



WCO Integrity Newsletter

Issue N° 4



WORLD CUSTOMS ORGANIZATION

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Dear Readers,

Because the safeguarding of integrity remains high on the agenda of Customs services worldwide, many Customs administrations have taken measures with a view to enhancing integrity at the national level. Some of these measures are presented via the Integrity Newsletter, which provides you with an opportunity to learn from each other's experiences and enables Customs administrations to envisage new ways of implementing the principles of the WCO Revised Arusha Declaration in different social and political environments.

The WCO Secretariat is pleased to present this fourth issue of the Integrity Newsletter. It also wishes to thank all the Members having contributed to the Integrity Newsletters produced so far and would be most grateful for an update on quantifiable progress made within their Customs and tax administrations through the implementation of the measures described. Such information would prove extremely useful and could be presented in a future issue of the Integrity Newsletter.

As you may have noticed, each article features a box containing the contact details of an individual or unit that you are invited to contact should you be interested in the specific initiatives presented. We strongly urge you to make use of this facility and to let us know how it helped you with your own decisions and integrity projects.

In order to broaden the scope of integrity-related Customs activities, the next Integrity Newsletter will be dedicated to social and welfare activities initiated by WCO Members. These include Customs officers spouse associations, mutual insurance companies, microfinance institutions, widows and orphans associations and tontine associations. This idea was prompted by a presentation made by Nigeria's Customs Officers Wives Association (COWA), which described its programme at the 10th Session of the Integrity Sub-Committee. The fifth issue of the Integrity Newsletter will provide an insight into COWA's programme. We invite countries having developed such schemes to provide the WCO Secretariat with information in good time for inclusion in the next issue.

This fourth issue of the Integrity Newsletter features the experiences of The Former Yugoslav Republic of Macedonia, the Republic of Korea and Brunei Darussalam.

We hope you will enjoy reading it!



REPUBLIC OF KOREA



The Korea Customs Service Charter

The Korea Customs Service (KCS) 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 service and (3) correction and compensation procedures in the event of customer dissatisfaction. The Service Charter was made public to Korean citizens to protect and enhance their rights.

The Service Charter was enacted in 1998 and has subsequently been amended four times. It stipulates seven rights for KCS customers :

- Courtesy and Impartiality**
- Uniform Service**
- Information**
- Privacy**
- Immediate Appeal**
- Presumption of Faithfulness**
- Assistance from Experts**

To ensure that customers' seven rights are fully respected, KCS conducts Customer Satisfaction Surveys and publishes its results on its official website. The surveys generally take the form of (1) telephone surveys, (2) Customer Satisfaction Surveys conducted twice a year using a random sample of KCS customers and (3) random telephone checks to assess Customs employees' attitude, made twice a year.

What is innovative about this approach is that the survey results directly influence the Customs employees' salaries.

KCS conducts an annual performance evaluation of every official in every division.

The results of Customer Satisfaction Surveys, which are a major performance indicator, account for as much as 5% to 15% of the entire performance evaluation.

According to the results of the survey, divisions are rated and workers are paid a bonus based on the amount assigned to the division of which they are part.

Customs employees are consequently highly committed to respecting the Service Charter, resulting in greater customer satisfaction year after year.



KCS' efforts to fully implement the spirit of the Charter were recognized by the Korean Government, which presented KCS with the Best Organization Award for Customer Satisfaction (2010) and the Best Organization Award for Administration Service Charter (2007). In addition, the World Bank ranked KCS at the top of the Trading Across Borders list in its "Doing Business" Report for two consecutive years, in 2009 and 2010. This ranking applies to nations with a population of 150 million or more.

KCS' success in implementing the Service Charter lies in the active participation of Customs employees and performance-based rewards backed by a strong commitment from the KCS Commissioner to ensure customer satisfaction.

For more information about Korea Customs Service Charter, please contact Mr. Young Hwan Sohn, Director/Mutual Cooperation Division

Contact

Mr. Young Hwan Sohn
Director
Multilateral Cooperation Division

yhsohn@customs.go.kr

THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA



Anti-Corruption Training

Background

The Customs Administration of the former Yugoslav Republic of Macedonia benefited from technical assistance under the European Union Instrument for Pre-accession Assistance (IPA) programme in order to develop an Anti-Corruption Training programme for border management staff.

The training materials were developed and training provided through a train-the-trainer event. The materials and methods were tested by means of two pilot events. Following minor adjustments, a national training programme was planned and is currently being rolled-out.

Training

The training is participative and starts with a series of definitions leading to discussions about who could be involved in corruption and what qualifies as corrupt activities.

