ESSENTIAL FEATURES OF THE ASEAN SINGLE WINDOW

ADB-SINGAPORE CAREC FORUM
Workshop on Single Window Development
**for Central AsiaTrade and Customs Officials**

Singapore, July 8-10 2008
By Mr. Quang Anh Le, Assistant Director
Bureau for Economic Integration and Finance
ASEAN Secretariat
quang@asean.org

Major legal backgrounds

- Bali Concorde II, ASEAN Declaration:
  Enhance competitiveness of ASEAN economies and goods:
  - *Adopting the Single Window approach*
  - *Electronic processing of data and information*

- Ultimate goal:
  Accelerating the customs clearance of goods and commodities in achieving higher economic efficiency through:
  - *Streamlining and simplifying related procedures*
  - *Standardization of data and information*
 - *Adoption of international best practices*

1
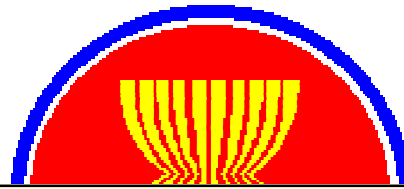
Major legal backgrounds

- <u>December 9, 2005</u>: Economic Ministers signed **Agreement to Establish and Implement the ASW**
- <u>December 20, 2006</u>: Finance Ministers signed **Protocol to Establish and Implement the ASW**
- NSWs operational in Brunei Darussalam, Indonesia, Malaysia, the Philippines, Singapore and Thailand by 2008 and in Cambodia, Lao PDR, Myanmar and Viet Nam before 2012
- Strategic Plan of Customs Development 2005-2010: Target time of release of 30 minutes on average.

Core Tasks of ASW

- Streamlined and simplified intervention in process, procedures and formalities.

- Synchronization and integration of National Single Windows (NSWs) in securing a timely release of shipments.

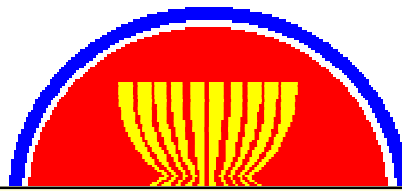- Standardization of data elements (semantic definitions and format)
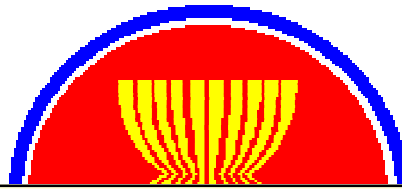
Core Tasks of ASW

- Exchange of information and data in electronic format among Member States of ASEAN.

- Contribution to reduce costs and provide more facilitation to industries and businesses in an integrated environment.

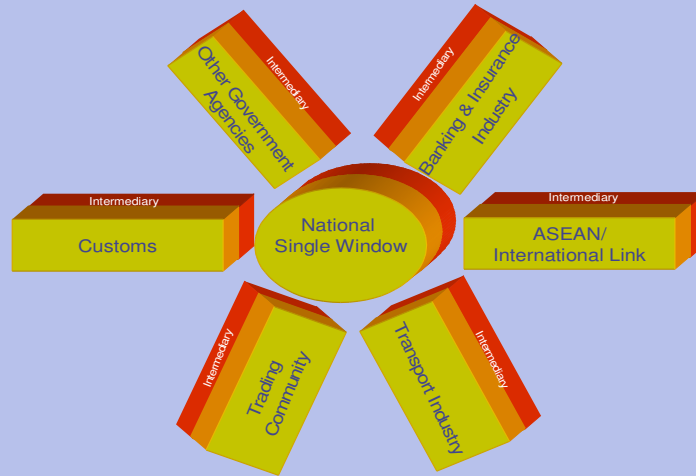- ASW to be seen as the basis of the ASEAN Economic Community 2015.

What is ASEAN Single Window & National Single Windows?????

- In 2008, ASW or Regional Single Window complements the National Single Windows (NSWs).

- ASW is end-user centric with focus on transactions.

- Federated/regional approach applies to the ASW Pilot project – ASW enables NSWs to connect.
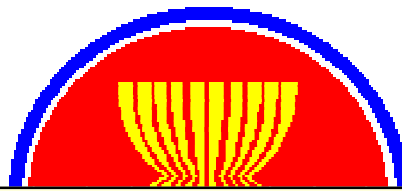
CONCEPTUAL MODEL:
National Single Window Systems

