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FINAL REPORT

HAITI CUSTOMS SUPPORT PROJECT

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Haiti Customs Support Project

FINAL REPORT

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Haiti Customs Support Project

DISCLAIMER

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

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ACRONYMS AND ABBREVIATIONS

AEO	Authorized Economic Operator
AGD	Administration Générale des Douanes
APN	Autorité Portuaire Nationale
CH	Cap-Haïtien
CHCSP	Cap-Haïtien Customs Support Project
CHP	Cap-Haïtien Port
COP	Chief of Party
COR	Contracting Officer's Representative
DG	Director General
DGA	Director General Adjoint
GOH	Government of Haiti
HQ	Headquarters
HR	Human Resources
ICT	Information and Communications Technology
RM	Risk Management
PAP	Port-Au-Prince
POE	Port of Entry
PPP	Public-Private Partnership
STTA	Short-Term-Technical-Assistance
TFA	Trade Facilitation Agreement
TBD	To be determined
USAID	United States Agency for International Development
USG	United States Government

INTRODUCTION

From early 2016 through June 2020, USAID supported the Government of Haiti in boosting economic development through modernization of customs procedures and clearances, incorporating international best practices, reducing financial waste, and increasing security and revenue.

The project was to help streamline processes for clearing exported and imported goods. To do so, the project required the support of Haiti's Administration Générale des Douanes (AGD) in implementing proposed reforms in the following areas:

- Organizational structure
- Human resources
- Capacity building and training
- Technology and infrastructure
- Operational procedures
- Cooperation and communication

This report will outline the achievements by the project that were undertaken between March 2016 to June 2020. Below are the main activities completed by the project:

1. **Components I:** *Mobilization, Assessments, and Trade Facilitation Training*
2. **Component II:** *Analysis of Procedures.*
3. **Component III:** *ICT Procurement and Installation*
4. **Component IV:** *On-Going Capacity Building*
5. **Component V:** *Project Closure*

BACKGROUND

The role of Customs has changed significantly in recent times as the global supply chain has become imperative and each country participating adds value. Globalization can be seen as an opportunity to aid the development of the world economy. It leads to improving the business and investment opportunity.

Haiti is among the developing countries with some of the longest release times in the world. The Administration Générale des Douanes (AGD) physically inspects most of the cargo entering the country. In contrast, EU and North American countries inspect less than 3-4% of cargo that arrives at their borders. While some might expect that Haiti's high level of inspection would yield exceptional results, it does not. A significant amount of revenue evasion continues to exist through misclassification and egregious trader misconduct.

Historically, many organizations have used risk adverse approaches that required a full inspection of all shipments, conveyances, crews and passengers. It is a fundamental misconception that inspecting all consignments leads to higher revenue collection or better security. Equally inaccurate is that belief that inspecting only a few consignments will bolster trade facilitation. In fact, both approaches harm revenue collection, security, and enforcement. It is therefore critical for Haiti to accept that 100% or 0% inspections are not effective controls.

The current inspection services performed prior to the good entering in the country are accomplished under a contract, which has proven detrimental internationally to building customs capacity and have impeded the achievement of expected benefits including the transfer of skills and knowledge through border organizations. It is important for the AGD to transfer back the power to its own border organizations and establish the benefits for the government of Haiti, and the economy as a whole, to move toward a sustainable and efficient Risk Management (RM) Framework.

From an international perspective, the Revised Kyoto Convention on the Simplification of Customs Procedures promotes a common methodology, for which trade facilitation and risk management are its main pillars. In this approach, the complex set of controls that have been developed over many years by border organizations are more easily managed. These controls, conceived so that border organizations could secure their borders, have unfortunately created bottlenecks that hinder the movement of trade in various regions of the globe. Simplifying border controls requires new approaches that combine the latest technology with advanced analytic. These tools will support border organizations as they make decisions at the border.

Further, the WCO Safe Framework of Standards specifically endorses the use of risk management systems and targeting systems to identify high-risk trade for closer scrutiny and inspection. As top decision-makers are asking increasingly complex business questions, providing rapid and meaningful answers is becoming critical to any customs organization's performance. To that end, the AGD already created a Risk Management (RM) framework. Having said that, the AGD has not been able to properly

establish a sound RM framework capable of providing a single and reliable source of information for top-level decision-makers, in order to shed light on previously unanswerable border questions.

At the same time, the flow of low risk and pre-approved shipments across borders must continue, since it promotes economic growth and regional and global competitiveness. The twin pillars of risk management and trade facilitation are the future of border management, and advanced analytical approaches are key to achieving this outcome.

Based on multiple diagnostics conducted to date, subject matter experts recommend that border organizations:

- 1) Ensure the implementation and use of a Risk Management Framework based on intelligence;
- 2) Cultivate selectivity using sound automated risk analysis and targeting;
- 3) Conduct a post-clearance audit to monitor systemic processing, conduct intelligence and investigation analysis, and adjust risk profiles; and
- 4) Integrate new expert systems for anti-smuggling.

It is important to include supporting components, like subject matter expertise, in any large project, as they will promote and support change management, deliver appropriate support and training, and assist in policy development and business transformation.

Without a risk management system driving an organization's decision-making and feeding information back into the system, customs will spend its time chasing trader misconduct rather than identifying and preventing the misconduct before it happens.

Revenue evasion is only one of many threats occurring at the border. Other threats include security, narcotics, sanitary and phytosanitary safety, health, agricultural and environmental impact, commercial disruption, chemical weapons precursors, dual use goods, prohibited items, weapons and ammunition, intellectual property, endangered species, antidumping and more. Today, these pending threats are not systematically analyzed or managed by the AGD.

When analyzing Haiti's current state of selectivity, inspection, and overall risk management approach, it is clear there is very limited data at the disposal of customs officers, even though the data exists. The ASYCUDA system is only used in real time and functions as a repository of information; it does not provide officers with relevant field insights. When the current approach is looked at in closer detail, the only factor used to identify impending threats is mostly a deductive approach that uses historical enforcement actions. Many experts agree that a risk management system that uses inductive logic and reasoning would allow the AGD to analyze the inherent risks presented by commodities, routing and geography, weights and volumes, equipment type, trading entity relationships, and more.

At a national level, Haitian Policy stresses the need to protect its interests and augment revenue. It is an important first step for the government to proactively create opportunity for the country. For example, the Haitian government could lead the creation of a Border Plan between the Republic of Haiti and the Dominican Republic, which would promote a number of joint initiatives that would strengthen and

secure the Island of Hispaniola and the shared borders of both countries. These initiatives would also help secure the movement of goods and travelers across borders.

COMPONENT I: MOBILIZATION, ASSESSMENTS, AND TRADE FACILITATION TRAINING

Mobilization

Project startup activities began in February 2016 and were successfully completed, ensuring smooth project operations. Through meetings and discussions in the initial months, the project established a solid reputation and relationship with senior Executive of AGD and their employees, whose support and collaboration were vital to the project's success. Chief of Party (COP) Steve Létourneau has maintained constant communication with the AGD and USAID and presented the project's approach and timeframe to help reform four main areas:

1. Organizational Structure
2. Human Resources
3. Capacity Building and Training
4. Technology and Infrastructure

Within the first few weeks, the project secured office space in Cap-Haïtien and procured furniture and computers to ensure the field staff and office were equipped with the required tools to support project work and maintain operations.

In collaboration with its AGD, the project developed a detail project working plan to organize approach and timings for interventions proposed. The project team provided all the relevant background information to AGD and coordinated the activity schedule and project work plan to ensure success. During that period, the project team assembled a team of qualified experts to carry out short-term assessments, discussed below.

Assessments

One of the most important deliverables was to properly conduct four assessments of the AGD. These assessments are an important process of review and analysis which allows an organization to better understand its strengths, weaknesses, and threats, but also create opportunities that helps them to better understand where it presently stands in terms of its institutional development and the directions in which it should try to develop in the future.

Experts have suggested various best practices and standards of excellence for their respective types of organization. Its important to note that all organizations are unique. That is why the approaches to evaluating them should be highly customized, as well. For this project, we will used the World Customs Organizations (WCO) standards.

