Single Window
and
Customs Management Systems

Gaborone, 24rd February 2012

MCNET
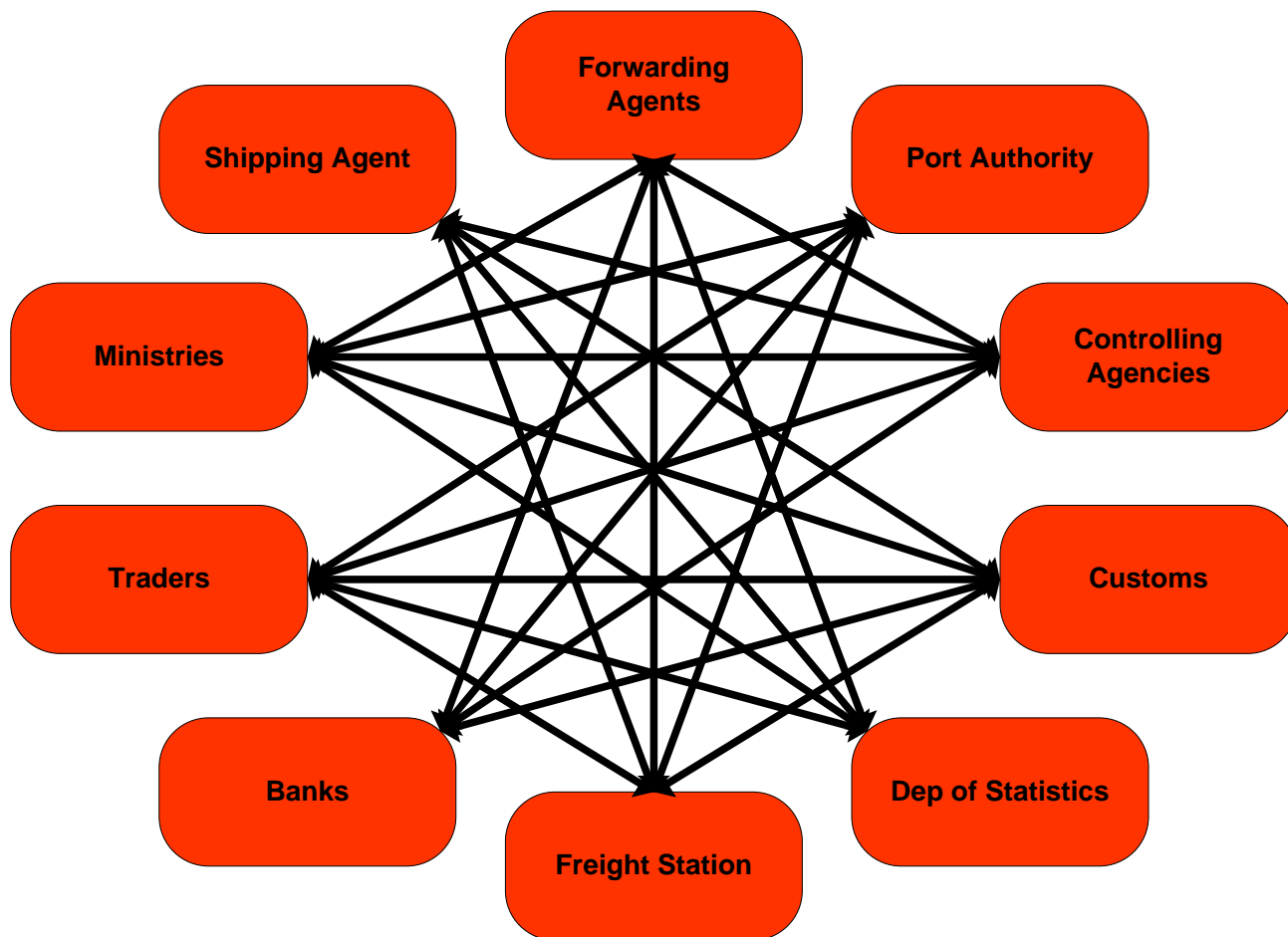
Mozambique Community Network, SA
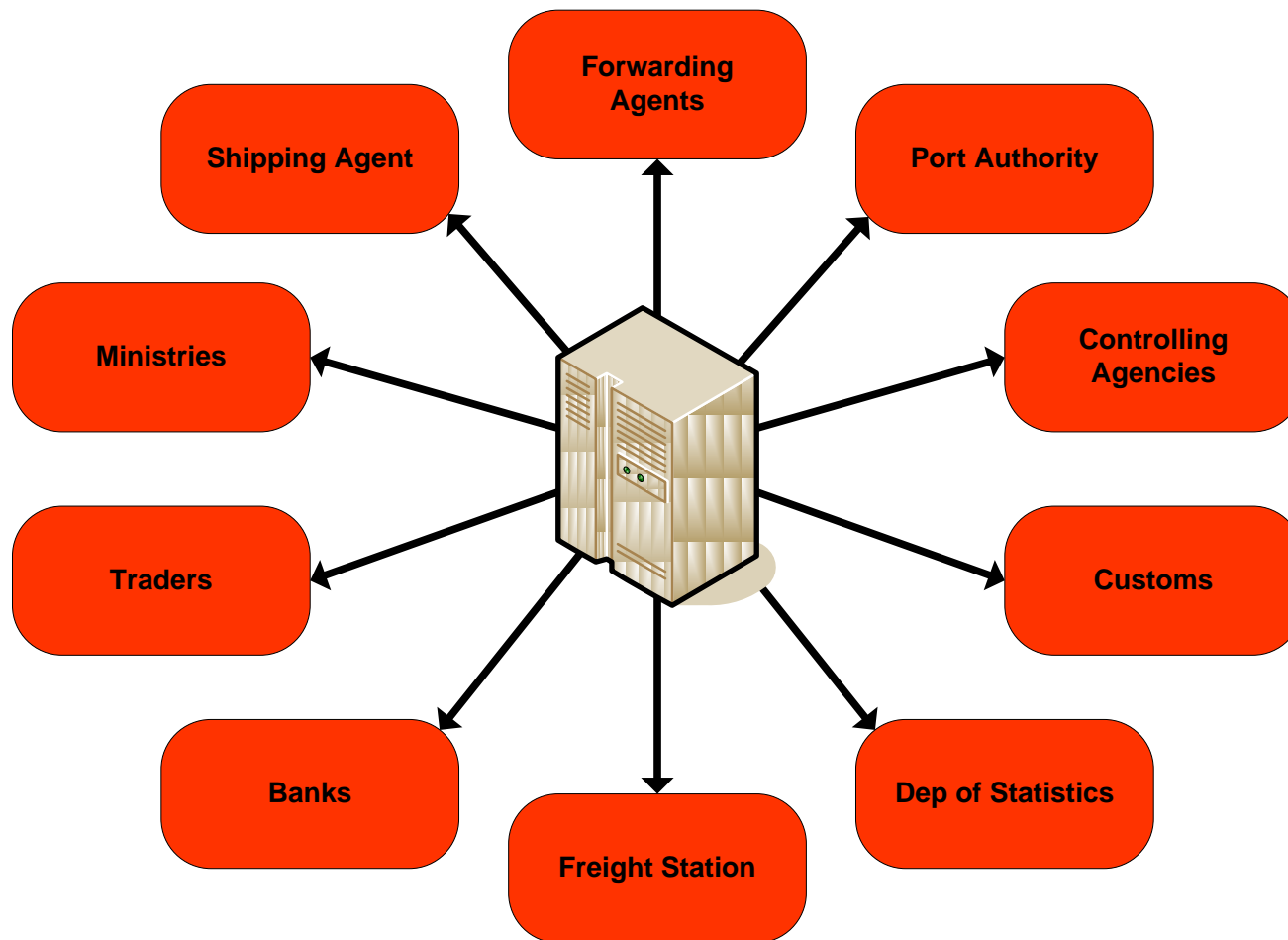
Single Window definition according to UNECE:

A Single Window is a facility that allows parties involved in trade and transport to lodge standardized information and documents with a single entry point to fulfill all import, export, and transit-related regulatory requirements."

