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SINGLE ELECTRONIC WINDOW (SEW) MOZAMBIQUE a learning process

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Purpose of Review

- Assess over-all reality/perceptions among users of first SEW stages
- Assess if reported problems were fundamental or transitory/common to any SEW implementation Programs
- Identify positives, negatives and propose solutions
- Lessons learned
- Future expectations
- Recommendations



the Paper

- Snap-shot of client/stakeholder SEW experiences with select import/export modules
- Does not attempt to assess the whole SEW program or process
- Does not assess other aspects of the importation/exportation process that were identified as concerns...warehousing, inspections, scanning, OGD certifications, Etc.



Taking the Snap-Shot

- Visits, interviews, meetings with: clearing agents, shipping agents, terminal operators, importers, exporters, manufacturers
- Small, medium and large enterprises involved in sea, air and land border trucking operations were interviewed
- Where appropriate SEW programs/implementations cross-referenced with international standards and procedures



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Taking the Snap-Shot (Con't)

Questions Included:

- Clearance times and costs before and after SEW's implementation
- Difficulty/ease of complying with new SEW requirements
- Main SEW problems being encountered
- Expectations of the SEW being met
- Client interactions with MCNet and Customs
- Recommendations to improve SEW implementation



Key Findings: Consistency with international standards

- The SEW Processes are consistent with contemporary international best practices:

International Standards	PPPs	User Fees	Phased Implementation	Declaration through Scanning	Examination
SEW Mozambique	v	v	v	v	v

- 95% of primary and secondary users of SEW supported the concept and continued implementation of the SEW system



Key Findings: Understanding and Support to SEW

- Most clients recognized that Customs used the introduction of SEW to restore rigour to the importing/exporting processes, but appreciated their flexibility on case-by-case basis
- Exporters had the most “positive” or neutral views of the SEW system and implementation
- Support was most enthusiastic among the clearing agents
- Clearing agents rated MCNet Training and support as good to excellent



Key Findings: Users experienced initial delays

- Delays and associated Costs: the majority of importers using all modes (sea, air and land) identified initial delays averaging 4-5 days with associated costs
- Delays for all modes steadily declined but still averaged 24-48 hours 6 months to 3 Months after implementation
- Clients identified the 24-48 hour delays not only due to SEW hardware/technical issues, but also to Customs revamping and reintroducing facilitative programs within the SEW Framework



Key Findings: Paperwork and bank delays continue to pose problems

- Most documents are not electronic and still have to be acquired in hard copy and scanned into the SEW system. Clients see additional work with little immediate benefit
- SEW is replicating current paperwork procedures and still requiring the paperwork to be presented despite the fact that digital copies are being inserted in the SEW
- Banks delayed getting their systems online with SEW contributing to delays



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Key Findings: Weak infrastructure and capacity challenges

- MCNet's infrastructure was stable but clients and some clearing agents still identified Infrastructure problems as responsible for additional delays : electricity, internet, operating systems, lack of computer capacity in supporting OGDs
- A large Majority of the clients still believe that Customs officials are not sensitive or aware of their needs to clear goods, not only in compliance with the law but cheaply and quickly as possible
- Importers and Exporters generally believed they needed longer lead-in times and training and information sessions



Key Findings: Users feel fees are too high

- SEW has costs (user fees) which customers have to pay in addition to the delays currently occurring
- Clients paying the 0.85% Rates were most concerned
- Concerns Were expressed that user fees on top of other mandatory charges could impact the country's competitiveness and in particular export opportunities
- Importers and exporters generally believed that they were not well advised about the nature of SEW, or its costs versus benefits



Key Findings: Difficulties to Settle Appeals and Refunds

- Not directly related to SEW most clients noted that the appeals and refunds issues associated with amended Customs' decisions were difficult to overcome even for simple accounting errors



Key Recommendations: Need to improve capacity and awareness

- Provide longer lead-in times for training and public awareness programs before implementing new modules
- Customs to provide temporary parallel and new SEW options to allow for phased transition by clients
- Intensify training of clients and Custom officials to operate within the technical capacities of the SEW system



Key Recommendations: Raise Customs ownership, service and visibility

- Customs should be upfront in the contact with the public as the SEW is a Customs' tool
- Customs should continue to develop public outreach programs that highlight the professionalism and integrity of the service
- A Customs "Problems/Comments" website would be appreciated



Key Recommendations: Raise Customs ownership, service and visibility (Con't)

- Clients believed that Customs should balance their enforcement role with their service role. Customs should recognize the electronic timelessness of SEW and work 24 -7 if needed
- Ministry of Finance and Customs to publicize clearly how commodities are classified, taxes are identified and calculations of taxes and fees due are made



Key Recommendations: Way forward

- Any SEW program is accumulative.
Implementing basic government-wide programs can take years. Don't over-sell the immediate benefits.
- Assess the capacity of other government departments that will be integrated in the SEW and enhance their capacities accordingly to ensure they will not be a bottleneck in the continued successful roll-out of SEW



Key Recommendations: Way Forward

- SEW is here for the long term. Consider a national steering committee to prepare, publicize and implement a national communication strategy and action plan between all stakeholders: business associations, professional associations, Customs, Harbor Authorities, OGDs etc.