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DEPARTMENT OF PUBLIC ADMINISTRATION AND DEVELOPMENT
MANAGEMENT
CUSTOMS AND REVENUE REFORMS IN ETHIOPIA;
CASE STUDY OF ASYCUDA++

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BY

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“Customs and Revenue Reforms in Ethiopia; case study of ASYCUDA++”

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DEDICATION

I dedicate this paper to my family who have been supportive to my Academic Success May the blessing of God and holy mother be with you all the time.

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LIST OF ABBREVIATIONS AND ACRONYMS

- ABS: Australian Bureau of Statistics
- ASYCUDA: Automated system for Customs Data
- BPR: Business Process Reengineering
- CSR: Civil Service Reform
- CSRP: Civil Service Reform Program
- DOS: Disc Operating System
- DTI: Direct Trader Input
- ECSRP: Ethiopian Civil Service Reform Program
- ECuA: Ethiopian Customs Authority
- EDI: Electronic Data Interchange
- EPRDF: Ethiopian Peoples' Revolutionary Democratic Front
- ERCA: Ethiopian Revenue and Customs Authority
- FDRE: Federal Democratic Republic of Ethiopia
- FIRA: Federal Inland Revenue Authority
- HR: Human Resource
- HRM: Human Resource Management
- HS: Harmonized system
- IT: Information Technology
- NPM: New Public Management
- OECD: Organization for Economic Cooperation and Development
- PSCAP: Public sector capacity building program
- RDBMS: Rational Data Base Management System
- SAD: Single Administrative Document

SAP: Structural Adjustment programs

SPA: Special Program Assistance for Africa

WB: World Bank

WCO: World Customs Organization

UNCTAD: United Nations Conference on Trade and Development

Abstract

This research paper was conducted on the area of Customs and Revenue Reforms in Ethiopia by taking a case study of ASYCUDA++ which is an extension of reform program on Service Delivery. The adoption of ASYCUDA in the operations ERCA was due to its wide range of benefits in simplifying the functions of the Authority. But despite of the benefits, during the implementation stage there are problem which affects its efficiency like frequent break downs, lack of training on the system and deliberate human interference. Thus due to the gap created in the planning stage and implementations, this paper was prepared to study and make analysis on the practice, performance and challenges of ASYCUDA. During the process of studying a non-random purposive sampling technique were used to select the sample size from both ERCA employee and customers. On this regard a sample size of 200 respondents were selected and the response which was generated from respondents were processed and analyzed using SPSS. Thus As part of the system strengths and weakness, the study gives a recommendation on the planning stage whenever new programs are implemented, they have to compatible to the existing situation. In addition, induction and training programs must be provided together with implementation.

CHAPTER ONE

INTRODUCTION

1.1 Background Of The Research

The imperfect image of the public service was reinforced due to the fact that most governments exhibited budget deficit and fiscal crisis. Due to this fact most of them introduced market- driven policies and structural reforms in line with the NPM model and various forms of fiscal crisis allegedly caused by an inefficient public bureaucracy. These become one of the most often-cited rationales for adopting NPM as a more efficient model of governance in Western Europe and North America as well as Asia, Africa, and Latin America. *(Hague, 1996:4)*

The most common explanations for adopting civil service reform programs in public service is due to the NPM model which is evolved because of the weaknesses or failures of traditional state bureaucracy, especially in terms of its monopolistic nature, unmanageable size, managerial inefficiency, public inaccessibility, economic inertia, excessive corruption, and self- serving agenda. *(Hague, 1996:4)*

In line with the adoption of NPM, Civil Service Reform (CSR) programs are increasingly being adopted in Africa often linked to structural adjustment efforts. The purpose of CSR is to improve the effectiveness and performance of the civil service and to ensure its affordability and sustainability over time. The ultimate goal is to raise the quality of public services delivered to the population and to enhance the capacity to carry out core government functions. This is essential to promote sustained economic and social development. *(Osborne and Gaebler, 1992:12)*

However, dictated by loan conditional ties from the international financial institutions attached to SAPs, the Ethiopian government introduced the Civil Service Reform Program (CSRP) in 1996. The CSRP was also part of a wider attempt to affect a policy of transition from the old practice of single party domination to a multiparty system, and changing the centrally planned economic model to a market variant. *(Getachew, 2006:6)*

As a result five civil services reform program were recognized by the Ethiopian government, i.e Top Management Systems, Human resource management, Service Delivery, Expenditure Management and Ethics reforms. (*Getachew, 2006:6*). Thus, this research paper will give emphasis on the service delivery reform within the Ethiopian Customs and Revenue authority by taking a case study of its automated system known as ASYCUDA++.

According to a recent report from United Nations Conference on Trade and Development (UNCTAD), the Automated Customs System will improve efficiency and speed in the acceptance and clearance of cargo, tax and other paper transactions. It also provides for the clearance of goods and for payments online. The system allows for a one-stop gateway for Customs and Revenue business, providing Government with trade figures and statistics in real time which is invaluable for budgeting and planning. In addition the system also provides the function Enforcement, Security Cargo control, Risk management, Container security initiative to perform risk prevention.

(http://unctad.org/en/PublicationsLibrary/webdtlasycuda2013d2_en.pdf)

In addition to the above fact, in Ethiopia the introduction of the system showed a change in reduced time and easy access of information so as to increase service delivery. Thus, the implementation of the system is the show case for the adoption of the reform programs in the Public service especially in the view of increasing the efficiency and effectiveness on service delivery and customer satisfaction. (WCO, 2011:6)

1.2 Statement Of The Problem

To enhance the capacity of public institutions in Ethiopia and to create an ideal environment for investment and economic growth, the public sector has gone through a series of reform processes. Through the adoption of reform programs, the Ethiopian government has been trying to maximize the Public service delivery where by a series of activities designed to enhance level of Public satisfaction. *(Getachew, 2006:1)*

Thus through the government plan to reform some of the Public service delivery, Customs and Revenue sectors was included to strengthen Customs operational efficiency for control by providing modern tools, techniques, implementing sound procedures, providing full audit trails and mechanisms for controlling Customs operations. Based up on this understanding, through the fund generated from United Nation Development Programs (UNDP), the Ethiopian government had lunched ASYCUDA program in September 2003. *(UNCTAD, 2011:34)*

According to UNCTAD Trust Fund for Trade Facilitation Negotiations Technical Note No. 21 published in January 2008, ASYCUDA was believed to contribute to the following major functions in Customs and Revenue Public service delivery. These are:

1. Facilitation of trade through the normalization of forms and documents, data standardization, simplification and computerization of Customs clearance procedures to accelerate the clearance of goods;
2. Strengthening of Customs operational efficiency by providing modern tools and techniques, implementing sound procedures and providing full audit trails and mechanisms for controlling Customs operations;
3. Strengthening Customs management and control by providing Governments with accurate and timely statistics on foreign trade and revenue for trade policy and decision making purposes.

4. Automation of all Customs procedures and regimes (cargo control, clearance processes, transit monitoring), with robust inbuilt Customs control capabilities through manifest, full declaration processing, risk assessment and selectivity, accounting, and the automated calculation of duties and taxes;

In line with the above theoretical assumptions, the system ASYCUDA was believed to provide multiple tasks for Customs operation. In addition, according to World Customs Organization the System ASYCUDA had provided the daily operations of ERCA a better Public Service delivery capacity in terms of reduced time and better Revenue collection process. (WCO, 2011)

Despite of the facts where ASYCUDA was implemented to increase Public service delivery capabilities, on the other side due to the challenges and problems evolved, its implementation was altered. To mention some which are directly related to the system are those problems like frequent breakdown related to poor network infrastructure and rather than providing an accelerated customs clearance service, there has been a delay in clearance time. (*Kidest, 2010:61*)

According Kidest, on her master thesis on the effectiveness of electronic service delivery, she gave much emphasis on the technical implementations ASYCUDA. On her argument, despite of the fact that ASYCUDA increased the effectiveness of public Service delivery, the system is also exposed to frequent break downs which result a decrease in its performance. Apart from her findings what was left as a gap was the main intentions and rationales of implementing ASYCUDA were not fully discussed. Thus, this gap also initiated the preparation this paper by focusing reform programs together with the rationales as well as intentions of implementing ASYCUDA.

In addition, Lack of awareness on the program by employees and customers were some of the problems exhibited though the implementation phase resulting customer compliments and dissatisfaction contrary to government plan to reform the sector. Despite of this, the main essence of government introducing reform program within ERCA has been witnessed tampered by frauds

and corruption where by those principles and motives out lined in the reform programs where diverted from their main course of action. On these regard, some employees of ERCA has been bribed by accepting money in the form of corruption, just to speed up the process of clearing legal goods by making the authority vulnerable to corruption. *(Teweldeberhan, 2011:85)*

In this regard, what was seen as a gap is between government plan to reform the sector for better service delivery and the problems exhibited in the implementation phase through the underutilization of theoretical advantages of the system ASYCUDA and also the problems which emanates from the system. Therefore, this study will make an investigation on the practice, performance and challenges ASYCUDA in relation to the overall reform programs in the achievement of efficient and effective Public service delivery.

1.3 Research Questions

Guided by the research objectives, the following are some of the research questions in the preparation of the research paper.

1. What are the rationales for introducing ASYCUDA in the operation of Customs and Revenue Authority?
2. What is the current perception and contribution of ASYCUDA in improving Public service delivery to internal and external users of ASYCUDA?
3. What are the major problems and challenges of implementing introduction ASYCUDA?

1.4 Research Objectives

As it has been noted within ERCA a series of reform programs has been adopted in which service delivery is one of the reform packages. This research paper was prepared based up on the following objectives:

General objectives of the research: The research paper explores customs and revenue reforms in Ethiopia with the attempts made by the government on the area of Public service delivery.

Specific objectives of the research: Apart from the general objectives, this research paper addresses the following specific objectives.

- Examine the existing Perception ASYCUDA++ program in relation Public Service delivery capacity by internal and external users of ASYCUDA++
- Examine the existing Problems and challenges of ASYCUDA++ program by dividing in to two major classification system and non-system problems.
- Show a course of actions for establishing the necessary policy options by indicating the gap with what is intended and what actually happened in the reform program.
- Introduce readers of this research paper the general ideas of Public Service delivery and ASYCUDA++

1.5 Scope and Limitation of the Research

Scope of the research: Due to the variance in the geographical location of branches within ERCA, only Headquarter and some selected branch offices found in Addis Ababa are included in the study. In addition, some frequent customers like importer/exporter and clearing Agents who are using ASYCUDA on daily bases also included in the study.