UNECE: United Nations Economic Commission for Europe

How do stakeholders exchange information?...
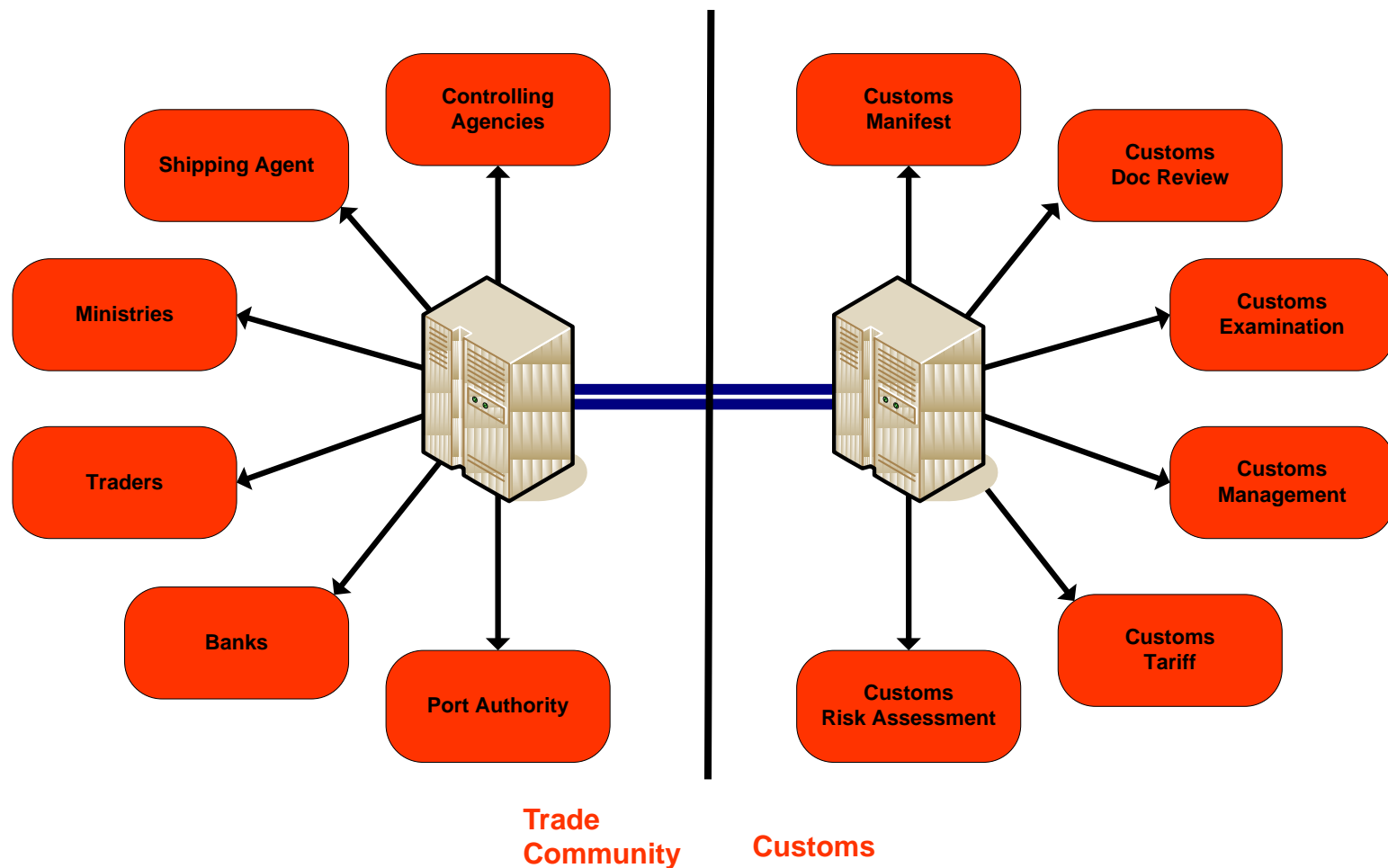
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How does a Single Window help?

Forwarding Agents

Shipping Agent

Port Authority

Ministries

Controlling Agencies

Traders

Customs

Banks

Freight Station

Dep of Statistics

Network all parties to a common platform ...

Combining SeW and CMS

Trade Community — Customs

- Controlling Agencies
- Shipping Agent
- Ministries
- Traders
- Banks
- Port Authority
- Customs Manifest
- Customs Doc Review
- Customs Examination
- Customs Management
- Customs Tariff
- Customs Risk Assessment

Setting to scene

An accelerating trend:

- A majority of countries are today either implementing Single Window or at planning stage of such a project.

- Countries as diverse as: Indonesia, Mozambique, Mongolia, France, Mexico, Brazil, Rwanda, Luxemburg, Trinidad & Tobago, Moldova, Peru, Belize, New Zealand…

- Single Window mostly associated to trade but increasingly this concept is being used for other E-Government applications.

- Various sizes, various levels of economic development, various cultures – Single Window solutions are appearing everywhere.

- General consensus that the advantages a Single Window solution brings to an economy are massive.

- However, a big number of challenges and obstacles face such programmes both at planning and execution stages.

Setting to scene

Challenges:

- Single Window projects touch upon so many stakeholders and Ministries, Governments find it difficult to find a rightful owner.

- Many countries manage to get to the study phase but find it difficult to reach the next step.

- Whilst the general concept sounds marvellous, pin-pointing the exact role of the Single Window is often difficult

- Trade Single Windows are popular but these are caught between the need for government control and commercial swiftness.

- Government processes can be highly complicated and bureaucratic. Even when largely harmonised, they tend to be subject to a multitude of exceptions

- E-Government processes are usually inward looking and are not optimised for international business.

Single Window – A popular theme

Many institutions actively involved in progressing the Single Window concept:

- United Nations Economic Commission for Europe (UNECE)

- World Customs Organisation (WCO)

- United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT)

- Association of Southeastern Asian Nations (ASEAN)

- Donor Community – World Bank, ADB, EU etc…

What is TradeNet?

- In its simplest form, TradeNet is an Electronic Platform for the exchange of trade-related data. The TradeNet concept of interfacing organisations onto one Electronic Platform is today commonly known as Single Window

- Concept initially developed in the early 90s in Singapore with continuous evolution over the years.

