

Introduction

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https://s3.amazonaws.com/files.formstack.com/uploads/3646063/84380343/591041543/TFAFGrantProgramExpressionofInterest_Submission_Namibia.pdf

1 - Background and Rationale

1.1 - Clearly explain how the proposed activity will improve your capacity to / facilitate access to funding to / prepare the ground to implement Category C commitments notified under the TFA

As it stands, Namibia has some TFA implementation needs designated under category C that we have not yet identified development partners to assist with. These needs were circulated in an expression of interest for a TFAF grant, but no donors or development partners signaled that they were ready and able to assist with implementation.

Assistance in the form of a project preparation grant from TFAF will support Namibia by framing our unmet needs including all relevant technical details in a format that can be used to communicate with development partners to seek their assistance including from a TFAF project implementation grant.

Assistance to further communicate with development partners in Windhoek to better understand the available assistance and their relevant programs and timetables for TFA-related assistance would also support the NTFC to plan its implementation activities for the future.

1.2 - Please describe the key TFA implementation barriers and/or opportunities to be addressed, including their relevance for market access and poverty reduction

1) Article 1.2 - Information available through the internet

Notified TACB needs:

- Technical assistance to develop website for dissemination of information;
- Technical Assistance to collect, disseminate and publish information on the internet;
- Capacity building of staff. Assistance to prepare description of practical steps for import/export/transit/appeal procedures for import, export, and transit for each relevant border agency. And to identify all required forms and documents;
- Technical assistance (funding) to establish functioning trade information portal;
- Identify a central body to monitor and coordinate the publication of information, as well as the adoption of best practices (Can be same body for Article 1.1) Appropriate equipment and software systems for border agencies;
- Relevant training for border agencies and users;
- Public awareness on information available online.

Notified implementation date: 31 December 2021

2) Article 3 - Advance Rulings

Notified TACB needs:

- Procedures: Technical assistance to develop specific and clear guidelines on procedures to implement and undertake advance rulings;
- Capacity building and technical assistance to set-up institutional arrangements for necessary information flows on advance ruling, i.e. dissemination of knowledge and information;
- Human Resource/Training: Training of Customs Staff, Brokers and Importers on the procedures for advance ruling and its importance as well as how it will be implemented;
- Training in Tariff Classification, Rules of Origin and Valuation for Customs Officers;
- ICT: Provide ICT infrastructure; or
- Technical Assistance to integrate advance ruling into customs automated system.
- Develop public education campaigns for Training on advance ruling techniques and best practices. Legal/Policy: Technical assistance to develop legislation and policies to effectively administer and implement advance rulings;
- Stakeholder engagement.

Update on current status:

- Advance ruling Policy and SOP have been drafted. Advance ruling is not yet automated in ASYCUDA world system.
- No capacity building held both internally and externally for customs officials on Advance Ruling.

Notified implementation date: 31 December 2021

3) Article 6.1 - General Disciplines on Fees and Charges Imposed on or in Connection with Importation and Exportation

Notified TACB needs:

- Develop competence in using methodologies to quantify costs in order to justify fees and charges;
- Develop comprehensive training programme to periodically assess existing and new fees and charges;
- Develop and publish a single schedule of all fees and charges related to imports and exports;
- Technical Assistance for mapping and costing the services rendered by Customs including the development of a fair and transparent Fee Structure.

Notified implementation date: 31 December 2021

4) Article 7.4 - Risk Management

Notified TACB needs:

- Review existing legislation;
- Assistance to develop a risk management strategy with target percentages of low/high risk cargo;
- Assistance to establish operating procedures;
- Train Customs and Quarantine staff on analysing available transaction data from CMS and identifying criteria for high risk cargo;
- Assistance in areas of risk management analysis in data gathering and criteria building;
- Technical assistance and capacity building to assist with National Agriculture Quarantine Inspection Authority;
- Develop risk profiles using available transaction data;
- A sound compliance management regime needs to be implemented, including with respect to ASYCUDA inspection reporting module;
- Technical assistance for refinement and development of integrated risk management system and procedures;
- Technical assistance and capacity building on Artificial Intelligence (AI) management;
- Capacity building and training of staff involved in risk management.

