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**REPORT OF THE COMMITTEE ON  
COMMUNICATION, TRADE AND INVESTMENT ON THE  
SINGLE CUSTOMS TERRITORY**

(3<sup>RD</sup> - 5<sup>TH</sup> APRIL 2017, KAMPALA - UGANDA)

**Clerk's Chambers  
3<sup>rd</sup> Floor, EALA Wing  
EAC Headquarters' Building  
Arusha, TANZANIA**

**May, 2017**

## **1.0 INTRODUCTION**

The Committee on Communications, Trade and Investment held an oversight activity from April 3<sup>rd</sup> - 5<sup>th</sup> 2017, in Kampala, Uganda to assess the status of implementation of the Single Customs Territory (SCT) in the East African Community, following the directive of the Summit of EAC Heads of State in November 2013, to adopt and operationalize a framework on the Single Customs Territory by June 2014.

SCT aims at full attainment of the Customs Union and its implementation is premised on the free movement of goods, revenue management systems and regional legal and institutional framework. This will be achieved through the removal of restrictive regulations and/ or minimisation of the internal border controls on goods moving between the Partner States.

It is against this background that the Committee undertook an oversight activity as mandated by Article 49 (d) (e) of the Treaty for the establishment of the East African Community.

### **1.1 OBJECTIVES OF THE OVERSIGHT ACTIVITY**

The objectives of the Oversight were to: -

- i) Find out the status of implementation of the Single Customs Territory in the EAC Partner States;
- ii) Identify opportunities and challenges involved in the Single Customs Territory;
- iii) Come up with recommendations.

### **1.2 METHODOLOGY**

In carrying out this activity, the Committee employed various methods, which included the following:-

- (a) Tour and on spot assessment of the Regional Cargo Tracking System (RCTS) in Uganda
- (b) Received presentations from the Partner States on their respective status of Single Customs Territory ; and
- (c) Held Plenary sessions for discussions, and clarifications about the EAC Single Customs Territory matters.

## 2.0 FINDINGS

### 2.1 EAC SECRETARIAT

The EAC Technical Expert/Adviser on Single Customs Territory made a presentation at the meeting on its implementation as follows;

In her introduction, she highlighted among others the objectives, legal and institutional framework, pillars and the consolidation of the SCT as follows;

SCT focuses on deepening and strengthening trade among Partner States through minimizing border controls and other non-tariff barriers to create most conducive environment for regional trade. This will reduce the existing imbalances among Partner States to foster and encourage accelerated sustainable development of EAC.

The implementation of EAC Single Customs Territory commenced on a pilot basis along the two corridors in 2014 following a decision of Heads of State in April 2012, where the Destination Model of clearance of goods was adopted,

It was noted that the Legal and Institution Framework of the SCT is hinged on the Treaty, EAC Customs Union Protocol, regulations and the directives of the EAC Council.

Institutional frameworks include the regional policy organs and national institutions. For purposes of SCT, EAC has a working structure of Five Technical Working Groups, Five SCT Coordinators, the SCT Monitoring and Evaluation Committee and the EAC policy organs.

It was also mentioned that the Single Customs Territory is premised on three major pillars including;

- i) *Free Circulation of goods.* Goods imported into the Customs Union, shall be entered only once at the country of destination and released at the first port of entry to the destination Partner State.
- ii) *Revenue Management systems.* Partner States agreed to adopt a destination principle where assessment and collection of revenue is at first point of entry and revenues are remitted to the destination Partner States subject to the fulfillment of key pre-conditions.
- iii) *Legal and Institutional Framework.* Relevant provisions of the Community laws to support the implementation of SCT and establishment of working structures.

It was further highlighted that there are preconditions for the operationalization of Single Customs Territory which include the following: -

- i) ICT requirements including Compatible and interfaced Customs systems, together with all major customs stations having functioning ICT systems;
- ii) Regional Cargo tracking system;
- iii) Implementation of the Regional Customs Guarantee Scheme to enable the operationalization of a regional bond.

