

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE WORLD CUSTOMS ORGANIZATION

AND

THE AFRICAN DEVELOPMENT BANK

AND THE AFRICAN DEVELOPMENT FUND

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MEMORANDUM OF UNDERSTANDING dated this 30th day of January 2012 between the World Customs Organization (hereinafter referred to as the "WCO"), on the one hand, and the African Development Bank (hereinafter referred to as the "ADB") and the African Development Fund (hereinafter referred to as the "ADF", and unless the context otherwise requires, the ADB and ADF shall hereinafter be collectively referred to as the "Bank"), on the other hand (WCO and the Bank are collectively referred to herein as the "Parties" and individually as a "Party").

THE PARTIES TO THIS MEMORANDUM OF UNDERSTANDING:

ACKNOWLEDGING that Customs is a critical institution to achieving national economic prosperity, social well-being and effective fiscal management;

RECOGNIZING that the WCO seeks to improve the efficiency and effectiveness of Customs administrations to facilitate international trade, maximize revenue yield and control frontiers through the use of international instruments, adoption of best practices, capacity building and programmes of reform and modernization;

CONSIDERING that the primary objective of the ADB is to contribute to the sustainable economic development and social progress of its African member States (hereinafter referred to as "Regional Members") – individually and jointly; and the objective of the ADF is to assist the ADB in fulfilling its objective, as well as the promotion of cooperation, including regional and sub-regional cooperation, and increased international trade, particularly among the Regional Members of the ADB;

ACKNOWLEDGING that cooperation between Customs administrations and international financial institutions is essential to the economic, fiscal and social well-being of nations when taking account of their respective roles and missions;

CONVINCED that such cooperation will assist Customs administrations to reform and modernize, fight transnational crime particularly the detection of commercial fraud, assist international trade facilitation and otherwise be generally mutually beneficial to the Parties;

DETERMINED to provide, through their joint efforts and within the limitations of their respective resources, mandates and policies, coordinated and harmonized services to the African countries, in a cost-effective and efficient manner;

HAVE REACHED THE FOLLOWING UNDERSTANDING:

ARTICLE I

PURPOSE

The purpose of this Memorandum of Understanding is to provide a framework for cooperation between the WCO and the Bank Group, aimed at the economic development of African countries by providing Customs administrations with assistance in their reform and modernization efforts.

ARTICLE II

SCOPE

The Parties to this Memorandum of Understanding hereby agree to join forces and maintain a continuous working relationship for the achievement of their common objectives of assisting African countries in their development efforts within the limitations of their respective resources, allocated budget, mandates and policies. To this end, the Parties shall, in accordance with the provisions hereinafter set forth, endeavour to cooperate on matters of common interest and formulate and implement joint work programmes for the execution of joint activities.

ARTICLE III

AREAS OF COOPERATION

- 3.1 The Parties shall collaborate with each other in identifying, developing and implementing Customs capacity building programmes and projects. The Parties will support Customs cooperation and regional integration in Africa. A list of potential areas of cooperation is contained in the Annex to this Memorandum of Understanding.
- 3.2 In the process of their collaboration, the Parties shall pursue effectiveness of their programmes and projects by observing internationally agreed practices.
- 3.3 The Parties shall further strengthen their cooperation through knowledge partnership, including research and knowledge sharing in the areas of common interest. Such partnership will include:
- (i) Region-wide partnership led by either Party with Regional Economic Communities, including joint research and information exchange; and
 - (ii) Other areas as may be agreed upon between the Parties.

ARTICLE IV

CONSULTATION

- 4.1 The Parties shall keep each other informed and, whenever necessary, consult each other on matters of common interest, which in their opinion are likely to lead to concrete collaboration.
- 4.2 The Parties shall maintain close institutional dialogue to ensure a coherent approach and to identify areas of comparative advantages, competence and complementarity, and meet whenever appropriate. The Parties should, where appropriate:
- (i) Establish a Joint Work Programme;
 - (ii) Identify specific programmes and projects for cooperation;
 - (iii) Prepare an implementation plan for each identified programme and project; and
 - (iv) Jointly monitor and evaluate programmes and projects to be implemented under this Memorandum of Understanding.

ARTICLE V
EXCHANGE OF INFORMATION

The Parties hereto shall exchange relevant information and data on matters of common interest and collaborate in the collection, analysis and dissemination of such information and data, subject to such arrangements as may be necessary or applicable, under any document and information restriction policies of the Parties, for safeguarding the confidential character of certain information or data.

ARTICLE VI
REPRESENTATION

Either Party may, as appropriate, invite the other Party to seminars, symposia, workshops or conferences of mutual interest, convened or otherwise supported by such Party.

ARTICLE VII
IMPLEMENTATION AND COST SHARING

- 7.1 The Parties to this Memorandum of Understanding shall make available, to the extent feasible, taking into account the budgetary, financial and human resource constraints, the services of their staff for conducting the programmes and projects. The Parties may identify, as appropriate, other resource persons who could be engaged as experts, as mutually agreed by the Parties. The Parties shall share the documentation and teaching materials for joint technical assistance activities to the extent appropriate.
- 7.2 Costs or expenses relating to, or arising from, activities undertaken pursuant hereto shall be borne by one or both Parties in accordance with supplementary agreements to be reached by the Parties in advance of implementation of the activities concerned, as indicated in Article VIII of the Memorandum of Understanding.

ARTICLE VIII
SUPPLEMENTARY AGREEMENTS

Funding for joint technical assistance activities to be implemented under this Memorandum of Understanding shall be covered by supplementary agreements between the Parties, such as an exchange of letters between the WCO and the ADB's Partnerships and Cooperation Unit. The obligations of the Parties to jointly finance, subject to availability of resources, the programmes and projects undertaken and implemented pursuant to this Memorandum of Understanding shall be contingent upon concluding such supplementary agreements.

