



Innovating Trade Facilitation: The Role of Technology in Streamlining Customs Operations





Inter African Trade Context

WTO Director-General Okonjo-Iweala:

“That 15% Intra-African trade is too little”. Africa’s share of global trade at 3% is too little. We need to do something to double and triple that.

We need to overcome the challenges that lie in front of the continental free trade area :-

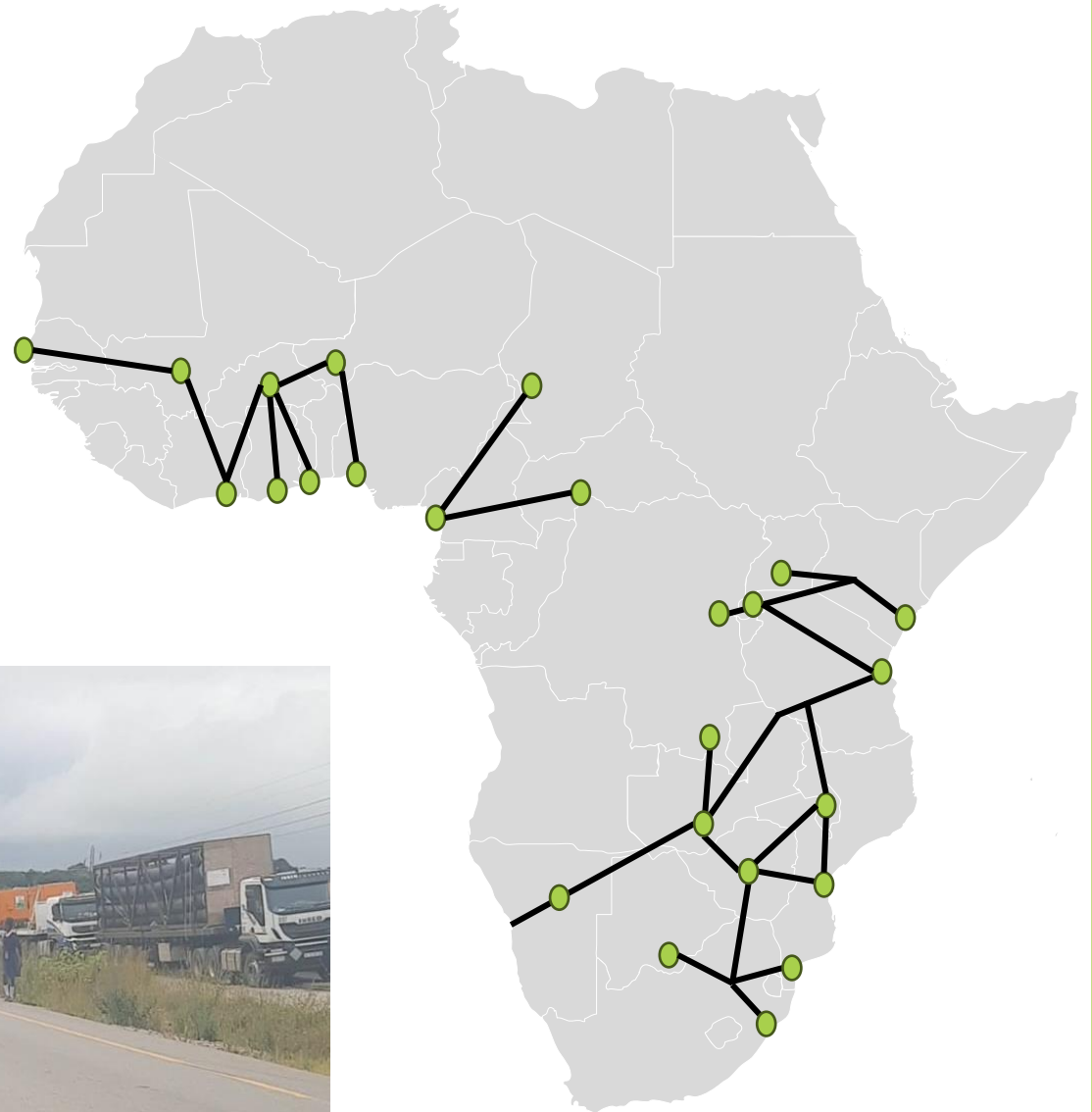
we need the infrastructure to work, **we need to digitize more**, so that we overcome some of the bureaucratic hurdles that make it difficult to trade, and **we need to reduce trade costs.”**

Donald Trump: US President Elect famously stated during his previous presidency :-