Limitation of the research: It has been tried to include other branches of ERCA in the study but due to the wide area of ERCA in terms of scope, makes it difficult to involve other branch office due to the limitation of time and resource. But a non-probability purposive sampling techniques was used due to the fact that most of the import and export as well as the overall customs procedures are conducted in the selected research scope area.

1.6 Significance of the Study

Public service delivery was one of the programs under the reform which is the main title under analysis and discussion designed to show the current practice, performance and challenges of customs and revenue reforms in Ethiopia. Basically, this paper is believed to deliver the following important contributions;

- Show ASYCUDA++ an extension of reform programs recognized by the government of Ethiopia.
- The study can generate important knowledge by introducing about ASYCUDA and its implementation in the Case of ERCA.
- In additional this paper tries to show the positive contribution of the system together with the limitation with possible recommendations.
- It also outlines to policy makers on how to design and implement reforms by showing gap analysis.

1.7 Organization of the paper

The research paper is organized in five chapters, the first chapter deals with the background of reform programs, statement of the problem, research objectives, scope and limitation as well as significance of the study. The second chapter deals with the theoretical perspective of reform programs by introducing and defining about civil service programs together with the rationales, Public service delivery and the introduction to the system ASYCUDA as part of the reform. The third chapter deals with the research methodology. On this chapter specific and detail explanation is made on how the research is conducted by showing the instruments, sampling techniques and analysis tools. The fourth chapter is all about the analysis of the data guided by research objectives and question, a detailed analysis is made. Lastly, fifth chapter is all about the conclusion and summary of facts from the study and recommendation regarding the practice, performance and Challenges of implementing ASYCUDA.

CHAPTER –TWO

REVIEW OF RELATED LITERATURE

MEANING AND CONCEPTS OF CIVIL SERVICE REFORM, PUBLIC SERVICE DELIVERY AND INTRODUCTION TO ASYCUDA++

2.1 Theoretical Literature Review

2.1.1 Introduction

In recent times, there has been accelerated change globally brought about by technological advances, greater decentralization and social activism. The ramifications of these changes are being felt by government in the form of increasing expectations for better governance through effective service delivery, transparency, accountability and rule of law. The civil service, as the primary arm of government, must keep its pace with the changing times in order to meet the aspirations of the people. (*Satish, 2006:3*).

According to World Bank report in 2000, it has outlined the issue of reform in general for public sector as “Public Reform will proceed only when a country’s leaders are committed and put themselves in the driver’s seat”. But changing the internal rules of government is usually not enough to achieve reform. To be effective, we need to work with our partners to understand and address the broad range of incentives and pressures both inside and outside of government that affect public sector performance (world Bank,2000). Therefore, Low effectiveness of public administration becomes the main impediment to sustainable economic growth and for this problem making public reform like Revision of functions and procedures for the bodies within executive branch, the Delimitation of authority between the federal government and members of the Federation as well as local self-government and finally Civil service reform are some of the ways to increase the effectiveness. (Mikhail, 2003)

In line with the adoption of NPM, Civil Service Reform programs are increasingly being adopted in Africa often linked to structural adjustment efforts.

The purpose of CSR is to improve the effectiveness and performance of the civil service as it has been noted in the above the major bottlenecks in the performance of public service and to ensure its affordability with sustainability over time. The ultimate goal is to raise the quality of public services delivered to the population and to enhance the capacity to carry out core government functions. This is essential to promote sustained economic and social development. *(WB, 2000:10)*

2.1.2 Meaning of Civil Service Reform

Civil Service Reform is a deliberate change effort by government to improve its capacity to effectively and efficiently execute policies. *(Satish, 2006:1)*.

Civil service reform is also an efforts to make government more organized, affordable, honest, and responsive; to bring government closer to the grassroots; and to make government perform and deliver better. *(Rao, 2013:1)*.

Civil Service Reform is the substitution of business principles for political methods in the conduct of the civil service especially the merit system instead of the spoils system in making appointments to office. A well-functioning civil service helps to foster good policymaking, effective service delivery, accountability and responsibility in utilizing public resources which are the characteristics of good governance. "Good Governance" is being used as an all-inclusive framework not only for administrative and civil service reform, but as a link between Civil Service Reform and an all-embracing framework for making policy decisions effective within viable systems of accountability and citizen participation. *(Satish, 2006:5)*

Civil Service Reform aims at strengthening administrative capacity to perform core government functions to raise the quality of services to the citizens that are essential to the promotion of sustainable economic and social development. CSR can contribute to macroeconomic stabilization by restoring budgetary stability, strengthening revenue collection, managing aid effectively, and improving development performance through proper implementation of investment frameworks and the management of public expenditure plans and programs. The reform can contribute to the design and implementation of an equitable program of social development. Enhancing the capacity of civil servants and improving their morale are critical to all these functions. (*Satish, 2006:5*)

In Civil service reform, there are several likely players based on their responsibilities either inherited from the ancient regime or assigned by a new democratic regime. The key determinant of institutional responsibility for civil service reform management is, un- surprisingly, whether the country has an integrated civil service with a single legal, institutional and financial frame-work or a fragmented civil service. (*Miroslav, 2002:60*)

According to the article written by M.Satish in 2006, Reforms must take into account the role of the Civil Service in the governance needs of the day and the expectations generated from it.

The main components of Civil Service Reform should pertain to the following:

- 1. Size and Structure of Government* : Since independence, the government has increased the number of ministries, departments and officials; in some cases even doubling them. In part, this growth has been stimulated by political considerations; it accommodated more and more intra-party groups by offering more ministerial positions. It also created posts for senior civil servants, along with other jobs at other levels that enlarged the patronage capabilities of a number of political and bureaucratic leaders. However, this expansion has not been offset by a concomitant shedding of lower priority responsibilities or other attempts to eliminate redundancy.

Apart from its budgetary aspect, this kind of expansion has stretched implementation capacity, and compounded coordination problems.

Civil servants are spending more and more time in maintaining and/or clarifying their jurisdictional rights and boundaries, clearing their decisions through increasingly complex internal processes, and coordinating their activities through an increasing number of agencies.

In addition, it has created vested interest groups at all levels that have blocked efforts at reform and rationalization. Once a ministry, department, division and unit have been created, it is difficult to abolish, even though its function may well have been transferred or may no longer exist. Similarly, it is difficult to dismiss a government employee who has tenure guarantees. This issue of civil service efficiency vis-à-vis size is critical. Although worldwide reduction in size of civil services is often under budgetary pressures and/or threats from donors and lenders, fundamental questions such as the number of ministries and internal cohesion and the integration of functions within each ministry are not looked into. Although limited guidelines exist on the appropriate size and structure of a ministerial administration, it is possible to make some tentative recommendations.

2. *Recruitment:* Civil service recruitment and promotion hinge on several factors such as patronage versus merit; the relative importance of ethnic, religious, regional and gender preferences. Even where countries adopt a merit-based system, various practices influence in favor of these biases. An explicit political dimension becomes pronounced not only at the highest levels of policy and program formulation, but also at the lowest levels of regulatory and control activities. Such political pressures are most pronounced in countries with diverse ethnic, religious, and cultural groups. These stresses on recruitment and promotion become severe where economic growth has not opened up job opportunities for the employable, either educated or unskilled and the government becomes the employer of last resort. However, where economies expand, public employment tends to shed bias restrictions and even to use private sector practices to bring qualified people into the civil service.

3. *Capacity Building and Human Resources Development:* The training offered for civil service recruits is one of the most comprehensive training systems. The gaps where the training facilities are not in tune with the new trends have to be identified from time to time, so that training can be provided right at the induction level. The urgency for reforms in civil services is dictated as much by the imperatives of global developments as by the forces of new technology and communication which are shrinking distance and commerce, rendering conventional approaches and practices of administration obsolete and dysfunctional. Towards this end, a number of measures have to be taken for simplification of rules and procedures, delegation of enhanced powers, better enforcement and accountability and speedy redress of public grievances.

4. *Performance and promotions:* The question of how employee performance should be systematically evaluated in a fair and reliable fashion, without generating unnecessary conflict, is a complicated one. Although supervisors have the right to provide continuous feedback and guidance to employees, a serious effort to reform the system of performance assessment are urgently needed. In the near term, efforts can be made to revise and update the performance evaluation format and incorporate more department-specific feedback. Improvements can also be made without much difficulty to improve the consultative nature of the performance evaluation process and the feedback managers provide to staff. A Performance Appraisal Model will be of great use in reforming performance evaluation.

5. *Professionalism and Modernity:* The neutrality of civil servants, especially at the highest levels of policy-making and program formulation is important to maintain, particularly in democracies where leaders change periodically. Bureaucratic continuity is a necessity even though it may become a mechanism for creating a privileged, self-oriented group within the state. It is worth noting that the principle of bureaucratic neutrality as an instrument for the preservation of democracy has never been rejected outright.

Although legal, sometimes constitutional measures can provide for such neutrality, there are also structural arrangements that facilitate the separation between politics and administration both substantively and procedurally. In parliamentary democracies, the secretary of the ministry is a permanent civil servant who heads the ministry's administration temporarily and acts as the chief advisor to the minister. He or she is thereby involved in discussing and often influencing political matters that relate to the ministry.