ASW = 10 National Single Windows

Other Government Agencies — Intermediary

Banking & Insurance Industry — Intermediary

Intermediary — Customs

National Single Window

Intermediary — ASEAN/ International Link

Trading Community — Intermediary

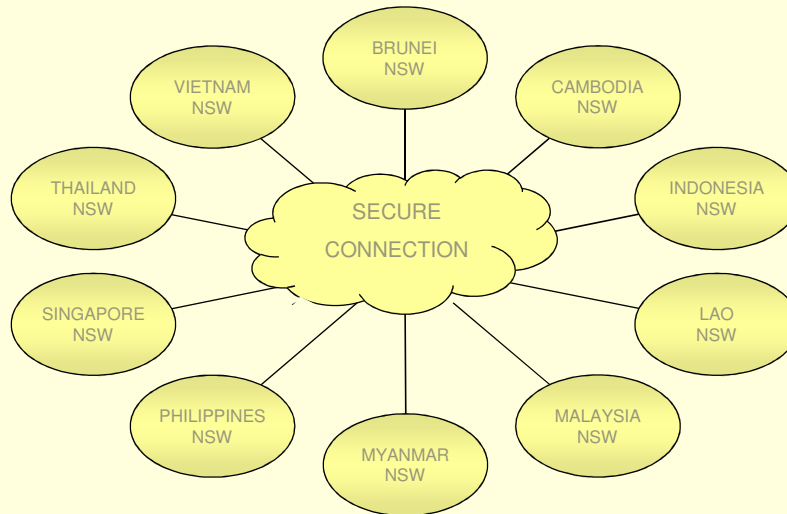Transport Industry — Intermediary

---

# Structure of the
ASEAN Single Window

- Composed of:
  - Technical components,

  - Functional and business processes and standardized data and information, and

  - Necessary legal backgrounds for its effective implementation in a specific environment

4

ASEAN SINGLE WINDOW CONCEPTUAL MODEL

- ASW Structure was designed on identified functions of individual stakeholders in the international supply chain to facilitate movement of goods and commodities across national borders.

- It operates in the simplification and harmonization of customs procedures and formalities and standardization information parameters.
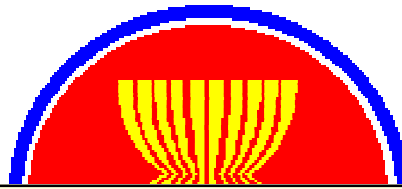
- Practically, the National Single Windows (NSWs) and the ASW environment form part of e-Government in improving transactional efficiency and effectiveness.

- The NSWs and ASW contribute to improve not only services by customs authorities to the public but also promote good governance in optimizing the intervention by any related stakeholder.

Customs-Business Process for Customs Release of Shipments

1. Customs Process <<Process Area>>

<<CustomsProcess>> OneTimeEnrollment

<<CustomsProcess>> ManifestSubmission

<<CustomsProcess>> CustomsDeclaration

2. Business Process <<Process Area>>

<<BusinessProcess>> MonetarySecuirtyApp

<<BusinessProcess>> DutyPayment

3. OGA Process <<Process Area>>

<<OGAProcess>> PermitApp

- Technical works = a good **UNDERSTANDING** of requirements of information & functions + intervention of key players.

- Followed by **STREAMLINING** process for customs clearance of shipments and cargoes while securing adequate level of control and management.

- **STANDARDIZATION** guided by international standards and conventions of trade and transport facilitation & international best practices.

- Technicality :

(a) **Business and Customs processes**

(b) **Data standardization**

(c) **Transport – Trade – Customs**

(d) **Legal environment**

(e) **Information and Data Processing**

- **Business Process** starts when traders enter into commercial transaction (from the order enquiry).

- _A business process_ comprises the following:

  (a) Business process of international commercial transactions

  (b) Support business process to secure completion of international commercial transactions

  (b) Involvement and intervention by government agencies and trade regulators to secure the compliance

---

- **Customs processes** constitute the core of the ASW, due to the primary objective defined for its first phase of development, in accelerating the clearance of cargo clearance.
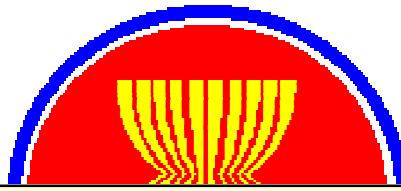
- The Customs process based on the ASEAN Cargo Processing Model already adopted by Customs Directors-General in 2005 as a step toward the integration of customs systems
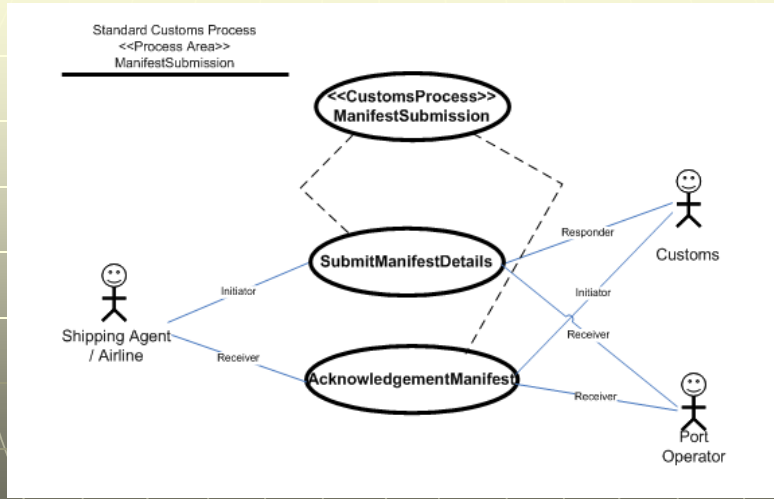
- Streamlining processes and functions go accompanied by a revision and **standardization** of **formalities** and **documents** in use by customs authorities.

