).

¹⁰³ <http://www.wcoomd.org/-/media/wco/public/global/pdf/topics/enforcement-and-compliance/activities-and-programmes/risk-management-and-intelligence/risk-management-compendium-common-part.pdf?db=web> (last accessed on 11/12/2020).

Risk assessment	The systematic determination of risk management priorities by evaluating and comparing the level of risk against predetermined standards, target risk levels or other criteria.	Kyoto Convention General Annex Guidelines Chapter 6 Customs Control (2010) ¹⁰⁴
Risk management	Coordinated activities by administrations to direct and control risk.	WCO Glossary of International Customs Terms (2018) ⁹⁴
SAFE Framework of Standards	The expression commonly used to refer to the WCO SAFE Framework of Standards to secure and facilitate global trade, adopted by the Customs Co-operation Council in 2005, as amended.	WCO Glossary of International Customs Terms 2018 ⁹⁴
Senior management	The team that has overall accountability for the policy and practices of the organization. They are expected to provide leadership and support for risk management, ensuring at the same time that the organization meets stakeholder expectations and requirements.	WCO, Risk Management Compendium Volume 1 ¹⁰⁵
Social network	Social networks consist of a group of individuals interacting with each other, be it in person or virtually.	Society at Glance 2016 OECD Social Indicators ¹⁰⁶
Stakeholder	Those who have interests in a particular decision, either as individuals or as representatives of a group. This includes people who can influence a decision as well as those affected by it. Decision-makers are also stakeholders.	(UNDP) Financing Solutions for Sustainable Development, Glossary (2020) ¹⁰⁷
Transparency	Degree to which trade policies and practices, and the process by which they are established, are open and predictable.	WTO Glossary, Basic glossary of terms commonly used in the World Trade Organization 2012 ¹⁰⁸
Whistle-blower	People who inform the public or the authorities about corrupt transactions and/or other unlawful or immoral behaviour they have witnessed or uncovered. These individuals often require protection from those they expose. Whistle-blower protection refers to the measures taken to shield the informer from retaliation.	Glossary-U4 Anti-Corruption Resource Centre ⁹⁰
Whole-of-government approach	An approach where a government actively uses formal and/or informal networks across the different agencies within that government to coordinate the design and implementation of a range of interventions to be made	Whole of Government Approaches

¹⁰⁴ <http://www.wcoomd.org/-/media/wco/public/global/pdf/topics/wto-atf/dev/rkc-guidelines-ch-6.pdf> (last accessed on 11/12/2020).

¹⁰⁵ <http://www.wcoomd.org/-/media/wco/public/global/pdf/topics/enforcement-and-compliance/activities-and-programmes/risk-management-and-intelligence/risk-management-compendium-volume-1.pdf?db=web> (last accessed on 11/12/2020).

¹⁰⁶ <https://www.oecd-ilibrary.org/docserver/9789264261488-en.pdf?expires=1601242522&id=id&accname=guest&checksum=232424737F490C8B8F916244EB8C4414> (last accessed on 11/12/2020).

¹⁰⁷ <https://www.sdfinance.undp.org/content/sdfinance/en/home/glossary.html> (last accessed on 11/12/2020).

¹⁰⁸ <https://repositorio.iica.int/bitstream/handle/11324/6565/BVE18039757i.pdf;jsessionid=36EFD9CE28D5990810D4EB4EFF2FA19A?sequence=2> (last accessed on 11/12/2020).

	in order to increase the effectiveness of those interventions in achieving the desired objectives.	to Fragile States. (OECD 2006) ¹⁰⁹
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¹⁰⁹ <https://www.oecd.org/dac/conflict-fragility-resilience/docs/37826256.pdf> (last accessed on 11/12/2020).

Annex 2. Examples of Good Practice by WCO Members

1. LEADERSHIP AND COMMITMENT

Whole-of-government approach

In 2014, the [Indonesian](#) government launched a national development agenda called “Nawa Cita” giving priority to reinforcement of the anti-corruption programme. Joining with this programme, the Director General of Customs and Excise of Indonesia started a reform project to improve integrity in Customs by coordinating with other government agencies, engaging with private sector representatives, and conducting a joint programme with the tax authority. (*Presentation at 17th session of the WCO Integrity Sub-Committee*)

Role of management

The ‘National Anti-Corruption Strategy’ approved in 2017 is at the centre of the Afghan Customs Department (ACD)’s renewed efforts to combat corruption. A fresh leadership team within the ACD sees itself as part of a comprehensive national effort to reduce opportunities and incentives for corrupt behaviour. With the support of the WCO, the ACD has taken a proactive approach to supporting the national objective by drawing on the WCO Revised Arusha Declaration to promote integrity and combat corruption within Customs administrations. (*WCO Integrity Newsletter, Issue No. 14 (pp. 4-5)*)

Accountability and oversight mechanism

The Integrity Committee (IC) of [New Zealand](#) Customs is chaired by an external representative and provides an independent assessment of allegations of integrity breaches. Alleged breaches of integrity can be made by employees of Customs or other government agencies, or by members of the public, and all are considered very seriously and managed professionally.

Organizational commitment and individual commitment

The [U.S. Customs and Border Protection](#) (CBP) - Integrity Advisory Panel was established in March 2015 to make findings and recommendations based on law enforcement best practices regarding the use of force, preventing corruption, investigative capabilities needed to address criminal and serious misconduct within CBP, engagement in interagency task forces such as the Border Corruption Task Forces, using intelligence-driven approaches proactively to identify corruption and other misconduct, and addressing transparency issues pertaining to incident response, discipline and stakeholder outreach.

2. REGULATORY FRAMEWORK

Accession to international conventions, instruments, and standards

[Morocco](#) has made significant progress in its fight against corruption, particularly through the ratification of the United Nations Convention against Corruption (UNCAC). In compliance with the spirit of this international convention, especially under Article 6 of UNCAC which calls on the parties to establish national independent anti-corruption bodies, Morocco set up the Central Body for Prevention of Corruption (ICPC) in 2007. In 2018 this was appointed as the National Authority for Probity,

Prevention and the Fight against Corruption (INPPLC). (*WCO Integrity Newsletter Issue No. 17 (pp. 20-23)*)

A set of high-level principles on countering corruption in Customs was introduced for [G20 countries](#) in 2017. Each G20 country was expected to adopt a comprehensive strategy to promote integrity in Customs based on those principles.

Internal and external stakeholder consultation

Ghana Community Network Services Limited (GCNet) was established in 2000 as a joint venture Public-Private Partnership to ensure that all stakeholders with a vision for enhancing Ghanaian competitiveness participated in this electronic community network for the processing of trade and Customs-related transactions. (*[Public - Private Partnership on Integrated Customs Service in Ghana](#)*)

In 2014, the **Uruguay** National Customs Directorate – Private Sector Consultancy Committee was created to receive, in an organized manner, approaches from the international trading community, together with their concerns. As far as possible, any changes in procedures and regulations are disseminated in advance, and hearings are conducted within the Committee or in other informal settings. (*[World Customs Journal, Volume 10 \(1\), pp. 103-107](#)*).

3. TRANSPARENCY

Communication strategy

Indonesian Customs applies Artificial Intelligence (AI) as power-efficient communication tools mimicking human-to-human interactions that are less resource intensive and provide a 24/7 response to Customs queries. AI tools, “chatbots”, are used on the Customs website to respond to queries from the public, alongside a dedicated app “Noni bravo” and a “signal” mobile application. The level of engagement of the public, and the positive feedback, have been found overwhelming. (*1st WCO Global Communication Strategies Conference-2019 website,*)

In 2019, **Angola** Customs opened a Contact Centre where users could request information on Customs and tax matters, seek technical and technological assistance, submit their complaints, etc. It operates as a virtual tax office. (*WCO integrity newsletter issue no. 17 (pp. 6-8)*)

Ongoing and periodic publication of Customs regulations and performance

Considering clients’ right to demand a high level of certainty and predictability in their transactions with Customs, **Angola** Customs has published Customs laws, regulations, procedures and instructions on its website. These are easy to access and are implemented uniformly and consistently. (*WCO Integrity Newsletter Issue No. 17 (pp. 6-8)*)

Appeal and review mechanisms

Under Article 44 of Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code, any person shall have the right to appeal against any decision taken by the Customs authorities in [EU countries](#) relating to the application of the Customs legislation which concerns him or her directly and individually.

The **Uruguayan** Constitution establishes the right of appeal against administrative acts. Accordingly, the administrative appeals procedure grants the right to appeal against Customs decisions or to request a re-examination of such decisions. (*WCO Integrity Newsletter Issue No. 13 (pp. 4-8)*)

Transparency of Customs operations

The **Paraguay** Customs Administration has implemented the Quality Management System to the organization's key procedures under ISO 9001, ensuring transparent and predictable management. This approach has promoted a positive cultural change that optimizes management geared towards continued improvements in services and user satisfaction. Procedures have been redesigned, simplified, standardized, and improved, bureaucracy has shrunk, and processing times have been cut. (*WCO Integrity Newsletter Issue No. 11 (pp. 8-13)*)

The Customs Management Integrated System (SIGA, Sistema Integrado de Gestion Aduanera) implemented by the General Directorate of Customs of the **Dominican Republic** is considered to be one of its biggest achievements. SIGA is a flexible instrument that provides management with a control mechanism and contributes to the efficiency of Customs procedures, ensuring the standardization of administrative and operational processes in the search for efficiency. (*WCO Integrity Newsletter Issue No. 8 (pp. 10-11)*)

4. AUTOMATION

Automation and use of new technologies in Customs

The Band of Customs Data Analysts (BACUDA) system of **South Korean** Customs is a sophisticated and highly developed IT system. It has been used to detect Customs fraud through machine learning, to perform unit price analysis and mirror data analysis, to develop business intelligence indicators, to provide key statistics for Customs administration, and for web-scraping of price data. (*Presentation at the 19th WCO Integrity Sub-Committee*)

Automated Customs clearance system

The Automated Tariff and Local Customs Clearance System (ATLAS) in **Germany** is a fully integrated IT-system for Customs clearance that includes targeted checks and controls that are carried out throughout the clearance processes. This system is capable of making tailored checks and balances that assess the credibility of Customs declarations and can be used to systematically identify integrity breaches such as under-invoicing. (*OECD 2017. Integrity in Customs: Taking stock of good practices (p.34)*)

The processes of 18 different agencies have been harmonized through the Electronic Single Window system in **Uganda**. The electronic Cargo Tracking system has been upgraded from a national to a regional tracking system integrating the Customs systems of Kenya, Rwanda, the Democratic Republic of the Congo, and Uganda.

Risk management in Customs clearance

Italy's electronic Customs system can address most issues related to the payment of bribes prior to Customs clearance. This system is capable of providing an automated risk analysis system, including other facilities to process declarations according to the order of submission, to compare Customs declarations with the cargo manifests, and to manage the transit operation in an integrated manner throughout the EU, etc. (*OECD 2017. Integrity in Customs: Taking stock of good practices (p.34)*)

Sustainability of automated systems

The [U.K.](#) Customs introduced a new Customs Declaration Service (CDS) in 2019 as the successor to the Customs Handling of Import and Export Freight (CHIEF) system. It is based on modern architecture and hosted on virtual cloud infrastructure, and is a flexible declaration system that can handle anticipated future import and export growth.

System security and data protection

The Central Board of Excise and Customs (CBEB) in [India](#) adopted the ISO 27001 Standard for Information Security in 2011. The Standard ensures that the production, development and testing of data is protected and operated by a Network Operating Centre that is separate from other client environments. (*OECD Integrity in Customs: Taking stock of good practices (p.34)*)

Relations with users (internal and external)

The [U.K. Customs Handling of Import and Export Freight](#) (CHIEF) system referred to above linked with five Community System Providers (CSPs), which are independent trade systems that directly serve hundreds of carriers, transit sheds and freight forwarders to record and track the movement of goods within ports and airports, enabling them to operate more efficiently. CSPs continue to work with the new Customs Declaration Service (CDS) system which replaced CHIEF in 2019.

5. REFORM AND MODERNIZATION

Sustainable and continuous reform and modernization

The first phase of reform of [Australian](#) Customs started in late 2012, and a number of supplementary internal powers was put into operation. The second phase was the implementation of the “Blueprint for reform 2013-2018” focusing on three key areas: integrity, modernization, and people. The integrity measures were designed to regain public confidence and align Customs with other Australian law enforcement agencies, the modernization measures were intended to ensure efficient business systems and streamlined processes, and the new “people model” and operating model was proposed to ensure a professional and agile service.

The [Guatemala](#) Customs Administration (Superintendency of Tax Administration - SAT) developed its Institutional Strategic Plan for 2018-2023 with the aim of adopting a comprehensive policy for strengthening fiscal transparency and governance of SAT in line with the legislation passed by the Guatemalan Congress (Decrees No. 37-201 and 1-98), and of implementing the good practices set out in the WCO Revised Arusha Declaration.

Guatemala has taken a number of measures to promote reforms relating to integrity development, in accordance with its new action plan. These measures cover the following areas:

- The creation of a management body to deal with Internal Affairs matters, tasked with developing preventive and responsive strategies. An Integrity Evaluation Department was set up within this Office, with responsibility for promoting and implementing actions to strengthen integrity and ethical behaviour among SAT employees.
- The application of SAT employee reliability tests through actions such as analysing sworn statements of assets to identify risks posed by employees.
- The creation of a Public-Private Dialogue and Cooperation Forum to address Customs matters, including ethics and integrity priorities on the Customs-private sector agenda. Agreements have been reached within this Forum to implement codes of conduct applicable to all actors in the foreign trade supply chain.
- The launch, in 2018, of a new Code of Ethics and Conduct for SAT employees.

- The implementation of integrity assessments, introduced with the purpose of identifying gaps or flaws in procedures and/or processes representing potential opportunities for fraud and/or corruption.
- The introduction and implementation of ISO Standard 37001 on Anti-Bribery Management Systems and a campaign to raise awareness of the dual tracks of corruption.
- The promotion and publicizing of reporting mechanisms such as the “Report Corruption” Call Centre, as well as an e-mail address for reporting corruption: denunciacorruption@sat.gob.gt.

