The Belize Customs and Reform and Modernization Project – An Overview

Introduction

The Reform and Modernization of Customs is of economic importance to our nation. We play a very important role in the implementation of Government's trade, fiscal and social policies. Without an efficient and effective Customs our government will not be able to achieve its objectives in respect to revenue collection, trade facilitation and the protection of society from various national security concerns.

There has been a growing realization amongst governments, Customs organizations and the global trading community that an efficient and ethical Customs will ensure increased revenue collection, improved statistics and increased confidence from traders, government and international bodies. This Project is a major step towards the achievement of these goals. There are many challenges ahead but Belize Customs is ready and willing to be an example in the region.

A case for Customs Reform and Modernization

Many customs administrations in many countries including the Belize Customs often fall short of being efficient and effective.

The following are some of the issues that provide a case for Customs Reform and Modernization:

- Complex and inefficient procedures and documentary requirements
- Cargo Manifests are paper-based and there is no computerized information on arrival of ships, transport documents (B/L, AWB, and land transport document), goods manifested/arrived, shortages and excesses. Officers have to manually reconcile declarations with manifests to write off shipments.
- Many declarations submitted by brokers are incomplete or inaccurately prepared, adding significantly to the workload of the Customs staff while slowing the processing of accurately submitted declarations.
- Clearance times are affected by the policy of 100% documentary validation at the Long Room and almost full documentary and physical check at the cargo delivery points.
- Customs is limited in its ability to monitor the movement of transit cargo between offices. Reconciliation of transit documents is manual, often late and tedious.
- Procedures and processes have become out-dated and burdensome
- Computers equipment have reached the end of their useful life

 In this 21st century when Customs organizations across the globe are becoming more efficient, these are major barriers to Belize's economic development.

The Government of Belize and the Customs and Excise Department have embarked on a major Reform and Modernization Project to address these short-comings. The project will see the implementation of customs best practices recommended by the World customs organization and the World trade organization.

 The immediate objective is to maximize efficiency in the Customs clearance process, which should allow increased revenue collections, while generating timely and accurate statistical reports. The aim of the project is to streamline the Customs procedures and processes and to align the legal framework and procedures to international standards and best practice. The reduction and simplification of official formalities and documentation should result in increased trade facilitation.

All this can only be made possible through the installation of a modern and completely computerized system for Customs control and clearance.

ASYCUDAWorld

ASYCUDA (Automated SYstem for CUstoms Data) is software developed by **UNCTAD**. It was introduced to Belize in March 1994. We have been using the current version, 2.7 since 1999. It is a computerized customs management system which covers most foreign trade procedures. The system handles manifests and customs declarations, accounting procedures, transit and suspense procedures and generates trade data that can be used for statistical and economic analysis.

Belize Customs is implementing the latest version of ASYCUDA called ASYCUDAWorld that employs the latest innovations in Information and Communications technology (ICT). It is built on a Java platform and is therefore operating system independent. It is also database independent being able to operate on any of the major relational database systems. It utilizes a state-of-the-art **security** model based on cryptography, Public Key Infrastructure [PKI] and *e*-certificates. It is also an *e*-Customs system, accessible online via the Internet.

ASYCUDAWorld takes into account the international codes and standards developed by ISO (International Organization for Standardization), WCO (World Customs Organization) and the United Nations. It can be configured to the national characteristics of Belize including the National Tariff and legislation.

ASYCUDAWorld also provides for Electronic Data Interchange (EDI) between traders and Customs allowing for Direct Trader Input of declarations.

FEATURES OF ASYCUDAWorld

- Full Automated clearance process; System available 24/7
- Manifests will be electronically transferred to ASYCUDAWorld.
- Direct Trader Input of customs declarations (entries) from the importers/exporters/brokers premises.
- Self Assessment of duty and taxes.
- Efficient Payment Schemes available such as online payment to banks and pre-payment facilities
- Simplified Single Administrative Document (SAD) can be printed directly by the ASYCUDAWorld system.
- The use of the Customs Release Order to trigger completion of transaction, release of cargo and automatic write-off of manifests.
- Risk Assessment and Selectivity Functions to help Customs to facilitate compliant traders while focusing on high risk shipments.
- Transit cargo movement between Customs offices will be simplified by automatic tracking of shipments and subsequent automatic reconciliation of documents
- Increased Accounting and statistical capabilities.
- Post Clearance Audit
- The system can provide inter-agency linkages with relevant government departments such as Ministries of Finance and Trade, with banks for online payments, brokers and importers for direct trader input, carriers and international customs organizations providing a truly e-government capability.

At the end of the project ASYCUDAWorld will be in full operation at all Customs locations across the country. At least 90 % of the clearance processes will be done through the system. Customs procedures will be clearly defined and documented and Customs officers will be properly trained in the use of ASYCUDAWorld. At the same time, through constant dialog and sharing we expect a stronger relationship with the Trade Community.

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