Update on current status:

- Namibia Customs has a dedicated Risk Management subdivision based at the Head Office, and regional risk management subdivisions. Risk management policy is in place and operational. However, the risk management Standard Operating Procedures (SOP) are not yet approved.
- Risk management staff have limited knowledge in data analysis techniques, risk profiling, assessment and monitoring. Risk Management Committee Members have been nominated and await the formal approval.
- Notified implementation date: 31 December 2022

5) Article 7.5 - Post-clearance Audit

Notified TACB needs:

- Develop procedures incorporating the connectivity with risk management;

- Develop a training plan/module to train Customs officials and agents and train the target groups;
- Human Resources/Training: Capacity building and training for Customs officials to conduct Post Clearance Audit;
- Develop data analysis skills and knowledge for Customs and border agencies officials. Capacity building and training for Customs. PCA officials on auditing techniques and methodology;
- Enhance technological capacity of Border agencies necessary to implement PCA and incorporate into risk management program;
- Provision of appropriate technology and equipment to help implement PCA;
- Draft and implement an awareness program to educate the trading community on the role of PCA and legislative requirements related to PCA.

Notified implementation date: 31 December 2022

6) Article 7.6 - Establishment and Publication of Average Release Times
Notified TACB needs:

- Technical and financial assistance to conduct a time release studies;
 - Technical and financial to assistance to set-up time integrated release studies and training of staff;
 - Assistance need to put in place systems to meet TFA requirements to be able to regularly measure and publish average release times;
 - Assistance to develop procedures to be followed for the regular publication and measurement of the average release times;
 - Creation of a committee comprising several agencies to measure the average release time of goods;
 - Training in designing, planning, conducting and analysing a TRS for Customs and other border agencies;
 - Sensitization of border agency officials for cooperation during and after the exercise of conducting the Time Release Study;
 - Provide training and capacity building to staff/agencies of the concerned agencies and to economic operators on the interpretation of the study results;
- Require assistance to develop and implement automated system to eliminate inaccuracies in the measurement of time taken for processes.

Update on current status:

- No existing process to track or publish average release times.

Notified implementation date: 31 December 2023

7) Article 7.7 - Trade Facilitation Measures for Authorized Operators
Notified TACB needs:

- Technical and financial assistance to conduct a time release studies;
- Technical and financial to assistance to set-up time integrated release studies and training of staff;
- Assistance need to put in place systems to meet TFA requirements to be able to regularly measure and publish average release times;

- Assistance to develop procedures to be followed for the regular publication and measurement of the average release times;
- Creation of a committee comprising several agencies to measure the average release time of goods;
- Training in designing, planning, conducting and analysing a TRS for Customs and other border agencies;
- Sensitization of border agency officials for cooperation during and after the exercise of conducting the Time Release Study;
- Provide training and capacity building to staff/agencies of the concerned agencies and to economic operators on the interpretation of the study results;
- Require assistance to develop and implement automated system to eliminate inaccuracies in the measurement of time taken for processes.

Notified implementation date: 31 December 2023

8) Article 7.8 - Expedited Shipments

Notified TACB needs:

- Develop relevant legislation and policies;
- Review/update Standard Operating Procedures;
- Technical Assistance for the establishment of a procedure for expedited shipments.
- Assistance on training of private sector operators approved for expedited shipment;
- Assistance on training of staff;
- Develop instructions/SOPs;
- Training of Customs and Border agency officials on clearance of commercial cargo at the airports.

Update on current status:

- Cargo Processing Manual is developed and still in draft. Border Agency Agreement has been developed and awaits signatures from other relevant border agencies.
- No training or capacity building done on Cross Border Management.

Notified implementation date: 31 December 2022

9) Article 10.4 - Single Window

Notified TACB needs:

- Assistance in design, establishment (funding) and roll-out of ESW and training of staff and users of ESW;
- Development of an appropriate IT system;
- Training of officials overseeing establishment of and using single window;
- Training of other stakeholders;
- Awareness campaign.

Update on current status:

- Completed the CBRA engagement on collection of data in respect of Single Window.
- Ministry of Finance implementation project charter prepared. EU/SADC TRF Assessment enhancement for ASYCUDA World to interface with National Single Window (NSW) has been finalised and NSW tender has been awarded.