Benefits of Organizational Evaluation and Diagnosis

n. Benefits of an evaluation include that it:

- Mobilizes employees for organizational change as they feel their opinions are being heard and respected;

- Facilitates meaningful communication among participants – perhaps the most important benefit from the evaluation process;
- Cultivates realistic expectations for change as participants continually think about the organization's situation and what can realistically be done about it;
- Enhances learning for participants as they continue to collect and reflect on feedback about the organization's performance and their role in it;
- Improves performance as participants continue to make adjustments to what they are doing based on the results of their learning;
- Improves the organization's credibility among its stakeholders at a time when organizations are always competing for a positive image.

During our assessment, we used the following guidelines:

- Ensure the evaluation design matches the nature and needs of your organization;
- Discuss evaluation with the AGD members in the early phases of the evaluation to ensure buy-in;
- Focus on relevance, utility, and practicality as much as on technical priorities;
- Integrate organizational evaluation with other ongoing evaluations in the organization;
- Include a mix of methods to collect information;
- Place high priority on capturing learning during evaluations;
- Share findings from evaluations as soon as you have them.

This assessment process enables an organization to map out a strategic plan that should allowed them to develop in the direction it desires and thereby meeting its mandate and objectives.

As a government, you always want your organizations to be operating in an optimum level, whether or not the organization is the one collecting the most revenue in the country.

The project team provided detailed assessments in the following areas:

1. **Organizational structure and human resources** of the AGD, and proposed sound recommendations for improving processes. Also served as a helpful reference resource during the design phase of the training curriculum in Component IV;
2. **Gender Assessment** (including a Gender Inclusiveness Plan) for the AGD on hiring practices, and made recommendations for ensuring equitable representation of women;
3. **ICT infrastructure**, a preliminary assessment of AGD building infrastructure and current ICT capabilities in both Cap-Haïtien and Port-au-Prince in order to identify issues concerning future port rehabilitation and potential challenges for implementing Component III: ICT Procurement and Installation.

During this assessment, multiple issues occurred as the port rehabilitation project experienced multiple delays. Under the leadership of COP Steve Létourneau, a meeting was organized with APN, AGD, UNOPS and USAID in order to reach consensus on AGD building plans within the overall Cap-Haïtien Port rehabilitation project and implementation of Component III: ICT Procurement, Installation. Unfortunately, these plans were not successful, as more delays

occurred in the port project, initiating a sustainable mitigation strategy to install the equipment in Port-Au-Prince in order to sustain the AGD's ICT infrastructure.

4. **Capacity building & training needs assessment** of the AGD with sound recommendations that served as a helpful reference resource during the design phase of the training curriculum in Component IV.
5. Designed a detailed **Activity, Monitoring and Evaluation Plan (AMEP)** to monitor key performance indicators and report on the project's progress made toward target results.

All of the assessments and the AMEP were shared with the AGD for comment and submitted to USAID. Included in annex A are all of the assessment recommendations by name.

In regards to the advancement of the AGD on these assessments' recommendations, minor advancements have been undertaken during the last few years. Having said that, the AGD recently developed a strategic plan incorporating all recommendations. The two principle issues the AGD will face for the development and the implementation of the strategic plan, are the absence of funding from the government and donors and the lack of internal and external knowledge and expertise.

Trade Facilitation Agreement

In 1952 the World Customs Organization (WCO) was formed to develop standards and provide technical assistance for the harmonization of procedures related to the movement of goods and people. Trade Facilitation (TF) has its origins in 1974 with the adoption of the WCO Kyoto Convention (KC), an instrument for the Simplification and Harmonization of Customs procedures. The Revised Kyoto Convention (RKC) entered into force in 2006 and evolved more comprehensive and complete tools that provide the bases to adopt the Trade Facilitation Agreement instrument to address new realities.

For border organization around the world, like AGD, it's important for employees to understand the "WHAT" and the "WHY" of the WCO instruments. Since the signature in 1947 of the General Agreement on Tariff and Trade (GATT), the establishment of the World Trade Organization (WTO) (1986-1993), the Doha Round (2001) and the July Package in 2004.

During those multilateral meetings, member organizations agreed to launch negotiations on TF to foster three GATT articles – Freedom of Transit; Fees and Formalities connected with Importation and Exportation; and Publication and Administration of Trade Regulations. The TFA was materialized in 2013 to have better TF mechanisms that would benefit both developed and developing countries; focus on the explicit link between obligations made and donor assistance for implementation of new commitments; and enhance TA and support for capacity building and at fostering effective cooperation between border authorities.

In that regard, the project team designed and developed a comprehensive training course that included modules on relevant convention and international best practices for a modern and performing XXIe customs organizations. The following are subjects (not all inclusive) that were discussed during technical and live trainings:

- WCO SAFE Framework;
- Revised Kyoto Convention;

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- Trade Facilitation Agreement;
- Legislation, Policy, Procedures and relevant authority and powers of Customs officers;
- Health and Safety (H&S);
- Leadership and Communication;
- Changing operating environment and global challenges.

It's important to note that all project trainings integrated a gender perspective, based on USAID's Gender Equality and Female Empowerment (GEFE) Policy (2012) and ADS 201. Finally, the project team designed and administered Kirkpatrick Level 1, 2 and 3 evaluations of AGD officials who participated in the Trade Facilitation Agreement Training and shared the reports with AGD and USAID.

Gender and Organizational Structure Assessment visit to AGD in Port-au-Prince



COMPONENT II: ANALYSIS OF PROCEDURES

Policy and Procedures

As mentioned previously, one of the most important deliverables was to properly conduct assessments of the AGD. These assessments were an important process of review and analysis which allowed AGD to better understand its strengths, weaknesses, and threats, but also created opportunities that helped them to better understand where they presently stand in terms of its institutional development and the directions in which they should try to develop in the future.

In June and December 2016, Trade Facilitation Specialists Ms. Carla Tena, Mr. Bernard Touboul and COP Letourneau conducted an analysis of the strengths and weaknesses of customs clearance procedures in Port-au-Prince and Cap-Haïtien. As this analysis was crucial for the AGD, we requested increased involvement of the AGD Senior Executive team in the development of this assessment. As the AGD was involved in drafting new business procedures at the time, the Nathan team encouraged the continuation of their participation by accompanying the assessment work and in-depth consultation meetings. The AGD involvement added value to the assessments and engendered more stakeholder ownership in their own evaluation process.

The analysis undertaken in collaboration with the AGD took the following into consideration:

- Inclusivity of all Government of Haiti (GOH) agencies responsible for regulated controls;
- Exportation, importation, and transit operations;
- Adherence to revised Kyoto Convention's Annex E;
- Adherence to GATT VIII: Fees and Formalities Adherence to TFA Articles 6: Disciplines on fees and charges imposed on or in connection with importation and exportation and penalties and Article 9: Movement of goods intended for import under customs control;
- Licensing and permit requirements, and the time and cost to fulfill each requirement.

After sharing the latest draft of new business procedures, the AGD further discussed the following points with the Nathan team:

- Identifying capacity building and training needs;
- Further developing ideas on a possible AGD pilot project in Cap-Haïtien to introduce new customs procedures such as in-transit shipments, export controls, and importing goods;
- Strengthening AGD strategic partnerships and collaboration with private industry by creating a committee on policy and procedures that would promote open communication and clear understanding of new processes amongst all parties involved;
- Capture of statistical indicators during the importation and exportation of goods.

The AGD's desire to enhance collaboration and increase involvement is beneficial for the overall project as stakeholder buy-in plays a key role in the success and sustainability of any development project.

This assessment was shared with the AGD for comments and submitted to USAID. Included in annex B are the assessment recommendations.

There was some advancement made on the recommendations of this assessment during the last few years. Having said that, the AGD doesn't have a full-time funded project with staff working on developing new policy and procedures for the entire AGD. Recently, the AGD developed a strategic plan incorporating all the recommendations from this assessment into the plan. As mentioned before, the two principal issues the AGD will be facing for the development and the implementation of the strategic plan, are the absence of funding from the government and the donors and the lack internal and external knowledge and expertise.