“x\$%&# countries” and therefore the possibility of increased trade barriers, makes Intra-African trade more critical from an African perspective

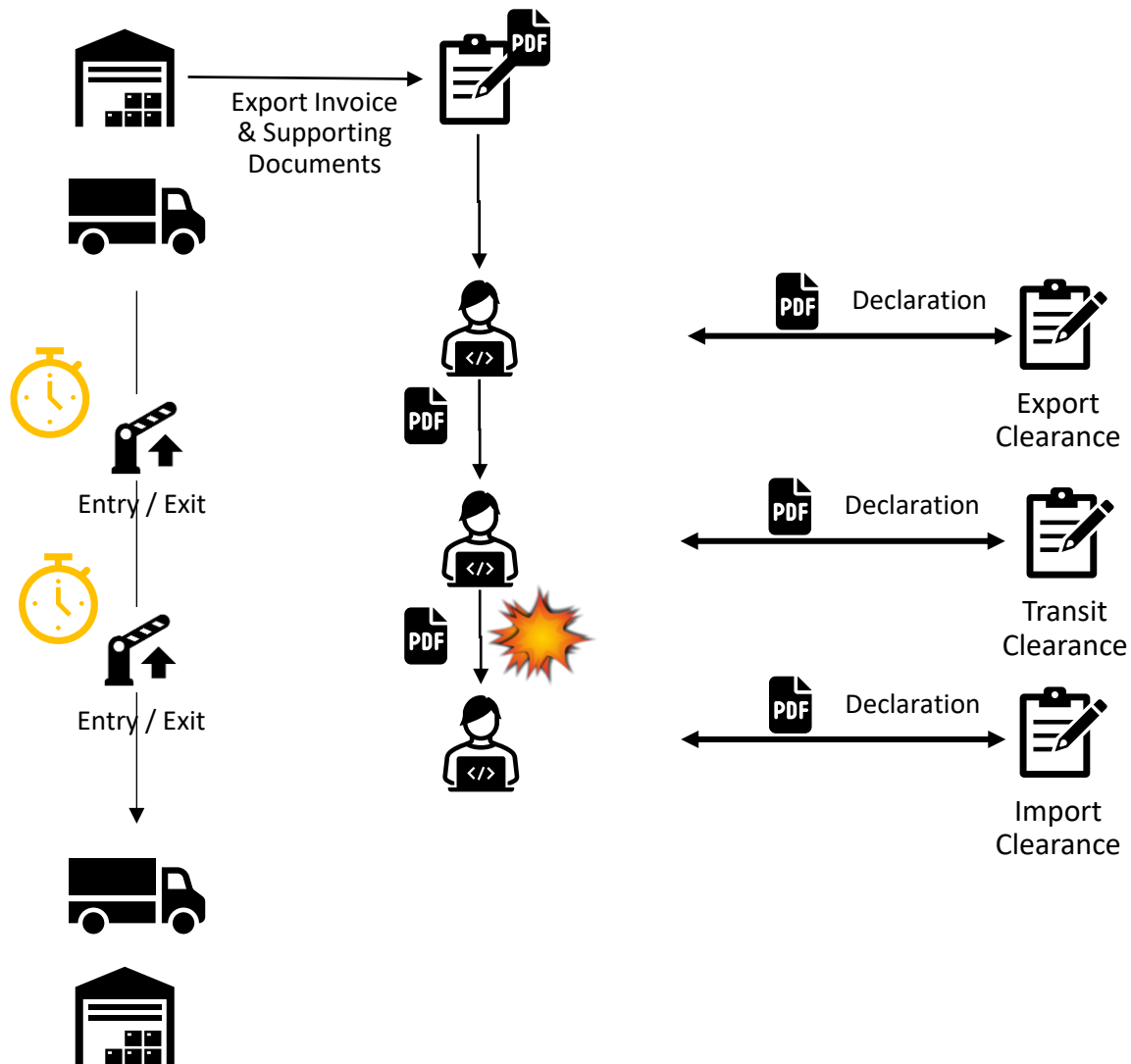
Inter African Trade Context

- Transport costs for LDC countries typically make up **21 % of the landed costs** of the goods
- Transport costs to landlocked developing countries typically make up **19% of the landed costs** of the goods
- **AfCFTA has made great strides** reducing Tariff Barriers, but the impact of **non-tariff barriers** are often more significant than duties
- How can **digitisation** help, where physical infrastructure lags?



