



PAGE 4: B.1) YOUR CASE STORY: TITLE AND DESCRIPTION

**Q1: TITLE OF YOUR CASE STORY**

Media Statement by the South Africa Minister of Finance  
Implementation of the new Customs Systems Modernization Program

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**Q2: CASE STORY ABSTRACT**

15.2million piece of paper, 6hours maximum process of physical inspection time were saved due to implementation of e-customs procedure. The requirement of submitting paper supporting document for the customs procedure was removed, direct electronic submission is implemented between the trader and customs.

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### Q3: LONG DESCRIPTION OF THE CASE STORY

A number of reports, including a 2010 study by the World Bank, identify inefficient customs procedures at border posts, which raise the cost of moving goods, as a key barrier to greater regional integration. The need to capture and verify large quantities of data at border posts and poor border post infrastructure give rise to costly delays for business.

By implementing the new Customs management system, the project brings significant benefits for importers, exporters, clearing agents and trade facilitators and making the South Africa economy and commercial trade more competitive globally.

All of these administrative processes are now replaced by a single processing engine and a new automated management system for all commercial cargo which, by reducing the use of end-to-end paper up to 95%, will provide:

- Automation – with the introduction of electronic declarations and mobile inspections (iPods)
- Simplification – by reducing the administrative burden for traders as no supporting documents are required from traders unless requested because of risk identification
- Improved data quality – resulting in more accurate risk analysis leading to more cross border facilitation for compliant airlines
- Reduced storage costs at the airport
- Better predictability of getting goods to markets in reduced timeframes
- Better Improved security and Risk detection – Customs now receives advance information about consignments from traders and can assess risk in advance using third party data verification (similar to the income tax system), thus reinforcing risk detection capabilities

In conclusion the countries that take an e-freight (as part of or together with the national customs initiative) approach benefit both from the direct benefits to trade that smart customs and smart border approaches bring, and indirect benefits to trade that come from enabling the logistics sector to streamline their own processes which means less cost in the system and more speed.

There is evidence from a case study done in the private sector (airlines and freight forwarders) that there can be 28% -44% efficiency gain for productivity. Also a case study done in a similar context (in Singapore) has demonstrated that some 1.7 million hours could be spared by the whole air cargo industry by following the e-freight approach.

To read more on these case studies please see the URL below:

### Q4: Please add here web links to project/programme materials.

[http://www.sars.gov.za/Media/MediaReleases/Pages/22-August-2013---](http://www.sars.gov.za/Media/MediaReleases/Pages/22-August-2013---Implementation%20of%20the%20new%20Customs%20Systems%20Modernisation%20Programme.aspx)

[Implementation%20of%20the%20new%20Customs%20Systems%20Modernisation%20Programme.aspx](http://www.sars.gov.za/Media/MediaReleases/Pages/22-August-2013---Implementation%20of%20the%20new%20Customs%20Systems%20Modernisation%20Programme.aspx)

<http://www.iata.org/whatwedo/cargo/e/efreight/Documents/e-freight-case-study-cathay-pacific-highlights.pdf>

<http://www.iata.org/whatwedo/cargo/e/Documents/kuehne-nagel-case-study.pdf>

[http://www.caas.gov.sg/caas/en/About\\_CAAS/Our\\_Strategic\\_Thrusts/Aviation\\_Industry\\_Development/e-freight\\_Singapore/efright\\_Links.html](http://www.caas.gov.sg/caas/en/About_CAAS/Our_Strategic_Thrusts/Aviation_Industry_Development/e-freight_Singapore/efright_Links.html)

## PRIVATE SECTOR CASE STORY TEMPLATE

### Q5: YOUR CONTACT DETAILS

Name:	Gordon Wright
Company or association	IATA
Country:	Switzerland
Email Address:	wrightg@iata.org

