

### Customs on the Right Track

The government of Ethiopia is committed to change the face of the country. With the aim of reducing poverty the government has adopted new approach to bring about institutional transformation in the public sector. The government believes the general public has the right to get proper service without any hurdles. Consequently the Public Sector Capacity Building Program (PSCBP) was developed at a national level.

As people remain the main force of development in the country, the prevalence of good governance is vital to mobilize them to ensure and safeguard their own interests.

President Girma Wolde-Giorgis in his opening speech to the second joint session of the House of Peoples' Representatives and the House of Federation said "...the process of reforming the organizational structure, the inner - works as well as the mind-set and attitude prevailing in the government institutions based on the Civil Service Reform Programmes and with the purpose of making these institutions play their role in bringing about rapid economic development and good governance...".

Over the past few years, many government institutions have taken bold measures to streamline their structure and an encouraging result has been registered.

As part of the revenue sector reform programme the Ethiopian Customs Authority /ECuA/ has taken various measures so that it could provide better service with a specified period of time and combat contraband.

The Ethiopian Customs Authority, like the rest of government institutions, is implementing the civil service programme. Among the major changes undertaken by the authority, revised organizational structure and the redrawn working procedures are worth mentioning.

## Best Practices

The structural change was necessitated due to incompatibility between the number of employees and the overall work. It is just to say that the employees could be overstretched. Second, the establishment of new work units and expansion of the existing ones have demanded employment of a new wave of skilled manpower.

The Legal Affairs and Export Promotion Departments, new additions, were established to execute the delegated mission of prosecuting offenders accused of breaching customs regulations and to implement the incentive policy and regulation of the government.

The Customs Authority, in its effort to meet international standards, has also given priority to staffing. To do away with inefficiency and ineffectiveness in the service rendering process, the authority has assigned new college and university graduates numbered in hundreds to the Head, Regional and Branch offices after giving short term brainstorming trainings acquainting them with government policies and regulations and directives related to the customs activities.

The Ethiopian Customs Authority (ECuA) was originally established in 1889 EC to administer and enforce tariff and other related laws, thus providing revenue for the government. From its establishment to 1923 EC ECuA was under the Ministry of Finance and Treasure, from 1924 - 1940, the Ministry of Trade and from 1941 - 1996, the Ministry of Finance.

After the establishment of the Ministry of Revenue in 1997 E.C., ECuA was restructured to meet international standards so as to live up to its missions and visions.

The ECuA is currently the largest of all the revenue sectors of the Ministry of Revenue. Apart from the 11 divisions at its Head Quarters, the ECuA operates nine field offices, five regional and two coordination offices as well as two special branch offices across the country.

## Best Practices

As of the year 1998, ECuA has tried to set up new systems and procedures and adopt new strategies aimed at enhancing its operation efficiency.

For instance, recognizing the benefits of computerization, ECuA has succeeded in computerizing all operations at the head office and field offices.

From its decades-long experience, the Authority was also able to identify the overlap of the clearance and transit procedures as a bottleneck in the provision of services. As a result, the separation of transit and clearance procedures has enabled importers to get transit permit within 45 minutes. Regarding clearance, again after the arrival and physical assessment of goods, the time for discharging items has been reduced from five to two days.

Customs formalities on export goods are one of the procedures that have shown dramatic improvements. Going through customs formalities on export goods will now take an hour as opposed to days, earlier.

Owing to the reform programme over the past few years the Customs Authority has managed to expand its improved service beyond the capital, Addis Ababa. Gebre-Medhin Gebre-Yohannes, Acting Head of Public and International Relations Section with the Authority, said with the implementation of reforms recently, dramatic changes have been registered in all aspects.

For example, the revenue collected last year amounted to 1.8 billion birr and this shows a 19 percent increase over the previous fiscal year.

Since the past two years, Ethiopian customs has taken the activity of pre- shipment and inspection that includes physical inspection, tariff classification and valuation of goods imported to Ethiopia.

## Best Practices

The impact of contraband on the economy of a country is crystal clear. As Ethiopia has long and porous borders with and being a neighbor of a failed state and above all due to the absence of proper protection mechanism, illicit trade was the order of the day.

Therefore, concerted measures are taken to prevent contraband trade. The efforts to upgrade the competence of customs police in preventing and controlling contraband has contributed towards the declining of illicit trade.

The government of Ethiopia undisputably believes that enhancing the capacity of government institutions is pivotal to good governance and overall development of the nation. To this end, all institutions are expected to put their house in order to improve their services.

As to the Customs Authority, the results so far registered are encouraging. But much remains to be done in order to achieve the level of international customs operation standards.