



**KEYNOTE ADDRESS BY THE ZIMRA
COMMISSIONER GENERAL, MR G.T.
PASI, INTERNATIONAL CUSTOMS
DAY COMMEMORATIONS,
RAINBOW TOWERS HOTEL,
26 JANUARY 2012**

Director of Ceremonies;

Government officials here present;

ZIMRA Board Chairman, Mr S. Moyo;

ZIMRA Board Vice Chairperson, Mrs N.M. Abu Basutu;

ZIMRA Board Members here present;

Captains of industry;

Transporters, shipping and forwarding agencies and associations
here present;

I acknowledge the presence of the following:

- Mr E. Mutonhodza, Indigenous Shipping Freight Agency
Association of Zimbabwe
- Mr L. Robey, Transport Operators Association of Zimbabwe
- Mr J. Musariri, Shipping and Freight Forwarders Association
of Zimbabwe (SFAAZ)
- Mr P. Gukwe SFAAZ Board Chairman

Our valued stakeholders and clients;

Members of the Media Fraternity;

ZIMRA Management and Staff;

Distinguished Guests;

Ladies and Gentlemen;

A very good morning to you all!

Introduction

- ❖ I warmly welcome you to this very important day to commemorate International Customs Day under the theme, *“Borders Divide, Customs Connects”*.
- ❖ As you have heard from the World Customs Organisation Secretary General’s message, today we are launching the Year of Connectivity, which coincides with the WCO’s 60th anniversary.
- ❖ To use Mr Mikuriya’s words, *“Connectivity encompasses people-to-people, institutional and information linkages that underpin and facilitate the achievement of Customs’ main goals.”*
- ❖ I am, therefore, honoured to deliver this keynote address at a time we, as a country, are making strides in our participation in regional integration initiatives.

Distinguished Guests,

Ladies and Gentlemen,

- ❖ Customs-to-Business partnerships are also becoming the underlying factor in the development of most economies, Zimbabwe included.
- ❖ This year’s theme, Ladies and Gentlemen, implores us as ZIMRA to *“connect”* with our clients, transporters, cross-border traders, clearing agents, forwarding agents, tourists and the general traveller, among others.

❖ *Connectivity! Connectivity! Connectivity!*

International Customs Day

- ❖ As you may be aware, each year all members of the World Customs Organisation celebrate International Customs Day on 26 January.
- ❖ It is a day the Customs fraternity reflects on its important national and international functions and the symbiotic relationships among various players.
- ❖ This day gives us an opportunity to honour our unique and important position in the facilitation of trade and travel.
- ❖ It is, indeed, a privilege that Zimbabwe is one of the 177 members of such a prestigious international body, the WCO, which focuses on enhancing the effectiveness and efficiency of Customs administrations.
- ❖ As you are aware, Customs administrations face many challenges which include:
 - ✚ globalisation of business and trade;
 - ✚ intellectual property rights issues,
 - ✚ environmental protection issues, and
 - ✚ complex cyber space transactions, among others.

- ❖ In spite of these challenges, Customs must still perform its traditional role of revenue collection and trade facilitation for Governments, efficiently and effectively.
- ❖ Customs must ease border congestion, ensure smooth movement of both human and vehicle traffic and protect citizens from dangerous and harmful products, among other roles.
- ❖ What it, therefore, calls for are efficient systems underpinned by unity of purpose and constant dialogue to resolve any impediments to trade and travel.

The theme: “Borders Divide, Customs Connects”

- ❖ Zimbabwe is a landlocked country which shares borders with several countries like South Africa, Mozambique, Zambia and Botswana.
- ❖ These borders divide countries and act as frontiers between any two countries.
- ❖ In as much as these borders divide, Customs comes in to provide the interlinking capabilities by ironically connecting the same countries that are divided.
- ❖ It is quite an arduous task but it has to be done.
- ❖ Not only does this year’s theme reflect our international priorities as echoed in the WCO’s SAFE Framework of Standards in both the first and second pillars - the Customs-to-Customs and the Customs-to-

business pillars - it is also mirrored in various international conventions and instruments, for which Zimbabwe is a signatory.