### Q6: FUNCTION

NGO

## PAGE 6: C.2) ABOUT THE CASE STORY

### Q7: FUNDING SOURCES FOR PROJECT/PROGRAMME Tick the appropriate box(es)

Bilateral donor, Multilateral organization

### Q8: Additional information

*Respondent skipped this question*

### Q9: START DATE OF PROJECT/PROGRAMME

August 2012

### Q10: STATUS OF PROJECT/PROGRAMME

Fully implemented

### Q11: DURATION OR, IF ON-GOING, EXPECTED DURATION OF PROJECT/PROGRAMME

*Respondent skipped this question*

### Q12: COST OF PROJECT/PROGRAMME

*Respondent skipped this question*

### Q13: Additional information

*Respondent skipped this question*

### Q14: TYPE OF FUNDING FOR PROJECT/PROGRAMME

Grant

## PAGE 7: C.3) ABOUT THE CASE STORY

### Q15: PROJECT/PROGRAMME TYPE

Single country / customs territory

## PAGE 8: C.3) ABOUT THE CASE STORY

### Q16: SINGLE COUNTRY/CUSTOMS TERRITORY

SOUTH AFRICA

# PRIVATE SECTOR CASE STORY TEMPLATE

## PAGE 9: C.3) ABOUT THE CASE STORY

<b>Q17: REGION</b> (If the region does not appear in the drop down menu, please enter manually)	Southern Africa
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## PAGE 10: C.3) ABOUT THE CASE STORY

<b>Q18: MULTI-COUNTRY</b> (Enter all countries or customs territories)	<i>Respondent skipped this question</i>
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## PAGE 11: C.4) ABOUT THE CASE STORY

<b>Q19: CASE STORY FOCUS</b> Tick the appropriate box(es)	REDUCING TRADE COSTS FOR MERCHANDISE GOODS , REDUCING TRADE COSTS FOR SERVICES
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## PAGE 12: C.5) ABOUT THE CASE STORY

<b>Q20: HOW SUCCESSFUL WAS THE PROJECT/PROGRAMME</b> Tick the appropriate box	Very successful
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## PAGE 13: C.6) ABOUT THE CASE STORY

<b>Q21: WHAT WERE THE OUTPUTS OF THE PROJECT/PROGRAMME</b> Tick the appropriate box(es)	Customs laws amended or updated, New customs procedures, New or updated one-stop border post, New or updated electronic single window, New network infrastructure (e.g. broadband), Services sector skills
<b>Q22: Additional information</b> (maximum 300 words)	<i>Respondent skipped this question</i>

## PAGE 14: C.7) ABOUT THE CASE STORY

PRIVATE SECTOR CASE STORY TEMPLATE

**Q23: WHAT WERE THE OUTCOMES OF YOUR PROJECT/PROGRAMME** Tick the appropriate box(es)

Reduction in airport cargo handling times,  
Reduction in customs clearance time,  
Reduction in cost of customs clearance ,  
Reduction in cost of other border agency clearance  
,  
Increase in airport cargo volumes,  
Increase in trade finance available,  
Reduction in consumer prices,  
Increase in data traffic, Increase in tariff revenue

**Q24: Additional information(maximum 300 words)**

*Respondent skipped this question*

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**Q25: WHAT WERE THE IMPACTS OF THE PROJECT/PROGRAMME** Tick the appropriate box(es)

Export market diversification,  
Import market diversification

**Q26: Additional information(maximum 300 words)**

*Respondent skipped this question*

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PRIVATE SECTOR CASE STORY TEMPLATE

<b>Q27: LESSONS LEARNT</b> Tick the appropriate box(es)	Importance of good project design, Importance of alignment with national priorities , Importance of alignment between different development partners in programming , Importance of engagement by private sector , Importance of agreeing clear project implementation responsibilities , Importance of agreeing clear project monitoring and evaluation process and procedures , Importance of agreed accountability frameworks , Importance of attention to long-term sustainability , Importance of political will and commitment by project partner
<b>Q28: Additional information(maximum 300 words)</b>	<i>Respondent skipped this question</i>
<b>Q29: PROJECT OR PROGRAMME MONITORING AND EVALUATION FRAMEWORK</b> Tick the appropriate box(es)	Other (please specify) N/A

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<b>Q30: How did you receive this case story exercise and the electronic link?Please indicate the organization that sent to you the information:</b>	Other (please specify) IATA
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