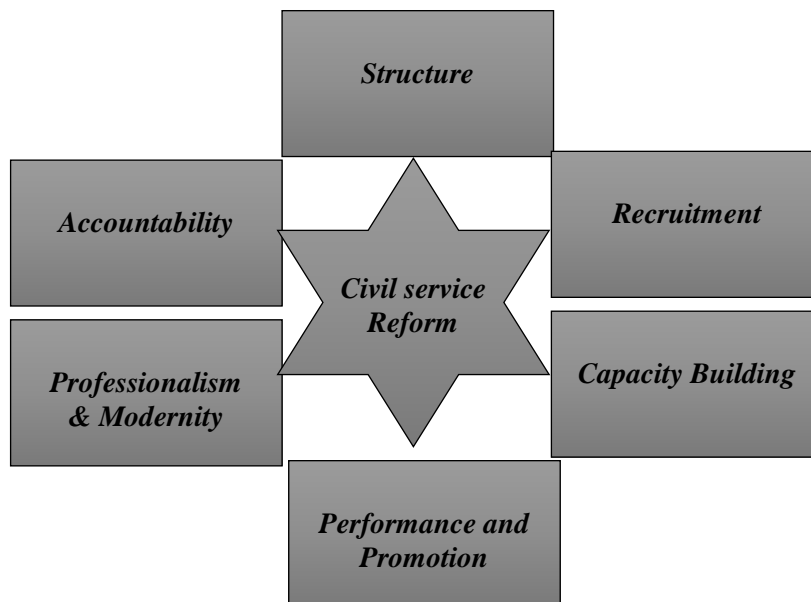
6. *Civil Service Accountability*: According to the author, The Civil Servant has always played a pivotal role in ensuring continuity and change in administration. The civil servants are dictated by the rules and procedures. It is the 'rule of law' rather than 'rule of man' that is blamed for widespread abuse of power and corruption among government officials. The explosion of media has also opened civil servants to external scrutiny. Transparency is a necessary part of accountability, though they are two different concepts. To hold a civil servant accountable, it is necessary to find out the information about the civil servants' decisions and actions.

This leads us to the urgent need for legislation such as the Right to Information and protection for the citizens to blow the whistle.

For greater accountability as the following are some of the measures suggested:

- ✓ Strengthening and streamlining reporting mechanisms
- ✓ Streamlining and fast-tracking departmental enquiries
- ✓ Linking performance with incentives
- ✓ Overhaul of employee grievance procedures
- ✓ Action on audit findings
- ✓ Implementation of Citizens Charters' for monitoring service delivery
- ✓ Right to Information Act and its enforcement
- ✓ Code of conduct for civil servants

Finally the diagram below shows the six main components of Civil Service Reform according to M.Satish.



Thus, based up on the arguments forwarded by Satish what is to be analyzed as per the research problem is, for effective reform programs the recruitment of civil servant based on merit system is one factor. In addition for effective service delivery Capacity Building and Human Resources Development is one major factor for success of Reform programs.

Also related to research problem, the question of corruption and fraud as per the arguments of Satish he proposes “It is the ‘rule of law’ rather than ‘rule of man’ that is blamed for widespread abuse of power and corruption among government officials”. Thus, creating a spirit of accountability among civil servants using rules and regulation is one way to minimize corruption.

2.1.3 Concepts of Public Service Delivery

Service delivery: is a continuous, cyclic process for developing and delivering user focused services (WMO,2010:4) i.e Excellent service Delivery is the process by which organization delivers its services in a way that allows users to access in the most efficient, fair, cost effective, and humanly satisfying and pleasurable manner possible.

Service delivery is a set of principles, standards, policies, and constraints that is used to guide the design, development, deployment, operation, and retirement of services that is delivered by a service provider; with a view to offering a consistent service experience, to a specific user community, in a specific business context. (<http://www.ask.com/question/service-delivery-system-definition>)

Public service Delivery: it is defined as the delivery of those services which are mainly, or completely, funded by taxation. As such, they can differ markedly from commercial private-sector services in a number of ways. These differences need to be both acknowledged and discussed, because of their potential implications for the development of delivery systems.

Most typically, public services would include the following areas of public management: central and local government, the health authorities, education, defense, justice/home affairs and noncommercial semi state organizations. (Humphreys, 1998:6)

A key measure of governance is the quality and availability of essential services such as healthcare and primary education. Services comprise a core element of the social contract. Public access to good services indicates that a society is well-governed and enables the political leadership to draw continued support for its program.

Different groups in society will have different visions about what makes “good” Public service delivery. For example in the education sector, clients (parents/learners) want low cost, easy to access, safe, high quality schooling that improves their children’s/their life chances. Policy makers and political leaders want to deliver social benefits at low cost, with high propaganda value and political rewards. The providers (teachers) care about technically sound curricula, high salaries, respect and safety. Thus, the effectiveness of Public service delivery and in turn, the legitimacy of the political order depends on addressing competing goals and expectations in ways that satisfy the stakeholders. Thus the result may or may not involve the state providing services directly, as long as the services are in fact delivered. *(OECD, 2008:17)*

Based up on the article wrote by Australian government of Human Services and Social Inclusion in 2011 on Public service delivery reform, it forwarded the main reasons of providing effective public service delivery as follows:

- ✓ To Make easier for people to do business with government in a time and manner that suits their circumstances;
- ✓ To give people better quality services and more intensive help and support at times in their lives when they need it; and
- ✓ To give people better service from government that ensures they receive the benefits and support they are entitled to in ways that are effective for them.

Thus, in relation to the above points regarding the importance of public service delivery, in the Customs and Revenue Authority there have been a wider attempts to make the service delivery more effective and efficient. As a show case ERCA had adopted a wide range of change management

principles which were generated from WCO, World Bank / IFC (International Financial Corporation) for a better organization and country wide performance through a change in statuesque. (*Melaku, 2008:7*).

In addition Business process reengineering have been also adopted by ERCA in relation to change management using the principles out lined by Hammer and Champy in 1993. In this regard through the adoption of BPR, a radical change was introduced by phasing out process which do not add any value to customers on the process of enhancing the Authority's service delivery by avoiding over lapping of duties. (*Melaku, 2008:11*).

2.1.4 Understanding ASYCUDA

I. Meanings and Definitions

The word ASYCUDA stands for Automated Systems for Customs Data which is a computerized customs management system which covers most foreign trade procedures. The system handles manifests, customs declarations, accounting procedures, and transit and suspense procedures. ASYCUDA generates trade data that can be used for statistical economic analysis.

The ASYCUDA software was developed in Geneva by UNCTAD. It operates on micro in a client server environment under UNIX and DOS operating systems and RDBMS Software. (<http://www.asycuda.org/aboutas.asp>)

To understand the full potential of the software it is important to examine its origins, and the reasoning behind its current appearance. The original ASYCUDA software was developed in the early 1980s by UNCTAD in response to needs established during a proposed trade liberalization program. The preliminary finding was that reliable trade data statistics are essential to the establishment of a successful Customs liberalization program. Since the early 1980s the requirements for the system and from the Customs administrations involved in the project has mushroomed, and ASYCUDA in all its forms, is currently operational, or being implemented, in over 80 countries worldwide. (*UNCTAD, 2003:4*).

There are two version of ASYCUDA ,but the latest release of ASYCUDA Version 2 (release 2.7.1), bears little resemblance to the original, with functionality extended to provide selectivity, extraction of data for external manipulation, and the introduction of warehousing and licensing modules. With the arrival of more powerful personal computers, and a demand for the system to process greater volumes of data, it became apparent that the original system would benefit from a new approach to file structures and design methodology. (<http://www.asycuda.org/search.asp>)

II. General Information and Characteristics

Generally the ASYCUDA++ software is made up of a number of modules. They can each be described as having separate autonomous function, restricted by organization and application, around a specific set of data. Each module ensures the integrity of its own set of data, and performs its own message construction and interpretation through calls to the appropriate message handlers and interfaces. It is possible to install just one module or many and as per there task orientations by relating to the functions or tasks of different Customs offices or operational work groups within Customs offices. (*UNCTAD, 2003:10*)

According to section one of the functional reference manual on ASYCUDA, which is prepared by UNCTAD in 2003, the modular approach allows each module to be completely independent or coexist with the others and they are divided into two general categories, i.e

- I. User Modules and
- II. Head Office Modules.

I. USER MODULES: User modules are used by staff in Customs offices for production work i.e. input and process of declarations, cargo control, transit management, transaction and statistical reporting, accepting payments of duty, tax and for other types of payments (cashiers), risk selectivity and for other routine management controls. Customs brokers and declarants can also use certain of these user modules to give a direct electronic link to the Customs ASYCUDA++ system. The followings are some of the modules within user Modules.

- **MODCBR:** This is the Customs declaration processing office module and deals mainly with Customs declarations. It allows the input, validation, storage, registration and assessment of Customs declarations as well as post entry adjustments.
It also gives local management of selectivity functions when physical examination and documentary checks are carried out and controlled. MODCBR contains reporting options to check on the status of goods under suspense regimes, such as goods in warehouse or under other temporary import or export suspense procedures.
- **MODBRK:** This is a modified version of MODCBR designed for declarants and Customs brokers to give direct communication with the Customs ASYCUDA++ system using Direct Trader Input (DTI). The module is designed for the declarants or brokers to use on their own computer(s) in their own office(s) where they can prepare Customs declarations and lodge them electronically in the Customs server. Access is limited to those functions relevant to the specific declarant or broker authorized to use it and excludes the Customs control and report functions available in MODCBR.
- **MODENT:** This is another modified version of MODCBR that allows the trade to have same access as MODBRK above, but can be used by any broker or declarant. It allows a number of users to work on the same terminal in a public access location. For example, the computer may be an ASYCUDA++ terminal supplied by Customs in their processing office or perhaps by a shipping agent at a port. It is also possible to use MODENT as a bureau module, operated by a commercial business, charging uses for the input and transmission of

declarations to Customs. Access in this module is limited to those functions relevant to the specific declarants or broker using it and excludes Customs control and report functions in MODCBR. Access is limited to only those functions relevant to the dealings of the specific declarant using MODENT and excludes the Customs control and reporting functions available under MODCBR.

- **MODSDI:** This module allows the addition to the central ASYCUDA++ database, for data from manual declarations processed manually at Customs offices that do not have access to ASYCUDA++. It allows the declaration data to be input to the ASYCUDA++ database by Customs Officers based in Headquarters or in regional offices. It works in a similar way to MODCBR but has no links to the accounting system. This means that declaration data is input to the database and the operator enters the manually allocated registration and assessment numbers from the original office and the amount of duty and tax paid on the declaration without any system validation.
- **MODCAR:** This module is used for the processing of cargo reporting information in electronic format. It is used to capture electronic carrier manifests and bills of lading sent directly to Customs by the carriers or for Customs to input the cargo information at the Customs office.
Used with other ASYCUDA++ modules for declaration processing and transit, it allows cargo controls to be managed effectively in an automated environment.
- **MODACC:** This module covers all accounting and payment functions directly related to the declaration, such as taxes and duties, and those not directly related to the declaration, such as Customs overtime charges. It allows analysis and reporting on all payments and refunds, automatically allocating income to budget and tax codes.

