Foreword by the Secretary General

Dear Customs colleagues and friends,

Over the years, Customs administrations have become increasingly conscious of the importance of operating in an environment with a high level of integrity and transparency. Widespread corruption and other integrity-related misdemeanours jeopardize interaction and collaboration with trade stakeholders, including the private sector. WCO Members acknowledge that a lack of integrity in the cross-border trade environment undermines Customs’ modernization efforts as well as its efforts towards promoting trade facilitation and improving overall compliance, and that it ultimately erodes Customs legitimacy and reputation as a strong leader along the supply chain.

Against this background, the WCO Secretariat continues to take a leadership role in promoting and supporting the implementation of various instruments, tools and programmes, such as the Revised Arusha Declaration, thus providing strategic and tactical guidance to Members.

Furthermore, the Secretariat affirms the continued need for a collaborative approach, between Customs administrations and with other government agencies and private-sector stakeholders, for effectively weeding out corrupt practices, establishing preventive measures and enhancing an overall integrity culture. In addition, the greater uptake of modern technologies in Customs and other government agencies, to make cross-border regulatory processes simpler, harmonized, contactless and paperless, can significantly contribute to improving integrity and transparency.

Communication, cooperation and coordination at the national, regional and international levels are important elements in fostering collaboration between Customs and other trade stakeholders in the area of integrity. To that end, sharing relevant and updated information, including on integrity, within and outside the Customs’ ecosystem, is an integral part of the WCO’s integrity management policy.

This 21st edition of the WCO Integrity Newsletter provides readers with an overview of the latest work carried out by Members and the Secretariat over recent months. I hope that you will find the content and insights provided by contributors, covering highly relevant topics, to be informative. The fight against corruption is a never-ending battle. However, together we can remain vigilant, uncompromising and relentlessly pursue our common efforts to strengthen Customs integrity.
Promoting integrity in Bangladesh Customs: current status and future scope

The Bangladesh government has taken the challenge of combatting corruption very seriously since it first came to power in 2009. It has striven to fight institutional corruption, and to put this fight firmly on the agenda of policy-makers in both state and non-state institutions, so as to create avenues to overcome barriers to integrity. It has also placed a great deal of emphasis on implementing the various targets set to achieve the United Nations Sustainable Development Goals (SDGs), specifically SDG 16, that sets targets for improving governance by promoting the rule of law, reducing bribery and corruption, and developing transparent and accountable institutions.

The National Board of Revenue (NBR), the highest-level revenue administration in Bangladesh, has been working steadily to align its vision and mission with the targets set by the government. For an LDC country like Bangladesh, it is quite challenging for the revenue authority to establish good governance and integrity, and to reduce corruption in the conduct of daily business activities. However, NBR is working religiously to promote good governance and ethical behaviour in day-to-day business activities.

Back in 2012, the Bangladesh government adopted the national integrity strategy (NIS) to promote good governance in state institutions and society. In line with the NIS, government agencies have to submit integrity reports on a quarterly basis. In addition, the government has recently developed an automated Grievance Redress System for public services as per the short-term target of the NIS. As a government agency, the NBR has formulated its own strategic action plan to strengthen integrity among its employees.

Alongside the government measures, the NBR is also trying to adopt and implement WCO standards, instruments, and tools, such as the Integrity Development Guide (IDG), articulated around the Revised Arusha Declaration (RAD), to combat integrity-related issues. In line with the Revised Arusha Declaration (RAD), the NBR has taken a strong leadership role to maintain high levels of integrity in all aspects of Customs work. The high level of commitment from the Customs Heads was reflected in the revenue collection for the 2020-2021 fiscal year, in which the Customs administration registered a record-breaking of revenue growth, among the highest ever achieved by the NBR.

The NBR has been emphasizing reform and modernization initiatives by introducing the standard practices of modern Customs administrations, such as the installation of Non-Intrusive Inspection (NII) systems, the implementation of the Authorized Economic Operator (AEO) programme, and the establishment of a Risk Management Directorate. Bangladesh Customs currently has NII systems consisting of 10 container scanners in the country’s major Customs offices. In addition to the existing 10 container scanners, it is in the process of procuring another 13.
In recent years, as part of the modernization programme, Bangladesh Customs has also implemented the AEO programme, an essential feature of the SAFE Framework of Standards devised by the WCO. Three renowned pharmaceutical companies were provided AEO accreditation status on a pilot basis in May 2019. Another major milestone in the reform and modernization process was recently achieved by Bangladesh Customs when it was given an official order to set up a Risk Management Directorate. The Directorate will use an automated system for managing risks. A procurement process is already underway for purchasing a robust, automated risk management system. It is expected that the dedicated Risk Management Directorate will contribute to the establishment of a target-oriented risk management system that will reduce the number of interventions, and in turn shorten the time required for Customs clearance.

In order to improve efficiency and effectiveness and, most importantly, to reduce the scope for corruption, the NBR is implementing two automation projects - the Bangladesh Single Window (BSW) and the Bond Management Automation Project (BMAP). BSW will function as a one-stop service for all of the stakeholders involved in the import and export business process, whereas BMAP will deliver an automated system for the management of Customs Bonded activities. It is expected that these two automation systems will increase the level of accountability and provide an audit trail to allow the monitoring and review of the administrative decisions when required, and ultimately establish the transparency of the whole process.

The initiatives taken by Bangladesh Customs helped to curb corruption, as reflected in a survey carried out in 2017 by Transparency International Bangladesh. The purpose of this survey was to identify the nature and extent of corruption in service sectors. The survey was conducted in 15 important service sectors, covering education, health, local government institutions, land services, agriculture, law enforcement agencies, judicial services, electricity, banking, the Bangladesh Road Transport Authority (BRTA), Tax and Customs, NGOs, passports, insurance and gas. According to the survey, of these 15 services Tax and Customs was in 13th position on the list in descending order as regards the level of corruption, which indicates a higher level of integrity among Customs officials compared to other government officials.