Port-Au-Prince – AGD Port Inspection Facility



COMPONENT III: ICT PROCUREMENT AND INSTALLATION

Defining the Approach

Under the original Scope of Work of the contract, it was envisioned that the project would be able to assess ICT requirements and related training needs to modernize the operating systems for the AGD Port Customs office in the Cap-Haïtien.

The Cap-Haïtien Port (CHP) Rehabilitation and Public-Private Partnership project was financing the transformation of the Port of Cap-Haïtien by improving its infrastructure and services and updating the customs operation to make it more competitive. The CHP PPP project proposed improvements to the port's physical infrastructure, but the AGD office space requirements were not taken into consideration nor documented in the original plan. Moreover, the current office facility for AGD officers on the port terminal is in poor condition and was supposed to be demolished during the CHP PPP rehabilitation construction.

Therefore, before ICT assessment work could begin, all parties involved – AGD, APN, UNOPS and USAID – needed to reach a consensus in order to finalize and execute new and/or interim AGD office construction. As these decisions are outside of the control of the HCS Project, this lack of common direction caused a delay for Component- 3 ICT Procurement and Installation. The project presented an approach to meet the initial scope of this component to procure and install ICT equipment for the AGD office in Cap-Haïtien. It is critical to note that the successful completion of this component was dependent on two major assumptions:

1. The concerned parties mentioned above are able to reach a conclusion on the final location of the Cap-Haïtien POE office on the port; and
2. Construction of the Cap-Haïtien POE office was completed and operational by November 2017.

To facilitate the discussion amongst the involved parties, the COP met individually with USAID, UNOPS, APN and AGD to propose relocation scenarios. Based on the separate consultations with AGD, APN and USAID it became evident that the construction of the new AGD building in Cap-Haïtien would not be completed within the HCS project timeline and therefore discussions with the AGD shifted to redefine the desired outcomes of the Component III ICT activities. The COP proposed different mitigation strategies, which received approval by AGD and USAID to relocate Component III to Port-Au-Prince in order to enhance not only the Cap-Haïtien infrastructure, but the entire AGD – ICT infrastructure. The chosen locations were at the new AGD airport building and Port Office in Port-Au-Prince.

Upon that decision, the project developed bid terms and specifications for ICT competition. The ICT firm that was chosen would be responsible for identifying, procuring, and installing the necessary hardware and software. The project estimated that the selection and installation, acquisition, and installation of equipment would take approximately seven months.

The following ICT equipment was selected and was to be procured and installed by the project after multiple meetings with AGD in order to determine their requirements:

1. Task Order 1 - Cabling at the AGD Port in Port-Au-Prince;
2. Task Order 2 – Satellites procurement and installation at I9 Port of Entry (POE); and
3. Task Order 3 – Procurement and installations of licenses on the AGD infrastructures.

On March 12th the HCSP published a Request for Proposal (RFP), “[Procurement & Installation of Information and Communication Technologies \(cabling, satellite and licensing\) for the Administration Generale des Douanes \(AGD\).](#)”

Between September and December 2008, COP Letourneau communicated numerous times throughout October with the new AGD Deputy General Bell (DG) to ensure continuing project advancement as the Minister of Finance replaced the Director General (DG), and the two Deputy Director General (DDG) of Customs. In addition, the COP held meetings with Assistant Deputy General (DGA) Dubreus to discuss the ICT investment component and overall project objectives. Although the DGA was impressed with the proposal, he expressed concerns that the previous administration had only agreed to implement Task 1 – Cabling and had not agreed to Task 2 – Satellites and Task 3 – Licenses. DGA Dubreus requested to consult with DG Bell and the Minister of Finance in Decembre before committing to move forward.

COP Letourneau managed to meet with Minister Decembre and present the original ICT proposal. Minister Decembre was very supportive of the original proposal. During subsequent meetings with DG Bell, the relevant DGAs and AGD IT personnel, it was agreed to proceed with the three Task Orders.

Mr. David Roberge, the project’s STTA ICT Expert, visited the AGD HQ, where the cabling work was taking place and oversaw the mapping of the physical installation of the new cabling (Task 1). The project collaborated with the AGD HR and IT Departments to ensure a smooth transition. To this end, COP Letourneau worked with senior managers to help them plan alternative working space for the period when the vendor would be installing the cabling in the regular work space. Setting up ten computers in another room ensured that AGD operations did not experience any stoppage during installation of the new cabling.

Further to the successful meetings held in December with the new AGD Administration, the project drafted and submitted a revised ICT Plan during Y3 Q2. The ICT Plan laid out in more detail the work plan for the following ICT Procurement tasks.

Task Order 1: Cabling

The project continued working with the selected vendor for the cabling installation work, who worked with the AGD to find mutually agreeable time slots to install the new cabling as per the finalized mapping plan.

In May 2020, the new cabling was installed and certified by the IT vendor, the AGD, and the project’s STTA ICT Experts.

Task Order 2 (Procurement and Installation of VSAT):

The AGD requested that we eliminate the satellite procurement and installation as multiple licenses within the new system needed to be renewed, and it wasn't possible to physically install satellites throughout the country as originally planned, given the intense security situation. After discussion with USAID, it was determined that the project would change Task 2, in order to procure more licenses for the AGD.

Task 3 (Licenses and Virtualization):

Following the 2017 ICT evaluation, the decision was made by the COP, the AGD, and USAID to utilize Nathan consultants to help address the current problems with the AGD IT infrastructure, as opposed to outsourcing this work to a vendor for Task Order 3. This allowed for closer monitoring and oversight by Nathan of the work, faster acknowledgement of delays, and more direct control over the design and implementation of the full ICT procurement plan, ensuring that project delivery was on time and within the allocated budget.

As the original ICT procurement RFP did not contain any information on the necessary virtualization of the new AGD servers, Nathan hired Virtualization Expert Pruszkowski with knowledge of AGD's new servers to complete Task 3 in order to complete this task faster. During the implementation, this solution reduced the number of different people interacting with AGD staff and ensures the proper level of knowledge of virtualization. This solution also allowed for a fast, reliable, and cost-effective way to ensure the applications, database, and data are properly transferred onto the new virtual environment. Furthermore, the Virtualization Expert provided input and oversight on Tasks 1 and 3 to ensure consistency, synchronization, and network/data security between the servers and remote sites.

The Virtualization Expert also took the lead in supporting the AGD in acquiring Oracle licenses, Firewall Licenses, SolarWinds licenses and a standard UCC SSL for Exchange for their new servers. In addition, the expert integrated the new hardware and software into the AGD infrastructure and provided support and guidance for the transfer of data from the old to the new servers.

Having Nathan experts directly responsible for Task Order 3 mitigated the risk of using a vendor who may not have personnel with necessary and complete knowledge of virtual servers. This solution also avoided the risk of someone not familiar with the new AGD servers damaging or losing data during the transition from the old system to the new.

As of June 2020, the all of the above licenses were installed and the infrastructure of the AGD has been upgraded. Note that the AGD now has production infrastructure and a Disaster Recovery system at the Airport commercial office.

Training

The project team met with the AGD IT Director and employees to discuss requirements for upcoming ICT training. The team also provided continuous onsite training to AGD staff during the virtualization process, installation of licenses, and operating systems. In addition, Nathan experts provided technical support until June 20, 2020 to ensure a smooth transition.

On March 11, 2020, the World Health Organization (WHO) assessed COVID-19 as a global pandemic. It is important to note that Nathan Associates and USAID agreed after a careful assessment, that the COP and Training Manager be evacuated from Haiti to ensure their health & safety. Despite these challenges, COP Letourneau has continued to communicate and engage the AGD Directors General, in order to advance project objectives. As part of this emergency request for travel, Nathan was granted an informal no cost extension through June, 2020, and approval for work to continue remotely for the COP and Operations and Training Manager.

As it was impossible to deliver live training in Haiti during this period, Nathan contracted a company that to deliver online training. The following courses were delivered in March and May 2020 to twenty AGD IT employees:

Training course	# of peoples	Course date(s)
MCSA Windows Server 2016	4	20.04.2020, 04.27.2020, 05.25.2020
CISSP	8	05.04.2020
Windows GPO (MS50255)	4	05.11.2020
Cisco CCNA	4	06.08.2020

SECURITY

The prolonged political crisis and tense security environment continued to have an adverse impact on the country's economy and hinder the Haitian government's ability to meet the basic needs of its people, resolve long-standing governance issues and address humanitarian crises.

