



Uganda Revenue Authority
DEVELOPING UGANDA TOGETHER

Modernization and Trade Facilitation Initiatives in Uganda: Successes and challenges of the e-SW

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Lay out

- The emerging role of Customs
- TF initiatives by Uganda Customs
- The Single Window System
- Successes and challenges of the e-SW

Introduction to Uganda's Customs

The role of customs has changed significantly due to globalization of trade, revolutionary factors because of the changing environment in which customs operates and corresponding changes in govt priorities.

The WCO, WTO and other international bodies are responding through development of global standards that recognize the changing nature of border management.

Changing role of customs contd...

- Previous customs authorities were characterised by excessive and unnecessary documents, lack of automation, limited use of IT, cumbersome procedures etc and mainly focused on revenue collection.
- Today the role extends from mere collection of revenue and protecting society to facilitating trade.

The changing role of customs

- The Trade Facilitation agenda has gained momentum under four key pillars; simplification, standardization, harmonization and Transparency
- The 4 pillars call for use of risk management techniques, embracing use of IT, implement appropriate international standards and procedures, customs cooperation (3 tier)

TF Initiatives by Uganda Customs

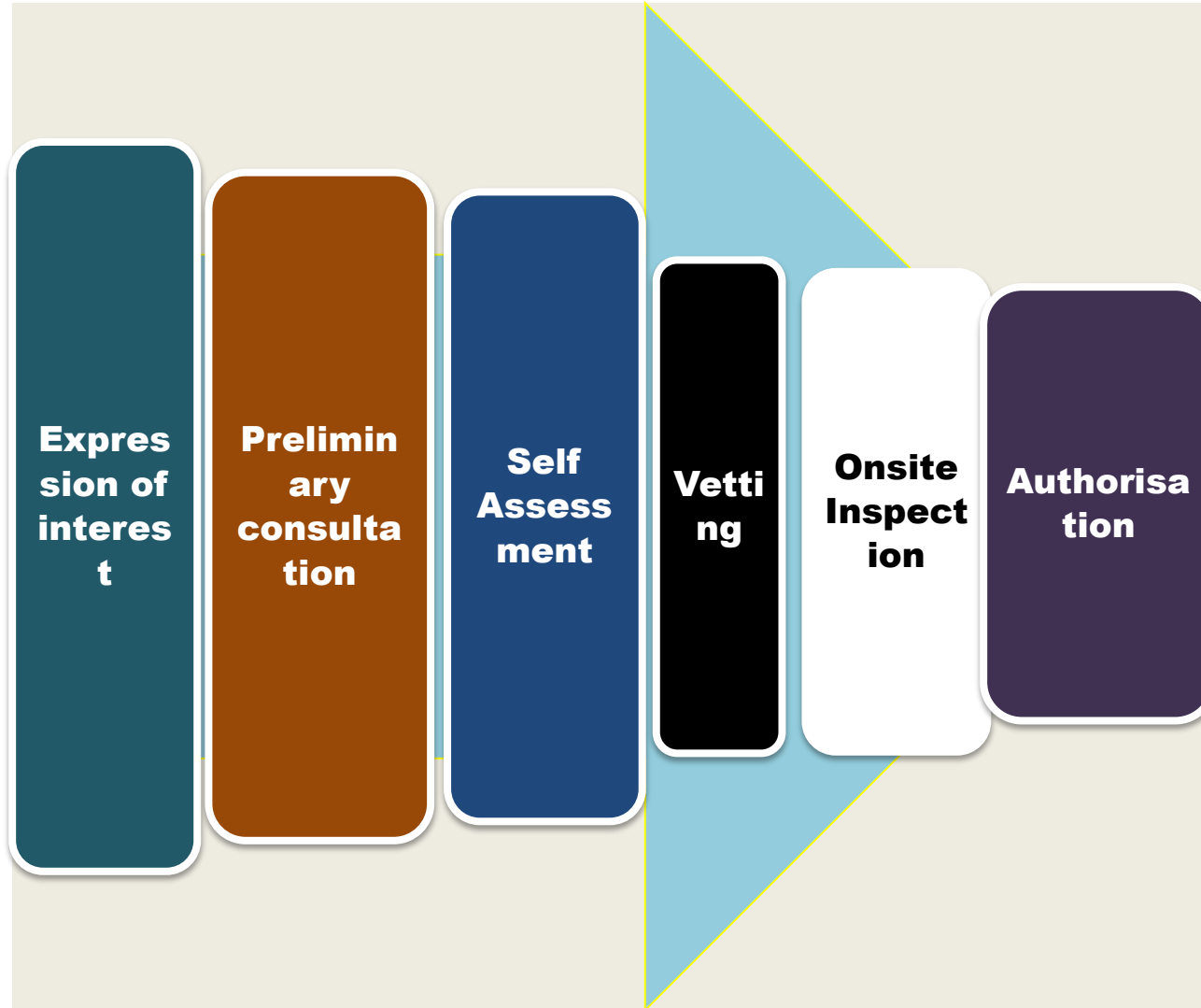
- Automation of Customs processes with ASYCUDA World
- The Authorised Economic Operator (AEO) program
- Regional Electronic Cargo Tracking System (RECTS)
- One Stop Border Posts (OSBPs)
- Single Customs Territory (SCT)
- The Document Processing Centre
- Non Intrusive Inspection
- Online Licensing of Customs agents and Customs warehouses
- Uganda Electronic Single Window (UESW)