Despite all the action taken, the current acts and rules for Customs have no provision for whistle-blowers. The existing regulatory framework therefore needs to be modified to incorporate provisions protecting whistle-blowers and to formulate a detailed procedure for the purpose of disclosure. In addition, regular training and workshops on integrity and professionalism will enhance the capability of government employees and boost the morality of officials, helping them to maintain high ethical and professional standards. In conclusion, the continuation of the culture currently promoted in the administration, the successful implementation of automation projects, the required changes in the regulatory framework, and the organization of regular integrity-related training and workshops are vital in enabling the Customs administration to cope with the challenges involved in establishing high standards of integrity and curbing corruption.
The Jamaica Customs Agency promotes integrity

The Jamaica Customs Agency (JCA) has always prided itself on being a leader and innovator in the application of best practices to allow for effective trade facilitation and compliance of its traders. With this in mind, continuing to build and maintain integrity is a major priority for the Agency, which endeavours to embrace integrity development in all areas of its systems and operations, considering that integrity is critical component for the achievement of the Agency’s mandate. Within the framework of its mandate the Agency strives for the following, to ensure a high level of integrity:

Promoting integrity through Gender Equality and Diversity

The JCA is well aware that Gender Equality and Diversity are important factors which Customs administrations are called to stimulate in their efforts to promote integrity in Customs. In keeping with the National Policy on Gender and Equality (NPGE), in 2011 the JCA was one of the first government entities to be exposed to Gender Mainstreaming through a training event. This was led by the Bureau of Gender Affairs through the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women), via “The Way Out Project,” in 2014.

As part of its commitment to Gender Equality and Diversity, it is the Agency’s duty of care to ensure that issues affecting men and women are addressed with due consideration in the JCA planning and budget programmes. The Agency is now advanced in its preparation of policies for the continued maintenance of a safe working environment implemented through good practices, including practices which promote “Gender Equality and Diversity.” Once these policies are finalized, virtual sensitization sessions will be held with all JICA staff members.

Gender-sensitive communications, recruitment and selection announcements invite applications from team members for career advancement opportunities. These provide equal opportunities for any team member with the requisite qualifications, competence and experience to be considered for a job function.

Furthermore, the JCA has been working on ways to expand the understanding of, and conversation on, gender through virtual sensitization sessions on Gender Mainstreaming. In 2020, sessions on Gender Mainstreaming were delivered by the Bureau of Gender Affairs. A Task Force was set up to assess the Agency using the WCO Gender Equality Organizational Assessment Tool (GEOAT), with the expectation being that the Task Force will formulate a Gender Action Plan to address any gaps identified as regards Gender Equality and Diversity in the JCA.


The JCA has embarked upon the journey of attaining certification from the International Organization for Standardization (ISO) with the objective of implementing a quality management system in line with the requirements of ISO 9001:2015. This initiative seeks to institutionalize quality, promoting harmonization
of processes and procedures, transparency, accountability and predictability, as well as to drive continuous improvement and sustained customer satisfaction, which are all important elements supporting the Agency in promoting integrity in the Customs ecosystem. The commitment to quality and continuous improvement, evidenced by the implementation of a quality management system, are key differentiating factors for a model organization.

Increasing cooperation with state agencies along the supply chain to prevent lack of integrity

The JCA prides itself on being a dynamic entity, not only repositioning to mitigate current threats, but also positioning itself on the basis of predictions. There are instances where there are limitations to what entities can do by themselves when it comes to border security and supply chain integrity, and the JCA continues to embrace positive collaboration and partnerships with both local and international agencies, aimed at offering benefits including creative problem-solving; increased training opportunities; information, data and intelligence sharing, and “force multiplier” opportunities.

Effective coordination and use of capabilities across state agencies, along with stakeholder collaboration, are critical in this resource-constrained environment in order to respond to evolving threats, including in the area of integrity.

The signing of numerous agreements to deepen cooperation and collaboration in the areas of enforcement, planning, information and intelligence sharing, joint operations, and trade facilitation with agencies such as local port and shipping entities, as well as law enforcement entities, locally and internationally, have proven invaluable to the JCA in its efforts to improve transparency and predictability, which are important factors in promoting integrity in Customs.

Securing the supply chain is integral to the livelihood of Jamaica’s citizens and economy. The nature of travel and trade in the globalized world means that disruptions, natural or otherwise, can have major implications and can cause considerable economic consequences. Thus, through collaborative efforts, the JCA is able to mitigate myriad threats and enable smooth trade, with a high level of integrity, by ensuring cooperation with relevant trade stakeholders, particularly with cross-border regulatory agencies.
Mauritius Revenue Authority Integrity Perception Survey 2019/2020

Since 2006, it has been common practice at the Mauritius Revenue Authority (MRA) to capture the perception of integrity across its Revenue and Customs Operations and Administration.

The Integrity Perception Survey (IPS) aims at providing the MRA with an instrument that assists the Authority in evaluating the level of its integrity, as perceived by its main stakeholders, through the 10 elements of the Revised Arusha Declaration, and its evolution over time. Its main objectives are to gauge the impact and effectiveness of its anti-corruption and integrity promotion initiatives, and whether the integrity of the MRA is well reflected in its stakeholders’ attitude and behaviours. As such, in 2019, the MRA commissioned an independent firm to conduct a fourth IPS to assess the change in its overall Organizational Integrity Index (OII) and the additional measures needed to fill the gaps, if any, in its integrity framework.

The fourth IPS was a country-wide survey covering the general public, MRA stakeholders and MRA employees, and aimed at measuring stakeholders’ perception of the MRA’s organizational integrity and its effectiveness in combatting malpractices and corruption. The survey was expected to enable the MRA to:

- obtain information on how its different departments and divisions were being rated by its respondents and where service improvement was viewed as a high priority;
- understand what its respondents expected in terms of measures that might have to be taken to improve service delivery and overall integrity levels;
- identify any coercion faced by respondents with regard to potential demands for gratification in exchange for facilitation of business;
- know which Departments/Divisions of the MRA were, according to them, more vulnerable to malpractices and corruption;
- know which areas in the above Departments and Divisions needed specific attention and were more prone to risks of malpractice and corruption, and what preventive measures needed to be taken; and
- know what type of communication strategy and awareness-raising mechanism respondents were expecting in order to make it easier to prevent and identify malpractices.
The overall positive result was an indication of the success of the various integrity initiatives the MRA had undertaken in the preceding years through its Internal Affairs and Internal Audit Divisions, which are respectively responsible for the integrity of staff and its systems and good governance. The MRA has its own code of conduct and ethics, with its employees under an obligation to submit a declaration of assets every three years, together with a declaration of integrity policy, a guide on “gifts” and the obligation to disclose any conflicts of interest.

