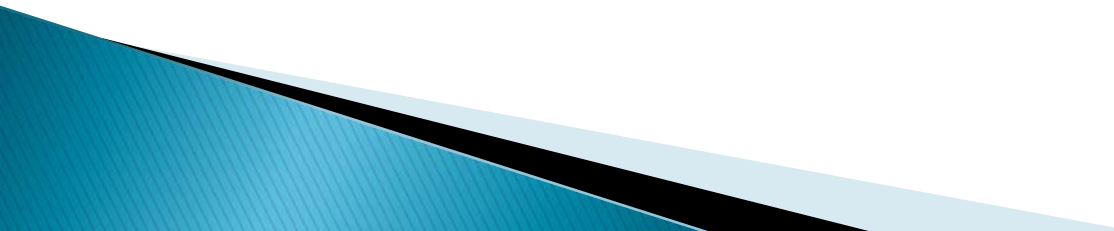


Zambia Investment Climate Program II

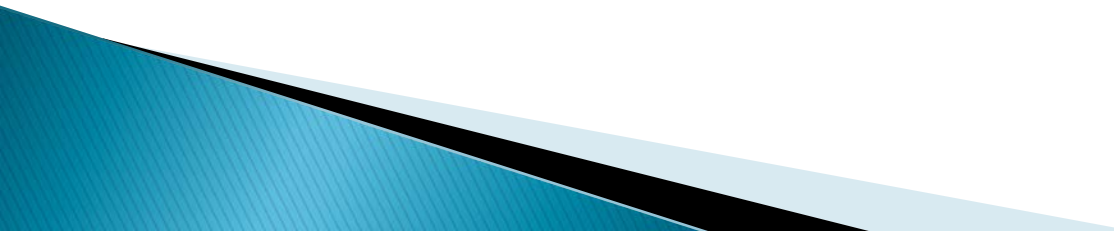
Trade Logistics – Implementation of
ASYCUDA WORLD

Market Failure – Trade

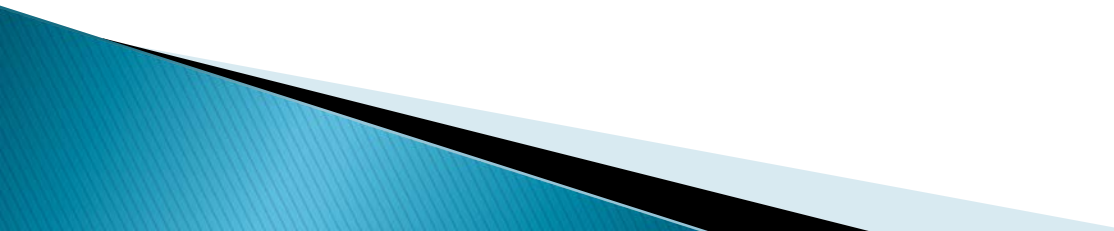
- ▶ Zambia ranks 153 among 183 countries according to the Trading Across Borders Doing Business indicator (Source WB Doing Business Ranking 2014)
 - ▶ High cost to import/export
 - ▶ Lengthy import/export procedures.
 - ▶ Cumbersome trade procedures
 - Lack of automated trade transaction processing systems
 - Lack of inter-agency coordination in inspection
 - Lack of use of risk management systems.
 - ▶ Effect: high input costs impacts on the country's competitiveness
- 

Objective of Trade logistics Program

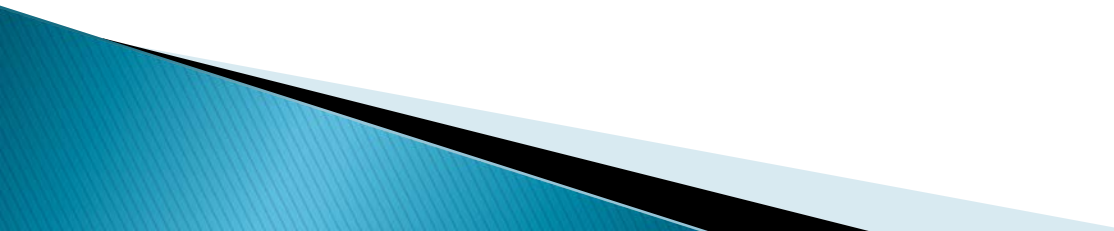
Improve access to international markets and reducing business costs by streamlining import/export costs and procedures to achieve:

- ▶ Reduction of the time to export from 44 days (DB 2012) to 40 days and to import from 56 days (DB 2012) to 48 days
 - ▶ Reduction of documents required for import clearance from 9 documents to 7 documents
 - ▶ Reduction of the percentage of cargo inspections conducted by border clearance agencies from 80 percent to 60 percent.
 - ▶ \$5 million in private sector savings (within 3 years of project end)
- 

Implementing ASYCUDA World

- ▶ Zambia upgrading its automated systems for customs data from ASYCUDA ++ (Automated System for Customs Data) to ASYCUDA World
 - ▶ AW is web based and offer enhanced functionalities that trade facilitation agencies can use to enhance their trade processes and procedures
 - ▶ Provides web based online access and inter operability to other government, trade facilitation agencies and clearing agents.
 - ▶ Allows traders and agencies to lodge documents electronically for processing and approval and make payments on goods imported and exported out of the country
 - ▶ Provides for risk management and transit operations for customs and other border agencies.
- 