Automated Customs Processes

- Declaration processing
- Tax payment
- Query notifications
- Online appointment of agents

TABLE TOOLS		Invoice suitcases [Compatibility Mode] - W	
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No. PEX NAGARPART 1, OPP RUTARAJ SO IR AHMEDBAD INDIA		A OFFICE OF DESTINATION KEMBA RADDEX No. MOMBASA PORT Customs Reference C 1111 28/09/2016 Manifest KEMBA 2016 2165	
No. 1000039174 ETAL INDUSTRIES LIMITED MUKONO NORTH NAMA ETA AD BLOCK 110 MUKONO		1 DECLARATION IM 4 3 Forms 1 1 4 Load List 5 Items 1 6 Nbr packages 18 7 Reference number 2016 HT3	
No. 1005217072 ENTERPRISES LTD		9 Financial No. Cty.s last IN con. 11 Trading IN cty. 12 Value details 0 13 C.A.P. 15 Country of export India 16 Country of origin India 17 C.D. Code a1 IN b1 17 C.D. Code a1 UG b1 17 Country of destination Uganda	
nationality of means of transport at arrival 16 KE 19 Ctr. nationality of active means of transport crossing the border 16 KE		20 Delivery terms CFI MOMBASA 22 Currency & total amount invoiced USD 40,265.05 23 Exch. rate 3,389.02 24 Nature of 8 5 transac.	
port 26 Inland mode er 3 Transport 27 Place of discharge try MOMBASA PORT 20 Location of goods KEMBA		28 Financial and banking data Bank Code DTB Terms of payment T01 CASH DIAMOND TRUST BANK (U) LTD	
members - Containers No(s) - Number and kind 1x20 MRKU 781597-1 18 PK Package		32 Item 1 No. MVR 33 Commodity code 76141000 000 34 Cty. orig. Code a1 IN b1 35 Gross mass (kg) 21,166.00 36 Prefer. 37 PROCEDURE 4000 405 38 Net mass (kg) 19,269.00 39 Quota 40 Summary declaration / Previous document 957735746 S/L	
(s) uminium, with steel core, not electrically insulated CONDUCTOR STEEL REINFORCEMENT BARS		41 Exemption code 42 Item Price 43 S/L	
Info. Page Items administrations selectivity Scan. Doc. Containers			
#Box Detailed Declar... Detailed Declaration...			

The AEO Program



PROSPECTIVE AEOs



Manufacturer

Importer

Exporter

Clearing Agent

Bonded Warehouse Operators

Transporters

Freight Forwarders

CURRENT STATUS

36 companies accredited at National Level

07 accredited at Regional Level

08/13 Undergoing Regional Accreditation

72 +Applications undergoing National Accreditation



Benefits of AEO



- Self-management for bonded warehouses
- Priority treatment of consignments if selected for control,
- Choice of place of control,
- Automatic renewal of Customs licenses
- Withholding tax exemption
- Self-generation and exit of T1s
- The AEO Client Relations Management team collect data on AEO operations and ensures AEO Companies enjoy the said benefits

Brief about RECTS

- ❑ URA, KRA & RRA individual e-monitoring systems posed continued transit management challenges along the Northern Corridor
- ❑ The Northern Corridor Infrastructure Summit held on 2nd May (Nairobi) & 3rd July (Kigali) 2014 directed e-monitoring of Transits along the corridor be harmonised to enable seamless flow of cargo.

- ❑ RECTS launched

- ❑ TMEA funded

RECTS Launch;



- "Commissioned in Uganda on 24th Feb"
- "Launched in Kenya on 2nd March 2017"
- "Launched in Rwanda on 24th March 2017."



Uganda Revenue Authority
SINCE 1992

History and Transition to e-Monitoring



Transit Management history :

- ❖ Physical Convoy system 1992-2001
- ❖ Paper Control System
- ❖ Transit log sheet/Call points
- ❖ Physical Escort until May 2014



Challenges faced:

- ❖ Delays
- ❖ High cost of doing business
- ❖ Non-tariff barriers
- ❖ Difficulty in transit monitoring.
- ❖ High cost of monitoring
- ❖ Poor coordination with Partner States in the EAC
- ❖ Diversion of transit cargo

Electronic Cargo Tracking System -ECTS by BSMART: 2014-16



RECTS: 2017-Todate

- ❖ *Real-time monitoring along Northern Corridor*
- ❖ *Single platform used by Kenya, Rwanda & Uganda*



RECTS Launch;