New strategies such as Corruption Risk Mapping (CRM) and Vigilance Activity have been adopted to identify the risks of corruption and take measures to counter it. Ethics training courses have been provided to employees and every effort has been made to raise awareness through media seminars and workshops.

The MRA has also invested heavily in automating its operations to eliminate human contact. It has an effective quality management system, and its processes meet the quality criteria defined by ISO 9001-2015. The constant improvement in the OII shows that the MRA is moving in the right direction towards achieve its ultimate goal of being a world-class Revenue and Customs administration respected for its professionalism, efficiency, equity, integrity and contribution to the country’s economic and social development.

Main findings

A summary of the main findings is provided below.

- The OII had improved compared to the last exercise in 2016. It increased from 73.9 in 2016 to 76.3 in 2019/20. This improvement was driven by enhanced stakeholder perceptions since the last survey. This is a positive result for the MRA and is indicative of the outcome of the various initiatives it had undertaken since 2016.

- Awareness of integrity measures undertaken by the MRA improved significantly in 2019/20 compared to 2016. This indicates that the communication around these measures was effective and successful.

- Most internal and external stakeholders perceived that the integrity of the MRA had improved over the three years since the previous survey. People were seeing the impact of the positive measures that the MRA had taken. The positive message for the MRA was that changes made were viewed as taking the Authority in the right direction.

- In terms of actual experiences with malpractice, very few respondents had had this kind of experience personally or heard of anyone in their surroundings who had had this kind of experience in the two years prior to the survey. This was a positive result for the MRA. The few respondents who had come across incidents of malpractice in the recent past had reported the incident. The proportion of respondents who reported incidents was higher compared to 2016, which was also a good sign that stakeholders had trust and confidence in the MRA’s Internal Affairs.
New Zealand Customs Service promotes a culture of integrity and ethical conduct

Transparency International consistently ranks New Zealand as having one of the least corrupt public sectors in the world, and New Zealand again topped the Corruption Perceptions Index in 2021. Despite this achievement New Zealand cannot afford to be complacent. In 2021, KPMG reported that New Zealand's government sector was subject to the highest proportion of fraud\(^1\) in the past year by value, at 75%. There are clear and explicit Te Kawa Mataaho Public Service Commission expectations\(^2\) that every public servant has a part to play in acting with integrity to maintain New Zealanders' confidence in the sector.

Within the New Zealand Customs Service (NZ Customs), "We Do What's Right" is a key value that underpins how we work - it is fundamental to maintaining the trust and confidence of our stakeholders and customers. Our solid reputation depends on the way we act and the way we use our powers to protect and promote New Zealand.

The Risk, Security and Assurance group is responsible for the NZ Customs integrity programme. This work is undertaken with discretion, care and professionalism to ensure that management and employees have ongoing confidence in the system.

To maintain the wellbeing of our ethical climate, NZ Customs has adopted a two-pronged approach with both compliance and integrity aspects. The former involves rules, codes and sanctions, with a focus on preventing poor behaviour. The latter relates to aspects based on the assumption that education, training and role modelling can help improve ethical behaviour. Our range of policies and practices include:

**Code of Conduct**

The NZ Customs Code of Conduct applies to our employees and all those we engage as contractors and consultants. It outlines the expected behaviour under four standards - fair, impartial, responsible and trustworthy. Customs employees sign the Code of Conduct on employment and are responsible for upholding these standards at all times. All Customs employees also have a responsibility under the Public Service Act 2020 to uphold the public service values - i.e. to be impartial, accountable, trustworthy, respectful, responsive - and minimum standards of integrity and conduct.

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\(^1\) Fraud Barometer – Edition 3 October 2021 A snapshot of fraud in New Zealand, [Fraud Barometer 2020 - KPMG New Zealand (home.kpmg)]
\(^2\) Standards of Integrity & Conduct, [Standards of Integrity and Conduct | Te Kawa Mataaho Public Service Commission]
Integrity Committee

The Customs' Integrity Committee (IC) is chaired by an external independent representative and maintains oversight of the integrity reporting and response process. The IC comprises eight members consisting of the external chair, Director Risk, Security and Assurance (vice chair), Deputy Comptroller Operations, Deputy Chief Executive People and Capability, and four senior employees from across the NZ Customs business groups. The IC provides a level of confidence (within Customs and externally) that integrity matters are addressed in a transparent, fair, and timely manner, that risks are appropriately managed, and that the organization has the opportunity to learn from any themes and patterns that emerge.

All allegations of integrity breaches (including incidents of infiltration) are reported to the Customs' Integrity Committee (IC), which was established in February 2016. A central register of integrity breaches reported is kept and maintained by the Risk, Security and Assurance group who also provide the secretariat functions to support the IC.

NZ Customs does not tolerate any acts of corruption, and takes alleged breaches of integrity very seriously, managing them in line with best practice for addressing unacceptable behaviour as set out in the Disciplinary Policy.

Disciplinary Policy

The NZ Customs Disciplinary Policy sets out the approach to the disciplinary process that applies when dealing with misconduct or serious misconduct or when ongoing poor performance remains unacceptable.

The principles outlined in the policy ensure a consistent approach is taken.

The process seeks to ensure that all parties involved in an investigation and/or disciplinary process understand their rights and obligations and participate accordingly.

Promoting an ethical working environment

Face-to-face engagement is the preferred means of maintaining regular integrity discussions to reinforce positive workplace behaviours.

Integrity Awareness Workshops to engage staff directly with the Customs Integrity Team and "safe to speak up" processes are regularly held throughout the year. The aim of the workshops is to ensure Customs staff, in particular new staff, feel safe to speak up, and report integrity issues, and to promote behaviour in our workplace that aligns with Customs values. Varying COVID-19 restrictions have meant the Integrity Team has adapted to presenting online as well as face-to-face where this remains possible.

