

FAD, sponsored by Japan, supports African Customs in implementing the new African Continental Free Trade Area (AfCFTA)



On May 31-June 1 and June 5-7, 2023, the Fiscal Affairs Department's Revenue Administration Division 2 (FAD R2), with support from AFRITAC West I and II, organized two regional workshops with Customs administrations of West Africa. The workshops, which were part of a capacity development (CD) project sponsored by the government of Japan, advised on the necessary modernization of customs processes to implement the African Continental Free Trade Area (AfCFTA)

and consulted Customs managers on issues they currently face with this ambitious initiative. Participants concurred that Customs is the major actor on the administrative side to achieve the objectives of the Protocol on Trade in Goods (PTG) – boosting intra-African trade, integrating the economies and promoting growth. This will be done through a wide-scale dismantling of tariffs on goods of African origin, progressive removal of non-tariff barriers (NTBs), and increased trade facilitation. It was found, however, that Customs authorities in the region need to be better informed and more involved in the ongoing preparations for implementation of the Agreement. Countries must put Customs administrations in charge of implementing all customs-related provisions of the PTG and a higher priority should be given to managing and controlling the country of origin of exchanged commodities (which conditions tariff elimination). FAD representatives recommended the installation of a peer-to-peer infrastructure to establish digital operational exchanges among Customs of the 54 State Parties to the Agreement and to publish online the complex legal information expected by traders and officers. Strengthened customs intelligence and trade data analysis and setting up of a specialist Origin Unit within Customs would all enhance control efficiency. Innovations such as a common set of data used by both sides of the border and implementation of a mandatory AfCFTA trader electronic verified account would also help with compliance. Simultaneously, reduced inspection rates for intra-African declarations and streamlined cargo transit procedures should be part of Customs' strategies to make a significant change in trade facilitation. Lastly, participants discussed the opportunities offered by mobile telephony to simplify procedures for small and medium sized enterprises and to formalize border trade. FAD's next regional workshops on modernizing customs administration for the success of the AfCFTA will take place in Dar es Salaam from August 30 to September 1, and Libreville in November 2023, with participation by AFRITAC East and AFRITAC Central member countries.

