

Facilitating Customs Modernisation And Global Trade

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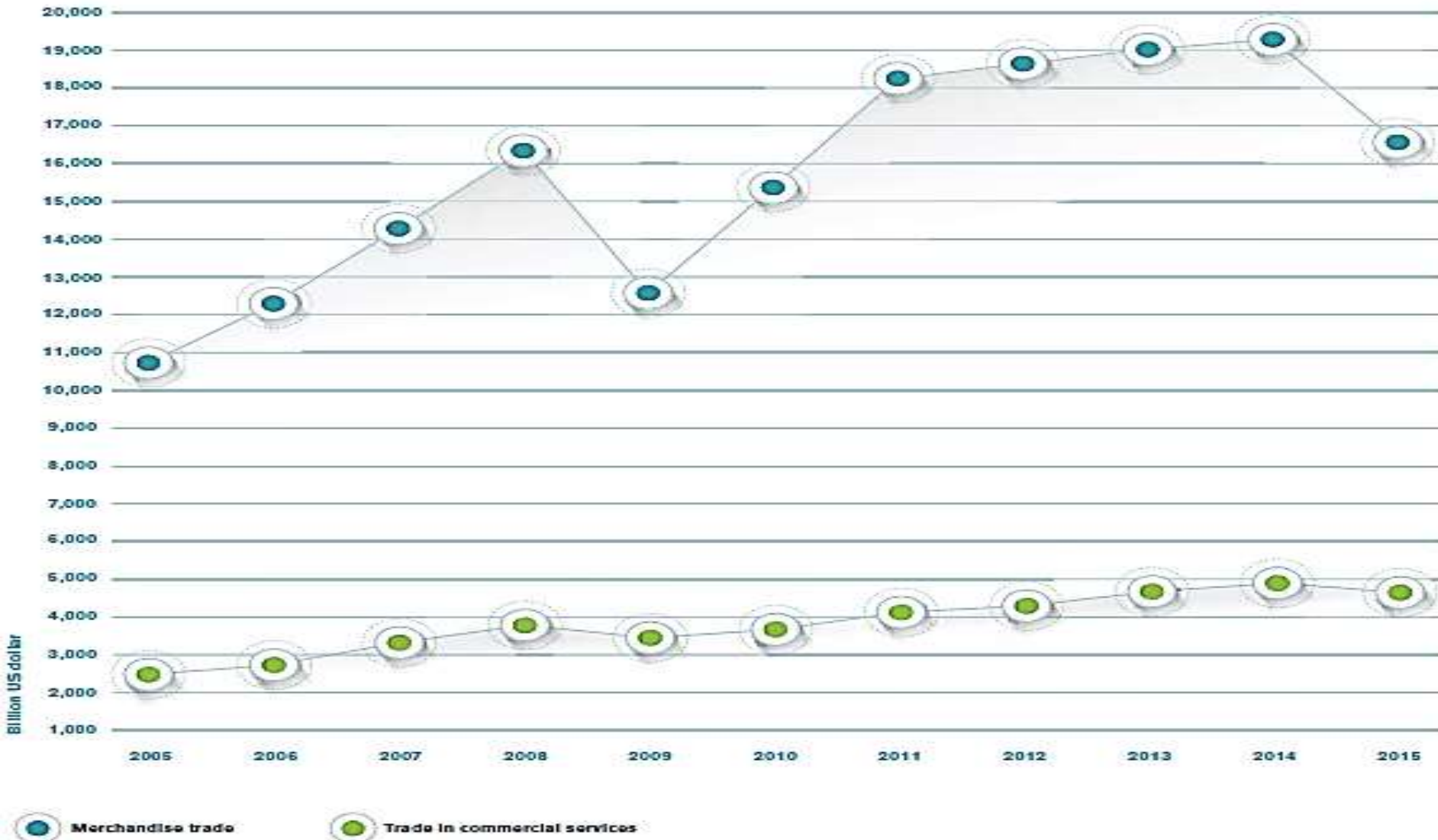
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- ❖ Global Trade and Customs
- ❖ Trade Facilitation
- ❖ Reforms And Modernisation
- ❖ Trade Facilitation Measures & Incentives
- ❖ Risk Management & Controls At Customs
- ❖ Future Projects