The training then builds on students' existing knowledge of international anti-corruption instruments such as the United Nations Convention Against Corruption, the European Union Criminal Code on Corruption and the WCO Revised Arusha Declaration. The group is also invited to discuss available national legislation and



SNAPSHOT OF MEMBERS'
BEST PRACTICES

Administration. Attention is also drawn to the Customs website and the '197 corruption hotline'.

The training identifies a range of management tools that are available to detect and prevent corruption, such as (1) management/supervisory tools, including risk assessment; (2) management information systems (IT); (3) internal and external audits (including audits by the Supreme Auditors); and (4) other methods, such as CCTV installed at border posts, official police information, etc.

After having been acquainted with the theory, students are asked to conduct practical exercises. At this point, the training deals with identifying corruption not only as a wrongful act, but as a matter of personal choice.

Using a Cognitive Criminality Matrix, the students are asked to identify and consider the elements that need to be in place for an individual to commit an act of corruption, i.e. what motivates Customs officers to engage in corrupt activities, the level of risks involved, the approach taken to engage in an act of corruption and the readiness to commit an act of corruption.

The students are made aware that breaches of integrity are regulated by the national Criminal Code and will be sanctioned accordingly.

The steps that lead to an act of corruption are identified and explained through role play. The group splits into smaller units to examine case studies, in order to identify possible corrupt behaviours. The students are asked to evaluate the seriousness of the act, to reflect on whether or not there is breach of conduct or an abuse of power and, in which case, whether a criminal act has occurred. Then officers are asked to identify which of the tools previously mentioned could be used to detect and/or prevent cases of corruption. The groups' findings are discussed during the plenary session.

Next Steps

It is recognized within the Customs Administration of the former Yugoslav Republic of Macedonia that corruption does not necessarily occur at the border. The training materials (mainly case studies) will be adjusted to suit a wider audience, including Headquarters staff and those involved in procurement and corporate service duties. Training has been developed to meet the needs of managers of different levels.

Once delivered, this will mean that the entire Customs Administration will have received the same message, making the detection and prosecution of corruption more effective, as no staff member can claim ignorance of this matter.

Contact

Vanco Kargov,
Director

[vanco.kargov@
customs.gov.mk](mailto:vanco.kargov@customs.gov.mk)

Snezana Patirova,
Assistant Director
[snezana.patirova@
customs.gov.mk](mailto:snezana.patirova@customs.gov.mk)



BRUNEI DARUSSALAM



Integrity promotion programme

The Royal Customs and Excise Department Brunei (RCED) is well aware of the threats of corruption that may undermine its mission and vision. With that realization, RCED has made anti-corruption awareness an important component of its human resource development for all its officers and employees.

One of the means of achieving this is by promoting a work ethics culture in its service delivery by inculcating noble values such as transparency, honesty and sincerity. With that aim, RCED has been conducting internal lectures and interactive dialogues with its officers and also its business stakeholders on the threats of corruption and the need to instil a high level of integrity as the basis for conducting business. The RCED also works collaboratively with other government agencies, including the Anti-Corruption Bureau, in raising awareness on the threats of corruption among RCED employees.

In a joint effort to curb corruption, RCED has signed a Memorandum of Understanding (MoU) with the Anti-Corruption Bureau. Under the MoU, both departments will work together through a programme designed to improve and enhance capabilities in the fight against corruption and encourage an anti-corruption culture through corruption awareness activities. Both sides have also agreed to share information, expertise, research and other activities aimed at enhancing knowledge.

To complement the efforts described above, and with a view to enhancing its preventive message to the public, Anti-Corruption Bureau badges were distributed to all RCED personnel. This badge carries a message that promotes excellent service towards a nation free of corruption and is worn by all uniformed RCED officers. RCED also supports the work of the Anti-Corruption Bureau by displaying anti-corruption posters within RCED premises.



**Anti-Corruption
Bureau Badge**

Did your Customs Administration launch an initiative or embark on a project aimed at improving integrity and you want to share it with the WCO Members ? Please send your contribution to the WCO Integrity Development Unit at :

**integrity@wcoomd.org
(+32 2 2099422)**



PILOT PROJECTS

Here is an update of the latest developments in terms of integrity pilot projects.

Cameroon



Cameroon Customs has implemented most of the recommendations contained in its Integrity Action Plan and performance contracts have been expanded to the private sector this year.