Notified implementation date: 31 December 2023

10) Article 10.6 - Use of Customs Brokers

Notified TACB needs:

- Review licensing requirements to ensure that they are objective and transparent;
- Training on publication requirements;
- Technical assistance in design and development of a system integrated profiling mechanism for brokers;
- Assistance for awareness creation and training for the roll-out of new system;
- Technical assistance (funding) to train brokers on customs procedures. Develop policy/procedures/monitoring to ensure that procedures are applied uniformly throughout the country;
- Technical assistance and support to streamline and optimize border processes and procedures with all institutions in order to ensure improved controls, eliminate unnecessary formalities and harmonize requirements for safeguarding international good practices.

Notified implementation date: 31 December 2021

11) Article 11 - Transit

Notified TACB needs:

- Technical assistance on policy formulation, design, establishment and funding of transit infrastructure. Review, and amend if necessary, laws, regulations, procedures, and documentation requirements;
- Review transit fees to ensure they reflect the cost of services rendered;
- Assistance to assess the impact of measures applied to transit traffic (charges, regulations, formalities);
- Technical and financial assistance for capacity for officers on transit procedures and guarantee systems, including at regional level;
- Technical assistance in developing technical of regulations and procedures;
- Financial assistance on providing public awareness campaigns and roll out to customs and stakeholders;
- and ensure that the objectives are legitimate and that the least trade-restrictive options are applied;

- Review, improve, amend procedures for management of guarantees;
- Review/update automated systems to ensure tools for control of transit operations and management of transit guarantees;
- Training of all stakeholders;
- Training/capacity building of transit coordinator.

Update on current status:

- Transit coordinator appointed. Transit policy have been so far formulated. Currently Directorate of Customs & Excise does not charge fee for consignments in transit, however a security in form of guarantee or provisional payment is required for the transit period. Trans-Kalahari Corridor (TKC) often contact public awareness campaigns jointly with Customs and other law enforcement agencies.

Notified implementation date: individual sub-articles were notified.

Implementation dates range from 31 December 2019 to 31 December 2023.

1.4 - If yes, please upload the relevant documents here and refer to relevant issues and priorities identified in the box below

<https://s3.amazonaws.com/files.formstack.com/uploads/3646063/84380348/591041543/USAIDNamibiaReportonTF.pdf>

Relevant issues and priorities

Namibia had a TFA needs assessment carried out in 2010 and updated in 2013. In 2017 Namibia was one of 5 southern African countries included in a USAID-funded Assessment of Selected Trade Facilitation Measures.

All of the needs signaled in this request are highlighted as priorities.

1.5 - Please clarify linkages, if any, between the main TFA implementation issue(s) identified and national poverty reduction strategies, relevant sectoral development policies/strategies, etc. For Least Developed Countries (LDCs), reference should be made to relevant issues identified in the Diagnostic Trade Integration Study (DTIS) carried out under the Enhanced Integrated Framework (EIF), if such a study exists. Please upload the relevant documents here and highlight the main linkages between them and the proposed PPG activity in the box below

<https://s3.amazonaws.com/files.formstack.com/uploads/3646063/84380350/591041543/NationalDevelopmentPlan20172022.pdf>

Highlight main linkages

Namibia's 5th National Development Plan includes a section on Strengthened Export Capacity and Greater Regional Integration as a key step to "achieve inclusive, sustainable and equitable growth". In turn, one of the four actions to achieve this goal is to standardize customs procedures with regional neighbors to facilitate trade. The needs identified within this application can be seen to contribute to this action and are therefore fully in line with the national development plan.

Namibia's border procedures could be simplified if the above issues were addressed and cross-border goods traffic would therefore take less time and have lower costs associated. These time and cost savings could bring additional goods and traders into the market resulting in economic growth and employment growth.

1.7 - Please explain any linkages between the PPG and other relevant, completed, ongoing and/or planned national programs and/or donor-supported projects. This should also describe any related requests for assistance, that were not already included in the expression of interest process. Upload relevant documents below

<https://s3.amazonaws.com/files.formstack.com/uploads/3646063/84380354/591041543/NamibiaTFRoadmap.pdf>

Kindly elaborate on the above

In October 2019, Namibia's National Trade Facilitation Committee received support from UNCTAD in the form of its Empowerment Program.

In the process, they drafted Namibia's Trade Facilitation Roadmap 2019-2025.

The roadmap seeks to It provide a common vision to make sure that trade facilitation stakeholders (including public and private agencies) are all moving in the same direction. It also provides continuity to public agencies responsible for implementing reforms, shielding the reform programme from changes political leadership and government. Moreover, international donors can use a trade facilitation roadmap as a basis to provide financial and/or

technical assistance to the different trade facilitation projects planned.