As a result, increasing tensions at the highest levels of the executive branch prevented the development of a common understanding on a way out of the crisis and the holding of a comprehensive and inclusive political dialogue.

Specific to the project, the technical scope of work required travel to Red or Orange level zones on a nearly daily basis by project staff, government of Haiti counterparts, and project vendors. The frequency with which the project team had to travel to these areas, coupled with the lack of sufficient security coverage, put the staff at a high risk of a major security incident. At the same time, the primary counterpart, the AGD, was not able to travel to their offices or other locations in the city to participate in training or to allow access to the AGD office, one of the primary work sites.

As the project work on Component III was significantly delayed due to the security situation that began in July 2018, key activities under this component were behind schedule, and the schedule was pushed back further given the uncertainty of the security situation.

Furthermore, as mentioned above on March 11, 2020, the World Health Organization (WHO) assessed COVID-19 as a global pandemic. As the COP and Training Manager were evacuated from Haiti to ensure their health & safety, Component III implementation continued virtually.

COMPONENT IV: ON-GOING CAPACITY BUILDING

Introduction

In fulfillment of Component IV, Ongoing Capacity Building, the Nathan team organized and carried out multiple one-week training sessions and mentoring activities for Administration Générale des Douanes (AGD) participants over the course of the 4.5 year project.

In preparing the training design, COP Steve Létourneau discussed the content and objectives with the AGD to ensure that the training material would be timely, relevant, and practical.

Equally important was that the training encourage equal participation from male and female employees. Although equality of rights is conferred by law, women do not enjoy all the rights enshrined in the 1987 Constitution and the measure of equity provided for in the 2012 amendment under article 17.1 establishing a target quota of at least 30% women at all levels of national government bodies. It should be noted that during the length of the project, about 40% of female AGD officers, some of whom serve in management positions, participated in the training.

Training Matrix

COP Steve Létourneau increased the involvement of the AGD Senior Executive team in the development of On-Going Capacity Training. The AGD's involvement was excellent in developing a list of proposed training during more in-depth consultation meetings with the Nathan project team.

The team involved the AGD in the following areas:

- Identify capacity building and training needs;
- Develop a matrix to identify training needs by including elements such as:
 - Compliance of training with one of the AGD's priorities
 - The importance of training at the customs level
 - The existence of legislation and regulations for this training
 - The existence of policies and procedures for this training
 - The existence of a program in place within the AGD
 - The existence of similar training;
- Develop and implement a training schedule for the AGD.

Based on this information and what was gathered during the project activities, consultations and recommendations from the Capacity Building and Training Needs Assessment report, eight training topics were identified and prioritized to better align with AGD priorities as well as serve practical areas where the AGD might be able to apply and implement new procedures, thereby attaining the goal of streamlining and improving customs procedures in Haiti.

In December 2016, COP Steve Létourneau presented a proposed list of training topics and dates to the AGD HR Director which was later confirmed and agreed upon by the Deputy Director General and the Director General of Customs.

COP Létourneau along with the team of qualified STTA customs experts designed a capacity building approach that aligned with the AGD's mission, vision, and strategic objectives and allowed the team to develop targeted training, curricula, manuals, evaluations and reports.

The training consisted of conducting eight trainings in the following areas:

- Trade Facilitation Agreement;
- Risk Management;
- Leadership, Change Management and Communication;
- Intelligence and Investigations;
- Targeting of goods and passengers;
- Vessel and Container Searches;
- Authorized Economic Operator (AEO); and
- Train-the-Trainer.

The training curriculum included modules on relevant convention and international best practices for a modern and performing XXIst customs organization. The following are subjects (not all inclusive) that were discussed during technical and live trainings:

- WCO SAFE Framework;
- Revised Kyoto Convention;
- Trade Facilitation Agreement;
- Legislation, Policy, Procedures and relevant authority and powers of Customs officers;
- Health and Safety (H&S);
- Leadership and Communication;
- Changing operating environment and world challenges.

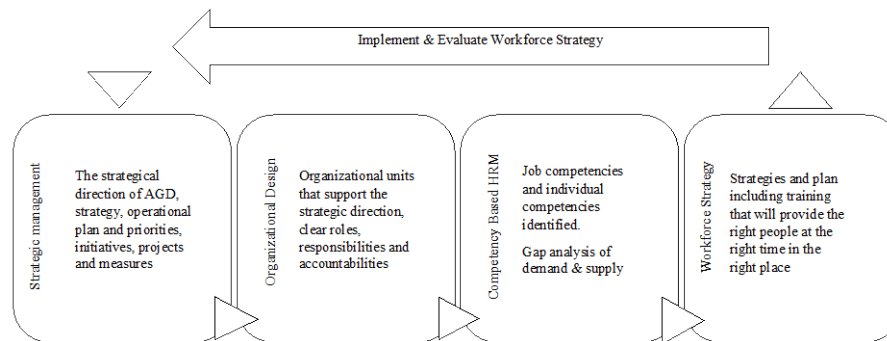
It's important to note that all project training materials integrate the gender perspective whenever applicable, based on USAID's Gender Equality and Female Empowerment (GEFE) Policy (2012) and ADS 201.

Capacity Building Assessment

During the first part of the project and specifically during the component one implementation period- Mobilization, Assessment, and Trade Facilitation Training, the project team analyzed, developed and provided a complete strategic assessment of current training capacity building within the organization. This assessment report outlined the current AGD training program and recommendations for the development of a modern and enhance training curriculum to ensure long-term sustainability for the AGD. It will require the AGD to focus on strategic development of an operational roadmap to forecast and plan present and future training requirements and needs.

The diagram below illustrates that process.

Organizational Development Continuum



It should be noted that the training needs analysis contained in this report is only one element of an overall Learning, Training and Development (LT&D) strategy.

Summary of the Haitian Context

The AGD is facing many challenges with accession to the WTO TFA and WCO RKC as well as other CARICOM initiatives and the devastating 2010 earthquakes. These together with the Minister of Economy and Finances (MEF) focus on revenue collection and compliance, the recent State Reform Framework Program, the overall Public Finances reform pilot by MEF and the strategic framework for the modernization of the AGD has added to the pressures on the organization to enhance its performance.

Customs administration is a complex and highly technical area of public administration. Unlike many professional disciplines there are few opportunities available to gain professional qualifications relevant to customs administration. As such, most customs administrations throughout the world invest heavily in internal staff development and training. While the AGD staff attend minimal courses offered by the Customs Department and small numbers of staff can attend programs offered periodically by development partners there has not to date been a comprehensive human resource development strategy in place to address competency gaps that impact negatively on organizational performance.

The AGD requires a strategy to manage their human resources and in particular develop the skill levels and competency of the employees to face the challenges lying before the organization and meet the operational priorities set by the government.

The training courses designed and developed, were particularly appropriate, as the AGD is working toward becoming a self-sustaining organization with clear lines of communication and accountability. Many studies have demonstrated that strong communication is essential for attaining an organization's objectives and maintaining strong relations at all levels, especially for those in a process of modernization.

Many training participants have extensive customs experience, with some serving in management or directorial positions. As organizational decision-makers, they are precisely the sort of employees this tutorial was designed for, and ideally positioned to implement its teachings. The course's objective, then, was to engage the AGD's leaders in discussion about how the training's three strands coalesce to create and sustain strong organizations.

Given the variety of training participants' experiences, the training covered a wide range of border related topics in order to give participants a comprehensive overview of what is required in a border administration. The subject matter fostered spirited debate and many constructive conversations. Several exercises throughout the training helped participants put their learning to critical use.

Overall, the trainings were well received, and the trainees participated enthusiastically throughout.