World Trade Trends

World merchandise trade and trade in commercial services, 2005-2015



July 2007 –
Financial Crisis
leading to
recession

Unprecedented
collapse in world
trade

WCO
recommendations
to boost trade

WCO Recommendations

Trade facilitation

Promotion of risk-
management

Customs-to-
Customs
cooperation

Customs-to-
Business
partnerships

Consultation with
trade policy
ministries

Coordinated
border
management
(CBM)

Evolution of MRA Customs

FROM REVENUE COLLECTION TO TRADE FACILITATION

REVENUE COLLECTION

- Collection of Duties and Taxes at import
- Environmental taxes collection

PROTECTION OF ECONOMIC INTEREST

- Protection of domestic industry
- Application of Rules of Origin
- Anti-dumping of goods

PROTECTION OF SOCIETY

- Fight against drug trafficking,
- Illicit Firearms trafficking
- Fight against counterfeit goods (IPR goods)

TRADE FACILITATION

- Expedite clearance of goods
- Simplified procedures
- Use of effective Risk Management
- Post Clearance Control

Positive Impacts of Trade Facilitation on International Trade

Expediting trade flow by simplifying procedures

Reducing transaction costs by eliminating unreasonable fees and charges

Increasing government revenue by making duty collection easier

Attracting FDI by providing a more reliable and predictable business environment

International Best Practices - Benchmarking

Reforms and modernization at MRA Customs have been based on best international practices such as:

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- Revised Kyoto Convention (RKC)
 - WTO Trade Facilitation Agreement (TFA)
 - WCO SAFE Framework of Standards
 - COMESA Customs Management Regulation (CMR)
 - Other International Conventions

Transparency and predictability

- ISO 9001 2008 Certified since 2012 - Introduction of Standard Operating Procedures (SOP) Manuals
- Clear and transparent appeal procedures (Customs, independent authority, courts)

Standardization and simplification of goods declaration and supporting documents

- Minimum Documents :
At import : Bill of Entry , Bill of Lading, Invoice
At export : Export Bill of Entry

Simplified procedures and coordinated border Management

- Separating release from clearance procedures
- Single inspection with other border agencies

“Fast track” procedures for authorized persons with good compliance records

- Authorized Economic Operator Programme
- Expedited release of goods with minimum intervention

Trade Facilitation Measures By Customs

Pre-arrival clearance

- Agents of aircraft and vessel submit manifest information before the arrival of aircraft or vessel thus allowing early submission of bill of entry

Maximum use of information technology

- Use of international standards
- Manual Procedures have been automated

Risk Management

- Identify high risk consignments based on intelligence
- Shift from documentary and physical checks to targeted checks
- Facilitation of legitimate trade while maintaining effective control

Audit based controls

- Post-clearance Control Mechanism

Partnership with the trade

- Formal consultative relationships
- Memorandum of Understanding (MOU)

Tariff structure

- 94.19% of Tariff lines are zero-rated

Cargo Dwell Time

- Automatic delivery in 30 minutes for the Green channel
- Automatic clearance time for direct transshipment declarations reduced from 1 hour to 30 minutes

Physical Examination

- 9.40 % of declaration subjected to physical examination for FY 2016/17

E-Customs

- Electronic submission of customs declarations with all attached documents since January 2012

Cargo Community System (CCS)

- Submission of advance cargo information to conduct efficient risk assessment as recommended by the WCO SAFE Framework of Standards.

Electronic application for Certificate of Origin

- MRA issues Certificate of Origin electronically (EUR 1, SADC, IOC, Pakistan-Mauritius PTA, Mauritius)

E-Auction Sales - Launched in October 2016

- Online Platform accessible 24/7 to view articles and bid online.
- Automatic allocation of tenders to highest bidders

Reforms and Modernisation

Web-Based Customs Declaration System

- Allow declarants to send declarations anytime and anywhere having internet access

Online Tracking System

- Software developed in 2009 for the recording and tracking of containers' movement to and from the Freeport Zones

Mobile Communication – SMS notifications to importers

- Prepaid service for sending notices to the subscribers (Importers & Declarants)
- Message on payment and Customs Clearance.