As a supplement to the 2019 Institutional Strategic Plan, an Integrated Customs Modernization Programme (MIAD) for 2019 to 2023 was launched. It consists of the following sequential components: processes, infrastructure, technology, security and resources (see <https://portal.sat.gob.gt/portal/miad/>). In 2021, under the WCO Anti-Corruption and Integrity Promotion (A-CIP) Programme, Guatemala Customs conducted the Customs Integrity Perception Survey (CIPS). This initiative was aimed at assessing the perception of Customs integrity among Customs officers and private sector stakeholders in Guatemala. CIPS, which is structured around the ten key factors of the WCO Revised Arusha Declaration, was rolled out in Guatemala to assist Customs with measuring its performance in these areas. Guatemala Customs considers the WCO’s support in integrity matters to be the cornerstone for successful and sustainable Customs and trade facilitation reform and modernization initiatives.

Results-focused performance measurement

The **Korea** Customs Service Charter is based on performance management and was designed to set out (1) standards and a description of the service, (2) methods and procedures for provision of services, and (3) correction and compensation procedures in the event of customer dissatisfaction. (*WCO Integrity Newsletter Issue No. 04 (pp. 3-4)*)

Sharing experiences in reform and modernization practices

The reform and modernization programme of the **Mauritius** Revenue Authority (MRA) was started with the assistance of the WCO. A mission composed of two experts from German Customs was sent to the MRA by the WCO in 2015. The mission presented the risk mapping methodology and, in cooperation with the MRA, identified a series of areas vulnerable to corruption and presented a way forward. (*WCO Integrity Newsletter Issue No. 12 (pp.14)*)

6. AUDIT AND INVESTIGATIONS

Strengthen internal control

Tanzania Revenue Authority established the Internal Affairs Department to strengthen internal controls. It has two units. The Ethics Unit is generally responsible for formulating governance policies, conducting ethics training and awareness-raising programmes. The Internal Investigations Unit is responsible for conducting reactive and proactive internal investigations which are focused on staff integrity matters. (*WCO Integrity Newsletter Issue No. 8 (pp. 13-14)*)

The activities and behaviours of Customs officials are monitored in **Lithuanian** Customs. The purpose of this is to verify whether they are performing in line with the letter of the law and maintaining the required standards.

Corruption risk management

In 2008, **U.K.** Customs (Her Majesty's Revenue and Customs, HMRC) undertook a Strategic Risk Assessment (SRA) in relation to internal fraud, corruption, and criminal misconduct by staff. Its main objectives were to provide a recognized standard methodology to capture and assess their internal fraud and corruption risks, to help Customs to consider and identify their own vulnerabilities and risks, and to identify the most serious and widespread corruption or internal fraud risks within Customs.

Having reflected the results of SRA back to senior managers, HMRC Internal Governance then assisted each Directorate in the formulation of their control strategy. The results of the HMRC SRA were also disseminated to the UK Serious and Organised Crime Agency, which then used this information, together with the risk assessment data from 43 British Police Forces, to formulate a National Corruption Vulnerability Assessment for all UK law enforcement agencies.

The key risks identified by the SRA were then used to formulate HMRC Internal Governance's targets and objectives for the coming financial year. They were also used to identify specific risk areas and locations which were then targeted by Internal Governance using data-matching or pro-active intelligence gathering techniques.

Following the success of the initial SRA, this process is now undertaken on an annual basis. With each iteration of the assessment, the questionnaires, supplementary questions and control strategies are refined to ensure that all risks are properly managed and that HMRC's proactive anti-corruption resources are targeting the Department's most vulnerable work areas. (*WCO Integrity Newsletter Issue No. 3 (pp. 9-10)*).

Detection and investigation

Indian Customs performs preventive vigilance action, mainly by way of surprise checks and vigilance audits. It also conducts vigilance audits on all divisions, with a view to identifying measures to strengthen the vigilance mechanism, to prevent harassment of trade and to take adequate action against delinquent officers. (*WCO Integrity Newsletter Issue No. 17 (pp. 17-19)*)

China Customs has implemented a new policy called "One Case - Two Investigation Teams." Under this scheme, each violation of Customs regulations will be subject to a joint investigation by the Anti-Smuggling Bureau of the local Customs office and the upstream Discipline and Integrity Monitoring Bureau of the headquarters to prevent collusion and information asymmetry between headquarters and the local offices. (*WCO news Issue No. 83 (pp. 44-46)*)

Disclosure and whistle-blower protection

The [New Zealand](#) Protected Disclosures Act 2000 protects those who are disclosing information from retaliation, gives immunity from civil and criminal proceedings and secures confidentiality as far as possible. Protections extend to those who volunteer supporting information. Importantly, all public service agencies must have a policy and procedure for whistle-blowers and must appoint appropriate authorities to whom disclosures can be made.

Internal audit

The Internal Audit Service of the **Spanish** Tax Agency performs audits in line with the annual audit plan approved by the President of the Agency. Some important elements of the scope of audits are the effectiveness, quality and timeliness of the procedures, the relationship with external control and external audit, the accuracy and efficiency of the decisions, the processes and resources, and the possible misconduct of employees. (*Presentation at the 16th WCO Integrity Sub-Committee*)

External audit

The external agency, the Federal Court of Audit, audits **German** Customs in the field of corruption prevention, particularly for areas such as the implementation of preventive measures, the work of the contact person for corruption prevention matters, basic and advanced training in corruption prevention, and compliance with the provisions regarding procurement of articles which Customs requires for its work. (*Presentation at the 13th WCO Integrity Sub-Committee*)

Relationship with State anti-corruption authorities

The **Eswatini** Revenue Authority jointly works with Royal Eswatini Police Service signing the MoU to promote intelligence exchange and support between the two entities, and to cooperate on investigations into and prosecutions of persons involved in the smuggling and movement of illicit goods across borders and any other unlawful activities. (*WCO Integrity Newsletter Issue No. 16 (pp. 7-8)*)

7. CODE OF CONDUCT

Implementation strategy

The Ethics Committee of **Paraguay** Customs was set up to implement and support the ethical management process. The committee meets on a monthly basis and engages with activities related to maintaining the code of ethics such as capacity building, web link creation, a review of the Code of Ethics, approval of the operating procedure for implementing the ethical management process and integrity indicators, etc. An Ethics High Level Team has been set up to carry out activities in connection with implementing the ethical management process in the institution, under the co-ordination and support of the Ethics Committee. (*WCO Integrity Newsletter Issue No. 11 (pp. 8-13)*).

8. HUMAN RESOURCE MANAGEMENT

Recruitment, selection, and promotion

U.S. Customs and Border Protection (CBP) conducts pre-employment polygraph examinations of all law enforcement candidates, and an exhaustive background investigation commencing with the initial selection of a prospective employee. CBP's law enforcement officer positions require a Single Scope Background Investigation, the highest-level background investigation conducted in U.S. federal pre-employment screening, covering a ten-year period. (*WCO Integrity Newsletter Issue No. 9 (pp. 4-5)*)

In **Bulgarian** Customs, candidates are appointed and promoted after taking part in a psychological study. An integrity test is carried out for every position applied for, while for managerial positions applicants' leadership capabilities and competencies are assessed by means of a personal questionnaire. The National Customs Agency has also developed a framework of significant psychological characteristics needed to fulfil the professional requirements for positions. (*WCO Integrity Newsletter Issue No.16 (p. 6)*)

Remuneration and conditions

South Korea Customs conducts an annual performance evaluation of every official in every division. The results of customer satisfaction surveys also account for as much as 5% to 15% of the entire

performance evaluation. Divisions are rated in line with the results of the survey, and workers are paid a bonus. (*WCO Integrity Newsletter Issue No. 04 (pp. 3-4)*)

Deployment and rotation and relocation

Indian Customs rotates officers between identified sensitive and non-sensitive posts on a regular basis. Officers are categorized into different groups according to their ranks and different policies are followed to transfer and post them. (*WCO Integrity Newsletter Issue No. 17 (pp. 17-19)*)

Performance management/appraisal

The performance appraisal process of the **Gambia** Revenue Authority is carried out based on totally impartial criteria defined for all staff according to their position. Performance management is therefore regarded as of fundamental value. Thus, the staff have clear evaluation criteria and terms describing achievements. (*WCO Integrity Newsletter Issue No. 15 (pp. 20-21)*)

Training and professional development

Integrity training is a part of the basic Customs curriculum in the **Norwegian** Customs Administration, and new recruits follow a course which covers the different integrity theories and recommended methods. It provides a detailed description of the Government ethical guidelines as well as of the Customs Code of Conduct which officers agree to abide by. (*WCO Integrity Newsletter Issue No. 1 (pp. 6-7)*)

The mission statement of the training college of the **Canada** Border Service Agency includes the development of well-rounded, responsible, informed, ethical and proud border management professionals. It guides and assists recruits in building, developing and consolidating their integrity compass from the first day of the online component to last day of the residence component. This foundation formulates the integrity compass for the rest of their career. (*Presentation at the 18th session of the WCO Integrity Sub-Committee*)

Managing conflict of interests

A compliance officer has been appointed to control the management of conflicts of private and public interests at **Lithuanian Customs**. A set of rules has been adopted to regulate submission of the declarations of private interests, together with an obligation to avoid a conflict of interests, the procedure for withdrawal from decisions, restrictions, and declarations of gifts, services, and restrictions on the representation of other physical or legal persons.

9. MORALE AND ORGANIZATIONAL CULTURE

Role of senior management in promoting morale and organizational culture

In order to promote a work ethics culture in its service delivery by inculcating honourable values such as transparency, honesty and sincerity, senior management of the Customs Department of **Brunei** started to conduct internal lectures and interactive dialogues with officers and business stakeholders on the threats of corruption and the need to instil a high level of integrity as the basis for conducting business. (*WCO Integrity Newsletter Issue No. 4 (p. 6)*)

Assessing morale and organizational culture

Fiji Customs conducted a customer satisfaction survey to identify the level of satisfaction of its customers. A customer satisfaction index was developed to use as a benchmark to measure improvements. Fiji Customs also carried out the staff climate survey enabling the organization to operate more efficiently using staff input and satisfaction ratings. (*WCO Integrity Newsletter Issue No. 9 (pp. 10-11)*)

Promoting sustainable organizational culture and high morale

The last week of May every year is “Ethics Week” in **Turkish** Customs, during which various events are held with the participation of the staff. Within the scope of Ethics Week, seminars on the Code of Ethics, seminars on Public Ethics and Value Principles, Ethics Conferences and Training Programmes for Ethics Trainers are organized annually. (*WCO Integrity Newsletter Issue No.14 (pp. 8-10)*)

Since the social and cultural needs of Customs employees and their families cannot be met solely by governmental arrangements, the Welfare Association of **German** Customs was established for the welfare of its staff. It offers affordable recreational opportunities at home and abroad. The Welfare Association also works towards keeping people healthy and making work compatible with family life. (*WCO Integrity Newsletter Issue No.05 (pp. 11-12)*).

Behavioural aspects for safeguarding Customs integrity

An initiative of **Danish** Customs, the Codex on correct behaviour, is part of the onboarding process for new employees. The Codex discusses a number of topics ranging from correct behaviour in the administration, freedom of speech and social media, use of databases and systems, and gifts and other advantages. (*WCO Integrity Newsletter Issue No.17 (p. 13)*)

To help public servants address ethical dilemmas during the decision-making process, the **Australian** Public Service Commission developed a decision-making model known as REFLECT: REcognise a potential issue or problem, Find relevant information, Linger at the “fork in the road”, Evaluate the options, Come to a decision and Take time to reflect (OECD, 2018).

A multi-disciplinary research unit in **U.S.** Customs and Border Protection, the Office of Internal Affairs (CBP-IA) is comprised of behavioural and social scientists, analysts, and operational personnel who conduct systematic, operationally-relevant research, programme evaluation, statistical analysis, and consultation to promote integrity and improve CBP-IA’s ability to detect, deter, investigate, and prevent misconduct and corruption. (*WCO Integrity Newsletter Issue No. 02 (pp. 9-10)*)

10. RELATIONSHIP WITH THE PRIVATE SECTOR

Strong cooperation framework

In 2014, an Anti-Corruption Letter of Understanding was signed between the **Bolivian** National Customs Authority and different stakeholders in the foreign trade supply chain, together with several private-sector bodies. In order to implement and ensure the effectiveness of the objectives set out in the anti-corruption Letter of Understanding, the National Customs Authority has signed individual letters with each sector holding several one-to-one meetings with each signatory. (*WCO Integrity Newsletter Issue No.12 (pp. 6-11)*)

Service (quality) charters

A national telephone survey on **Mexican** Customs is conducted each year and aims to measure the perception of three major Customs users: importers, exporters and Customs brokers. The survey evaluates quality, operations, and transparency in Customs procedures and processes. (*OECD (2017). Integrity in Customs: Taking stock of good practices (p. 40)*)

Integrity training for the private sector

As part of its modernization programme, **Liberia** Customs has embarked on a vigorous training programme, not only for Customs officers, but also for stakeholders, such as Customs brokers, bankers, and shipping lines, which places emphasis on integrity. It has also included training-related provisions in agreements with collaborating partners. (*WCO News, Issue No. 75 (pp. 54-55)*)

The **Canada** Border Services Agency (CBSA) conducted a joint awareness-building pilot session with a private-sector Customs brokerage firm (Customs-Business Awareness Building Sessions). The objective of the session was for participants to gain a better understanding of their respective roles and the impact of their decisions through exposure to each other's reality via job shadowing.

The CBSA and the brokerage firm each identified an equal number of participants to take part in a one-day session. In the morning, Customs brokers were given an overview of the CBSA's roles, responsibilities and commercial process. This included a tour of some of the CBSA's regional facilities. In the afternoon, Customs officers were given an overview of the brokerage company's activities and processes, followed by a job-shadowing session with expert brokers.