- TradeNet has today become a reference in terms of Single Window applications

- SGS and CrimsonLogic have been working together since 2000 and entered a partnership agreement for product development in 2004

- SGS and IDAI (InfoCom Development Authority Interntional of Singapore) entered into a partnership in 2009 to provide a Government to Government framework for developing Single Window internationally.

TradeNet – References

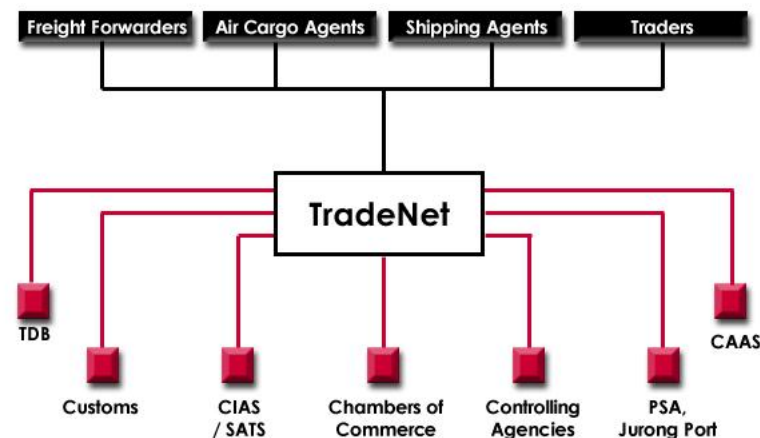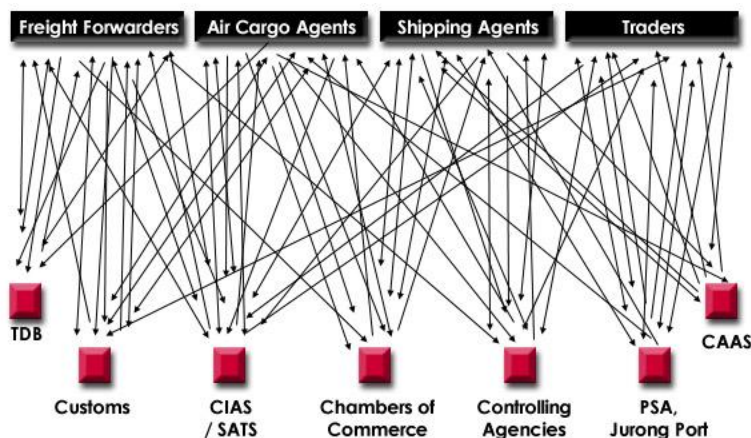**TradeNet is operational in various forms in:**

- Singapore (TN)
- Mauritius (TN + CMS)
- Ghana (TN + CMS)
- Panama (TN + CMS)
- Saudi Arabia (TN)
- Madagascar (TN)
- Côte d'Ivoire (TN)
- Mozambique (TN + CMS)
- Trinidad & Tobago (in deployment)

Singapore

Singipore

Singapore

- World's first nationwide trade clearance system

- Integrates 35 controlling units in Singapore

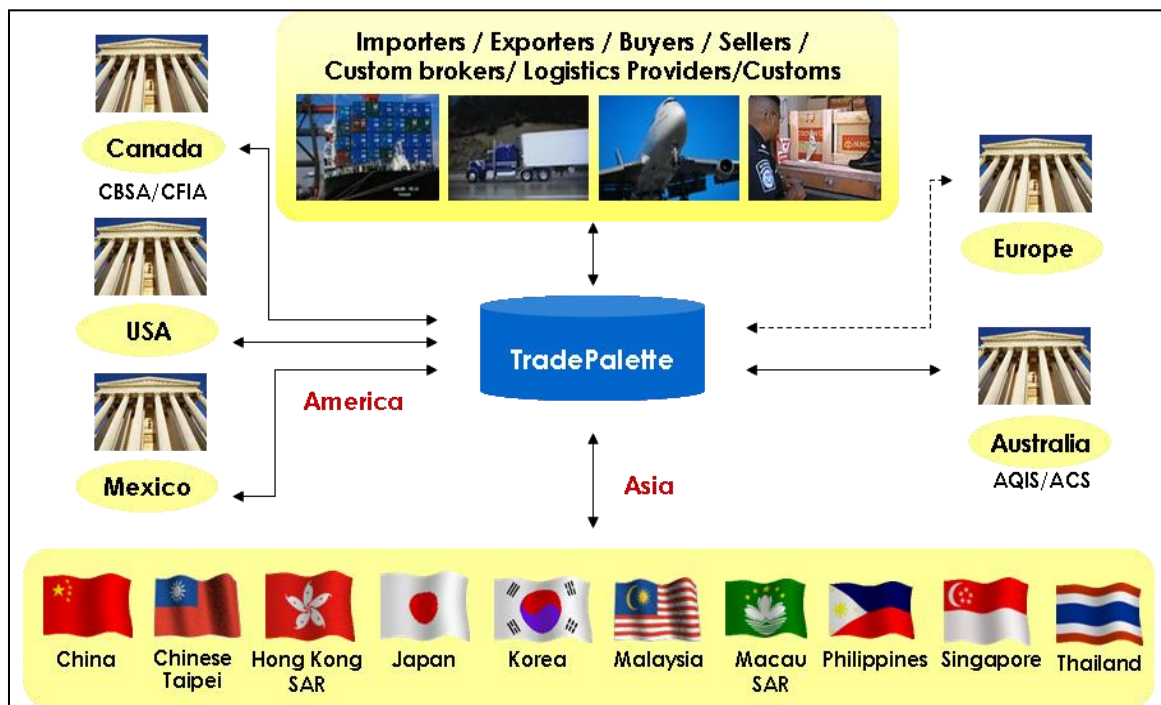|	Before TradeNet	After TradeNet
Processing time/permit	2 – 7 days	1 min or less
Number of documents	3 – 35 docs	1 eForm