It was noted that the Single Customs Territory was consolidated in 2015 through finalization of key operational instruments including the following;

- i. revision of SCT Procedure manual;
- ii. development of SCT Monitoring and Evaluation Tool;
- iii. development of the Framework on deployment of Staff in other Partner States;
- iv. development of the Enforcement and Compliance Framework;
- v. development of the procedure for clearing agents to access other Partner States Customs Systems;
- vi. development of the Interagency cooperation framework;
- vii. development of the Capacity Building framework, and
- viii. enhancing the ICT Solution to enable exchange of information.

The above instruments were adopted by the Sectoral Council on Trade Industry Finance and Investment (SCTIFI) and are operational in the Partner States. To ensure real time flow of information and minimum clearance time of goods, ports and customs system interconnectivity were enhanced.

### **Status of Implementation**

It was noted that, currently all intra-regional trade is cleared under SCT for all Partner States. For Rwanda, it has fully rolled out all maritime products (products that pass through the sea/port) under SCT for both northern and central corridors.

Other Partner States are in the process of rolling out and the customs systems for the five Revenue Authorities have been enhanced to enable exchange of information amongst customs administrations.

On Maritime, the following products are cleared under the SCT between EAC Partner States: -

- i) Between KRA/ URA, about 15 products are cleared under the SCT Framework.
- ii) Between KRA/ RRA; all maritime products are cleared under the SCT Framework.
- iii) Between KRA/ TRA; three products are cleared under the SCT Framework.



- iv) Between TRA/ URA; Only ONE product is cleared under the SCT Framework.
- v) Between TRA/ RRA; all maritime products are cleared under the SCT Framework.
- vi) Between TRA/ OBR; Seven (7) products are cleared under the SCT Framework.

### **Achievements**

- i) Reduced the cost of doing business;
- ii) Reduced turn-around time from 21 and 18 days to 4 and 6 from Mombasa to Kampala and Kigali respectively. And from 25 to 5 days along the central corridor;
- iii) Enhanced application of cross border ICT systems and quality data collection at the regional level;
- iv) Enhanced capacity and improved coordination of the private and public sector agencies; and
- v) Enhanced compliance;
- vi) Reduced clearance time;
- vii) Use of a Single declaration for clearance of goods.

### **Challenges**

- i) Slow pace by Partner States to roll out maritime products under SCT. This creates imbalances within Partner States and promotes diversion of goods;
- ii) Lack of regional customs bond - a financial guaranty between the Insurance/Surety Company issuing the Customs bond, the Importer of Record (also known as the Principal on the bond), and Customs & Border Protection (CBP);
- iii) Variation in information systems used by stakeholders;
- iv) Connectivity challenges of Customs systems;
- v) Non-implementation of all developed processes to fully operationalise the SCT.

## **2.2 BURUNDI**

In the presentation, it was mentioned that Burundi through Burundi Revenue Authority (OBR) joined the Single Customs Territory in January 2014. From that period, OBR has engaged in many changes with regards to implementation of the SCT. Therefore, a lot of developments have taken place to set up the proper and accurate environment for the successful implementation of the SCT.

While implementing the SCT, Burundi has engaged in the creation of the SCT module in Asycuda World (Automated System for Customs Data) to interface with the other automated customs management systems of the four (4) Revenue Authorities. The developments set up and integrated to Burundi system have enabled the following: -

- i) Sending and receiving customs data (declaration and exit note) to and from the other Partner States;
- ii) Sending and receiving notification messages to and from other revenue authorities;
- iii) Implementation of COMESA regional customs bond (pilot started from January 2017).

**The Intra Trade** under the SCT since July 2014 between Burundi and other Partner States is as follows:

- (a) Rwanda: all products are cleared under the SCT;
- (b) Tanzania: all products are cleared under the SCT;
- (c) Uganda: all products, except steel building materials are cleared under the SCT;
- (d) Kenya: all products, except steel building materials are cleared under the SCT.