E-Mail Notification

- Notification is sent through emails to declarants and importers to provide them with status of their Declarations

National Single Window Mauritius TradeLink

- Web-based online portal for the submission and processing of import/export permits and respective clearance from government agencies.
- Agencies already on board : MICCP , FCB, MSB, RPA, MFish
- Phase-wise approach for:

Agricultural
Marketing
Board

Division of
Veterinary
Services

National Plant
Protection
Office

NAPRO

DCCB

Pharmacy
Board

Trade Facilitation Measures

Advance Tariff and Origin Rulings

- MRA provides this facility in line with the WTO Trade Facilitation Agreement.

Deferred Payment Scheme

- Enables SMEs and VAT registered persons to defer the payment of Duty, Excise Duty & Taxes on goods cleared at importation.

One Stop Shop inspection at the Port, Airport and Seafood Hub

- Groups all agencies under one roof and facilitates the physical inspection of goods.

One Stop Shop for SMEs – MyBiz

- Provides all support, financing and general information, as well as the delivery of all the permits and licenses that SMEs require to start and grow their businesses.

Pre-arrival clearance

- Agents of aircraft and vessel submit manifest information before the arrival of aircraft or vessel.
- Early submission of bill of entry by economic operators
- Risk analysis performed by Customs and legitimate goods are cleared prior to arrival of aircraft or vessel

E-Payment

- Mandatory electronic payment for all bills of entries with duty & taxes exceeding a threshold amount
- Speeds up the payment process and expedites the whole customs clearance process.

One Stop Shop For Motor Vehicle

- All clearance of motor vehicles are done under one roof

Smart Cities Diaspora

- Exemption of duty on equipment and materials for use in the development of smart cities.
- Application should be processed and approved by BOI.

Exemptions in respect of Projects funded by a foreign state

- Goods including motor vehicles shall be exempted from Customs Duty, Excise Duty and VAT at importation for projects such as Metro Express Project , Construction of Social Housing and New Supreme Court Building

Freight Rebate Scheme

- Exporters can apply for a refund of 25 % of the basic freight cost related to containers exported to eligible ports
- Africa , Madagascar and Reunion Island

Mauritian Diaspora Scheme

- Exemptions for the 10 succeeding income years following registration from income taxes derived from within or outside Mauritius
- Exemptions from the payment of excise duty under the Excise Act up to a maximum of Rs 2 million on a motorcar purchased in Mauritius or abroad.

- Application of risk management has contributed in expediting clearance and reducing the level of physical examination at MRA Customs:
 - 35% of import declarations are cleared within 30 minutes based on risk management.
 - Only 9.40 % import declarations was sent for physical examination for FY 2016/17
- Risk management enables more trade facilitation at MRA Customs

Objectives of Risk Management

**Collection of
Government
Revenue**


**Promote Voluntary
Compliance**

**Targeting of high
risk consignments to
expedite legitimate
trade**

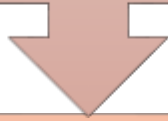
**Protection of
Society**

Post Clearance Controls

MRA Customs is increasingly adopting post-release control based on risk management.



Around 30% of total Customs declarations are subjected to post control audit.



12% of total Customs staff is involved in audit based control; for the review of Customs declarations, audit at importers' premises, audit of excise operations, and monitoring of exemptions.



Fight against drugs and narcotics is a top priority

- 71 drug cases with a street value of Rs 2,733 M



Contraband seizures

- 66 cases involving an amount of Rs 43.25 M



Intellectual Property Rights (IPR)

- 289 cases of IPR suspended clearance
- Presently 180 right holders, representing a total of 385 marks, have registered for border protection at MRA Customs



Cross-border Transportation of Currency

- Power to detain currency (cases of suspected money laundering/terrorist financing and any other criminal offence)

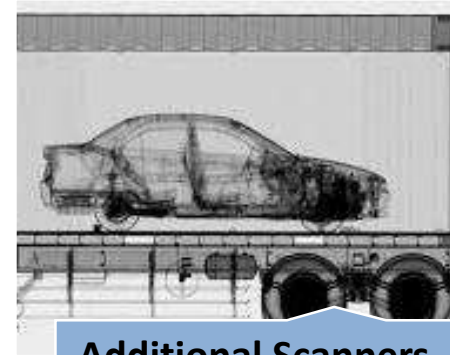
Future Projects



CCTV Camera



Body Worn Camera



Additional Scanners



**Extension of
Examination Bay**



**Use of Drones for
Port Security**



**MRA Self
Declaration System**



Thank you