



Norwegian Institute
of International
Affairs

Customs Capacity Building for WCO Members 2012-2015

End Review

Fenella Carpena and Roman Vakulchuk



NUPI Report

1 / 2018

Publisher: Norwegian Institute of International Affairs
Copyright: © Norwegian Institute of International Affairs 2013
ISSN: 1894-650X

Any views expressed in this publication are those of the author. They should not be interpreted as reflecting the views of the Norwegian Institute of International Affairs. The text may not be printed in part or in full without the permission of the author.

Visiting address: C.J. Hambros plass 2d
Address: P.O. Box 8159 Dep.
NO-0033 Oslo, Norway
Internet: www.nupi.no
E-mail: info@nupi.no
Fax: [+ 47] 22 99 40 50
Tel: [+ 47] 22 99 40 00

Customs Capacity Building for WCO Members 2012-2015 End Review

Fenella Carpena and Roman Vakulchuk

Prepared by the Norwegian Institute of International Affairs (NUP) for
the Norwegian Agency for Development Cooperation (Norad)

Contents

Authors	vi
Executive Summary	vii
Purpose and Background.....	vii
Methods.....	vii
General Findings	viii
<i>Relevance</i>	<i>viii</i>
<i>Effectiveness</i>	<i>ix</i>
<i>Efficiency</i>	<i>x</i>
<i>Impacts</i>	<i>xi</i>
<i>Sustainability</i>	<i>xii</i>
<i>Risk Management</i>	<i>xii</i>
<i>Cross-Cutting Themes</i>	<i>xv</i>
Recommendations	xvii
Background	2
Introduction	4
Methods	7
Desk Review.....	7
Field Visits	9
<i>Brussels, Belgium</i>	9
<i>Maputo, Mozambique</i>	9
<i>Kigali, Rwanda</i>	11
General Findings	12
Relevance	13
Effectiveness.....	17
Efficiency.....	20
Impacts.....	25
Sustainability.....	26
Risk Management	28

Cross-cutting Themes	33
Country-specific Findings	35
Liberia.....	35
<i>Background</i>	35
<i>Relevance</i>	35
<i>Effectiveness</i>	36
<i>Sustainability</i>	37
<i>Impact</i>	37
<i>Risk Management and Cross-Cutting Themes</i>	37
Rwanda.....	39
<i>Background</i>	39
<i>Relevance</i>	39
<i>Effectiveness</i>	39
<i>Sustainability</i>	41
<i>Impact</i>	42
<i>Risk Management and Cross-Cutting Themes</i>	42
Tanzania.....	43
<i>Background</i>	43
<i>Relevance</i>	43
<i>Effectiveness</i>	44
<i>Efficiency</i>	46
<i>Impact</i>	47
<i>Sustainability</i>	48
<i>Risk Management</i>	48
<i>Cross-Cutting Themes</i>	49
Mozambique: Risk Management.....	50
<i>Background</i>	50
<i>Relevance</i>	50
<i>Effectiveness</i>	51
<i>Efficiency</i>	53
<i>Impact</i>	54
<i>Sustainability</i>	54
<i>Risk-Management</i>	55
<i>Cross-Cutting Themes</i>	55
Mozambique: Human Resource Development	57
<i>Background</i>	57

<i>Relevance</i>	57
<i>Effectiveness</i>	57
<i>Efficiency</i>	58
<i>Impact</i>	58
<i>Sustainability</i>	59
<i>Risk Management</i>	60
<i>Cross-Cutting Themes</i>	60
Vietnam.....	61
<i>Background</i>	61
<i>Relevance</i>	61
<i>Effectiveness</i>	61
<i>Sustainability</i>	62
<i>Impact</i>	63
<i>Risk-Management and cross-cutting themes</i>	64
Nicaragua	65
<i>Background</i>	65
<i>Relevance</i>	65
<i>Effectiveness</i>	65
<i>Sustainability</i>	68
<i>Impact</i>	68
<i>Risk Management and Cross-Cutting Themes</i>	68
Timor-Leste.....	70
<i>Background</i>	70
<i>Relevance</i>	70
<i>Effectiveness</i>	72
<i>Efficiency</i>	74
<i>Impact</i>	74
<i>Sustainability</i>	75
<i>Risk Management</i>	75
<i>Cross-Cutting Themes</i>	76
Bibliography	77
Appendix A	81
Appendix B	86

Authors

Fenella Carpena

Fenella Carpena is a Senior Research Fellow at the Norwegian Institute of International Affairs (NUPI). Her research focuses on development economics, drawing upon both experimental and quasi-experimental techniques. She earned a PhD in Economics from the University of California – Berkeley, where she was a National Science Foundation Graduate Research Fellow. Prior to her graduate studies, she worked as a Research Associate at the Harvard Business School and as a Consultant at the World Bank. She holds a BA (with high honours) double major in Applied Mathematics & Economics and minor in Japanese, also from UC Berkeley. More information can be found on her academic website: <https://www.ocf.berkeley.edu/~fcarpena>.

Roman Vakulchuk

Roman Vakulchuk is a Senior Research Fellow at NUPI. He holds a PhD degree in Economics obtained from Jacobs University Bremen, Germany. He publishes on economic transition and integration, trade, infrastructure and transport, SMEs, business climate, energy and natural resource governance, climate change, public sector reform in emerging markets. Vakulchuk has work experience as a project leader within research projects organized by among others the World Bank, the Asian Development Bank (ADB), the Global Development Network (GDN) and the Natural Resource Governance Institute (NRGI). He also worked at the oil company Shell in Germany. In 2013, Vakulchuk was awarded the Gabriel Al-Salem International Award for Excellence in Consulting. Recent publications include '[Myanmar: A Political Economy Analysis](#)', '[Public Administration Reform and Its Implications for Foreign Petroleum Companies in Kazakhstan](#)', '[Kazakhstan's Emerging Economy: Between State and Market](#)'.

Executive Summary

Purpose and Background

International trade offers a wealth of opportunities for low-income countries to reduce poverty and achieve growth in today's global economic landscape. In such an environment, customs administrations play a critical role not only in border security, combatting illicit transactions, and collecting revenue, but also in facilitating cross-border trade. For many poor countries, however, maintaining a modern and capable customs office remains a difficult endeavour. As a result, many multilateral organisations have responded with providing external financial assistance and technical support to build capacity within customs offices in the developing world.

This report provides an end-review of the project “Customs Capacity Building for WCO Members 2012–2015,” funded by the Norwegian Agency for Development Cooperation (Norad) and implemented by the World Customs Organization (WCO). This project aimed not only to develop the knowledge and skills of customs officers, but likewise to assist the customs administration in applying modern management and customs practices. Beneficiaries of this project consisted of customs offices in the following seven countries: Liberia, Rwanda, Tanzania, Mozambique, Vietnam, Nicaragua, and Timor-Leste.

Methods

Desk review and fieldwork. The end-review was based primarily on a qualitative approach with eight desk studies and three field visits. Desk studies involved an analysis of project-related documents as well as phone interviews with programme participants to assess project goals, outcomes, outputs, and activities. In addition, the review team conducted field visits and semi-structured interviews in the following three locations: the WCO's headquarters in Brussels in November 2017; Maputo, Mozambique in November 2017; and Kigali, Rwanda in January

2018. Throughout all analyses, we focus mainly on Project Years 1 to 5 since the final programme year was still ongoing at the time this end-review was carried out. Nevertheless, we also made efforts to include some information from Year 6, the last year of the project, particularly in the statistics regarding project outputs and expenditure.

Data constraints. In assessing the project's effectiveness, the end-review faced a major methodological limitation due to the lack of pre- and post-intervention data (either quantitative or qualitative). Although Norad's *Results Management in Norwegian Development Cooperation: A Practical Guide* highlights the need to gather baseline values, such data were unfortunately not systematically collected as part of the project. Consequently, the end-review relied primarily on information from various reports drafted during the programme period as well as from interview respondents' recall.

General Findings

Relevance

Relevance for partner countries. Evidence suggests that the programme was generally relevant for the partner customs offices. At the beginning of each sub-project, the WCO conducted a scoping mission to better formulate the contents and activities, thus putting the sub-project in line with the needs and priorities of each beneficiary country. But our review also shows some notable exceptions: because of low absorptive capacity, not all activities were necessarily meaningful and not all countries were necessarily suitable project recipients. Beneficiaries also lacked the research capabilities to assess and identify their own needs in the first place, and consequently, they may have easily agreed with implementing any project offered by the donor community. This is a widespread phenomenon in other developing nations which may result in weaker project ownership and sustainability in the long run.

Relevance for the donor country. The project is broadly consistent with the Norwegian government's development objectives especially on

private sector development. A white paper by Norway's Ministry of Foreign Affairs cites that the "[g]overnment wishes to use trade as an instrument of development policy to a greater degree than before" (Norwegian Ministry of Foreign Affairs, 2015, p. 24). The project was generally in keeping with these goals given that the activities supported the implementation of the Trade Facilitation Agreement of the World Trade Organization.

Effectiveness

Major achievements. The project has overall been successful in that most of the planned activities and planned outputs were completed. The project's major achievements in each country include the following: in Tanzania and Timor-Leste, the implementation of several classification and valuation seminars, some of which were led by trainers from the customs office; in Mozambique, the development of key documents such as a risk management framework and procedures manual; in Liberia, the introduction of the performance management system; in Rwanda, the establishment of the Integrity Committee; in Vietnam, the enhanced capacity to interact with external stakeholders and increased number of approved licensed customs brokers; and in Nicaragua, the development of a draft communication strategy.

Lack of data as a major obstacle for assessing impacts. Pre- and post-intervention data were unfortunately not collected as part of the project. Hence, there is not enough information to systematically evaluate whether the intended output—increasing skills and knowledge among male and female customs staff—has been truly achieved. In some countries, the project produced several important documents (e.g., integrity communication plan) where none existed before, so it may be possible to assume that the customs officers' expertise in crafting such documents increased. However, without any monitoring data, qualitative information, or descriptive statistics, it is not possible to confirm this assumption.

Technical changes vs. institutional practices. The project has brought about important *technical* changes in customs practices of beneficiary countries, such as putting committees in place for risk management,

integrity, and stakeholder communication as well as drafting action plans for customs modernisation. While these changes can be observed and are important preliminary steps, it is difficult to assess whether they have been translated into the adoption of *institutional practices*. Indeed, while formal entities have been established and various strategic plans were created, there is not enough evidence to suggest that these committees and plans have—or will be—operationalised accordingly. For this reason, our assessment is that overall, the stated outcome whereby customs administrations apply modern management and practices has only been partially achieved.

Efficiency

Limited disaggregated data on project expenditure. At the end of the project, total Norad expenditure amounted to EUR 1,675,929. Financial documents obtained for this review did not include detailed data on project spending across all years, so we are unable to examine comprehensive expenditure statistics and to rigorously assess efficiency, such as comparing the project's indirect support costs relative to other institutions. Norad's financial outlays primarily covered WCO experts' in-country missions, conferences and workshop-related costs, translation and interpretation services where applicable as well as staff costs for the WCO project manager. No project funds were directly disbursed to any of the beneficiary customs administrations.

Business travel. Notwithstanding the limited financial data, the project appraisal document indicates that WCO travel regulations allowed business travel for its experts, and EUR 2,500 was budgeted per flight. The WCO suggested that business class flights were employed in part as a means of providing a non-wage benefit particularly for WCO seconded experts. Although business travel was approved by Norad, the amount appears to be a relatively high rate for air travel especially when juxtaposing the environments in which the implementers and the beneficiaries operate. For instance, many interviewees highlighted the lack of budget within the customs administration as a major challenge in putting into practice the strategies and knowledge that have been developed under the project (e.g., for local staff to carry out further

trainings in Mozambique; for carrying out an integrity communication plan in Rwanda).

Delays in project implementation. We also examined forecasted Norad expenditure versus actual expenditure year by year. During the first three years, actual Norad expenditures were low at only 40–50% of projected expenditures. While some of this difference can be explained by cost savings in staff and air travel, it appears that a large portion is attributable to significant delays in implementation. Project spending ramped up during Years 4, 5, and 6, where actual Norad expenditure was almost 60%, 90%, and 80% of forecasted expenditure, respectively. In parallel with this pace of spending, a large portion of outputs and activities appeared to have been delayed but were delivered during the last three years of the project as well.

Impacts

Heterogeneous impacts. The project has generated broad impacts in several different directions across all beneficiary countries. But because the components were tailored in each setting (thus resulting in substantial variation in the content of each sub-project) and because the level of response differed among partner countries during implementation, the impacts we find vary in each context as well. Examples of the project's broader impacts include increased knowledge on stakeholder engagement, the institutionalisation of a norm of integrity, better communication with the trade community, and improved presentation skills among customs staff.

Uncertain medium- and long-term results. Since this review was conducted during the final year of the project, any medium- and long-term programme impacts remain to be seen. The OECD DAC likewise indicates that it takes a minimum of two years for the effects of a policy change to become discernible (MFA Finland, 2011). Thus, it may be that some project impacts, whether positive or negative, require more time to develop and have not yet manifested themselves during the review. Alternatively, it is also possible that the impacts we currently observe fade over time; this issue strongly relates to the concept of sustainability, which we consider below.

Sustainability

Mixed assessment. The sustainability of the programme and project ownership is quite mixed. On the one hand, some aspects of the programme are likely to continue beyond the life of the project. For instance, in Mozambique, risk management is starting to be embedded across the country's national revenue authority. Similarly, in Rwanda, integrity training materials that have been developed through the project are estimated to be put into uses in 2018. On the other hand, the project also faced several external constraints that threatened its sustainability. For example, in Mozambique, the Training Team highlighted that it is difficult for them to carry out further training events in the future due to lack of budget. Additionally, in Rwanda, the integrity committee may not be sustainable in the long run because participation in the committee adds additional burden to workers' day-to-day responsibilities.

Synergies with other donor programs. Collaborations with other donor organisations may contribute to the project's sustainability particularly if future donor support may make use of or integrate results from the Norad/WCO project. While donor cooperation was present in some fashion across all countries, the partner customs offices themselves lacked the necessary skills to manage their donor support programs in a structured way. In addition, the strongest synergies among donors appear to have been in Vietnam and Timor-Leste, two project countries described by the annual reports as having relatively high levels of organisation. One might therefore expect donor cooperation to foster programme sustainability mainly in countries with well-structured administrations.

Risk Management

Frequent turnover and rotation at the senior management levels. According to the WCO, staff changes in leadership positions posed a risk to project success as they are often accompanied by shifts in the customs office's interests and priorities that may hamper project implementation. Correspondingly, the project highlighted this concern in the risk management plan. To address regime changes, the WCO generally takes a multi-year approach rather than much longer-term programs, so that project plans may be easily revised in line with the partner's priorities for the next cycles. Moreover, the WCO restarts bilateral discussions with

the customs office as soon as any regime change occurs to request the new leadership to recommit to ongoing WCO projects.

Frequent turnover and rotation at the operational levels. The high turnover of customs employees at the operational level likewise represented an important risk. This is particularly true for sub-projects that involved building specialized skills in classification and valuation, as large investments in training were required to build proficiency in these areas. The WCO generally accepted rather than mitigated the risk of staff changes given that it is outside of the control of the project. Programme documents, however, show that the WCO communicated these risks to the respective partner customs offices during the early stages of implementation.

Lack of organisational capacity in the selected administrations to support the agreed activities. While this risk was not included in the initial risk management plan, it was identified as a new risk factor beginning in the second annual report. This response was particularly appropriate given that low levels of organisational capacity caused activities to be delayed or cancelled. No explicit mitigation strategies were put in place as this risk was generally outside the realms of the project. Instead, this risk was accepted and the WCO project manager closely monitored the situation in the partner countries, according to the annual report.

Other project risks. Apart from the above, the project's risk management plan identified several additional project risks as well the accompanying risk mitigation responses as follows:

1. WCO experts or, when applicable third-party consultants, do not have full access to all necessary documents and information – The annual reports mention that procedures were in place to ensure that each mission was systematically organized.
2. The necessary national counterpart staff are not available to attend the work sessions, training events, and discussions with the WCO experts during the consultancy inputs – The project appointed a coordinator in each country to assist in scheduling

missions. Missions were also planned carefully to ensure availability of relevant staff and the commitment of senior management was secured.

3. Adequate long-term resourcing and access to sustainable funding is not available for supporting change – The project's chosen response involved accepting rather mitigating the risk.
4. Lack of sufficiently qualified consultants to undertake technical inputs – According to annual reports, the WCO project manager closely monitored the issue and attempted to recruit qualified consultants through the WCO database or external networks.

Political and social instability in the selected countries; spread of Ebola virus to participating countries. The project recognised a number external risks which caused significant delays in or cancellation of activities. These risks include the health environment (e.g., Liberia), institutional reorganisation (e.g., Timor-Leste), and politics and elections (e.g., Nicaragua). As these risks were beyond the programme's sphere, they were accepted by the project as is. No specific risk mitigation efforts were set up, but the risks were again carefully followed by the WCO project manager as explained in the annual report.

Corruption. Corruption may pose important risks to the success of the programme especially in the long term. For instance, concerns of corruption motivate the frequent rotation of customs staff, which as explained above, may result in lost expertise gained from trainings provided by the project. Corruption may likewise affect the stability of project implementation via the volatility in customs leadership, as was the case in Tanzania where a recent Director General was replaced because of corruption charges. Nevertheless, it appears that the project's Risk Management Plan did not explicitly include corruption. Further, data from Transparency International show that countries participating in the Norad/WCO programme are plagued by untrustworthy and badly functioning institutions. Therefore, corruption is a concern that merits monitoring during project implementation, similar to other external risks that have been indicated in the risk management plan.

Cross-Cutting Themes

Women's rights and gender equality. This cross-cutting theme was specifically included in the overall programme design. While attempts were made in all participating customs offices for gender-inclusive implementation, well below half of all participants in the project were women. This difference between male and female participation rates may be in part due to the low representation of women in the labour force of the customs administration in the first place; however, we lack precise statistics on the percentage of all customs workers that are women in all seven countries.