Overall participants were very satisfied with the activity and said that it contributed to an improved understanding. Following the success of this pilot, the CBSA is developing best practices and guiding principles to be shared at a national level to encourage regional offices to organize more of these sessions with their local stakeholders and to aid in providing a consistent approach. The next steps will include exploring the possibility of providing variations of this pilot and partnering with the private-sector to co-facilitate portions of the CBSA's commercial training curriculum (*WCO (2015), 'Customs – Business Partnership Guidance'. Page 27*).

Joint anti-corruption task force

Paraguay Customs formed the Good Government Committee with the participation of Customs officials and representatives of the Chamber of Importers of Paraguay (CIP), the Chamber of Exporters (CAPEX) and the Customs Employees' Association (AEDA). This body addresses issues such as: establishment of the Customs career path and a rotation system; exchange of information on and research into the responsibilities of officials and users in Customs operations; strengthening of the risk management system; promotion of the Authorized Economic Operator (AEO) Programme; and drafting of the internal regulations of the Good Government Committee. (*WCO Integrity Newsletter Issue No.17(pp. 24-26)*)

Reporting and accountability mechanism

The public accountability mechanism in **Bolivian** Customs allows people to examine the institutional information to ensure that the use of public resources is monitored and that results which enhance public management and which can be used to formulate recommendations are prioritized. All social sectors and stakeholders are encouraged to attend these events through public invitations. (*WCO Integrity Newsletter Issue No.12 (pp. 6-10)*)

Motivating the private sector to comply

Cape Verde Customs has started focusing on stakeholder engagement and communication, and local officials and WCO experts have devised a strategy for stakeholder engagement which will equip the Customs administration to meet priority organizational challenges. The main aim was to improve relations with forwarders in order to encourage voluntary compliance with Customs procedures. A working group has been set up with forwarders for that purpose. (*WCO news Issue No. 76 (pp. 47-48)*)

Code of conduct for the private sector

Under the auspices of **Turkish** Customs, brokers signed a Code of Ethics. They then had one year to implement the Code via a compliance programme to address bribery risks, after which they would receive the “Ethical Broker Logo” that would identify them as a broker capable of managing identified risks. (*WCO news Issue No. 83 (pp. 12-14)*)

11. GENDER EQUALITY, AND DIVERSITY AND INTEGRITY

Gender equality through equal pay

Iceland Customs implemented the requirements of the Equal Pay Standard creating a system which ensured that women and men working for the same employer were paid equal wages and enjoyed equal terms of employment for the same jobs or jobs of equal value. (*WCO news Issue No. 83 (pp. 36-39)*)

The Gender Pay Gap and Gender Equity

2018 marked 125 years since [New Zealand](#) women were given the right to vote. Acknowledging that women remain underrepresented in leadership, that they are paid less for doing the same work or adding the same value as men, and that female-dominated occupations remain lower paid than male-dominated occupations, the Government of the day set the objective to eliminate the gender pay gap within the Public Service. The expectation was that the Public Service as a collective should lead the way in addressing the workplace drivers of the gender pay gap, and that substantial progress towards the goal should be made within this Parliamentary term (2018-2020).

The public service agreed they would work in collaboration to:

- develop system level guidance and oversight;
- take agency level action;
- ensure accountability for progress.

Stakeholders involved in integrity initiative:

The Gender Pay Taskforce is led by the Ministry for Women and Te Kawa Mataaho Public Service Commission, partnered by the Public Service Association (trade union). All public service agencies, plus the Council of Trade Unions and the various state sector unions, are committed to the objective. By default, this means all public service leaders/managers are also committed.

Impact and Achieved results:

- *Flexible-by-default* – implementation has been accelerated by COVID-19 and the need to work from home the pandemic prompted. As an example, Customs formalized its Flexible Working policy mid-2020. It takes an ‘if not, why not’ approach to considering applications for flexible work (i.e. variations to hours of work, days of work, and/or place of work).

- *Equal pay* – by mid-2019, the median Public Service gender pay gap was 6.2%, a fall from 10.7% in 2018. This is partially due to agencies moving to close any gender pay gaps within the same roles but also the increased number of women in senior leadership positions (see below).

- *Gender balanced, diverse leadership* – as at 30 September 2019, of the 34 Public Service chief executives (CEs), 17 were women. Two women and one man were in acting roles. Women accounted for 50% of CEs, up from 44% in 2018 and 30% five years ago in 2014. Ethnic diversity amongst the chief executives comprises 90.3% European, 16.1% Māori and 3.2% Pacific Peoples (including those with multiple ethnicities).

- *No bias or discrimination in remuneration systems and human resource practices* – actions here have included:

- Removing gender pay gaps in starting salaries for the same roles;
- Compulsory Unconscious Knowledge and Bias e-learning programmes for managers/leaders and those involved in appointment panels, with plans established to provide all relevant staff with this training and refreshers on an ongoing basis;
- Completing a review of HR policies and practices in line with Gender Pay Taskforce guidance.

This collective action will take time to fully implement although progress has already been significant. Over time it is expected to:

- increase inclusion and diversity, not only across the public sector but more broadly as the impact flows through the system;
- continue to close the gender pay gap;
- strengthen the ability to maintain business continuity;
- attract and retain talent;
- increase employee productivity and engagement.

Inclusion and Diversity

New Zealand (NZ) Customs introduced its first Diversity and Inclusion Strategy in 2014. The demographic changes in population, trade, and travel led us to conclude that inclusion and diversity should become a strategic priority. Good progress has been made in relation to women in leadership, awareness of unconscious biases, and reducing the gender pay gap, but areas of concern remain.

An updated Inclusion and Diversity Strategy 2019-2021 clarifies a vision that “Customs is inclusive and diverse: every voice is valued and respected” and aligns with Customs’ overall values:

- He Tāngata: we value people
- Te Ara Tika: we do what’s right
- Kaitiakitanga: we are guardians
- Pae Tawhiti: we look forward.

It also signifies an aim to “reflect the community we serve, and together we protect and promote New Zealand across borders”, and to uphold New Zealand’s Treaty of Waitangi principles; partnership, participation and protection. Specific 2021 goals have been set in the areas of *gender equity* and *ethnic diversity*.

To support the original strategy, also in 2014 the Diversity and Inclusion Council was formed. This too was recently reviewed and renamed the Inclusion and Diversity Council to reflect an adjustment in focus. The Council is there to:

- provide advice to the Comptroller and Customs Executive Board (CEB);

- enhance awareness of inclusion and diversity and be an Inclusion and Diversity champion across Customs;
- role model inclusive behaviours by supporting each individual's uniqueness;
- identify, support and/or implement initiatives related to inclusion and diversity;
- enable the delivery of the Inclusion and Diversity Strategy;
- monitor and evaluate the progress of the strategy and key inclusion and diversity metrics.

The *Customs Executive Board*, with the input of all NZ Customs staff, framed the values of the organization that provide the long-term base for this initiative.

The *Inclusion and Diversity Council* consists of a group of approximately 15 people, including top-level management, who reflect the diversity of our organization, in terms including experience, geographical location, personal and professional backgrounds and skills. Any interested staff member can self-nominate, and appointments are for a minimum of 12 months, with members standing down on a rolling basis. Within the Council, rank is left at the door; it embraces the range of skills, uniqueness, experience and thought that each person brings.

All staff across the organization have a commitment to inclusion and diversity integrated into their role expectations.

Being inclusive means valuing the uniqueness of every staff member and of those with whom NZ Customs interacts. It helps everyone to contribute and bring their authentic selves to work. Being diverse means recognizing people have a unique blend of different knowledge, skills, and experience based on professional skills, sexual orientation, age, gender identity, ethnicity, disability, and more, and that each perspective provides a different value-added to NZ Customs.

Results achieved:

Customs is creating an environment in which there is a strong belief in having a culture of inclusion so that people feel safe, and that they are treated fairly, supported to grow, and able to do their best work. Since the introduction of the strategy in 2014 good progress has been made in relation to women in leadership (up 8%), raising awareness of unconscious biases, with 60% of leaders having attended training, and reducing the gender pay gap significantly through addressing pay equity issues.

Outlook:

The community NZ Customs serves is increasingly diverse, and it needs to be ready to respond to changes in customer demand, risks and technology. All these changes require the people who make up NZ Customs to be inclusive, culturally competent, and use diversity of thought for better decision making.

Meeting our 2021 goals will see Customs better reflect its community and improve its decision-making, problem-solving and innovation through an increasingly inclusive and diverse workforce. The goals are:

- to attract, retain, develop, and progress women at all levels (e.g. 36.5% female leaders);
- to increase its proportion of Māori staff and proportion of Māori, Asian and Pacific leaders at all levels (e.g. Māori staff to 12.6%, Māori leaders to 11.4%, Pacific leaders to 8.2%, Asian leaders to 8.2%).

The emerging areas of sexual orientation, gender identity, disability, and mental health are also important as focus areas. NZ Customs does not currently have insight into statistics or clear indicators for actions that support these areas. Further research and planning is underway, so specific goals and actions can be defined as it moves forward.

12. COLLECTIVE ACTION

Identification of participants to form a group

For the high-risk importer enforcement programme, **Indonesian** Customs collaborated with key government agencies including the President's staff office, the police, army, attorney general, Corruption Eradication Commission, and several ministries. They also constructed an alliance with the private sector representing the chamber of commerce and several industrial associations. (*Presentation at 18th WCO Integrity Sub-Committee*)

Identifying the importance of decisions by Customs officers in the corruption process, **Belgium** Customs joined with academia to raise the awareness of officers about corruption, and particularly the administrative, legal and psychological aspects of this phenomenon, whilst stressing the impact and consequences of corruption. (*WCO Integrity Newsletter Issue No. 12 (pp. 6-10)*)

Setting common goals and roles to secure the consensus

Uruguay Customs has been signing MoUs with public and private sector stakeholders aimed at establishing common lines of action regarding ethics and transparency, the fight against corruption and any other actions running counter to accepted behaviour by officials and the private sector. These actions make it possible to develop Codes of Conduct for Customs administrations and private stakeholders, carry out workshops and training activities related to ethics involving cooperation between Customs officials and foreign trade operators, and create action plans together. (*WCO Integrity Newsletter Issue No. 17 (pp. 30-31)*)

Ongoing consultation and exchange of information

Jamaica Customs has launched a series of community engagement sessions known as “*Customs Meets the Community*” which are designed to reach the wider public in both urban and rural communities. These sessions are primarily designed to educate the wider public and stakeholders alike about various Customs processes frequently used by those persons. (*WCO Integrity Newsletter Issue No. 16 (pp. 12-13)*)

Cameroon's CHOC

In 2007, the Government of Cameroon introduced the CHOC project (*Change Habits – Oppose Corruption*), a partnership of several donors which seeks to enhance good governance. The political decision to launch this project arose on the one hand in response to the magnitude of the challenges of improving governance in Cameroon, and on the other out of the Government's will to combat corruption. The CHOC project falls within the National Governance Programme, coordinated by the Prime Minister's office, and seeks mainly to help to bring about a significant reduction in corruption in Cameroon by supporting the implementation of projects described in the “anti-corruption policy” component of the Programme.

During its first phase (2007-2011), the CHOC project provided technical and financial support for the drawing up and implementation of the National Anti-Corruption Strategy and the drawing up of draft anti-corruption legislation that was referred to the Government and to civil society anti-corruption organizations. The project also enhanced the capabilities of the National Anti-Corruption Commission and national anti-corruption units. Thanks to the existence of the National Anti-Corruption Strategy, Cameroon now has a policy and a framework of coherent anti-corruption initiatives. The need

to strengthen the legal system in tackling economic and financial crimes has been set out by the Ministry of Justice, and cooperation with civil society anti-corruption organizations is gradually taking shape. Although this project has not involved Customs as yet, this example shows that real progress can be made when several parties join together to work on an issue that concerns them all for one reason or another.

Maritime Anti-Corruption Network

A good example of collective action is demonstrated by the initiative launched by the Maritime Anti-Corruption Network (MACN). MACN is a platform to contribute to the elimination of corrupt practices in the maritime industry. It is composed of vessel-owning companies within the main sectors of the maritime industry and other companies in the industry, including cargo owners and service providers. MACN also collaborates with key stakeholders in the maritime industry and with national authorities. MACN has identified the main partners, particularly port and Customs authorities, NGOs and local governments, which combine their efforts to implement a range of programmes to reduce corruption in ports. This will without doubt have an impact on the various links in the supply chain.

This approach involves mapping and bringing together the leading maritime industry partners and giving them the opportunity to assess the challenges and find solutions jointly. A risk assessment focusing on import and export procedures is then carried out and forms the basis for inviting the various parties to identify solutions and define which of the different actors may be able to provide them. Following a consultation process, the actions to be taken are prioritized and set out in an action plan¹¹⁰. The MACN initiative was launched by the private sector but enjoys the active co-operation of Customs Directors General from countries in which MACN operates. A similar approach could be launched by a Customs Administration, mirroring partnership initiatives that have already been launched between Customs and the private sector at the former's request.

¹¹⁰ Maritime Anti-Corruption Network (2016)

Annex 3. IDG Checklist Questions

KEY FACTOR	
Leadership and Commitment	
<p><i>The Revised Arusha Declaration states:</i></p> <p><i>The prime responsibility for corruption prevention must rest with the head of Customs and the executive management team. The need for high levels of integrity must be stressed and commitment to the fight against corruption maintained over the long term. Customs managers and supervisors should adopt a strong leadership role and accept an appropriate level of responsibility and accountability for maintaining high levels of integrity in all aspects of Customs work. Customs managers should demonstrate a clear and unequivocal focus on integrity and be seen to set an example that is consistent with both the letter and spirit of the Code of Conduct.</i></p>	
CHECK LIST	
I.	Whole-of-government approach
1	Does the government have an established integrity programme or strategy? If so, how is the administration's strategy linked with the broader government strategy?
2	How does the administration communicate integrity efforts to the Minister or the highest government executive responsible for Customs-matters, and vice versa?
3	What arrangements are in place to maintain and increase government support for integrity in the administration? Are they effective? How can they be improved?
4	Are adequate resources made available to the administration to allow efficient and effective fulfilment of its functions?
II.	Role of management
5	How is the head of the administration actively involved in promoting the administration's integrity strategy, especially with external stakeholders?
6	How do the head of administration and the senior management provide leadership and demonstrate an active commitment to the integrity programme? How do they demonstrate leading by example?
7	Is promoting integrity and leading by example a requirement prescribed for senior management?
8	Are managers encouraged/trained to effectively apply the concept of behavioural insights and its mechanisms (the use of rewards and incentives, exercising a monitoring function, and non-monetary incentives) in order to reduce the opportunities for non-compliant behaviour by employees?
9	Is the process of appointment of senior and middle management clear and transparent? Are there pre-determined criteria for assignments/appointments to high-level positions?
10	Are there performance indicators to measure the performance of senior managers related to integrity development?
III.	Accountability and oversight mechanism
11	Is there an established oversight mechanism to assess the integrity of senior management and employees?