Singapore

- TradeNet handles 30'000-40'000 trade declarations per day

- 12'000 users of the system

- 95% of documents are processed in less than 3 minutes

- Latest development,

  Cross-border interchange:
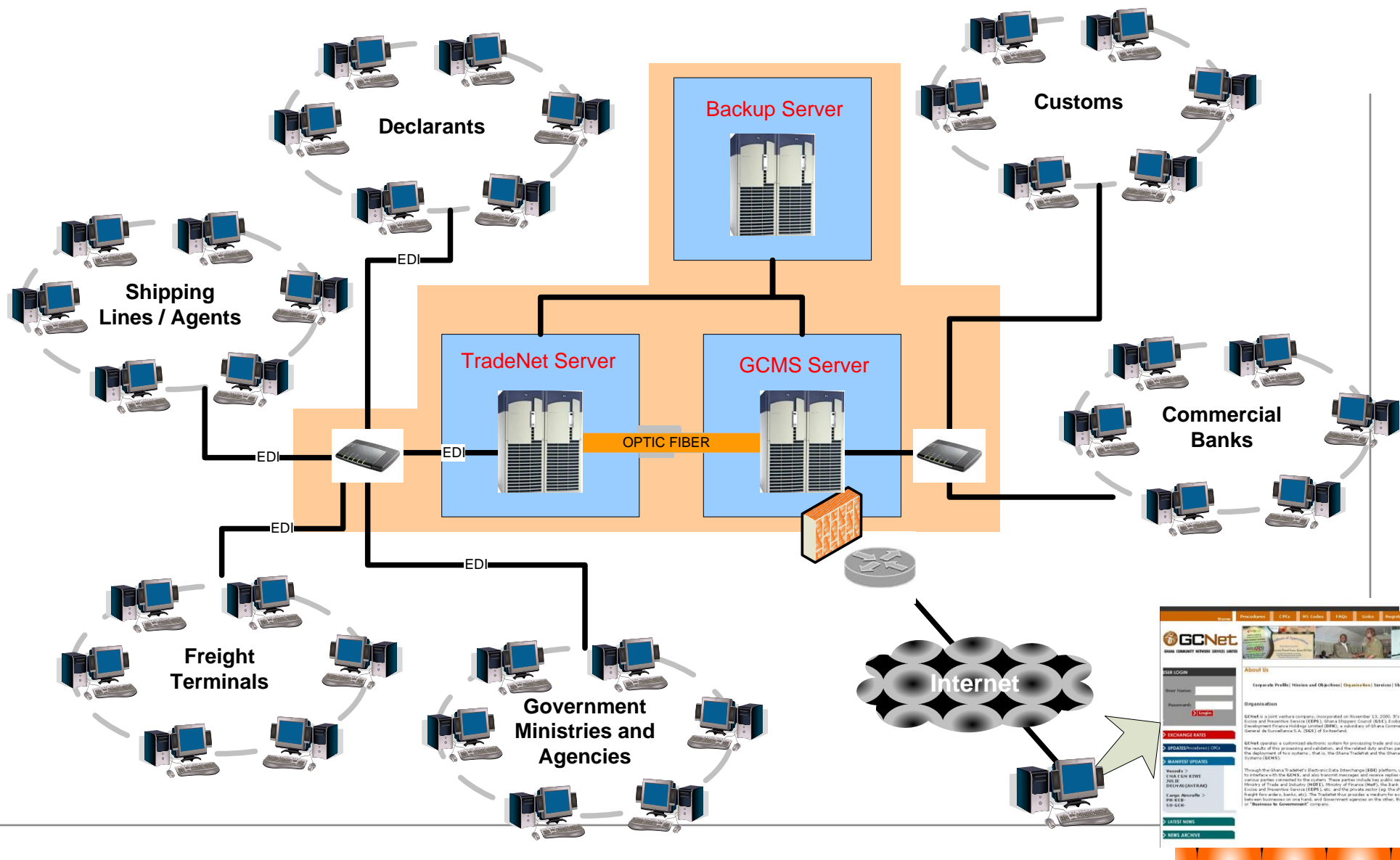
Ghana

ACCELERATE TRADE

"The Introduction of the GCNet system has not only facilitated good clearance through Customs, but has helped to raise Customs's revenue mobilization by an annual average of thirty (30) percent over the past three years." Harry Owusu, Executive Secretary, Revenue Agencies Governing - Board of Ghana
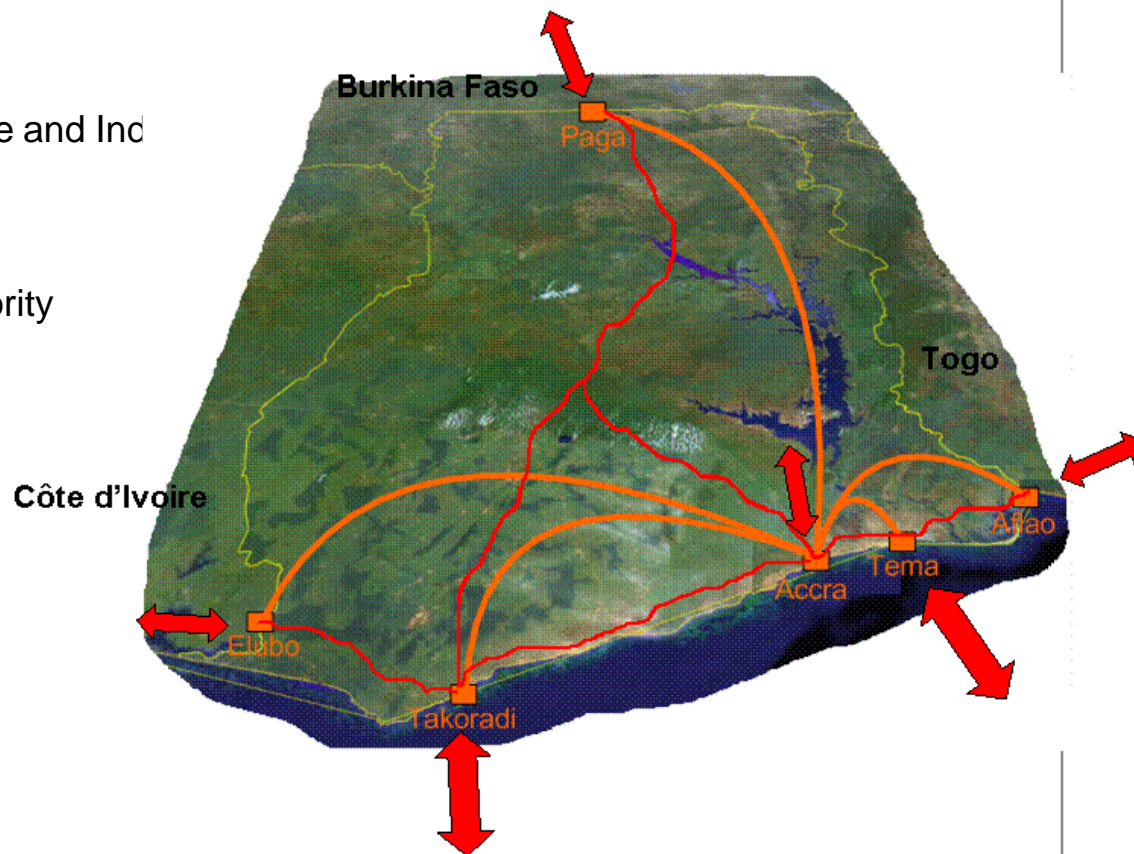
Example of PPP - GCNet

- Public Private Partnership Joint Venture company

- Incorporated in November 2000

- Mandated by the Government to implement and manage TradeNet

- Shareholders: Customs, Ecobank, Ghana Commercial Bank, Ghana Shippers' Council, SGS

- 105 employees (Network dept, Systems Dept, IT security Dept, Ops support, Call Centre, Training)