Posters and screensavers are used to reinforce integrity in the workplace and to highlight options available to report concerns. These also support the public Speak-Up ideals promoted by the New Zealand Public Service Commission.

There are several avenues to report an alleged integrity breach. The employee can discuss with their Manager or Senior Leader, report to a Human Resource Advisor, complete an internal reporting form, e-mail integrity@customs.govt.nz or call New Zealand's domestic 0800 835 269 service - Crimestoppers Customs Integrity Line (an anonymous, 24/7 independent reporting service).

Integrity@Customs updates are communicated to all NZ Customs employees through the intranet to provide the outcomes of integrity notifications, in general terms, triaged by the IC, and any expected actions from broader trends identified.

Protected Disclosures (Protection of Whistle-blowers) Act - Speaking Up

The Protected Disclosures (Protection of Whistle-blowers) Act (2022) was recently
enacted, coming into force on 1 July 2022. The Act provides protection for employees who, in accordance with the Act, disclose information about serious wrongdoing in or by their organization. Serious wrongdoing includes such things as the unlawful use of funds, or an act that constitutes a risk to the maintenance of the law.

The New Zealand Protected Disclosures Act shields 'whistle-blowers' from retaliation, and civil/criminal proceedings related to the disclosure. It also requires agencies, such as NZ Customs, to raise awareness about the ability to make protected disclosures and who these can be made to.

NZ Customs Protected Disclosures - Speaking Up Policy sets out the processes that protect employee interests and rights; enable a fair and transparent investigation; and ensure appropriate resolution when serious wrongdoing is disclosed. This Policy is one part of the overall approach to promoting and championing a "speaking up" culture at NZ Customs.

Workplace Bullying, Harassment and Discrimination Prevention Policy

NZ Customs is committed to providing a working environment and culture where everyone is valued and respected, and where diversity is appreciated.

NZ Customs Workplace Bullying, Harassment and Discrimination Prevention Policy states “We do not tolerate any unacceptable behaviour in the workplace, including bullying, harassment and discrimination, and we are committed to proactively addressing these behaviours.”

Alcohol at Work

As a government department, the Public Service Act 2020 requires NZ Customs to be a good employer, and to maintain and uphold appropriate standards of integrity and conduct in the workplace. The misuse of alcohol by NZ Customs employees and contractors is inconsistent with our work. It undermines our integrity both as individuals and as an organization, and the trust placed in us by government and the public. Misuse has the potential to negatively influence our reputation and effectiveness.

The New Zealand Health and Safety at Work Act requires all employers, including NZ Customs, to provide and maintain a safe working environment for their employees, and for other people who may be affected by the work that they do. The consumption of alcohol (or being intoxicated in the workplace) has the potential to result in an unsafe environment and poses a risk to workers.

The NZ Customs Alcohol at Work Policy provides parameters regarding expenditure of Departmental funds on alcohol, and pre-approval applications for the purchase of alcohol and for events where alcohol is available. It also provides guidance around consumption of alcohol in the workplace, and it supports our intent to ensure all employees go home safe at the end of their working day.

Gifts and Hospitality

NZ Customs employees must be aware of the public perception that can result from accepting offers of gifts or hospitality. All reasonable steps must be taken to decline offers of gifts or hospitality unless it is culturally inappropriate to do so.

The NZ Customs Gifts and Hospitality Policy explains the principles and procedures for any gifts or hospitality offered to or by employees that may be associated with activities in their official capacity. The Policy also establishes guidance for employees to exchange gifts with overseas officials and details the requirements for recording gifts or hospitality (whether accepted or not) in a central Gift and Hospitality Register.

The purpose of the Policy is also to guide employee judgement regarding the consideration of offers of gifts and hospitality from third parties, and the potential perception of others in relation to favour or influence.
11 years of mapping corruption risks in the Portuguese Tax and Customs Authority

Promoting an ethical environment based on commitment, transparency, controls and accountability

Fundamental bases

The Revised Arusha Declaration.³

The legal establishment of the Corruption Prevention Council (CPC⁴) in Portugal, created in 2008, as an independent administrative entity working with the Portuguese Audit Court⁵.

The first CPC recommendation sent a strong mandatory message to all state departments managing financial public resources: to deliver a Corruption and Related Infringements Risk Management Plan (PGRCIC⁶) within 90 days.

As a joint Tax and Customs administration, the Portuguese Tax and Customs Authority (AT⁷) took that message very seriously right from the start. To this end, AT developed the first general mapping of risks for all of its activities, systematizing them by area, procedure, and corruption potential, and designed appropriate measures to mitigate these risks. CPC officially recognized AT’s efforts to deliver a plan in a short space of time, specifically through the exhaustive risk mapping carried out, by dedicating one of its publications to the AT PGRCIC.

AT also set up a Corruption Risk Management Committee (NUGRIC⁸), operating under the command and supervision of AT’s Internal Audit Directorate, to put the PGRCIC into practice and to compile complaints of corruption and related infringements, and address them according their level of importance, so that they could be analysed in depth if considered critical, opportune and valuable (2011).

Methodology

The initial 2010/2011 methodology to implement an awareness system related to corruption risk mapping had to be improved, mainly given officials’ unfamiliarity with the central objectives of fighting corruption risks. A dual top-down perspective (in terms of guidelines and explanations for its development) and bottom-up perspective was developed for the systematization and mapping of risks (prepared from the first organic level, and extending to include all the departments of the central and decentralized services). NUGRIC therefore deepened different approaches to improve manager participation. This changed the initial outlook, and moved the organization to a higher level of cooperation and understanding, resulting in a multisource information collecting system which facilitated:

A. more accurate risk identification and mapping;
B. controls on the implementation of measures, and accountability;
C. transparency and;

³ The entire document, with a particular focus on point 6.
⁴ CPC – Conselho de Prevenção da Corrupção; (established by Lei n.º 54/2008, 04 September 2008); https://www.cpc.contas.pt/
⁵ Tribunal de Contas
⁶ PGRCIC – Plano de Gestão de Riscos de Corrupção e Infrações
⁷ AT - Autoridade Tributária e Aduaneira (for additional information, please contact dsai@at.gov.pt).
⁸ NUGRIC - Núcleo de gestão de riscos de corrupção e infrações conexas.
D. published results.