Evaluation Methodology

The project used the four-level *Kirkpatrick Model of Evaluation* to conduct training evaluations. The Kirkpatrick methodology ensures that the effectiveness and impact of the training are well measured, so that it can be improved in the future. Donald Kirkpatrick was Professor Emeritus at the University of Wisconsin and Past President of the American Society for Training and Development (ASTD). His four-level training evaluation methodology was first published in 1959 in the US Journal of Training and Development. The methodology was then updated in 1975, and again in 1994, when he published his best-known book, "Evaluation of Training Programs."

The methodology is designed to determine the behavior of the one who received the training. It determines how much is transferred as knowledge, skills and attitudes to see if workplace behavior has changed as a result of the training. At this level, it is assessed to what extent employees have changed their behavior, based on the training they received, and more precisely, how they apply the information.

It is important to realize that behavior cannot change if conditions are not favorable. For example, if the tools or mechanics needed to implement trade facilitation are not put in place, then it would be difficult to imagine a change in behavior among employees. Therefore, one could assume that the training was ineffective.

On the other hand, it should be noted that if the behavior has not changed, it does not mean that the employees did not learn anything. As mentioned above, if there is a reform of tools and mechanisms to implement trade facilitation, then employees will have the opportunity to apply this new knowledge.

At the end of each training, participants filled out a Level 1 evaluation, of the course and the trainers, and a Level 2 evaluation, of participants' knowledge of the training subject matter. The results of these evaluations can be found in the appendixes. A Level 3 evaluation, of the extent to which trainees incorporate what they learned during training into their daily work, is carried

out three to six months after the training. A Level 4 evaluation to assess the training's impact on organizational performance and the extent to which the training improves the processes and functioning of the organization, will be conducted at the end of the project.

In order to collect the information, we used the Questionnaire Method, which is commonly used to ensure that the impact of learning is accurately measured and that evaluation data is easy to collect. Please note that our questionnaire was designed to maximize several aspects of the evaluation including:

Opportunities to exploit

- Obtain direct engagement with the operational side of the DGA to facilitate the development and maintenance of relationships and linkages between training and business requirements.
- Identify potential improvements in training with respect to the skills and knowledge that learners need to integrate to better equip them with their roles and responsibilities.

Risk mitigation

- Lack of consistency in the methodology can create difficulties in comparing results.
- Manage comments received to strengthen the collection of more scientific data.
- Ensure active engagement of employees and management at the evaluation level.

Evaluations of training content (Level 1) and subject matter acquisition (Level 2) were conducted at the end of trainings.

As for the evaluation of the behavioral change (Level 3), with the exception of five courses that weren't completed as the country had increased protest and security issues, this assessment was conducted six months from the completion of training to assess its impact on participants' job performance.

The Level 4 evaluation was a significant summary produced by the project of the overall affect of the courses on the AGD. That Level 4 Training Report was submitted as a deliverable to USAID.

Security

The prolonged security issues mentioned under Component III in this report also affected Component IV. The COP was not able to complete some of the Level 3 evaluations, as this required in-person meetings or enhanced online infrastructure for virtual evaluation, both of which were not possible given the situation with the AGD in Haiti.

In this instance, the Nathan project team in consultation with the M&E project expert Erika Dunmire, determined that we had gathered enough data and information from previous Level 3 evaluations conducted over the last three years of training courses to make a general assumption about the behavioral change. This assumption will serve as an indication of the changes, since it isn't possible at this time to obtain Level 3 evaluation data for certain courses.

Observation and Recommendations

The events of January 12, 2010 have had a dramatic impact on the Administration Générale des Douanes program and the Administration has faced many challenges as it seeks to deter and detect non-compliance at the border.

In our assessment report in 2016, we made several recommendations for managing the risks regarding capacity building within the Administration. We found that the Agency has made minimal progress in implementing our recommendations.

We found that the Administration had developed a strategy for capacity building, but the government doesn't invest in training, resulting in the AGD requesting funds from donors. We hope that by following the new strategic plan and implementing this action plan, the AGD will strengthen its capacity building and ensure that AGD meet its mandate and objectives. Until the strategy is fully implemented and a complete analysis is done, gaps will remain in the Administration's risk assessments, border management and capacity building plans.

Customs officers must administer customs legislation and parts of laws that govern other departments and agencies. They must know about passport and visa requirements, as well as laws that cover a broad range of products and services. Customs officers who work at the primary inspection line must quickly decide whether to let travellers and commercial shipments go on their way, or send them for a secondary inspection where they will be questioned more extensively and, in some cases, examined. Given the complexity of customs officers' jobs, it is vital that they have the information, tools, and training they need to make correct decisions quickly.

Training provides customs officers with the knowledge and skills they need to do their complex jobs. The Haiti Customs Support Project has designed several courses for officers. The courses have been given to the AGD and will be offered to employees as a new training curriculum. It's important to note that the Administration doesn't have a training facility. The AGD needs to continue to develop new courses, and some should be mandatory, such as an induction course for new recruits. Officers are then expected to take additional mandatory training, depending on the area in which they will be working.

It's important for the AGD to implement the following recommendations:

- There is no annual training plan, which should include planned training activities for each year. ***It is recommended that this training plan be develop and linked to the future TL&D strategy.***
- There is no consistent method in place to measure the effectiveness of training after an employee returns to his/her work site following training. ***It is recommended that a formal training evaluation system be introduced. Requirements associated with this evaluation process should be fully communicated throughout the***

organization. Measuring the effects of training is difficult and should be built into future course development activities.

- The Administration has not introduced any tools to help customs officers determine their training needs. The Haitian Customs Support Project has developed new courses and continued to offer existing ones. **The Administration has an ambitious training program, but will require funds in order to develop it.**
- The project is concerned that the training needs of all employees are not being assessed on a regular basis, that training plans are not being developed each year, and that the Administration did not keep complete training records. **The Administration has to implement a training plan that will monitor training activities at an organizational level.**
- The project is concerned that pretty much all of the officers haven't completed an individual learning plan. The plan, which would be approved by the officer's supervisor, identifies the formal and informal training that the officer would like to take to be able to do a better job. This means that the AGD is unable to fully assess if employees have received the training they need. **Better information about when and where courses are being offered and more active participation by supervisors would improve the learning plans. We also noted that the Administration does not have an accurate record of the courses its officers have taken. We also recommend that a learning plan is required of employees (and it's required that supervisors sign off) every year.**
- The project is concerned that Officers are not being trained consistently across the country. **The Administration should implement an overall strategic plan for the entire country. Furthermore, they should develop and pilot an apprenticeship program; determine a core curriculum for beginner, intermediate, and senior officers; and ensure that the training provided is appropriate and timely, and that it will be evaluated.**
- **It is recommended that this training plan be develop and linked to the future TL&D strategy.**
- **It's recommended to develop an AGD Competency Framework.**
- **It's is recommended to adopt a competency-based approach in the future in order to identify and prioritize organizational training needs better.** In order for the competency-based approach to be relevant, the AGD will require to develop a sustainable strategic training plan. It's important to note that the AGD currently has a draft customs training policy. This policy should be utilized in conjunction with the strategic plan and should be drawn from the HR Management strategy and the AGD priorities.

Training Center

A training center is a valuable resource for improving your business skill base. By creating their own training center, they AGD could achieve its mandate, its mission, and its priorities and business objectives. We therefore recommend the establishment of a functional and sustainable training center for the AGD, one equipped with multiple classrooms, functional equipment and

qualified instructors in order to enhance the core capabilities required for a complex environment like customs. The training center could be a medium to large-scale operation, where distance learning programs or other computer-based training courses could also be delivered.

There is also no Customs Encyclopedia available online to Customs officers to act as an information sharing tool. It is therefore recommended that the AGD establish computer-based training courses and a Customs Encyclopedia to aid the development of the knowledge of AGD officers. Once the Customs Encyclopedia is established all Officers should be strongly encouraged or even required to check the encyclopedia on a regular basis.

Finally, the AGD Competency Framework should be developed to act as the foundation for identifying and building all AGD training needs in these core operational and professional job competencies areas.

The project recommended that appropriate training be provided in a timely manner. The Administration should continue to offer the new courses and must develop and deliver new courses to inform its officers about changes in laws, and to teach them how to use new equipment and systems, and how to deal with new threats.

