


US Anti- Corruption/Integrity Awareness

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Effects of Corruption in a Customs Organization

- **Does not deliver the revenue due to the State.**
- **Ineffective in the fight against illicit trafficking.**
- **Obstructs the growth of legitimate international trade.**
- **Hinders economic development.**
- **Has no right to public trust.**

National Customs Integrity Program

- **Legislation**
- **Customs procedures**
- **Automation**
- **Management Practices**
- **Management Responsibility**
- **Internal Auditing**
- **Recruitment/Promotion**
- **Code of Conduct**
- **Training**

Legislation

“ Customs legislation should be clear and precise. Import tariffs should be moderated where possible. The number of rates should be limited. Administrative regulation of trade should be reduced to the absolute minimum. There should be as few exemptions to the standard rules as possible. ”

- **Adopt international tariff standards.**
- **Eliminate practices that create monopoly of power, official discretion and minimal accountability.**

Customs Procedures

“ Customs procedures should be simple, consistent, and easily accessible, and should include a procedure for appealing against the decisions of Customs, with the possibility of recourse to independent adjudication in the final instance. They could be based on the Kyoto Convention and should be so framed as to reduce to a minimum the inappropriate exercise of discretion.”

- **Be transparent in dealings with the public.**
- **Make Customs laws, regulations, procedures and administrative guidelines available to the public.**
- **Implement review and appeal provisions to challenge Customs decisions.**

Automation

“ Automation (including EDI) is a powerful tool against corruption, and its utilization should have a priority.”

- **Use systems designed to reduce officer discretion and maximize accountability.**
- **Ensure that vulnerabilities of the manual system are not replicated in the automated one.**
- **Establish a suitable audit trail to identify misuse of official information.**

Management Practices

“In order to reduce the opportunities for malpractice, Custom managers should employ such measures as strategic segregation of functions, rotation assignments and random allocation of examinations among Customs officials and, in certain circumstances, regular relocation of staff. ”

- **Rotate staff appointments periodically.**
- **Base staffing decisions on established, objective criteria.**
- **Ensure that clients do not deal with the same official every time.**
- **Minimize discretionary powers.**
- **Allocate responsibilities for commodity inspections randomly.**

Management Responsibility

“Line managers should have prime responsibility for identifying weaknesses in processing procedures and in the integrity of their staff, and are responsible for taking steps to correct weaknesses.”

- **Work with the staff to identify process weaknesses.**
- **Establish checks and balances in the system to counter corruption.**
- **Be a positive role model to the staff.**

Internal Auditing

Internal and external auditing are essential. Effective internal auditing is extremely useful method of ensuring that Customs procedures are appropriate and are being implemented correctly.

The internal auditing process should be complemented by an internal affairs unit that has the specific task of investigating all cases of suspected malpractice.

- **Establish a task force or specialized unit to investigate allegations of corruption.**
- **Emphasize the positive nature of the anti-corruption task force.**
- **Conduct random checks of Customs posts at irregular intervals.**
- **When necessary, provide access to an independent body to investigate claims of wide-spread corruption.**

Recruitment/Promotion

“ The processes for the recruitment and advancement of Customs officers should be objective and immune from interference. They should include a means of identifying applicants who have, and are likely to maintain, a high standard of personal ethics.”

- **Place equal emphasis on the technical qualifications and personality characteristics of a candidate.**
- **Conduct thorough background checks of promising candidates.**

Code of Conduct

- “ Customs officers should be issued with a Code of Conduct, the implications of which should be fully explained to them. There should be effective disciplinary measures, which should include the possibility of dismissal.”**
- **Draft a Customs-specific code that recognizes the higher standard of behavior required given customs mission and work environment.**

Training

“ Customs officers should receive adequate professional training throughout their careers, which should include coverage of ethics and integrity issues.”

- **Focus on the standards of behavior expected from all personnel.**
- **Foster shared responsibility of building an ethical organization.**
- **Update training frequently to reflect organizational challenges.**

Customs Brokers

“ Customs administrations should foster an open and transparent relationship with Customs brokers and with the relevant sectors of the business community. Liaison committees are useful in this respect.”

- **Ensure transparency in all dealings with the import/export community.**
- **Establish joint task forces to identify and eliminate corruption.**
- **Penalize corrupt behavior.**

Principles of Conduct for U.S. Federal Employees

1. Place loyalty to the Constitution, the laws, and ethical principles above private gain.
2. Do not hold financial interests that conflict with the performance of duty.
3. Do not engage in financial transactions using nonpublic government information to further private gain.
4. Do not solicit or accept any gift or other item of monetary value from any person whose interests may be affected by your duties.
5. Put forth an honest effort in the performance of your duties.
6. Do not make unauthorized commitments or promises purporting to bind the government.
7. Do not use public office for private gain.

Principles of Conduct for U.S. Federal Employees (Cont.)

8. Act impartially and do not give preferential treatment to any private organization or individual.
9. Protect and conserve Federal property. Do not use it for unauthorized activities.
10. Do not engage in outside employment or activities that conflict with official government duties and responsibilities.
11. Disclose waste, fraud, abuse, and corruption to appropriate authorities.
12. Satisfy In good faith your obligations as citizens, including all just financial obligations.
13. Adhere to all laws and regulations that provide equal opportunity for all Americans.
14. Avoid any actions that appear to violate the law or the ethical standards promulgated pursuant to this order.

Module 9: Rules of Conduct

Review

The negative effects of corruption:

1. Loss of revenue to State.
2. Ineffectiveness against illicit trafficking.
3. Obstruction of legitimate international trade.
4. Hindrance to economic development.
5. Damage to professional credibility.

Factors to consider when developing a National Integrity Program:

1. Legislation,
2. Customs procedures,
3. Automation,
4. Management Practices,
5. Management Responsibility,
6. Internal Auditing,
7. Recruitment/Promotion,
8. Code of Conduct,
9. Training,
10. Customs Brokers.