For the **Maritime Trade**, the clearance of products is progressively integrated at the port of Dar Es Salaam. By 2015, the SCT transactions in terms of value represented 7% while by 2016, it represented 5%. It was also noted that the clearing of products through Mombasa port is planned very soon.

It terms of Staff deployment, it was noted that Four (4) OBR staff were deployed in Dar es Salaam Port since 15th July 2014, while One (1) OBR staff was deployed in Mombasa.

It was pointed out that Burundi has since carried out sensitization workshops with all the stakeholders to get the feedback on the implementation of the SCT, and the following concerns were raised among others:-

- i) The need to increase the number of goods allowed to be cleared under SCT;
- ii) Difficult to access Dar Es Salaam Port by Burundi operators;
- iii) Tanzania reluctance to promote the establishment in its territory of clearing agencies from other Partner states;
- iv) Procedures that are too long for processing goods under the Single Customs Territory;
- v) The need to access the customs systems of other customs authorities in the Community ;
- vi) Delays or non-transmission of manifest by TANCIS to Asycuda World Burundi;
- vii) OBR SCT Office in Dar Es Salaam Port is located far from the from the TRA offices and other information centres which causes delays in performing various business activities;
- viii) Non dedicated ICT personnel in TRA to whom to address urgent issues;
- ix) Long process in TRA in case of need of change for manifests destined to Burundi (different stages of approvals);
- x) Resistance to change by various stakeholders;
- xi) Lack of adequate infrastructures at the borders;
- xii) Insufficient financial and human resources;
- xiii) Poor network and ICT developments;
- xiv) lack of enforcement instruments to sustain the SCT operationalization;
- xv) Non-tariff barriers ;
- xvi) insufficient knowledge about the operations and benefits of SCT by stakeholders.

## **2.3 KENYA**

It was highlighted that SCT commenced on 1st January 2014 under pilot for the Northern corridor, where the SCT clearance procedures were implemented in phases to minimize disruptions, below is the status: -

**Intra Region** - All intra Region trade cargo moving within the EAC Partner States is cleared under the SCT procedures except in Burundi, which is not yet under SCT.

**Maritime Cargo** - All maritime cargo imported to Rwanda through the Port of Mombasa is cleared under the SCT clearance procedures. Goods imported to Uganda through the Port of Mombasa include; Wheat Grain, Bulk Crude Edible Oil, rice, sugar, used clothing, used shoes, dry batteries, beverages, alcoholic drinks, cooking oil, cigarettes, neutral spirit and containerized steel products and Bitumen. In April 2016, Motor Vehicles and Bulk Steel products were added. Goods imported to Tanzania through the Port of Mombasa include; Electronics, Motor vehicles and Textiles and Fabrics are cleared under SCT.

### **GAINS OF SCT BY KENYA**

- i) Reduction in the cost of doing business by eliminating duplication of processes;
- ii) Enhanced collaboration in facilitation of businesses and resolutions of hiccups in SCT business;
- iii) Implementation Regional Electronic Cargo Tracking System (RECTS) and establishment of Rapid Response Units (RRUs) to mitigate challenges and cargo diversion;
- iv) Removal of non-tariff barriers (NTB) such as Introduction of weigh in motion and reduction of police roadblocks along the Corridor;
- v) Installation of scanning equipment has led to optimization of customs resources and safeguarding revenue, security and increased facilitation;
- vi) Implementation of Regional Customs Transit Guarantee Bond (COMESA Bond applied in EAC apparently) whereby there is use of a single customs bond.

### **LOSSES REALISED BY KENYA**

- i) Kenya clearing and forwarding agents have complained of loss of the lucrative transit cargo clearing business;
- ii) Kenyan transporters are also losing business as Partner States prefer using their own transporters;
- iii) Mutual recognition of Kenyan Clearing Agents in other partner states has not been fully operationalized. Some clearing agents claim that they are not mutually recognized in the Partner States thus creating a non-conducive business environment.