Against a background where the practice consists of 100% controls, the Cameroon Customs Administration is offering operators the opportunity to submit 40% of their operations to a simplified Customs clearance channel in return for a commitment, on their part, to expedite their Customs clearance operations (including by planning their operations in advance and paying their duties and taxes on time) and by avoiding any disputes with Customs. All these measures have been assessed using a series of performance indicators based on data taken from ASYCUDA over the past four years. Cameroon Customs' policy of dialogue with the private sector, aimed at promoting integrity, comprises three phases : sharing a same reality based on objective data and figures; jointly deciding on the measures to be taken to boost revenue without impeding facilitation; and ensuring monitoring of the actual implementation of these measures on the ground by all, Customs officers and non-Customs officers alike.

Morocco



The Observatory aimed at enhancing integrity and fighting corruption is an ongoing project. Moroccan Customs is looking at ways of enhancing the use that is made of this structure as the number of complaints received has been lower than expected.

Whistleblower legislation was recently passed in Morocco and should help to increase the number of complaints made to the Observatory.

Rwanda



Rwanda's Integrity Action Plan identified the development of an integrity communication strategy as a potential pilot project. The WCO Secretariat continues to assist Rwanda by virtual means and is seeking the necessary funding to develop an integrity communication strategy.

Liberia



A WCO mission funded by the Swedish International Development Agency (SIDA) travelled to Monrovia, Liberia in January 2011 to carry out an integrity self-assessment workshop in preparation for the implementation of a pilot project similar to the performance contract project initiated by Cameroon Customs.



PILOT PROJECTS

Lesotho



Lesotho benefited from an integrity development workshop in May 2011 and identified the development of a joint Code of Conduct for Customs and the private sector as a pilot project. The WCO is in contact with the Lesotho Revenue Administration to continue providing assistance with this project.

Ethiopia



Plans are currently being made to send a WCO mission to Ethiopia in September 2011. The mission will lead an integrity development workshop aimed at identifying a pilot project.

Serbia



The WCO continues to support Serbia with the implementation of its integrity pilot project relating to the development of a risk atlas.

Togo



A joint WCO Capacity Building/Research Unit team went to Lomé, Togo in May 2011 as part of a WCO/World Bank project. The aim of the project; sponsored by the World Bank, is to pilot performance contracts as a way to improve Customs efficiency and reduce bad practices. The WCO continues to work on the project, in conjunction with Togo Customs, from Brussels.

Please contact the WCO Secretariat should you wish to embark on an integrity pilot project

Contact

Patricia Revesz
patricia.revesz@wcoomd.org



INTEGRITY NEWS

Mauritius



The efforts made by the Mauritius Revenue Authority (MRA) to enhance integrity have proved fruitful, as the MRA was presented with the Best Anti-Corruption Framework Award in 2010. This Award was made to the MRA on 13 December 2010 by the Vice-President of the Republic of Mauritius.

Albania



As a result of the integrity action plan developed by Albania Customs with the assistance of the WCO Secretariat, the former has established a new Directorate for Internal Investigation and Anti-Corruption.

GAPIN Project

The WCO organized a CITES/Integrity workshop in Mombasa, Kenya in December 2010. The workshop was followed by a two-week operation during which integrity issues were reported. A debriefing session was held in March 2011 in Mpumalanga, South Africa at which the results obtained in the context of the GAPIN Project were discussed and solutions proposed. A final report, establishing a clear link between integrity and CITES fraud, was sent to the donor, the Swedish Ministry for Foreign Affairs.

ASEAN

The Association of Southeast Asian Nations (ASEAN) Secretariat asked the WCO to conduct a regional integrity awareness raising workshop. This event, held in February 2011 in Brunei Darussalam, resulted in a regional integrity action plan.

WCO KNOWLEDGE ACADEMY

On 1 July 2011, the Secretariat will give a one day course on the Organization's Integrity Strategy as part of the WCO Knowledge Academy. The Chair of the ISC will present an update on its work and the Research Unit will give a lecture on performance measurement as a useful tool for fighting corruption and on new ideas in the anti-corruption domain.



INTEGRITY NEWS

INTEGRITY SUB-COMMITTEE

The Integrity Sub-Committee (ISC) held its 10th Session on 6 May 2011 and the Report (Doc. HI0043) is available on the WCO website. The ISC officially adopted the revised version of the WCO Model Code of Ethics and Conduct. A decision was also taken to proceed with the revision of the Integrity Development Guide via the CLiKC platform. To date, Canada, the Democratic Republic of the Congo, Kenya, Malaysia, Mauritius, Morocco, the Netherlands, New Zealand, Norway and the United States have offered to participate in the revision work during the intersession.

OECD

The WCO Secretariat was represented at a Financial Action Task Force (FATF) experts meeting held at the Organisation for Economic Co-operation and Development (OECD) in Paris in February 2011.