Anti-Corruption. As with women's rights and gender equality, the project design also incorporated the cross-cutting theme of anti-corruption ex ante: both the Rwanda and Liberia components focused particularly on integrity issues. In Rwanda, the sub-project aimed to build capacity among customs officers to develop an integrity communication strategy and to support an integrity communication campaign. Additionally, in Liberia, the sub-project sought to promote integrity by putting an automated performance measurement system in place. Despite these integrity-related programs, we are unable to observe any positive or negative effects of the project on anti-corruption, as corruption is extremely difficult to measure and to detect with high accuracy.

Climate and the environment. Programme activities also interfaced with the theme of climate and the environment, although this issue was not directly stated in the project activities: the project involved much air travel for missions and appears to have also made use of business class flights. Consequently, the programme may have had negative impacts on climate change and the environment. Estimates from the International Civil Aviation Organization's Carbon Emissions Calculator suggest that a round-trip, direct, premium class flight from Brussels to Kigali results in 1,544 kilograms of CO₂ per pax, whereas the same trip on economy class yields less than half of that amount at 771 kilograms of CO₂ per pax. Future projects may thus consider mitigating climate impacts by emphasising economy class flights to the extent possible.

Human rights. The programme did not identify, adopt specific strategies, or provide any reports on the cross-cutting theme of human rights. The end-review was therefore unable to find any positive or negative impacts of the project on this issue. Nevertheless, human rights-related issues such as human trafficking fall within the realm of customs controls. Hence, it is conceivable that the project may have affected human rights through building the overall knowledge, skills, and capacity of the customs administration.

Recommendations

Having reviewed the results of the Norad/WCO programme, we provide the following insights that may assist in planning, designing, and implementing a follow-up project or other similar customs capacity building initiatives in the future.

- 1. Introduce a more comprehensive results framework and a theory of change (ToC).** Programme documents describe the project's logical framework which contains inputs, activities, outputs, intermediate and immediate outcomes, and the overall goal. However, the logical framework did not provide theories or a causal link of how project activities lead to desired outcomes, and it did not analyse the assumptions required for the outcomes to be achieved (e.g., that experts deliver effective training). Although project documents identified several risks to the programme's success, the logical framework should reflect that modernising customs administration is an enormous undertaking requiring many essential ingredients, such as stable institutions, strong rule of law, and a well-organised partner country. A comprehensive framework is important for developing efficient and meaningful programmes. It may likewise guide data collection, monitoring, and evaluation in future projects.
- 2. Collect sufficient data to measure progress.** As part of the project framework and theory of change, specific details on collecting data should have also been outlined ex ante, including indicators for examining achievements and the sources and means of verifying data. Unfortunately, the Norad/WCO programme lacked these key pieces of information. For instance, despite the objective of increasing knowledge among customs officers, no baseline or endline data on this issue was systematically collected. Collection of these baseline and endline data may be made part of scoping and verification missions,

though doing so necessitates more time and effort from the implementing partner as well as a larger budget from the donor organisation. More generally, projects of the same or larger size as the Norad/WCO programme must not be approved without adequate data collection procedures in place for monitoring implementation and assessing results.

- 3. Regularly obtain administrative and project-related data from beneficiaries during the programme period.** One data source that may be tapped into for future projects is the beneficiaries themselves. For example, customs administrations may provide historical and current administration information on the number of declarations processed, seizures, clearance times, and other operational outcomes. In addition to administrative data, it is critical to obtain standardised information from beneficiaries on project-related activities (e.g., workshops completed by the local training team, number of workshop attendees) to track impacts. Hence, the implementer would do well to come to an agreement with beneficiaries on regular data sharing, so that on-the-ground outcomes may be formally recorded and supervised.
- 4. Carry out a mid-term review of the project.** As far as we can tell from programme documents made available for this end-review, a midterm review of the project was neither planned nor carried out. For programmes involving a non-trivial amount of funding such as the Norad/WCO project, a midterm review is vital to ensure that any weaknesses are identified and corrected soon as possible. To illustrate, our end-review shows that the programme may not have been entirely adapted to local needs, as respondents indicated challenges in working with experts who were not well-versed in the local context or did not speak the local language. The midterm review would have recognised these difficulties and suggested relevant responses. By allowing activities to be readjusted and re-optimised, the midterm review would have also informed subsequent budget spending for maximum impact.

- 5. Plan a longer period for the end-review.** Since this end-review was implemented under a relatively short period (i.e., around three months), the review process was confronted with binding constraints in analysing the project documents, collecting information, and conducting field visits. As a result, the end-review was not in an optimal position to comprehensively evaluate all aspects of the program (e.g., efficiency), although all efforts were made to do so within the given time frame. In projects with a relatively substantial size as the Norad/WCO programme, a larger-scale review (e.g., six to twelve months) may be necessary to thoroughly address all evaluation criteria. Importantly, an end-review over a longer time span will also allow for observing the temporal evolution of project impacts.
- 6. Simulate formal practices and institutions.** Many project beneficiaries expressed the opinion that the programme largely focused on drafting materials, reviewing regulation, and establishing formal proposals and institutions (e.g., the Integrity Committee in Rwanda), while paying little attention to providing information on how these developments should operate in practice. More emphasis on the practical application of formal institutions and documents is therefore crucial. An educational simulation (e.g., similar to the Model UN) or mock training sessions could be a potential solution. These practice scenarios will allow the target group to directly apply their theoretical knowledge, thus increasing their understanding of how the institution or draft strategies should work in a real-life setting.
- 7. Increase focus on post-implementation support.** Should the Norad/WCO programme be extended, the new project should incorporate measures for post-implementation assistance to further monitor progress and effects. This support will enhance the commitment of local customs authorities and strengthen the sustainability of implemented sub-projects. Moreover, our field experience indicates that the WCO has invested much effort in building relationships with and gaining the trust of the beneficiary customs offices during the project. Consequently,

post-implementation support may contribute to the continuity of this relationship moving forward.

- 8. Address organisational capacity issues in the programme design.** The low level of organisational capacity was a pervasive issue across almost all partner customs administrations, resulting in significant delays or the cancellation of several project activities. This outcome therefore begs the question of how the lack of organisational capacity may be addressed in future projects. One approach is for the programme design to include an assessment of organisational capacity during the initial phase to identify countries that are in a strong position to absorb technical support. Additionally, the programme may work together with interventions implemented by other aid organisations on human capital, governance, personnel management, and other related themes, so that a potential beneficiary's organisational capabilities may be bolstered before moving to the development other areas.
- 9. Improve capacity for recipient's self-assessment of own needs.** Customs administrations targeted by the project—and beneficiaries in developing countries more generally—typically have minimal capacity to analyse their own needs and internal reform path. As a result, international donors often promote their own agendas and project recipients easily agree with any support provided. Such a situation has direct implications for the project ownership and sustainability. Without genuine interest in a donor-led project, it is difficult to ensure the programme's endurance beyond the project duration. Investing in building internal research capacity at beneficiary institutions should prove helpful in ensuring project sustainability in the long run.
- 10. Enhance donor coordination.** Donor coordination should be given more attention in the next programmes, particularly to bring about a more integrated view of the customs modernisation process. Improving customs is intertwined with improving the quality of the broader public sector. In addition to developing

organisational capacity, it will be necessary to consider issues such as government transparency, bureaucratic inefficiencies, and regulatory enforcement in the overall programme structure; this may be achieved by working in tandem with other aid organisations. Furthermore, because many recipient institutions lack the ability to effectively coordinate and manage the flow of donor funding, international organisations themselves should play a more proactive role in surveying other donors' activities to facilitate donor synergy and complementarity. Such mechanisms should be incorporated in the scoping stage of the programme as well as continuously throughout.

11. Recognise corruption and broader institutional impediments to project success. The risk management plan in future projects would benefit from recognizing the risks arising from corruption, weak judiciary systems, and other institutional factors. For instance, providing training on Harmonized System (HS) classification may be ineffective in a setting where customs officers lack integrity and deliberately misclassify shipments in exchange for bribes. Thus, these institutional concerns must be monitored and given attention during project implementation as with other external risks. Importantly, they must also be included in the programme's logical framework to improve the project design and to increase understanding of the fundamental assumptions for project goals to be achieved.

12. Manage frequent staff turnover and rotation in the beneficiary institutions in advance. The constant change in staff at both the senior and operational levels at the customs administration has been an integral concern in each of the seven countries in the programme. The project did identify this issue as a project risk, but because staff decisions are made by the beneficiaries and cannot be single-handedly addressed by the implementer, the WCO's risk mitigation efforts primarily relied on closely following the situation, obtaining commitment from senior management, and communicating with the partner office regarding the problem. Perhaps more can be done in this area for

future programmes. For instance, procedures at the customs office may be put in place at the beginning of the project, so that institutional knowledge may be transferred from outgoing to incoming staff.

Background

This report provides an end-review of the project “Customs Capacity Building for WCO Members 2012–2015,” funded by the Norwegian Agency for Development Cooperation (Norad). The project was implemented by the World Customs Organization (WCO), an independent, intergovernmental body currently with 182 member-countries. The WCO aims to strengthen the effectiveness of customs offices around the globe through, among others, capacity building activities. More generally, the WCO provides technical support to its member countries in enhancing the efficiency of customs administrations.

This project aimed not only to develop the knowledge and skills of customs officers in various countries, but also to assist the customs offices in applying modern management and customs practices. Beneficiaries of this project consisted of customs administrations from seven WCO member countries—namely, Liberia, Rwanda, Tanzania, Mozambique, Vietnam, Nicaragua, and Timor-Leste—though the content of the sub-project varied across country. Table 1 below summarizes the project’s focus area in each country context.

Table 1: Participating Countries and Sub-Project Description

Country	Sub-project
Liberia	Integrity and Performance Management
Rwanda	Integrity and Stakeholder Communication
Tanzania	Valuation and Classification
Mozambique	Risk Management
Mozambique	Human Resource Development
Vietnam	Customs Brokers and Stakeholder Consultations
Nicaragua	Authorised Economic Operator
Timor-Leste	Valuation and Classification

The current project grew out of a previous collaboration between Norad, WCO, and the Swedish International Development Cooperation Agency (Sida) in the Columbus Programme. This programme conducted diagnostic missions in 11 countries (Rwanda, Uganda, Tanzania, Swaziland, Burundi, Sierra Leone, Mauritania, Benin, Nepal, Cape Verde, and Liberia), collecting on-the-ground data on the needs of customs offices. The Columbus Programme therefore provided important information for tailoring capacity building projects in a second implementation phase, which resulted in the project evaluated in this end-review.

According to initial agreements between Norad and WCO, the Customs Capacity Building Project was scheduled for four years of implementation from 2012 to 2015 with a budget of NOK 16 million. However, the project was extended to the end of 2017 based on a request from the WCO. Furthermore, total funding was reduced to NOK 15.1 million due to cuts in Norad's budget line for private sector development.

Introduction

International trade offers a wealth of opportunities for low-income countries to reduce poverty and achieve economic growth. For instance, integrating with the world economy may provide firms in developing nations with access to high-income markets, resulting in increased profits and stimulating manufacturing productivity (e.g., Atkin, Khandewal, & Osman, 2017). Over the years 1990 to 2010, the volume of world goods trade has also expanded almost twice as rapidly as the world's Gross Domestic Product (World Trade Organization, 2017). The potential gains that poor nations may reap from participating in the world stage have therefore become even more significant in today's global economic landscape.

In such an environment, a country's national customs administration plays a critical role. The customs office is instrumental not only in border security, combatting illicit transactions, and collecting revenue, but also in facilitating cross-border trade. Nevertheless, for many poor countries, maintaining a modern and capable customs administration remains an enormous task (e.g., Freund, 2016; Chalendar, Raballand, & Rakotoarisoa, 2017; Hors, 2001; Willems et al., 2016). Indeed, customs offices in the development context often suffer from integrity and corruption concerns; have insufficient knowledge for applying international classification and valuation standards; fail to implement risk management approaches; and lack a strategy for communicating with stakeholders effectively and transparently.

Yet efficient international trade—and consequently, an efficient customs administration—is intrinsically a transnational issue. As a result, many multilateral organisations have responded with providing external financial assistance and technical support to the developing world. This global commitment is evident in the World Trade Organization (WTO)'s Aid-for-Trade (AFT) Initiative, which has spent almost US\$245 billion since its inception in 2006 to help poor countries overcome trade-related

constraints.¹ The Norwegian government also supports AFT and provides aid for increasing market access as well as for promoting well-functioning trade policies and procedures (Norwegian Ministry of Foreign Affairs, 2007). In addition, Norad has recently funded a capacity building programme benefitting customs offices, which is the project that is being considered in this end-review.

The purpose of this end-review, as stated in the Terms of Reference (TOR, see Appendix A) is two-fold: first, it aims to assess the results of the capacity building project, studying outcomes such as knowledge and practical implementation of improved policies and procedures among beneficiary customs administrations; and second, it aims to provide recommendations that may inform future projects between Norad and the WCO, with the latter as the implementing partner.

The end-review was carried out by researchers from the Norwegian Institute of International Affairs (NUPI) in Oslo, Norway as part of framework agreement with the Chr. Michelsen Institute (CMI) and Norad. The review team consisted of two NUPI Senior Research Fellows under the supervision of NUPI's Head of the International Economics Group, Arne Melchior. The scope of this end-review is based primarily on assessing the implementation and results of the programme using the Organisation for Economic Co-operation and Development's (OECD) Development Assistance Committee's (DAC) evaluation criteria, which encompass the issues of relevance, effectiveness, efficiency, impact, and sustainability. The review also examines the programme's risk management as well as the use of Norad's cross-cutting themes, namely, climate and the environment; women's rights and gender equality; anti-corruption; and human rights. The review questions that have been examined under each of these criteria and cross-cutting themes may be found in the TOR (Appendix A).

The rest of this report is structured as follows. We first describe the methods employed for the end-review. Next, we present a broad view of

¹ See <https://www.weforum.org/agenda/2015/11/what-is-next-for-the-aid-for-trade-initiative/>

our findings based on observing and comparing patterns across all project components. Lastly, we proceed with presenting the results for each country's sub-project.

Methods

The overall approach of this review is guided by several critical documents. In particular, to assess the results of the programme, the review team consulted the principles outlined in Norad's *Results Management in Norwegian Development Cooperation: A Practical Guide*. To obtain benchmarks for international best practices in the sphere of international trade, the review team referred to key customs-related instruments such as the *Kyoto Convention on the Simplification and Harmonization of Customs Procedures* of 2006 and the *SAFE Framework of Standards to Secure and Facilitate Global Trade* adopted by the WCO Council in 2005. Furthermore, the review team analysed the capacity building standards and guidelines as described in relevant documents from the WCO, particularly those from the institution's Capacity Building Directorate (e.g. *WCO's Capacity Building Development Compendium*; *Customs Capacity Building Diagnostic Framework*).

Because the specific programme implemented across the partner countries differ from each other as shown earlier in Table 1, this end-review takes a two-pronged analytical strategy: we investigate the impacts and outcomes in each sub-project *separately*, and we likewise consider the effects from a broad, *general* perspective. Doing so allows us to focus specifically on each country's experience, while at the same time, to compare and contrast results across settings. In both cases, the end-review relied primarily on qualitative methods composed of desk studies and three field visits. The following section explains each of these methodological components in detail.

Desk Review

Eight separate desk studies—that is, one desk study for each of the eight capacity-building sub-programmes—laid the foundation for the end-review process. The desk studies involved analysing project-related documents to assess project goals, outcomes, outputs, and activities.

These documents were collected directly from the WCO project manager and consisted primarily of two sets of reports: (1) annual progress reports for Project Years 1 to 6; and (2) mission reports for the WCO field missions in the partner countries. For the case of Mozambique, the review team likewise received copies of the training materials used in the risk management seminars implemented in the project. Additionally, from the Norad project manager, the review team acquired documents from the pre-implementation phase of the programme, such as the WCO's funding proposal for the project, the project appraisal (Andersson, 2011), and the signed agreement between the WCO and Norad. Throughout all analyses, we focus on the first five years of the project, since the final programme year was still ongoing when at the time the end-review was carried out. However, we also made efforts to include some information from Year 6, the last year of the project, particularly in the statistics regarding project outputs and expenditure.

To supplement the desk review of project documents, the review team also contacted project counterparts in two countries, Tanzania and Timor-Leste, for a phone interview. These interviews allowed for incorporating the beneficiary country's perspectives in evaluating the effects and impacts of the project. Nevertheless, three important caveats are in order. First, language barriers and issues with phone connectivity made it difficult to have a continuous conversation with the respondents during the interview; hence, the phone interviews were largely restricted to short and simple questions. Second, as discussed in a number of academic studies across many different disciplines, the lack of visual cues during phone interviews may result in the loss of important contextual and nonverbal information (e.g., Novick, 2008). Finally, as with in-person interviews, phone interviews are subject to the usual response biases, which we describe further below.

In assessing the project's effectiveness, the end-review faced a major methodological constraint due to the lack of both pre- and post-intervention data (either quantitative or qualitative). Although Norad's *Results Management in Norwegian Development Cooperation: A Practical Guide* highlights the need of gathering baseline values, such data were unfortunately not systematically collected as part of the

project. As a result, the end-review relied primarily on information from various reports drafted throughout the project as well as from interview respondents' recall.

Field Visits

As part of the end-review, the review team conducted three field visits in the following locations: (1) the WCO's headquarters in Brussels in November 2017; (2) Maputo, Mozambique in November 2017; (3) Kigali, Rwanda in January 2018.

Brussels, Belgium

The one-day field visit to Brussels provided contextual information for the overall project. During this trip, we interviewed several key personnel from the WCO Capacity Building Directorate (see Appendix B for the full list of respondents). Through discussions with senior management, the review team obtained an overview of the WCO's mission, vision, and structure as well as its ongoing activities and general approach to capacity building. We also had the opportunity to speak with WCO staff with on-the-ground knowledge of implementation of the programme, including two experts who have conducted missions in Mozambique and other countries as part of the Norad project. Thus, the WCO meetings in Brussels served as preparation for our field work in Maputo and Kigali in addition to our own review of the existing research and policy literature on customs operations in these two contexts.