12	What strategies are in place to address the issue of integrity among senior management?
13	What mechanisms are in place to report integrity breaches by senior management? How are they held accountable for breaches of integrity?
14	How does the head of Customs and senior management deal with or respond to allegations of corruption, including those which are against them?
IV.	Organizational commitment and individual commitment
15	Does the organization have a clear vision, a mission statement and core values that are promoted among employees? What is the mechanism in place to communicate and enhance awareness among employees?
16	How is the administration's commitment to promoting integrity and fighting corruption embedded in its vision, mission, values, strategies and goals?
17	Is the commitment to promoting integrity communicated, publicized and disseminated within and outside the administration?
18	How do managers work with employees to identify any weaknesses and vulnerabilities in relation to processes and procedures?
19	What mechanisms are in place to assist managers to identify employees who, by virtue of temporary personal circumstances, may be vulnerable to corruption and malpractice?
20	Is it understood that the demonstration of high levels of integrity is a collective effort and a responsibility of every employee at all levels? What tools are available to support employees and managers to demonstrate high levels of integrity?
21	How do senior managers encourage and support organizational and individual integrity?
V.	Whole-of-society approach
22	Is the administration involved in programmes that promote integrity, through partnering with the private sector and/or civil society? If so, which programme(s)? What is the level of involvement?
23	What mechanisms are in place to reach out to society, to raise awareness on the benefits of integrity and raise awareness on reducing tolerance of violations of integrity standards by Customs officials and stakeholders?

KEY FACTOR

2. Regulatory Framework

The Revised Arusha Declaration states:

Customs laws, regulations, administrative guidelines and procedures should be harmonized and simplified to the greatest extent possible so that Customs formalities can proceed without undue burden. This process involves the adoption of internationally agreed conventions, other instruments and accepted standards. Customs practices should be reviewed and redeveloped to eliminate red tape and reduce unnecessary duplication. Duty rates should be moderated where possible and exemptions to standard rules be minimized. Systems and procedures should be in accordance with the revised International Convention on the Simplification and Harmonization of Customs Procedures (Revised Kyoto Convention).

CHECK LIST	
I.	Accession to international conventions, instruments and standards
1	Is the national legislation aligned with the RKC?
2	What level of cooperation and coordination exist within your administration's various departments to facilitate the implementation and ratification of the RKC?
3	Have the principles underlying the RKC been implemented or ratified? If not, is implementation and ratification of the Convention a high priority and scheduled for introduction in the near future?
4	What other internationally agreed standards have been implemented and/or are scheduled for implementation and ratification (e.g. HS Convention, WTO Valuation Agreement, WTO Trade Facilitation Agreement, ATA Carnet Convention/Istanbul Convention, SAFE Framework of Standards, Framework of Standards on Cross-Border E-Commerce, Nairobi Convention, etc.)?
II.	Periodic review of national regulation on Customs practices, procedures and systems
5	Is the application of any administrative penalty system transparent and understandable? Is it applied in a consistent manner?
6	Does current legislation clearly stipulate what procedures and practices to follow?
7	Have practices, procedures and systems been reviewed, harmonized and simplified to reduce unnecessary duplication and 'red tape'? Are there structured review mechanisms in place such as an agreed periodic cycle and/or a continuous improvement programme?
8	When practices, systems and procedures are being reviewed, how is attention paid to eliminating corruption risks (e.g. provisions that may allow monopoly of powers, discretionary powers and minimal accountability of officials)? Are internal and external corruption risk assessments conducted to support the review?
9	Are reviews of systems and procedures introduced in a transparent manner?
10	Have procedures been considered that promote minimal human interaction and trade facilitation measures, such as post-release collection of taxes and duties, release of cargo without examination, pre-arrival clearance and automated release of goods, etc.?
III.	Internal and external stakeholder consultation
11	How is the working group on the development and review of Customs regulation formed?
12	How are external stakeholders (the private sector and other government agencies, NGOs, etc.) involved in the review process? Is it mandatory that consideration is given to external stakeholder consultation when national regulation on Customs practices, procedures and systems is introduced or reviewed? Do you take proactive measures to include representatives from different private sector segments, including representatives of women traders and minority groups in reviewing the process?
13	Has a programme of consultation and cooperation with other government agencies been established to examine means of rationalizing regulatory requirements to reduce or eliminate 'red tape'?
14	Are exemptions, concessions, regulations, procedures and legislation made transparent and communicated to stakeholders? If so, how?
IV.	Regulatory framework for core Customs competencies and business processes

15	Are all business processes and Customs competencies regulated and documented? Does the administration have the clear distribution of competencies between its structural divisions and rules for internal interaction in relation to delivery of Customs (and other public) services?
16	Does every employee in the administration have a job profile (job description) which clearly defines his/her roles and responsibilities? Have all appropriate SOPs for operational processes in Customs been established?
17	Has any division been formally assigned with the role of ensuring integrity violation/corruption risks are managed and taken into account in new regulation, projects, policies, initiatives and organizational procedures?

KEY FACTOR

3. Transparency

The Revised Arusha Declaration states:

Customs clients are entitled to expect a high degree of certainty and predictability in their dealings with Customs. Customs laws, regulations, procedures and administrative guidelines should be made public, be easily accessible and applied in a uniform and consistent manner. The basis upon which discretionary powers can be exercised should be clearly defined. Appeal and administrative review mechanisms should be established to provide a mechanism for clients to challenge or seek review of Customs decisions. Client service charters or performance standards should be established which set out the level of service clients can expect from Customs.

CHECK LIST

I.	Communication strategy
1	Does the administration have a communication unit ¹¹¹ established to collect and organize (accurate and consistent) information, and disseminate it?
2	Are the contents of the information simple, precise and unambiguous and adapted in a gender-responsive and inclusive manner according to the needs of the user?
3	Does the communication strategy target the desired audience, such as Customs brokers, chambers and trade associations, importers/exporters, tourists/travellers etc.
4	Is the organization using different methods of information dissemination? E.g. electronic and print media, website and social media, brochures and pamphlets, seminars and conferences, etc.
5	Has the organization established customer help desks, hotlines, toll-free numbers, social media and mobile applications, a website?
6	Are there any systems and procedures established to obtain information (e.g. tariff classification, origin and valuation rulings, advance rulings, etc.)
7	Are information circulars/administrative guidelines regularly issued to all employees?

¹¹¹ This unit may be called a communication unit, public relations unit, client communication unit, client interaction unit, press and media unit/centre etc.

8	Are there any mechanisms in place to obtain feedback from the clients and stakeholders on their requirements and preferred media?
II.	Ongoing and periodic publication of Customs regulations and performance
9	Is critical information on rules, policies, standards and practices summarized or simplified in files, brochures, etc.? Are such materials translated into different languages (where necessary and possible) for wide circulation?
10	Does the organization regularly update its website with changes in Customs regulations?
11	Are the results of Customs performance made publicly available (i.e. Internet, press publication, etc.)?
12	Is the publication of Customs regulations (new initiatives, decisions, regulations or changes in Customs regulations and procedures) consistent and ongoing?
13	Are the results of Customs performance made publicly available (i.e. Internet, annual report, etc.)? Is this mandatory?
III.	Framework for the exercise of discretionary powers
14	Are there any criteria for the use of discretionary powers?
15	Are the deviations from Customs regulations documented/recorded and are the decisions conveyed to those who are affected by the decision?
16	Are systems in place to assist employees in making consistent decisions?
17	Is there any review mechanism of the recorded/documented deviations?
18	Do documented deviations or use of discretionary powers trigger changes in Customs regulations?
IV.	Appeal and review mechanisms
20	Does the organization have the right of appeal and suitable mechanisms for administrative decisions?
21	Is the internal appeal mechanism accessible to all clients and stakeholders?
22	Are the timeframes and costs of the review mechanism favourable to the clients and stakeholders?
23	Is there an independent external appeal mechanism in addition to internal mechanisms?
24	What is the mechanism for implementing the decisions resulting from external appeals?
25	How are frivolous complaints handled?
V.	Organizational transparency
26	Has the organization developed electronic systems (e-governance, e-procurement, etc.) to make the working conditions transparent? (e-governance, e-procurement, etc.). Are there suitable controls over procurement procedures and tendering for Customs and tax work?
27	Does the organization have transparency in the internal decision-making process? What measures are taken to ensure that the process of decision-making is transparent? Are the meetings and procedures that may be vulnerable to corruption or require assurance for objectivity recorded/documented?
28	Does the organization have a communication strategy and/or have a public relations unit to promote the Customs image and to address public grievances or criticisms through appropriate channels, including social media and other electronic platforms?

29	Has the organization documented internal standards, detailing the timelines within which employees should respond to clients?
VI. Operational transparency	
30	Does the organization have service charters and are they periodically updated according to new requirements? Are they accessible through print and electronic media, and the web?
31	Can the service standards be measured? Are the organization's systems and resources in place to ensure service standards are maintained?
32	Have mechanisms been developed and implemented which monitor and evaluate the organization's performance against established standards?

KEY FACTOR

4. Automation

The Revised Arusha Declaration states:

Automation or computerization of Customs functions can improve efficiency and effectiveness and remove many opportunities for corruption. Automation can also increase the level of accountability and provide an audit trail for later monitoring and review of administrative decisions and the exercise of official discretion. Where possible, automated systems should be configured in such a way as to minimize the opportunity for the inappropriate exercise of official discretion, face-to-face contact between Customs personnel and clients and the physical handling and transfer of funds.

CHECK LIST

I.	Automation and automated Customs clearance system
1	Are the advances in trade studied to foresee the possible changes required in the Customs systems?
2	Have the systems been designed to provide opportunities for digital submission and processing of data?
3	Has a paperless approach been implemented in the administration?
4	Have your automated systems been designed to restrict or reduce opportunities for corruption, as well as to identify and trace the processes that could present such opportunities?
5	Has the system been designed to minimize the input of data/human intervention?
6	Are standardized data requirements, such as those defined in the WCO Customs Data Model, applied?
7	Are there appropriate operating systems to support the use of electronic trading, such as e-commerce?
8	Is appropriate attention paid to increasing official supervision and accountability at those points in the process that cannot be automated (such as cargo examination)?
9	Have automated payment systems been established which eliminate or limit the physical handling and transfer of funds between Customs officials and clients?

10	Is there any method of performance management of the automated systems?
II. Risk management in Customs clearance	
11	Is there coordination between the risk identification and cargo examination units?
12	Has the opportunity for unnecessary 'face- to-face contact' between officials and clients been reduced?
13	Is the number of officials with access to the system's programming limited and controlled?
14	Does the administration have any strategy to address the risks of electronic trading (e-commerce)?
15	Is the audit of the automated payment system conducted by a specialist?
16	If external consultants and contractors are involved in the provision or support of computer systems, have they been subject to security checks, and have supervision and accountability systems been established to monitor performance?
17	Is e-commerce supported by self-assessment, RMS and audit-based controls?
18	Is there genuine risk analysis whereby, using mathematical and statistical techniques, the areas of risk are identified and control efforts are focused on those areas?
III. Sustainability of automated systems	
19	Is there a plan for automation of the administration?
20	Are the requirements of automation (human and financial) being constantly met?
21	Are the future projections (as per the plan) of automation requirements secured?
IV. System security and data protection	
22	Do security checks allow for a proper assessment of the current state of overall protection of the system, so that the necessary measures can be taken to strengthen it?
23	Are appropriate security and firewall provisions in place to protect the systems from external misuse? Is a periodic security and firewall report prepared?
24	Are processes in place to ensure that the system is not vulnerable to employees with relevant system knowledge?
25	Is access to secure information strictly controlled, monitored, and regularly audited to ensure that information is not being viewed for inappropriate or private purposes?
26	Is there a requirement for employees to maintain privacy when dealing with confidential information? Are employees aware of this requirement?
27	Is there adequate separation of tasks between those officials associated with identifying risk and those officials involved in subsequent Customs procedures, such as cargo inspection and revenue collection, inspection/investigation?
V. Relations with users (internal and external)	
28	Is there a mechanism in place to evaluate client satisfaction with respect to the automation of Customs procedures? Is there an interactive platform (e.g. hotline) to address technical issues in daily usage in relation to automated systems?
29	Have users been trained on how to use the system?
30	How are reforms related to automation conveyed to the users?

KEY FACTOR

5. Reform and Modernization

The Revised Arusha Declaration states:

Corruption typically occurs in situations where outdated and inefficient practices are employed and where clients have an incentive to attempt to avoid slow or burdensome procedures by offering bribes and paying facilitation fees. Customs administrations should reform and modernize their systems and procedures to eliminate any perceived advantages which might be obtained through circumventing official requirements. Such reform and modernization initiatives should be comprehensive in nature and focus on all aspects of Customs operations and performance. The Revised Kyoto Convention provides a sound reference point for such initiatives.

