



GAINDE/SIMBA PROJECT

A TRUE EXAMPLE OF SOUTH-SOUTH COOPERATION

Apart from being both African countries, Senegal and Kenya do not seem to have anything else in common. Nevertheless, this did not prevent the small French-speaking country of West Africa from embarking on a landmark project with Kenya, an English-speaking country of the East, for the automation of customs transactions and procedures. Through thick and thin, the two countries entered into a contract despite the reluctance and disinclination of many partners. After an eventful process, the two parties have eventually come up with a high-performance computer system powered by the Senegalese Gainde 2000 Company and customized according to Kenyan rules. Currently up and running, the customs computer system – referred to as Trade X and dubbed Simba in Kenya - is in full swing, with some 2,000 customs declarations lodged daily on average through the system, to the great satisfaction of Clearing Agents, Traders and customs officers.

Dakar, October 2005 - The fifth floor of the Times Tower building in Nairobi, headquarters of the Kenya Revenue Authority (KRA), had a cheerful atmosphere in this afternoon of 7 January 2005, when the pilot phase of the project for the implementation of the customs automated system in Kenya reached its fifth day. This joyfulness actually contrasted with the apprehensions and bustle noted during the pilot kick-off five days earlier, when the application seemed to be off to a timid start. Fortunately, the Gainde Team on the spot in Nairobi eventually handled all the technical hitches and teething problems inherent in the deployment of such a landmark automation system. The pilot shipping agent (Ocean Freight) had lodged its first manifest; clearing agents captured their entries online and transmitted them to customs. After five days of piloting, evidence was given that this Senegalese team was indeed capable of rolling out such a project of paramount importance.

Senegal has actually been in the vanguard of trade facilitation systems. In the mid-1980s, Senegalese authorities launched the project dubbed GAINDE - French acronym for Automated Management of Customs and Economic Information - with the view to computerizing the management of trade operations.

The efforts and commitment culminated in the launch of GAINDE in 1990. This first version of the application enabled users to connect to the system and submit their entries to customs. The application has, since then, been enhanced and upgraded with the integration of new functionalities and new procedures. On the technical front, many efforts have been made at improving the system, in terms of performance, availability and security.

In 2000, after an in-depth strategic reflection, Senegal opted for a new technological architecture to make the application more open and more efficient thanks to the introduction of new technological tools. Senegal is among trade facilitation pioneers at the global level and its system competes with the top commercial systems operating world-wide.

As part of its modernization plan, Kenya Revenue Authority had set up a Customs Reform and Modernization (CRM) committee due to carry out this huge task of upgrading customs operations through a drastic reduction of red tape and the acquisition of a high-performance system due to substitute for the then-operating Boffin System. Boosted by the KRA vision, which is to become “*the leading revenue authority in the world respected for professionalism, integrity and fairness,*” the CRM team then toured the world in search for applications likely to address the needs expressed by Kenyan authorities. And after visiting various countries and discovering different customs automated systems, the team eventually opted for the Gainde System running in Senegal.

The GAINDE 2000 Company was then commissioned by the Senegalese government to carry out the project and oversee the implementation of the Trade X package in Kenya. The company immediately undertook the necessary measures and a delegation of the Gainde 2000 Company paid fact-finding and technical visits to Kenya in September and October 2004. The purpose was to assess and size up Kenyan rules in a bid to customize the system by integrating Kenyan specificities and molding it around the local rules and procedures. The assessment process was followed by an in-depth brainstorming with key actors and stakeholders of Kenyan customs transactions.



Arrival of Gainde Task Force in Nairobi airport – JKIA (September 2004)

The agreement signed in November the same year between the two countries came to mark the official launch of a landmark project expected to give a concrete expression to a good example of South-South cooperation.

The challenge was heavy. Stakes were high for both parties. Kenya was said to have taken a great risk by entrusting such a project to Senegal, a poor French-speaking country of the western part of Africa that nothing seems to tie to this English-speaking country of the East. Regardless, the two countries embarked on a project which, once up and running, would definitely belie allegations that an African country could not realize such a project.



- 1- **Gainde General Manager I. Diagne presenting the ORBUS application (Sept 2004)**
- 2- **Leuk Expert M. Cisse giving a demo of the Leuk (Sungura) search engine**
- 3- **Mark Thomas from Paybox Services presenting the payment solution, with translator P.A. DIOP acting as the facilitator**
- 4- **Audience watching the demos and presentations**

With the benefit of hindsight, faultfinders' predictions were all the more justified as it appeared almost impossible to carry out this project within the prescribed deadline – November 2004 to June 2005 – not to mention the language barrier and socio-economic differences between the two countries. Though the system was

running in Senegal, the core activity would consist in customizing the Senegalese version according to Kenyan realities and environment. The Trade X application was scheduled to be delivered in May 2005, with a parallel run planned in June, ahead of the Live Run slated for 30 June.

Beforehand, a pilot phase was held in January 2005 with the view to testing the application in the Kenyan environment, with new functionalities added to comply with the local business processes. The training session staged on the eve of the pilot launch proved to be efficient as the KRA officers trained to serve as relays towards end users eventually appropriated the application altogether.