System Architecture Example

Ghana connectivity

- Interface with Customs
- Interface with Shipping Agents
- Interface with Forwarding Agents
- Interface with Customs Brokers
- Interface with Commercial Banks
- Interface with private freight terminals
- Interface with Ministries of Finance/Trade and Ind
- Interface with Central Bank
- Interface with Narcotics Control Board
- Interface with Vehicle Registration Authority
- Interface with Port Authority
- Interface with stevedoring companies
- Interface with warehouse operators
- Interface with Minerals Commission
- Interface with Free Zone Board
- Investment and Promotion Centre
- Standards Board
- Food and Drugs Board
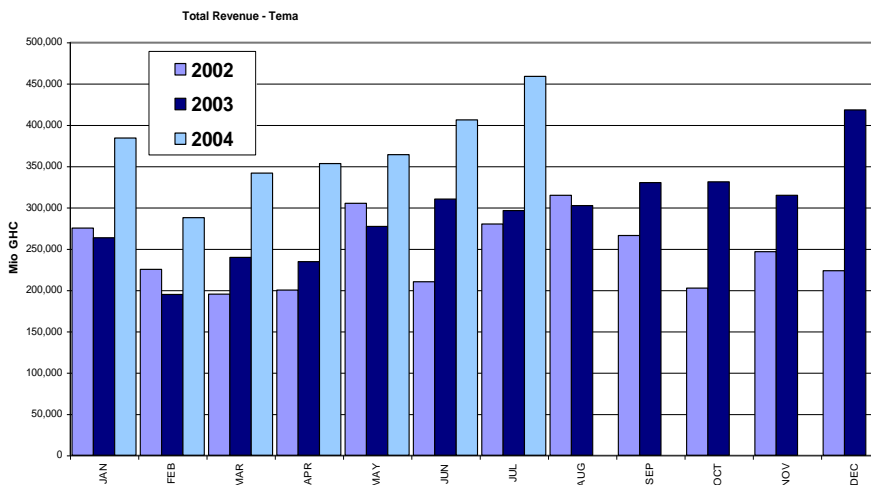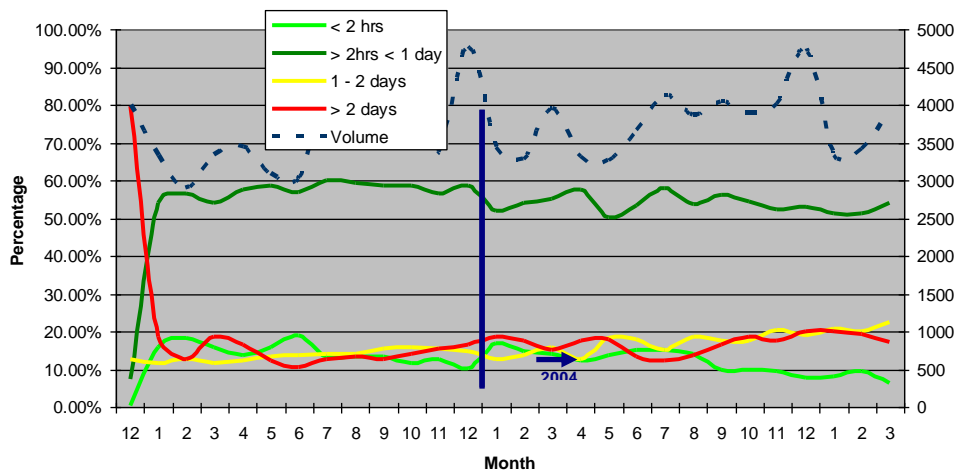- Government statistical department

Ghana in Figures

- Operational in all main points of entry ie 2 seaports, 1 intl airport, 7 land borders.

- System processing 99% of official trade

- All active Declarants connected – 1480 Clearing Agents and Self Importer located at 12 Customs locations

- All active Shipping (60) and Forwarding Agents (110) connected

- 487,288 declarations processed in 2010

- 7,036 manifests processed in 2010 (2,639 sea, 4,397 air)

- 552 PC's deployed for Customs covering all key functions – eg doc review, examination, post-event, audit, management, tariff etc…

- 2,054 customs officers trained and active using the system

- 140 employees (Network dept, Systems Dept, IT security Dept, Ops support, Call Centre, Training) as at Q2 2011.
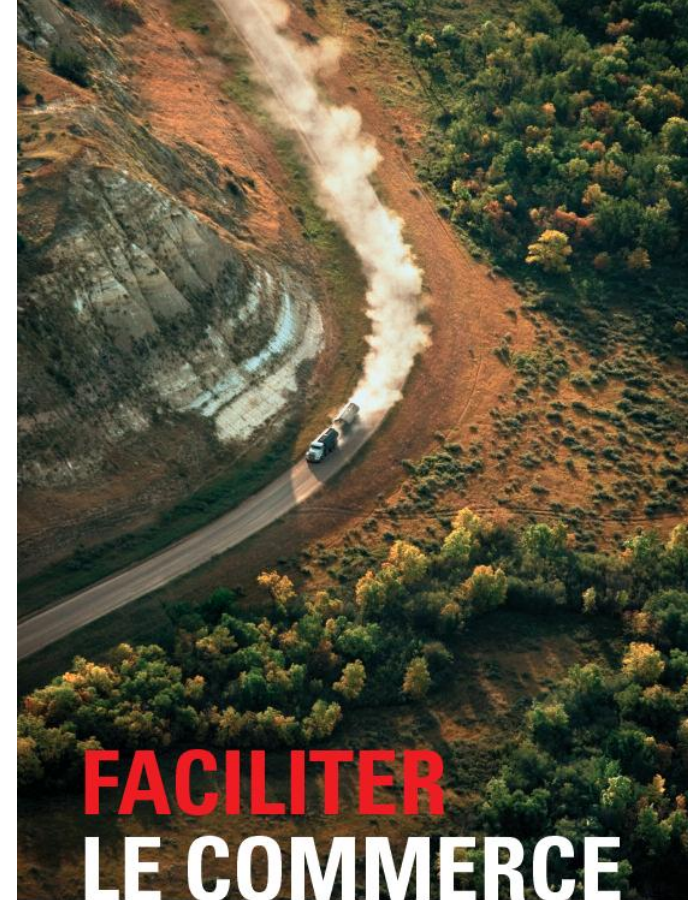
Single Window impact

- Immediate substantial decrease in clearance time – factor of 5

- Immediate substantial increase in Government revenue – 35%

- Catalyst for change

- Clear identification of roles and responsibilities in clearance process .