- **MODSEL:** This module controls targeting and selection in the Customs declaration processing system and to manage the flow of the declaration processing path. It contains controls to block the assessment of declarations to allow physical examination and documentary controls to be carried out and has a range of query and report functions.
- **MODTRS:** This module allows electronic capture and transmission of Customs transit data and allows Customs officers to control the movement of all transit goods (goods that are not presently duty and/or tax paid) within national borders.
Transit documents created and managed within the module are transit declarations (T1), TIR Carnet and FIP (First Import Procedure).
- **MODTRB:** This is a modified version of MODTRS for use by declarants or brokers to give direct electronic connection to the ASYCUDA++ system. This module is designed for declarants or brokers to use on their own computer(s) in their own office(s) where transit documents are input and sent to the Customs server. Access is limited to those functions relevant to the specific declarant or broker using MODTRB and excludes the Customs control and report functions in MODTRS.
- **MODASY:** This module is a compilation of features from MODCBR, MODCAR and MODACC. It takes declaration processing (except for post entry and Print/Query), suspense procedures and verification from MODCBR, and all the options from MODCAR and MODACC.
- **MODSHD:** This module is designed for Customs to authorize removal of the physical goods from the transit sheds after completion of the declaration process, including payment of duty and tax liability.

II. HEAD OFFICE MODULES: The Head Office Modules are used for the initial set up of the ASYCUDA++ system to meet National Requirements (types of declarations, national Tariff, taxation rates etc.). They are then used for maintaining the reference data used by the system (currency rates of exchange, and a range of codes including importers, declarants, banks, warehouses etc.) and are used to maintain system security. The following are the modules under Head office Modules:

- **MODCHQ:** This module allows the creation and maintenance of the Customs tariff and the majority of the system reference tables' data including Customs offices, importers, declarants, country codes etc. It also allows for the creation and maintenance of taxation relief rules.
- **MODCHQCF:** The national Customs configuration module which allows national standards to be applied and the creation and maintenance of the main types of taxation rules including fees, item related tax and tariff column tax rules.
- **MODSYSCF:** This is the system configuration module that allows ASYCUDA++ to be configured for specific national use and includes the configuration options for Customs offices and the user access controls.
- **MODGTW:** The Gateway module is for communication between ASYCUDA++ sub systems in the national system. This module allows all communications between offices to be automated e.g. it may be used to allow routine reference table updates to be transferred from HQ to the regional offices, and for transaction data from the regional offices to be received by HQ in return.
- **MODTST:** This module has facilities to allow the testing of the ASYCUDA++ system operations by allowing generation of load tests. This allows random generation of declarations by automating procedures such as Registration. Assessment and analyzing the responses from servers. It allows meaningful testing of the prototype system before final implementation or pilot site testing.

As it has been discussed in the above sections, the introduction of Modular system of ASYCUDA is one the great achievement in relation to the research problem where by each modules are independently assigned with in the daily operations of ERCA. Here was is seen as a strength, the system automatically creates division of labor and separation of tasks within the clearance of import/export goods. This also one of the ways to minimize illegalities in the clearance of goods.

2.2 Empirical Literature Review

2.2.1 Customs Reforms and Introduction of ASYCUDA++

The political movement's came in 1990s witnessed the intensification of the involvement of the international financial institutions supporting a different kinds of reform programs. For instance the adoption of Structural Adjustment Programs (SAPs) focused on two major areas: macroeconomic policy reform and institutional reform (*Atkilt 1996: 56 as quoted in Getachew: 2006:6*).

International donor involvement was not without problems; for instance poor relationship between the International Monetary Fund (IMF) and the Ethiopian Government during the 1990s, which was largely due to the negative perceptions held of the country by Fund officials. However, dictated by loan conditionality from the international financial institutions attached to SAPs, the EPRDF introduced the Civil Service Reform Program (CSRP) in 1996. The CSRP was also part of a wider attempt to effect a policy of transition from the old practice of single party hegemony to a multiparty system, and changing the centrally planned economic model to a market variant. (*Getachew: 2006:6*).

The reform had been accelerated in 2001 following national public sector capacity building program (PSCAP) which was intended to accelerate the rate of reform, and increase the scale of transformation in the civil service. (*PSCAP, 2008*).

The national capacity building program comprises fourteen programs of which PSCAP is concerned with six priority areas including the followings;

1. Civil Service Reform;
2. District-Level Decentralization;
3. Urban Management Capacity Building;
4. Tax Systems Reform;
5. Justice System Reform;
6. Information and Communications Technology.

In line with the priority areas identified by PSCAP, the Ethiopian Customs Authority was under the reform program whereby there was a merger of three already existing bodies, the Ministry of Revenue, Ethiopian Customs Authority (ECuA) and the Federal Inland Revenue Authority (FIRA). The merger resulted in the creation of the Ethiopian Revenue and Customs Authority (ERCA) under Proclamation 587/2008. The Authority has the main responsibility of revenue collection on behalf of the Federal Government of Ethiopia as well as to secure and facilitate legitimate trade. In addition it works closely with the federal police, standardization authority, Ministry of Health, Immigration Service and with other stakeholders.

In addition to the internal reform programs, Ethiopia had requested WCO (World Customs Organization) assistance following a series of meetings between the WCO Secretariat officials and senior officers from the Ethiopian Government, a program was developed based on the WCO diagnostic approach.

The initial support that had to be provided by the WCO to ECuA (Ethiopian Customs Authority) was on the following major thematic areas. (*Mawete, 2011:3*)

- ❖ A review of the ECuA Modernization Program to assess progress and identify any further development needed.
- ❖ A comparison of ECuA against international standards.
- ❖ Identification of the support available from the WCO.
- ❖ A briefing on WCO integrity approach to the Senior Managers within ECuA. And
- ❖ A verification of the technical assistance and training needs.

Based on the priorities identified, the WCO provided targeted capacity building assistance by conducting a series of Management Development Program actions for Senior Management Team within ERCA. The events included sessions on international standards and developments, managing reform, introducing facilitation and risk management.

The WCO also continues to support ERCA by identifying subject experts from the WCO membership who can assist them with the development of their risk management, post clearance audit, anti-smuggling, and training functions.

Through the WCO Tripartite arrangement, Ethiopia was provided with a platform to engage with countries like Israel, Kenya, Tanzania and Uganda in various areas that covered Customs matters and Internal Tax administration. (*Mawete, 2011:4*). As part of the ongoing reform programs identified by PSCAP, on September 2003 UNDP funded a program called Implementation of ASYCUDA++ for the Ethiopian Customs Authority. This implementation program by UNDP has marked the beginning of the implementation of ASYCUDA++ in Ethiopia. (*UNCTAD, 2003:10*)

Currently ASYCUDA++ program has been used on more than 14 branches across computerised and networked offices including Addis Ababa Airport (Cargo, Airport Passengers, and Post Office), Nazreth, DireDawa Lagare, and DireDawa AirPort, Combolcha, Mekele, Jijiga, Moyale, Dewele, Galafi, Humera, Metema, Mille and Djibouti ERCA office.

When we look at worldwide the introduction of ASYCUDA by UNCTAD, it was accompanied by full of challenge and debate. For instance, In Cameroon from the first week of its operation, ASYCUDA was challenged; its installation and effectiveness was questioned. (*Cantens, 2007:58*).

The challenge was also propagated from within Customs itself. The simplification of procedures had distanced customs officials from users. Those who had to leave the customs warehouses and areas no longer received the legal bonuses previously paid to them for their work, part of which was also redistributed to all customs officials. Many customs officials therefore criticized the launch of a system which they considered to have been imported and installed under pressure from outside (*Cantens 2007:58*).

In relation to the above challenge, Chad was the first country in Africa to implement ASYCUDA++, there are severe concerns regarding the system situation in the Customs Administration. The project for the implementation of ASYCUDA ++ was signed in May1999 between the Government of Chad, UNDP and UNCTAD (there was no previous Customs system).The pilot site started operationally at the airport in April 2001 followed by the sites of the military base, the post and Ngueli. (*WCO, 2011:21*). Since that time the functioning of the system went down by lack of technical assistance and by missing of financial resources. At present the ASYCUDA system is only used partially in the offices of the airport and Ngueli. The latest version of ASYCUDA++ has been installed in the offices reported above. An ASYCUDA platform composed of three villas has been created in N'Djamena and operates as national support and training center.

2.2.2 Electronic Service delivery and Trade Facilitation capacity of ASYCUDA++

Customs plays a key role in international trade. Every international trade transaction involves at least two customs intervention, one at export and one at import. It is clear, therefore, that the manner in which customs conducts its business has a substantial impact on the movement of goods across international borders. (*Kidest, 2010:45*). Therefore this important sectorial function government has got attention and included in the nationwide reform programs.

Under the civil service reform program, Ethiopian customs authority recently has made an effort to introduce the new customs transit and clearance control manual to meet its establishment objectives. But this is not an end by itself; rather, customs has always to be in reform. In reforming existing customs practices to farther facilitate the movement of goods, customs should adopt modern business process re-engineering (BPR) techniques to identify inefficient and/or redundant activities for streamlining or elimination. (*Kidest, 2010:46*).

In connection with the need for reform, the introduction of ASYCUDA facilitated a number of standard reports that came with the system to help users in managing customs operation and making decision. In addition to that the system has flexibility for the user countries to develop additional reports to meet their national demands. The data managed by ASYCUDA++ is handled by an Oracle database containing the entire transactions and references table, the user-define report data can retrieve from the database by SQL statement (*UNCTAD.2009:24*).

The other part of the system is what is called computerized risk-management systems to determine the routing of transactions for Customs control according to criteria established by Customs officers specialized in enforcement and intelligence gathering. Customs controls aim not only at protecting fiscal revenue and detecting fraud and smuggling but also at ensuring secure trade in the face of the terrorist threat. Since 11 September 2001, security measures need to be reconciled with expedited Customs clearance of goods.