Traditional Customs Clearing Process

- Documents passed from multiple parties **via email**
- **Manual capturing** of customs declarations at border post while cargo stands, and border are congested
- **Verification** of manual permits and other government agency requirements at the entry point
- Manual **Assessment** of Documentation at the border
- **Poor Data Quality and Accuracy**
- Limited automation of processes

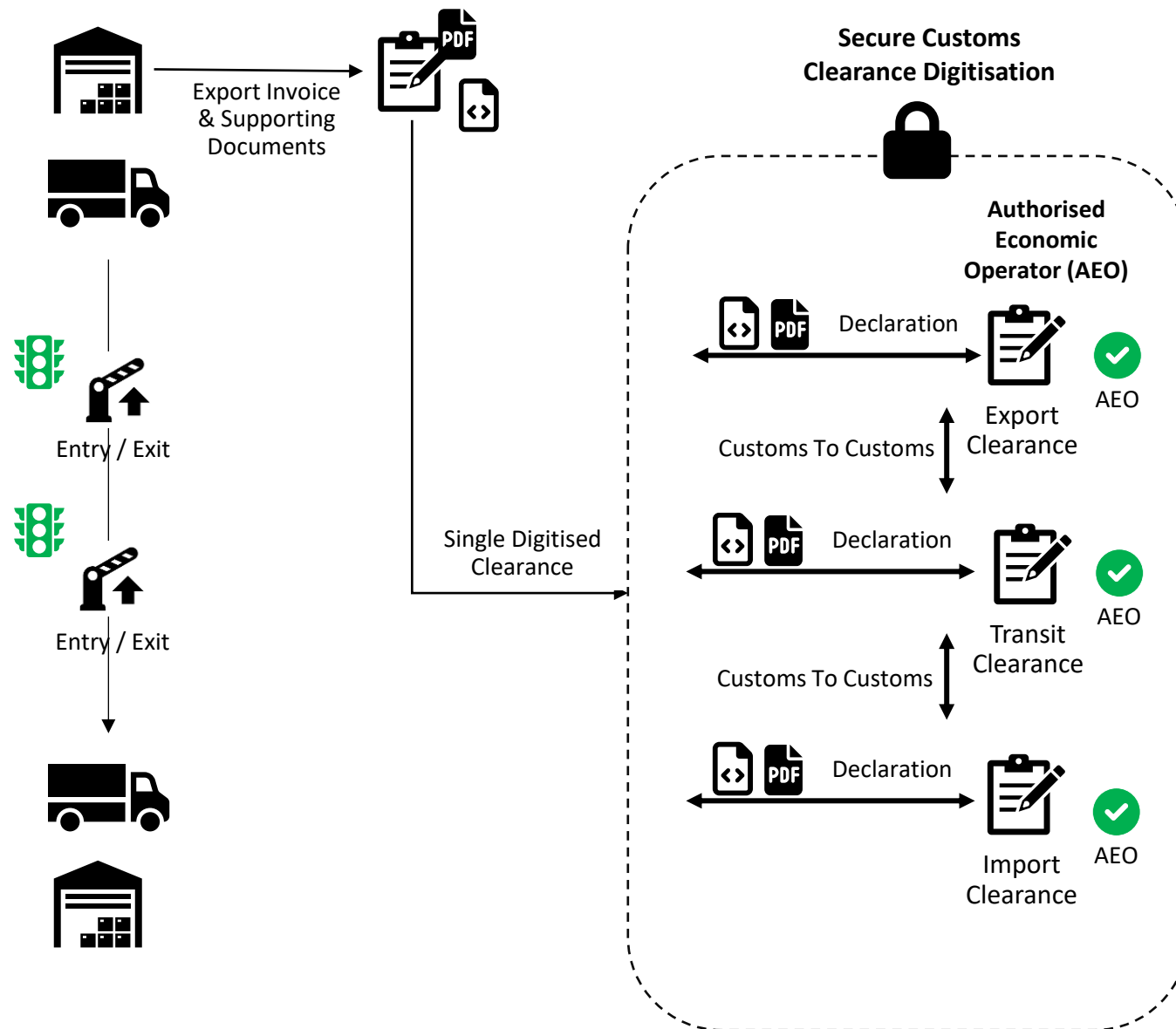


Spot the difference



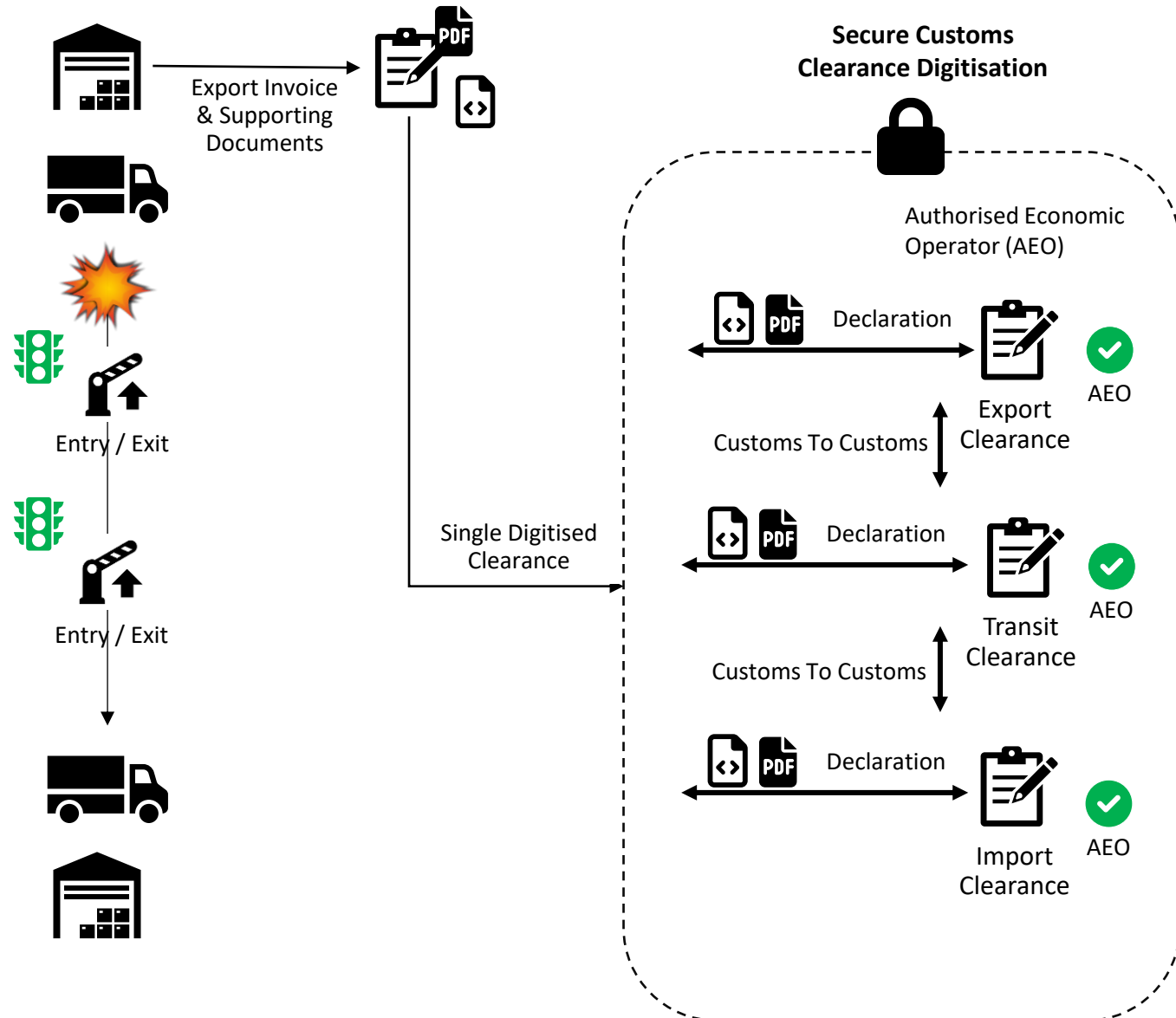
Supply Chain Digitisation – The Future

- Move Customs and OGA **away from the Border**
- Customs Clearing and regulatory agencies receive **accurate automated data from source**
- Allows trade to **use technology to automate** and eliminate manual data capturing where applicable
- Pre verification & **digitization** of any permits or other regulatory requirements before departure
- Supply chain parties **AEO** and recognised via Mutual Recognition Agreement (MRA)
- **Green Lane** verified vehicles



What about the Physical Supply Chain?

- What happens when something goes wrong in the physical supply chain?
- How do we prevent or detect anomalies in the physical supply chain?