### Key issues and the current status of SCT Implementation

No.	Key issue	Action	Responsibility	Time frame	Status of implementation
1.	URA, not receiving declarations and exit notes from KRA	KRA to fast-track the implementation	KRA	Immediately	<ul style="list-style-type: none"> <li>• New exit note structure rolled out in Manifest Management System (MMS) in July 2016.</li> <li>• Meeting held with border managers to fast track implementation.</li> <li>• Information circular drafted and is being reviewed to be communicated to officers concerned.</li> </ul>
2.	KRA and TRA to collect warehouse rent	The ICT Technical Working Group should develop the functionality to resolve this challenge	Destination on Revenue Authorities	July 2017	<ul style="list-style-type: none"> <li>• Not implemented</li> <li>• Awaiting roll out of Integrated Customs Management System (iCMS).</li> </ul>
3.	Tanzania/Kenya KRA cannot receive manifest from TRA	KRA to expedite upgrading of the customs system to enable transmission of declarations and manifests from Kenya to Tanzania, (coordinators to arrange for abilateral meeting	KRA/TRA	March 2017	<ul style="list-style-type: none"> <li>• Meeting was held.</li> <li>• Developments were done however pending testing and deployment.</li> </ul>
4.	Burundi/Kenya No exchange of data between OBR and KRA	Expedite ASYCUDA world and SIMBA interface	KRA, OBR ICT	Still in progress	Not implemented.



The following challenges were identified: -

- i) Different valuation methods, tax regimes and difference in currency exchange rates in the Partner States that lead to loss of revenue and cargo diversion;
- ii) Data migration between Partner States. There have been many cases where exit notes and manifest are not transmitted across Partner States. This has caused delays especially at release points and congestion at the port;
- iii) KRA has not deployed a single officer to other Partner States release points. KRA therefore relies on goodwill and trust from other Partner States for inspection, stuffing and sealing functionalities;
- iv) In the event of cargo diversion, there is no mechanism of recovering the taxes that have been collected at destination Partner State;
- v) Exempted cargo. There are challenges on cargo that is exempted in one Partner State and not in the other. The taxes due are not covered by any bond in case of diversion or theft;
- vi) Delays in clearance of cargo at the port and petroleum depots. There are no clear regulations on how long duty paid/entered goods should be allowed to be in Customs release areas before removal. There is also no clear provision on how long goods under transfer are allowed to be along the corridor from time of release to exit at the internal borders;
- vii) Incomplete system interfaces;
- viii) Financial constraints;
- ix) Change Management for all stakeholders;
- x) Non-compliance with all the SCT stakeholder requirements such as;
  - Registration with Ports Authorities;
  - Registration with shipping line Agents;
  - Registration with Revenue Authorities.

## **2.4 RWANDA**

It was highlighted that Single Customs Territory is a stage towards full attainment of the Customs union achieved by the removal of restrictive regulations/or and minimization of internal border controls on goods moving between the Partner States with an ultimate realization of free circulation of goods. It was mentioned that for EAC to implement the Single Customs Territory, it chose a Destination Model that;

- i) requires that any Cargo entering the Region must be cleared at the First point of Entry and taxes paid at destination before release;
- ii) For goods destined to bonded warehouses in the importing Country, appropriate warehousing procedures have to be finalized at destination before release;
- iii) Cargo destined to outside the Region is cleared under the Transit Regime;

- iv) For intra trade, declaration is made in the importing Country before release by the exporting or transferring Country;
- v) Release of both Maritime and Intra are done by the Revenue Authorities Customs Officers of the Destination Country who are based at the ports of entry, Major Cities and at destination head offices.

Due to the challenges impacting on trade in the EAC Region, it was felt that the SCT would resolve this. The key noted challenges were:

- i) Duplicated procedures resulting into Multiple Customs Declarations at internal orders;
- ii) Multiple Security Bonds;
- iii) Non-tariff Barriers such as multiple road blocks along transit corridor;
- iv) Congestion at the ports and border stations;
- v) Complex cargo clearance processes, which involve many steps.