- “Commissioned in Uganda on 24th Feb”
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REGIONAL ELECTRONIC CARGO TRACKING SYSTEM



Funded By:



through:



Implemented By:



RWANDA REVENUE AUTHORITY
TAXES FOR GROWTH AND DEVELOPMENT



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Regional Electronic Cargo Tracking System

Features



1. Electronic seals



Fuel sensors

2. Centralized Monitoring Centers (CMCs)
Nairobi, Kampala & Kigali

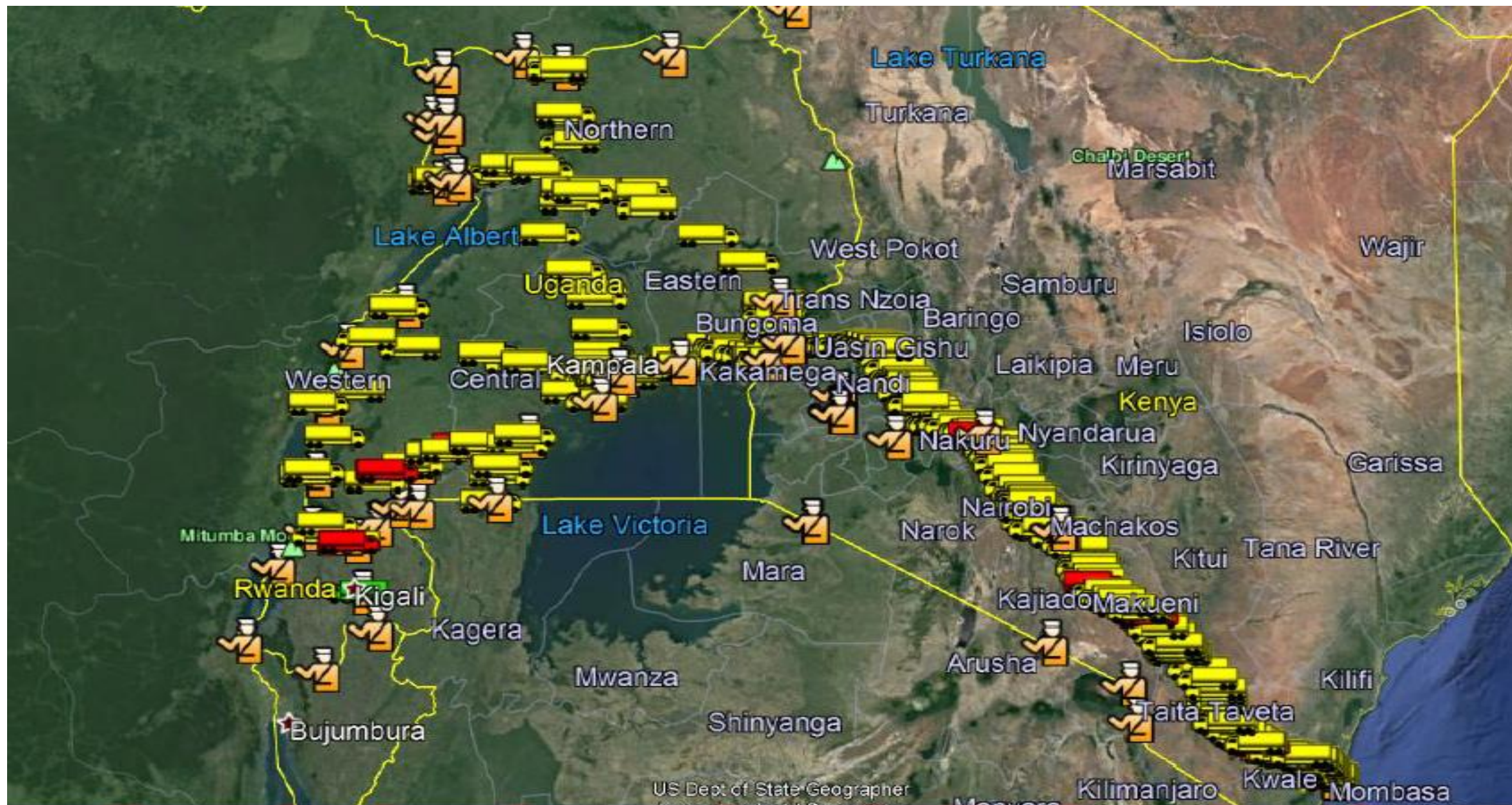


3. The Rapid Response Units (coordinated KRA, URA, RRA)
Customs enforcement officers along the transit route

4. Automatic Number Plate Recognition (ANPR)
and The Smart Gates operations



