



WELCOME REMARKS BY THE COMMISSIONER CLIENT SERVICES,
MRS. 'MATHABO MOKOKO AT THE OPENING OF DAY 2 OF THE
SACU AUTHORIZED ECONOMIC OPERATOR NATIONAL
CONSULTATIONS – THE LESOTHO CHAPTER

DATE: THURSDAY, 4TH MAY 2023

VENUE: AVANI MASERU

SALUTATIONS

Programme Director, before I deliver my welcome remarks, allow me to pay my respects to:

HIS MAJESTY KING LETSIE III

THE RIGHT HONOURABLE THE PRIME MINISTER

HONOURABLE DEPUTY PRIME MINISTER

HONOURABLE MINISTERS AND IN PARTICULAR MINISTERS WHO ARE HERE WITH US THIS MORNING, HON. MOKHETHI SHELILE AND DR. RETSELISITSOE MATLANYANE

EXECUTIVE SECRETARY OF SACU, NTATE THABO KHASIPE

DEVELOPMENT PARTNERS

PRINCIPAL SECRETARIES

THE CHAIRPERSON OF THE RSL BOARD NTATE LIKHANG AND MEMBERS BOARD

SENIOR GOVERNMENT OFFICIALS HERE PRESENT

RSL'S EXECUTIVE AND SENIOR MANAGEMENT

OUR GUESTS FROM SACU, SOUTH AFRICAN REVENUE SERVICE (SARS), WCO AND ALL OTHER ORGANISATIONS THAT ARE REPRESENTED HERE THIS MORNING

MEMBERS OF THE NATIONAL TRADE FACILITATION COMMITTEE (NTFC)

MEMBERS OF THE BUSINESS COMMUNITY

DISTINGUISHED MEMBERS OF THE MEDIA

LADIES AND GENTLEMEN.

Good morning.

Revenue generation and trade facilitation remain interdependent and inseparable. Programmes, initiatives, and strategies addressing customs and trade issues have evolved to address risks and compliance in various areas, thereby providing the much-needed revenue assurance for tax & customs administrations, and in times of stringent budgetary challenges such as now, such programmes have assisted to ensure that limited resources are focused on high-risk cargo.

Further, at any country's frontiers, revenue administrations are confronted with evolving and emerging risks, among others contraband, narcotic trafficking, environmental crimes, etc. that threaten the health and safety of citizens. The foregoing place an imperative on each and every one of us to strengthen ties under the trusted trader programmes in order to tackle these risks and improve trading across our frontiers thus improving the business environment for the trade.

Under the spotlight today is the Authorized Economic Operator Programme (AEO) which we all agree will be

instrumental in the implementation of expedited cargo clearance processes and ultimately secure borders.

As I welcome you all on behalf of all agencies based at the border, please allow me to take this opportunity to point out that the success of the cross-border reform agenda through Lesotho's frontiers services is based on cohesive and concerted efforts across Government and Non-Governmental entities to improve the way we do business and become competitive in the world arena. It is my belief that, beyond the very important AEO programme, we exist not just to implement reforms, but more importantly integrate these reforms into our daily lives. We recognize that it will take time to see on-the-ground impact of the integration as some require a mind-shift in the way we approach issues – you would be surprised to know for example that it has taken time and constant engagements to have people paying taxes online.

To this end, ladies and gentlemen, stakeholder engagement and information dissemination continues to be very important to the success of any revenue administration's reform process. We recognize the importance of the private sector as key contributors to the national economy and as

part of the solution. We look forward to hearing their recommendations pertaining to additional reforms to consider in order to improve our business environment. The concept of AEO is in effect a Customs-to-business partnership which Revenue Services Lesotho has embraced with the realization that partnership programmes with the trade allows customs to do more with less where long-term compliance is ensured through incentives, such as reduced invasive controls, deferred payment, and reputational benefits, rather than enforcement. This is a key part of RSL's strategic goal to encourage public and private sector partnerships and facilitate meaningful solution-oriented dialogue.

Stakeholders in the room, in my view, form a credible mechanism through which business climate reforms are implemented and monitored. AEO programmes and MRAs can secure global trade and enhance economic development at the same time provide the platform for representatives from customs, international organizations such as SACU, other Government agencies, researchers, academicians, industry stakeholders, and policy makers to connect with each other.

In many countries, the Authorized Economic Operator - AEO has become a critical and pivotal programme for customs authorities as it provides an avenue for sharing of border clearance responsibilities with the private sector while at the same time rewarding them with a number of facilitative benefits. In such countries the benefits sold to the business under this programme are an investment ploughed-in, whose returns are ploughed- back in the form of border collections. This glossy and striking picture exists in reality, elsewhere, in the world and is now at our doorstep for practical realization at the Lesotho borders if we heartily embrace the implementation of the AEO.

Complexities in inspections and convoluted processes nullify this picturesque view I just painted above for Lesotho's case and have for a long time rendered our borders almost non-trade facilitative through such non-tariff barriers.

A greater portion of the much-needed incomes of the sub-region are lost at our frontiers: True gateways and gatekeepers demonstrate tenacity in the protection of society and strive to balance same with collections much needed by our revenue administrations and Nations.

The AEO throws into the spanners a good mix of three arms of the gatekeeper: Government Agencies, Non-Governmental Agencies and the Private Sector. Leveraging on the good lessons learned elsewhere and within the SACU Region, the Lesotho AEO programme is bound to bring about significant and welcome changes in leaps and bounds not only at border entry points but should also bring about a very competitive business environment within the confines of the Country.

In my belief, under an AEO programme, the integrity of the international supply chain begins with the aforementioned arms. I therefore urge all of us to make our best endeavors to fulfil our obligations for the betterment of the rest of the supply chain actors.

In conclusion, I want to thank you for your continued support towards the AEO and other initiatives and I believe that today's panel and other discussions will lay the bedrock for future interactions and collaborations.

I thank you.