- ❖ For Customs administrations to secure the international trade supply chain while ensuring trade facilitation, there has to be the development of co-operative arrangements.
- ❖ Sometimes these co-operative arrangements cut across borders.
- ❖ The SAFE Framework of Standards' aims and objectives include:
 - the establishment of standards that provide supply chain security,
 - facilitation at a global level to promote certainty and predictability,
 - the strengthening of co-operation between Customs administrations to improve their capability to detect high-risk consignments,
 - strengthening Customs-Business co-operation, and
 - promotion of a seamless movement of goods through secure international trade supply chains, amongst others.
- ❖ Ladies and Gentlemen, network arrangements will result in the exchange of timely and accurate information.
- ❖ They also strengthen co-operation between Customs administrations and enable administrations to carry out controls earlier in the supply chain, thus providing for the mutual recognition of controls.
- ❖ To buttress the above, our country's legislation has already been amended to require submission of advance electronic cargo

information to allow for risk assessment and efficient allocation of resources.

❖ Our current location in the supply chain is that as a landlocked country we are involved in trade facilitation of cargo to the following countries:

- Zambia,
- DRC,
- Tanzania,
- Mozambique,
- Malawi,
- Angola,
- Namibia,
- Botswana,
- South Africa
- Botswana, and
- Even overseas as trade traffic is ultimately shipped from Durban, Walvis Bay and Beira ports.

❖ This year's theme, therefore, places emphasis on the importance of a Customs-to-Customs partnership approach to ensure flawless international trade.

- ❖ This brings us to an important aspect, Ladies and Gentlemen, about the alliances and much valued partnerships that should be nurtured with other revenue administrations, the business community and other countries in general.

Customs-Business Forum

- ❖ The establishment of Customs-to-Business arrangements must also cut across borders.
- ❖ Establishment of a partnership with the private sector in order to involve them in ensuring the safety and security of the international trade supply chain must ultimately lead to mutual recognition arrangements with other countries.
- ❖ Authorised Economic Operators (AEOs) in a country must be mutually recognised in partner countries to enhance trade facilitation.
- ❖ Ladies and Gentlemen, the AEO concept has already been legislated for in Zimbabwe and will be rolled out in the second quarter of this year.
- ❖ The next stage is to enter into mutual recognition arrangements with our trading partners for a reciprocal recognition of AEOs.
- ❖ The International Convention on Mutual Administrative Assistance for the Prevention, Investigation and Suppression of Customs Offences (the 1977, Nairobi Convention), of which Zimbabwe is a signatory, provide that Customs offenders cannot escape from one jurisdiction into another.

- ❖ This is so because contracting parties bound to the Nairobi Convention agree that their Customs administrations shall afford each other mutual assistance with a view to preventing, investigating and repressing Customs offences.

Integration

- ❖ The WCO views the mission of Customs in the 21st Century as to “develop and implement an integrated set of policies and procedures that ensure increased safety and security, as well as effective trade facilitation and revenue collection”.
- ❖ One of the important building blocks underpinning the above strategic direction is to have a globally networked Customs system.
- ❖ This is essentially an “e-Customs” network that will ensure seamless, real-time and paperless flow of information and connectivity for both Customs-to-Customs transactions as well as Customs-to-business transactions.

Systems Automation

- ❖ Since 2001 at its inception, ZIMRA has inculcated the culture of modernisation so as to ensure effectiveness and efficiency in the execution of its mandate.
- ❖ The ASYCUDA system allows reduction in turnaround time of processing entries, reduced administrative documents, reduction of

errors in the calculation of duties and electronic control and monitoring of processes.

