



Independent Joint Anti-Corruption
Monitoring & Evaluation Committee

BACKGROUND

Afghanistan Loses a Substantial Amount of its Revenue due to Ineffective Custom Control

The issue of corruption within customs is important for Afghanistan's future revenues and sustainability

- Based on reports Afghanistan loses a substantial amount of its revenue due to corruption. One of the most important areas of Afghan revenue collection is custom duties on imported and exported goods.
- Almost half of the revenue is lost due to smuggling at the borders and some 25% more due to the influence of high-ranking officials and individuals on custom officials.

The lack of sharing import / export data between customs departments have made it difficult to identify goods that have not been registered properly

- Currently the Afghanistan Customs Department does not have mechanisms to share data with neighboring countries such as Pakistan or Iran.
- Furthermore the influence of high-ranking officials undermines the registration of good within customs.

The control over presentation and verification of goods in custom facilities is insufficient

- Although there are legal requirements and procedures for presenting and verifying goods, there is no effective registration, presentation and verification of goods taking place.
- Brokers enter false data into the system to misguide the system into selecting specific representatives for custom verification purposes.

Dishonest custom officials and brokers abuse the system of data entry and divert government revenue

- The Afghanistan Customs Department issues licenses for brokers and provides them with an account to enter data into the computerized systems operated in customs facilities.
- The certificate process of these brokers is not merit based, and influence of high-ranking officials has been observed.
- Reports also indicate that there are brokers who influence the custom officials and abuse the system.



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To address these important issues within Afghanistan Customs Department, MEC has issued a number of recommendations:

- The Ministry of Commerce and Afghanistan Customs Department should develop and implement mechanisms for cross border verification of goods with Pakistan.
- The Afghanistan Customs Department should develop a technological mechanism (scanner, barcode, x-ray, etc.) to ensure that data entered into the system by customs brokers and verified by customs officials is accurate.
- The Afghanistan Customs Department should reassess activities of brokers involved in custom proceeding, identify abusers and create a blacklist of those found to be abusing the system.

MEC was established to independently monitor national and international efforts to fight corruption in Afghanistan

- MEC develops anti-corruption recommendations and benchmarks, which are monitored to ensure that they are effectively implemented.
- MEC monitors and evaluates national and international anti-corruption efforts.
- MEC is comprised of three national and three international senior anti-corruption experts.
- MEC reports to the public, Parliament, the President and the international community every six months.

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Photos of the Committee available for download: www.flickr.com/photos/mec123/**