CHECK LIST

I. Reform and modernization

- | | |
|---|---|
| 1 | What are the focus areas of R&M initiatives in the administration? |
| 2 | Have integrity-related issues been considered in the R&M initiatives? |
| 3 | Has the reform and modernization programme focused specifically on promoting integrity? |
| 4 | Are the administrative controls reformed to deter corruption and promote integrity? |
| 5 | Has the administration focused on eliminating the corruption-inducing factors? (Klitgaard formula: corruption equals monopoly plus discretion minus accountability: $C=M+D-A$) |

II. Sustainable and continuous reform and modernization

- | | |
|---|---|
| 6 | What technical support structure (experts, knowledge, skills or logistics) do you have in place for managing sustainable reforms? |
| 7 | What mechanisms are in place to ensure sufficient human and financial resources have been allocated to the R&M programme? |

III. Stakeholder engagement

- | | |
|----|---|
| 8 | How do the employees within the administration obtain/gather the expert advice (internal and external) and assistance necessary for R&M initiatives? |
| 9 | What are the communication mechanisms in place to ensure that everyone (top-down and bottom-up) is informed about the R&M approach? |
| 10 | Have you ensured that employees have a strong sense of ownership and are committed to the R&M programme? |
| 11 | What initiatives have been taken to ensure the active involvement of key stakeholders, including the private sector and other government agencies, in, for example, the strategic reform plan, R&M plan, R&M policy etc.? |
| 12 | Have key stakeholders, including the private sector, been consulted and involved in the process of reform well in advance and how? |
| 13 | Have other government agencies been consulted? If so, how have areas of common activity been simplified? |
| 14 | What mechanism is in place for acquiring feedback from stakeholders after implementing the reform? |

15	Has the administration taken into consideration the gender balance and diversity of the group during the stakeholder engagement?
IV. Results-focused performance measurement	
16	How are performance targets for core-Customs processes set after the implementation of reform?
17	What process review mechanisms are in place to ensure continuous improvement?
18	How are R&M programmes measured? For example, is there an external evaluation to ensure that the reform is cost-effective and efficient?
19	Is there any external review of the performance management involving stakeholders?
V. Sharing R&M practices and experiences	
20	On what basis has the administration's R&M process been developed, such as a WCO diagnostic or a WTO needs assessment of the administration's capacity?
21	Does the R&M programme focus on the adoption of agreed international standards and instruments (for example the RKC, SAFE Framework of Standards, etc.)?
22	Have the results of R&M been shared on an international platform to provide benchmarking opportunities for other administrations which have undertaken R&M initiatives?

KEY FACTOR

6. Audit and Investigation

The Revised Arusha Declaration states:

The prevention and control of corruption in Customs can be assisted by the implementation of a range of appropriate monitoring and control mechanisms such as internal check programmes, internal and external auditing, and investigation and prosecution regimes. Such regimes should strike a reasonable balance between positive strategies to encourage high levels of integrity and repressive strategies designed to identify incidences of corruption and to discipline or prosecute those personnel involved. Customs personnel, clients and the general public should be encouraged to report corrupt, unethical or illegal activity and, when such information is provided, it should be investigated in a prompt and thorough manner and sources should be protected. Where large scale or complex investigations are warranted or in administrations where corruption is widespread, there should also be recourse to independent anti-corruption agencies.

CHECK LIST

I. Strengthened internal control	
1	Has an internal control or internal affairs unit been established to investigate cases of malpractice?
2	What is the legal framework defining the responsibilities and competences with respect to internal control?
3	What mechanisms are in place to ensure the independence of internal control?
II. Corruption risk management	

4	How is corruption risk assessment conducted to identify operational areas that present a potential risk of exposure to corrupt practice?
5	What tools and/or techniques are applied for corruption risk assessment?
6	Are the employees responsible for the corruption risk management function properly trained? How are they trained?
III.	Detection and investigation
7	Do the investigators receive training in interview and interrogation techniques?
8	Do investigators have the legal authority to conduct investigations?
9	Are findings from investigations incorporated in prevention and training strategies?
10	Where large-scale or complex investigations are warranted, is there access to independent anti-corruption or investigation authorities?
11	Are investigations conducted at arm's length between investigators and employees?
12	Is procedural fairness maintained throughout the investigation?
13	Is there a formalized discipline process to take action as a result of an investigation?
14	Is the data from investigations analysed to identify trends, vulnerabilities, and opportunities for improvement? (e.g. for periodic reports on findings of investigations, audits, trends, etc.)
IV.	Disclosure and whistle-blower protection
15	Do you have legislation, policies, and procedures in place to facilitate the reporting of wrongdoing? If so, does the legislation allow for the anonymous disclosure of wrongdoing?
16	Are the legislation, policies, and procedures made easily accessible to employees, stakeholders, and the public? Are employees made aware of their responsibilities in reporting cases of wrongdoing?
17	If an employee reports a case of wrongdoing, is their confidentiality protected and are they protected against reprisal?
18	Is it mandatory to report suspected or known cases of wrongdoing? If so, are employees aware of this?
19	Has an independent third party been identified and authorized to receive complaints of employees being unfairly treated as a direct or indirect consequence of the reporting?
20	Are there mechanisms in place for employees, clients, stakeholders, and the general public to report instances of wrongdoing? If so, are they well communicated?
21	Is there a system in place for managing complaints against employees?
V.	Internal audit
22	Is an internal audit plan for the administration developed on an annual or cyclical basis?
23	Are internal audits performed by a team that is qualified? And are they independent from the investigations and inspections areas?
24	Are the internal audits conducted using a systematic and evidence-based approach?
25	Are corrective action plans developed based on the results of an internal audit? If so, how is the implementation followed-up?
VI.	External Audit

26	Is there a working relationship between internal audit and external audit? If so, what is the arrangement?
27	What is the external audit frequency?
28	What have been the overall findings of external audit in the most recent report and how is the implementation followed-up? Has the administration taken follow-up measures to prevent similar cases?
29	Are the findings from external audits analysed and included in the administration's overall integrity strategy for enforcing the preventive measures?

KEY FACTOR

7. Code of conduct

The Revised Arusha Declaration states:

A key element of any effective integrity programme is the development, issue and acceptance of a comprehensive code of conduct which sets out in very practical and unambiguous terms the behaviour expected of all Customs personnel. Penalties for non-compliance should be articulated in the code, calibrated to correspond to the seriousness of the violation, and supported by appropriate administrative and legislative provisions

CHECK LIST

I.	Establishment of a code of conduct
1	Does the administration have a formal code of conduct?
2	Was the administration's code of conduct developed in consultation with clients, other government agencies and employees at all levels?
3	Does the code of conduct provide a range of practical examples to clarify various provisions of the code so that employees can easily understand it?
II.	Periodic and ongoing review of the code of conduct
4	Has a periodic review process been established for the code of conduct?
5	What is the frequency of the periodic review process?
III.	Implementation strategy
a)	Management and leadership commitment
6	Do members of the senior management team and all other managers display model behaviour that is consistent with the provisions of the code of conduct?
7	Do supervisors and managers take appropriate action when employees are in breach of the code of conduct?
b)	Awareness-raising and sensitization on the code of conduct
8	Are all employees required to sign an acknowledgement that they have read the Code and understand its provisions, obligations and responsibilities?
9	Are all new and existing employees given training in the application of the code of conduct?

10	Is the code of conduct readily accessible to all employees?
11	Is the code of conduct available for outside entities to review so that they can familiarize themselves with the rules to which employees are subject, such as restrictions on their ability to accept gifts?
c)	Penalty regime for non-compliance
12	Are effective disciplinary measures for non-compliance with the code of conduct in effect in Customs or public sector legislation?
13	What are the mechanisms in place for employees to report suspected breaches of the code of conduct?
14	What are the procedures in place to investigate alleged or suspected breaches of the code of conduct?
15	Has the introduction of a limited amnesty been considered for minor breaches of the Code as an element of the integrity strategy?

KEY FACTOR	
8. Human Resource Management	
<p><i>The Revised Arusha Declaration states:</i></p> <p><i>The implementation of sound human resource management policies and procedures plays a major role in the fight against corruption in Customs. Human resource management practices, which have proved useful in controlling or eliminating corruption in Customs, include:</i></p> <ul style="list-style-type: none"> – <i>providing sufficient salary, other remuneration and conditions to ensure Customs personnel are able to maintain a decent standard of living;</i> – <i>recruiting and retaining personnel who have, and are likely to maintain, high standards of integrity;</i> – <i>ensuring staff selection and promotion procedures are free of bias and favouritism and based on the principle of merit;</i> – <i>ensuring that decisions on the deployment, rotation and relocation of staff take account of the need to remove opportunities for Customs personnel to hold vulnerable positions for long periods of time;</i> – <i>providing adequate training and professional development to Customs personnel upon recruitment and throughout their careers to continually promote and reinforce the importance of maintaining high ethical and professional standards; and</i> – <i>implementing appropriate performance appraisal and management systems which reinforce sound practices and which foster high levels of personal and professional integrity.</i> 	
CHECK LIST	
I.	REMUNERATION AND CONDITIONS
1	Are remuneration levels for employees comparable to similar public/private sector positions? Do staff receive sufficient remuneration to maintain a reasonable standard of living?
2	Are mechanisms available to identify signs of employees in serious debt? What are they?
3	Is there a non-monetary reward system and is it fairly administered? What is the level of authority required to recommend a non-monetary reward? Is this monitored?

4	Is there a reward system for all employees showing high standards of work performance, or does it only recognize a small number of employees in specific roles?
5	Is there a health, housing and/or pension scheme? Are the health and safety conditions of the employees taken into consideration?
II. RECRUITMENT, SELECTION AND PROMOTION	
6	Are selection criteria published and strictly adhered to for all vacancies?
7	Do the selection criteria focus on high ethical standards as well as job specific knowledge and technical competence?
8	Is the appointment and selection process based on merit?
9	Are candidates aware of the selection process and are results communicated promptly?
10	Is there a clear and transparent procedure in place for employees to challenge the outcome of the selection process?
11	Are selection committees comprised to ensure impartiality? Are members of selection committees chosen on the basis that they are gender balanced, diverse and come from different work areas? Do they contain a member of Human Resources?
12	Are external checks routinely performed on new recruits (e.g. background and police checks, previous employment records, references)? Do they occur pre-appointment? Are references and qualifications always checked?
13	To what extent are conflicts of interest tolerated? Are officials allowed to engage in secondary employment? If so, do they have to obtain approval to do so?
14	Are mechanisms of disclosure available in cases of possible conflicts of interest? If so, how is this communicated to employees?
15	Are officials being nominated for promotion assessed on merit and their willingness to accept responsibility for corruption prevention and promotion of integrity?
III. DEPLOYMENT, ROTATION AND RELOCATION	
16	Are employees prevented from holding vulnerable positions for long periods of time? What is the frequency for transfer or rotation of employees?
17	Are rotation guidelines clear and is rotation/mobility a clearly understood condition of service?
18	Has consideration been given to a separate rotation scheme for technical positions?
19	Are there established mechanisms in place to oversee the rotation of employees at regular intervals? Is this process free of bias and favouritism?
20	Does automation provide for the random allocation of employees to perform specific functions (for example inspections)? Are audit visits, examinations and inspections allocated on a random basis, rather than on a commodity, industry or geographical basis?
21	At points of interaction with the public, such as passenger and cargo control points, are there mechanisms in place to prevent prior knowledge that particular officials will be performing particular functions at certain times?
22	Are functions segregated in areas that are vulnerable to corruption? For example, is it possible for one individual official to initiate, check and authorize payments?
23	Does the administration guarantee the conditions necessary to allow employees to carry out remote work if the need arises? Do employees have to meet specific conditions to qualify for

	remote working, do they need specific equipment, and what measures are taken by the administration to guard against inappropriate use?
24	At points of interaction with the public, is there enough protective equipment for employees (masks, gloves, etc.)? In general, is the health and safety of employees a priority for the organization? And their physical and mental well-being?
IV.	TRAINING AND PROFESSIONAL DEVELOPMENT
25	Does the administration provide formal vocational training and structured on-the-job training for employees covering both general and specialist skills?
26	Does all formal training cover the integrity/anti-corruption message and focus on the standards of behaviour expected of all officials? Does introductory training for recruits include integrity principles and the organization's code of conduct?
27	Is there a programme of succession planning to ensure that the administration does not become over-reliant on a few key individuals?
28	Is the effectiveness of training regularly evaluated?
29	Is training provided to a selected group of individuals or is it based on the needs of the job and the performance of individuals?
V.	PERFORMANCE MANAGEMENT/APPRAISAL
30	Does the administration have a clear and transparent performance management/appraisal system in place?
31	Is the appraisal system based on the results of an automated system?
32	Is the system in place fairly administered and regularly monitored and reviewed?
33	Is there a reward system linked to the performance appraisal system? Is the reward system fair and applicable indiscriminately to high performers who are also demonstrating high ethical standards?
34	Is demonstrating a high level of personal and professional integrity specifically captured in the performance appraisal process?
35	Do employees have the opportunity to challenge their performance assessment if they disagree with any aspect of their appraisal? Is this process clear and transparent?
36	Are managers required to take an active role in managing the performance of employees? If so, what tools and support are in place to assist the manager to carry out this function? Are performance appraisals undertaken on a regular basis?

KEY FACTOR

9. Morale and Organization Culture

The Revised Arusha Declaration states:

Corruption is most likely to occur in organizations where morale or 'esprit de corps' is low and where Customs personnel do not have pride in the reputation of their administration. Customs employees are more likely to act with integrity when morale is high, where human resource management practices are fair and where there are reasonable opportunities for career development

and progression. Employees at all levels should be actively involved in the anticorruption programme and should be encouraged to accept an appropriate level of responsibility for the integrity of the administration.