As part of the project close out, the project delivered during a presentation on these recommendations to the AGD.

Training activities across Haiti and Republic Dominican



COMPONENT V: PROJECT CLOSURE

The Haiti Customs Support Project experienced several changes and challenges to implementation during its period of performance, including a large scope of work change and a physical move from Cap Haitian to Port-au-Prince; changes in the plan for ICT upgrades for the AGD; changes in staff and primary counterparts at the AGD; and an intense security situation, along with the COVID-19 pandemic in early 2020. Through these challenges, the project worked with USAID and AGD to understand not only mitigation strategies but opportunities for the project to change in a way that would increase its effectiveness towards its goals. This included an initial extension of the project for 18 months from August 2018 to February 2020, followed by two no-cost extensions that enabled the project to continue to assist the AGD until June 2020.

While project closure has consisted of the necessary contractual requirements of staff demobilization and asset disposition, as well as final reporting, it also consisted of a tying up technical work with the AGD by ensuring their infrastructure is working and that their staff are training in the new ICT tools, as well as by providing a way forward through their strategic plan, based on the project's assessments.

The project submitted a complete close-out plan to USAID as part of this Component, which was approved and implemented. The project will officially close on June 30, 2020.

CONCLUSION AND RECOMMENDATIONS

General Assessments

In 2016, the project conducted assessments in order to better understand where the Administration Générale des Douanes (AGD) was. The assessments were conducted on the following technical subjects:

1. Organizational structure & human resources
2. Capacity building & training needs
3. ICT infrastructure
4. Policy & Procedures

The analysis undertaken during these assessments identified that the AGD is at High Risk. The risk can be described as the impact (consequences) and likelihood (probability) of non-compliance with Border related laws as the damage caused to sovereign interests due to non-compliance with customs and/or other relevant laws, regulations or procedural requirements connected with the importation, exportation or transit of goods or peoples. Mainly, the AGD has a degree of exposure for the probability of non-compliance which would result in loss or injury to trade, industry or the public.

The systematic application of good management procedures and practices should provide customs with the necessary information to address movements or consignments which present a risk. Having said that, the identification, assessment, and prioritization of risks followed by coordinated and economical application of resources to minimize, monitor, and control the probability and/or impact of unfortunate events or to maximize the realization of opportunities isn't present within the organization.

The project provided recommendations to the AGD in order for them to enhanced its foundation. Having said that, the project didn't have sufficient funds or resources to address or mitigate all of those gaps. Furthermore, the AGD doesn't have the expertise or knowledge to address such large scale change management within the organization. A summary of recommendations can be found in Annexes A, B, C, D.

Modern Border Organization

To safely manage its borders, and support Haiti's economic competitiveness, the Haitian government must:

- Ensure its borders are secured against threats to Haiti's safety by identifying risk before it reaches a port of entry;
- Promote security and economic prosperity;
- Facilitate the movement of legitimate people and goods.

To accomplish this, the AGD must remodel itself, using change management processes, into a high-performing government organization with which profitable companies are keen to do business. The AGD must have clear objectives and goals aligned with the organizational mandate; effective and

sustainable management structures; rational and well-defined policies and procedures developed in collaboration with clients, rigorous accountability for both employees and its management cadre, and effective and efficient leadership.

To create a smart and secure border, the Haitian government will have to develop and implement a border strategy founded on modern technology, risk management and information sharing. A key element of this strategy will be to "push the Haitian border out" using pre-screening, information-sharing and enforcement cooperation. This will mitigate risk as far away from the Haitian border as possible.

As opportunities from international trade growth and threats from global terrorism (from drug and human trafficking to organized crime, migration crime, smuggling and fraud) are both rising, the most effective way to overcome these challenges is to collaborate with domestic and international partners. Through collaboration and engagement, governments can play an active role in the development and implementation of internationally-accepted rules and standards governing the movement of goods and people.

Every modern border organization in the world uses risk management techniques to identify, assess and prioritize threats. Governments maximize the coordination and application of resources to minimize, monitor and control the probability and/or impact of unfortunate events, and, conversely, maximize the realization of economic opportunities. The systematic application of risk management procedures provides customs and other relevant border agencies with the necessary information to address movements or consignments which present a risk.

Assessing risks involves a cycle of identifying anomalies and interpreting their relative risk. Using an inductive logic, the most advanced automated targeting and risk management systems can process electronic pre-arrival, manifest and declaration data in an analytical workflow to identify the shipments of interest. Low-risk shipments are facilitated and high-risk cargo can be set aside for additional scrutiny, up to and including physical inspections or a declarative order that certain cargo cannot be loaded. Combined with random inspections, triaging data can significantly augment threat identification and interdiction, thus improving an administration's effectiveness in meeting its economic and security mandates.

Successful implementation of risk management systems requires the use of electronically-submitted data from the trading community. Many customs administrations use pre-arrival data for a variety of purposes, including:

- Increasing cargo control;
- Recouping lost or evaded revenue;
- Gathering intelligence;
- Profiling risks;
- Setting lookouts;
- Identifying potential security threats;
- Enhancing end-to-end supply chain or travel visibility to identify anomalous behavior in relation to people, entities, commodities, and routings.

Both centrally and locally, the AGD can define logical trends and patterns (norms) vs unusual trends (anomalies) and perform inspections according to the type of suspected threat. Currently, customs officers proceed almost blindly into an inspection. No profiles or indicators are known to suggest the type of threat that may be present, nor are clues given as to where smuggled items may be found. Officers simply do not know what they should be looking for; as such, they cannot properly prepare for the inspection. This lack of insight is reflective in the lack of results.

Risk management systems focus attention on specific high-risk shipments that may present threats to a country's health, safety, security or economy. Tax revenue will increase along the entire import chain by virtue of the increased velocity of trade, while, crucially, the organization addresses risks such as pandemics, commercial fraud, misclassification, trafficking and terrorism. Moreover, since fewer shipments require manual human intervention, the same workforce can be more productive, processing greater volumes in less time. It is a process used and endorsed by modernized economies and has proved to returned significant results. This process uses intelligence and risk management to guide border decisions.

In summary, Haitian government should empower their customs officers and analysts to make risk-based decisions in their day-to-day border operations using an advanced automated risk management system. This way, the organization can always focus on the highest-risk cargo while simultaneously facilitating pre-approved and/or low risk shipments. These twinned goals are the objectives of modern customs organizations, with technology as their enabler.

Many leading economists believe that trade facilitation is the catalyst for any improvement, as it will promote economic growth, increase GDP, and improve other measurement criteria like income, the human asset index and the economic vulnerability index. The ascension from the United Nations Lowest Developed Country list (LDC) list can be expedited though a systematic approach to operational risk management, which will identify and focus resources on high risk goods while simultaneously facilitating pre-approved and/or low risk consignments across the border. This will increase revenue collection and enforcement sanctions, improve trader compliance, recoup lost revenue, reduce customs predictability, and reduce opportunities for corruption and improve organizational integrity.

If the objective is to remove Haiti from the LDC list by 2024, then a sound risk management approach, system, and methodology will help achieve this goal.

Strategic Planning

COP Letourneau met regularly with AGD to discuss the importance of strategic planning in a modern organization, as a tool to set priorities, focus resources, strengthen operations, ensure that employees and stakeholders are working toward common goals, build consensus on intended outcomes/results, and assess and adjust the organization's direction in response to a changing environment.

In that regard, the project designed and developed, in collaboration with the AGD, three strategic plans (overall AGD, Intelligence Division, Information and Technology Division) in order to communicate their goals and objectives, and steps to achieve them. The support focused on analysis of the fundamental decisions and actions the AGD will need to take in order to shape and guide the

organization, by clearly identify who it is serving, what it does, and why it does it, with a focus on the future. Effective strategic planning articulates not only where the administration is going and the steps required to make progress, but also how it will measure success.

These strategic management activities will transform the AGD's currently static plan into a system that provides performance feedback to decision makers and enables the plan to evolve and grow as requirements and other circumstances change.

