

I. COUNTRY REFORM PROGRESS

Initial work for this project will focus on developing standard operating procedures (SOPs) for customs authorities, to be adapted to national and regional frameworks. The project will also assess the impact of divergent rules of origin across African economic systems on customs procedures and trade facilitation and propose IT-based solutions to enhance information sharing and cooperation among customs administrations to support the African Continental Free Trade Area (AfCFTA) implementation. Project activities that were originally scheduled for FY 2025 will now take place in FY 2026 due to some unexpected delays, which have since been resolved. The first activities are expected to start in May 2025.

To initiate engagement, a regional workshop will be organized for countries in Central and West Africa.

II. PROJECT DELIVERY HIGHLIGHTS

RM II: Revenue Module II – Revenue Administration
Key Progress in FY25: Unexpected administrative delays have required planned activities to be shifted to FY2026. Planning is currently underway to ensure timely execution of activities. Next Steps: The preparation of standard operating procedures (SOPs) for adaptation by customs authorities to national and regional frameworks will be initiated.
RM III: Revenue Module III – Training and Peer Learning
Key Progress in FY25: Unexpected administrative delays have required planned activities to be shifted to FY2026. Planning is currently underway to ensure their timely execution. Next Steps: A workshop for country engagement, initially in Central and West Africa, will be organized.
RM IV: Revenue Module IV – Fiscal Tools, Research, and Analytical Work
Key Progress in FY25: Unexpected administrative delays have required planned activities to be shifted to FY2026. Planning is currently underway to ensure their timely execution. Next Steps: The project will analyze the impact of differing rules of origin across African economic systems on customs procedures and trade facilitation, while simultaneously propose IT solutions to enhance the sharing and collaboration of customs information for the effective implementation of the AfCFTA.

III. LOGICAL FRAMEWORK

Country – African Continental Free Trade Agreement		
Objective - Improved customs administration functions (SDG 17.1) - CAD		Rating - 1
Outcome	Rating	Narrative
Audit and anti-smuggling programs more effectively ensure enforcement of customs laws	1 Not Achieved	Preparations are underway to develop proposals for the electronic exchange of information between beneficiary countries.
Customs control during the clearance process more effectively ensures accuracy of declarations	1 Not Achieved	Preparations are underway to work on this topic from the first quarter of FY2026. A workshop involving the first countries and a comparative study of the various rules of origin applicable on the African continent are planned.
Foreign trade operators better comply with their reporting and payment obligations	1 Not Achieved	Preparations to work on this topic have not yet started.
Trade facilitation and service initiatives better support voluntary compliance	1 Not Achieved	Preparations are underway to develop a regional SOP for the management and control of the origin of goods under the AfCFTA.
Strengthened revenue administration management and governance arrangements		Rating - 1
Outcome	Rating	Narrative
Effective implementation of a new tax or modernized legislation	1 Not Achieved	Preparatory work towards the development of a tax procedure code is underway.

IV. RISK ASSESSMENT

Description	Rating	Mitigation Measures
External Climate/Conditions		
Deterioration of fiscal situation may impact availability of resources to finance reforms	Medium	Ensure sufficient flexibility in program execution and allow the ability to adjust activities as the situation dictates.
Political Support		
There may be vested interest in the current management of preferential origin arrangements in some countries. The return to sound international practice, i.e., management by customs, may be faced by political resistance.	Medium	Engage regularly with ministers and senior management to ensure government ownership of proposed actions and close consultation with the country team to help authorities recognize the relevance of the issue.

Description	Rating	Mitigation Measures
Management and Technical Staff Support and Commitment		
Proper management of the AfCFTA requires that customs administrations develop the economic function of their mission while in many countries the focus remains largely or even exclusively on direct revenue collection.	Medium	Engage proactively with senior management and technical staff and explain the importance of regional integration and its positive impacts, including revenue mobilization.
Resource Adequacy		
Insufficient technical capacity and human resources needed to monitor and control inter-regional trade.	Low	Ensure CD plans include sufficient capacity building and training elements.
Other Risks		
Multiple donors are providing technical assistance on the management and control of the origin of goods and overlaps or divergencies in the recommended approach may arise as a result.	Low	Take an active role in engaging with other donors to ensure support is coordinated and aligned.

V. PROJECT MANAGERS CONTACT INFORMATION

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