This can be achieved only by using modern, computerized procedures that track and target high-risk consignments and reduce the number of physical inspections. (*UNCTAD, 2008:3*)

Apart from the above major contribution of the system ASYCUDA, there are some problems and challenges within Trade facilitation of the system. According to Teweldeberhan on his master's thesis on Challenges of Customs on Trade Facilitation in Ethiopia 2011, he identified the following major finds of the system in relation to customs operations;

- Undervaluation of transaction value, the authority did not trust the importers, so it prepares data from different sources which is contrary to the proclamation. At the same time, importers undervalued the transaction value and submit forged certificates of goods of origin; therefore, they are gambling each other which is against the rules and regulation of the country.
- Incapable officers/incompetency: even if most officers are degree holders, they are in short of technical skill of Customs, so they are incompetent in assessing and giving decisions of valuation.
- Misclassification of goods and tariffs: Customs officers intend to classify goods to the highest value to generate high tax, in the other hand, importers need to classify the goods to the lowest value to escape high tax payment, but none of them are in the right truck.
- Corruptions; as per the analysis, importers pay money in the form of corruption, just to speed up the process of clearing legal goods. So the authority is vulnerable to corruption.
- Wrong origin of goods even if it is not serious, importers present wrong certificate of goods of origin.

CHAPTER –THREE

RESEARCH METHODOLOY

3.1 Research Design

This research paper was conducted on the civil service reform programs launched by the Ethiopian Government by taking a descriptive research design. The research follows a mixed approach to justify practice of reform programs launched by ERCA in connection with service delivery. The main reason why the mixed approach is used in the study is to increase the reliability of data and data sources and to come up with answering the basic research questions.

In view of the Customs and Revenue reforms in Ethiopia; case study of ASYCUDA++, both qualitative and quantitative techniques are also applied during the process. In the qualitative part, interview with management and employees of ERCA is conducted as to get in depth information about the change and the information collected was analyzed quantitatively to make further analysis using statistical tools and models. The reason why both qualitative and quantitative technique are used in the study due to the fact that some respondents' response will be collected in both ways to triangulate the date and come up with the final findings.

3.2 Data types, Sources and instruments

The types of data in this research are both primary and secondary on areas of public service reform focusing on customs and revenue; As a primary source, survey questionnaires and interview with key informants is made .As secondary source Books, various publications of national and foreign governments, statistics annual abstracts of Ethiopia, publications, documentation and archives prepared by Ethiopian Revenue and customs Authority (ERCA), World Customs Organization (WCO), United Nations Conference on Trade and Development (UNCTAD).

Additionally accessible earlier research works, different web-sites and related materials which gives insights to define the problem clearly and helping to analyze all available information was used during the process. When it comes to data source and instrument, the following main data source and instruments have been used.

Survey questionnaires: According to (Kathy, 2006:2); “questionnaires should be Versatile, paper or electronic, can be given to participants to complete independently or can form the basis of structured interviews by ensuring that that questions are worded and structured appropriately”.

Based up on this guideline, a survey questionnaire is designed separately to both employees and external customers of ERCA and distributed through email and hard copy based on the first field observation. On this part the option was given to respondents’ to choice hard copy verses email response. The questionnaire has a total of 25 questions for both employees and external customers where by the questions were divided in to three parts as follows:

- **Part one**: Basic and Introductory questions using tick box.
- **Part Two**: According to Dane, 2007 on his article on the Advantages and disadvantages of Likert scale, “A Likert scale is a psychometric response scale primarily used in questionnaires to obtain participant’s preferences or degree of agreement with a statement or set of statements. Likert scales are a non-comparative scaling technique and are uni-dimensional (only measure a single trait) in nature. Respondents are asked to indicate their level of agreement with a given statement by way of an ordinal scale.” Therefore based on the above assumption, the second part of the questionnaires is designed using Likert scale method whereby respondents can give their response using five scales ranging from strongly agree to strongly disagree.
- **Part three**: is open ended questions where by respondents can put their comment freely regarding the practice, performance and challenges while they used ASYCUDA++.

Interviews: the second type of instrument used in the study is interview with Key informants who knows the reform and implementation of ASYCUDA++ very well. On this part a structured interview question is designed and well communicated with the Key informants.

Desk Review: Apart from the primary instruments, secondary sources were analyzed from different sources like archives from ERCA, WCO, UNCTAD and additionally accessible earlier research works, different web-sites and related materials are added in the desk review.

3.3 Validity and Reliability of Instrument

According to (*Elizabeth, 2005:1*) from University of Virginia on her article on a peer-reviewed electronic journal she wrote “*Most likely, you will create a survey questionnaire to collect measurable data from a specific group of people. The success of your survey will be the response rate, or how many people actually respond to your survey.*” thus, the survey questionnaires were distributed to check the validity and reliability of the questions so as to increase the response rate.

Part of these process is where a survey questionnaire is put in to a pre-test. In a pre-test there are a range of qualitative pre-testing techniques available for survey designers to use to meet different purposes. These techniques aim to identify errors that may be introduced during the administration of the survey. Many of these techniques are based on theories from cognitive psychology which provides a framework for understanding respondents' thought processes and influences on these processes. (*ABS, 2001:2*)

According to Australian Bureau of statistics on their population survey report for the year 2001, they have forwarded a different approaches on how a survey questionnaire is put in to a pre-testing.

The following are some of the methods forwarded by ABS:

- **Literature review:** Particularly database and library searches plus information from other national statistical agencies and survey organizations.
- **Expert review:** A group of survey design 'experts' review a questionnaire to identify potential sources of non-sample error by understanding the respondent's task and to provide suggestions for ways to minimize potential error. In conducting an expert review at the ABS, experts systematically analyses the response task for each question in terms of comprehension, information retrieval, and judgment and response generation.

Apart from the above method, Formal questionnaire pretesting methods have usually focused on directly identifying question defects. More recently, survey researchers have used a variety of cognitive research methods to identify respondents' difficulties as they form answers to survey questions. In contrast, the approach utilizes computer assisted methods to code the content of respondents' verbal reports and identify cognitive difficulties. (*Ruth, 1995:4*)

Therefore, through the above theories and methods questionnaires were distributed to the selected experts specialized in service delivery, as expert opinion customer service process owners from ERCA was invited to give comment about the questionnaires.

As a second method, the survey was given to colleagues and peers of researcher to give their academic comments about the survey and then some survey questionnaire distributed among selected branch office and the response was analysis using SPSS on how may question was answered and also comments were collected from sample respondents in order to check and contrast whether the responses can be analyzed using computer based analysis. Finally, the final updated survey questionnaires distributed among the respondents .

3.4 Population and Sample Size

As it has been discussed in the scope, the total number of respondents for the survey are from ERCA's main branches; Addis Ababa Airport and Kaliti stations together with ERCA's Head Quarter.

The table below shows the total number of employees for each branch and how the sample size is determined to have a representative sample size. On this part due to the high rate of turn over the total number of employees is taken at the time where the survey was done.

**Table 3.1 Total Number of employees for A.A Airport ERCA Stations
For the month ended of March, 2014**

Department	Total Number of Employees
Cargo service	280
Passenger Service	127
Support/Back Office	41
Total	448

Source: A.A Airport ERCA Station, 2014

As indicated in Table 3.1, there are a total number of 448 employees at Airport Branch office, but from the total number of employees, those employees who are using the system ASYCUDA++ where taken in the Survey, that is a total of 120 employees where selected as a population since the rest of employees are assigned on other function of the authority like examination, law enforcement and support activates.

Out of 120 employees a purposive non random sampling technique is conducted where by 50 respondents were selected among the total population whom currently working on the system. The 50 employees who are selected purposely due to the fact they have been working with the system for long time as per the pre information gathered from Human resource office.

**Table 3.2 Total Number of employees for Kaliti ERCA Stations
For the month ended of March, 2014**

Department	Total Number of Employees
Operation	315
Law Enforcement	149
Support/Back Office	77
Total	541

Source: Kaliti ERCA Station, 2014

As indicated in Table 3.2, there are a total number of 541 employees at Kaliti Branch office, but from the total number of employees, those employees who are using the system ASYCUDA++ where taken in the Survey, that is a total of 250 employees where selected as a population since the rest of employees are assigned on other function of the authority like examination, law enforcement and support activates. Thus the 250 employees where taken as a population size and out of this, a purposive non random sampling technique was conducted where by 80 respondents were selected among the total population whom currently working on the system. In this case also the 80 employees are purposely due to the fact they have been working with the system for long time as per the pre information gathered from Human resource office.

In addition, 20 employees from HQ selected randomly from ERCA’s Information Technology Development and Management Directorate office due their technical knowledge on the system. Finally even if it will be difficult to determine the population size of customers’ of ERCA, 50 customers were purposely selected due the fact that they often engaged with operation of ERCA daily also they have been using the system ASYCUDA++ on daily bases, this group includes importers, exporters and Customs clearing Agents.

3.5 Method of Data Analysis and Interpretation

A summary of statistical method of analysis of all the data pertaining to customs and revenue reforms in Ethiopia were interpreted and analyzed both in a qualitative and quantitative process focusing on the practice, performance and challenges in the implementation of ASYCUDA++.

In addition, Quantitative data from the questionnaires were analyzed using descriptive statistics. The rationale to use this descriptive statistics is to describe the basic features of the data in a study and to provide summaries using statistical package for social science (SPSS) through tables and charts.

3.6 Ethical Considerations

During the process, the Ethical issues are taken in to consideration where by the response generated in the survey kept confidential and before the survey was conducted, respondents were informed about the objective as well as ethical consideration in addition prior permission of respondents was made regarding the information collected.

According to *The Belmont Report (1974:4)* which summarizes three basic ethical principles relevant to Research involving human subjects. These are; Respect for persons, Beneficence and Justice.

Respect for persons: Individuals should be treated as autonomous agents. The investigator must ensure that the subject has received a full disclosure of the nature of the study, the risks, benefits and alternatives, with an extended opportunity to ask questions.

Beneficence: Maximize possible benefits and minimize possible harms. The investigator should give forethought to the maximization of benefits and the reduction of risk that might occur from the research.

Justice: Fairness in distribution Justice occurs when some benefit to which a person is entitled is denied without good reason or when some burden is imposed unduly equitable selection of participants

Thus, through the above understanding, on the data quality during the study materials used are only from authorized authority and verified individuals information is used since basically the reliability and validity of good research depends on the quality of collected data. In addition triangulation of all data source is made to check the accuracy and reliability of the data.

CHAPTER –FOUR

DATA PRESENTATION AND ANALYSIS

4.1 Introduction

During the adoption of the reform program, the Ethiopian government had accepted the major problems in relation to the public service delivery, where by service delivery was identified as a major area of reform. Before the reform was conducted, the civil service was having numerous administrative barriers like excessive documentation requirements, inadequate information on rules and regulations, lengthy registration or ratification periods, redundant and complex formalities.