5. The CCTV camera systems at Customs points



E-monitoring of cargo along the Northern Corridor

Real time e-monitoring of transit at CMCs 24/7





Track & trace



....In real time

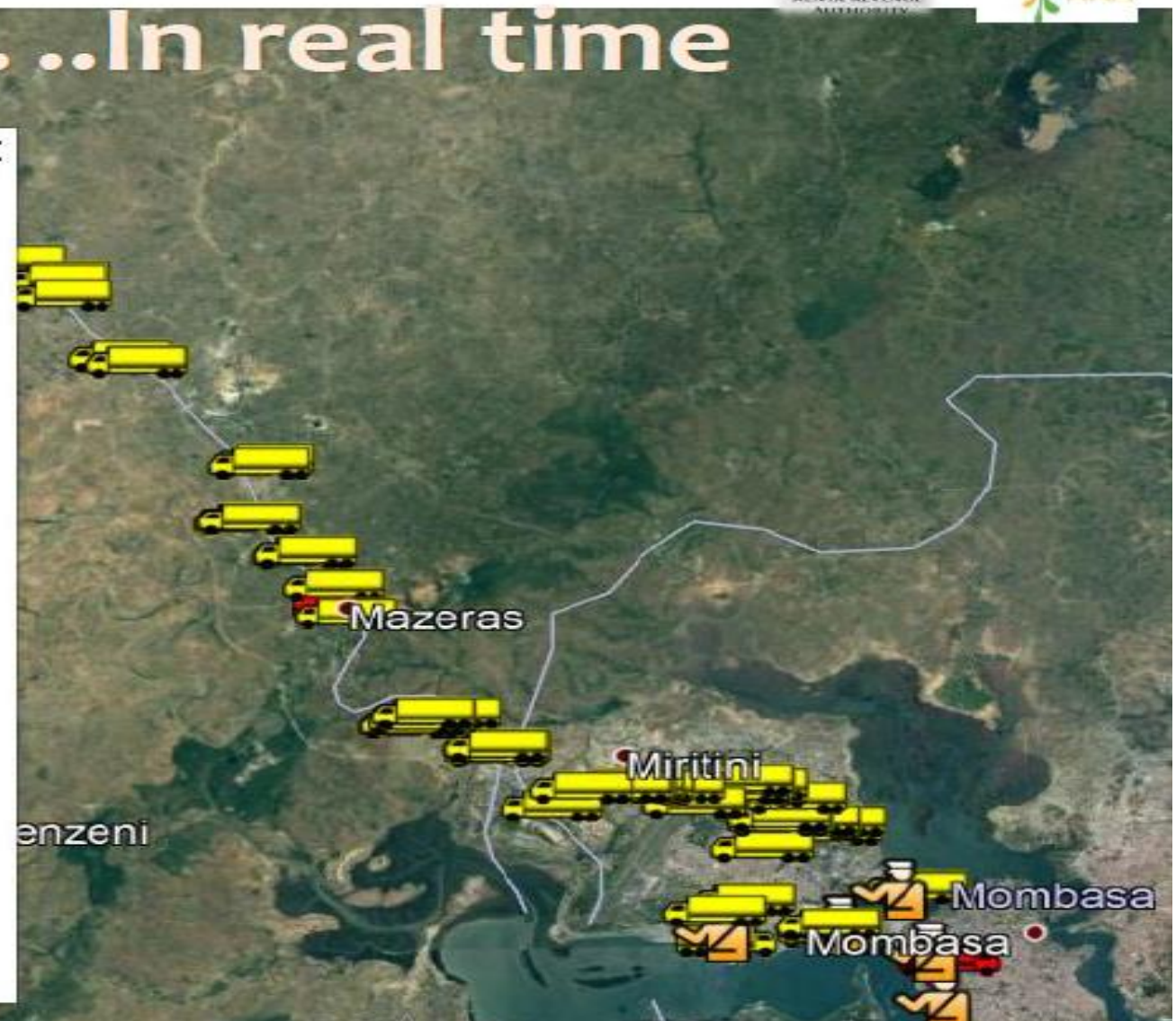
Mombasa Port Gate 18,19,20 TO KAMPALA CBC

ESeal No : 60D5006748
Reg No : KCE401X/ZF2151
Event : DATA MOVEMENT
Location : 0.14 KM NW of
Mombasa Rd,
Kenya
Speed : 9kmph
Date Time : 2018-03-07
16:26:34

Shipment Details

T1 Ref /
Entry No : D29141
Departure : MOMBASA PORT
GATE 18,19,20
Destination : KAMPALA CBC
Route : MSA-KLA-
MOMBASA-KAMPALA
VIA MALABA
Estimated
Exit Time : 2018-03-11 04:53

Directions: [To here](#) - [From here](#)