Maputo, Mozambique

The field work in Maputo occurred over a span of four days (excluding travel time). The Norad project manager participated in this trip, which was also held in conjunction with a separate validation mission conducted by two WCO experts. Our field work endeavoured to understand the status, impact, and results of the risk management capacity building activities implemented by the project. To this end, together with the WCO experts, we visited different customs sites—Maputo seaport; the Maputo airport (both passenger and cargo terminals); the border crossing and the clearance facility at Ressano

Garcia (located near the border between South Africa and Mozambique)—to observe the extent to which the customs administration has implemented risk management practices.

We also conducted semi-structured interviews with several sets of respondents within the Mozambique Revenue Authority (MRA) and beyond. These interviews include the following: (1) one-on-one and focus group discussions with a total of five customs officers from the seaport and border clearance facility, whom we spoke to independently from the WCO during the site visits; (2) focus group with six MRA staff from departments other than customs, which may be considered internal stakeholders; and (3) a group interviews with three staff persons from the national administration for conservation, an external stakeholder. Moreover, together with the Norad project manager, we met with an officer from the Norwegian Embassy in Maputo and a representative from a local citizen-watchdog group to obtain further background information on the Mozambican setting.

Three important aspects regarding the field work in Mozambique are worth noting. The first concerns language, as most individuals we encountered were not comfortable with speaking English. Hence, an interpreter was almost always required, which may have resulted in some loss in the nuances of the response. The second point is that to facilitate logistics, the Head of Risk Management at the MRA accompanied us in all site visits, and similarly, MRA staff escorted us during interviews with internal and external stakeholders. These are critical facets to consider when interpreting findings, as it may have affected the level of comfort of the respondents during interviews. Finally, we were not able to conduct interviews with the trade community regarding their user experience on wait times and clearance procedures. It was difficult to obtain access to this external stakeholder group, as customs officers and the risk management unit were reluctant to provide assistance in arranging meetings. Independently, we also attempted to schedule interviews with heads of the local business associations within the time frame of our field work but were unfortunately not successful.

Kigali, Rwanda

We conducted a field visit in Kigali for four days (excluding travel time). There, we aimed to understand the impact of the sub-project on integrity and stakeholder communication at the Rwanda Revenue Authority (RRA). As in Maputo, our field work in Kigali consisted mainly of semi-structured interviews: we held a group discussion with eight members of the integrity committee that was formed during the project, and we conducted one-on-one or small group interviews with various stakeholders. Respondents for the stakeholder interviews consisted of the following individuals: (1) two staff persons from the RRA's Training Department; (2) three staff persons from the RRA's Human Resources Department; (3) a senior staff person from the RRA's Quality Assurance Department; and (4) the head of a local freight forwarding association. All interviews were conducted in English, which is one of the official languages of the country. As with our experience in Maputo, a customs officer accompanied us throughout all interviews, which may be especially important when considering responses from the private sector (i.e., freight forwarder).

It is important to mention that across both field visits in Rwanda and Mozambique, our interview results may suffer from different response biases. One type of bias that may feature prominently in this setting is social desirability bias, in which interviewees respond in a way that casts them in a good light; in this context, people whom we spoke to may have had an incentive to provide positive responses to ensure more project funding in the future. Moreover, although we made efforts to avoid leading questions by using more open-ended structures in the discussions, interviewer bias (i.e., influencing responses through phrasing, tone, etc.) may have also been a factor particularly in Mozambique where a language interpreter was required. Even with interviews conducted in English, it was also often necessary to use accessible language and less open-ended forms. Lastly, sample representativeness is a critical issue: our sample sizes are quite small, and we were able to interview only those customs officers and stakeholders who were present during our field work. These respondents may therefore hold views that do not reflect the average officer or stakeholder.

General Findings

In this section, we describe our findings from a high-level perspective, taking into account patterns and information across all seven countries and eight sub-projects funded by Norad. Here, we focus on the OECD DAC criteria of relevance, effectiveness, efficiency, impact, and sustainability, together with project's risk management and cross-cutting themes. We then provide our country-specific findings for each of these same aspects in the next section.

Broadly speaking, the results of our review incorporate many of the lessons that have been outlined by the WCO's Capacity Building Strategy. Because many prior customs capacity building initiatives have failed to attain their intended objectives, the WCO has itself crafted this Capacity Building Strategy for "a more focussed, co-ordinated, and well-resourced approach to undertaking capacity building" in developing countries (WCO, 2003, p. 1). Adopted in 2003, this strategy identified the following six lessons that may contribute to the success of a given capacity building project.

Table 2: Lessons from WCO's Capacity Building Strategy Document

Lesson	Description
Lesson 1	The Need for Accurate Diagnosis of Capacity Building Needs and the Development of Country-Specific Resources
Lesson 2	The Need for Sustained High-Level Political Will and Commitment
Lesson 3	The Need for Enhanced Co-operation and Coherence
Lesson 4	The Need for Greater Ownership and Participation of Customs Personnel
Lesson 5	The Need for Realistic Government and Donor Expectations

Lesson 6	The Need for Adequate Human and Financial Resources to be Devoted to Capacity Building Initiatives
----------	--

In the context of the project considered in this end-review, it appears that all lessons have been incorporated in the overall programme design in some way, shape, or form. In particular, our results in the section on Relevance demonstrate that the project addressed Lesson 1 through the use of scoping missions and appropriate diagnostic tools. Similarly, the sections on Sustainability and Risk Management indicate that the programme tackled the issues in Lessons 2 to 4 as well as Lesson 6 throughout the project implementation. The section on Effectiveness then shows that the programme spoke directly to Lesson 5: although the project's goals were not unrealistic, the project fell prey to a pitfall described in the WCO's Capacity Building Strategy regarding the "the lack of objective baseline data upon which meaningful comparison can be made" (WCO, 2003, p. 8).

While the WCO's approach to capacity building was largely consistent with international best practices, there were several gaps in fully integrating all the above lessons in the design and implementation of the project. For example, the partner customs offices' priorities may be dynamic, so that the needs identified in a one-time scoping mission may have become less relevant as the project moved. Additionally, although the WCO recognised and sought to mitigate risks regarding political will, cooperation, project ownership, and commitment of financial and human resources to the project, the lack of organizational capacity within the customs administrations themselves may have substantially hindered project success. For the remainder of this section, we discuss these issues in greater detail.

Relevance

Evidence from our field interviews in Mozambique and Rwanda as well as our desk review for the remaining countries suggests that the programme was indeed relevant for the partner customs offices. Specifically, each sub-project began with the WCO conducting a scoping mission to better formulate the contents and activities, thus putting the sub-project in line

with the needs and priorities of each beneficiary country. These scoping missions were implemented in almost all countries participating in the project. The one exception is Liberia, where a recent, similar mission (funded by a separate programme) already provided the data that was necessary for developing the sub-project.

There are reasons to believe that the scoping missions resulted in activities that were generally tailored to the priorities of the beneficiary customs administrations. For instance, the scoping missions involved meetings with both operational staff as well as senior managers. In this way, the information collected contained viewpoints from different organisational levels, to understand the customs office's objectives as well as their short-, medium-, and long-term strategies. These scoping missions also made use of systematic diagnostic and needs assessment tools that have been developed by the WCO. Further, a work plan was developed together with the partner customs administration at the end of the scoping mission. This work plan was then presented to senior management, which helped to ensure support from the customs office leadership during implementation.

Although the above elements certainly contribute to increasing the relevance of the implemented activities, it is also important to investigate whether the partner countries themselves were well-suited for the project. In other words, did the customs capacity building programme choose appropriate beneficiaries? On the one hand, "Distance to Frontier" (DTF) scores for the subject area "Trading Across Borders," collected by the World Bank's Doing Business Surveys, document a large gap between best practices and the beneficiary countries' performance.² The DTF scores for trade for the year 2011 (i.e. one year prior to the start of the project) are shown in

Table 3 below.

² We note that some observers have questioned the validity of the methods employed by the World Bank Doing Business Surveys and have argued that these surveys contain large measurement errors (Procomex, 2017).

Table 3: Distance to Frontier, Trading Across Borders (2011)

Country	Score
Liberia	53.10
Rwanda	44.45
Tanzania	55.33
Mozambique	60.68
Vietnam	73.01
Nicaragua	69.58
Timor-Leste	71.51

Source: Doing Business Surveys (World Bank, 2011)

These DTF scores are based in a scale of 0 to 100, where 0 represents the lowest performance and 100 corresponds to the frontier. For example,

Table 3 shows that Mozambique had a DTF score of around 60 in 2011, which means that the country was 40 percentage points away from the best performance in trading across borders (as measured across all countries and periods in the data). Moreover, the table illustrates that all seven project countries are well below the “Trading Across Borders” frontier, with scores ranging from 44 to 73. In this respect, the beneficiary countries thus appear to have been an apt selection, at least ex ante, for a project aiming to modernise customs administration.

On the other hand, over the course of the project, a number of activities in several countries were postponed or cancelled at the request of the beneficiary customs administration. In most cases, these activities were held in abeyance because of lack of organisational capacity within the customs office. From this perspective, one may also argue that not all activities were necessarily meaningful for the beneficiaries and that not all countries were necessarily suitable recipients of this project: because of low absorptive capacity, the beneficiaries themselves were not in a position to take advantage of the support being provided. More generally, we observed during our field experience that beneficiaries often lacked the research capabilities to assess and identify their own

needs in the first place. Consequently, they may have easily agreed with implementing any project offered by the donor community, who may be coming with their own development agenda. This phenomenon is also present in other developing nations (e.g., Stokke et al., 2018), and it may result in weaker project ownership and sustainability in the long run.

Since multiple donor agencies operate in the same set of beneficiary countries included in this project, one must likewise consider the project's fit relative to programs implemented by other donors. At the institutional level, one way in which the WCO takes this issue into account is through the country profiles maintained by the Regional Development Manager. These country profiles list all completed and ongoing project in a given country—including those from other aid organisations—to avoid duplication of intervention efforts. At the same time, there appears to be some indication that the WCO's cooperation with other donors may still be improved: for example, during our end-review, a WCO expert recounted a Norad-funded mission wherein by pure coincidence (and at a non-work-related setting), the expert met a World Bank (WB) official who was also on mission for a customs office project. It turned out that this WB project had similar content to the Norad/WCO programme. The WCO expert and the WB official then exchanged details about their respective activities, but neither had prior information about each other. We return to this issue of donor cooperation in section on Sustainability below.

Lastly, the issue of relevance encompasses not only the beneficiary customs administration, but also the funding organisation, Norad. We find the customs capacity building programme to be broadly in keeping with the Norwegian government's current development objectives especially on private sector development. Indeed, a recent white paper by Norway's Ministry of Foreign Affairs cites that the "[g]overnment wishes to use trade as an instrument of development policy to a greater degree than before" (Norwegian Ministry of Foreign Affairs, 2015, p. 24). This white paper also highlights the use of Norwegian aid to promote private sector development across borders in a regional perspective. The project was generally in line with these goals, as the

activities aimed to support the implementation of the World Trade Organization (WTO) Trade Facilitation Agreement (TFA).

Effectiveness

The project has overall been successful in that *most* of the planned activities and planned outputs were completed. Examples of the major achievements in each country include the following: in Tanzania and Timor-Leste, the implementation of several classification and valuation seminars, some of which were led by trainers from the customs office; in Mozambique, the development of key documents such as a risk management framework and procedures manual; in Liberia, the introduction of the performance management system; in Rwanda, the establishment of an Integrity Committee; in Vietnam, the enhanced capacity of customs officers to interact with external stakeholders and the increased number of approved licensed customs brokers; and in Nicaragua, the development of a draft communication strategy.

Across all countries, the main *output* envisaged by the project, as stated in the TOR for this end-review, is that “male and female customs officials from administrations in participating countries have acquired knowledge and skills on customs and management issues related to the respective area of the project.” To this end, the project implemented numerous trainings and seminars as well as consultations and working sessions with WCO experts. Yet in the context of this review, a systematic assessment of whether this output has truly been achieved was unfortunately not possible. In particular, pre- and post- intervention on the level of knowledge of customs officials—either qualitative or quantitative—was not collected as part of the project. As a result, we lack the necessary information to determine whether (and how) the project has contributed to building institutional knowledge, both generally across customs staff and specifically between men and women.

During our field work in Brussels, the WCO noted that the lack of baseline data is in part driven by the nature of the project activities. For example, the project produced several important documents (e.g., feasibility study for a customs laboratory) and institutional groups (e.g., integrity committee) where none existed before, so that the baseline and

endline conditions are self-evident. While we agree with this point, we do not believe it represents a full picture for assessing the project's effectiveness, especially since the stated objective is to enhance knowledge and skills of customs staff. One may hope that customs officers' expertise in crafting proposals or organizing a committee has improved due to the project, and the officials we interviewed did indicate, albeit via self-reports, that their own capabilities have increased. However, without any monitoring data, qualitative information, or quantitative statistics, it is extremely difficult to definitively and objectively verify these outputs.

Notwithstanding the general lack of baseline and endline data, in Mozambique—where the sub-project focused on risk management—the WCO carried out a validation mission during the final year of the project. The purpose of this mission was to understand the effectiveness in which Mozambican customs has taken a risk-based and intelligence-led approach at an operational level.³ This mission therefore served as a source of qualitative post-implementation data, and we believe the WCO would do well to implement similar validation assignments in other project countries moving forward. To further capture pre- and post-intervention information, subsequent WCO projects may likewise benefit from collecting both historical and current administrative data (e.g., declarations processing, clearance times) from the partner customs offices. Since it may be a challenge to obtain such data as was evident during our field work in Mozambique, the WCO may consider putting data sharing agreements in place with the partner customs office in future programmes.

Given the desired output that customs officials have acquired increased skills and knowledge in customs management, the main *outcome* targeted by the project, again as stated in the TOR for this review, is that “customs administrations from participating member countries apply modern management and customs practice in a specific area.” Our approach evaluates this outcome through direct observations

³ As mentioned earlier in the Methods Section, the end-review team and a representative from Norad participated during this WCO validation mission.

in the field, interviews, and a review of project documents. Generally speaking, the project has brought about important technical changes in customs practices of beneficiary countries. For instance, in Mozambique, Rwanda, and Vietnam, committees were established on risk management, integrity, and stakeholder communication, respectively. In addition, the project has provided customs offices with assistance as well as training in drafting action plans that contribute towards customs modernisation, such as a proposal for an Advance Ruling System in Timor-Leste.

We believe these are important preliminary steps towards fostering modern customs practices and procedures in the beneficiary countries. But as will be seen in the country-specific findings in the next section, a critical issue remains in pushing these strides further as well as in providing post-implementation monitoring and support. Specifically, while formal entities (e.g., points of contacts for risk management) have been established and various strategic documents (e.g., integrity communication plan) have been created as part of the project, we do not find enough evidence both from our field work and desk review to suggest that these committees and plans have—or will be—operationalised accordingly. For this reason, our assessment is that overall, the stated outcome whereby customs administrations apply modern management and practices has only been partially achieved.

That the targeted outcome was not fully attained may be in part due to the lack of organisational capacity as well as frequent changes in operational staff in almost all beneficiary countries. We believe these two factors may have significantly negatively impacted the effectiveness of the overall project. For instance, the low level of organisation meant that some WCO experts were not able to carry out workshops effectively and that several activities were either postponed or abandoned. In addition, personnel changes significantly impacted activities in settings such as Nicaragua where additional measures were taken to mitigate the consequences. All in all, low organisation and frequent staff rotation limited beneficiaries' ability to adopt new measures and utilize new practices in customs administration. We discuss the factors that may

have impeded project success in more detail in the sections on Risk Management and Sustainability.

Efficiency

At the end of the project, total Norad expenditure amounted to EUR 1,675,929 across Project Years 1 to 6. This Norad budget amount was supplemented with WCO in-kind contributions of EUR 333,750 during Years 1 to 5 and an estimated EUR 57,500 for Year 6. According to the WCO project manager, Norad's support has financed WCO experts' travel and in-country missions; conferences and workshop-related costs; translation and interpretation services (where applicable); and staff costs for the WCO project manager. In a few instances, Norad funds also covered local expenses and transport charges for customs officers who had to travel from distant regions to attend a project workshop. The WCO project manager explained that all of these outlays followed WCO's policies and procedures, but no project funds were directly disbursed to any of the beneficiary customs administrations.

Since a non-trivial portion of the project expenditure appears to have gone towards experts' in-country missions, it is important to consider how funds were used for these activities. Across Years 1 to 6, the project completed a total of 87 missions with approximately 1,130 expert-days spent in-country across all sub-projects. Hence, the average cost per mission is EUR 19,264 and average cost per expert-day is EUR 1,483, excluding in-kind contributions from the WCO.⁴ In the country-specific results, we likewise carry out—to the extent possible—the same calculations for each of the eight Norad-funded sub-projects. Given that financial documents obtained for this review did not include detailed data on spending across all years, we are not able to include more comprehensive statistics on project expenditure (e.g., by mission or by activity), other than the average cost per mission or per expert-day.

⁴ We obtain these numbers by dividing total Norad expenditure for Years 1 to 6 (EUR 1,675,929) by the total number of missions (i.e., 87) or the total number of expert days (i.e., 1,130).

Our calculations for the average costs per mission and per expert-day are subject to the following three caveats. First, we have information only on total spending by country, which contains both mission and non-mission expenditure. Second, following the approach taken in the project's annual reports, we measure the number of expert-days delivered based on the length of time the experts spent in-country during a mission. And third, we do not include in-kind contributions from the WCO, which represent the value of labour provided by WCO seconded experts. Although these contributions are not project costs per se in that they were not incurred by Norad, they may still be considered as part of the project's broader economic costs. For instance, they may be regarded as the opportunity cost of time of the seconded experts, as this resource could have been devoted to other projects.