CHECK LIST	
I.	Role of senior management in promoting morale and organizational culture
1	Does senior management have a clear understanding and accurate assessment of the prevailing culture of the organization?
2	Does senior management lead any specific project to promote the ethical behaviour of employees and organizational culture?
3	Does senior management give due recognition to employees who try to maintain a high level of integrity?
II.	Assessing the organizational culture
4	Is there a communication mechanism to assess clients' view of the organizational culture and behaviour of employees? Are activities undertaken to measure levels of morale, such as employee surveys to gather feedback and provide suggestions?
5	Has the organization identified risk areas within the organization by conducting corruption risk mapping?
III.	Promoting sustainable organizational culture and high morale
6	How does the level of integrity maintained by employees affect their promotions and transfers?
7	Do employees have a high regard for their colleagues who demonstrate a high level of integrity?
8	Are mechanisms available in which employees can raise, discuss and resolve any cultural and/or morale issues which impact on the administration's anti-corruption efforts?
9	Do employees have access to the services of professionals (e.g. psychologists, authorized ethics officers) with regard to matters of a personal nature that affects morale?
10	Are employees made aware of their responsibilities and the procedures to be followed to report cases of wrongdoing? If an employee reports a case of wrongdoing, is their confidentiality protected?
11	Is effective legislation in place that protects employees who report breaches of integrity?
12	Are employees encouraged to self-disclose real or potential situations of conflicts of interests?
13	Are penalties for corrupt behaviour sufficient to deter inappropriate behaviour?
IV.	Awareness raising and training on culture of integrity
14	Is there an awareness or training programme designed to give a correct understanding of values and bad practices existing in the organization? Is adequate training provided to employees to ensure a sound knowledge of their roles and responsibilities?
15	Are line managers and middle managers trained, supported and provided with the appropriate tools to assess and remedy situations when a lack of integrity is reported? Is this process transparent to employees?

V.	Enhancing the image of Customs
16	Have the efforts of the Customs administration to promote integrity within the organization been published in different media to educate the public?
17	Is it obvious that employees and senior management are proud of their organization? Is there pride in wearing the uniform?
VI.	Behavioural aspects for safeguarding Customs integrity
18	Has the organization identified the importance of applying behavioural insights in changing the attitudes of employees and clients?
19	Does the organization consider applications of behavioural insights to the formal rules and practices that govern the work of Customs?

KEY FACTOR

10. Relationship with the Private Sector

The Revised Arusha Declaration states:

Customs administrations should foster an open, transparent and productive relationship with the private sector. Client groups should be encouraged to accept an appropriate level of responsibility and accountability for the problem and the identification and implementation of practical solutions. The establishment of Memoranda of Understanding between Customs and industry bodies can be useful in this regard. Likewise, the development of codes of conduct for the private sector, which clearly set out standards of professional behaviour, can be useful. Penalties associated with engaging in corrupt behaviour must be sufficient to deter client groups from paying bribes or facilitation fees to obtain preferential treatment.

CHECK LIST

I.	Strong cooperation framework
1	Are mechanisms (such as registration schemes), in place to identify and acknowledge relevant stakeholders and clients? How is their support and cooperation obtained?
2	Have appropriate mechanisms been established to facilitate consultation, communication and cooperation between the administration and client groups?
3	How have major client groups (e.g. traders, Customs brokers, industry bodies) been involved in the development of the administration's anti-corruption strategies?
II.	Service (quality) charters
4	Is there a client communication strategy to not only provide information to clients, but also promote the achievements of the administration?
5	Are there established performance standards and/or service charters that are made public? How is the monitoring mechanism implemented?
6	Are client surveys conducted to assess the perception of performance quality and operating effectiveness? How is the perception of integrity addressed in these surveys? How frequently are they conducted?
III.	Integrity training for the private sector
7	Have formal cooperative arrangements been established with industry bodies incorporating aspects such as the knowledge of Customs procedures, information exchange and two-way training?
8	Are integrity training and awareness sessions conducted for the private sector? If so, how frequently are they conducted? How are the participants selected for these sessions?
9	What other form of information-sharing activities are conducted e.g. advisory panels, multi-stakeholder forums)?
IV.	Joint anti-corruption task forces
10	Are joint Customs-private sector structures established? How is the focus on safeguarding integrity and the fight against corruption implemented through such mechanisms?
11	Is there a mechanism in place to analyse problems to identify areas of concern and find potential mutual solutions? How is the integrity perspective addressed?

V.	Reporting and accountability mechanisms
12.	Are clients, the general public and third parties such as banking institutions actively encouraged to report instances of corruption or attempted corruption?
13.	Are mechanisms in place to report instances of corruption, such as hotlines or a complaints and feedback system? Are these mechanisms regularly promoted to stakeholders?
14.	Are there mechanisms in place to ensure the confidentiality of information provided by clients and third parties? How are they implemented?
15.	Are mechanisms in place to investigate information provided to the administration from third parties?
VI.	Motivating the private sector to comply
16.	Are mechanisms in place to monitor and assess the compliance level of clients with Customs regulations? Are compliant clients rewarded with incentives to promote voluntary compliance? What programmes are implemented to promote voluntary compliance? Are these programmes formal, transparent and easy to access?
17.	How are the level of compliance with professional standard behaviours and inadvertent breaches incorporated into assessing compliance?
VII.	Code of conduct for the private sector
18.	Have Codes of Conduct which set clear standards of professional behaviour for the private sector, been established?
19.	Do legal provisions appropriately recognize all parties involved in corrupt practices or do they only cover the administration employees involved?
20.	When corrupt practices are detected involving members of client groups, are the clients penalized for engaging in such behaviour? Are the penalties imposed sufficient to deter future violations?
21.	Is there a provision in national law that sanctions the private sector for corrupt behaviour? If so, is it effective in deterring the private sector from attempting to obtain preferential treatment?

COLLECTIVE ACTION TO PROMOTE INTEGRITY

1. Cooperation with State anti-corruption authorities

CHECK LIST	
I.	Relationship with external control
1	Is there external oversight over the internal control unit that supports the concept of “checks and balances”? What is that governmental entity?
2	What is the legal framework defining the relationship of the internal control unit with other State bodies that have a responsibility to prevent and/or prosecute corruption (e.g. anti-corruption agency, police, investigation and prosecution bureau)?
3	Is there a threshold beyond which the internal control unit must refer a case, reported or under investigation, to external counterparts (e.g. other State bodies with a responsibility to prevent and/or prosecute corruption)?
II.	Opportunities for cooperation

4	What is the nature of the information exchanged between the administration and other State bodies with a responsibility to prevent and/or prosecute corruption? What channels are used for this purpose?
5	Does the internal control unit actively seek information or intelligence from the relevant external control agency in planning and/or conducting investigations?
6	What type of information is most frequently exchanged between Customs and external control agencies?
III. Implementing cooperation	
7	Does the administration have a formal arrangement with other State bodies with responsibility to prevent and/or prosecute corruption? What type of arrangement and what is their relationship to Customs (monitoring, advising, etc.)?
8	What type of joint activities are usually conducted with external control agencies?
9	Does the internal control unit obtain input from relevant external control agencies in formulating audit or internal control operational plans?
10	Is a single unit, or units, formally identified in the administration that has the mandate to deal with external control agencies as the nodal contact of the administration? What is the unit or units, and what agencies is it/are they linked with?

COLLECTIVE ACTION TO PROMOTE INTEGRITY

2. Customs-To-Customs Cooperation

CHECK LIST

1	Does the administration participate in the Integrity Sub-Committee meetings?
2	Does the administration encourage new research on the topic of integrity and anti-corruption?
3	Does the administration have mechanisms in place to learn from the knowledge and information of other WCO Member administrations?
4	Has the administration signed MoUs on Electronic Data Interchange (EDI) with other WCO Member administrations?
5	Does the administration have mechanisms established for mutual cooperation to investigate cases of international frauds?
6	Has the administration assigned the task of Customs-to-Customs Cooperation to any unit, specifically for the purpose of and promoting integrity?

COLLECTIVE ACTION TO PROMOTE INTEGRITY

3. Media and social networks

CHECK LIST

1	Does the administration have any media and social networks policy?
2	How is the news regarding corruption and integrity handled in the administration?
3	Does the administration have social network handles?

4	Are those social network handles updated to suite the audience and their information requirements?
5	Does the administration have a communications unit?
6	Does the administration have any permanent focal person to deal with the media?
7	Is the media focal person designated for the headquarters/head-office only, or for all field formations?
8	Does the administration contribute to the WCO's Integrity Newsletter?
9	Does the administration have integrity best practices that can be shared with the stakeholders?

GENDER EQUALITY, AND DIVERSITY AND INTEGRITY

CHECK LIST	
1	Does the administration have a policy on GE&D?
2	Does the administration have a policy to prevent harassment or is this included in any other written policies within your administration such as the code of conduct?
3	Does the administration have a policy to prevent discrimination or is this included in any other written policies within your administration such as the code of conduct?
4	Does the administration's code of conduct deal with harassment and discrimination?
5	Does the administration have a dedicated body (a unit, working group or officials/an official) with a cross-cutting responsibility within the administration to coordinate the work on gender equality, ensuring the implementation, monitoring and evaluation?
6	Does the administration collect gender-disaggregated data, and data on other diversity aspects to identify and address potential gaps within, for instance, recruitment, by position and grade, enrolment in training etc.?
7	What is the overall gender balance within your administration, in middle management positions and senior management positions?
8	Is gender equality and diversity specifically covered in the administration's Communication policy to ensure use of a gender-inclusive language, both in internal communication (among our staff) and external communication (with other stakeholders)?
9	Does the administration make proactive efforts to understand safety risks that officers and stakeholders, especially women, face in border areas/remote areas?
10	Has the administration established a complaints mechanism (phone number or other) that provides 24/7 access, to prevent integrity issues, harassment, discriminations and violations to the greatest extent possible?
11	Are female officials in direct contact with traders and brokers?
12	What is the percentage of female personnel in different units of the administration?
13	Has the administration analysed the diversity aspect of the workforce?
14	Does the administration cater to the needs of the diverse groups with respect to disabilities, language barriers etc.?

Annex 4. Description and Persons Responsible for the Steps and the Activities of Integrity Assessment

ACTIVITIES	DESCRIPTION OF ACTIVITIES	MODE 1 ¹¹²	MODE 2	MODE 3
STEP 1 – ESTABLISHING THE SCOPE OF ASSESSMENT				
Activity 1.1	Determining the approach/mode of the assessment			
Activity 1.2	Determining the timing and period of the assessment			
Activity 1.3	Determination of the responsible departments and persons			
STEP 2 – SETTING UP THE WORKING GROUP				
Activity 2.1	Determination of internal and external contributors	NCP ¹¹³ and/or LF ¹⁷	NCP and/or LF	N/A
Activity 2.2	Contact with an external partner organization or administration and external facilitators			
Activity 2.3	Discussion of roles and responsibilities of participants—getting to know each other	NCP/LF& EF ¹⁷	NCP/LF& EF	
Activity 2.4	Discussion of remote working tools and collaborative work platforms to conduct assessment tasks.	N/A	LF & EF	N/A
Activity 2.5	Providing face-to-face or remote briefing and instructions to local facilitators on documents, activities and tasks	N/A	EF	N/A
STEP 3 – REVIEW OF BACKGROUND DOCUMENTS AND RESPECTIVE INTEGRITY INITIATIVES				
Activity 3.1	Identification and collection of background documents and consideration of relevant information	NCP/LF& EF	NCP/LF& EF	LF and WG
Activity 3.2	Exchanging, presenting, analysing and getting familiar with background documents	NCP/LF& EF	NCP/LF& EF	LF and WG
Activity 3.3	Presentation of the WCO anti-corruption and integrity promotion activities, key WCO integrity tools, namely the Revised Arusha Declaration (RAD) and the Integrity Development Guide (IDG)	EF	LF with remote guidance of EF	LF
Activity 3.4	Presentation of the Customs administration anti-corruption and integrity initiatives	LF	LF	LF
STEP 4 - PLANNING OF THE INTEGRITY ASSESSMENT				

¹¹²Mode 1: Assessment facilitated by one or more external facilitators with an in-country or face-to-face working method. Mode 2: Assessment facilitated by one or more external facilitators with a remote working method. Mode 3: Assessment carried out by an administration itself which is facilitated by one or more local facilitators.

¹¹³NCP: National contact point; LF: Local facilitator(s); EF: External facilitator(s); SM : Senior management

Activity 4.1	Conversation between the national contact points of the administration and external experts in order to prepare the strategic conversation with the head of administration	NCP/LF&EF	NCP/LF&EF	N/A
Activity 4.2	High-level conversation between the head of administration and the management of the external organization or administration	SM of both sides & LF &EF	SM of both sides & LF &EF	N/A
Activity 4.3	Conversation and discussion on key project management elements: recommended approach, logistics, tentative calendar, activity package, associated tools, deliverables	N/A	NCP/LF&EF	N/A
Activity 4.4	Preparation of draft pre-mission/assessment report and/or terms of reference describing the objectives, inputs, expected outputs and outcomes of the assessment	EF	EF	LF
Activity 4.5	Preparation of draft agenda/programme and elaboration of details of the joint initiative	EF&LF	EF&LF	LF
STEP 5 – SITUATIONAL ANALYSIS				
Activity 5.1	Instructions for contributors to carry out the activities and achieve the objectives of the situational analysis. Familiarization with the Integrity Development Guide (IDG)	EF	LF	LF
Activity 5.2	Familiarization with templates, including the IDG check-list questionnaire, to be completed by the contributors	EF & LF & WG	LF & WG	LF & WG
Activity 5.3	Assessment of each key factor in the RAD by the assigned groups	WG	WG	WG
Activity 5.4	Evaluation and result of the assessment carried out by sub-groups and general assessment of all key factors	EF & LF & WG	LF & WG	LF & WG
Activity 5.5	Operational field visits	EF & LF	N/A	
Activity 5.6	Preparation of materials and documentation for the action planning process	EF & LF & WG	LF & WG	LF & WG
STEP 6 – REPORTING				
Activity 6.1	Drafting the report on integrity assessment to inform decision-makers of the results	EF & LF	EF & LF	LF
Activity 6.2	Collection of feedback on the effectiveness of the assessment and delivery approach: impact, challenges encountered, areas to improve, best practices and lessons learned	EF & LF	EF & LF	LF

Annex 5. Template – Terms of Reference for Integrity Assessment

INTEGRITY ASSESSMENT MISSION

Programme/Project name:	Mission objective:
Date:	Location:
Beneficiary:	Target Group:
Funding Organization:	Donor Member:
Background of the action:	
<i>Expected results:</i>	
a) Expected outputs	
b) Expected outcomes	
Experts:	
Expert' & WCO's input:	
Beneficiary's input:	
<i>WCO Secretariat contact</i>	<i>WCO Member contacts</i> Name – Position – Email – Phone number

Annex 6. Good practices – Facilitated assessment, remotely or in-country

Organize team work

- Select effective working method;
- Plan activities, assign role, distribute work within the team;
- Foster the importance of getting involved, growing, stretching;
- Ensure availability of national contact point/ local facilitator(s) and local contributors.

