Somalia Operation – Customs Clearance Challenges

Technical Working Group (TWG) – Terms of Reference (ToR)

November 2022

Background

To support emergency response operations in Somalia, the humanitarian community imports humanitarian supplies such as food and nutritional products as well as health and WASH (water, sanitation, and hygiene) items. The majority of these items are taxfree and are shipped to ports of entry by air and sea, therefore requiring approval for tax/ customs exemptions. For freight imported through the airport and port of Mogadishu, exemption processes are approved by the Prime Minister's Office, as well as by the responsible line ministries.

The issue of tax exemption approval continues to be an ongoing concern for humanitarian organizations, as delayed processes result in demurrage charges and hinder the timely availability of rescue supplies. From an analysis of 2022 on all ports, conducted by the Somalian Logistics Cluster, on average, it now takes 28 days for the tax exemption to be approved.

Following the humanitarian system-wide scale-up by the Inter-Agency Standing Committee (IASC), IMPACCT (IMPortation And Customs Clearance Together) Working Group and the Logistics Cluster in Somalia decided to work together to support humanitarian partners in identifying potential solutions to the challenges faced in importing emergency relief items into Somalia. During the Logistics Cluster coordination meeting held on September 13, 2022, partners approved the creation of a Technical Working Group (TWG) on import and customs clearance processes.

Objectives

- Serve as TWG on customs and tax exemption procedures on behalf of the Logistics Cluster in Somalia and support with advocacy on behalf of the wider humanitarian community.
- Identify key challenges and bottlenecks in Somalia's humanitarian import and export processes.
- Develop practical recommendations and common solutions to mitigate constraints.
- Agree on official recommendations to be made to Somali customs authorities and other government agencies involved in customs import and export processes.

Main tasks

- Map end-to-end processes for importing and exporting humanitarian goods in Somalia, including the identification of government actors involved in the processes.
- Continuously generate data, analysis and products related to customs and tax exemptions that can be used to inform partners on how to import and export products. The analyses will continue to utilize data collected from partners every six months, rather than on real-time data, to ensure validity and reliability.
- Provide recommendations to Logistics Cluster members on core advocacy messages and areas of focus to be used to coordinate efforts with the broader humanitarian system.

- Analyse and collectively mobilise relevant stakeholders and national entities involved in the import and export processes of humanitarian assistance.
- Host monthly or bi-weekly virtual calls with participating agencies.
- Present the outcomes of import, export and customs discussions to the Logistics Cluster coordination meetings.

Guiding principles

- Provide regular updates on the status of work-in-progress and present final results/recommendations of the TWG to stakeholders in oral and written form for comment and comment.
- TWG members must be representatives of broader stakeholder groups and have appropriate technical skills.
- Country experiences and, where appropriate, external experiences and feedback should be captured and treated iteratively in the development of TWG results.
- All industry stakeholders will have an opportunity to comment on the work of the TWG prior to presentation in plenary for validation.
- Participating organizations will seek to speak with one voice and find a common solution to improve the importation and clearance of humanitarian cargo.

Work modalities

The TWG will endeavour to meet on a monthly basis (every first Wednesday of the month) or at least bi-monthly. Meetings will take place virtually and minutes will be prepared by the Logistics Cluster. For business continuity, the meeting will be held with a quorum, i.e. when at least 50% of the members are present in the meeting room. Humanitarian partners are expected to contribute to the successful and collaborative implementation of the project through the provision of subject matter expertise. This includes time and active participation in the execution and delivery of inputs as well as recommendations and guidance.

Duration

The TWG will first commit to a six-month workplan for activities and engagement. Until then, agreed-upon outputs, in accordance with the work plan, will be reviewed to measure progress and assess the need to continue.

Membership

Humanitarian partners are welcome to express their interest in joining the TWG. The TWG will be co-chaired by Logistics Cluster in Somalia and IMPACCT.

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