The above three caveats have important consequences for our cost calculations. In particular, the third caveat would suggest that both the mean cost per mission and per expert-day may be *understated* relative to the true economic costs of the project, that is, including both Norad expenditure and WCO in-kind contributions. On the contrary, the first two caveats, both of which are driven by data unavailability, would imply that the average cost per mission and per expert-day may be *overstated*. These overestimations arise because we are not able to separate non-mission from mission costs. In addition, according to the WCO, experts also spend significant amount of time both before and after a mission for preparations, follow-ups, and providing remote support, so that the number of expert-days spent in-country will be below the true number of expert-days delivered by the project. Nevertheless, we are unable to correct for these issues because we do not have detailed budget and expenditure information.

Despite the limited financial data, the project appraisal document also indicates that WCO travel regulations allowed business travel for its experts, and EUR 2,500 was budgeted per flight (Andersson, 2011). The WCO points out that this policy of providing business class flights is motivated by the organisation's model, in which seconded expertise from member countries is prioritized over paid external consultants. Because such experts are seconded free-of-charge from their home

administrations, only travel expenses are incurred. The WCO further explains that seconded experts are asked to undertake rigorous travel duties in addition to their day-to-day responsibilities, with no additional compensation.⁵ This description therefore suggests that business class flights were employed in part as a means of providing a non-wage benefit particularly for WCO seconded experts.

Although the rate of EUR 2,500 was approved by Norad at the inception of the project, this amount appears to be a relatively high rate for air travel especially when juxtaposing the environments in which the implementers and the beneficiaries operate. For instance, many interviewees highlighted the lack of budget within the customs administration as a major challenge in putting into practice the strategies and knowledge that have been developed under the project (e.g., for local staff to carry out further trainings in Mozambique; for carrying out an integrity communication plan in Rwanda). Further, interviewees from three of seven participating countries raised questions alluding to whether the project effectively used its available financial resources. Since the project primarily funded experts' travel and in-country missions (e.g., for trainings, seminars, working sessions, etc.), some respondents seemed to view this spending approach as having a somewhat narrow focus.

In a low-income country where funds are scarce, restricting business class travel may be an important tool to send a positive message to partner countries about the efficient use of aid money. It may also highlight the significance of reducing the climate impacts of aid and development work.⁶ That being said, business air travel may be rationalized if its marginal benefits in increasing the project's effectiveness—such as attracting more capable WCO experts to participate in the project, higher productivity of WCO experts during their mission—outweigh the marginal costs. This type of cost-benefit analysis, however, is beyond the scope of this end-review.

⁵ Andrea Hampton (WCO), email to Fredrik Werring (Norad), January 25, 2018.

⁶ For example, <https://www.devex.com/news/is-business-class-ever-justified-for-development-officials-82371>

The distribution of aggregate Norad expenditure across all project is shown in Table 4. As can be seen in this table, Vietnam has received the largest support at 22.4% of total expenditure, while the countries with the lowest budget footprint are Nicaragua and Rwanda, each of which received around 6% of total spending.

Table 4: Distribution of Norad Expenditure

Country	Expenditure Amount (EUR)	% of Total Expenditure
Liberia	91,093	5.4%
Rwanda	99,322	6.0%
Tanzania	139,781	8.3%
Mozambique (two components)	198,042	11.8%
Vietnam	338,628	20.2%
Nicaragua	112,644	6.7%
Timor-Leste	202,466	12.1%
Project Management	429,337	25.6%
Management Fee	64,618	3.9%
Total	1,675,929	100.0%

Notes: Expenditure information as of the end of Year 6. Percentages in the last column do not add up exactly to 100% due to rounding.

The above table shows that, “project management” accounted for 25.6% of total spending, while “management fees” accounted for 4%. The WCO explained that “project management” includes “project manager’s salary, audit, PSC travel, etc., CLiCK platform eLearning material translation costs and national training workshops for project management.” In contrast, the budget item for “management fees” covers “office space, computer, connectivity, printers and other peripherals, basic stationary, as well as accounting, legal, ICT, and travel department services and the time of Directors and other senior management.”⁷ Further, the WCO deemed the 4% management fee to fully encapsulate the project’s indirect support costs (ISC).

⁷ Andrea Hampton (WCO), email to Fredrik Werring (Norad), January 25, 2018.

One crucial issue to consider when evaluating project efficiency is to compare the WCO's 4% ISC (i.e., management fee) to that of other projects and/or implementing organisations. We note that the United Nations Conference on Trade and Development (UNCTAD), which also provides capacity building and technical assistance in developing countries, applies a standard extra-budgetary support costs rates of 13% (Gonzalez, Kuyama, & Othman, 2002). Yet from this simple benchmark, one cannot easily conclude that the WCO's 4% management fee is more cost-effective than UNCTAD. As different institutions apply varying definitions for what ISC entails, UNCTAD's 13% extra-budgetary support costs are not necessarily an apples-to-apples comparison with WCO's 4% management fee.

This end-review was unfortunately not in a position to rigorously assess the project's ISCs vis-à-vis other institutions. In particular, the end-review faced the following two key constraints: (1) as mentioned earlier, financial data made available for the review did not provide a full view of project expenditure; and (2) as revealed in a previous study of humanitarian aid commission by the Swedish government, the inconsistent use of ISC definitions contribute to the wide variance in ISC rates across organisations (Development Initiatives, 2008).⁸ Since this end-review is a relatively small-scale study, a more extensive investigation is necessary to compare ISCs across different institutions and ultimately, to understand the cost-efficiency of the WCO relative to other implementing organisations.

Finally, we examine forecasted Norad expenditure versus actual expenditure year by year over the last five project years. During the first three years, actual Norad expenditures were quite low at only 40–50% of projected expenditures. While some of this difference can be explained by cost savings in staff and air travel, it appears that a large portion is

⁸ Development Initiatives (2008) finds, for example, a wide gap between the International Organization for Migration (IOM), which usually allows implementing partners to charge up to 5% in indirect support costs, and UNICEF, which allows a rate of 25% for implementing partners.

attributable to significant delays in implementation. Such delays have been predominantly because of challenges working with the partner customs offices, particularly changes in priorities of beneficiary countries resulting in cancellation of activities; lack of organisational capacity of beneficiaries; poor quality of the customs offices' project coordinators; and time constraints among said coordinators who must balance their regular full-time responsibilities with the Norad/WCO project. Project spending ramped up during Years 4, 5, and 6, where actual Norad expenditure was almost 60%, 90%, and 80% of forecasted expenditure, respectively. In parallel with this pace of spending, a large portion of outputs and activities appeared to have been delayed but were delivered during the last two project years as well.

Impacts

The programme has generated broad impacts in several different directions across all beneficiary countries. But because the components were tailored to each setting (thus resulting in substantial heterogeneity in the content of each sub-project) and because the level of response differed among partner countries during implementation, the impacts we find vary in each context as well. We provide a summary of these impacts by country in the text below, and we explain these points in more detail in the country-specific findings.

- **Liberia:** Increased technical skills and knowledge on stakeholder engagement strategies and performance contracts.
- **Rwanda:** Enhanced knowledge on integrity via focal points in the Integrity Committee throughout the entire Rwanda Revenue Authority (RRA); the institutionalization of the norm of “integrity policy” in the activity of the RRA.
- **Tanzania:** Better engagement, communication, and interaction between the Tanzania Revenue Authority (TRA) and the trade community (e.g., customs brokers).
- **Mozambique:** Increased recognition within the Mozambique Revenue Authority (MRA), at the institutional-level, of the importance of risk management.
- **Vietnam:** New knowledge and enhanced capacity in internal and external stakeholder communication; matching the benchmark

level of the “ASEAN Six” in customs administration (reduction of procedures from 215 to 140).

- Nicaragua: Increased knowledge in internal stakeholder communication; development of a draft Communication Strategy.
- Timor-Leste: Improved presentation skills and confidence of Timor-Leste Directorate General for Customs (TLDGC) staff.

Importantly, this review was conducted during the final year of the project, so any medium- and long-term programme impacts remain to be seen. The OECD DAC likewise indicates that it takes a minimum of two years for the effects of a policy change to become discernible (MFA Finland, 2011). Thus, it may be that some positive or negative project impacts require more time to develop and have not yet manifested themselves during the review. Alternatively, it is also possible that the positive impacts we currently observe fade over time. This issue strongly relates to the concept of sustainability, which we consider further in the next sub-section.

Sustainability

Taking all countries and components together, we view the sustainability of the programme and the ownership of the project to be quite mixed. As will be discussed in the country-specific results, some aspects of the programme are likely to continue beyond the life of the capacity building intervention. For instance, in Mozambique, risk management is beginning to be embedded across the MRA, as evidenced in the inclusion of risk management in the institution’s Strategic Plan for 2015–2019. Similarly, in Rwanda, integrity training materials that have been developed through the project are estimated to be put into use by the RRA’s Training Department starting in 2018.

One aspect that may contribute further to the project’s sustainability lies in synergies with other donor programs, particularly if future donor support may make use of or integrate the results from the Norad-funded capacity building project. Indeed, the annual report writes that “[i]t is a key objective of the project to work cooperatively with donors and other strategic partners to support the achievement of the project outcomes” (e.g., WCO, 2014). Consistent with this goal, the project did cooperate

with a number of different agencies, but it remains difficult to assess its implications on the project's sustainability because of the low level of detail regarding the extent of donor collaboration in project documents. Below, we provide a short description of the project's donor cooperation efforts as indicated in the annual and mission reports:

- Liberia: Joint work with UNCTAD in implementing the ASYCUDA performance system; some project missions were also held together with UNCTAD.
- Rwanda: Made contact with Trademark East Africa.
- Tanzania: Technical assistance in implementing the project's recommendations for a customs laboratory was offered by Swiss Customs.
- Mozambique: Shared information with the UK's Foreign and Commonwealth Office and Border Agency, WB, and European Union (EU) regarding reform and modernisation proposals within the MRA.
- Vietnam: Collaborated with WB, United States Agency for International Development (USAID), Japan International Cooperation Agency (JICA), and New Zealand Customs over the life of the capacity building programme.
- Nicaragua: Connected with the International Monetary Fund (IMF) and the Inter-American Development Bank (IADB), with the latter providing financing a study visit to Mexico for one customs official.
- Timor-Leste: Supported WB's Timor Trade project. Connected with UNCTAD and Australian Customs. Dialogue with USAID to ensure that knowledge and skills are transferred after the project.

As the points above show, donor cooperation was present in some fashion across all countries and was also constructive for the overall project. However, we echo the annual report's assessment that a "key barrier to greater integration is often the [customs] administrations themselves. Many lack the necessary organisational skills to manage their donor support programs in a structured and holistic way" (WCO, 2017, p. 8). Our reading of the mission and annual reports also suggests that the strongest synergies among donors appears to have been in

Vietnam and Timor-Leste, two project countries described as having relatively high levels organisation (WCO, 2016). One might therefore expect donor cooperation to foster programme sustainability primarily in countries with well-structured administrations. Currently, the WCO is likewise implementing a multi-donor initiative in the Mercator Programme, so experiences from this programme may further facilitate increased aid coordination in the future projects.

While donor cooperation is an internal factor that can be directly controlled and addressed, the project also faced several external constraints that threatened its sustainability. The following examples from our interviews and desk review serve to illustrate this point. In Mozambique, the Training Team highlighted difficulties in carrying out further training events due to the lack of budget for covering materials and transportation costs for potential participants, who are mostly coming from distant areas. In Rwanda, the newly established integrity committee is not considered part of institutional operations: in addition to the participating in the committee, members of the group must attend to their usual day-to-day work. The committee may therefore be unsustainable because members feel additional burden on their workload. Finally, in Timor-Leste, changes in the political environment are impeding the implementation of any activities at the customs office. Hence, the office is currently unable to move forward with any of the plans developed under the WCO capacity building project.

It should be noted that the WCO recognised the above factors as critical risks to project success and highlighted them as integral issues in programme documents. Furthermore, the annual reports indicate that the WCO exerted efforts to address these concerns by, among others, securing the commitment of senior customs management; enacting dialogue with officers to develop interest and support throughout the administration for long-term change; and stressing the importance of the project activities among participants to increase salience. These efforts are closely linked to the risk management and risk mitigation approaches of the project, and we now turn to this topic in the next sub-section.

Risk Management

The findings of our review show that the project was confronted with several risks that had significant negative implications for programme implementation and the achievement of results. As indicated in the risk management plan of the project proposal and in the annual reports, the project itself identified the following eight risks and correspondingly undertook risk mitigation measures.

1. Senior management no longer provides organisational commitment to Customs reform. Leadership changes at the senior level (e.g., Customs Director General) appeared to be pervasive across all sub-projects. According to the WCO, such events posed a risk to project success as they are often accompanied by shifts in the customs office's interests and priorities, and thus, may hamper project commitment. Our interviews in Brussels revealed several steps that the WCO takes to address risks from regime changes. This includes taking a multi-year approach (e.g., 5-year projects) rather than much longer-term programmes, so that project plans may be easily revised in line with the partner's priorities for the next cycles. Additionally, the WCO restarts bilateral discussions with the customs office as soon as any regime change occurs, to request the new Customs Director General (DG) to recommit to ongoing projects. By so doing, the WCO helps to ensure that support activities that have agreed upon with the previous DG are kept as a priority moving forward.

2. Organizational stability within Customs is not maintained (e.g., exceptional staff turnover). Similar to staff changes at the management level, the project also experienced high turnover and/or periodic rotation of customs employees at the operational level. This is particularly true for sub-projects that involved building specialized skills in classification and valuation: large investments in training are required to build proficiency in these areas, and the knowledge may be lost when trained staff move to other posts. The risk management section of the annual reports classifies staff turnover only at a medium level of probability. However, in many countries, turnover appeared to be quite high among members of core team of trainers (i.e., those participating in Training-of-Trainers workshops), thus threatening the long-term sustainability of the training model. Furthermore, the WCO primarily

accepted rather than mitigated the risk of staff changes given that it is outside of the control of the project. Project documents do show that the WCO communicated these risks to the respective partner customs offices during the early stages of implementation.

3. Lack of organisational capacity in the selected administrations to support the agreed activities. While this risk was not included in the initial risk management plan, it was identified as a new risk factor beginning in the second annual report. This response was particularly appropriate given that low levels of organisational capacity significantly constrained the project's overall progress. As already mentioned in earlier sections, the lack of organisation resulted in the cancellation of several activities, caused considerable delays, hindered stronger donor partnerships, and prevented beneficiaries from fully absorbing the support provided. No explicit mitigation strategies were put in place given that this risk was generally beyond the purview of the project. Instead, this risk was accepted and the WCO project manager closely monitored the situation in the partner countries, according to the annual report.

4. WCO experts or, when applicable third-party consultants, do not have full access to all necessary documents and information. Our understanding of the project documents indicate that this risk appeared to be linked to the previous point on organisational capacity: many beneficiary customs offices did not possess sufficient administrative and logistic capability to put together documents and information that the WCO experts have requested. The difficult flow of information likewise translated into delays in and/or cancellation of project activities. To address the risks contained in such a situation, the annual reports mention that "procedures [were] in place to ensure that each mission [was] systematically organized with Terms of Reference, Mission Plans, and reporting templates prepared" (e.g., WCO, 2017). Nevertheless, from only our desk review and limited field experience in a few partner countries, it is difficult to assess the extent to which these procedures eased on-the-ground conditions in practice.

5. The necessary national counterpart staff are not available to attend the work sessions, training events and discussions with the WCO experts

during the consultancy inputs. The project's risk management plan categorizes this risk as one of low probability and high impact, and several mitigation approaches were in place. These include the appointment of a project coordinator in each country to assist scheduling missions; careful planning of expert missions to ensure availability of relevant staff; and obtaining the commitment of senior management. Despite these measures, project reports show that many customs staff were not available during a number of the experts' in-country missions. For example, in Mozambique, senior managers were not able to attend the working session for drafting the risk management framework and for technical training, while for a leadership and management development workshop, many participants arrived late, did not show up, or only partially attended the sessions because of work-related demands.

6. Adequate long-term resourcing and access to sustainable funding is not available for supporting change. This risk was identified at the project proposal stage, and because it was mainly outside the scope of the programme, the chosen response involved accepting rather than mitigating the risk. As discussed previously in the section on sustainability, this risk also negatively impacts the long-term impact of the programme beyond the project period.

7. Lack of sufficiently qualified consultants to undertake the technical inputs. This factor emerged over the course of the project and was identified as a risk with both high probability and high impact. According to the annual reports, the WCO project manager closely monitored the issue and likewise attempted to recruit qualified consultants through the WCO database or external networks. Our results show that project participants were generally satisfied with the quality of experts sent on in-country missions. Nevertheless, one interview respondent described attending a project workshop where the expert was not sufficiently knowledgeable on the topic, and another respondent mentioned difficulties in working with experts who did not speak the local language.

8. Political and social instability in the selected countries; spread of Ebola virus to participating countries. The project recognised a number of external risks which caused significant delays in or cancellation of activities. These risks include the health environment (e.g., Liberia), institutional reorganisation (e.g., Timor-Leste), and politics and elections (e.g., Nicaragua). As these risks were beyond the programme's sphere, they were accepted by the project as is. No specific risk mitigation efforts were set up, but the risks were carefully followed by the WCO project manager as explained in the annual report.

Apart from the eight issues outlined above—all of which have been identified before or during the project—we believe that corruption may also pose important risks to the success of the programme especially in the long term. For instance, the project aimed to promote modern practices in customs administration (e.g., HS classification and valuation), but these best practices may be ignored or circumvented if bribery is widespread. These concerns also motivate the frequent rotation of customs staff, which as explained earlier, may result in lost knowledge and expertise gained from trainings, seminars, and workshops provided by the project. Corruption may likewise affect the stability of project implementation via the volatility in customs leadership as was the case in Tanzania where, according to an interview respondent, a recent Director General was replaced because of corruption charges.