Key Stakeholders

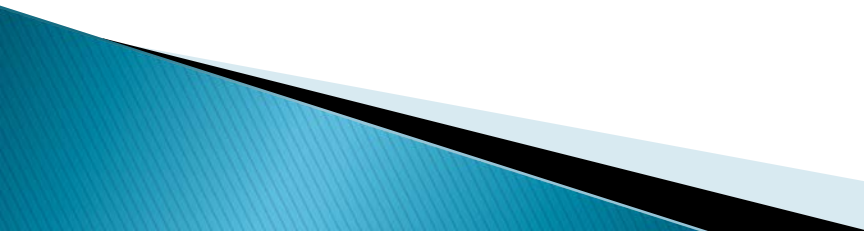
- ▶ Importers/exporters
 - ▶ Clearing Agents
 - ▶ All trade facilitation agencies ZRA, ZABS, RATSA etc. (about 16)
 - ▶ Ministry of Finance
 - ▶ Zambia Development Agency
 - ▶ INTERPOL
- 

Highlights/Achievements to date

Activities/Outputs

- ▶ P2P Learning Workshop on ASYCUDAWorld (Zimbabwe, Ethiopia, Liberia, Rwanda, Grenada, Jordan)
- ▶ Business process reviews (BPR)
- ▶ ICT assessment of 16 Agencies
- ▶ Risk Management Assessment at ZABS and ZRA (better targeting, profiling)
- ▶ HS coding of regulated products
- ▶ Governance structure/Committee
- ▶ Legal review

Outcomes:

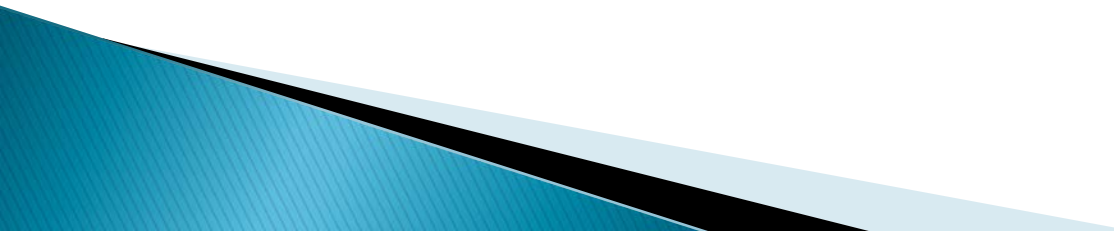
- ▶ The time to import has reduced from 56 days to 49 days as measured by Doing Business 2014.
 - ▶ The Certificate of origin is no longer a mandatory requirement for clearance. As such DB 2014 shows only 8 documents now required for import clearance
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Activities/Projected Results for January – June 2014

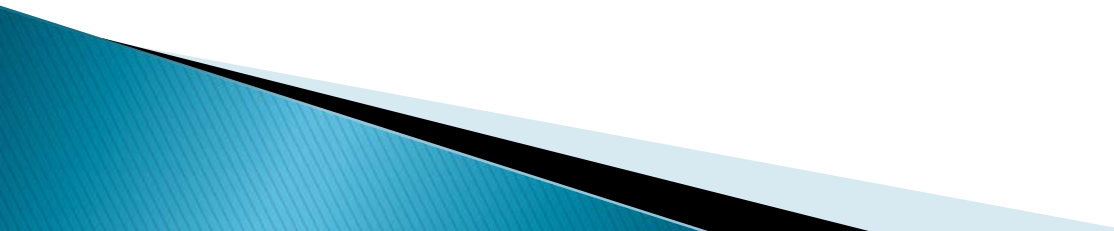
Intended output:

- ▶ Strengthen institutional framework (Governance structure/Committee)
- ▶ Improve operations profiles/targeting/selectivity/channels including in relation to existing IT system
- ▶ Training workshops

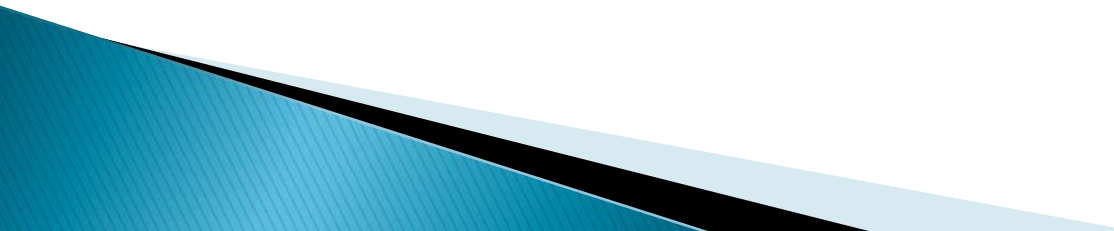
Intended outcome:

- ▶ Increased regional and international market access and penetration of Zambia products
 - ▶ Enhanced effectiveness in supervision and better coordination between the border agencies
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Challenges

- ▶ Trade facilitation agencies connectivity to ASYCUDA World
 - ▶ Lack of ICT knowledge within trade facilitation agencies
 - ▶ Inability to secure funding for the program
 - ▶ Lack of ICT hardware
- 

Expected Overall Outcome

- ▶ A more streamlined and efficient trade transaction system with reduced paperwork
 - ▶ Reduction in time to trade: Measured through the trading across borders indicator
 - ▶ Reduction in documents to trade: Measured through the no. of documents to trade indicator
 - ▶ Reduction in Inspections/Increase in compliance: Measured through 'Percentage of cargo inspected conducted by border clearance agencies
 - ▶ Reduced costs to comply with import/export requirements
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END