The multisource system is capable of collecting information from several processes and procedures:

1. Internal Audits (depending on the subject of the audit, every audit report includes a sub-chapter analysing the management of corruption risks to improve the PGRCIC and its execution by verifying and evaluating the quality and degree of implementation of preventive measures);

2. Direct stakeholder information (taxpayers, operators and officials);

3. Complaints investigated;

4. Media and civil society perceptions.

Accurate risk mapping is based on a serious study of each risk, kept in single risk files, and built, on the one hand, on a bottom-up perspective under different department’s typology (centralized and decentralized) and the business area segmentation, and, on the other hand, in a top-down perspective, which includes a cross-cutting risk map to be observed by all departments and business areas, essentially associated with behavioural risks, including conflicts of interest, access to the organization’s systems and applications and document management.

The controls on the implementation of measures make all managers accountable. In addition, managers were requested to nominate an official in their team to study these matters closely, and to follow up the activities demanded by the committee (both being accountable for the implementation of all applicable measures, and periodically delivering required information directly to the risk mapping app).

Training initiatives were carried out all over the country (NUGRIC promoted workshops, gathering together the competent managers from all areas and departments).

Annual PGRCIC monitoring results are published on the AT intranet and reported to the CPC. The PGRCIC is available to the public on the AT website.⁹

Achievements

- The AT has a greater awareness of the need to combat corruption and related infringements;
- There is a serious top-down commitment to combating corruption and related infringements;
- The ethical environment has been improved;
- The information collection system is a great achievement in itself (based on information from all sources and realized through software that registers the implementation and observations of managers at all levels, as regards each risk and each mitigation measure);
- Strict controls are implemented at higher risk levels;
- Continuous risk follow-up has been developed, to adapt mitigation measures and controls in real time;
- Audits are carried out based on risk level, aimed at improving the results of audit reports.

Outlook

In the near future, the AT’s corruption risk mapping will need permanent cooperation by all managers, considering the documentation of non-identified risks, but also better implementation of mitigation measures.

In order to improve information security, the AT also needs to identify the risks that are related to an open administration, considering the digital era and the dematerialization of procedures, as well as all the risks connected with personal data protection.

Internal audit planning must comprise a main objective: to indicate auditing of specific subject areas related to higher-level corruption risks, bearing in mind that these are also high-level operational risks from which the organization needs to be protected.

South Africa Revenue Service approach to integrity:

*Integrity goes beyond compliance*

**Think with integrity, act ethically**

Ethics focuses mainly on governance, compliance and strict adherence to the rules, which usually ensures that people do things right. However, this often falls short and is inadequate to ensure people always do the right thing. Integrity goes beyond mere compliance, to the heart of the matter. Without integrity, compliance is merely a box-ticking exercise that defeats the purpose of the action.

‘Doing the right thing’ is clearly more important and impactful than if people in a society simply ‘do things right’!

Integrity is not a tool, technique or technology, rather it is a way of thinking, informing decision-making and subsequent actions and inactions. When a person thinks right, he/she decides right, and acts right. When you think integrity, you decide intentionally, then you act ethically.

At the South Africa Revenue Service (SARS), the administration fights fraud or corruption by promoting a culture of integrity which fosters sound ethical behaviour. The SARS approach is to deploy integrity initiatives to develop the organization into a strong, agile workforce which is impenetrable, embedded in a culture of high integrity, and made up of individuals who are forged and guided by their strong character.

SARS believes that criminals and fraudsters will always be part of society. SARS is always attentive, and never be blind to criminals and fraudsters, or to their schemes or tactics. However, continually fighting such unlawful acts, and winning such fights, demands that SARS constantly evolve and innovate in order to effectively respond to attacks in an unstoppable way. However, the effort this requires keeps the fraudster in control, and keeps the organization extremely busy, distracting it from its core business and higher purpose. To fight fraud and corruption is increasingly, not to say excessively, time consuming and costly, particularly when the organization has to constantly police its own staff internally and externally in order to continuously monitor and combat fraudulent and corrupt activities. This is unsustainable. The organizations aim is therefore to develop a high integrity culture in which our staff function, maintaining a strong character, and remaining impenetrable and incorruptible. This approach restores control to the organization, as it takes back control from fraudsters. Fraud and corruption are therefore managed, just like any other risk, with an updated, appropriate and proportional risk response plan.

If fraudsters target SARS, the organization insulates itself, making it impossible for fraudsters to breach the administration’s defences and rendering targeted attacks futile. Mitigating SARS fraud and corruption risks before they happen is a proactive response taken by SARS, rather than reacting to every fraudulent or corrupt act or attack as they occur. Prevention is better than cure.

SARS embeds a culture of high integrity, aiming to institutionalize ethical behaviour by every employee, client and stakeholder

SARS is driven by the inspiring mandate of its higher purpose, to serve the people of South Africa by...
ensuring total compliance by every taxpayer, trader and traveller with the South African Tax, Customs and Excise Acts. SARS is mandated to administer and to collect all tax revenues, and all Customs and excise duties due, and to facilitate trade across our borders without compromising our integrity whilst doing our work. Voluntary compliance is SARS’ goal and, to that end, the organization is building a revenue authority that can be trusted by all, to ensure it has a culture, policies and processes that carry the stamp of a high level of integrity.

SARS operationalizes this mandate through smart rapid technological advances, using big data analyses, business trends and artificial intelligence to enable it to remain at the cutting edge to build a smart, modern SARS with seamless online digital services that serve all the people of South Africa through a compact social contract. All of this is being done in order to build credibility, public confidence and trust, and is premised upon SARS’ commitment to embed unquestionable integrity in the way it does things.