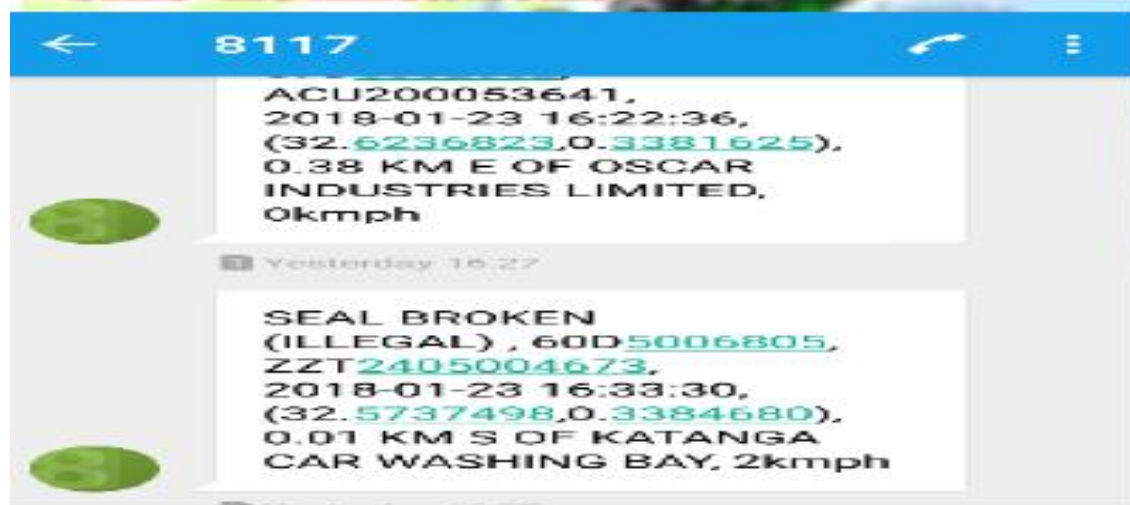
BENEFITS:

Real-time e-monitoring



- ❖ Easy trace & track of transit cargo
- ❖ Better cross border coordination and enforcement
- ❖ Real-time notification on transit violations (sms & email alerts)
- ❖ Improved voluntary compliance with Transit Laws
- ❖ Reduced Transit diversion & improved Revenue Collection

sms notifications



E-mail notifications

Shipment Details

Entry No / T1 No : 2018MSA6784043

Departure : MOMBASA PORT GATE 18,19,20

Destination : MPONDWE CUSTOMS STATION

Route : MOMBASA-MPONDWE VIA MALABA-MBARARA

Estimated Exit Time : 2018-01-24 02:13

Violation Details

ETrack / ESeal Serial No. : 60D5006805

Vehicle Registration Number : KB5882E/ZD9527

Date : 2018-01-24

Time : 02:10:41

Alert : EXCEED TRANSIT DURATION / TRIP DURATION

Longitude : 34.2611686

Latitude : 0.6404003

Location : 0.10 KM NW OF MALABA VEHICLE YARD CHECK POINT,

Speed : 0kmph



Uganda Revenue Authority

BENEFITS:

Enhanced Cargo Security



Border	Location
OFF ROUTE	0.35 KM SE of MALABA CUSTOMS STATION, (Vijaya Road)
OFF ROUTE	0.90 KM S of Mbita, (Vijaya Road)
OFF ROUTE	0.15 KM SE of Mombasa Rd, Malindi, Kenya, (Vijaya Road)
OFF ROUTE	0.70 KM S of ELEGI Customs Station, (Vijaya Road)
OFF ROUTE	2.05 KM W of Mombasa, (Vijaya Road)
OFF ROUTE	0.42 KM SW of Malindi URA Office, (Vijaya Road)
OFF ROUTE	0.15 KM SW of Old Malindi Rd, Malindi, Kenya, (Vijaya Road)

Rapid Response to transit alerts in real time protects Cargo and Revenue!

Type of incidents 2017	Uganda: RRU Revenue protected		Kenya: RRU Revenue Protected	
Attempted Robbery	19	2,763,367,703	24	\$910,855.94
Attempted diversion	34	5,744,290,240	16	\$121,575.82
Accident cases	13	799,612,138	27	\$356,693.18
Breach of procedure	69	2,953,337,337	22	\$131,277.45
Transshipment cases	18	6,043,929,188	46	\$516,405.53
TOTALS	153	Ugx. 18,304,536,606 USD5.084.594	135	USD 2,036,808 Kes: 203.680.823

BENEFITS:

Reduced Transit Time

Transits to and through Uganda	Average Transit time in days	
	Before	Now
Non-monitored - Uganda	6 days	4.6 Days
e-monitored National	8 days	1.5 days
e-monitored Regional	17 days	3.0 days

e-monitored Transit Time for some routes:

Route Name	Average Transit Time
Mombasa-Malaba	2 days, 5 hrs
Mombasa-Busia	2 days, 1 hrs
Mombasa-Kampala	3 days, 14 hrs
Mombasa-Elegu	3 days, 13 hrs
Mombasa-Mpondwe	6 days, 1 hrs
Mombasa-Katuna	4 days, 19 hrs
Mombasa-Vurra	4 days, 19 hrs
Mombasa-Goli	5 days, 9 hrs
Mombasa-Oraba	4 days, 22 hrs
Mombasa-Ntoroko	4 days, 19 hrs

❖ *Improved turnaround time for transporters (4trips increased to 8trips per month due to reduced transit time).*

❖ *Improved Transit accountability (easy Cargo movement trail, auto-bond cancellation, enhanced driver behaviour monitoring etc).*