As mentioned before, there are many different frameworks and methodologies for strategic planning and management. While there are no absolute rules regarding the right framework, most follow a similar pattern and have common attributes. Many frameworks cycle through some variation of basic phases: 1) analysis or assessment, where an understanding of the current internal and external environments is developed, 2) strategy formulation, where high level strategy is developed and a basic organizational level strategic plan is documented 3) strategy execution, where the high level plan is operationalized, and 4) evaluation or sustainment / management, where ongoing evaluation and refinement of performance, culture, communications, data reporting, and other strategic management activities occur.

Under this project, phases 1 and 2 has been completed for the three strategic plans. The overall strategic plan should be inserted into the Minister of Economy and Finance's (MEF) Triennial Action Plan in order to give the document an Official Status. It was the intention of the project team and the AGD to share the final strategic plans with donors in order to be more transparent, discuss their future requirements and provide them with the AGD mandate and objectives for the next five years. Unfortunately, this has not materialized due to security reasons and COVID-19.

The 2019-2024 Strategic Plan of the General Administration of Customs (AGD) is a political instrument that presents the programs that should be implemented as part of the modernization of Haitian customs. It translates the priorities of the General Management of the AGD and aligns with:

1. The requirements and priorities of the Haitian government through the Ministry of Economy and Finance;
2. Developments in international trade and information technology.

The implementation of this plan will allow the AGD to become a modern administration better able to ensure the security and increase revenue, the facilitation of licit trade and movement of people at the Haitian borders, while increasing the effectiveness and efficiency of the fight against fraud, smuggling, money laundering, crime, terrorism, and all other types of illicit cross-border trafficking.

Through this plan, the AGD is heading towards the realization of its vision which is:

"A modern, transparent and efficient administration for a competitive Haiti"

Training Activities

In the context of this project, around 500 Customs Officers across Haiti received training. Due to the limitation of the project's financial and human resources, the project couldn't develop a basic training course for the officers. It's important to note that training is a core component of the enhancement of the organization. The AGD will require international expertise to address this risk.

A detailed analysis of the training that occurred and recommendations can be found in the "Level IV - Training Report" completed under this project.

ICT

The AGD currently possess a new ICT infrastructure that was develop under this project. Having said that, the organization doesn't have the capacity or knowledge to maintain and continue the enhancement of the infrastructure. The AGD will require international expertise to address this risk.

SUMMARY OF RECOMMENDATIONS

In order to achieve the modernization, risk management, alignment with Government priorities, and a collaborative Border – Private Trade Industry environment, the AGD requires the political will, organizational structure and financial resources to make significant investments. What follows is a suggested workplan that could be implemented by AGD during the implementation of their strategic plan.

I. Organizational structure

- Commitments must be made at the Presidential level to direct the AGD to develop and implement an organizational structure that is aligns with the government priorities.
- The AGD must implement their new strategic plan in order to meet their priorities, objectives and performance indicators based on the government national priorities (including MEF) and their mandate and mission.
- The AGD must adopt a Risk Management Framework for the entire organization to identify high risk area of concerns (Enforcement, HR, Infrastructures, Intelligence, IT, Operations, etc.) in order to be able to respond properly and direct resources (financial & human) to priorities.
- A modern human resources regime should be implemented that enshrines the following principles:
 - Employees are aware of their role in the Customs organization.
 - Employees are aware of the organizational goals, objectives and performance indicators and provided with unit level expectations in order to meet for the success of the organization.
 - Employees will be hired based on their skills, abilities, knowledge, trustworthiness, and overall suitability to fulfill their role.
 - Each job should have a job description that clearly outlines what the job duties of a specific position are. These job descriptions are the foundation from which an employee and supervisor will determine employee expectations.
 - To encourage a high functioning workforce, management should create an environment of continual improvement. This will be achieved through:

- I. The implementation of annual (minimum) performance evaluations, and
 - II. Training provided to all staff to ensure that they maintain skills and evolve their skills, knowledge and abilities to keep pace with organizational modernization.
- o Compensation for employees will be sufficient to ensure a high level, trust based workforce. Salary should reflect the relative worth of an employee to the success of the Customs organization's goals.
 - o In addition to the general competency of an employee to contribute toward organizational success, a system of checks to ensure that employees and prospective employees are of good character who will not engage in activities that are illegal, immoral, or injurious to the Customs organization.
 - o Employees who are not meeting their expectations should be provided with the training and equipment required to fulfill job requirements. If the employee is found to not have the competence to do the job, they should be moved to a job that is more suitable to their competence levels.
 - o If an employee is not competent to work at any job in Customs, or if there are no suitable jobs available, the employee should be laid off until an acceptable opportunity exist, the employee attains sufficient competency, or they are released from the job. Consideration should be given to providing assistance (e.g. training, mentorship) to assist the employee attain competency when required.

Next Steps:

- A. Convene All-DG / Customs Commissionaire committee to:
 - a. Establish priorities and high level organizational goals that align with national priorities.
 - b. Determine high level work activities required to address all work goals / priorities.
 - c. Revise organizational structure to align human resources and financial resources with the work activities / priorities.
 - d. Review job descriptions to ensure that they enable staff to fulfill the work activities / priorities.
 - e. Review job classifications, compensation, hiring, performance management and develop high level recommendations.

2. Globalization “Pushing the Border out”

- It is anticipated that “pushing the border out” will be identified as a major priority by the All DG committee during the establishment of high level organizational priorities.
- In order to determine how the organization will move forward on its modernization, it will be necessary to develop high level (senior management) working committees who will review:
 - o Legislative requirements for work activities / recommendations for legislative enablers if required
 - o IT requirements for modernization
 - o HR requirements (e.g. competencies for IT)

Next Steps:

- A. Develop High level working committees on:
 - a. Organizational renewal

- b. Legislative framework
 - c. IT / infrastructure requirements
 - d. HR requirements
 - The composition of these committees should be consistent with the mandate.
 - Each high level working committee should be chaired by a member of the All DG committee to ensure consistency and continual alignment of working groups with organizational goals.
 - In addition to All-DG Committee participation, other reps may include:
 - o Human resources
 - o Legal services
 - o Finance
 - o Intelligence / Investigations
 - o Port of Entry Management
- B. Task committees with organizational goals / priorities, and questions / issues that arise from the All DG priority setting and organizational goals setting sessions.
- Some of the questions that may be considered by the Working Committees are as follows:
 - o Does AGD have legislative authority to mandate Trade Chain Partners to provide shipment / passenger information prior to arrival or departure?
 - o Does AGD have the legislative authority to share Customs information with other Government Departments / Foreign Customs organizations?
 - o Does AGD have the authority to collect and use third party data when it is used to enforce Customs or other laws against an individual?

3. Expert Systems Approaching Anti-Smuggling

- An overarching strategy for modernization is required. This will include the following areas:
 - o Implementation of systems designed to improve revenue collection.
 - o Processes that simplify and facilitate the flow of legitimate goods and people and lower administrative costs for users of Customs services.
 - o Processes that detect and interdict transnational crime.
- Integrated systems may take care of some or all of the modernization needs.
 - o Automated solutions
 - Reduce client costs (RC)
 - Improved facilitation (IF)
 - Detection and interdiction (DI)
 - o Process simplification (RC IF DI)
 - o Alignment of processes with other organizations (RC IF DI)
 - o Risk Management System (IF DI)
 - o AEO Program (RC IF DI)
- This effort to develop a Modernization Strategy would likely be a tasking from the All DG Committee to the Globalization Committee.

Next steps:

- A. Task Globalization Committee with the identification of a modernization program that focusses on:
- a. Reduced client costs

- b. Facilitation of legitimate trade and passenger transport
- c. Detection and interdiction of transnational crime
- d. Seek ways to harmonize processes with other Government / OGD organizations.