The following benefits OF SCT were realized in Rwanda as a result of SCT;

- i) Reduces the Cost of doing business by eliminating duplication of processes;
- ii) Reduces the risks associated with non- compliance on the transit of goods;
- iii) Synergy through shared resources and utilization of economies of scale;
- iv) Enhanced application of Information Technology and data collection at regional level.

With regard to SCT implementation roadmap on both northern and central Corridors, it was mentioned that, In July 2013, Preliminary preparations for implementation of the SCT at the Northern Corridor Commenced, and in July 2014; Full roll out of all cargo to Rwanda (Maritime and Intra Region Trade) Implementation of SCT on the Northern Corridor.

July 2014 Preliminary preparations for Implementation of the SCT at the Central Corridor Commenced, while in June 2015, Full roll out of all cargo to Rwanda (Maritime and Intra Region Trade) into SCT in Central Corridor

On staff deployment, it was reported that Rwanda Revenue Authority has since deployed staff 9 staff at the Port of Mombasa; 13 staff at the Port of Dar Es Salaam and 2 staff in Nakuru, Eldoret and 2 staff in Kisumu. The Revenue Authorities have approved delegation of powers on each other's behalf where deployment of staff is not yet done to assist easy implementation SCT.

It was further mentioned that for effective and efficient SCT implementation key implementation teams/committees were established, and these included the SCT Monitoring and Evaluation Committee, SCT Coordinator, SCT Liaison Office and SCT Technical Working Group.

After the implementation of the SCT, the following achievements were realized: -

- i) Single Customs Declaration for goods instead of multiple declarations, in this case 3 for the Northern Corridor and 2 for the Central Corridor. This has resulted into reduction in clearance cost from 600\$ to 150\$ on the Northern Corridor and from 400\$ to 150\$ for Central Corridor per entry;
- ii) Single Bond instead of multiple bonds for example 3 bonds for Northern Corridor and 2 for Central Corridor;
- iii) Reduced turn-around time from 21 to 6 days from Mombasa to Kigali, while it reduced from 18 to 4 days from Dar Es Salaam to Kigali;
- iv) Removal of road blocks and general reduction on NTB's;
- v) Reduction in transport costs for containers;
- vi) Implementation of modern weighbridges (weigh in motion type);
- vii) Implementation of Electronic Cargo Tracking Common Platform along Northern Corridor Partner States (Kenya, Rwanda and Uganda);
- viii) Mutual Recognition of Customs Clearing Agents by Revenue Authorities.

However, during the implementation of Single Customs Territory at both Corridors, the following challenges arose: -

- i) System interconnectivity;
- ii) Procedures alignment;
- iii) Information exchange amongst Revenue Authorities and Port Authorities among others;
- iv) Change Management;
- v) Inadequate resources to enable deployment of staff in all Partner States export zones/factories;
- vi) Lack of Common Electronic Cargo Tracking System across EAC Partner States;
- vii) Un-Harmonized Labor laws;
- viii) Lack of Mutual Recognition of Customs Clearing Agents by Port Authorities.

## **2.5 TANZANIA**

SCT implementation along the Central corridor commenced in July 2014 for Tanzania, Rwanda, Uganda and Burundi and August 2014 for Kenya. The level of implementation of SCT in terms of product roll out differs among the countries according to the level of system interface achieved between the Partner states.

With regard to the implementation status of SCT in Tanzania, products were rolled out as follows; On Intra trade, all products within the region are cleared under SCT procedures, while on Maritime Trade, Tanzania is on selected items with exception to Rwanda. All goods destined to Rwanda are cleared under SCT procedures. Tanzania has fully rolled out SCT with Rwanda since March 2015.

The current list of Maritime goods cleared under SCT is as follows; With Kenya, SCT is implemented only for the following Electronics, Motor Vehicles and Textiles (duty paid and for warehousing) from Kenya to Tanzania as Kenya is waiting for the system upgrade but tests on connectivity were successfully done.

With Burundi, these are maritime goods traded under SCT; Motor vehicles, Empty bottles of glass, cement, cosmetics, fertilizers, cooking oil, steel products. For some selected companies/importers such as Brarudi and Sodeira, all goods are cleared under SCT.