BENEFITS:

Reduced Cost of doing Business

20% of Transits are e-monitored

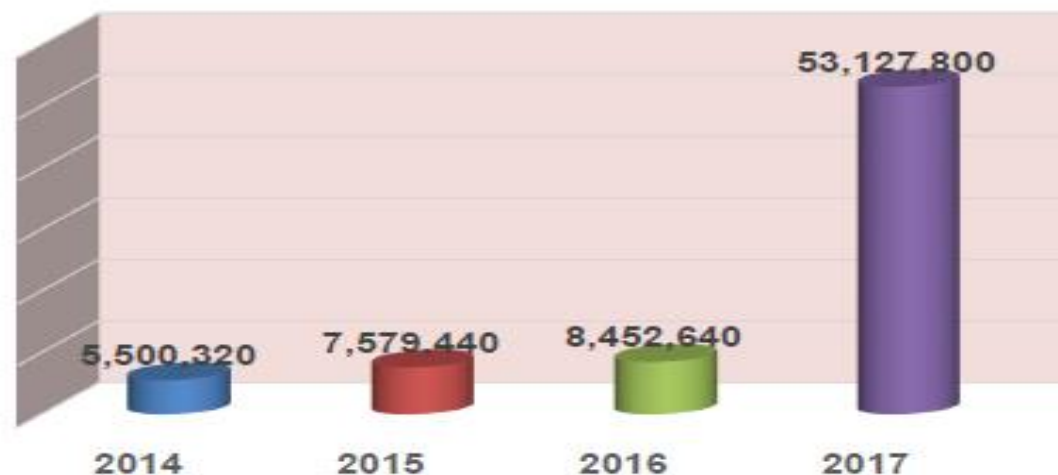
For every e-monitored consignment, waiting & escort costs are saved:

Year	2014	2015	2016	2017
No. of e-monitored consignments	11,459	17,226	15,094	42,845
e-monitored Transit Time (within Uganda)	1.9	1.8	1.7	1.5
None monitored Transit Time	3.1	2.9	3.1	4.6

Cost saved in Physical Escort
at rate of USD 50 per consignment



Savings in Demurrage/incidental Costs
(Difference in days X \$400 X No. of e-monitored cargo)
USD



RRU operations



Coordinated RRUs

URA - RRUs

- Malaba/Busia
- Butema
- Iganga
- Jinja
- Kampala Teams
- Lukaya
- Masaka
- Mbarara
- Katuna
- Mbale
- Soroti
- Karuma/Konakamdini
- Pakwach
- Arua
- Fortportal

KRA- RRUs

- Mazeras
- Taru
- Voi
- Emali
- Machakos
- Enterprise road, Nairobi
- Naivasha
- Nakuru
- Eldoret
- Kericho (Kapsoit)
- Kisumu (Luanda)
- Bungoma

RRA- RRUs

- Gatuna
- Cyanika
- Kagitumba
- Ruhengeri
- Kigali



RRU response to alerts in real time!



Alert Monitoring Dashboard

Refresh Rate: 5 min

7 record(s)

Vehicle Reg No/ Container Reg No	Serial No	Entry No	Importer/Exporter	Transit Type/Category	GPS Time	Event	Location
KDK245KZD3120 PCRU8200367	0005001534	0007757	ZIROSE U LIMITED	Transit Red	01 Sep 2017 22:05:13	OFF ROUTE	0.39 KM SE of MALABA CUSTOMS STATION, [View Map]
ACA210141563 NVA	0706002329	54547	KAKULE KIKAYA	Transit Red	01 Sep 2017 22:09:54	OFF ROUTE	0.50 KM S of Mitata Maria, [View Map]



OSBP Concept

- An integrated border system aimed at bringing together all border agencies for improved efficiencies through streamlined, coordinated and harmonised operations.
- It eliminates the need for travellers and goods to stop twice to undertake border crossing formalities hence reducing journey time for transporters and travellers, and shorten clearance time at border crossing points.

OSBPs at 6 Border Stations



E-LICENSING

- **Customs agents**
- Online applications
- Physical inspection
- Competence test
- **Customs bonded W/H**
- Online application
- inspection

The Document Processing Center (DPC)

Benefits

- ❖ Improved productivity because of a controlled environment and concentration
 - ❖ Integrity Enhancement
 - ❖ Enhanced specialization
 - ❖ Easy Implementation of Standard Operating Procedures especially values.
- ONE CBC CONCEPT



Non Intrusive Inspection



Impact of Trade Facilitation Initiatives

Reduction in clearance time

Reduced cost of doing business

Enhanced inter-agency coordination

Increased revenue yield

Transparency in the supply chain

E-SW Background:

- December 2013, in the ninth session of 'Agreement on Trade Facilitation' in Bali- Indonesia
- Article 10 gives formalities connected with Importation and Exportation and Transit
- Subsection 4 talks about the use of the Single Window in facilitating trade

Single Window is **defined** as a facility that allows parties involved in trade and transport to lodge standardized Information and documents with a single entry point to Fulfill all import, export, and transit related regulatory requirements

(Recommendation No.033 UN/ECE02005)

The E-SW

- Article 10 (4) TFA:

“Members shall endeavour to establish or maintain a single window, enabling traders to submit documentation and/or data requirements for importation, exportation, or transit of goods through a single entry point to the participating authorities or agencies. After the examination by the participating authorities or agencies of the documentation and/or data, the results shall be notified to the applicants through the single window in a timely manner.”

