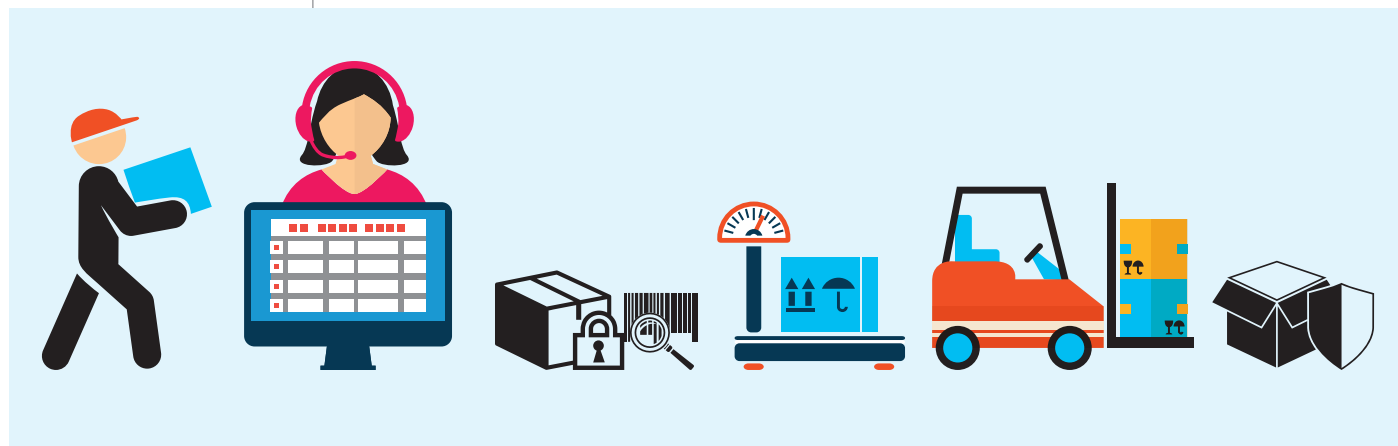# Customs & Border Control

Enhancing effective trade facilitation, be it for export or import, comes down to faster and efficient cargo clearance at the Port of Mombasa. Kenya Revenue Authority is spearheading a number of key reforms aimed at impacting positively on businesses in Kenya by providing them with more efficient and effective customs clearance processes. We spoke with Susan Wanjohi-Former Deputy Commissioner in Charge of Trade Facilitation Tax Debt-Corporate Tax to find out more on the reforms being implemented by the tax agency to facilitate global trade.

QUESTIONS	RESPONSE

What does Customs and border control entail	1. Customs & Border Control is one of the departments in KRA. Our core mandates in broad terms includes trade facilitation, protection of society, collection of trade statistics and revenue mobilization.
	2. We achieve this through ensuring that all imports, transits, transhipments, and exports comply with Kenyan Laws and the East African Community Customs Law.
	3. We are present at the points of entry/ exit, that include international airports, border points, inland container depots, container freight stations, the seaports, Lake Victoria etc. where we; Process passenger baggage, cargo and mail crossing the national borders.
	    a) The department interdicts and seizes contraband, such as illegal drugs and illegal goods.
	    b) We assess and collect import duties, value added tax on imports, excise taxes, fees and penalties on imported merchandise.

Difference between border control and customs?	Customs control is the process where Customs inspects, verifies, and examines inward and outward means of transport, goods, personal articles as well as mails and parcels, declarations, document inspection, examination and release and other related management systems and procedures.
What is the role of customs at our borders?	Border control is the enforcement arm of customs where the team is responsible for carrying out surveillance activities at the border with a view to deter smuggling activities