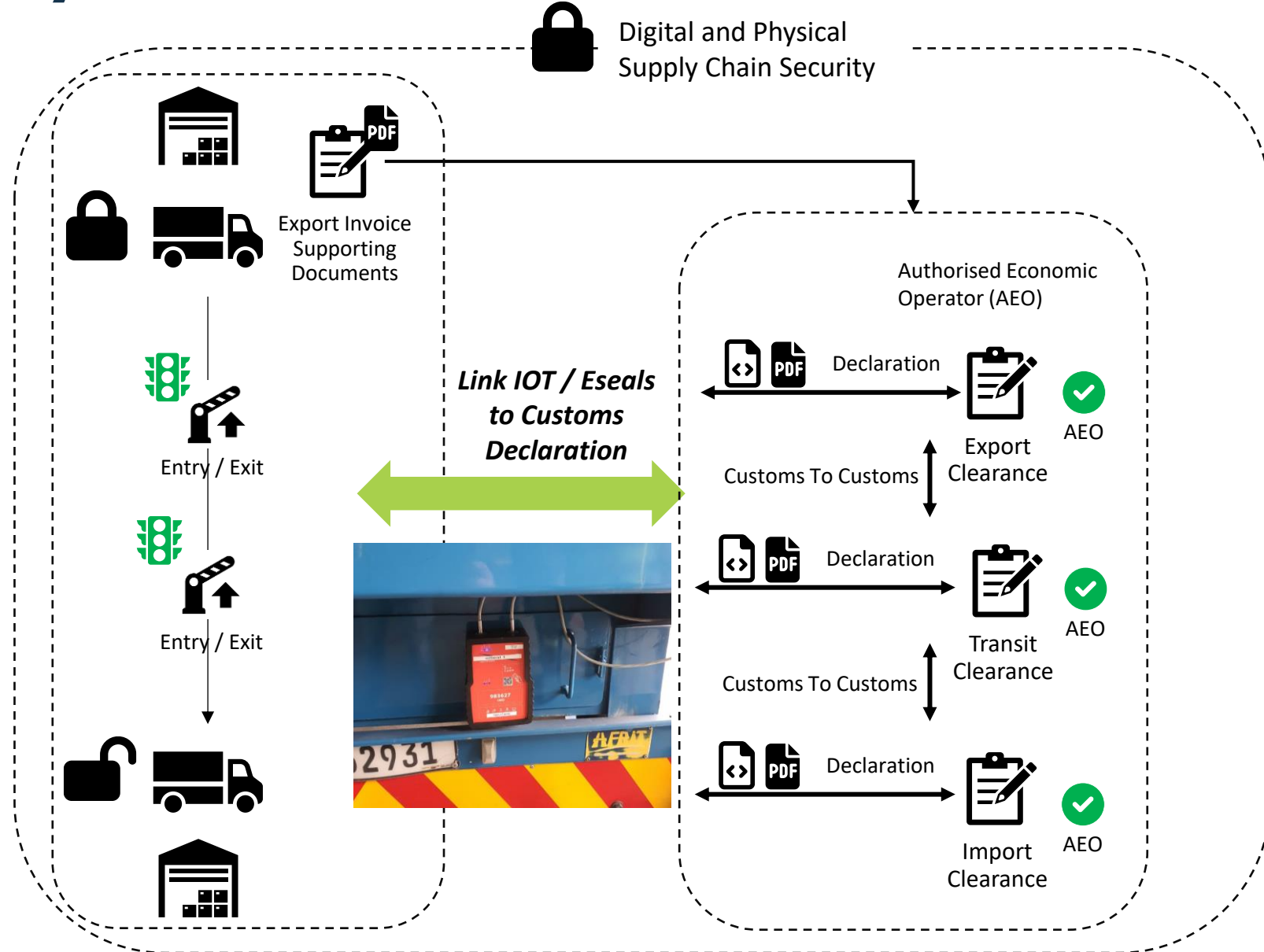
The Physical Supply Chain Solution

Prevention

- Utilize **ESeal** to seal Cargo at point of loading
- Important to link **Eseal to Customs Declaration** process

Detection

- Detection of **tampering** with the load - different solutions for different load types
- **Geofence** route and key points, e.g. loading / unloading, borders and rest stops
- Centralized **Control Centre** with Active monitoring
- Use **AI** on Clean and Verified Data





Digitize Process

Move clearing away from the physical border and digitize the process



API First

Expose Services and Data as APIs to allow trade and government to provide data at source and innovate around digital services



Identity Management

Know your client and use AEO to create a trusted network



Use AI

Use off the shelf AI to automate and redesign processes on **clean verified** data

By digitizing the supply chain and clearing process trade facilitation benefits can be extended to trusted partners and use existing infrastructure more effectively

- *37% Reduction in Clearing Time*
- *Reduced time to and at the border by 57.63%*



Get in Touch



louise.wiggett@customs-connect.com



+27 21 552 8858



+27 82 556 9739



www.customs-connect.com