Structure



Funding: TMEA and GoU

Lead Agency: Ministry of Trade Industry and Cooperatives

Reviewing trade environment in consultation with the public and private stake holders,
improving international border and cross border trade facilitation services
coordinating agencies to ensure implementation of decisions of HLTF and providing
guidelines and oversight in the development and implementation of the UESW

Implementing Agency: Uganda Revenue Authority

coordinate the technical aspects of development and operationalization of the single Window
system
Ensuring system integrity and operability;

- **Technical expertise:** UNCTAD

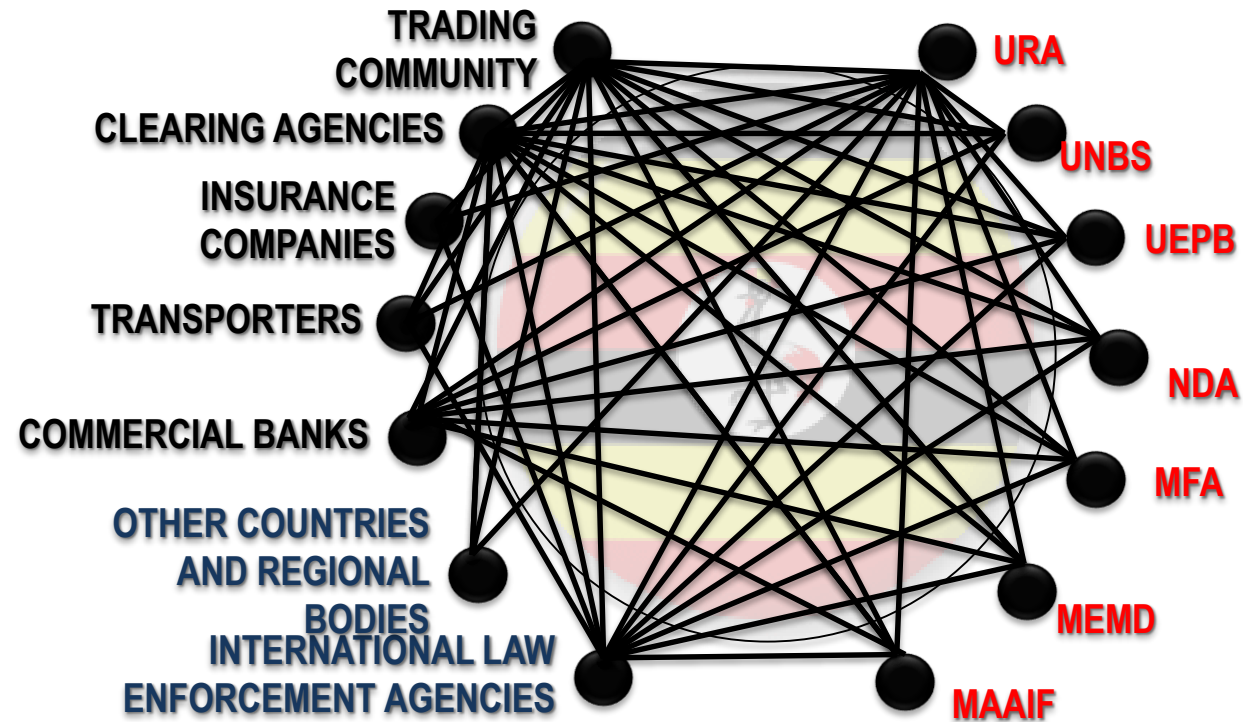
Institutional Framework



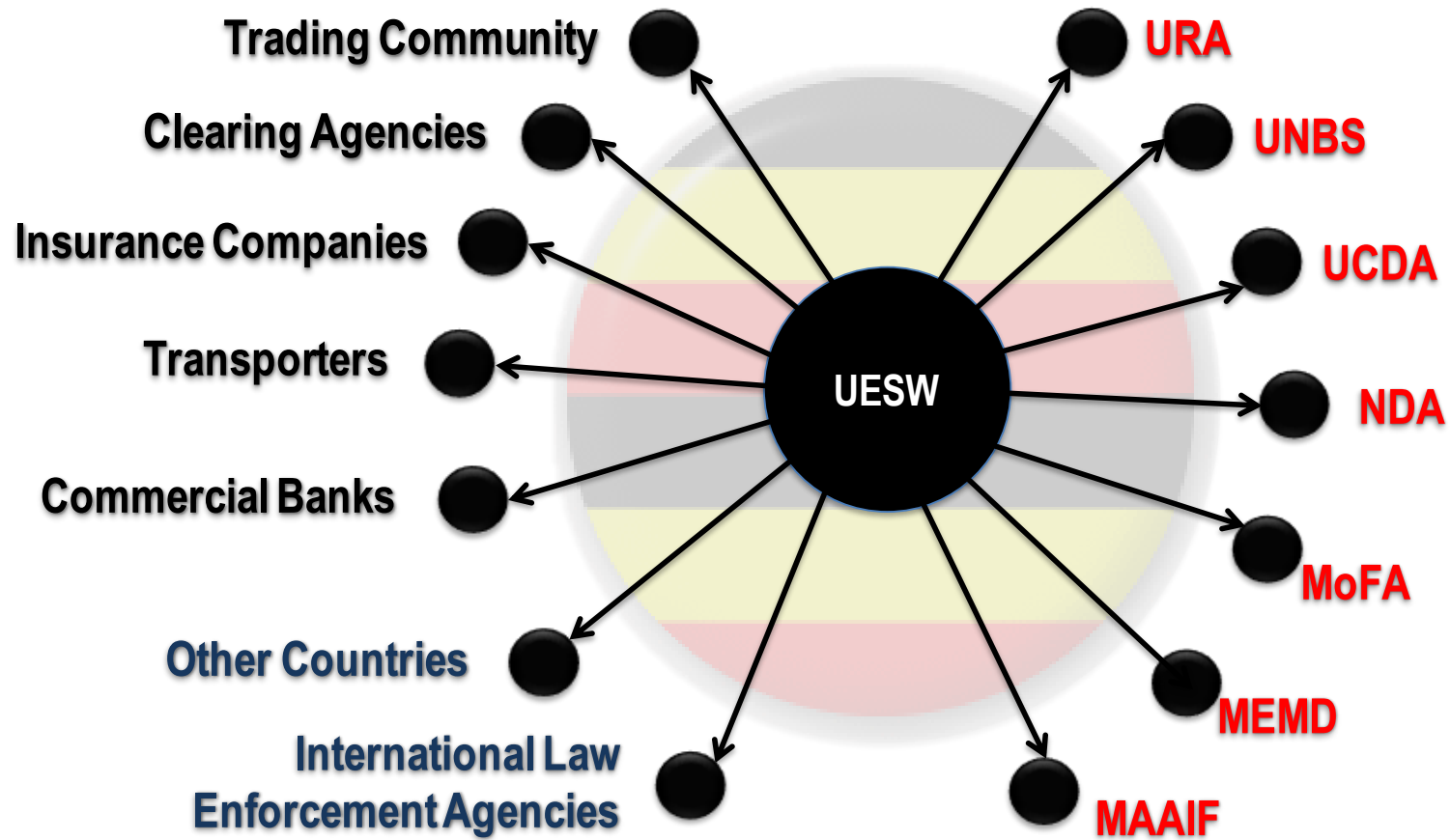
The governance structure includes;

1. High Level Task Force (HLTF) constituted by Ministers
2. Steering Committee (SC) constituted by Permanent Secretaries and CEOs;
shall provide policy coordination and oversight to the implementation of the Trade Facilitation measures
3. **Technical Working Group (TWG) constituted by technical officers from both private and public agencies**

Previous business Practice



SW Concept:



Implementation Status;

AGENCY	SYSTEM DEVELOPMENT
1. URA	Preferential Certificate of Origin
2. UNBS	Quality Inspection management
3. UCDA	Coffee Export Permit
4. NDA	Drug Import/Export permit and inspection
5. MAAIF	Crop Protection
	Fisheries
	Animal Resources