Use effective remote working tools

- Identify the needs of the team;
- Choose information-sharing tools;
- Identify effective tools to communicate and meet remotely.

Communicate effectively

- Set objectives, distribute work within the team;
- Address needs for "ongoing feedback";
- Discuss emerging issues, find solutions and monitor progress.

Be prepared for each interaction

- Raise and discuss challenges pertaining to process;
- Alternate individual conversation with team meetings;
- Become familiar with participants/functions prior to meeting.

Foster a sincere and honest discussion environment

- Ensure they feel that the role of facilitator is to assist, not judge;
- Provide examples and outcomes of project and programmes with successful results.

Come to know your colleagues

- Show a good understanding of the difficulties;
- Alternate individual interviews and team meetings;
- Throughout the day, schedule some moments outside the remote work environment.

Ensure infrastructure, equipment, operability and security

- Use appropriate equipment: desktop, laptop, tablet, smartphone;
- Ensure as much as possible the quality of the Internet connection;
- Take into account Internet speed depending on the time of day;
- Choose tools ensuring security and confidentiality;
- Ensure proper file management.

Annex 7. Good practices – Self-assessment

Organize working structure

- Set up two working groups (a senior steering group and a mid-level working group);
- Plan activities, assign roles, distribute work within the groups;
- Determine specific responsible person(s)/unit(s) for each step, activity or task of the initiative;
- Foster the importance of getting involved, growing, stretching.

Use effective communication at the organizational level

- Publish a circular/order to inform everybody in the organization about the integrity development initiative;
- Make staff feel that integrity is necessary for everyone and they are part of this initiative.

Set up effective communication and interaction between working groups

- If several working groups are set up, assign contact persons who are responsible for communication and interaction;
- Set agreed communication methods and periods;
- Plan regular interaction between groups;
- Agree the form the communication will take: email updates, regular conversations with senior leaders, etc.
- Set objectives, distribute work within the team;
- Address needs for "ongoing feedback";
- Discuss emerging issues, find solutions and monitor progress.

Prepare all related background documents

- Prepare the list of necessary documents;
- Set a plan containing tasks, time and responsible persons if interviews, surveys and other researches are needed;
- Pull together documents and store in a single folder,
 - electronic or hard copy.

Engage with external stakeholders

- Ensure the participation of external stakeholders in discussions on integrity;
- Set up mechanisms to include external stakeholders continuously in integrity work while ensuring confidentiality;
- Use media, social media and the Internet to raise awareness among external stakeholders and the general public.

Foster a sincere and honest discussion and an adapted work environment

- If possible, use a dedicated office or room;
- Ensure remote-working conditions provide a calm environment, avoid disruption.

Annex 8. List of Customs competencies

CUSTOMS COMPETENCIES (TECHNICAL)¹¹⁴

Goods clearance	Checks on travellers	Surveillance and fight against fraud	Litigation and prosecution
Description	Description	Description	Description
<ul style="list-style-type: none"> – Clearance procedure – Customs legislation – Harmonized System tariff – Conventions and rules of origin – Customs valuation – Verification of declarations and physical inspection of goods – Tallying techniques – Customs tax system – Customs clearance of vehicles – Clearance of hydrocarbons – Customs clearance – Customs clearance of precious metals – International trade techniques – Image analysis – Support of other administrations 	<ul style="list-style-type: none"> – Checks on travellers and baggage taxation – Traveller and baggage search techniques – Traveller targeting techniques 	<ul style="list-style-type: none"> – Organization and functioning of the surveillance sector – Field surveillance and intervention techniques – Intelligence and fraud risk analysis – Fraud networks and operating methods – Means of liaison and communication – Brigade record keeping 	<ul style="list-style-type: none"> – Customs litigation – Categorization of offences – Legal writing – Judiciary procedures – Enforced recovery – Amicable recovery

SUPPORT COMPETENCIES

Communication and information management	Human resource management	Logistics and property management	Accounting and finance
Description	Description	Description	Description
<ul style="list-style-type: none"> – Mail management – Archiving techniques 	<ul style="list-style-type: none"> – Staff management regulations – HRM principles 	<ul style="list-style-type: none"> – Management and maintenance of rolling and sailing stock 	<ul style="list-style-type: none"> – Public accounting – Customs accounting – General accounting

¹¹⁴ WCO (2018)

<ul style="list-style-type: none"> – Internet management – Intranet management – Development of communication media – Organization of events – Administrative writing – Secretariat and reception techniques – Photography techniques – Computer graphics techniques 	<ul style="list-style-type: none"> – Career management procedures – Pedagogical engineering – Training engineering – Distance learning – Disciplinary cases management – Social affairs management – Training plan development – Training evaluation – Performance measuring procedures 	<ul style="list-style-type: none"> – Management and maintenance of property and furniture – Uniform management – Arms management – Stock management 	<ul style="list-style-type: none"> – Analytical accounting – Budget and expenditure execution procedures – Public contract execution procedures
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TRANSVERSAL COMPETENCIES

Codes	Other legal requirements
Description	Description
<ul style="list-style-type: none"> – Customs Code – General Tax Code – Penal Code – Mining Code – Environmental Code – Civil Code – Social Security Code – Investment Charter 	<ul style="list-style-type: none"> – Trade Facilitation Agreement – CITES Convention – UPU Convention – TIR Convention – ATA Conventions – Labour Law – Administrative Law – Business Law – Regulations specific to chemicals – Foreign exchange regulations

MANAGERIAL AND BEHAVIOURAL COMPETENCIES

Managerial	Behavioural
Description	Description
<ul style="list-style-type: none"> – Strategic planning 	<ul style="list-style-type: none"> – Decision-making

<ul style="list-style-type: none">– Conflict management and problem solving– Team management– Leadership– Coaching and support– Project management– Change management– Negotiation techniques– Method and organization– Meeting conduct– Reception and customer orientation– Diversity management– Results-based management	<ul style="list-style-type: none">– Initiative and anticipation– Vigilance– Team work– Communication and interpersonal skills– Analytical skills– Time management– Stress management– Adaptability
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Annex 9. Integrity action plan – Template

Outcome 1: To have all managers identify, report and remedy weaknesses in working methods, ethics, integrity and corruption of their staff.

1.1: Establish a training programme across the service; develop a reporting mechanism and apply remedies for Customs Officers and staff.

Activity	Responsible person	Key Performance Indicator (KPI)	Performance target	Budget and resources	Timeline	See: Strategic Plan (2020-2022)
Design and deliver a training module	Training Unit	Percentage of staff attending the ethics, integrity and good governance training	100% coverage	Additional cost anticipated to be incurred for the activity (if any)	Q1 2022	Goal #1
Update and distribution of current publications on ethics, integrity and corruption	Policy Unit	Number of Guidelines distributed	100% coverage	Additional cost anticipated to be incurred for the activity (if any)	Q4 2021	Goal #3
Formulate a policy for the anonymous reporting of ethics, integrity and corruption	Policy Unit	Mechanism established for reporting Number of reports	5% of reports received (against total number of staff)	Additional cost anticipated to be incurred for the activity (if any)	Q1 2022	Goal #3

Annex 10. Glossary of KPI typologies

KPI typologies	Description	Sources	Examples / reference to other typologies
Activity indicators	Activity indicators are essential in order to understand the extent to which a project was delivered as planned, and to highlight obstacles to implementation. Activity indicators should include three essential elements: who conducted the activity, what they did, and where were they working	<i>UK Aid Indicators of Inputs, Activities, Outputs, Outcomes, 2013</i> ¹¹⁵	Training and technical assistance provided
Compliance indicators	Intended to capture the extent to which the obligations flowing from those standards are being met	<i>UN HUMAN RIGHTS INDICATORS A Guide to Measurement and Implementation</i> © 2012 ¹¹⁶	
	Compliance indicators seek to assess conformity with existing legal standards or benchmarks. For instance, SDG indicator 16.a.1 assesses the compliance of existing National Human Rights Institutions with the Principles relating to the Status of National Institutions (The Paris Principles)	<i>UN Statistical Commission's Handbook on Governance Statistics (Draft for Global Consultation, December 2019)</i> ¹¹⁷	Indicator 16.a.1 of the Global indicator framework for the Sustainable Development Goals and targets of the 2030 Agenda for Sustainable Development: existence of independent national human rights institutions in compliance with the Paris Principles
Composite indicators	Composed of weighted categories and sub-categories	<i>OECD REGULATORY POLICY WORKING PAPERS 2015 Indicators of Regulatory Policy and Governance</i> ¹¹⁸	World Bank Doing Business

¹¹⁵ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/304626/Indicators.pdf (last accessed online on 24/07/20)

¹¹⁶ https://www.ohchr.org/documents/publications/human_rights_indicators_en.pdf

¹¹⁷ http://ine.cv/praiagroup/handbook/Handbook_on_GovernanceStatistics-Draft_for_global_consultation.pdf

¹¹⁸ https://www.oecd-ilibrary.org/governance/2015-indicators-of-regulatory-policy-and-governance_5jrmwqm3zp43-en

Cost indicators	Measure the cost of outputs/services produced (direct and/or fully absorbed)	<i>Performance Management Framework, Measuring, Monitoring and Reporting Performance, Reference Guide – Queensland Government Performance Management Framework (PMF) April 2017</i> ¹¹⁹	See <i>Efficiency indicators</i>
Effectiveness indicators	Describing the quantifiable extent of the outcome experienced by recipients as a result of the level and quality of the service provided	<i>Performance Management Framework, Measuring, Monitoring and Reporting Performance, Reference Guide – Queensland Government Performance Management Framework (PMF) April 2017</i> ⁷⁷	Measures of discrepancy between output and target; quality delivered, perceived satisfaction, timeliness
	Effectiveness is the degree to which the outcomes achieve the goals set for the activity	<i>MEASURING PUBLIC SECTOR PERFORMANCE IN INFRASTRUCTURE, Hadi Salehi Esfahani</i> ¹²⁰	Percentage of roads maintained in good condition relative to policy goals
Efficiency indicators	<p>A cost-efficiency indicator deals with the amount of output produced in relation to a given amount of resources/inputs. Reflect how capabilities (resources) are used to produce outputs for the purpose of achieving desired outcomes. They are expressed as a ratio of capabilities (resources) to outputs:</p> <ul style="list-style-type: none"> • technical efficiency requires that goods and services be produced at the lowest possible cost • allocative efficiency requires the production of the set of goods and services that consumers value most, from a given set of resources 	<p><i>Daskalopoulou I. (2014) Cost-Efficiency Indicators. In: Michalos A.C. (eds) Encyclopedia of Quality of Life and Well-Being Research. Springer, Dordrecht</i>¹²¹.</p> <p><i>Performance Management Framework, Measuring, Monitoring and Reporting Performance, Reference Guide – Queensland Government Performance</i></p>	Costs, FTE (full time equivalent), to produce an output level

¹¹⁹ <https://www.forgov.qld.gov.au/sites/default/files/measuring-monitoring-reporting-performance.pdf>

¹²⁰ <http://siteresources.worldbank.org/PSGLP/Resources/ShahChp7.pdf>

¹²¹ https://link.springer.com/referenceworkentry/10.1007%2F978-94-007-0753-5_602

	<ul style="list-style-type: none"> • dynamic efficiency means that, over time, consumers are offered new and better products, and existing products at lower cost. 	<i>Management Framework (PMF) April 2017</i> ⁷⁷	
	The efficiency of border procedures (trade facilitation) entails simplifying border regulatory controls to reduce unnecessary impositions on traders while recognizing that some Customs controls are necessary and mandated by policymakers. A variety of factors affect efficiency in border controls, including the quantity and quality of border officers, whether automation and risk management (selectivity) are used, the complexity of goods classification and valuation, the number of documents required, and the amount of duplication caused by the multiplicity of border agencies.	<i>Cantens, Thomas Ireland, Robert Raballand, Gael (2012) Reform by numbers: measurement applied to Customs and tax administrations in developing countries</i> ¹²²	Trade transaction costs, length of time goods spend at borders
Equity measures	Equity measures the focus on any gap in performance between special needs groups and the general population.	<i>Performance Management Framework, Monitoring and Reporting Performance, Reference Guide–Queensland Government Performance Management Framework (PMF) April 2017</i> ⁷⁷	See Outcome indicators
Impact indicator	Measuring the higher-level strategic goals	<i>UK Aid Indicators of Inputs, Activities, Outputs, Outcomes, 2013</i> ⁷³ .	Improvements in public safety

¹²² <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/431821468157506082/reform-by-numbers-measurement-applied-to-customs-and-tax-administrations-in-developing-countries>

Indicators of quality	Measure how fit for purpose a service is; for example, the extent to which outputs conform to specifications. The quality of a service can be measured using specific criteria (timeliness, accuracy, completeness, accessibility and equity of access, continuity of supply), and/or by seeking feedback on one of these criteria through customer satisfaction surveys. Quality itself is one dimension of effectiveness	<i>Performance Management Framework, Monitoring and Reporting Performance, Reference Guide – Queensland Government Performance Management Framework (PMF) April 2017</i> ⁷⁷	See Effectiveness indicators
Input indicators	Measure the attributes (amount, type, quality) of resources consumed in processes that produce outputs	<u><i>KPI.org: What is a Key Performance Indicator (KPI)?</i></u> ¹²³	See Efficiency indicators
Leading indicators	Influence future performance. Leading indicators are typically input-oriented, hard to measure and easy to influence	<i>Northern Ireland Audit Office, Performance management for outcomes. A good practice guide for public bodies (2018)</i> ¹²⁴	The percentage of people wearing hard hats on a building site is a leading safety indicator
Lagging indicators	Analyse past performance. Lagging indicators are typically output-oriented, easy to measure, but hard to improve or influence	<i>Northern Ireland Audit Office, Performance management for outcomes. A good practice guide for public bodies (2018)</i> ⁸⁴	The number of accidents on a building site is a lagging safety indicator
Objective (fact-based) indicators	Refer to objects, facts or events that can, in principle, be directly observed or verified (by contrast, subjective indicators rely on perception)	<i>UN HUMAN RIGHTS INDICATORS A Guide to Measurement and Implementation</i> © 2012 ⁷⁴	Time, cost, etc.
Outcome indicators	Measure the results of policies and programmes on individuals, groups, population	<i>UN Statistical Commission's Handbook on Governance Statistics (Draft for Global Consultation, December 2019)</i> ⁷⁵	The percentage of the population satisfied with their last experience with public services (SDG indicator 16.6.2).