Integrity is doing the right thing, consistently, no matter what the cost, even when no one is watching, in spite of the consequences

The ultimate goal of building an organization whose integrity is unquestionable, where institutional integrity is deeply embedded into the core DNA of every person, built into every policy, process and business system, and ultimately the bedrock foundation and motivation upon which every decision is taken and subsequent action is expedited, is premised upon three key tenets, which are:

1. a STEWARD LEADERSHIP that portrays impeccable exemplary integrity models to set the tone at the top, by leaders who “walk the talk,” to inspire a cadre of employees through a psychological integrity contract, whose integrity is NOT negotiable, has no compromise price, and who are individually incorruptible. Leaders who live the values of high integrity standards, whose conscience is alive to influence their critical decision-making, and who put moral conviction and “character first” in all their actions. Leadership must lead by the power of their example rather than the example of their power;

2. a SELF-REGULATED cadre of employees who practice a daily, consistent integrity culture to enhance their awareness of ethical, fraud and corruption risks, inherent in the performance of their daily functions, who hold each other accountable for decisions and actions taken in alignment with the agreed SARS Code of Conduct, who form a diverse, highly skilled and agile workforce, who abhor compromise, are strong enough to resist temptation, courageous enough to speak out against any attempt to corrupt them, and whose integrity is NOT negotiable at any price;

3. the CREATION OF A CONDUCIVE ENVIRONMENT for employees to thrive by strengthening organizational capability to promote a values-driven culture of high integrity that builds employee and public trust through integrity promotion, education and communication, encouraging authentic consultative engagement to reduce integrity breaches, ethical lapses and reputational risk to enable transactional integrity whenever SARS interacts and engages with local taxpayers, traders and travellers, and the organization’s internal and external stakeholders.”

SARS holds a zero-tolerance stance against integrity breaches, ethical lapses, reputational risks, fraud and corruption. The SARS approach to issues relating to integrity and anti-corruption is premised upon building a strong cadre of high-integrity individuals who operate in a conducive environment of an unquestionable integrity culture.

SARS’ strategic intent is to develop and administer a Tax and Customs system of voluntary compliance, based on unquestionable integrity and, where appropriate, to enforce compliance responsibly and decisively. This strategic intent is expressed in nine strategic objectives, namely to:

- provide clarity and certainty for taxpayers and traders as regards their obligations;
- make it easy for taxpayers and traders to comply with their obligations;
- detect taxpayers and traders who do not comply, making non-compliance difficult and costly;
- develop a high performing, diverse, agile and engaged workforce;
- increase the use of data to improve integrity, derive insight and improve outcomes;
- modernize our systems to provide digital and streamlined services;
-drive efficient use of resources to deliver quality outcomes and performance excellence;

- work with and through stakeholders to improve the tax system; and
- build public trust and confidence in the tax administration system.

In line with these objectives, SARS has revised and integrated its values to align with its objectives. The following are the newly integrated and aligned values:

1. Uncompromising regard for taxpayer confidentiality;
2. Unquestionable integrity, professionalism, and fairness;
3. Exemplary public service;
4. Incontestable insights from data and evidence.

SARS' Integrity Promotion Unit (IPU) has been instrumental in supporting the organization in processing this mandate. Prior to the commencement of the current SARS administration, the Integrity Promotion Unit and the Anti-Corruption Unit were housed as separate Business Divisions. As a result, each division had separate Integrity and Anti-Corruption frameworks. Following a strategic organizational alignment, however, both units have now been integrated under one umbrella and have developed a combined SARS Integrity and Anti-Corruption Framework, which was approved by the Commissioner of SARS in February 2021.

The work of the IPU in Customs is not generic and standardized, but focused and specific, with responses that are needs-driven solutions, because Customs has very unique challenges, and vulnerabilities that are peculiar to Customs and specifically in South Africa, with at least 52 border points, with air, land and sea ports bordered by our many neighbouring countries in the Southern African Development Community (SADC) region.

The focus of SARS is at least five-fold:

1. Customs staff must align themselves to the expected integrity behaviours of SARS employees and to the SARS Code of Conduct in their daily work alongside other government agencies (OGA);
2. Traders and travellers are educated and communicated with through regular newsflashes and stakeholder engagement, as are Customs associations, via the heads of those associations as their representatives;
3. Customs clearing agents, and other Customs stakeholders are accredited and vetted regularly;
4. Country-to-country reporting arrangements are in place for liaison, information sharing and learning of best practices, to ensure SARS has an oversight of, or access to, all import documentation prior to import;
5. Collaboration and benchmarking with regulatory bodies (WTO, WCO, OECD, ATAF, SADC and many others).
Slovak Republic Financial Administration in 2021

In December 2020 the Financial Administration of the Slovak Republic (hereinafter ‘FA’) started to use new mechanisms in the area of the fight against corruption. Act No. 35/2019 Coll. on FA and on Amendments to Certain Acts, which introduced new internal regulations and enabled the FA to introduce reliability checks. These are applied in the event of doubts about the reliability of a particular officer of the FA. This officer may be subject to a psychophysiological veracity (PV) examination using a polygraph (‘lie detector’).

Through its Inspection and Internal Control Section the FA intensified controls at the eastern border with Ukraine, especially at the Vyšné Nemecké-Uzhhorod border crossing, where several FA Customs officers were subject to disciplinary measures, or transferred to another unit of the FA, based on the findings of the Inspection and Internal Control Section.

Thanks to several anti-corruption training measures, which were also carried out with the active participation of the Bureau of the Inspection Service of the National Police Force, there has been a positive change in relation to the reporting of cases of possible corrupt behaviour of passengers at the border crossing. One example was an attempt to bribe a Customs officer of the FA at the Vyšné Nemecké-Uzhhorod border crossing by a foreign citizen who entered the territory of the Slovak Republic. In compliance with the regulations in force that officer immediately reported this incident to her superior, and the case was duly investigated with the participation of officers of the Inspection and Internal Control Section in cooperation with the National Police Force.

In September 2021, a new scanning device was put into operation at the Vyšné Nemecké-Uzhhorod border crossing, which significantly increased capacity in comparison to the previous scanning device. The new scanning device can be used to scan lorries as well as passenger vehicles. The new facility is a great help to FA officers in uncovering compartments used for the cross-border smuggling of goods. In cooperation with the management of the Michalovce Customs Office, ‘canine days’ are held on a regular basis. On these days, the number of border controls is increased with the help of service dogs, which results in a reduction in the number of offences related to the smuggling of various goods through the Slovak-Ukrainian border crossings.