Thus, through the above understanding of reform programs, the Ethiopian Revenues and Customs Authority also adopted the essence of reform issues where by this chapter deals with the presentation of major data collected and analysis as per the stated general, specific objective and research questions.

4.2 Basic Information and Respondents' Profile

Out of the 200 survey questionnaires distributed through email and hard copy, 177 (88.5%) of the survey questionnaires were successfully returned and out of the 177 questioners, the 127 are from employees and the rest 50 are from customers of ERCA.

Table 4.1 Respondents' Composition from ERCA's Employees Group

	Frequency	Percent	Cumulative Percent
ERCA Head office	8	6.3	6.3
ERCA Bole Airport	50	39.4	45.7
ERCA Kality	69	54.3	100.0
Total	127	100.0	

Source: Survey questionnaires, 2014 Captured by SPSS, V.21

Table 4.2 Respondents' Composition from ERCA's Customer's Group

	Frequency	Percent	Cumulative Percent
Exporter	13	26.0	26.0
Importer/Exporter	7	14.0	40.0
Clearing Agent	30	60.0	100.0
Total	50	100.0	

Source: Survey questionnaires, 2014 Captured by SPSS, V.21

Regarding the respondents year of service in business for customers group and employees working with ERCA, the table below shows their year of service according to their group as customer and employee.

Table 4.3 Respondents' Year of Service from ERCA's Employees Group

		Frequency	Percent	Cumulative Percent
	Less than one year	3	2.4	2.4
	1-4 Years	27	21.3	23.6
	4-8 Years	51	40.2	63.8
	8-10 Years	21	16.5	80.3
	More than 10 Years	25	19.7	100.0
	Total	127	100.0	

Source: Survey questionnaires, 2014 Captured by SPSS, V.21

Table 4.4 Respondents' Year in business with ERCA's Customers Group

		Frequency	Percent	Cumulative Percent
	1-4 Years	13	26.0	26.0
	4-8 Years	18	36.0	62.0
	8-10 Years	4	8.0	70.0
	More than 10 Years	15	30.0	100.0
	Total	50	100.0	

Source: Survey questionnaires, 2014 Captured by SPSS, V.21

According to the above two tables, table 4.3 and 4.4, more than 76.4 % of respondents from employees group and 74 % of respondents from customers group have been working within ERCA more than four years. This percentage also infers for the reliability of response generated from respondents, their long years of service can be used as one criteria.

4.3 Practice, Performance and Challenges of ASYCUDA++

On this part, the analysis was made in two part that is, the first part is focusing the major system strengths and the second part is on system weakness with area of improvement. When the first part is seen, all triangulated data from primary and secondary sources have been put in the analysis part. Also in the second part weakness and area of improvement were divided for analysis purpose again in to two sub groups as system and non-system (Human factors).

4.3.1 Practice and Performance of ASYCUDA++

In order to assess the current practice and performance of ASYCUDA++, respondents from the two group were asked regarding their perceived understanding on the effectiveness of ASYCUDA++ for their daily operations with the authority.

Table 4.5 Respondents' response on the perceived effectiveness of ASYCUDA++ on Service Delivery

		Frequency	Percent
Valid	Yes	143	81%
	No	27	15%
	Total	170	96%
Missing		7	4%
Total		177	100%

Source: Survey questionnaires, 2014 Captured by SPSS, V.21

Based up on table 4.5, out of the total respondents from the two group, 143 (81%) agreed that ASYCUDA++ can provide effective customer service, the rest 27 (15%) of respondents respond against its effectiveness in service delivery. Thus this figure shows that most of the customers of ERCA have got a positive perceived understanding towards ASYCUDA as it prompts effective customer service on their operations with the Authority.

In addition to the above fact according the secondary data source collected from ERCA for the last three year around 1,076,454 declaration have been process for the year 2011-2013. This number also infers that each declaration is attached to the revenue collection capacity if the authority where by more declaration leads to more revenue to be collected. Hence, what has been stated in the empirical literature review where ASYCUDA had increase the trade facilitation process is also been backup in this findings.

Apart from its effectiveness, during the survey how much the system is reliable in the daily operation of ERCA has been investigated and the tables below shows the result from the two group of respondents.

In this table the respondents' were asked to respond as compared with the previous manual system which was characterized by missing declaration and important customs data as per the information collected in the first primary field visit. Thus, as part this understanding respondents were asked to respond the reliability of the system.

Table 4.6 Respondents' response on the Reliability of ASYCUDA++ on Service Delivery

		Frequency	Percent
Valid	Strongly Disagree	5	2.8%
	Disagree	9	5.1%
	Neutral	6	3.4%
	Agree	105	59.3%
	Strongly Agree	41	23.2%
	Total	166	93.8%
Missing		11	6.2%
Total		177	100.0%

Source: Survey questionnaires, 2014 Captured by SPSS, V.21

According Table 4.6, almost 146 (82.48%) respondents replied in an agreement with the reliability of the system on customs operation and service delivery. On this regard in addition to the survey response, an interview was also conducted. Thus, as a response why most of the interviewee replied that the system ASYCUDA was reliable is due to the fact that on the previous manual system it was difficult to trace declaration status also the data capturing functions of the authority were only paper based. This work flow created a problem of losing documents and important customs information, but the introduction of the system created a reliable information for the mentioned problem that every declaration information can be retrieved from the system.

As it has been discussed above, to check the problem in the implementation, a field visit was performed and problems were classified as system and non-system (Human factors). In addition to effectiveness and reliability, a survey was made on sources of problems from the two broad categories to check whether the problems related to service delivery on ASYCUDA are from the system ASYCUDA or Human factor. Table 4.9 shows the respondents response regarding the problems arising from the system ASYCUDA which comes to in favor of the system.

Table 4.7 Respondents' Response Regarding errors are not from the system

		Frequency	Percent
Valid	Strongly Disagree	27	15.3%
	Disagree	79	44.6%
	Neutral	12	6.8%
	Agree	43	24.3%
	Strongly Agree	8	4.5%
	Total	169	95.5%
Missing		8	4.5%
Total		177	100.0%

Source: Survey questionnaires, 2014 Captured by SPSS, V.21

According to Table 4.7, almost 106 (60 %) respondents replied to the question most ASYCUDA related problem are not coming from the system itself. Also only 51 (29%) respondents replied in favor of problems arise from the system ASYCUDA++. Thus, the above facts showed the system effectiveness, reliability and most of the time the problems showed during the daily operations of ERCA in connection with the usage of ASYCUDA are not coming from the system .

In the above tables, the survey shows the positive aspect of the system whereby for effective customer service delivery the adoption of ASYCUDA has got a vital role. In addition to the above contribution, during the interview process it has been noted that the system provides additional contribution to the process as discussed below:

- I. **Easy for Data Retrieval and Reporting:** During the previous manual time data retrieval and report generation was difficult. But the adoption of ASYCUDA has cleared this problem where by anyone who wants to get a report can get fast and prompt feedback from ERCA office. The tables 4.8, 4.9 and 4.10 below Shows the data retrieved from the system on the current import and export as well as the number of declaration declared within ERCA for the last three years.

**Table 4.8 Tax Collected from Import
For the Year 2011-2013 G.C**

Fiscal Year (G.C)/Import			
Item	2011	2012	2013
CIF Value(ETB)	149,491,453,108.96	208,979,210,952.91	206,053,801,342.04
Duty. Tax	9,330,997,031.50	12,513,385,081.79	12,513,385,081.79
Excise. Tax	3,028,295,966.46	3,988,881,174.56	3,988,881,174.56
VAT	10,619,552,086.11	14,182,541,851.06	14,182,541,851.06
Surtax	5,444,280,800.09	7,781,558,440.52	7,781,558,440.52
Withholding Tax	1,310,190,796.06	1,792,409,689.04	1,792,409,689.04
Total Tax/Import	29,733,316,680.22	40,258,776,236.97	40,258,776,236.97

Source: ERCA, 2014

**Table 4.9 Tax Collected from Export
For the Year 2011-2013 G.C**

Fiscal Year (G.C)/Import			
Item	2011	2012	2013
CIF Value(ETB)	43,383,677,813.55	48,974,935,795.78	48,704,260,899.51
Duty Tax/Export	4,851,275.73	36,708,723.07	8,357,397.99

Source: ERCA, 2014

**Table 4.10 Total number of Declaration Declared and Captured by ASYCUDA++
For the Year 2011-2013 G.C**

Branch Office	Declarations	Branch Office	Declarations
AAA	392,325.00	GLN	213.00
AAHQ	41.00	GON	2,635.00
AAK	76,218.00	HUM	6,884.00
AAL	45,645.00	JIJ	123,230.00
AAP	30,182.00	MEK	4,065.00
AAPX	115,221.00	MET	13,776.00
ALX	36,416.00	METY	1,653.00
BAH	739.00	MIL	20.00
COM	2,525.00	MOJ	28,342.00
DDA	52,185.00	MOY	2,699.00
DDL	67,256.00	NAZ	40,179.00
GAL	33,749.00	SEM	256.00
Sub total	852,502	Sub total	Sub total
Total Declaration for year 2011-13			1,076,454.00

Source: ERCA, 2014

II. *Minimizes corruption and increase Security:* As per the data collected during interview, the implementation of ASYCUDA creates high check and balance on the daily customs operation. As it has been discussed in the literature review chapter, the system operates on distinctive modules where by the access and privilege given for one officer is different with that of the other depending on the nature and duty assignment. This kind of system arrangement creates check and balance, meaning the tariff assessment officer don't have any right and privilege to login in to the modules used by a cashier or warehouse controller but all will be monitored and controlled by the person who has a privilege on the modules used by head office found at different locations.

On this regard according to the triangulated secondary source from world bank report on ASYCUDA in 2005, The introduction of the system on revenue tracking software in Customs has resulted in greater transparency and revenue growth, and will be followed by Phase II, under which Customs plans to introduce an automated cargo manifest and automated risk evaluation. It will also seek to adopt the Arusha declaration and raise ethical standards of conduct, all of which should help to reduce corruption. Customs is a particularly important agency: given the need for investment and the dependence of the economy on imports. Timor-Leste cannot afford the risks of additional costs and impediments to trade facilitation and private sector development. (*World Bank, 2005:1*)

III. *Increased Service delivery and Revenue Collection Capacity:* Despite of the overall reform programs, the implementation of ASYCUDA has played a vital role in the increased service interims of reduced time spend on the daily customs operation as well as high revenue collection capacity.