4. Risk Management strategy - Risk Analysis and Targeting and AEP Program Implementation

- As both RMS and AEP implementations are part of an overall Risk Management strategy, they will be developed concurrently.
- Risk Analysis & Targeting:
 - o An automated risk tool should be implemented within a centralized integrated (ITOC) style environment. A centralized approach to risk management / targeting will allow for the fusion of intelligence data, Customs transactional data and third party data, combined with advanced data analytics and well trained targeting officers to perform threat assessments on all travellers and import / export shipments, targeting only those people and shipments representing an unacceptable risk for further scrutiny.
 - o This approach allows for the high level information reviews to assess all shipments and travellers, focusing further on high risk shipments and people while conversely, allowing the low risk to move freely without further checks
 - o A centralized ITOC approach also provides a mechanism for Customs to gain greater situational awareness over all operational matters by acting as a central communication hub and as a 'Major Event' coordination center during times of crisis of significant events.
 - Major events are any event that can result in significant impacts to operations such as:
 - Planned activities such as a visiting Head of State,
 - Natural disaster
 - Tactical intelligence or target / look outs that need to be disseminated to one or more ports of entry (POE).
- The Authorized Economic Operator (AEO) program encourages Trade Chain Partners (TCP) to work in a collaborative manner with Customs to improve trade chain security.
 - o To implement an AEO program, care should be taken to follow international standards. At this time, the WCO SAFE Framework is the internationally accepted AEO program model.
 - o Following the WCO model enables the AGD to seek Mutual Recognition of their AEO program with other Customs organizations. This allows AGD to benefit from a larger population of accredited AEOs, further improving trade chain security.
 - o Two main committees are required to ensure a successful implementation of an effective AEO program.
 - o If legislative authorities exist to compel TCPs to join an AEO program, a mandatory program may be considered, otherwise, a voluntary program is necessary. Either way, it is necessary to provide accredited, trusted Trade Chain Partners (TCPs) with privileges and benefits that focus on the facilitation of legitimate trade. Reduced scrutiny allowing AEO shipments to flow across borders is a main benefit usually granted.

Next steps:

- A. Develop working committee to establish Risk Management Strategy. Some of the taskings may be sub-delegated to more appropriate personnel.
 - a. Establish a model for ITOC including an automated Risk Management System (RMS).
 - b. Develop ITOC mandate, organizational goals, and work activities aligned with AGD strategic priorities and work plans.
 - c. Determine infrastructure needs
 - d. Determine business requirements for an RMS
 - e. Assess various available RMSs
 - f. Determine HR structure of an ITOC
 - g. Procure RMS, IT, infrastructure
 - h. Develop plan to hire / designate staff to fill ITOC task requirements
 - i. Implement ITOC management structure to complete procurement, populate organizational chart and create detailed unit work plans.
- B. Develop working committees to implement an AEO program.
 - a. The main Committee (AEO Implementation Working Group) will:
 - i. Prepare the AEO program development and implementation strategy following the WCO AEO implementation guidelines
 - ii. Determine which part of the Trade Chain will be focused on to ensure optimal program benefits for the AGD.
 - iii. Seek opportunities for mutual recognition with other Customs authorities
 - iv. Assess whether legislative authority allows for a manage or voluntary AEO program,
 - v. Determine the AEO program requirements for accreditation
 - vi. Establish AEO privileges and benefits
 - vii. Determine whether a pilot project will be used to allow for a soft program delivery or whether a hard program implementation approach will be used.
 - b. A second committee (AEO TCP Partnerships Committee) will:
 - i. Identify TCPs as potential AEOs
 - ii. Design vetting processes
 - iii. Establish external outreach plan
 - iv. Establish ongoing communication strategy for the AEO implementation and program maintenance.

LESSONS LEARNED

Over the past four and a half years, a number of key lessons have been learned or reinforced through the project work. These include:

- I. AGD and the Haitian Government moves at its own pace. Achieving key project-related results while working within the system can take considerable time, forcing project related work to accommodate timelines beyond its control and requiring patience on the part of both the project and USAID.

2. Significant successes have taken more than four years at times to be fully implemented. USAID and the Department of State's understanding of this reality and willingness to work within the Haitian government processes and time frames has been critical.
3. Private sector engagement in Haiti isn't growing, it remains a novel concept for some groups and requires sensitive approaches. The development of a private-public sector engagement border approach needs to be planned.
4. Support from USAID in a security related environment is difficult or non-existent when working through the Embassy RSO. There is great disparity in the access of advisory security information and ability to apply project assistance and resources when it's a USAID contractor.

FINAL WORD

The project would like to give a special thanks to the Administration Générale des Douanes, whom was very cooperative during the entire project.

Because of your extra efforts, we were able to accomplish something positive and were able to meet all the deliverables. The future looks brighter!

ANNEX A: ORGANIZATIONAL STRUCTURE AND HUMAN RESOURCE RECOMMENDATIONS

ORGANIZATIONAL STRUCTURE AND HUMAN RESSOURCES

1. An HR strategy is developed based on the existing AGD business strategy. The DG should instruct the Director of Human Resources to convene a workshop on human resources strategy so that this vital document can be prepared.
2. The HR strategy includes the use of ICT in its personnel and management services, in accordance with the Senior Management Agreement.
3. An HR policy is developed and technical assistance should be sought as needed to ensure policy development and the implementation of the HR orientation.
4. That at an appropriate level within the AGD, request more information to the ministry to explain the failure to pay the employees. Furthermore, if the payment cannot be made, the reasons must be communicated to AGD employees.
5. That the HR policy for promotion and other appointments be developed and implemented as soon as possible.

ANNEX B: CAPACITY BUILDING AND TRAINING NEEDS RECOMMENDATIONS

CAPACITY BUILDING AND TRAINING NEEDS

1. That rapid attention is given to developing and implementing a robust and sustainable Training & Development Strategy
2. That rapid attention is given to developing and implementing appropriate Training & Development policies to guide, manage and administer the T&D function
3. That the Systematic Training Cycle is adopted as the preferred approach to T&D activities
4. That a Training Needs Identification policy is included, and guidance drafted to assist T&D staff, managers and others in Training Needs Identification and Analysis
5. That a Training Plan is drafted and accepted for the current Financial Year (2016-17), and that the T&D, HR and Finance departments collaborate closely during 2017 to develop a viable 3-year Training Plan
6. That the T&D department works to build the capacity of existing AGD trainers, and to increase the pool of trainers by holding 2 x Training of Trainer (ToT) events during Financial Year 2016-2017, and at least 1x ToT per year thereafter. (NB. The ToT should reflect the GIP, and also the needs to have suitably trained OJT trainers)
7. That a Training Evaluation policy is included, and guidance drafted to assist T&D staff, managers and others in Training Evaluation
8. That when feasible, the training rooms should be reviewed with regard to natural light, adequate break-out rooms, and state-of-the-art training and presentation equipment
9. That training costs should be monitored closely, and where possible, the 'Total Cost of Training' should be recorded
10. That proper consideration is given to investing in trainer selection events, for both Classroom and On-the-Job Trainers, and that Technical Assistance is sought to devise and implement a proper Trainer Selection Process
11. That AGD should consider seriously, and at an early stage the option to seek Technical Assistance from partners and donors in the implementation of the recommendations made in this report
12. That AGD should at an early stage create the post of Head of Training and Development.
13. That AGD should at an early stage seek Technical Assistance from partners and donors for the provision of a medium to long term (1 to 2 years) mentor for the crucial role of Head of Training and Development.

ANNEX C: ICT INFRASTRUCTURE RECOMMENDATIONS

ICT INFRASTRUCTURE

1. Establish a risk-based IT service management system
2. Fully consolidate and modernize the data centers
3. Change, improve and install new and better cable at the port office
4. Include the satellite system in the new risk-based IT service management system
5. Reform and modernize the satellite system
6. Purchase of LINUX license and operating system to enhance ASYCUDA

ANNEX D: POLICY AND PROCEDURE RECOMMENDATIONS

POLICY AND PROCEDURES

- I. Modernization of the AGD
 - a. Development of a strategic plan
 - b. Development of an operational plan
 - c. Reengineering policy and procedures in a quality assurance approach
2. Development of a communication plan
3. Development of an Authorized Economic Operator program
4. Reorganization and better management of franchises and other suspensive regimes of duties and taxes
5. Full enhancement of ASYCUDA
6. Promote and acquire technology
7. Promote a Single Windows program
8. Enhance International Cooperation with other Customs Administration
9. Develop and implement a Risk Management approach within the AGD
10. Promote the use of transactional value
11. Enhance the infrastructure