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**SEMINAR ON OVERCOMING
BORDER CROSSING OBSTACLES
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**FIGHTING CORRUPTION THROUGH BETTER
BORDER MANAGEMENT**

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Seminar on Overcoming Border Crossing Obstacles

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Fighting Corruption Through Better Border Management



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Key Themes:

- Improved integrity closely linked to the adoption of effective and efficient systems and procedures - must focus on removing both motive and opportunity
- Building integrity requires long term commitment - No quick fix solutions available
- Careful diagnosis of the problem critical to identifying practical and sustainable solutions

Key Themes:

- Comprehensive and structured approach required – WCO's Revised Arusha Declaration a sound building block
- Performance Measurement matters
- It is a shared responsibility – both public and private sectors need to be involved in the solutions - 'it takes two to tango' – but private sector not homogeneous

Integrity in Customs does matter

Based on a comprehensive survey of over 5000 global logistics professionals - Percentage of respondents concerned with frequent solicitation of informal payments - closely correlated to trade competitiveness

Highest performing countries	High performing countries	Average performing countries	Low performing countries	Lowest performing countries
6	23	34	49	56

Source: Logistics Performance Index 2007

Integrity in Customs – Problem varies

Percentage of respondents describing solicitation of informal payments as a high/very high constraint on their commercial activities

OECD	EAP	ECA	LAC	MENA	SA	SSA
10	30	24	36	21	39	58

Source: Logistics Performance Index 2007

Integrity in Customs – Some progress

Percentage of respondents declaring they are satisfied with Customs performance

Highest Performers	High Performers	Average Performers	Low Performers	Lowest Performers
55	32	19	18	11

Percentage of respondents declaring they are satisfied with the performance of other border agencies

Highest Performers	High Performers	Average Performers	Low Performers	Lowest Performers
38	13	10	9	18

Integrity in Customs – Some progress

Percentage of respondents **claiming improvement** in Customs performance over past three years

OECD	EAP	ECA	LAC	MENA	SA	SSA
68	38	69	58	70	60	48

Percentage of respondents **claiming improvement** in the performance of other border agencies

OECD	EAP	ECA	LAC	MENA	SA	SSA
43	26	62	28	38	30	42

Tackling Corruption – What works?

■ Automation

- ◆ Reduces face to face contact between officials and traders, limits discretionary powers and increases transparency

Automation makes a difference

	All Documents electronic	Some electronic	None electronic
Days	12	30	41
Signatures	3	10	14

Source: Doing Business 2006



Tackling Corruption – What works?

- **Cooperation and partnership with the private sector**
 - ◆ Incentives for compliance (Authorized trader regimes)
 - ◆ Penalties for non compliance
 - ◆ Genuine partnership in the fight against corruption
 - ◆ National consultative committees
 - ◆ Numbers, data, performance indicators
 - ◆ Relationships and culture
 - ◆ Capacity to investigate



Tackling Corruption – What works?

■ **Human Resource Management**

- ◆ Merit based recruitment
- ◆ Merit based promotion
- ◆ Fair pay and conditions of employment
- ◆ Pension entitlements
- ◆ Professional development and training
- ◆ Performance management/appraisal
- ◆ Integrity as a key criteria for promotion



Tackling Corruption – What works?

- **Border agency cooperation**
 - ◆ Service level agreements between agencies – delegated powers
 - ◆ Flat fee systems
 - ◆ Single inspection policy
 - ◆ Joint risk profiles
 - ◆ One time submission of documents
 - ◆ Single window



Tackling Corruption – What works?

- Developing a Customs Integrity Action Plan
- Participation and buy in from all stakeholders
- Based on accurate diagnosis of problems and vulnerabilities
- Identification of practical and sustainable solutions
- With accountabilities and PIs identified and progress measured





Practical tools:

- WCO (Revised) Arusha Declaration on Integrity in Customs
- WCO Model Code of Ethics and Conduct
- WCO Integrity Self Assessment Guide
- World Bank's Customs Modernization Handbook Chapter 4