With Uganda, the maritime products traded are Petroleum products through Dar Es Salaam, however currently there are some challenges resulting from the use of the normal transit clearance processes. This is also experienced in the intra trade transactions.

With regard to system interconnectivity, TANCIS is connected with all the Revenue Authorities and Kenya Ports Authority but there are still some challenges faced on the exchange of information. New developments are being done in the system to accommodate various requirements.

It was mentioned that TRA has deployed six (6) staffs in Kenya, three (3) in Mombasa and Three (3) in Nairobi.

The Regional Customs Transit Guarantee (RCTG) Bond is operational for the warehoused consignments traded between Tanzania, Kenya and Rwanda.

On the mutual recognition of agents, it was pointed out that Tanzanian agents have access to other clearance systems. For example, 136 Agents with Access to Rwanda Revenue Authority system while 42 Agents with Access to Kenya Ports Authority.

Despite the strides taken so far in the implementation of the SCT in Tanzania, there are still challenges that include but not limited to the following:-

- i) Low speed on full rollout of products within partner states;
- ii) System challenges on transmission of data causing delays in clearance of cargo;
- iii) Some intra trade goods are still not moving under SCT procedures, due to lack of knowledge on the SCT procedure and acceptance to change;
- iv) Lack of deployment of staffs between TRA and URA.

## **2.6 UGANDA**

It was observed that SCT clearance Process has the following features: -

- i) Goods cleared while at the first point of entry;
- ii) One Customs declaration captured in destination country system;

- iii) Taxes paid in destination country, in respective national currency;
- iv) Goods moved under a single regional guarantee bond from first point of entry/origin to destination (RCTG);
- v) Goods in transfer (Transit) are monitored by electronic cargo tracking system (RECTS);
- vi) the Customs systems and Port Authorities should be interconnected;
- vii) there are minimized internal controls / checks;
- viii) physical verification of goods is done once at entry point originating or destination country;
- ix) There is a single clearing agent through mutual recognition of clearing agents.

For SCT implementation status in Uganda, it was observed that all intra region trade cargo between Uganda and EAC Partner States, except for steel products to Burundi is cleared under the SCT.

For Maritime Cargo through the Port of Mombasa; products that are traded under SCT include the following; Fuel, Wheat Grain, Bulk Crude Edible Oil, rice, sugar, used clothing, used shoes, dry batteries, beverages, alcoholic drinks, cooking oil, cigarettes, neutral spirit and containerized steel products, Portland cement and Bitumen, Motor Vehicle Units & Bulk Steel. It was mentioned that that full roll out is expected in July 2017.

For Maritime Cargo through the Port of Dar Es salaam, Fuel is the only product that is traded under the SCT. It was noted that about 50% of customs revenue is generated from SCT consignments.

The implementation of the SCT in Uganda resulted into a number of benefits including:-

1. ICT interconnectivity that leads to real time data exchange;
2. Reduced costs of doing business through single customs declaration, single agent, and single Bond Guarantee among others;
3. URA deployed 22 staff in Kenya at First entry points;
4. Improved turnaround times for transporters;
5. Mutual recognition of customs agents through the 'Declarant third party';
6. Improved accountability and monitoring of goods by the help of Regional Electronic Cargo Tracking System;
7. Improved working relations amongst Revenue Authorities and related regional agencies for example Port Authorities for faster decision-making;
8. Synergies created through shared resource utilization;
9. Growth in Volumes for example Fuel, edible oil and Bitumen.

### Growth of Fuel after SCT

Year	Volume	% 1	Taxes (Ugshs)	% 2
2011/2012	1,408,264,426	0.25%	790,758,554,120	0.25%
2012/2013	1,416,121,248	0.56%	808,194,007,230	2.20%
2013/2014	1,551,415,081	9.55%	979,364,202,880	21.18%
2014/2015	1,720,376,408	10.89%	1,197,748,851,820	22.30%

Despite the achievements of the SCT, a number of challenges are experienced such as:-

- i) Power outages leading to system delays for data transmission;
- ii) Resource constraints to fully implement the SCT;
- iii) Safety of goods along the corridors;
- iv) Un-synchronized implementation of SCT processes and practices among Partner states such as usage of Regional Cargo Tracking System (RCTS), and System Access rights.