- Accurate, consistent and real-time statistics

- Recognised as best practice by WCO and World Bank

Madagascar

« Ma vision est une douane malgache moderne au service de l'économie nationale, de la société civile et de l'ouverture sur le monde grâce notamment à l'exploitation du guichet unique virtuel TradeNet ».
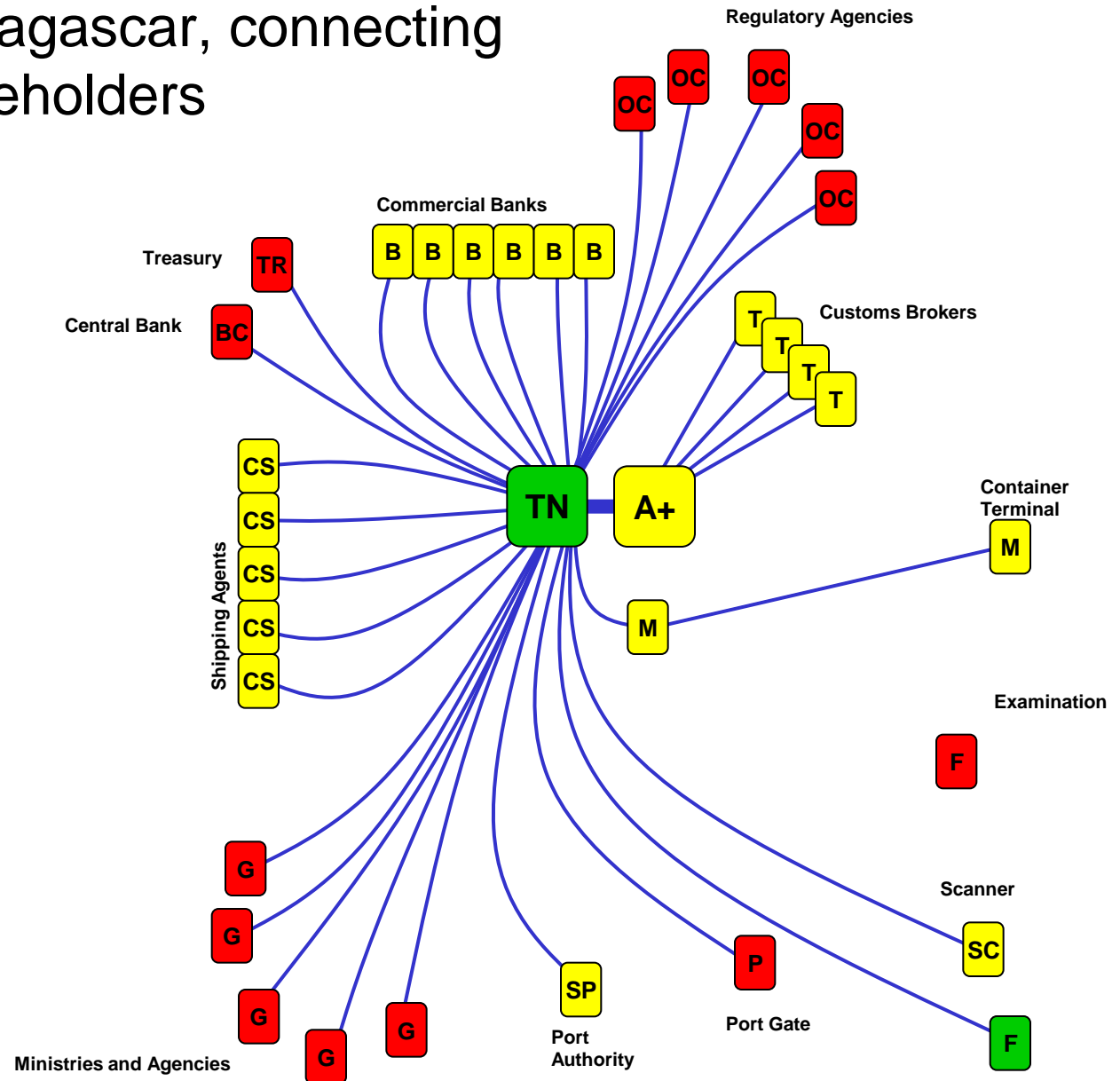
Vola Razafindramiandra Ramiandrasoa, Directeur Général - Douanes de Madagascar

Madagascar

- Joint Venture with Government

- Full Development of Single Window

- Operational since April 2007

- Emphasis on securing Trade

- Operational throughout the country

- Interfaces with Customs Asycuda++

Antsiranana

Mahajanga

Toamasina

Antananarivo

MADAGASCAR

Toliary

Madagascar, connecting stakeholders

Phases

1. Installation of TradeNet servers
2. Interface with Asycuda++
3. Reinforcement of Asycuda access
4. Interface with Commercial Banks
5. Interface with scanner
6. Examination site moved
7. Connexion with port Gate
8. Interface with container terminal
9. Interface with Treasury
10. Interface with Central Bank
11. Interface with Shipping Agents
12. Interface with Ministries and Agencies
13. Interface with Port Authority
14. Interface with Regulatory bodies

Regulatory Agencies

OC OC OC OC OC

Commercial Banks

B B B B B B

Treasury TR

Central Bank BC

Customs Brokers

T T T T

CS CS CS CS CS

Shipping Agents

TN A+

Container Terminal M

M

Examination F

G G

Scanner SC

G G G SP P F

Ministries and Agencies

Port Authority

Port Gate

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Mozambique

Introduction

Moz SeW is implemented by MCNet a PPP mandated by the Govt. of Mozambique to implement, operate and ensure sustainability of a Single Electronic Window program for Trade. The project includes the following strategic partners:

- **Mozambique Government** (through Ministry of Finance);

- **CTA** - Confederation of Trade Association representing around 400 private sector associations.

- **SGS** - Private Sector multinational company experienced in SEW financing and implementation;

- **CrimsonLogic** – a Singaporean company very experienced in complex trade facilitation systems;
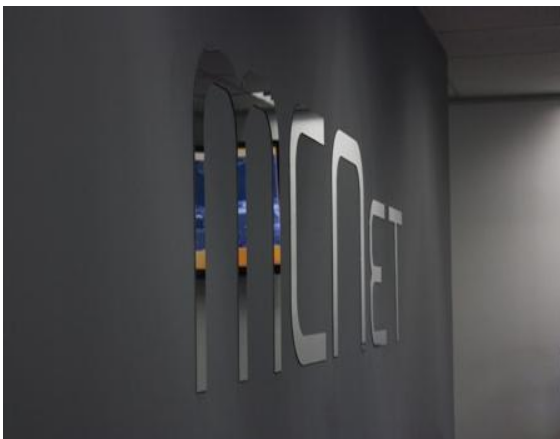
Objective of Mozambique SEW

- Provide a centralized electronic platform for trade; Incorporated in November 2010

- Reduce clearance times at land borders, port and airports;

- Increase revenue collection and;

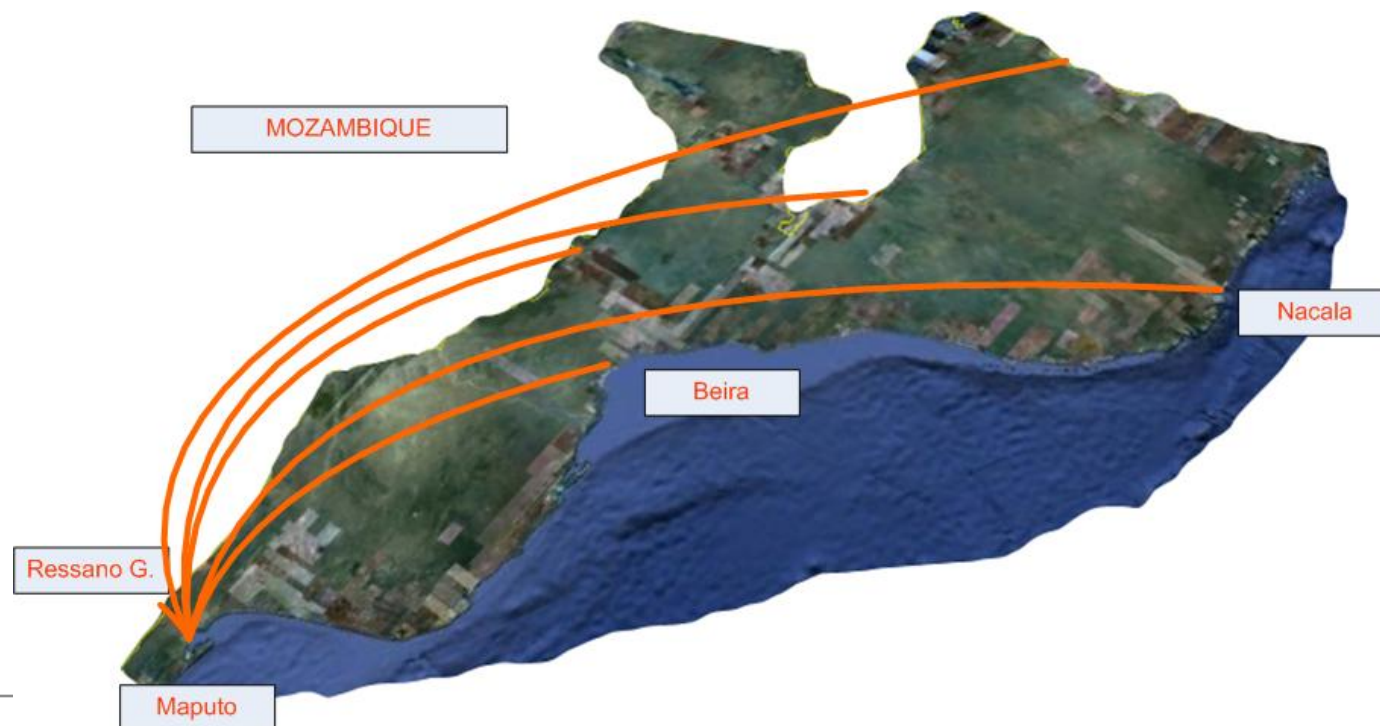- Generally reduce the cost of doing business in Mozambique.