From a review of project documents, it appears that the programme's risk management plan did not explicitly include corruption despite its relevance for the beneficiary country's local environment. For example, in Mozambique, we spoke to a representative from a non-profit citizen watchdog organisation who described rampant corruption in the customs office. Policy studies have also shown that in different settings, customs officers are often seen as less transparent and most corrupt among public authorities (e.g., Centre for the Study of Democracy, 2005; Begovic et al., 2002). Additionally, Transparency International's Corruptions Perceptions Index for 2016 reports that many countries participating in the Norad/WCO project are plagued by untrustworthy and badly functioning institutions

(Transparency International, 2018).⁹ Corruption is therefore a concern that merits monitoring during project implementation, similar to other risks indicated in the risk management plan.

Cross-cutting Themes

Among Norad's cross-cutting themes of women's rights and gender equality; anti-corruption; climate and the environment; and human rights, we find that only the first two were specifically included in the overall programme design. While attempts were made in all participating customs offices for gender-inclusive implementation, well below half of all participants in the project were women. Specifically, statistics obtained from the WCO project manager show that of the estimated 2060 individuals who participated in technical assistance and capacity building activities across all countries, only approximately 500 (24%) were female. Anecdotal evidence and field observations suggests that this discrepancy between male and female participation may be in part due to the low representation of women in the labour force of the customs administrations in the first place. However, we lack precise statistics on the percentage of all customs workers that are women in each of the beneficiary countries, so we are not able to assess whether the overall 24% female participation rate is high or low.

As will be discussed in the country-specific findings in the next section, the project design also incorporates the cross-cutting theme of anti-corruption: both the Rwanda and Liberia components focused specifically on integrity issues. In Rwanda, the sub-project aimed to build capacity among customs officers to develop an integrity communication strategy as well as to support the development and implementation of an integrity communication campaign. Similarly, in Liberia, the sub-project sought to promote integrity through an automated performance measurement system and providing customs staff with training on using this system for monitoring operations.

⁹ Transparency International's Corruption Index for 2016 shows the following rankings for the partner countries in the WCO capacity building project (higher ranking means higher corruption): Liberia (90); Rwanda (50); Tanzania (116); Mozambique (142); Vietnam (113); Nicaragua (145); and Timor-Leste (101).

Despite these integrity-related programs, we are unable to observe any positive or negative effects of the project on anti-corruption. Indeed, previous research has shown that corruption is extremely difficult to measure and to detect with high accuracy (e.g., Olken & Pande, 2012).

Furthermore, we find that the programme activities interfaced with the theme of climate and the environment, although this issue was not directly stated in the project activities. In particular, the project involved much air travel with an average of 15 missions per year and appears to have also made use of business class flights. Consequently, the programme may have had negative impacts on climate change and the environment. Estimates from the International Civil Aviation Organization's Carbon Emissions Calculator suggest that a round-trip, direct, premium class flight from Brussels to Kigali results in 1,544 kilograms of CO₂ per pax, whereas the same trip on economy class yields less than half of that amount at 771 kilograms of CO₂ per pax.¹⁰ Future projects may therefore consider mitigating climate impacts by putting greater emphasis on economy class flights, to the extent possible.

Finally, the programme did not identify, adopt specific strategies, or provide any reports on the cross-cutting theme of human rights. This end-review was therefore unable to find any positive or negative impacts of the project on human rights. Nevertheless, human rights-related issues such as human trafficking fall within the realm of customs controls. Hence, it is conceivable that the project may have affected human rights by building the overall knowledge, skills, and capacity of the customs administration.

¹⁰ See <https://www.icao.int/environmental-protection/CarbonOffset/Pages/default.aspx>

Country-specific Findings

Liberia

Background

The sub-project aimed to provide support for integrity policy promotion in the Liberia Revenue Authority (LRA) through the introduction, together with UNCTAD, of an automated performance measurement system. In addition, the sub-project provided technical assistance in reviewing stakeholder engagement strategies and performance contracts to enhance the knowledge and capacity of LRA officials in managing relations with external stakeholders. WCO missions to Liberia took place in 2013 to 2014; however, the Ebola epidemic suspended the project activities. Activities resumed only in 2016.

Relevance

Project objectives were in line with the country's national reform agenda and priorities. The Liberia Customs Administration named integrity as one of the key elements in the Department of Revenue's Strategic Plan for the period of 2011–2013. Furthermore, during the Integrity Self-Assessment Workshop held together with the WCO in January 2011, it was concluded that an automated use of customs operations in Liberia would be critical for improving transparency and monitoring performance of customs officers. In addition, Liberia also requested support from WCO to introduce a performance measurement system similar to the one launched in Cameroon and Togo.

Due to its importance as a location with large revenue collection, the Port of Freetown in Monrovia was selected as the main project site. According to a WCO mission report, "the Liberia Customs selected its offices at Freeport for the implementation of the automated system to monitor customs staff performances that will be developed with WCO

support, as up to 85% of the total revenues of the Country are collected at Freeport.”

Effectiveness

All Norad/WCO project activities were largely completed. The ASYCUDA Performance Management Module (ASYPM) was introduced together with support from UNCTAD.¹¹ This module, which is part of ASYCUDA (Automated System for Customs Data), allows for the measurement of the data recorded in the system. The performance system was adapted to the customs clearance system, and relevant trainings were organized to educate customs officers on utilising the system as well as on extracting and analysing data. Moreover, the LRA assigned a permanent team consisting of 8 representatives from different departments to manage the ASYPM. In total, the sub-project provided training on performance management, integrity, and engagement with stakeholders and capacity building support to 86 male and 14 female beneficiaries.

The project achieved several milestones, including the decision by the top management to use the ASYCUDA system for automatic assignment of declarations as well as for more selective re-routing to the red channel. This outcome enhanced the efficiency of overall operations. In addition, the LRA introduced a monthly meeting at the management level to discuss and stay up-to-date regarding stakeholder engagement strategies and policies. However, the frequent rotation of the operational staff at the Port of Freetown in Monrovia complicated project implementation. Staff rotation had significant negative impacts because any new employee would require very specialized and technical training and knowledge on the use of the ASYCUDA system. A refreshment training was organized after the Ebola epidemic was over.

¹¹ UNCTAD created a specific performance measurement module based on the success story of Cameroon Customs that was widely shared in the Customs community.

Sustainability

It is premature to conclude whether the national partner institution demonstrated real ownership of the project. Several interruptions that occurred during the project period, particularly the Ebola epidemic, required additional interventions to ensure all the activities were completed. Moreover, highly frequent rotation of personnel may complicate ownership of the project by the LRA. From this perspective, the Commissioner's pledge to ensure that ASYCUDA team members will not be exposed to frequent rotation was very critical, and it may also increase project sustainability in the future. The greater level of commitment demonstrated by the senior staff and high-ranking officials of the LRA at the end of the project may further strengthen the continuity of impacts even beyond the conclusion of the programme.

It remains uncertain whether the LRA has the capacity to maintain the ASYCUDA system without external support after the project period. But overall, the project was designed and implemented in a manner that largely enabled the national partner institution to benefit from the training after the project ended. Moreover, the WCO approach to capacity building was implemented in accordance with the international best practices and was likewise adapted to local needs, as mentioned earlier.

Impact

It is difficult to measure the broader effects that the sub-project has had on society since most project outputs were completed in the final phase. Therefore, it is too early to evaluate the sub-project's overall impact.

Risk Management and Cross-Cutting Themes

According to the first annual report, gender equality was not included as an explicit target in this sub-project because the emphasis was on monitoring the operational performance of key staff through the ASYPM, regardless of gender. Nevertheless, we find that female representation in sub-project activities was quite low: among all customs LRA staff who received technical assistance and capacity building as part of the sub-project, less than 20% were female.

Since the core theme of the sub-project concentrated on integrity and performance management, the activities may result in positive impacts on anti-corruption in Liberia in the long term. However, it is difficult to assess this point given the challenges in measuring and observing corruption. In addition, the project may have had negative impacts on climate due to the use of business class flights for air travel by WCO experts. No positive or negative impacts of the project on human rights or anti-corruption in Liberia were observed.

Rwanda

Background

The objective of the sub-project was to provide technical assistance on integrity and stakeholder communication. The project beneficiary was the Rwanda Revenue Authority (RRA), while the target group consisted of customs officers at the RRA. In-country missions for this sub-project began in March 2013 and concluded in 2017.

Relevance

The scoping mission in Year 1 of the sub-project helped to ensure project relevance. Integrity and the fight against the corruption are major policy priorities in Rwanda and have been promoted by the government for many years. In this respect, the mission objective was in keeping with the country's overall reform agenda. This country-wide pursuit of integrity facilitated the achievement of the sub-project's objectives as well as the positive response of both internal and stakeholders throughout the project. However, factors such as frequent rotation and limited continuity in the work of the RRA hindered the implementation of the stakeholder communication strategy. Although a document outlining this strategy has been drafted, the communication campaign has not been put in practice until today.

Effectiveness

Several hundred individuals benefitted from trainings provided by the sub-project. In particular, more than 270 officers attended trainings on integrity awareness in stakeholder communication, and more than 70 clearing agents received similar training on integrity as well. In 2017, the RRA provided orientation on integrity policy to 47 newly hired officers; the module on integrity in this orientation had existed before the Norad/WCO project was launched but was modified as part of the project. The updated version of this module has already been approved by the RRA and is set for implementation in 2018.

In addition to the new orientation module on integrity, the RRA is also planning on introducing a revised version of the Code of Conduct (CoC) and the anti-corruption strategy in 2018. These documents were

updated by the RRA with support from the WCO as well as inputs from the RRA Integrity Committee (IC). Several officers from the Quality Assurance Department also provided comments during the revision process. As described by several interviewees during the fieldwork in Rwanda in January 2018, the revision and update of the CoC helped to better classify different groups of risks and types of misconduct. The update also included new measures for identifying and dealing with the customs-related integrity issues, such as under-valuation and misclassification.

During our fieldwork, we met with representatives of the following departments of the RRA: investigations department of the customs office; risk management department; tax payers' department; customs office department; customs office of the border control agency; and quality assurance department. These officials form the IC that was established as part of the Norad/WCO project. As of January 2018, the IC consisted of a total of 10 members, and we learned during our field work that committee members are selected based on merit. Although the private sector is not currently part of the IC, the RRA has plans of including external stakeholders such as members of the Freight Forwarders Association of Rwanda. Importantly, the creation of the IC can be viewed as the major achievement of the project.

The project achieved its intended objective to the extent that it raised awareness of the need to streamline stakeholder communication, to constantly maintain such communication channels, and to spread knowledge about the integrity policy throughout the RRA. Moreover, it fostered a norm of institutionalising integrity policies at the administration as evident in the installation of the IC. And yet, this body has had only limited functionality so far: it has not been able to serve its main purpose. For instance, committee members meet only on an ad-hoc basis (e.g., twice a year, on average). IC members likewise indicate that the purpose of their meetings is generally to attend workshops and seminars or whenever a need arises. Therefore, it appears that they do not regularly meet for their main function—that is, to discuss measures and tools for improving and promoting integrity both in and out of the RRA.

According to a WCO mission report, “one of the main factors that will determine the success of the IC in the longer term will be its visibility within RRA. As observed earlier, the status of the reviewed documents about IC is somewhat erratic, indicating a potential gap between the various ideas behind integrity work and the degree of formalisation within the institution.” As of January 2018, the IC has had only limited visibility in the RRA and is still in the very early stages of development. Its members lack clear understanding of the functions of the IC, and they view the committee as an additional work burden rather than as an instrument for facilitating policies and communication on integrity issues. Committee members likewise lamented that their daily responsibilities at the RRA leave little time for work with the IC.

One of the activities that failed in the Rwanda sub-project involved the communication campaign. While a proposal for such a campaign was developed during the project, it was never implemented. Interviewees cited budget constraints on the part of the RRA as the main barrier to implementation. Internal stakeholders we spoke to during our field visit also expressed some dissatisfaction with the sub-project’s structure: they suggested that the activities focused too much on revising materials, without providing any training on how to use these materials in practice. Respondents also made this same point regarding the formation of the IC and the need to train people on how this entity should operate. As respondents mentioned, “while the purpose of the IC was clear, we do not understand how it should work.”

Sustainability

Scarce resources and limited staff capacity cast doubt on the sustainability of the IC beyond the project period. The IC needs to be operationalised to become a proactive and preventive tool on integrity issues, and the situation on the ground is currently far from this ideal. Furthermore, it is unlikely that the communication strategy and communication campaign will be implemented without any external support upon the conclusion of the project.

A major risk to sustainability is the frequent rotation of personnel. This risk was identified by the WCO during the project, and corrective

actions were undertaken to ensure continuity. For instance, newly hired employees were (and continue to be) trained on integrity as part of orientation package. Document analysis and our field observations likewise show that the WCO's approach has conformed with international best practices, but importantly, the project was not fully adjusted to local needs. Although the project objectives were consistent with the local reform agenda, some project participants stated the WCO experts had limited country-specific knowledge, thus complicating interaction and project implementation in some way.

Impact

The IC is a critical factor in the sub-project's overall impact: given that the IC is composed of staff from different departments of the RRA, the committee members act as focal points for fostering awareness on integrity throughout the entire institution. Prior to the project, the customs office was the main body responsible for integrity dissemination. In addition, external stakeholders participated in trainings during the project, therefore extending programme impacts in spreading of knowledge outside the RRA. Notably, the project also contributed to the institutionalisation of the norm of "integrity policy" in the activities of the RRA.

Risk Management and Cross-Cutting Themes

Gender equity in participation in project activities appear to be quite mixed. On the one hand, 50% of the members of the IC are women, and female customs staff have played an important role developing key strategy documents as well as in coordinating the overall project. On the other hand, the proportion of female staff during trainings were quite low. For instance, the annual report shows that of the 85 trainees during Year 5 of the project, only 20 were women, corresponding to 24%.

As with the Liberia, the Rwanda sub-project addressed the issue of integrity, so the project may positively impact anti-corruption in the long term. Additionally, the multiple in-country missions using business class flights may have contributed to negative effects on the climate. Finally, no positive or negative implications of the project on human rights were identified.

Tanzania

Background

The sub-project in Tanzania, benefitting the Tanzania Revenue Authority (TRA), sought to achieve the following two objectives.

1. Male and female officials have increased their knowledge on customs classification and valuation practices and procedures.
2. TRA has started implementing revised classification, valuation, and origin procedures.

In line with these goals, the activities implemented in the sub-project were designed to enhance the skills and knowledge male and female TRA staff on valuation and classification (e.g., through trainings and seminars). The sub-project also supported the design of revised classification and valuation procedures.

Relevance

Some evidence from the first annual report suggest that the programme's emphasis on valuation and classification was generally well-suited to the necessities and priorities of the TRA. In particular, the HS classification and valuation component was developed through a scoping mission that was conducted by the WCO during the first year of the project. With this scoping mission, the WCO gathered information on the ground and assessed the needs of the TRA. Importantly, the mission resulted in a work plan that was endorsed by upper echelons of TRA management (WCO, 2013).

In addition to the scoping exercise at the inception of the project, initiatives carried out in subsequent missions were consistent with the TRA's goals. For example, in the second project mission to Tanzania, the WCO expert proposed implementing joint workshops with customs clearing agents to improve the relationship with the private sector, an approach directly related to the TRA's *Fourth Corporate Plan* to "develop and implement a comprehensive taxpayer service and education programme" (Cremer, 2013). Furthermore, in reviewing the TRA's Post-Clearance Audit (PCA) infrastructure and technical knowledge, the WCO

implemented their *Diagnostic Tool on PCA and Infrastructure*, thus ensuring that the recommendations are appropriate to the operating environment of the TRA (Cremer & Wood, 2015).

Although the initial reports indicate that the programme was overall quite relevant for the partner country, a few activities were discontinued during the project's third year. The annual progress reports explain that these activities were cancelled at the request of the TRA because they were no longer priority areas for the customs office. This implies that the fit of the project *vis-à-vis* the partner country's needs, interests, and core problems is a dynamic rather than a static question. Therefore, activities that were deemed relevant at the beginning of the project were no longer relevant from the TRA's perspective two years later.

Effectiveness

Given the objective of building the expertise of TRA staff on valuation and classification, the main component of the project involved a number of training sessions. Based on a review of annual progress reports and mission reports, Table 5 and Table 6 show the activities (i.e., training seminars) and outputs (i.e., number of seminar attendees) on *valuation* and *classification* that have been completed under the project during Years 1 to 6.

Table 5: Tanzania, Valuation Training Seminars

Date	Seminar Description	Total # of Seminars	Total # of Attendees
07/2013	Training-of-trainers, led by WCO expert	1	No data available
03/2015	Pilot training event, led by TRA trainers	1	16 customs officers
08/2015	Training event, led by TRA trainers	1	35 customs officers
02/2017	Training event, led by TRA trainers	1	23 customs officers

Table 6: Tanzania, Classification Training Seminars

Date	Seminar Description	Total # of Seminars	Total # of Attendees
11/2013	Training-of-trainers, led by WCO expert	1	14 customs officers
10/2014	Training event, led by TRA trainers	4	109 participants*
12/2015	Training event, led by TRA trainers	2	62 participants*
10/2016	Training event, led by TRA trainers	1	No data available
07/2017	Regional Workshops for Classification	4	251 participants*

** This count includes participants from both the private sector as well as customs officers. For the 12/2015 seminar, the 62 participants consist of 46 from the private sector and 16 from TRA.*

Together, these tables show that a total of 16 valuation and classification seminars have been implemented—of which 10 were delivered by TRA trainers—benefitting hundreds of participants. As part of the project, seminar participants were also required to complete the learning modules on the WCO’s online e-learning platform before attending the training. However, in practice, it appears that not all seminar participants did so, as the TRA was not able to provide WCO with the full list of persons requiring access prior to the seminar itself.

While the project has accomplished many training events with a large number of seminar beneficiaries, the extent to which it increased the valuation and classification capability of TRA staff remains unclear. Indeed, neither attendance at seminars nor access to online resources necessarily imply increased proficiency. Unfortunately, no quantitative or qualitative information on customs officers’ level of knowledge before and after the programme was collected. Therefore, it is not possible to assess whether the first goal of the programme—that is, improvements in the valuation and classification skills TRA staff—has truly been achieved. That being said, project documents did indicate that these

training seminars have overall received active participation as well as positive feedback from attendees.