It was noted that there is still work in progress for effective implementation of the SCT in Uganda which include: -

- i) System enhancement to cater for all regimes;
- ii) To put in place EAC centralized data Base;
- iii) To undertake stakeholder engagements;
- iv) To undertake additional staff deployments;
- v) Seamless e-tracking of cargo for safety.

### 3.0 OBSERVATIONS

1. Insufficient knowledge in the SCT procedures and use of Customs management systems;
2. Slow/non-implementation of full roll out of SCT business processes and clearance of all products under different customs regimes;
3. Un-harmonised IT platforms and systems pending developments in terms Information Communication Technology solutions between Revenue Authorities and Port Authorities in the Partner States;
4. There is need to embrace the Regional Electronic Cargo Tracking Systems by all Partner States to address cargo diversion along the corridors;
5. EAC does not have its own regional customs Guarantee therefore still operating on the COMESA one;
6. The EAC Customs Management Act needs to be amended to support the SCT procedures;
7. Un-harmonised valuation methods and tax regimes among EAC Partner States;
8. It was observed that there are always counter accusations between various stakeholders on a number of issues that need attention among the Partner States;

9. It was observed that there are non-compliant stakeholders with regard to the SCT requirements as a result mindset in Partner States;
10. Persistent power outages is a challenge in the implementation of SCT;
11. The Customs Staff deployment framework among the Partner States is still not implemented among some Partner States.

#### **4.0 RECOMMENDATIONS**


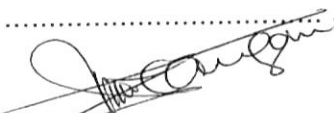
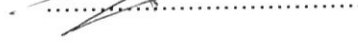
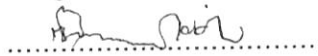
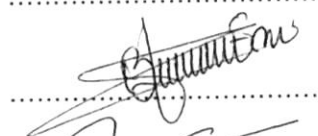
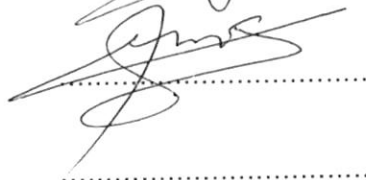




The Committee made the following recommendations to Council to: -

1. Continue training and sensitisation of operators in SCT procedures and use of Customs management systems;
2. Fast track the full roll out of SCT business processes and clearance of all products under different customs regimes;
3. Fast-track the full attainment of a single IT platform through finalization of pending developments in terms Information Communication Technology solutions between Revenue Authorities and Port Authorities in the Partner States;
4. Enhance of the Regional Electronic Cargo Tracking Systems to allow sharing of Cargo information across the region;
5. Fast track the implementation of the centralized scanning system;
6. fast track the implementation of EAC Customs Bond Guarantee;
7. Enhance of Cross-Border and Regulatory Agencies' systems to allow their participation in the regional information exchange under SCT;
8. Amend the EAC Customs Management Act to support the SCT procedures;
9. Leverage technology to drive the single custom business among Partner States;
10. Expedite harmonization of valuation methods and tax regimes at EAC level;
11. Expedite the conclusion of Warehousing Regime Regulations;
12. Develop guidelines to deal with non-compliant stakeholders in Partner States;
13. Fast- track implementation of Customs Staff deployment framework among the Partner States;
14. The Council of Ministers should from time to time hold consultative meetings with various stakeholders to address their accusations and counter accusations on certain issues.

**MEMBERS OF THE COMMITTEE ON COMMUNICATION, TRADE AND INVESTMENT**

*Report on the Single Customs Territory in the East Africa*

*3<sup>rd</sup> - 5th April 2017, Kampala - Uganda*

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