Objective of Mozambique SeW
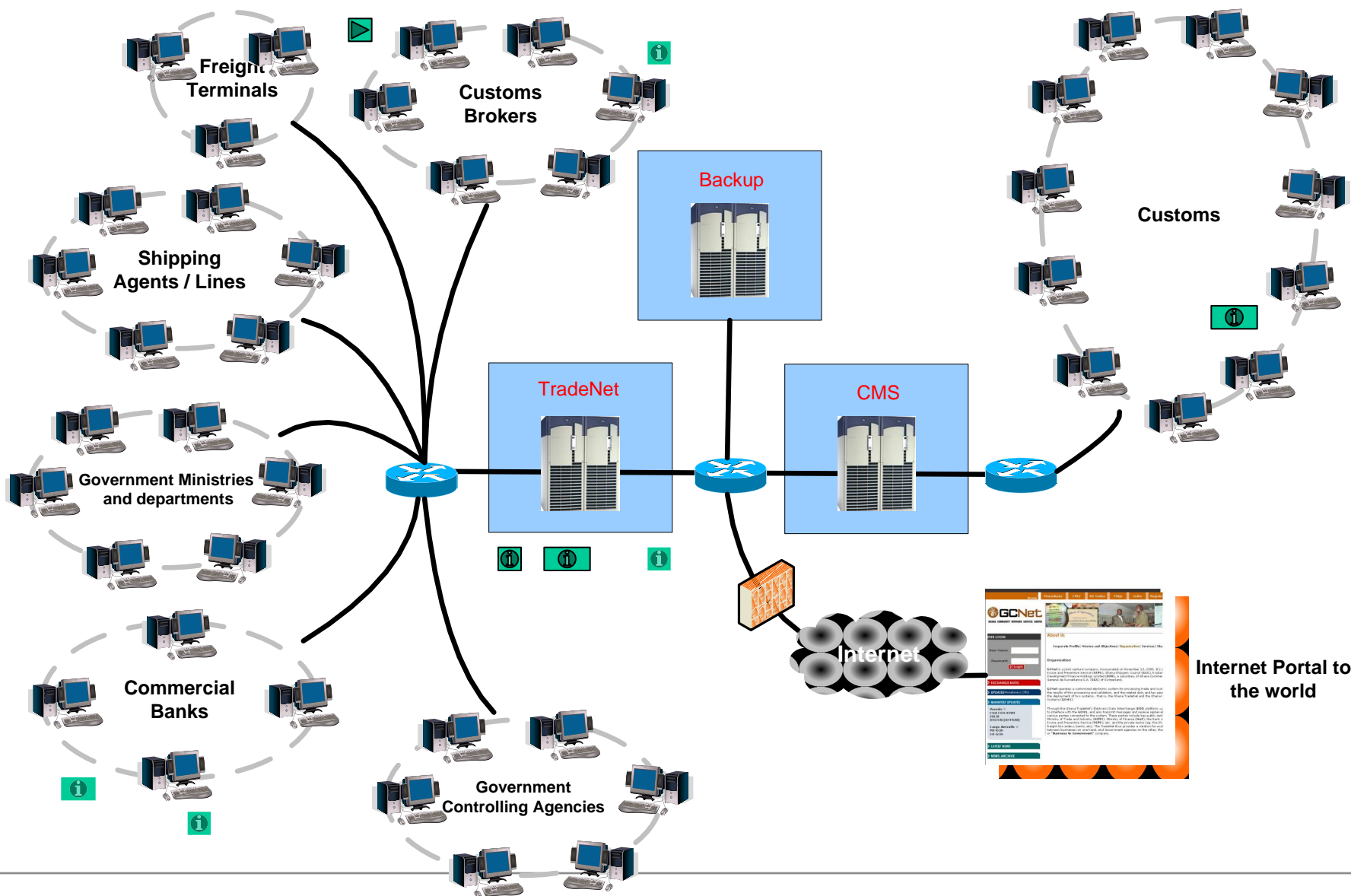

- Provides real time tracking of all customs operations;

- Insure the implementation of administrative and customs procedures;

- Centralizes and consolidates all the supply chain information;

- Compares expected data with real data and reveals discrepancies;

- Provide the traceability and insure secure information about customs clearance process for each and any consignment;

Mozambique

- Full new generation CMS and Single Window

- Latest functionalities adopted from previous projects

- Joint Venture company with equal representation from Government and Private Sector

SeW General Architecture

Freight Terminals

Customs Brokers

Shipping Agents / Lines

Government Ministries and departments

Commercial Banks

Government Controlling Agencies

Customs

Backup

TradeNet

CMS

Internet

Internet Portal to the world
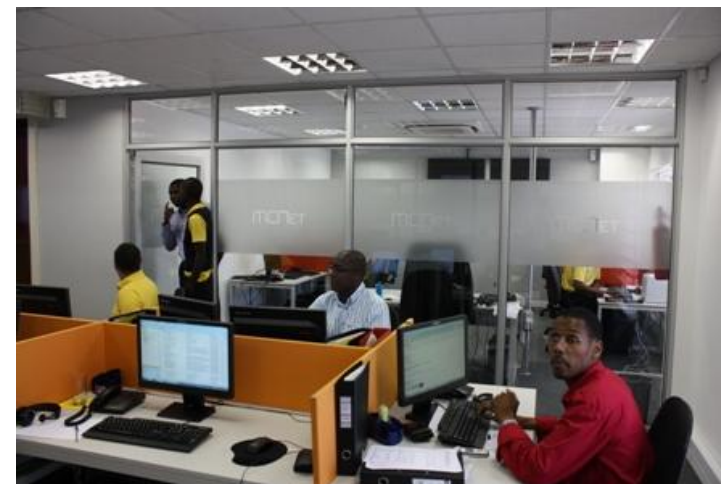
Functionalities