As part of the development of integrity and awareness-raising in the fight against corruption, a meeting between FA Customs officers and Customs officers of the State Customs Service of Ukraine took place in Vyšné Nemecké, in which further procedures and the development of cooperation in the future were discussed and agreed.

In connection with the topic of the fight against corruption, the FA held several meetings with representatives of the Prosecutor’s office at various levels, with representatives of the Police Authorities, nationally and regionally (eastern border region). As a result, joint patrols of FA Customs officers and police officers have been established in order to carry out inspections more quickly and efficiently. Police officers are mainly responsible for inspecting persons and documents, and FA Customs officers mainly inspect goods carried by inspected persons, which may have escaped Customs or tax supervision. These goods may subject to restrictions and prohibitions (e.g. intellectual property rights, pesticides, agricultural products, meat and dairy products, cash control or various minerals).
WCO Anti-Corruption and Integrity Promotion Programme

The WCO Anti-Corruption and Integrity Promotion (A-CIP) Programme for Customs is aimed at improving the business and law enforcement environment for cross-border trade in selected WCO Member countries by making changes to the operational and administrative context to restrict corrupt behaviour and promote good governance in Customs operations and administration. These changes are guided by, and are in line with, the 10 key factors of the WCO Revised Arusha Declaration concerning good governance and integrity in Customs.

The WCO A-CIP Programme for Customs was initially launched with funding from Norway (through the Norwegian Agency for Development Cooperation - Norad) in January 2019 in eleven partner administrations: Afghanistan, Ethiopia, Ghana, Lebanon, Liberia, Mali, Mozambique, Nepal, Sierra Leone, Tanzania and Tunisia. In 2020 Norway expanded funding to include six additional administrations: Burkina Faso, Côte d’Ivoire, Jordan, Malawi, Niger and Palestine. At the beginning of 2021, the addition of funding from Canada allowed the Programme to expand to the Americas and Caribbean region, with eight more partner administrations joining: Antigua and Barbuda, Ecuador, El Salvador, Guatemala, Guyana, Honduras, Jamaica and Mexico.

Since January 2022, the A-CIP Programme has been conducting technical assistance and capacity building activities with the Customs administrations of Burkina Faso, Côte d’Ivoire, Guyana, Jordan, Mali, Mozambique, Niger, Palestine, and Tunisia. These activities have responded to identified needs in the areas of stakeholder engagement, internal control, training functions, and morale and organizational culture. Work has also been carried out over this period to finalize the A-CIP project plans and Customs Integrity Perception Survey (CIPS) with each of the eight new beneficiaries from the Americas and Caribbean region.

A-CIP Annual Coordinators’ Meeting

In February 2022, prior to the WCO Integrity Sub-Committee (ISC), the A-CIP Programme held its Annual Coordinators’ Meeting, bringing together online more than 80 representatives from all WCO A-CIP partner administrations. The Meeting aimed to support the delivery of WCO A-CIP results, by taking stock of lessons learnt and best practices under the Programme over the past year. A-CIP partner administrations who joined the Programme from the Americas region last year, with funding from Canada, had...
the opportunity to provide feedback on the conduct of the CIPS in their countries as well as on how its results would be utilized. The Meeting also included feedback on the remote technical assistance and capacity building activities organized by the WCO, especially in the areas of stakeholder engagement, internal control, and building a culture of integrity - as experienced by Members who had joined the Programme earlier, with funding from Norad.

An overview of future activities related to e-learning activities, data-driven decision-making for integrity, and corruption risk management was also provided. These activities are all continuing to build the A-CIP Programme’s support to Members that are implementing the 10 key factors of the WCO Revised Arusha Declaration. Representatives of all partner administrations were also invited to share their ideas and key messages for all WCO Members to note in their fight against corruption and in their promotion of integrity. These messages included the need for Customs to invest in its relationship with the private sector, as well as the importance of leveraging opportunities to increase coordination on matters of integrity.

The WCO Deputy Secretary General, Mr. Ricardo Treviño Chapa, and the WCO Director of Capacity Building, Mr. Taeil Kang, both pointed to the part the WCO A-CIP Programme has played, not only as a catalyst for change in each A-CIP Partner administration, but also in broadening and deepening the WCO’s integrity-related support to all its Members, making it a flagship programme in the fight against corruption.

As underlined by the representatives of both Programme donors, Mr. Per Pharo, Head of the Department for Partnerships and Shared prosperity in the Norwegian Agency for Development Cooperation (Norad), and Mr. Patrick Segsworth, Deputy Director of the Anti-Crime Capacity Building Programme (ACCBP) of Global Affairs Canada (GAC), the WCO A-CIP Programme offers an innovative results-based approach for Member administrations committed to the fight against corruption. Mr. Segsworth also added that the WCO’s strong project management practices allowed the Programme to overcome the challenges posed by the pandemic.

**A-CIP presentation at the Integrity Sub-Committee (ISC)**

The A-CIP Programme Management Team was invited to present on several items at the 21st Session of the Integrity Sub-Committee (ISC-21) held in February 2022. A presentation was delivered on the enhancement of the WCO Guide to Corruption Risk Mapping, led by the A-CIP Programme. The Supplement to the Guide to Corruption Risk Mapping builds on and complements other WCO tools that are important in the fight against corruption (such as the Revised Arusha Declaration and the Integrity Development Guide, extensively used within the context of the A-CIP Programme) and focuses on the operational rather than the institutional level. It offers a practical approach that will be useful to Customs managers and officials involved in operational activities, enabling them to better understand corruption risks and to organize resources accordingly, and will also be helpful to officials responsible for internal affairs.

A-CIP Programme Experts also presented on preventive vigilance to curb corruption in Customs through internal controls, and on the virtual training curriculum created to support A-CIP Members who identified the WCO’s Revised Arusha Declaration’s Audit and Investigation key...
factor as a priority. The curriculum, developed with the support of the Administrations of Brazil, the United States, Canada and Mauritius, underlines four key competencies in matters of internal control, drawing from existing models, such as the PICARD Professional Standards and the WCO Guide to implementing Competency-Based HRM in a Customs Administration Environment.