ARTICLE IX
OTHER MATTERS

Any matter for which no provision is made in this Memorandum of Understanding shall be determined in a manner mutually acceptable, and each Party shall give sympathetic consideration to any proposal advanced by the other Party.

ARTICLE X
ENTRY INTO FORCE, DURATION AND TERMINATION

- 10.1 This Memorandum of Understanding shall enter into force on the date of its signature by both Parties and shall remain in effect for five (5) years from that date. Thereafter, this Memorandum of Understanding shall be automatically renewed every third year, unless terminated in accordance with paragraph 10.2 hereof.
- 10.2 This Memorandum of Understanding may be terminated by either Party by giving six (6) months' advance notice to the other Party. Such termination shall take effect as of the date specified in the termination notice, provided that the provisions herein contained shall remain in effect to the extent necessary to permit an orderly settlement of all arrangements made with respect to on-going cooperation activities.

ARTICLE XI
CHANNEL OF COMMUNICATION AND NOTICES

11.1 For the purpose of facilitating the implementation of this Memorandum of Understanding, the focal points of the Parties shall be:

- (a) **For the WCO:** External Relations Coordinator
Office of Secretary General
Rue du Marché 30, B-1210 Bruxelles, Belgique
Tel. 32-2209-9645
Fax. 32-2209-9292

- (b) **For the Bank:** Director
NEPAD, Regional Integration and Trade Department
B. P. 323 – 1002 Tunis Belvédère
Tunisia
Tel. 216-71-103100
Fax. 216-71-332694

11.2 For the purpose of information exchange in the course of implementation of this Memorandum of Understanding, the channel of communications for the Parties shall be:

- (a) **For the WCO:** External Relations Coordinator
Office of Secretary General
Rue du Marché 30, B-1210 Bruxelles, Belgique
Tel. 32-2209-9645
Fax. 32-2209-9292

- (b) **For the Bank:** Head
Partnerships and Cooperation Unit
B. P. 323 – 1002 Tunis Belvédère
Tunisia
Tel. 216-71-102134
Fax. 216-71830172

- 11.3 Either Party may, by notice in writing to the other Party, designate additional representatives or substitute other focal points for those designated in this Article.
- 11.4 Any notice, request or other communication under this Memorandum of Understanding shall be in writing and shall be deemed to have been duly given when it has been delivered by hand, mail or fax, as the case may be, by either Party to the other at the address specified in the Agreement or such other address as either Party may notify to the other Party.

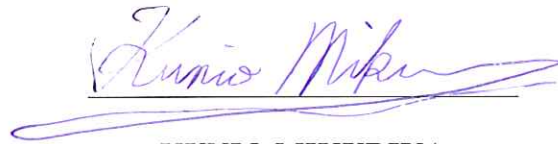
ARTICLE XII

AMENDMENT AND SETTLEMENT OF DISPUTES

- 12.1 This Memorandum of Understanding may be amended by mutual written agreement of the Parties. Any amendment shall be without prejudice to any rights or obligations accruing or incurred under this Memorandum of Understanding or supplementary agreements thereto reached pursuant to Article IX, prior to the effective date of such amendment.
- 12.2 Any dispute over the interpretation or application of any provision herein contained shall be settled amicably through consultations or by such other means as the Parties shall mutually agree.

IN WITNESS WHEREOF, the WCO and the Bank, each acting through its representative duly authorized thereunto, have signed this Memorandum of Understanding on the date first above written in two original counterparts in English.

FOR THE WORLD CUSTOMS ORGANIZATION



**KUNIO MIKURIYA
SECRETARY GENERAL**

**FOR THE AFRICAN DEVELOPMENT BANK
AND THE AFRICAN DEVELOPMENT FUND**



**DONALD KABERUKA
PRESIDENT**

POTENTIAL AREAS FOR COOPERATION

The following is a non-binding, illustrative list of areas which the Parties may consider for potential joint technical cooperation activities:

1. Strategic assistance to the ADB's Regional Member Countries in respect of Customs modernization and reform with a view to enhancing trade facilitation and trade security.
2. Cooperation in the delivery of capacity building in ADB's Regional Member Countries (e.g., capacity building on trade facilitation and supply chain security, particularly on Customs issues related to international instruments of the WCO and the World Trade Organization).
3. Organization of workshops/seminars related to Customs capacity building for Customs modernization and reform at the regional or sub-regional levels on topics such as :
 - (i) Trade facilitating instruments of Customs (Revised International Convention on the Simplification and Harmonization of Customs Procedures (Revised Kyoto Convention); Harmonized Commodity Description and Coding System; World Trade Organization Agreement on Customs Valuation; Rules of Origin; Time Release Study);
 - (ii) Facilitation of seamless movement of goods through secure international trade supply chains to promote certainty and predictability;
 - (iii) Harmonization and simplification of Customs systems and procedures;
 - (iv) Good governance and use of resources;
 - (v) Customs Revenue;
 - (vi) Protection of civil society (Fight against drug smuggling, pirated and counterfeit goods including fake medicines, and environmentally hazardous goods).
4. Support cooperation between national and sub-regional Customs administrations to address issues of common interest and promote concerted Customs reforms and modernization.
5. Training of Customs personnel to ensure uniform understanding of policies and procedures and develop regional Customs training modules, guidelines and manuals.
6. Collaboration in the area of research on trade facilitation and supply chain security.
7. Other areas as may be agreed upon between the Parties from time to time.