- ❖ Notwithstanding some challenges that we faced with our ASYCUDA upgrades lately, we have put concerted efforts to fully benefit from the new system as we continue to promote trade and travel.
- ❖ ZIMRA has also adopted electronic filing of returns and direct banking in order to connect with its clients and keep abreast with change.
- ❖ E-banking implies that clients can pay their taxes and make transactions through the internet and mobile phones.
- ❖ In addition, transit revenue accounts have been opened with various banks, and this has made a positive impact on our transacting public owing to its convenience.
- ❖ Some of these partnering banks are represented this morning.
- ❖ Ladies and gentlemen, clients are now able to make duty payments from most commercial banks which reduce clients' compliance costs.
- ❖ Automation of Temporary Import Permit (TIP) and Temporary Export Permit (TEP) in our SAP system has brought about a more secure system of processing temporary importation/exportation of motor vehicles.
- ❖ The system is capable of producing real time reports on outstanding TIPs and TEPs which makes follow ups easier.

One-Stop Border Post

- ❖ The One-Stop Border Post aptly epitomises this year's International Customs Day theme: Borders Divide, Customs Connects.
- ❖ Under the Chirundu One Stop Border Post system, traffic going up north to Zambia and DRC does not stop for processing on the Zimbabwean side.
- ❖ The traffic will stop once on the Zambian side where both Customs and immigration formalities are processed at once, side-by-side with the Zambian Authorities.
- ❖ The same will apply for south-bound traffic which stops once on the Zimbabwean side.
- ❖ In this way, time spent at the border post is reduced.
- ❖ It is encouraging that efforts are also underway to introduce one stop border posts at other ports of entry and exit, notably Beitbridge.

Other Initiatives

- ❖ Ladies and Gentlemen, our Training Centre was accredited by the World Customs Organisation as a Regional Training Centre.
- ❖ This has seen us connecting with other Customs administrations beyond our borders to train Customs officials in various aspects that include

valuation, tariff classification, and post-importation audits, among other topical issues.

- ❖ The introduction of the Customs Risk Management (CRM) system has been made in response to the SAFE Framework of Standards and the Revised Kyoto Convention.
- ❖ Both tools advocate for the use of risk management as a tool to identify high risk cargo and facilitate low risk consignments.
- ❖ Customs legislation has been aligned to the provisions of international conventions and instruments such as Advance Passenger and Cargo Information, AEOs, WTO Valuation and One Stop Border Post in a bid to modernise and simplify Customs procedures and systems.
- ❖ The creation of enforcement and escort teams will assist in enforcement and compliance activities.
- ❖ We are also in the process of introducing canine operations – sniffer dogs - at our ports of entry and exit.
- ❖ Our expectation is that this will go a long way in curbing smuggling especially of minerals, currency, drugs and other goods.
- ❖ Scanners were also installed at most of our major entry points.
- ❖ We have installed commercial cargo scanners at Plumtree and Beitbridge border posts.

- ❖ We are currently working at installing one at Chirundu One Stop Border Post and this machine will be operational this year.
- ❖ Baggage scanners were also installed at major entry points and airports.
- ❖ I am also pleased to announce that last year saw the successful launch of the Authority's first Taxpayer Appreciation Day which was commemorated on 30 September 2011.
- ❖ The day recognises compliant clients and opens up a forum for partnership arrangements such as the AEO concept.

Challenges:

- ❖ It is indisputable that that tax collection is a mammoth task, and ZIMRA has not been immune to the challenges involved.
- ❖ Indeed, we have encountered various challenges in our endeavours, but this has not deterred us from our Vision which is, "***To be a beacon of excellence in the provision of fiscal services and facilitation of trade and travel***".
- ❖ We have constantly crafted measures to counter these challenges, which include:
 - 🚧 Drug trafficking
 - 🚧 Rampant smuggling
 - 🚧 Tax evasion

🚧 Corruption

🚧 False declaration of goods

- ❖ Connectivity and power outages challenges are being addressed and I am hopeful that this will improve as we move into the future.
- ❖ Our staff levels are still low, especially at border posts.
- ❖ However, we are in the process of recruiting and training more staff in order to meet our clients' needs.

Conclusion

- ❖ Allow me at this juncture to give a round of applause to men and women who are committed to the vision and mission of the World Customs Organisation.
- ❖ Today is your day, we recognise and acknowledge your efforts; otherwise there will be no success story to tell without you, Ladies and Gentlemen.
- ❖ I welcome you once more to the commemoration of the International Customs Day.
- ❖ I thank you.