¹²³ <https://kpi.org/KPI-Basics>

¹²⁴ <https://kpilibrary.com/topics/lagging-and-leading-indicators>

	Measure the short and medium-term benefits that project outputs (products) deliver	<i>UK Aid Indicators of Inputs, Activities, Outputs, Outcomes, 2013</i> ⁷³	Rate of successful prosecutions, reduction in the use of police interrogation as the primary method of gathering evidence
	An outcome indicator consolidates over time the impact of various underlying processes (captured by one or more process indicators); it is often a slow-moving indicator, less sensitive to capturing momentary changes than a process indicator	<i>UN HUMAN RIGHTS INDICATORS A Guide to Measurement and Implementation</i> © 2012 ⁷⁴	Reported cases of miscarriage of justice and proportion of victims who received compensation within a reasonable time
	Results match the immediate effects of the intervention with particular reference to the direct addressees	<i>European Commission Better regulation toolbox TOOL #41. MONITORING ARRANGEMENTS AND INDICATOR</i> ¹²⁵	For example, tax compliance, innovations, new products, time saved by users, survival rate of businesses, consumption of low-fat, low-sugar food, mutual recognition of nationally approved products, permissions/derogations granted, bans introduced, e-invoices exchanged cross-border, tax declarations filed
Output indicators	Results indicate how much work has been done and define what is produced	<i>UK Aid Indicators of Inputs, Activities, Outputs, Outcomes, 2013</i> ⁷³ <u><i>KPI.org: What is a Key Performance Indicator (KPI)?</i></u> ⁸³	<i>Provision of training and technical assistance; creation of standards and legislative documents; installation of fingerprinting technology</i>

¹²⁵ https://ec.europa.eu/info/sites/info/files/file_import/better-regulation-toolbox-41_en_0.pdf

	<p>Measure the immediate product of the intervention. For regulatory proposals, this will concern its implementation, i.e. the adoption of measures that are necessary in order to comply with the regulatory requirements and to enable the legislation to be effectively applied. This may be followed by monitoring compliance and enforcement</p>	<p><i>European Commission Better regulation toolbox TOOL #41. MONITORING ARRANGEMENTS AND INDICATOR</i>⁹⁰</p>	<p>For example, number of SMEs supported, websites created, extent of compliance by businesses, measurements taken, inspections carried out, court cases pursued, kilometres of roads built, scholarships awarded, consultancy services developed, standards developed, databases created, labelling requirements designed and implemented</p>
<p>Process indicators (See Input/output indicators)</p>	<p>Measure the implementation of policies and programmes to realize the commitments</p>	<p><i>UN Statistical Commission's Handbook on Governance Statistics (Draft for Global Consultation, December 2019)</i>⁷⁵</p>	<p>An example of a process indicator is the proportion of children under 5 years of age whose births have been registered with a civil authority (SDG indicator 16.9.1)</p>
	<p>Measure throughput, or the means by which the agency delivers the activity or service, rather than the service itself. Process measures demonstrate how efficiently services are delivered, rather than how effectively services are delivered, and are sometimes used as proxies for effectiveness measures if it is impractical or uneconomical to measure the effectiveness of the service or its outcome</p>	<p><i>Performance Management Framework, Measuring, Monitoring and Reporting Performance, Reference Guide – Queensland Government Performance Management Framework (PMF) April 2017</i>⁷⁷</p>	<p>For example, percentage of product defects, complaints rate</p>
	<p>By defining the process indicators in terms of an implicit “cause and effect relationship” and as a “monitored intermediate” between commitment and results, the accountability of the State for its obligations can be better assessed. Process indicators are more sensitive to changes than</p>	<p><i>UN HUMAN RIGHTS INDICATORS A Guide to Measurement and Implementation</i> © 2012⁷⁴</p>	<p>Indicators based on budget allocations; coverage of targeted population groups under public programmes; incentive and awareness measures</p>

	outcome indicators; hence they are better at capturing the progressive efforts of the State parties to meet their obligations		
Qualitative indicators	Indicator articulated as a narrative, in a categorical form, and based on information on objects, facts or events that are, in principle, directly observable and verifiable (fact-based indicators) or indicator articulated as a narrative, not necessarily in a categorical form, and based on information that is a perception, opinion, assessment or judgement (subjective indicators)	<i>UN HUMAN RIGHTS INDICATORS A Guide to Measurement and Implementation</i> © 2012 ⁷⁴	Adoption of a standards, plans, regulations, level of trust, awareness (nominal)
	Qualitative measures provide a detailed description of complex phenomena based on interviews, documents or other sources of narrative information. Because of their flexible nature, qualitative measures are particularly suited to issues that are complex, nuanced or where there is little existing information to provide a basis for quantitative measures	<i>UK Aid Indicators of Inputs, Activities, Outputs, Outcomes, 2013</i> ⁷³	Success of cases in which children who are accused of a criminal offence are represented in court by an advocate or legal counsel
Quality (statistics) indicators	Quality indicators have to be identified (or developed) to measure compliance with the respective quality principles and requirements. They are specific and measurable elements of statistical practice that can be used to characterize the quality of statistics. They measure the quality of statistical products or processes from several aspects and, for example, can give an indication of both the output and process quality. Quality indicators allow for the description and comparison of quality among different statistics and over time	<i>UN National Quality Assurance Frameworks Manual for Official Statistics ST/ESA/STAT/SER.M/100, 2019</i> ⁶⁸	For example, timeliness (output) and response rates that can be used as a proxy for accuracy (process quality)

Quantitative indicators	Indicator articulated in quantitative form and based on information on objects, facts or events that are, in principle, directly observable and verifiable (fact-based); or indicator articulated in quantitative form and based on information that is a perception, opinion, assessment or judgement, using, for instance, cardinal/ordinal scales (subjective indicators)	<i>UN HUMAN RIGHTS INDICATORS A Guide to Measurement and Implementation</i> © 2012 ⁷⁴	Level of trust/awareness (cardinal/ordinal scale), revenues
Structural indicators	Measure commitments and the adoption of legal, institutional and policy frameworks	<i>UN Statistical Commission's Handbook on Governance Statistics (Draft for Global Consultation, December 2019)</i> ⁷⁵	Existence of independent national human rights institutions in compliance with the Paris Principles 4 (SDG indicator 16.a.1)
	Reflect the ratification and adoption of legal instruments and the existence as well as the creation of basic institutional mechanisms deemed necessary to comply with its obligations. Several structural indicators are explicitly referenced in treaty provisions, as they clearly spell out the normative commitments	<i>UN HUMAN RIGHTS INDICATORS A Guide to Measurement and Implementation</i> © 2012 ⁷⁴	Treaties ratified by the State; date of entry into force and coverage of formal procedure
Subjective indicators (perception/judgement-based)	Subjective data concern the respondent's personal perspective and appreciation regarding an issue, such as people's feelings of trust or fear (by contrast objective measures look to approximate reality)	<i>UN Statistical Commission's Handbook on Governance Statistics (Draft for Global Consultation, December 2019)</i> ⁷⁵	Perception of corruption
	Indicators based on perceptions, opinions, assessment or judgements expressed by individuals	<i>UN HUMAN RIGHTS INDICATORS A Guide to Measurement and Implementation</i> © 2012 ⁷⁴	
Timeliness measures	Measure the time taken to produce an output and provide an indication of the processing or service speed. Measures of timeliness provide parameters for 'how often' or 'within what time frame' outputs are to be produced	<i>Performance Management Framework, Measuring, Monitoring and Reporting Performance, Reference Guide – Queensland Government Performance</i>	See Process indicators/efficiency indicators

		<i>Management Framework (PMF) April 2017⁷⁷</i>	
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Annex 11. KPI Metadata sheet – Template

KPI proposal

Name of the indicator <i>Title of the indicator</i>	Integrity (<i>anticorruption</i>) compliance rate
Description of the indicator <i>In order to avoid ambiguity, describe the indicator in detail</i>	Annual ratio of corruption cases of Customs officials disclosed during lifestyle audits and overall number of completed lifestyle audits, aiming to assess the effectiveness of the entire measures undertaken by a Customs administration in the field of the prevention of corruption
Related performance dimension <i>Relevant expected outcome the indicator is meant to measure</i>	Advanced level of integrity
Calculation method <i>In the case of a quantitative indicator, how is it calculated? What is the formula/scale and the measure unit?</i>	<u>#A</u> #B where: #A is number of corruption cases involving Customs officials disclosed during lifestyle audits, #B is the number of completed lifestyle audits
Rationale (relevance) <i>To what extent does the data satisfy the demand for information?</i>	<p>The modern concept of “integrity” covers various aspects of proper and correct execution of Customs functions, and is a pre-requisite for the legitimacy of a Customs administration and its capacity to effectively accomplish its mission. As stated in the WCO Revised Integrity Development Guide, effective prevention of corruption should be treated as a first step in seeking advancement and maturity in the field of integrity.</p> <p>The effectiveness of the prevention of corruption should be measured not only according to the respective laws and regulations in place, but also according to the level of compliance with them, i.e. the extent to which they are implemented in practice, and complied with.</p> <p>One of the control mechanism elements that may be developed for this purpose is a lifestyle audit, as mentioned in the WCO Model Code of Ethics and Conduct. Once developed, this tool can be used to assess the level of integrity in the field of corruption prevention, or, in a broader sense, compliance with the other aspects of integrity as well.</p>
Link to other indicators <i>Which are the linkages between this indicator and others?</i>	<p>Examples:</p> <ul style="list-style-type: none"> - Staff competency - Level of accountability
Type of indicator (non- mandatory)	Effectiveness

<p><i>(One indicator might fall under more than one typology)</i></p> <p><i>Composite indicators, structural indicators, process indicators, outcome indicators, effectiveness indicators, efficiency indicators, objective indicators, subjective indicators, quantitative indicators, compliance indicators, leading indicators, lagging indicators</i></p>	<p>Outcome</p> <p>Process</p> <p>Lagging</p> <p>Quantitative</p>
<p>Source of verification (SoV)</p> <p><i>Where and how the information about the indicator can be obtained (data source)</i></p> <p><i>Administrative records, special studies, sample surveys, observation, etc.) and/or the available documented source (e.g. progress reports, project accounts, official statistics, etc.).</i></p> <p><i>Primary or secondary data</i></p>	<p>Administrative records (audit cases are a primary source), displayed in the annual reports</p> <p>KPI owner: Head of Audit Office <i>(or other office that carries out a function of lifestyle audit of employees, e.g. Immunity service)</i></p> <p>The Data Custodian is Mr. X in the IT Department</p> <p>The Data Steward is Ms. W in the Audit Office <i>(or other office that carries out the function of lifestyle audit of employees, e.g. Immunity service)</i></p>
<p>References to existing databases and metadata (non-mandatory)</p> <p><i>Internal/external databases</i></p>	N/A
<p>Periodicity (non-mandatory)</p> <p><i>When/how regularly it will be measured (e.g. monthly, quarterly, annually).</i></p>	Annually
<p>Disaggregation</p> <p><i>If applicable (e.g. by gender, income group, etc.)</i></p>	<p>By position/role</p> <p>By level (central, regional, local)</p> <p><i>(Other disaggregation categories are possible, if needed, e.g. by age group, by gender, etc.)</i></p>
<p>Target value (non-mandatory)</p> <p><i>Indicated by standards/benchmarks</i></p> <p><i>Targets help define, in specific and measurable terms, the desired outcomes.</i></p>	Regional benchmark)
<p>Country example (non-mandatory)</p> <p><i>Similar indicator used by Member</i></p>	Level of corruption <i>(ratio of the number of corruption offences to the average number of employees)</i>
<p>Disclosure policy</p> <p><i>Accountability preferences to restricted users/public domain</i></p>	<p>For internal use only</p> <p>Aggregated data may be disclosed by WCO Region</p>

<p><i>Where might the information deriving from the measurement process using these indicators appear/be communicated?</i></p> <p><i>Possibility of disclosing detailed data, or only aggregated data (specify criteria for aggregation, e.g. minimum number of countries)</i></p>	
<p>Other considerations (e.g. limitations) (non- mandatory)</p> <p><i>Indicator proposed as a proxy in the absence of feasible alternative measurements, etc.</i></p> <p><i>What are the legal constraints regarding data collection, acquisition and use?</i></p> <p><i>To what extent do current data sources meet user requirements?</i></p>	<p>This measures only one aspect of integrity, but it is an important one – i.e. the effectiveness of the corruption prevention system in terms of results. To assess the overall aspects of integrity maturity, other KPIs might be used, through self-assessment tools or through targeted surveys.</p> <p>The results of this KPI might be interpreted in two ways. The target value in the long run, is zero, as a result of the effective performance of the corruption prevention system. But this target could be achieved simply by reducing the number of audits, selecting compliant employees as objects for audits, etc. Therefore, this KPI should be used for observation/monitoring purposes, at first, and counter KPIs (e.g. surveys of Customs clients) should be included and measured as well.</p> <p>There are potential legal limitations on performing lifestyle audits due to the different legal frameworks in Member countries and the competencies assigned to the Customs administrations.</p>

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