The second objective of the programme endeavoured to support the TRA in designing and revising their procedures for valuation, classification, and PCA. To this end, the following activities were successfully completed: (1) a feasibility study for a dedicated customs laboratory; (2) a study visit involving 9 TRA officers to the South Africa Revenue Service (SAR) to review their systems and procedures for PCA; (3) a training workshop on PCA for 15 core TRA officers. In addition, several project management workshops were carried out in 2017. At the same time, the project was unsuccessful in attaining several planned outputs. Some activities were abandoned completely (e.g., development of an advance ruling system), whereas others were postponed on multiple occasions (e.g., review of classification procedures).

Three key factors seemed to have contributed to the cancellation of several project activities. First, interviewees cited the volatility in staffing at the TRA management level, as shifts in priorities often accompany changes in leaderships. Second, the lack of organisational capacity from the partner customs office may have also played a role. For example, the project activity on reviewing the TRA's valuation processes initially aimed to ensure that the TRA applied valuation procedures that are consistent with the WTO agreements. However, the TRA openly stated that they often do not apply these procedures and requested the activity to be cancelled (WCO, 2015). Finally, for some project components, additional legislation was required to support the implementation, so activities were put on hold throughout the project until such legislation has been enacted. For these reasons, little evidence exists that the sub-project has made significant changes to the TRA's valuation and classification procedures.

Efficiency

Total Norad outlay for the Tanzania component amounted to EUR 139,781 for Years 1 to 6 of the project (excluding WCO in-kind contributions). From statistics we obtained from the WCO project manager, we find that during Years 1 to 6, the sub-project funded 14

missions to Tanzania over an estimated 161 WCO expert-days (i.e., excluding time preparing for missions, remote support, etc.). Therefore, Norad's expenditure funded in-country mission with an average cost per mission of EUR 9,984 and an average cost per WCO expert-day spent in-country of EUR 868. Many project outputs were initially scheduled to be delivered in Years 2 and 3, but in practice, several key activities (e.g., workshops conducted by TRA trainers) were fully completed only in the final three project years.

Impact

Beyond capacity building on valuation and classification, the programme has had broad positive impacts in strengthening the TRA's engagement, communication, and interaction with private sector stakeholders. Documents from the early stages of project reveal a fraught relationship between the customs office and the trade community. For example, in a mission report, Cremer (2013) noted many difficulties between the customs office and clearing agents, with over 80% of declarations rejected by the customs office for various reasons. Furthermore, during WCO missions, representatives of the brokers' associations raised issues regarding customs officers' handling of declarations, such as refusing to accept documents that brokers believed to be accurate.

The project seems to have brought about constructive developments in this difficult working environment between customs administration and clearing agents. This change is manifested in the extensive turnout of customs brokers in different seminar events organized by the TRA. As described in Table 6, private sector stakeholders participated in large numbers during various classification seminars in 2014 and 2015. For 2015 in particular, participants from the private sector constituted almost 74% of all seminar attendees, vastly outnumbering participants from the customs office. Through covering technical topics related to valuation, classification, and procedural issues, these seminar events not only fostered better operations, but they likewise provided a platform for a candid discussion of the challenges facing both businesses and customs officers in implementing effective controls.

Sustainability

Evidence on the sustainability of the programme as demonstrated in project documents appear to be quite mixed. On the one hand, some aspects of the intervention are expected to continue after the programme has ended. For example, since stakeholder engagement has been quite successful, further activities in this area have been planned for the future. Additionally, the Tanzanian government has decided to move forward with setting up a customs laboratory and is carefully considering the results of the feasibility study that was created as part of this project. Although this project does not include physically setting up the laboratory, it has contributed to facilitating dialogue for further assistance with the donor community. Indeed, the Swiss Customs has already offered technical assistance in implementing the recommendations contained in the feasibility study.

On the other hand, it is not certain whether other components of the intervention will be maintained beyond the life of the project, especially due to turnover in staff and TRA management. For instance, while the core group of TRA trainers have taken the initiative to deliver training sessions without WCO technical assistance, the annual reports indicate that this core group of trainers has changed almost every year, as staff have moved on to other posts. Importantly, TRA leadership also changes quite frequently; these changes often result in movements in the institution's focus, so that existing activities may no longer be continued.

Risk Management

The main risk to the project, as identified in programme documents, lies in the fact that the customs office rotates staff every two years in an effort to reduce corruption. This poses a risk because a high level of specialization is required for valuation and classification officials, so expertise and knowledge on these issues may be lost when officers are rotated to different positions. The first annual report indicates that the WCO raised this concern with the TRA management, who agreed to analyse and propose adjustments to the situation. But since it is external to the project, this risk was accepted, and no risk mitigation strategies were in place.

Cross-Cutting Themes

Overall participation of women in the sub-project was quite low; for instance, according to the annual reports, only 12 (13%) of the 89 trainees in Year 5 were women. In addition, as with other sub-projects considered in this review, the carbon footprint from business class flights taken by WCO experts for missions to Tanzania have had negative impacts on climate and the environment. Lastly, project documents provided for the review did not show any positive or negative impacts of the project on human rights or anti-corruption.

Mozambique: Risk Management

Background

The sub-projects in Mozambique provided support in two areas: (1) risk management (RM), and (2) human resource development (HRD). In this section, we consider the first of these two components, while the second component will be discussed in the next sub-section.

The RM component sought to accomplish the following two aims.

1. Male and female customs officials have increased their knowledge on risk management and/or compliance.
2. The Mozambique Revenue Authority (MRA) has started implementing revised risk management procedures.

With these goals at hand, project activities were designed to provide the MRA with technical support in developing an RM framework and related policies and procedures. The project also assisted the MRA in setting up risk assessment modules in their customs management systems.

Relevance

Similar to other sub-projects in the Norad-funded programme, a scoping mission was implemented in Year 1 to bring project activities in line with the MRA's goals and strategic plans. The scoping mission was implemented in April 2013 in Maputo, and at the end of the mission, the proposed content and approach of the project was discussed with MRA management as well as the Director General of Customs. No further information on the scoping mission was available from project documents obtained for the review.

Aside from the scoping mission, respondents during the review team's field visit Maputo noted that project activities were relevant in building capacity at the MRA. For example, one interviewee explained that prior to the sub-project, there was lack of clarity at the national level on how risk management procedures should be implemented; project activities therefore played an important role in harmonizing these procedures

across the country. In addition, another interviewee mentioned the general lack of human capital among customs staff, so training workshops provided in the programme were filling an important gap.

Despite the above evidence, it is also important to note that during the course of the sub-project, some planned missions and inputs were cancelled at the request of the MRA. In particular, the fourth annual report writes that “two planned missions were cancelled, and overall interest and commitment has been poor” (WCO, 2016). From a ‘revealed preference’ standpoint, the lack of interest from the MRA may indicate that some activities may not have been useful in addressing their needs. However, it may also be the case that the MRA did not have enough organisational abilities to take advantage of some of the support provided by the project.

Effectiveness

For the Mozambique component as a whole, the WCO carried out 13 missions, corresponding to 182 expert days spent in-country (i.e., not including staff time in preparing or debriefing for the mission and in providing remote support). Through these missions as well as remote assistance, the sub-project in Mozambique has successfully executed all planned activities and achieved all planned outputs. These outputs include the following:

1. Completion of several key documents, particularly the RM framework, RM handbook, and RM procedures manual, which were endorsed by senior management.
2. Development of risk profiles, and subsequently, activation of these risk profiles in the customs’ single window system.
3. Establishment of a risk management committee.
4. Training of trainers led by WCO for a newly established RM Training Team within the MRA consisting of 6 operational managers (5 male, 1 female).
5. Delivery of RM training seminars led by the RM Training Team.
6. Establishment of Points of Contact for each region, to act as “champions” of RM in their respective locales.

It may be that the process of achieving these outputs and the outputs themselves have contributed greatly towards achieving the goal of increasing knowledge of RM within the MRA. Indeed, the fifth annual report indicates that the RM Training Team has delivered training to nearly 180 customs officers across 7 regions within Mozambique (WCO, 2017). However, it is difficult to determine whether knowledge within the MRA has in fact increased and cascaded throughout the organisation for two reasons.

First, there appears to be no available data—either quantitative or qualitative—that measures participants' level of knowledge before and after any training events. More generally, similar data does not exist to capture the MRA staff's understanding of RM before and after the implementation of the overall project. As a result, it is not possible to methodically evaluate progress by, for instance, comparing the situations in the pre- and post-intervention phases.

Second, interviews during the review team's field visit in Maputo reveal potential gaps in the dissemination of RM-related information within MRA. For instance, the vast majority of customs officials we interviewed have not seen the key documents produced by the project (i.e., RM framework, RM handbook, and RM procedures manual). In addition, almost all of our interviewees have not yet had the opportunity to attend a training session delivered by the RM Training Team. Respondents at the most senior-level did state—although primarily based on self-reports—that there is better understanding of RM throughout the organisation because of higher revenue collection. Nevertheless, revenues may increase due to many different factors beyond the control of the project, so the causal effect of the intervention on revenues via increased knowledge will be difficult to isolate.

Whereas direct evidence on increased knowledge are unavailable, the project's outputs demonstrate that the MRA has started to implement revised RM procedures. This result is particularly apparent in the risk profiles, which were employed in all customs offices that the review team visited in the field. Even so, challenges remain in incorporating RM at the operational level: across the Maputo seaport, the border clearing

facility at Ressano Garcia, and the Maputo airport, all declarations that have been assigned by the customs management system to the green channel are manually upgraded by customs staff to the red channel. Consequently, all shipments are scanned and/or physically examined, a practice that is not consistent with a risk-based approach.

Efficiency

Project documents obtained for this review did not include information broken down by each of the two Mozambique sub-projects. Therefore, in this section, we consider both RM and HRD components together.

The total cost of the two Mozambique components for Years 1 to 6 amounted to EUR 198,042, excluding WCO in-kind contributions. This expenditure amounts to 12% of all Norad outlay, which funded a total of 13 missions and 182 WCO expert days spent in-country on missions (e.g., excluding time preparing for missions, remote support, etc.). Given these data, the average cost per mission across the two Mozambique sub-projects is EUR 15,234 and the average cost per expert day spent in-country is EUR 1,088, both excluding WCO in-kind contributions.

Most of the project activities and the accompanying expenditure occurred during Years 5 and 6 of the programme. Broadly speaking, project start-up was quite slow because of delays on the part of the MRA. These delays also caused the second Mozambique component (i.e., human resource development) to be cancelled, to allow efforts to be fully devoted to the RM component. We discuss this issue further in the next sub-section.

During our field work in Mozambique, interview respondents expressed gratitude for the project support and mentioned that the WCO has done a wonderful job of helping the MRA during the programme period. Nonetheless, some interviewees also described difficulties in working with WCO staff due to language barriers. Mozambique is a Portuguese-speaking country, and because WCO experts spoke mainly English, an interpreter/translator was often required. Interviewees noted that this impeded information flow, especially when discussing risk management concepts and technical terms. Hence, it appears that

the interviewees would have preferred more support from a WCO expert who spoke the local language.

Impact

Evidence from both our field work and review of project documents suggest that the MRA as an institution has increasingly recognised the importance of risk management. Bearing witness to this critical change is the fact that the MRA's Strategic Plan for 2015-2019 includes an objective focusing on implementing risk management across the institution. Importantly, that Department for Audit, Investigation, and Intelligence (DAII), which is in charge of risk management, is in the process of becoming its own directorate. Doing so will put DAII at the same hierarchical level as the MRA's directorates for Customs General; Taxes; Common Services; Internal Control; and Strategic Planning. Further, DAII's responsibilities are expanding to include not only customs duties, but also domestic taxes. Together, these structural changes highlight the increased salience of risk management at the MRA. These changes stand in stark contrast to the period before the project began when, according to interviewees, DAII did not even have its own office.

Apart from fostering an MRA-wide understanding of the importance of RM, our interviews likewise suggest that the sub-project may have cultivated better communication between the risk management unit, customs field offices, and the country's conservation administration. For example, respondents at customs field offices commented that risk profiles were previously available only at the risk management unit, but they are now available at the customs field office itself which allows for smoother processing of declarations and inspection of high-risk shipments. One interviewee also reported that as a result, clearance times decreased by 10%, though it was not possible to independently verify this statistic.

Sustainability

In light of the institutional changes happening at the MRA as described above, it is highly likely that the risk management culture promoted by the project will continue beyond the project period. Nevertheless, as

explained earlier, important challenges remain in implementing a risk management approach and putting procedures into practice.

An important component of the activities that may be less sustainable is the RM Training Team formed under the project. While this training team started out with 6 people at its inception, only 2 remain as active team members at the time of our field work, and others have moved on to other positions. The remaining members of the RM Training Team also explained during our interviews that it has been difficult for them to carry out further trainings because of budgetary issues. In particular, they lack funds to provide lodging and transportation for potential participants, which is especially important for staff who may be coming from far-flung provincial areas.

Risk-Management

The organisational capacity of the MRA was identified by the project as an important risk to success, and indeed, it caused significant delays especially in the early stages. Interviews with the WCO indicate that they made continuous efforts to address this issue through obtaining buy-in from senior management as well as constant communication with project counterparts (e.g., via WhatsApp). Furthermore, annual reports generally describe that as a risk management strategy, the WCO project manager closely monitored the situation in the field.

Cross-Cutting Themes

Although the project included gender balance as a specific objective, training participation rates of women were much lower than that of men. For instance, of the 177 trainees during Year 5 of the project, only 24 (14%) were women. The underrepresentation of females in project activities may be partly due to the low proportion of women staff in the MRA: according to a mission report in July 2017, only 13% of all customs officers were women. Similarly, across the entire MRA, only 24% of all personnel in the administration were women.

In addition to the theme of gender equity, the project also touches on climate and the environment because of air transport emissions from business class flights to Mozambique during WCO missions, which had

an average frequency of 2 trips for 2 experts per project year. Finally, there was no indication from programme documents of positive or negative impacts of the sub-project on human rights or anti-corruption.

Mozambique: Human Resource Development

Background

The second sub-project in Mozambique focused on the area of human resource and training policy. This component endeavoured to achieve the following two objectives.

1. Male and female customs officials have increased their knowledge on human resource development.
2. The MRA has started implementing revised human resource training and development plan that includes e-learning.

Unfortunately, almost all activities were cancelled due to lack of organisational capacity of the MRA. We discuss the implications of this outcome in more detail below.

Relevance

The human resource development sub-project in Mozambique was developed through a scoping mission in April 2013 to ensure its relevance to the MRA. In addition, the WCO conducted a field visit to Maputo in August 2013 to launch the activities in the sub-project. In this mission, a WCO expert analysed the current situation and found that the provision of training in the MRA was driven largely by the training delivery capacity of the administration's Training Directorate, rather than the needs of the MRA (Stow, 2013). Therefore, the activities in the sub-project were pertinent in developing a coherent training policy within the MRA and to strengthen their human resource development.

Effectiveness

The overall effectiveness of the project appears to be limited. Because implementation progress in Mozambique has been overall quite slow, the WCO and the MRA mutually agreed to cancel the sub-project during Year 3. Doing so allowed efforts and resources to be more concentrated on the Risk Management component of the programme.

Nevertheless, the project completed several activities. First, prior to cancellation, the WCO completed a mission in Maputo during Year 1 to

administer a Training Needs Analysis (TNA) workshop, benefitting a designated TNA team at the MRA consisting of 3 male and 1 female staff. The workshop discussed the theoretical principles of TNA and enabled participants to gain practical TNA experience in observation, interviewing, and using a task analysis document. Furthermore, the TNA team, together with the WCO expert, developed a plan for an MRA-wide TNA. The TNA was finalized during Year 2, with the WCO expert providing remote support in this area during that year.

Second, as part of its objective of developing e-learning for human resources training, the sub-project provided MRA with access to the WCO's CLiKC! e-learning platform. However, during a mission in Year 3, the WCO technical staff found that the e-learning platform has been of little use because of hardware and communication issues, making it difficult to access the material. Additionally, the majority of the materials made available to the MRA through the e-learning platform were not in the local language (Portuguese).

Finally, the sub-project provided a Leadership and Management Development (LMD) Workshop for senior managers of the MRA in Maputo in September 2017, led by WCO experts. Although this activity was not part of the original project plans (e.g., as indicated in the Logical Framework), it was carried out at the request of the MRA. The workshop was delivered over 10 days, covering modules on management styles, strategic communication, people management, change management, and negotiations. A total of 16 MRA Staff (5 of which were female) fully benefitted from the workshop.

Efficiency

In available documents for this review, information on project expenditure lumped both Risk Management and HR/Training Policy components. Hence, it was not possible to consider the efficiency of the HR/Training Policy segment separately.

Impact

Because the sub-project carried out only a handful activities, its impact likewise appears to be quite limited. The two workshops that were

implemented in the sub-project—namely, TNA and LMD—equip the MRA staff with the basic capacity in performing and using TNA at the institutional level as well as with professional development that may contribute to wider reforms and modernisation at the customs administration. However, indications of these broader impacts in practice within the MRA remain to be seen.

Sustainability

The human resource development component in Mozambique was unfortunately not sustainable. Based on reviewing the documents and interviews with individuals involved in the project, two critical factors contributed to the cancellation of the activities.

The first concerns the low level of organisation capacity at the MRA. Indeed, the mission report and annual reports pointed to a number of challenges in coordination. For example, one mission report cited “the lack of feedback from the operations areas” as one of the difficulties encountered during field work (Stow, 2013). Additionally, the second annual report cited “delays in communication” with the Training Unit as a cause for delay in implementations of the work plan (WCO, 2014).

The second issue relates to institutional factors, particularly the frequent changes in senior-level management. In the Mozambican context in particular, there were three persons who served as Director General of Customs during the project period. As with other countries such as Tanzania, interviewees noted that the instability in leadership positions often results in changing priorities, thus posing difficulties for moving projects forward.