6. MEMD	Fuel Marking
	e-Licensing
7. MFA	e-Exemption management

8. MTIC	Tobacco licenses
9. DDA	Import/Export Permit
10. UNCCA	Non-Preferential Certificate of Origin
11. UFZA	Licensing of traders under free zone
12. AEC	Import permit of radio active
13. WHS OPERATORS	Operational license for bonded warehouses
14. CLEARING AGENCIES	Operational license of clearing agencies
15. TRANSPORTERS	Licensing of Trucks
16. AIRLINES	IATA e-Manifest of air cargo

Benefits;

- Easy monitoring of Transactions at every intervention stage – done at the convenience of their premise;
- Reduced costs of doing business, for stakeholders; resulting from reduced movements and paper less transactions;
- Improved communication and information sharing among Government Agencies;
- The system is web based transactions can be lodged from anywhere;

Benefits

- Real time notification and sharing of information at each processing stage;
- Reduced time of clearance for all MDA's involve ;
- Increased inter agency cooperation and coordination thus savings on resources;
- Improved controls and enhanced staff supervision and performance monitoring;
- Enhanced compliance; and
- Increased revenue collection.

challenges

- System outage,
- change management issues among MDA most of whose processes were/are predominantly manual,
- misconception that Customs is taking over their mandate,
- user support (SW team is handling so many automation tasks

Thank You