All of the needs expressed in this application are identified within the roadmap and therefore their implementation can be fully aligned with other projects to ensure complementarity and avoid overlap or duplication.

1.8 - Please confirm that cross-cutting issues related to gender and the environment, including climate change are considered in this PPG application and explain how they will be addressed

Gender
The environment
Climate change

How will the above issues be addressed?

One of the strategic aims of Namibia's National Climate Change Strategy and Action Plan is to Investigate macroeconomic and sectoral impacts of climate change. Any activities proposed in this project preparation grant will be aligned with this aim with relevant data on climate impacts of the actions being taken into account.

Namibia's Strategic Plan on Gender Equality 2017-22 identifies improved opportunities to trade as a means to achieve its strategic objective No.3: To Mobilise communities towards socio-economic empowerment. Any activities proposed in this Project Preparation Grant should be designed with this objective in mind and should identify contributions to it where possible.

2 - Description

2.1 - Please give a brief description of the activities, in terms of what will be studied or analysed during implementation of the PPG

During the implementation of the PPG, the following activities should be carried out:

- Namibia's TFA implementation needs, as expressed in response to earlier questions, should be further explored to ensure that they are fully identified and explained so that any responses can be comprehensive

- On this basis a report should be produced that fully articulates the needs in depth, including technical requirements, capacity required to implement, an estimated budget, a draft timeline for reforms and expected outcomes

- This report should be presented locally to donor representatives and development partners to understand how they could assist in its implementation

- This report should be presented to Namibia's national trade facilitation committee to ensure that it is fully understood and reflects the local context, drawing on the various documents and reports cited in this application as well as other relevant strategic documents as proposed by Namibia's NTFC.

- For any remaining unmet needs following the discussions with donors and development partners, a fully developed application for a TFAF project implementation grant should be completed

- The biggest risks to the project are consequences of the COVID-19 pandemic. In order to mitigate the immediate health-related consequences, the delivery of this project will have to be undertaken remotely, using technological solutions to allow meetings and interviews to take place. In addition, the contractor must include a section in the project report with a mitigating strategy for this and other risks identified.

3 - Budget

Information relating to the impact of the COVID-19 pandemic on the implementation of the TFA.

Please provide any additional details or explanation on this subject here:

The Covid-19 impact on Trade Facilitation. Before the COVID-19 pandemic struck, Namibia often competed amongst the middle third of the world's economies, and even higher amongst African countries on international composite indices measuring trade facilitation, digitalization, and trade in goods/services environments. Namibia's National Development Plan 5, Growth at Home Strategy, and the country's timely ratification of the World Trade Organization Trade Facilitation Agreement all indicated a desire to undertake the policy reforms that would be necessary to propel Namibia into the top third of countries and become an economic leader in Africa. The private sector has often noted that, reforms notwithstanding, red tape and bureaucracy remain fundamental impediments towards further growth and prosperity. The COVID-19 pandemic has added significant additional challenges that could be mitigated by rapid and realistic reform countermeasures. Some COVID-specific challenges found include the closure of borders impacting service industries, and a lack of regional coordination of quarantine measures, especially at the SACU and SADC levels despite efforts to come to consensus. On the other hand, digitalisation of services moved forward more rapidly despite issues with internet connectivity in rural areas and at the border posts. Although many of the challenges found were COVID-specific, it was notable that a number of trade facilitation challenges and policy reforms, had they been implemented before the pandemic struck, would likely have greatly lessened the shock. These issues include amongst others a lack of trade-related regulatory information being openly accessible digitally to the private sector, insufficient border agency coordination, the pre-existing red tape and bureaucratic culture tending to over-regulate, and the lack of private sector coordination in providing structured advice to government. Other issue raised by stakeholders is the unharmonized imposition of regulations by domestic agencies, especially COVID-related ones. Different border posts have interpreted different regulations inconsistently, and this has led to a lack of access to information by traders resultantly. There have also been issues with border posts refusing to accept digital copies of documents during this COVID time, as well as with questions about what are deemed essential services to be transported (including for transshipments across corridors where what is classified as 'essential' will differ by country). There have been communications channels set up at the respective agencies to address these concerns on 24/7 WhatsApp groups, as well as an interagency WhatsApp group at Walvis Bay.