According to the world customs Organizations (WCO) report on Customs Reform and Trade Facilitation in Ethiopia in 2011, the reform programs conducted in ERCA shows a change interims of increased tax collection and reduced time. Table 4.14 below shows the summary of Increased Service delivery Efficiency and Revenue Collection Capacity

Table 4.11 The Increased Efficiency of ERCA In Terms Of Service Delivery and Revenue Collection

	Parameter	2005/2006	2009/2010	Percentage
1.	Import transaction	37.24 B. Birr	107.92 B. Birr	187.92
2	Export transactions	8.83 B. Birr	26.43 B. Birr	199.14
		2007/2008	To Be	Actual
3	Transit	3.47hour	40min	14min
4	Customs clearance Import	7days	Green 10 min,	10 min
			Yellow 2:30 hour	2-3hour
			Red 6 hour	6-8hour
5	Export	5 – 8 hour	20min	15min
6	Personal effects	4 hour	45min	30min
7	Investigation	397 days	4 to 20 days	5 days

Source: WCO, 2011

On the above table 4.11, the introduction of ASYCUDA is considered as one of the inputs for increased in service delivery and revenue collection capacity due the fact that the system has resulted a reliable and fast data capturing as well as data retrieval mechanism for the increased economy of the country which again calls for such kinds of systems.

4.3.2 Major problems and challenges of ASYCUDA++

As part of the problem and challenges in the implementation of the reform, during the survey respondents were asked about their knowledge regarding the reform programs launched within ERCA.

Table 4.12 Respondents' response regarding their knowledge about Reform Programs within ERCA

		Frequency	Percent
Valid	Yes	73	41.2%
	No	101	57.1%
	Total	174	98.3%
Missing		3	1.7%
Total		177	100%

Source: Survey questionnaires, 2014 Captured by SPSS, V.21

According to Table 4.9, 73(41.2%) of respondents replied they know about the reform programs conducted within ERCA. In addition as it has been presented that out of the total respondents 101(57.1%) of respondents replied against on their knowledge of reform program.

Therefore this shows that the reform programs were not owed within the major stakeholders despite of the fact that the reform programs should be communicated as well as the changes should be sustained by the major actors. In this regard, for each successful reform programs like that of ASYCUDA, stakeholders' involvement should start from the stage of problem identification where by participants must feel the problem so that it would be easy to call for a reform. Also whenever reforms are conducted before a final deliverables were brought up to the existing system, like problem identification stage, it has to be communicate among the major stakeholders.

Despite of the reform issue, the next survey was conducted to check that employees who are assigned on the implementation if they have a training on the system ASYCUDA for its successful implementations. Table 4.12 shows the response from employees of ERCA.

Table 4.13 Respondents’ response who took Basic training on ASYCUDA++

		Frequency	Percent
Valid	Yes	59	46.5 %
	No	68	53.5%
	Total	127	100%

Source: Survey questionnaires, 2014 Captured by SPSS, V.21

According Table 4.10, out of the total of 127 employees, 59 (46.5%) get a training on ASYCUDA before they are assigned to work on it and the other 68 (53.5 %) did not get formal training. This fact shows that majority of the respondents are working without the basic knowledge of the system. As part of challenge and problem for ASYCUDA++, this issue has been triangulated through interview with key informants from Information Technology Development and Management Directorate, it has been confirmed that due to the high employee turnover and job rotation within the Authority, it will be difficult to involve all actors to have the basic training, but they are preparing on the job training so that those employees who get early training can provide the basic knowhow to the newly assigned employees. This this fact shows that even if ASYCUDA provided a better service delivery as compared with the previous manual system, still its implementation was impeded due to lack of training among employees. On this regard at least majority of implementers of ASYCUDA should get a formal training on the system despite of the other problems, at lease this issue should be easily solved by the authority.

Next to the training gap ASYCUDA have been put as it is not user friendly and not a web based program whereby it will be difficult to work with and get an online help system. Table 4.13 shows the response from employees regarding its user-friendliness.

Table 4.14 Respondents' response on the user-friendly nature of ASYCUDA++

		Frequency	Percent
Valid	Yes	20	15.7
	No	103	81.1
	Total	123	96.9
Missing		4	3.1
Total		127	100.0

Source: Survey questionnaires, 2014 Captured by SPSS, V.21

Based up on Table 4.11, out of 127 respondents 103 (81.1 %) agreed that ASYCUDA is not user friendly. As part of this claim, the information has been triangulated through interview with key informants from Information Technology Development and Management Directorate, it has been found that the current ASYCUDA program is not a web based and it use what is known as SAD (single administrative Document) set up by the European Community Council on 1 January 1988 with the purpose of standardizing customs documents, harmonizing codification and simplifying procedures in international trade exchanges. This coding and standardization makes ASYCUDA less use friendly.

The next question forwarded during the survey for all respondents was to check regarding the problems associated with system implementation that came from the human factor. Table 4.14 shows the reply from respondents.

Table 4.15 Respondents' response regarding Errors on ASYCUDA++ from Human factors

		Frequency	Percent
Valid	Strongly Disagree	9	5.1%
	Disagree	39	22.0%
	Neutral	24	13.6%
	Agree	75	42.4%
	Strongly Agree	26	14.7%
	Total	173	97.7%
Missing		4	2.3%
Total		177	100%

Source: Survey questionnaires, 2014 Captured by SPSS, V.21

According to table 4.13, 101 (57%) of respondents from the two groups replied in favor of most of the errors are coming from Human factor. This factor tells us additional information from those that have been presented earlier, that is, having the lack of enough training on the system and awareness regarding reform programs the automated system cannot be successful despite of its strong and vital contribution. In this regard the knowledge of reform programs is useful due to the fact that the principles that are outlined by Public Sector Capacity Building Program (PSCAP) within its thematic area of service delivery so as to increase public service through reduced time. Therefore, the knowledge of reform program and ASYCUDA will be intersected when the principles of reform are implemented through ASYCUDA by way of reduced time and high revenue collection capacity.

In addition to the lack of training, during the study an interview was made with the key informants it has been replied on this case there has been frequent frauds and corruption in connection of the system among some employees by falsifying tariff and tariff codes to import illegal items.

In addition to the above survey analysis, according to the field observation and interview with the key informants, the following major findings are summarized as follows.

I. *Problems and challenges related to the system ASYCUDA++:* Despite of its contribution, the system have also its own problems that need the attention of government and users. The followings are some of the problems and challenges related to the system:

- *Internet Network break down:* As the system uses the structures of Ethio-telecom, due to the frequent network break downs, there is a resultant problem in the daily customs operation.
- *Problem using SAD protocol and codes:* since the system has got its own protocol and codes, some important customs operation cannot be fully registered on the system and will create a problem on the service delivery. As an example:
 - ❖ For registering imported vehicles, the system ASYCUDA++ don not have a specific field to register important vehicle information like Engine and chassis number.
 - ❖ For flower export information the system registers the total export in Kilograms but the export bank permit is prepared in flower bundle where by it creates a problem of inconsistency on registering basic export information.

II. *Problem and challenge related to HR management:* According to the strategic plan designed by ERCA on 2008, it has identified five key strategic thematic core areas whose implementation is under progress. As part of these thematic areas, Human Resource Strategy is one area which includes Capability and integrity (Knowledge, Skills and Behavior), HR Management from Entry to Exit and Capacity Building based on regularly assessed needs.

In relation to the strategic plan, the Ethiopian government made effective the new revised regulation for ERCA's employee's code of conduct published on 2008 which has its own drawbacks as per the interview made with key informants and some employees of the authority. To mention some the problem as a challenge to the area of the study, according to Article 37/1 of the proclamation which reads as "Without prejudice to those regulation, the Director General has the right to take disciplinary action of termination on employee who is not trustworthy and suspected on case of corruption", thus this specific article create a sense of mistrust and fear among employees whereby for sustainable implementation of reform programs those who are trained and knowledgeable about the system has been laid from their job without any reason and evidence.

CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

As it has been discussed in the previous chapters, a detailed analysis was made where by different data sources has been triangulated in the area of Revenue and Customs reform in Ethiopia by taking a case study ASYCUDA++ as part of the reform. Therefore, based in the data collected and analyzed the following conclusions and recommendations were made.

5.1 Conclusions

As per the objectives out lined the following main points are the conclusion of the findings from the data collected:

- From the study findings, it can be concluded that the implementations of ASUCUDA++ has got a positive perception in the service delivery from respondents as most of the response were in favor of the system as compared with the previous manual system.
- As part of the reform programs, the implications of ASYCUDA++ has increased service delivery interims of reduced time and increased revenue collection.
- Due to the system control mechanisms, it has reduced corruption by introducing increased security protocols. As it has been discussed, ASYCUDA operates in distinctive and integrated modules where by one functional user is not authorized to log in in another module. Also the whole modules is controlled by HQ modules. This function of the system i.e divide and control nature especially the most beneficial part where by it reduces the issues which put the name of authority under question.
- ASYCUDA++ has also enhanced fast data retrieval and reporting mechanisms.

But also apart from its positive contributions, it is also possible to conclude the system ASYCUDA++ has its own limitations as well as challenges as part of the system and external challenges. The following are some of the conclusion on limitations and challenges:

- It is not user-friendly by its nature also it difficult to understand as it uses SAD protocols rather than a web based system.
- This nature of ASYCUDA++ makes it incompatible with other software and programs which are used by other companies which are closely working with ERCA like Ethiopian Airlines and others.
- There is a lack of training on the system where by most of the error exhibited arises from the human element due to improper usage and tariff valuations. This also put the underutilization of the system for better service delivery.
- The system creates frequent bottle neck on customs clearance due to the problem of telecom network breakdown.
- The system has a limitation of capturing important customs data which also creates another problem on banks and other licensing Agencies. Example; on the system ASYCUDA there is no specific place to register engine and chassis number for imported vehicles.
- The existing HR code of conduct designed by the authority has a limitations by creating fear and lack of trust among employees which indirectly affects the reform programs and their implementations. For example Article 37, of the new HR code of conduct states that the Director General of ERCA has the right to terminate any suspected employee without evidence. This kinds of regulation has an indirect effect on the implementation as it affects the job security and moral of employees including who are on service delivery line.