Despite the cancellation of the project, the MRA project counterpart discussed re-starting the activities with the WCO during the Capacity Building Committee Meeting in Brussels last March 2017. The MRA gave a presentation during this meeting to highlight the accomplishments of the Norad-funded activities and requested further support for the Human Resource Development sub-project. In response, the WCO conducted a short diagnostic study during a mission in July 2017, implementing the WCO’s People Development Diagnostic Tool to assess

the ongoing situation, to identify gaps and needs, and to provide recommendations. This diagnostic study will be useful in informing future activities in the HR component. The MRA appears to be very keen in pursuing HR development further; we were informed during our field work in Maputo that they have named 2018/2019 as the “Year of Human Capital,” and the MRA’s next 5-year Strategic Plan will focus on human development.

Risk Management

The lack of organisational capacity of the MRA was a critical risk in this sub-project, which eventually led to the cancellation of activities as explained above. Although this risk was identified by the WCO, no risk mitigation strategies were implemented because this risk is beyond the control of the project. However, the WCO project manager closely followed the situation on the ground.

Cross-Cutting Themes

Female participation during the sub-project workshops was less than equal to that of males: women represented only 25% of the TNA team and 31% of the LMD training participants, though these numbers appear to be slightly higher than the proportion of women working in the customs office. Project documents did not indicate any positive or negative impacts of the programme on human rights or anti-corruption.

Vietnam

Background

Vietnam received the largest proportion of funds in the entire Norad/WCO programme, which benefitted the General Directorate of Vietnam Customs (GDVC). At the start of the project, a scoping mission ran diagnostics on the needs of the country in developing and implementing an upgraded regulatory and licensing system for customs brokers. Attaining this goal required a multi-faceted approach that was effectively implemented. The GDVC successfully adopted the regulatory and licensing system (Circular 12/2015/TT-BTC) on 15 March 2015. A total of 18 WCO missions were carried out as part of the Vietnam sub-project.

Relevance

The project corresponded to the national needs and priorities of the country. A scoping mission in Year 1 conducted an extensive and thorough needs assessment, and relevant activities and thematic priorities were also implemented throughout the sub-project. Vietnam is a member of the Association of South East Asian Nations (ASEAN), and the sub-project activities helped to improve the country's capacity in implementing customs policies to facilitate trade within the region.

Effectiveness

An analysis of available programme documents reveals that the sub-project was effective as it largely met its goals. The main achievements of the sub-project are as follows:

- Design and development of the regulatory and licensing system for customs brokers.
- Development of a Stakeholder Engagement Strategy by the GDVC in close collaboration with internal stakeholders; adoption of performance indicators in tracking progress with stakeholder engagement.
- Creation of a Stakeholder Engagement Team and implementation of a Consultative Committee Pilot Programme.
- Successful meeting with the Stakeholder Engagement Team, with more than 200 customs officers as well as private sector

representatives (including those from other countries in the region) taking part.

- Implementation of a Stakeholder Engagement Strategy, as exemplified through the signing of the MoU between the GDVC and the Japanese Business Association in January 2017, which was also witnessed by the WCO experts.
- Review of licenses of 470 customs brokers after the adoption of the new Circular in 2015; validation and approval of the customs office for 140 broker licenses; provision of a clearer definition of a “customs broker”; increased number of approved licenses due to the new knowledge obtained by customs officers on stakeholder engagement.
- Development of a revised Strategic Plan (2016–2019) and a Risk Management framework.

Two major challenges complicated project implementation. First, excessive bureaucracy on the part of Vietnamese authorities slowed progress in meeting project objectives. As a result, additional time was required from WCO experts as well as from internal and external stakeholders to carry out project activities. Second, due to the poor (and often slow) communication between the authorities at different government levels, it was challenging to adopt and enforce regulations for customs brokers regulations; to apply the risk management framework; and to exchange feedback at the regional level.

Sustainability

The sub-project’s approach to capacity building conformed with leading international standards and was adapted to local needs. In particular, the regulatory and licensing framework was developed according to international best practices. The GDVC implemented a Stakeholder Engagement Strategy and likewise demonstrated ownership of the project during the programme period, as can be seen in the signing of an MoU between the GDVC and the Japanese Business Association. Moreover, one can cautiously conclude that the GDVC’s adoption of performance indicators for monitoring the success of stakeholder engagement should help institutionalize new knowledge and practices beyond the life of the project. However, it remains unclear how the

performance indicators will be enacted and who in the GDVC will have the main responsibility for monitoring these indicators after the project ends.

Further reform in the GDVC may likewise be required to make the project more sustainable in the long run. For instance, the GDVC may consider establishing an effective communication channel with private businesses and informing them about licensed customs brokers. Additionally, it may be necessary to change the risk profiles of licensed customs brokers from a “high risk indicator” to a “no risk indicator,” so that customs broker licenses may become more attractive for private sector actors.

Finally, several concerns that may limit project’s success beyond the project period are worth mentioning. First, customs practices that have been established under the project will require significant budget expenditures on the part of GDVC for long-term sustainability and further improvements. Second, the frequent rotation of employees in the GDVC may hamper institutional knowledge transfer. Third, the private sector, and SMEs in particular, remain poorly informed about customs procedures and generally lack in-house customs specialists who are knowledgeable about the customs regulations. Moreover, local firms see little value in utilising licensed customs brokers and often rely on the use of unregistered and non-licensed customs agencies. Thus, SME entrepreneurs and local firms need to be educated to increase their understanding of the role of customs brokers.

Impact

The project reached a variety of internal and external stakeholders with a visible positive impact on the functioning of the GDVC. The project also had positive effects on Vietnam’s standing in ASEAN in terms of customs policies. With the help of this project, the number of administrative customs procedures declined from 215 (i.e., in force before the project commenced) to 140 procedures (i.e., during the project). As a result, clearance times fell and matched the benchmark level of the “ASEAN Six.”

Risk-Management and cross-cutting themes

Both women and men took part in the trainings throughout the project period. Compared to other beneficiary countries in the Norad/WCO programme, the proportion of female training participants in Vietnam was relatively high, at around 35%. In a few training events, the number of female trainees was higher than the number of male trainees. The first annual report also indicates that the project intended to involve women entrepreneurs in the design and/or review of customs legislation and regulatory frameworks. However, no further details regarding this point was available in subsequent annual reports.

Apart from the gender cross-cutting theme, it is possible that the sub-project may have had an impact on anti-corruption given the subproject's focus on stakeholder communication and improving relations between the customs office and its users. Nevertheless, this small-scale end-review was not in a position to fully evaluate this outcome. Additionally, since the Vietnam component involved the most number of in-country missions (with around 3 missions per year and 3 staff per mission) across all beneficiaries, the sub-project may have had a large negative impact on the environment because of the extensive air travel and use of business class. Lastly, we identified no positive or negative impacts of the project on human rights.

Nicaragua

Background

The sub-project aimed to implement an Authorized Economic Operator (AEO) pilot programme and to introduce an AEO Working Group. To this end, the AEO Working Group received capacity building trainings and technical assistance in elaborating a communication strategy and in preparing an orientation package for potential AEO applicants. The main target group of the sub-project consisted of Nicaraguan customs administration personnel including decision-makers and operational staff on clearance process. The AEO programme was part of larger risk management approach, with the goal of strengthening the relationship between the customs office and the private sector. In particular, the programme sought to increase compliance, secure the supply chain, and reduce clearance times, thereby improving revenue collection and raising trade volumes.

Relevance

The sub-project objectives and activities matched closely with the national needs of the country. Moreover, the sub-project took advantage of regional experience, as the Nicaraguan authorities participated in a field trip to the Mexican customs office, which currently has an advanced AEO system in place. This field trip proved to be useful since the Nicaraguan customs officials gained first-hand understanding of how the AEO system functions, and they likewise observed clearance, renewal, cancellation and disqualification procedures in practice. Launching an AEO programme that corresponded with the AEO system in Mexico was overall beneficial for Nicaragua, especially to facilitate cross-border trade both on the intensive and extensive margins.

Effectiveness

The sub-project benefitted the Nicaragua Customs Administration (DGA or the *Dirección General de Servicios Aduaneros*). A scoping mission in December 2012 assessed the needs of the customs office. In addition, several more missions took place in November 2013, March 2014, April 2015, January 2016, May 2017, August 2017, and October 2017. WCO

experts also provided remote consultation to the AEO team at DGA before the first mission was launched.

The sub-project has fully achieved the following outputs:

- Development of a draft Communication Strategy – Technical support in crafting this strategy was provided to the AEO Working Group as well as the DGA Public Relations Unit. The draft was completed during Year 4.
- Formation of an AEO Working group – A separate working group was initially planned, but it was decided that the Customs Operational Technical Committee would play this role; as a result, AEO trainings were provided to the committee members. During the process, the AEO team was separated from the Customs Technical Division.

Further, the sub-project has partially achieved the following outputs:

- Companies for the AEO pilot programme – Only one company was selected to participate in the pilot. However, assessment and validation procedures for this company were not fully completed.
- Information workshop for potential AEO applicants – An information session was delivered to members of the Customs Operational Technical Committee.
- Collection of baseline evaluation data – The implementation of a Time Release Study (TRS) component to serve as baseline data was cancelled. A separate data collection as part of the Communication Strategy was ongoing as of January 2016.

The project underwent several changes during the implementation phase with a number of critical delays. For instance, the DGA and the WCO decided that the function of an AEO Working Group would be redundant as its responsibilities can be carried out by the Customs Operational Technical Committee. Also, only one company was selected for the pilot programme, so it was not necessary to establish a separate AEO team. Importantly, we note that in the early stages of the project,

the DGA provided only limited support for the AEO programme. The DGA's attitude and response to the project improved through the WCO training conducted in 2015, according to the WCO mission reports.

In fact, the DGA's interaction with the private sector was one of the major challenges during project implementation, and this issue was only partly addressed. The sub-project required cooperation from the private sector as AEO pilot participants, but the DGA did not manage to organize meetings with the firms and enterprises. Only one company agreed to participate in the pilot programme, and it submitted only 80% of the required data, further complicating the approval process. The said company asked for more time to collect and supply the remaining information, so the DGA needed to look for other applicants in the business community. However, this was never realized, and the assessment and validation components of the pilot AEO applications was not completed.

Since no single AEO validation was conducted, the new knowledge that customs officers obtained during the trainings was not applied in practice. We therefore conclude that the pilot programme did not meet all of its aims. This failure to fully meet the desired objectives may be due to an important limitation of the pilot programme: the inaccessibility and lack of interest of the private sector. Hence, providing relevant information to the private sector as well as educating them on the advantages of becoming AEOs may be necessary in the future. Although some discussions with the private sector were held during the project period, the WCO and the DGA agreed that various awareness-raising trainings and information dissemination events will be carried out for potential AEO applicants after the pilot programme ends.

To supplement the AEO pilot component, the sub-project likewise endeavoured to carry out a TRS to establish baseline data and to identify impediments in the clearance process. However, this activity was cancelled because the DGA indicated that they did no longer wished to proceed with the TRS. Given the lack of pre- and post-intervention data in the overall Norad/WCO capacity building project, the cancellation of the TRS further contributed to the data constraints in the end-review. A

mission report from January 2016 nevertheless mentions that as part of the Communication Strategy, baseline data collection was ongoing “via questionnaires and the setting-up of a Q&A forum on the DGA website.” The mission report also indicates that data collected from this activity will “help with the overall evaluation process.” The exact content (e.g., survey questions) and timing (e.g., baseline, midline, or endline) of these data remain unclear, and they were also not provided for the end-review.

Sustainability

The sub-project’s approach to capacity building was in keeping with international best practices and was likewise adapted to local needs. But in light of the implementation challenges described above, one cannot confidently state that the sub-project has enabled the partner institution to fully benefit from the training after the project ends. Strong engagement of external stakeholders may be necessary to push the impacts of the sub-project forward. Although nine companies have already expressed interest in participating in the AEO programme once the pilot phase and the pilot evaluation concludes, it will likely be difficult for the DGA to accommodate new AEO applicants beyond the project period. Since the pilot programme was only partly implemented and no proper assessments were made, the DGA may not yet be fully prepared to move from a pilot to a full-fledged AEO programme.

Impact

The broader effects of the sub-project on the partner institution and the society at large is quite limited. Specifically, securing the participation of the private companies and stakeholders was a major challenge in the AEO pilot programme. Therefore, the effects of the project can be seen primarily in building the capacity of the DGA regarding AEOs.

Risk Management and Cross-Cutting Themes

External factors such as the 2016 election process in Nicaragua slowed down the decision-making process within the DGA and stalled project implementation. As a consequence of these delays, the sub-project had little activity during Year 5, though several project activities were completed during the final project year, Year 6.

The Nicaragua sub-project did not explicitly include gender equality as an objective, and not much data exists on female participation during the project's activities. A mission report from April 2015 does show that 7 of the 12 participants of a Stakeholder Consultation Training Event were female. Additionally, during the same mission in April 2015, 3 of the 12 participants of project-related meetings (i.e., separate from the training event) were women. Furthermore, the first annual report writes that both the WCO and the DGA planned to promote the participation of female entrepreneurs in all sub-project activities involving external stakeholders; however, with the general lack of support from the private sector throughout implementation, it is likely that such plans did not materialise over the course of the project.

Compared to other countries in the Norad/WCO programme, fewer in-country missions were carried out in Nicaragua: the project completed only 7 missions (with around 2 WCO staff per mission) during the six years of the project period. Nevertheless, each mission produces a relatively larger carbon footprint because of the long geographic distance between the WCO headquarters and Nicaragua. Therefore, the negative climate and environmental impacts of this sub-project may still be quite substantial. Further, by bridging the relationship between the DGA and the private sector, the programme may potentially positively impact corruption, though this remains to be seen. Lastly, project documents obtained for this review do not indicate any positive or negative impacts of the project on human rights.

Timor-Leste

Background

The sub-project in Timor-Leste supported the Timor-Leste Directorate General for Customs (TLDGC), with the aim of achieving the following two outcomes.

1. All relevant Customs officials at the TLDGC have increased their knowledge and understanding of HS Classification, Customs Valuation and Intelligence.
2. All Customs officials at the TLDGC apply their increased knowledge and understanding of HS Classification, Customs Valuation and Intelligence.

To this end, the project carried out training seminars and workshops as well as assistance in drafting action plans. Importantly, as will be explained below, the TLDGC underwent a major restructuring process during the project period. As a consequence, some project activities were put on hold, and in the interim, the WCO provided advice and recommendations to inform the design of the TLDGC's reforms.

Relevance

The annual progress reports and mission reports indicate that the project was quite relevant to the overall objectives of the TLGDC, as evidenced in three key aspects. First, the project was consistent with the TLGDC's 5-year Strategic Plan for 2013-2017. For instance, the TLGDC has identified HS Classification and Customs Valuation, both of which are core components of the project, as critical areas for growth and development. The strategic plan likewise emphasized policies for facilitating trade and commerce as well as improving the collection of revenue, excise, and sales tax, thus making the project's capacity building activities on uniform, modernised customs standards a good fit (WCO, 2013).

Second, three of the first four WCO missions to Timor-Leste focused on developing a viable work plan for the project. An overview of these missions is provided in Table 7 below. During these missions, a WCO

expert conducted meetings, working sessions, and workshops with TLGDC leadership to determine the capacity building inputs that would best benefit the customs administration. Additionally, the TLGDC communicated the particular areas in which they would like to request technical assistance to achieve their target of increased revenue collection. Through these discussions, both the TLGDC and the WCO agreed on a schedule of activities on classification and valuation that was conducted throughout the life of the project.

Table 7: Timor-Leste: Scoping and Diagnostic Missions

Date	Programme Description	# Days	# of Attendees, Total	# of Attendees, Female
04/2013	Scoping Mission	5	10	4
12/2013	Working Sessions with Valuation and Classification Staff	5	10	4
09/2014	Project Management meeting with DG Customs, Heads of Various Customs Units	4	10	4

Note: The number of total and female TLDGC attendees are estimates, since no exact information was available from the annual reports and mission reports.

A particularly noteworthy feature of the implementation of the sub-project in Timor-Leste lies in the close cooperation between the WCO and other donor organisations working in the country, such as the World Bank, Australian Customs and Border Protection, USAID, and UNCTAD. As explained in detail in various project documents, the open dialogue between WCO, TLGDC, and these other donors helped not only to ensure that ongoing projects complement each other, but also to avoid duplication (WCO, 2013). For instance, the planned PCA component of the Norad-funded sub-project was eventually cancelled and replaced with activities on intelligence issues, given that the TLGDC's needs in PCA were already being fulfilled through a separate World Bank project.

Effectiveness

Project efforts in the Timor-Leste component focused on improving the knowledge and implementation of customs valuation, HS classification, and intelligence procedures. To accomplish these goals, the project carried out several trainings and workshops. Table 8 below provides a summary of these activities from a review of annual progress reports and mission reports. All of these events were led by WCO staff, except for the Basic Valuation Training in June 2016, which was led by the core team of TLGDC trainers.

Table 8: Timor-Leste: Trainings and Workshops

Date	Programme Description	# Days	# of Attendees, Total	# of Attendees, Female
07/2014	Valuation Policy Training	5	8	4
01/2015	Valuation Policy and Classification Workshop	5	18	8
05/2015	Train the Trainers Refresher Course	4	10	5
07/2015	Reform and Modernisation Workshop	1	14	4
02/2016	Risk Management and Intelligence Workshop	3	24	5
02/2016	WCO Intermediate-level Valuation Course	5	8	5
06/2016	Preparatory Workshop for delivery Basic Valuation training by TLGDC trainers	4	11	4
06/2016	Basic Valuation Training led by TLGDC trainers (pilot event)	4	11	8
07/2016	Reform and Modernisation Workshop (Brussels, Belgium)	3	2	1
05/2017	Project Management Workshop (Brussels, Belgium)	5	2	1

In addition to the above workshops, the project also carried out a mission in November 2017 to support the TLCS with migration to HS 2017. With the exception of the Reform and Modernisation Workshop in July 2016 and the Project Management Workshop in May 2017 which were both held in Brussels, Belgium, all of the above education events were carried out during WCO field missions in Dili, Timor-Leste.