In a move not to go it alone, the CRM team actually decided to involve some of the stakeholders in the process. Thus, during the training phase held ahead of the pilot launch, stakeholders' representatives and KRA officers received training to serve as relays towards end users



- 1- Trainees putting explanations in practice during Trade X training (Jan. 2005)
- 2- KRA Commissioner General visiting Trade X trainees
- 3- Gainde expert A. Thiam giving a demo to Customs officials
- 4- KRA HR Director giving a speech during certificate ceremony

However, many ups and downs marked the pilot experience. From the eagerness of customs officials to the indifference of the bulk of clearing agents, the Gainde Team kept focusing on the resolution of hitches springing up unexpectedly as and when the pilot kick-off neared. Day One was a total distress, as connectivity problems came to compound the unremitting dropping of the database. The tension in people's faces and the hectic environment prevailing in KRA offices were, once again, indicative of the high stakes of this project.

On January 3rd the Pilot was launched. This period was full of lessons to be chalked up to experience. As a matter of fact, the pilot phase was aimed at adjusting the infrastructure and sorting out possible issues with the view to ensuring better Live Run conditions. Shuttling between the KRA head office and the pilot sites, the Senegalese experts and their Kenyan counterparts joined their forces to face the situation, like sailors striving to survive in a boat wading across a rough sea.

Hitches were solved as and when they were reported to the Pilot Help Desk and debriefing meetings were staged every day in the evening to delve into the situation and devise the way forward for the upcoming day.

The pilot ended out to be successful and was evidence that the project was being handled properly. New functionalities were integrated as and when the project neared the fateful deadline of 1 July 2005 marking the Live Run deployment.



KRA Officers Rosemary Njeri and Wekulo respectively displaying the first samples of C63 and Manifest printed under Trade X during the pilot phase

After five days of piloting, the KRA and Gainde teams traded congratulations and praises for attaining part of their goal. Indeed the outcome of this challenging cliffhanger was a solace to the whole team, but this feeling of satisfaction and pride could not suffice, there was still a long way to go.

On 30 June, the entire Trade X application, eventually dubbed Simba 2005, was made available with all the expected functionalities.

Following are the main modules of the Trade X package:

- ***Manifest Module***: enables shipping agents to capture cargo data into the customs automated system. The module is fitted with an EDIFACT tool enabling an automatic transfer of cargo information
- ***Declaration Module***: enables importers/exporters or their mandated agents to lodge their declarations to customs online
- ***Customs Module***: enables customs officers to receive entries and process them according to the current customs procedures
- ***Statistics Module***: enables customs to produce statistics on the spot
- ***Warehouse Management Module***: caters for inward/outward movements of goods in bonded warehouses and sheds
- ***Risk Management Module***: with this module, the customs administration avails itself of a powerful risk analysis tool enabling an efficient targeting with different inspection levels



Gainde Task Force with the late Commissioner of Customs Services Francis THURANIRA (may he rest in peace)

Come 1 July 2005, day marking the launching of the long-awaited system, some sort of turmoil engulfed the entire KRA building. The nerves-jarring scenario of the Pilot Day One resurfaced, with a higher intensity this time, as this was the Live Run country-wide. Though in some customs stations transactions were operating on a fair pace, in others it was as if things had suddenly come to a standstill.

Connectivity problems, lack of large-scale communication and organizational inadequacies slowed down the whole process.

However, things would get back to normal piecemeal, and the application was up and running after a couple days of hiccups. As at 6 October 2005, some 125,812 entries have been lodged in Trade X, with 114,503 of them processed and passed by customs. On average, clearing agents lodge some 2,000 entries daily, while shipping agents relish their enhanced module enabling a swift transfer of electronic manifests into the Simba 2005 format. These statistics are illustrative of the application's stability and performance.

Subsequently, reluctant partners and faultfinders began to give credit to the project, as the positive echoes thereof have gone beyond the frontiers. The then World Bank Representative in Kenya, Mr. Moctar DIOP of Senegal, even visited the KRA Office to inquire about the evolution of the project, which was somewhat indicative of the interest of international financial institutions in this endeavor.



World Bank Representative Moctar DIOP of Senegal visiting KRA Offices and being briefed by KRA/Gainde Officials about Simba 2005 procedures. The former Senegalese Minister for Finance initiated the Gainde/Trade X system in his home country

While Simba 2005 is in full swing, the other major component of the package (ORBUS) is ready for deployment. ORBUS is a system of electronic collect of pre-clearance document. It enables traders and clearing agents to create files and send requests for documents to stakeholders ahead of lodging their entries. From a static integration as the first stage, a dynamic integration between the two systems is planned at stake, enabling a comprehensive exchange of data between the two applications and a smooth striking of data and documents.

The ORBUS application comprises the following modules:

- ***Clearing Agent Module***: enabling traders or their agents to create files and transmit them to stakeholders involved in the process

- ***Stakeholder Module***: caters for the processing of ORBUS files and documents
- ***Facilitation Center Module***: includes assistance and monitoring functionalities

Other components of the package are in the pipeline and will be launched as and when Simba 2005 stabilizes completely and after the smooth operation of ORBUS. These functionalities have been included to enhance the whole package as they represent important links of the trade facilitation chain.

Apart from Trade X and ORBUS, the project provides for a module dubbed LEUK and otherwise known as Sungura, which is a search engine offering the customs administration an electronic database on customs tariff and legislations, also enabling simulation on customs dues and taxes.

Another component related to electronic payment of customs dues and taxes will come up next. CORUS, as the module is called, will be interconnected with banks, via PAYBOX (France), for the electronic payment of customs dues.

Beyond the contractual obligations binding both parties, this project bears a symbolic significance and will have given strong evidence that Africans can work for themselves. It actually vindicates assertions that the Third World and most particularly the African continent shall have to establish South-South cooperation towards joining the alliance of nations. The salvation of this part of the globe is at this cost.

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