- **Customs Management System:**
  - Manifest Management
  - Declaration Management
  - Risk Management
  - Tariff and Administration
  - Warehouse/FZ Management
  - Examination, scanning
  - Post Entry Audit
  - Full Transit Management
  - Guarantee Management
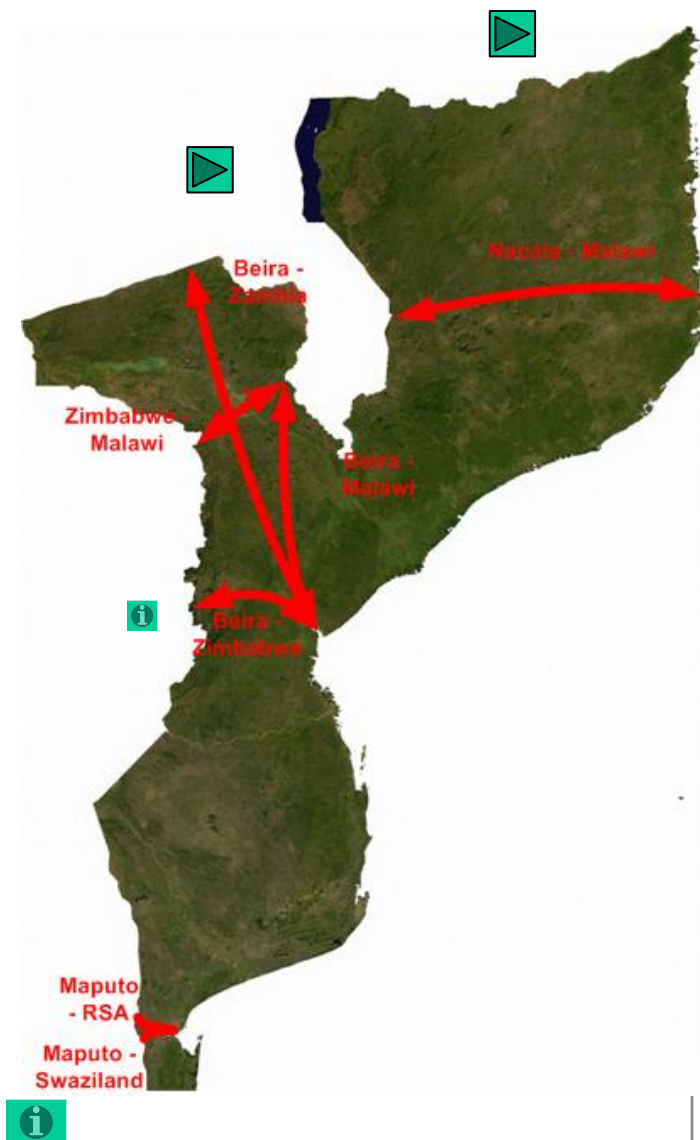 - Statistics through Business Intelligence

Functionalities

■ Single Window

- Vessel Announcement
- Port Service Request
- Controlling Agencies
- Central Bank Management
- Deliver Orders
- Release reconciliation
- Interfaces for transit tracking
- Interfaces for scanning
- Full Track and Trace
- International Data exchange
- Statistics through Business Intelligence
- Business to Business

Transit Management

- For transit additionally is planned the following:
  - Full guarantee management for transit goods throughout Mozambican territory
  - GPS tracking of consignments in transit through Mozambique
  - Automatic detection of breach in consignment integrity along transit corridors and deviation from assigned transit corridors;
  - Closure of transit declaration upon exiting Mozambican territory and automatic closure of transit guarantee.

International Connectivity Measures

- As part of the Moz SeW programme, International Connectivity is of high importance in order to avoid revenue leakage due to transit.

- Additionally, international Customs to Customs data exchange is included into scope in line with international trends for cross border data exchange.

- Measures being planned in Mozambique are:
  - Full guarantee management for transit goods throughout Mozambican territory
  - GPS tracking of consignments in transit through Mozambique
  - Automatic detection of breach in consignment integrity along transit corridors
  - Automatic detection of deviation from assigned transit corridors
  - Closure of transit declaration upon exiting Mozambican territory and automatic closure of transit guarantee.

Cooperation with Neighbouring Countries

- **International connectivity by extending modules of SeW to neighbouring countries:**

  - Closure of the transit declaration by neighbouring country to avoid illegal re-entry into Mozambique

  - Possible transfer of declaration details to neighbouring country (to Asycuda or other Customs Management System);

  - Provision of manifest information to neighbouring country if required. Example: manifest data for ships calling at Beira for consignments bound for Malawi;

  - Provision to neighbouring country of in-transit visibility. Extension of the GPS tracking on international basis.

  - Return data exchange for exports from neighbouring country through Mozambique. Asycuda or other CMS to MCNet.

  - Possible extension of electronic guarantee into neighbouring country if such is the wish of that country.

Customs to Customs Arrangement

- Mozambique Customs is working on cooperation model to neighbouring countries under the SeW

- Assist neighbouring countries develop SeW capabilities by making available MCNet modules;

- Customs to Customs arrangement between Mozambique and neighbouring countries to actively cooperate on international data exchange

- Effect necessary adjustments to MCNet in order to accommodate data exchange and access to MCNet from neighbouring country

- Become reference for best practice in international data exchange at SADC and Pan African Alliance

- Extend international data connectivity beyond region e.g. Pan Asian Alliance.

Some key rules to implementing SeW

We believe the key to a successful Single Window project is:

- Design and Customisation of the system in concert with all stakeholders

- Sufficient initial investment to ensure solid foundations

- Promote a sense of ownership of the system

- Remember that the IT is only a part of the effort

- Concentrate heavily on supporting elements such as training, infrastructure, legal issues, change management

- Do not replace existing systems which perform to satisfaction

- Build and sustain the service, operationally but also financially

- Constantly develop the system

That is why we believe in:

- The creation of a Joint Venture company formed by the public and private (PPP) sectors. Joint Venture company then mandated by the Government to design, implement and operate the system.

- A service developed and implemented on a Build, Operate, Transfer (BOT) basis over a pre-defined timeframe

- Initial investment provided by Joint Venture shareholders

- Operating on a commercial basis with revenue stream to ensure sustainability of the system, and to finance continuous developments

That is why we believe in:

- Using latest information technology products (CrimsonLogic) implemented in a way to ensure reliable operation with special attention to areas where infrastructure is not always optimum.

- Ensuring that every element that forms part of the overall solution is monitored and managed to ensure a fail safe design of the system. (Backup site, DRP)

- Skills and know-how are gradually transferred to ensure sustainable capacity building within the Government workforce.

- To the extent of what is possible, using existing infrastructure (such as existing network or software infrastructure) in order not to duplicate any existing reliable systems.

What are the Single Window benefits?

To Governments:

- Increased transparency and accountability encouraging trade compliance

- Substantial increase in Government revenues

- Substantial Capacity Building within Government Departments

- Real-time accurate trade data and statistics

- Better use of Government resources

- Foundations towards an efficient E-Government system

What are the Single Window benefits?

To the Trade:

- Accelerated Cargo clearance

- Reduced duplication and errors

- Reduced cost of document handling

- One-stop 24 hour window for information exchange with Government Agencies

- Access to accurate statistics

- Development of knowledge and skills in information systems

Thank you for your attention