The activities implemented in the project seem to have been effective in catalysing the TLDGC to put customs policies and procedures in place. As an example, early mission reports point out that the TLDGC did not have and written policies and procedures for most aspects of operations in customs. But as a result of the project, several draft policy papers were created by training participants, including a proposed implementation of an Advance Ruling System, a policy on the importation of motor vehicles to Timor-Leste, and a discussion paper on the separation of the T&V section from the entry processing function. Whether these draft policies will eventually be put in practice remains to be seen and is unfortunately not possible to evaluate as part of a small-scale desk review in a limited time frame.

Project documents further indicate that the success of the trainings, workshops, and other support activities may be attributed to the high level of engagement from the TLDGC. For instance, many of the WCO experts in their mission reports commented on the very active participation of the attendees during the project events. Moreover, the second and third annual reports explain that while customs administrations in most other project countries lack the organisational capacity necessary for implementing activities at the pace originally envisaged, Timor-Leste has been a notable exception. Hence, the commitment and organisation at the TLDGC appears to have played a critical role in the overall effectiveness of the programme.

Despite these achievements, it is important to note that the restructuring of the TLDGC posed important challenges during the project. This restructuring involved, among others, the creation of new departments, the shift of responsibilities across different directors, and the redesign of the structure of several sections. In addition, the country

was in the process of introducing a new Organic Customs Law, Valuation and Classification legislation and the Customs Procedures Code. Because of these institutional changes, project activities involving: (1) a review of valuation and classification procedures, (2) advice on customs valuation database, and (3) training on HS classification were postponed until the new legislations were effective.

Efficiency

Across Years 1 to 6 of the project and excluding WCO in-kind contributions, total Norad outlay for the Timor-Leste component amounted to EUR 202,466, representing 12% of all project spending. During this period, the WCO carried out 14 missions involving 157 expert days spent in-country during mission (i.e., excluding time preparing for missions, remote support, etc.). Hence, the average cost per mission (excluding WCO in-kind contributions) is EUR 14,462 while the average cost per expert day spent in-country is EUR 1,289.

A number of mission reports note positive feedback from the beneficiaries of the training and working sessions. Furthermore, during Year 3 of the project, the DG of the TLDGC wrote a letter to the WCO Director of Capacity Building to commend the “high level of commitment and quality of support” provided by the programme to their office (WCO, 2015).

Impact

While the crux of the programme concerns valuation, classification, and intelligence matters, mission reports suggest that the project has contributed more broadly towards building the training experience, presentation skills, and confidence of TLDGC core trainers. For instance, the “Train the Trainers” refresher course, implemented in May 2015, covered a number of *general* topics—including training needs analysis, design, delivery, and evaluation; role and responsibilities of a trainer; teaching methods—that can be applied not only in valuation and classification training, but in other types of seminars as well. As a result of this refresher course, TLDGC core trainers likewise gained a better understanding of “the importance of structured delivery, good organisational and classroom processes, and the need for systematic evaluation of training” (Wood & Argyle, 2015). These insights, in turn,

provide the TLDGC core trainers with the tools for effectively delivering a wide array of training content in the future.

Sustainability

The broad impact of the training events, consultations, and workshops over the course of the project appears to have fostered the overall leadership capacity of the TLDGC core trainers, enabling them to continue implementing seminars and trainings in the future. This allows for the effects of the project to be sustained beyond the project period. The potential sustainability of the programme is summed up in a mission report by in Year 5 of the project, which described “a major step forward in enhancing the confidence and belief in its own abilities to organize and deliver staff development” (Wood, 2016).

Consequently, the report indicates that moving forward, the TLDGC is expected to be less dependent on outside resources, as it will be able to meet most standard technical training needs from within its own capacity. Indeed, the fifth annual report already mentions that the utilization of new knowledge and skills (as delivered by the project) is already being integrated in future programming of the TLDGC. At the same time, an important caveat to note is that these on sustainability are purely based on a desk review as Timor-Leste was not one of the countries visited, so it may be that the situation on the ground is a lot more complex than what can be gleaned from annual and mission reports.

Risk Management

The annual progress reports and mission reports highlight two particular risks that confronted the project. Related to the issue of sustainability, the first concerns the major restructuring process that the TLDGC underwent during the project period. Because of this fundamental shift in the functions of the customs administration, an important concern is whether the knowledge gained in the project will be retained as part of the new organisation. The WCO made efforts to ensure such knowledge-transfer, particularly by working with the TLDGC and the Training Unit to develop a training plan. This training plan included continuous training delivery, so that knowledge may be preserved during and after the transition period.

The second risk in the project was the TLDGC's policy of rotating staff. Although this policy is necessary in some cases to address integrity issues, developing specialization of staff in valuation and classification requires significant investment. Capacities may be lost when staff working on these specialized areas are rotated out to other functions, thus presenting risks to the success of the project. To manage this risk, the WCO communicated recommendations to the TLDGC to minimize the impact of rotation of the operations of the administration. Correspondingly, the TLDGC revised the rotation policy to involve only operational staff and to exclude technical and valuation officers.

Cross-Cutting Themes

On women's rights issues, the first annual report mentions that while gender was not a specific target of the sub-project, "WCO trainers will encourage the participation of women in the courses that will be delivered in the areas of valuation, classification and Post-Clearance Audit (basic bookkeeping)" (WCO, 2013). Project data reveal that female TLDGC officers did benefit from trainings, workshops, and other support activities. Nevertheless, female participation is less than equal to that of men, at around 40% of all attendees.

As the sub-project involved extensive travel for in-country missions, the sub-project likewise has important negative implications for climate change and the environment. Indeed, the project implemented about 2 missions for 2 experts per project year, and experts generally appear to have used business class flights, resulting in more emissions relative to economy class seating. Furthermore, based on the reports that were made available as part of this end-review, no evidence exists that the Timor-Leste sub-component had any positive or negative impacts on human rights or anti-corruption. Nevertheless, one may imagine the knowledge and skills imparted by the project on classification and valuation may have positive impacts in these areas in the future.

Bibliography

- Andersson, J. (2011). *Appraisal of WCO's Funding Proposal to Norad on Customs Capacity Building for WCO members 2012-2015*. Sivik Konsult.
- Atkin, D., Khandewal, A., & Osman, A. (2017). Exporting and Firm Performance: Evidence from a Randomized Experiment. *The Quarterly Journal of Economics*, 551-615.
- Begovic, B., Mijatovic, B., Sepi, R., Vasovic, M., & Vukovic, S. (2002). *Corruption at the Customs: Combating Corruption at the Customs Administration*. Belgrade: Center for Liberal-Democratic Studies.
- Center for the Study of Democracy. (2005). *Anti-Corruption Reforms in Bulgaria*. Sofia: Center for the Study of Democracy.
- Chalendard, C., Raballand, G., & Rakotoarisoa, A. (2017). The Use of Detailed Statistical Data in Customs Reforms: The Case of Madagascar. *Development Policy Review*, <http://dx.doi.org/10.1111/dpr.12352>.
- Cremer, I. (2013). Tanzania Revenue Authority Action Plan. *Mission Report*. Brussels: WCO.
- Cremer, I., & Wood, P. (2015). Mission to Tanzania: Implementation of the Norad-funded sub-project on Valuation. *Mission Report*. Brussels: WCO.
- Development Initiatives. (2008). *Good Humanitarian Donorship: Indirect Support Cost Study*. Bristol, UK: Development Initiatives.
- Freund, C. (2016). Other New Areas: Customs Administration and Trade Facilitation, Anti-Corruption, Small and Medium-Sized Enterprises, and More. In J. J. Schott, & C. Cimino-Isaacs, *Assessing the Trans-Pacific Partnership. Volume 2: Innovations in Trading Rules* (pp. 66-71). Washington, DC: Peterson Institute for International Economics (PIIE).

- Gonzalez, A. D., Kuyama, S., & Othman, K. I. (2002). *Support Costs Related to Extrabudgetary Activities in Organizations of the United Nations System*. United Nations, Joint Inspection Unit. Geneva: United Nations.
- Hors, I. (2001). Fighting Corruption in Customs Administration: What Can We Learn from Recent Experiences? *OECD Development Centre Working Paper No. 175*, <http://dx.doi.org/10.1787/18151949>.
- MFA Finland. (2011). *Bi-Annual Report 2009-2010 of Development Evaluation*. Jyväskylä: MFA Finland.
- Norwegian Ministry of Foreign Affairs. (2007). *Aid-for-Trade: Norway's Action Plan*. Oslo: Norwegian Ministry of Foreign Affairs.
- Norwegian Ministry of Foreign Affairs. (2015). *Meld. St. 35 (2014–2015) Report to the Storting (white paper) Summary. Working together: Private sector development in Norwegian development cooperation*. Oslo: Norwegian Ministry of Foreign Affairs.
- Novick, G. (2008). Is there bias against telephone interviews in qualitative research? *Research in Nursing & Health*, 391-398.
- Olken, B. A., & Pande, R. (2012). Corruption in Developing Countries. *Annual Review of Economics*, 479-509.
- Procomex. (2017). *World Bank Doing Business 2017: Replication of the Survey in Brazil*. São Paulo: Procomex.
- Stokke, K., Valukchuk, R., & Øverland, I. (2018). *Myanmar: A Political Economy Analysis*. Oslo: Norwegian Institute of International Affairs (NUPI).
- Stow, P. (2013, September). Mozambique sub-project on Risk Management and Training Policy Management. Main findings on the mission on Training Needs Analysis (Maputo, 19-28 August 2013). *WCO Mission Report*. Brussels: WCO.
- Transparency International. (2018, 01 22). *Corruption Perceptions Index*. Retrieved from https://www.transparency.org/news/feature/corruption_perceptions_index_2016
- WCO. (2003). *Capacity Building Strategy: Prepared by the World Customs Organization on behalf of the International Customs Community*. Retrieved from <http://www.wcoomd.org/>

- </media/wco/public/global/pdf/topics/capacity-building/overview/cap-buil-strat.pdf?la=en>
- WCO. (2013). Customs Capacity Building for WCO Members 2012-2015. *1st Progress Report. October 2012 to July 2013. Report for the Norwegian Agency for Development Cooperation*. Brussels: WCO.
- WCO. (2013, April). Formulation of the contents and methodology of the Timor-Leste sub-project on HS Classification and Valuation based on the outcomes of the scoping mission (April 8-12, 2013). *WCO Mission Report*. Brussels: WCO.
- WCO. (2014). Customs Capacity Building for WCO Members 2012-2015.. *2nd Progress Report. 1st October 2013 to 30th September 2014. Report for the Norwegian Agency for Development Cooperation*. Brussels: WCO.
- WCO. (2015). Customs Capacity Building for WCO Members 2012-2015. *3rd Annual Progress Report. 1st October 2014 to 30th June 2015. Report for the Norwegian Agency for Development Cooperation*. Brussels: WCO.
- WCO. (2016). Customs Capacity Building for WCO Members 2012-2017. *4th Annual Progress Report. 1 July 2015 to 30 June 2016. Report for the Norwegian Agency for Development Cooperation*. Brussels: WCO.
- WCO. (2017). Customs Capacity Building for WCO Members 2012-2017. *5th Annual Progress Report. 1 July 2016 to 30 June 2017. Report for the Norwegian Agency for Development Cooperation*. Brussels: WCO.
- Willems, A., Tagliaferri, M., & Theodorakis, N. (2016). *Corruption Risk Assessment Tools in Customs and Trade*. 2016 OECD Integrity Forum.
- Wood, P. (2016, June). Mission to Timor-Leste: Implementation of the Norad-funded sub-project on Intelligence and Valuation. *WCO Mission Report*. Brussels: WCO.
- Wood, P., & Argyle, A. (2015, June). Formulation of a comprehensive national capacity-building support project to the Timor-Leste Customs Service (TLCS) in the field of valuation and classification in the framework of the Customs Capacity

Building for WCO members 2012-15 project. *WCO Mission Report*. Brussels: WCO.

World Bank. (2011). *Historical Data*. Retrieved from Doing Business Surveys: <http://www.doingbusiness.org/data>

World Trade Organization. (2017). *World Trade Statistical Review*. Geneva: World Trade Organization.

Appendix A

Terms of Reference: End-review of “Customs Capacity Building for WCO Members 2012 – 2015”

Background

Norad entered into an agreement with World Customs Organization (WCO) in 2012 to build capacity in customs administrations in seven different countries: Liberia, Rwanda, Tanzania, Mozambique, Vietnam, Nicaragua and East Timor. The project was originally meant to end in 2015, but the agreement was extended to December 2017. The total budget was originally NOK 16 million, but it was reduced to NOK 15.1 million in 2016 due to cuts in Norad’s budget line for private sector development. Norad also supported a similar project in 2007-2009, with a budget of NOK 2 million.

The project’s goal hierarchy is as follows:

Goal: Modernised customs administration

Outcome: Customs administrations from participating member countries apply modern management and customs practices in a specific area.

Outcome indicators:

- Performance management system is implemented (Liberia);
- Integrity communication strategy is developed and being implemented (Rwanda);
- Improved classification and valuation procedures are in place (Tanzania);
- Improved Risk Management practices and procedures are in place (Mozambique);
- Improved training management and training strategy are in place (Mozambique);

- Improved capacity to engage stakeholders and improved broker licensing policy are in place (Vietnam);
- Pilot AEO programme launched (Nicaragua);
- Improved classification and valuation practices and procedures (East Timor).

Output: Male and female custom officials from administrations in participating countries have acquired knowledge and skills on customs and management issues, related to the respective action area of the project.

Output indicators:

- Performance system adapted to customs clearance system (Liberia);
- No. of officials able to manage the performance system (Liberia);
- No. of officials with acquired knowledge of communications and able to implement integrity communication strategy (Rwanda);
- No. of officials with increased knowledge of classification and/or valuation administration best practices (Tanzania);
- No. of officials with increased knowledge of risk management practices (Mozambique);
- No. of officials with increased knowledge of training management and blended learning best practices (Mozambique);
- No. of officials with increased knowledge of stakeholder consultations practices (Vietnam); No. of officials with increased knowledge of broker licensing practices (Vietnam);
- No. of officials with improved understanding of AEO and its implementation process (Nicaragua); and No. of officials increased knowledge of classification and/or valuation administration best practices (East Timor).

Purpose

The purpose of this review is twofold: Assess the results of the project and provide recommendations that may inform a possible new project with WCO as the implementing partner.

Scope of work

The review should include, but not be limited by, an assessment of the following criteria and questions:

Effectiveness

- To what extent have the goal, outcome and output objectives been achieved in each country? Quantify results wherever possible.
- What were the major factors influencing the achievement or non-achievement of the objectives?
- Is the goal hierarchy sufficient and appropriate to track the results of the project?

Efficiency

- Has the project been cost-efficient in its design and implementation?

Relevance

- Is the project design (objectives and activities) in line with national needs and priorities in each country?
- Has the project included the most relevant activities and thematic priorities to achieve the overall goal in each country?

Sustainability

- Have the national partner institutions demonstrated real ownership to the project?
- Has the project (activities and objectives) been designed and implemented in a manner that enables the national partner institutions to benefit from the training after the project has ended?
- Is WCO's approach to capacity building in line with international best practice and adapted to local needs?

Impact

- To the extent possible, assess and describe the project's broader effects on the partner institutions and societies.

Risk management and cross-cutting themes

- How has WCO managed risks throughout the project, including the risk of corruption?
- Has the project had any negative effects on human rights, women's rights and gender equality, climate and the environment, or anti-corruption?

Implementation of the review

The review should consist of a desk review and field visits to WCO's headquarters in Brussels and two partner countries. A representative from Norad may participate in the field visits.

The Review team should consist of 2-3 consultants, including a team leader, with the following (combined) skills/experience:

- Significant experience in conducting reviews and/or evaluations of a similar nature.
- Experience from international development cooperation, including a good understanding of project monitoring and evaluation, results-based management and risk management.
- Good understanding of the organisation and operations of customs administrations and their roles in international trade and for revenue collection and a well-functioning private sector in developing countries.
- Good understanding of institutional capacity building in developing countries.

The tentative timetable is as follows:

Field work: November, 2017

Draft report: 3rd January, 2018

Final report: 24th January, 2018

Relevant Reading

- Project proposal, agreement, reports, etc.
- Andersson, Jens (2010): "Review of Norad's and Sida's support to WCO's implementation of the Columbus Programme"

- Itad (2015): “Evaluation of Norwegian support to capacity development”,
<https://www.norad.no/contentassets/fb8698c4e5b1449c81d0328a99c28813/evaluation-of-norwegian-support-to-capacity-development.pdf>
- World Customs Organisation (2003): Customs Capacity Building Strategy, <http://www.wcoomd.org/en/topics/capacity-building/overview/~/media/3C486A00F972488DB85F687EAF551FB.ashx>

Reporting

The report should not exceed 20-25 pages + annexes and should be written in English. The report should include a summary with main conclusions, lessons learnt and recommendations. The assignment also includes a presentation of the findings.

Appendix B

WCO Staff Members Interviewed

Field Work in Brussels, Belgium

November 8, 2017

1. Mr. Ermani Checcucci (Director, Capacity Building Directorate)
2. Mr. Matthew Bannon (Mercator Programme Delivery Manager)
3. Mr. Bernard Zbinden (Regional Manager, West and Central Africa)
4. Ms. Andrea Hampton (Project Manager for the Norad/WCO Capacity Building Project)
5. Mr. Francisco Goncalves (Professional Associate and Customs Officer, Timor-Leste)
6. Mr. Jonathan Fellows (Technical Officer)
7. Mr. Severino Dinis (Technical Attache)



Norwegian Institute of International Affairs

Established in 1959, the Norwegian Institute of International Affairs [NUPI] is a leading independent research institute on international politics and areas of relevance to Norwegian foreign policy. Formally under the Ministry of Education and Research, NUPI nevertheless operates as an independent, non-political instance in all its professional activities. Research undertaken at NUPI ranges from short-term applied research to more long-term basic research.

NUPI

Norwegian Institute of International Affairs
C.J. Hambros plass 2D
PO Box 8159 Dep. NO-0033 Oslo, Norway
www.nupi.no | post@nupi.no