What are some of the initiatives being undertaken to facilitate international trade & expedite cargo clearance?	1. Integrated Customs Management System (iCMS)
	    a. Faster Customs release process from 21 days to 40hrs
	    b. Reduced cost of doing business, a case in point is James Finlay who saved 20% of the logistics costs.
	    c. Transparency in cargo clearance to allow visibility to a wider range of stakeholders, thereby deterring integrity issues.
	    d. Revenue growth by 443B in 2016 to 624B in 2021
	2. Regional Electronic Cargo Tracking System (RECTS) to allow real time visibility of cargo along the corridor. The following are the benefits:
	    a. Reduced cargo transit time from 21 days to approximately 3.5 days.
	    b. Improved cargo security through reduction number of incidents from 400 in 2018 to 51 in 2022 cases
	3. Non-Intrusive Inspections (Cargo Scanners) that has reduced time taken in verification. The scanners are strategically placed to allow 100% scanning of cargo (Rail cargo and near ports gates). It takes 6 seconds to scan and average of two minutes to analyse the image. A physical verification of a container takes approximately 18hrs (this includes container location and placement by KPA which takes 12hrs and customs 100% verification which takes 6hrs). In view of this, KRA uses risk-based approaches to identify cargo targeted for physical verification. NII is also a key input to the Post Audit Clearance (PCA) process of verification of compliance level of AEO shipments, which are usually not subjected to cargo clearance processes.
	4. Post Audit Clearance: Responsible for auditing companies who import or export cargo into/out of Kenya. This includes the AEOs to check the compliance level cargo cleared and other identified importers through risk-based approaches

How is KRA working with the other agencies to improve the cargo clearance process in Kenya?	To enhance effective and functional trade facilitation through we are in the process of establishing a trade coordination framework, to enhance a multi-agency approach where we bring all partner government agencies involved in cargo clearance to ensure we have a shared vision and keep in step with trade facilitation goals. This will result to reduced cost of doing business, reduce cargo clearance time.

Ongoing and planned initiatives to improve trade facilitation	a. Digital convergence to allow deeper data sharing with other PGAs and also other customs administrations in the world. • Trade Logistics Information Pipeline: Data sharing from the customs administration where the goods are shipped to Kenya. This will support the Pre-arrival Processing and the AEO programs • Smart customs through use of artificial intelligence and machine learning to allow quick and accurate detection of non-compliance, with a view to facilitate compliant shipments. This will also include automated scanned image analysis for improved analysis accuracy as well as further reduce the cargo clearance time. • We are gravitating towards achievement of one government payment slip in cargo clearance as opposed to the current multiple points, thus enhancing revenue collection and reduce cargo clearance time. b. Common issue resolution framework and stakeholder engagement that will be backed by an automated helpdesk that uses AI and robotics to allow quick access to information and problem resolution c. Training of traders and other stakeholders on customs simplified procedures. d. Corridor coordination framework to support smooth flow of goods. For example • Customs designated stops to provide facilities for rest areas for trucks conveying goods under customs control. • Socially responsible by providing points where women, farmers and MSME in the locality can consolidate their goods to sell to other areas
Ranking as a country in number of hours it takes to clear goods at our international borders	Customs takes approximately 40 hrs to release consignment. However, the whole cargo release process that includes other PGAs e.g. KEBS, KPA, KEPHIS, Port Health, Radiation etc take an average of 111hrs
What is your office doing to tackle corruption especially in scenario where the trader feels the product has been delayed to be cleared?	1. Increased visibility of consignment processing 2. Monitor time taken to clear cargo by all agencies involved in cargo clearance. 3. Provide officers with verification tools that use IoT technology to allow task performance at any remote location. 4. Increase visibility at verification points through CCTV. 5. Introduction of iWhistle to allow anonymous reporting of integrity issues
What are you planning to do to improve customs processes and provide more benefits to traders? Especially because there are other government agencies involved in clearance of goods	1. Improve the Authorized Economic Operators and Pre-Arrival Processing programs through coordination with PGAs to ensure mutual recognition. 2. Sign up SLAs with PGAs which support a congruent goal 3. Advocate for full implementation of the Mombasa Port and Northern Corridor Community Charter by all the signatories to reduce cargo clearance time
Current challenges and opportunities for implementing future customs reforms.	1. Challenges • Lack of adequate funding and scope crepe 2. Opportunities • Leveraging on new technology e.g. AI and machine learning

Members of the E-GP technical team during a Workshop in Nakuru

Courtesy Visit to Homa Bay County Government, Former Homa Bay Governor's Office Cyprian Awiti by team from Public Procurement Department