

WORLD TRADE ORGANIZATION

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Committee on Customs Valuation

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COMMUNICATION FROM RWANDA CONCERNING PARAGRAPH 1 OF ANNEX III OF THE AGREEMENT ON IMPLEMENTATION OF ARTICLE VII OF THE GENERAL AGREEMENT ON TARIFFS AND TRADE 1994

The following communication, dated 21 May 2001, has been received from the Ministry of Commerce, Industry and Tourism of the Republic of Rwanda.

When our country became a Member of the World Trade Organization (WTO), we requested and were granted deferral of application of the above Agreement for a period of five years. The deadline expires on 22 May 2001.

In view of our country's special circumstances and the scant resources at our disposal, we have been unable to take all the requisite steps for implementation within the prescribed time limit.

In our letter No. 0847/15/04.1/2000 of 31 May 2000, we accordingly asked you to consider the possibility of postponing the date of application of the Agreement for a further three years, as from 22 May 2001, pursuant to the provisions of Annex III, paragraph 1, of the Agreement.

This additional period will enable us – with technical support from the WTO, the World Customs Organization (WCO) and any Members willing, by virtue of Article 20.3 of the Agreement, to assist us in our efforts – to introduce all the reforms needed to give effect to this accord.

You will find a draft plan of action enclosed for your information. Its implementation will depend largely on the amount of technical assistance that may be given to us.

We are convinced that we can, as always, count on your understanding and trust that our request will receive favourable consideration.

Plan of action for implementation of the WTO Agreement

Five prerequisites will need to be met before the GATT valuation system can be applied:

- Revise customs legislation;
- computerize customs offices;
- restructure the Department;
- train customs staff;
- train the private sector.

I. Revision of customs legislation

- **Objective:**
 - To revise and harmonize customs legislation in the light of the Kyoto Convention, the GATT Agreement and the Law Establishing the Rwanda Revenue Authority.
- **Achievements and future work** (see table below)

Activities	Achievements	Needs for technical assistance	Timeframe	Comments
1. Creation of the Commission on the revision of customs legislation	-	-	-	Created on 20/01/2000
2. Harmonization of customs legislation with the revised Kyoto Convention	-	WCO training seminar on the Kyoto Convention held from 5-8/12/2000	1 week	3 members of the Commission took part in the seminar
3. Comparative analysis of the Kyoto Convention and customs legislation	Work began on 27 January 2000 and was completed in January 2001	-	12 months	Completed
4. Finalization of a technical opinion on the Kyoto Convention	-	-	10 May	Completed
5. First examination of the technical opinion by the Commission	-	-	15 May 2001	Completed
6. Second examination of the technical opinion by the Commission	-	-	17 May 2001	-

Activities	Achievements	Needs for technical assistance	Timeframe	Comments
7. Transmission of the technical opinion to the CG	-	-	18 May 2001	It is recommended that the draft be submitted to the WCO for analysis before reaching any decision
8. Identification of the provisions of the GATT Agreement to be incorporated in customs legislation	-	-	31 May 2001	Distribution of tasks
9. Evaluation of revision work	-	-	30 August 2001	-
10. Completion of revision work	-	-	20 November 2001	-
11. Examination of the draft law by a WCO expert	-	Expert from the WCO Valuation Directorate	20 December 2001	It is recommended that the draft law be submitted to the WCO prior to its examination by the decision-makers
12. Presentation of the draft law to the CG	-	-	28 December 2001	-
13. Submission of the draft law to the Minister of Finance and Economic Planning	-	-	25 January 2002	-

II. Computerization of customs offices

- **Objectives:**

- Purchase computer equipment;
- develop programmes for the automatic registration and processing of customs declarations ("DMCs") on the basis of file data (importer, supplier, goods);
- investigate options for automatically calculating the value to be declared (IT techniques);
- extend the ASYCUDA programme to border posts;
- prepare the necessary user's manuals.

- **Achievements and future work** (see table below)

Activities	Achievements	Needs for technical assistance	Timeframe	Comments
1. Purchase of computer equipment	- Gikondo and the Airport are already equipped and operational - The second stage should focus on major offices (Gatuna, Butare, etc.)	- Equipment - Staff training	May 2001	Electrification is necessary before border posts can be equipped, as most of them do not have electricity
2. Development of programmes for automatic registration and processing of customs declarations ("DMCs")	- Gikondo and the Airport are already using UNIX software - A vast amount of data is available in ASYCUDA	Guidance from the WCO and UNCTAD to determine whether the UNIX/ASYCUDA software is compatible with the GATT valuation system	May 2002	Request for technical assistance recently submitted to the WCO
3. Investigation of options for automatically calculating the value to be declared	-	Guidance from the WTO or UNCTAD as to how this is done in countries already applying the GATT Agreement	August 2001	The RRA should consider study tours to gain experience from countries already applying the system
4. Extension of ASYCUDA to border posts	Proposal to introduce the transit module in offices facing an extremely heavy workload	Support, in the form of funding or equipment, from the WCO, UNCTAD, the WTO or COMESA	January 2002	Such an extension is advisable as it will facilitate the exchange of information between border posts and the Directorate-General
5. Preparation of user's manuals for computer programmes	-	IT expert	Before March 2002	This will, however, depend on the programmes selected

Activities	Achievements	Needs for technical assistance	Timeframe	Comments
6. Staff training	-	IT expert	Before March 2002	- Priority given to officers of the Customs Valuation Section and inspectors required to apply the system - Recruitment and training of a national expert

III. Restructuring of the Department

- **Objectives:**

- Reorganize the Valuation Division;
- strengthen the verification process;
- create a rules of origin section;
- create a post-clearance control section.

- **Achievements and future work** (see table below)

Activities	Achievements	Needs for technical assistance	Timeframe	Comments
1. Reorganization of the Valuation Division	2 existing sections: - Tariff Section - Customs Valuation Section	Meeting held with a KPMG expert	April 2001	- Definition of new responsibilities - Creation of the Rules of Origin Section
2. Strengthening of the verification process through the appointment of two officers in charge of risk management and data collection at Gikondo and the Airport	-	-	June 2001	-
3. Establishment of a database on the provenance and origin of goods Drafting of a manual on how to monitor respect for rules of origin	-	-	Before March 2002 Before March 2002	-

IV. Staff training

- **Objectives:**
 - Target customs officers requiring training as a matter of priority;
 - propose a timetable and specify the purpose of training.
- **Achievements and future work** (see table below)

Activities	Achievements	Needs for technical assistance	Timeframe	Comments
1. Training of members of the GATT Commission	2 WCO seminars on the GATT valuation system organized in Kigali in: - March 2000 - April 2001	WCO	1 week	Study tours should be arranged to supplement such training
2. Training of customs personnel	New customs legislation	National instructor	2 weeks	-
3. Training of examiners + officers of the Customs Valuation Section	Enforcement course	WCO/WTO	1 month	Training expert or fellowship programme
4. Training of inspectors + officers of the Customs Valuation Section	Means and methods of ensuring post-clearance control	WCO/WTO	1 month	Training expert or fellowship programme
5. Training of officers of the Rules of Origin Section	Rules of origin	WCO/WTO	1 month	Training expert or fellowship programme
6. Training on the WTO Agreement for private-sector representatives	-	National instructor or expert from the International Chamber of Commerce	2 weeks	Request WTO assistance