5.2 Recommendations

As per the out lined research objectives and questions, the followings are some of the recommendations in light of the above conclusions.

- As it has been noted, ASYCUDA++ lacks the ability of capturing important customs data, thus. In this case what is recommended before implementing new programs, it is good to check its compatibility interims of local context.
- Whenever new programs are adopted, users and stockholders should be communicated ahead of time and proper induction and training programs must be provided together with implementation.
- The adoption of automated system in customs daily operation has showed a remarkable difference interims of time and revenue collection which will be recommended to use such systems in the future by considering the following variables on selecting systems during upgrade or change. That is:
 - ❖ The selected systems should be user friendly
 - ❖ The selected systems should be a compatible and web based.
 - ❖ Easy to understand and trainable
- Since the era of information technology is heavily dependent on internet connection, break downs related to the network should be solved. To do this ERCA and responsible government offices need to work closely to minimize the breakdown. In the mean time for fast customer service interims of reduced time high speed connections and related IT equipment's' are required.
- The findings indicate that most of the errors were reported to be from human factors like lack of training and awareness on reform programs, for this issue it is recommended that such big institutions like ERCA should have their own training institution to minimize the knowledge gap.

- The current ASYCUDA++ system has a limitation to be compatible as well as it lacks capturing important customs data, It is recommended on this two option for this matter as follows:
 - ❖ *Option one:* up grading the SAD filed of ASYCUDA by enabling to capture important customs data like for example for imported vehicles, a field for capturing engine and chassis number. For export make a uniform registration with Banks to register by Kilograms or bundle and avoid manual registration.
 - ❖ *Option two:* Implementing a better system other than ASYCUDA which can accommodate the mention problem.

- Regarding the issue of corruption and rent seeking behaviors, as organization ERCA had already accepted this problem on its report published on its website also on this paper it has been tried to show how much the case is worst. To minimize such challenge the followings are some recommendations:
 - ❖ A continues training and awareness programs on corruption by showing its negative effect on the society so that employees and management can condemn corruption as it hinders development.
 - ❖ Better as well as dynamic compensation and benefit package for the employees interims of financial and non-financial rewards.
 - ❖ For those who will be in corruption still the legal penalty is minimal. It is recommended to be studied by responsible government organ where by the penalty should act a lesson for others.

5.2.1 Recommendation for Future Research

- During the analysis and conclusion it was noted that the Authority's HR code of conduct has some legal implications that must be considered as creates fear and mistrust among employees of ERCA.

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ANNEX-I

ADDIS ABABA UNIVERSITY SCHOOL OF GRADUATE STUDIES
DEPARTMENT OF PUBLIC ADMINISTRATION AND DEVELOPMENT MANAGEMENT
Survey Questioner for ERCA Employees
On the Application of ASYCUDA++

Dear Respondents,

First I would like to forward my sincerely greetings and appreciation to you for accepting to fill out this survey questioners.

Objective

This Survey questioner is designed and prepared to collect information on the preparation of Thesis paper on the tittle “Customs and Revenue reforms in Ethiopia; Case of ASYCUDA++”. The paper explores customs and revenue reforms in Ethiopia with a target reform area of service delivery. As it has been know that the Ethiopian Government had introduced the reform programs and it has been implemented in different public sectors which Public service delivery is one of the sectors under the reform program. Despite of the above objective, mainly this thesis preparation is for academic purpose to the partial fulfillment of Master’s degree on Public Administration and to introduce for readers the general ideas of Service delivery as a reform and ASYCUDA++.

Confidentiality

As it has been mentioned above this survey questioner is for academic purpose that the response generated from this survey will be kept confidential. Thus, your valuable response is highly helpful in the preparation and understanding of the tittle under the study.

General Instruction how to fill this Survey Questioner

On the Survey questioner there are three parts with Instruction as indicated at the beginning of each part.

How to Contact with the Researcher

Please use the following Address: Henok Wondemagegne:

[M=+251-911-670268/heni1248@gmail.com](mailto:heni1248@gmail.com)

Part- one: Choose Questions (Please put “X” for your choice within the Box)

1. Please select your Customs stations?

ERCA Head office other

ERCA Bole Airport

ERCA Kaliti

2. How long you have been working with Ethiopian customs and Revenue Authority?

Less than one year 6-10 Years

1-4 Years More than 10 Years

4-8 Years

3. Do you know the vision, mission and objectives of ERCA?

Yes

4. Have you taken the Basic ASYCUDA training?

Yes

5. If your answer for question 4 is “No” please state why?

6. Do you know the civil service programs conducted within ERCA?

Yes

7. If your answer for question 6 is “Yes” please list some of the reform programs?

8. Do you know the relationship between reform programs with that of ASYCUDA?

Yes No

9. Do you think the implementation of ASYCUDA can provide effective public Service Delivery?

Yes No

10. On your daily work, did you receive any complaints on the implementation of ASYCUDA from customers?

Yes No

11. If your answer for question 10 is “Yes” please state some of the major complaints on the implementation of ASYCUDA.

12. Do you agree that the program ASYCUDA++ by itself is user friendly and easy to understand?

Yes

13. If your answer for question 12 is “No” please state the reason

Part-2: Rating Question (Please rate the following question as follows)

- 1 = Strongly Disagree**
- 2 = Disagree**
- 3 = Neutral**
- 4 = Agree**
- 5 = Strongly Agree**

No	Items to be rates	Rates				
		5	4	3	2	1
13.	There is a clear manual, rules and regulation on how to use ASYCUDA in customs clearance procedure					
14.	There is ongoing training on how to use ASYCUDA on daily activities of customs clearance procedure.					
15.	ASYUDA is a reliable system for customs operation					
16.	ASYCUDA is a better program in customer service delivery					
17.	Most of the problems on the implementation of ASYCUDA arises from Human error.					
18.	Most of the problems on the implementation of ASYCUDA arises from the System itself					
19.	Most of the problems on the implementation of ASYCUDA is due to the luck of clear rules and regulations					
20.	There must be a change on the existing program of ASYCUDA					
21.	The previous Manual system is much better than the current system in Customs clearance					
22.	In relation to the reform program the implementation of ASYCUDA has got a huge gap.					

Part-3: Subjective Questions (please put your answer on the space provided)

23. How do evaluate the existing performance ASYCUDA program in meeting service delivery?

24. Please list out some of the challenges in the implementation of ASYCUDA++

25. What do you think the proposed solution to make ASYCUDA more effective in Service Delivery?

“Thanks for filling out the Questioner”

ANNEX-II

ADDIS ABABA UNIVERSITY SCHOOL OF GRADUATE STUDIES
DEPARTMENT OF PUBLIC ADMINISTRATION AND DEVELOPMENT MANAGEMENT
Survey Questioner for ERCA Customers
On the Application of ASYCUDA++

Dear Respondents,

First I would like to forward my sincerely greetings and appreciation to you for accepting to fill out this survey questioners.

Objective

This Survey questioner is designed and prepared to collect information on the preparation of Thesis paper on the tittle “Customs and Revenue reforms in Ethiopia; Case of ASYCUDA++”. The paper explores customs and revenue reforms in Ethiopia with a target reform area of service delivery. As it has been know that the Ethiopian Government had introduced the reform programs and it has been implemented in different public sectors which Public service delivery is one of the sectors under the reform program. Despite of the above objective, mainly this thesis preparation is for academic purpose to the partial fulfillment of Master’s degree on Public Administration and to introduce for readers the general ideas of Service delivery as a reform and ASYCUDA++.

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How to Contact with the Researcher

Please use the following Address: Henok Wondemagegne:

M=+251-911-670268/heni1248@gmail.com

Part- one: Choose Questions (Please put “X” for your choice within the Box)

1. Please select the type of activities you are engaged?

Importer other

Exporter

Clearing Agent

2. For how long you have been using the service of Ethiopian customs and Revenue Authority?

Less than one year 6-10 Years

1-4 Years More than 10 Years

4-8 Years

3. Have you taken the Basic ASYCUDA training?

Yes

4. If your answer for question 3 is “No” please state why?

5. Do you know the civil service programs conducted within ERCA?

Yes

6. If your answer for question 5 is “Yes” please list some of the reform programs?

7. Do you know the relationship between reform programs with that of ASYCUDA:

Yes No

8. Do you think the implementation of ASYCUDA can provide effective public Service Delivery?

Yes No

9. On your daily work, did you get any problems on the implementation of ASYCUDA from customers?

Yes No

10. If your answer for question 9 is “Yes” please state some of the major problems on the implementation of ASYCUDA.

11. Do you agree that the program ASYCUDA++ by itself is user friendly and easy to understand?

Yes No

12. If your answer for question 11 is “No” please state the reason

Part-2: Rating Question (Please rate the following question as follows)

- 1 = Strongly Disagree**
- 2 = Disagree**
- 3 = Neutral**
- 4 = Agree**
- 5 = Strongly Agree**

No	Items to be rates	Rates				
		5	4	3	2	1
13.	There is a clear manual, rules and regulation on how to use ASYCUDA in customs clearance procedure					
14.	There is ongoing training on how to use ASYCUDA on daily activities of customs clearance procedure.					
15.	Most of the problems on the implementation of ASYCUDA is from Human factor (from Employees of ERCA)					
16.	Most of the problems on the implementation of ASYCUDA is from the System itself					
17.	Most of the problems on the implementation of ASYCUDA is due to the lack of clear rules and regulations					
18.	There must be a change on the existing program of ASYCUDA					
19.	The previous Manual system is much better than the current system in Customs clearance					
20.	In relation to the reform program the implementation of ASYCUDA has got a huge gap.					

Part-3: Subjective Questions (please put your answer on the space provided)

21. How do evaluate the existing performance ASYCUDA program in meeting service delivery?

23. Please list out some of the challenges in the implementation of ASYCUDA++

24. What do you think the proposed solution to make ASYCUDA more effective in Service Delivery?

“Thanks for filling out the Questioner”

DECLARATION

I declare that the thesis entitled “Customs and Revenue Reforms in Ethiopia; case study of ASYCUDA++” is my original work and has not been presented in Addis Ababa University or any other University and that all sources of material used for the project have been duly acknowledged.

Declared by:

Henok Wondemagegne

Student

Signature

Date

Confirmation by Advisor:

Fenta Mandefro (PhD)

Advisor

Signature

Date