A presentation was also delivered on the CIPS that was developed by the A-CIP Programme to collect information relating to perception in Customs administrations. To date, the CIPS has been delivered in 25 countries (three of them being outside the scope of the A-CIP Programme). Over 8,000 Customs officials and 6,000 private sector representatives were surveyed, providing the substantial data set of nearly 600,000 data points. The data offers specific insights into making decisions and taking action, and can be used to give a high-level snapshot of the overall perception of integrity within Customs administrations. It also provides opportunities to look further at particular details and information.

New A-CIP Programme Report featuring achievements and progress now available

The WCO has published a new Report featuring the progress of the A-CIP Programme since its inception in January 2019. In addition to examples of how the Programme is making a difference in the more than 20 WCO Member countries that it directly supports, the Report highlights the wider reach of the Programme and the benefits that have already materialized for the WCO Membership as a whole.

These benefits include: the new Integrity e-learning module, already completed by over 3,000 Customs officials; a Remote Integrity Assessment Package that has been integrated into the recent enhancement of the Integrity Development Guide; the CIPS, a key and unique approach already being adapted by Members outside the WCO A-CIP Programme, as well as new tools and initiatives to support Internal Affairs and Corruption Risk Mapping in Customs that have been taken forward by the WCO Integrity Sub-Committee.

Upon the release of the Report, the WCO Secretary General emphasized the fact that the Customs-to-Customs cooperation at the heart of the WCO A-CIP Programme "guarantees that the WCO’s support remains practical, grounded in real-life practices and relevant to the Customs environment.” Both donors of the Programme - the Norwegian Agency for Development Cooperation (Norad) and the government of Canada - reiterated their support, praising the commitment shown by A-CIP partner countries and valuing the important work done by the WCO in the area of integrity.

Integrity e-Learning Event: an innovative and interactive A-CIP tool to support change

In order to support a tailor-made training approach and reinforce ownership of the content of the WCO Integrity e-Learning Module as a lever for change in Customs administrations, the WCO A-CIP Programme has developed and implemented a new, innovative and participatory online tool. The first edition of the Integrity e-Learning Event was completed at the end of 2021 with French-speaking Members involved in the WCO A-CIP Programme.

Stakes, objectives and methodology

Over the course of eight weeks, from 25 October to 17 December 2021, nearly 130 Customs officials from Burkina Faso, Côte d’Ivoire, Mali, Niger and Tunisia were invited to participate in the Integrity e-Learning Event to address both individual and collective challenges within the Customs administrations involved. This included facilitating the implementation of the WCO Revised Arusha Declaration and supporting ownership of the WCO Integrity e-Learning module.

The Integrity e-Learning Event was aimed at:

- working around interactive activities covering the content of the WCO Integrity e-Learning Module;
- publishing contributions and sharing views and good practices; and
- supporting ownership of the WCO integrity promotion tools and instruments.

Methodologically, the Integrity e-Learning Event was built around major themes aimed at fostering participants' engagement and their ownership of useful knowledge: a dynamic tutored and asynchronous approach; an active and participatory method; various activities, discussions and online surveys; weekly feedback from participants; a final evaluation with the delivery of a certificate of participation by the WCO and, finally, the establishment of a monitoring and evaluation process led by experts from the WCO A-CIP Programme, with a view to future editions of the Integrity e-Learning Event on CLiKC!

Encouraging feedback

The assessment of the pilot operation conducted at the end of 2021 highlights the many advantages of the Integrity e-Learning Event.

In addition to the significant number of Customs administrations and participants involved in a single activity, the first edition of the Integrity e-Learning Event enabled senior managers of different nationalities and from a variety of professional backgrounds to work together over an extended period of time on some 30 activities, including three surveys, covering the entire content of the WCO Integrity e-Learning Module.

Simultaneously, participants were encouraged to express their views and share their thoughts on the various topics addressed, such as leading change to fight corruption, the impact of automation, and the tools for promoting integrity made available by the WCO. Nearly 2,200 publications and contributions were posted online and shared amongst all
participants and the experts overseeing the event.

Among the most frequently expressed comments on what was needed to meet the challenges of fighting corruption and promoting integrity, the importance of senior management involvement was highlighted, as well as the need to articulate and synchronize individual and collective actions to drive change. The importance of each Customs official taking ownership of the WCO Model Code of Ethics and Conduct was also emphasized. In this regard, one of the snapshot surveys offered showed that, of the 11 elements that make up the WCO Model Code of Ethics and Conduct, the one on "Limitations on Political Activities" was perceived as the most difficult to manage within Customs administrations.

Feedback from participants was overwhelmingly positive. Most agreed that the Integrity E-learning Event met their training needs and enhanced their ability to tackle the topics covered.

Given the positive results obtained and the participants' high level of satisfaction, the A-CIP Programme plans to repeat this activity with its English- and Spanish-speaking beneficiary administrations.

WCO Integrity e-Learning Module

The WCO Integrity e-learning module was developed for the WCO's e-learning platform with funding from the Norwegian Agency for Development Cooperation (Norad). The course is available in English, French, Portuguese, Arabic, Spanish and Russian.

The module is the product of extensive collaboration between the A-CIP Programme Management, WCO lead officials on related topics across the WCO Secretariat, as well as Member representatives from all six WCO regions, the WCO Private Sector Consultative Group (PSCG) and the International Anti-Corruption Academy (IACA).

The course is aimed at enhancing the overall competence of WCO Members on anti-corruption topics and contributes to mainstreaming integrity across all areas of Customs. It provides an opportunity to explore Customs’ institutional, managerial and individual responses to corruption through the lens of the WCO Revised Arusha Declaration and other tools available to implement the latter’s key factors.
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Editorial note
The Integrity Project Newsletter is distributed free of charge in English and French and is available on the WCO website. The WCO Integrity Project Team wishes to express its sincere thanks to all contributors. Please note that the opinions expressed in this Newsletter are the Team’s own and do not necessarily reflect the official views of the Organization. The WCO Secretariat reserves the right to publish, not to publish or edit articles to ensure they conform to the Newsletter’s editorial policy. Contributions are welcome in English and French.

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