- Information parameters of declaration to the Customs are aligned regionally. Further standardized customs data set promises better interoperability and interconnectivity of various customs systems in the region.

- The ASEAN Customs Declaration Document was developed and adopted by ASEAN Customs Administrations in Nov. 2005.

- The UML and UMM are used in developing the ASEAN Single Window.

- Enterprise Application Integration (EAI) and Service-Oriented Architecture (SOA).

- All them reflect the accelerated progress in data and information processing as well as adoption of Open Source Software (OSS) as appropriate
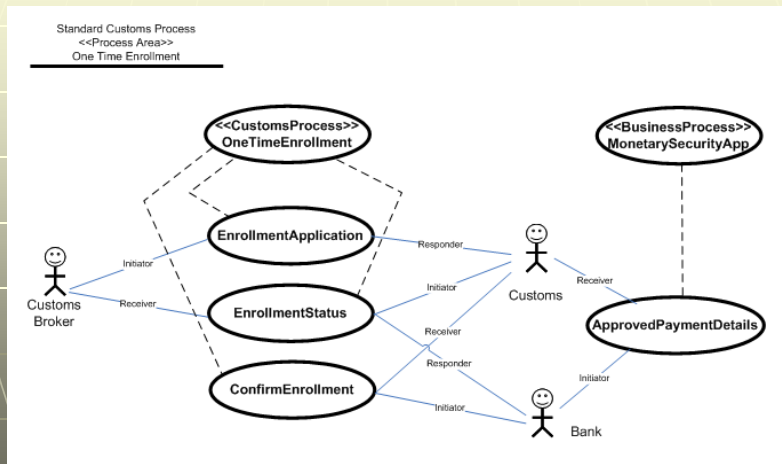
Business Domain Overview for Manifest Submission

Standard Customs Process
<<Process Area>>
ManifestSubmission

<<CustomsProcess>>
ManifestSubmission

SubmitManifestDetails

AcknowledgementManifest

Shipping Agent / Airline

Initiator

Receiver

Responder

Initiator

Receiver

Receiver

Customs

Port Operator

Business Domain Overview in the Release Process

Standard Customs Process
<<Process Area>>
One Time Enrollment

<<CustomsProcess>>
OneTimeEnrollment

<<BusinessProcess>>
MonetarySecurityApp

EnrollmentApplication

EnrollmentStatus

ConfirmEnrollment

ApprovedPaymentDetails

Customs Broker

Initiator

Receiver

Responder

Initiator

Receiver

Responder

Initiator

Customs

Receiver

Initiator

Bank

- Following the enrollment or formal engagement of related parties vis-à-vis customs authorities the processing enters into operation.

- The core information resides with the ASEAN Customs Declaration Document (Document) which contains essential data related to the cargo and also means of transport.
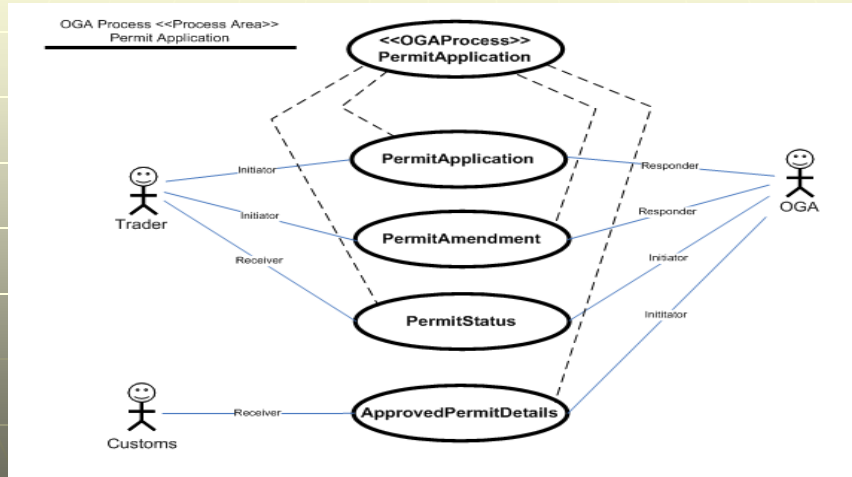
ADB-Singapore Workshop on SingleWindow-CAREC

Business Domain Overview for Customs Declaration Submission
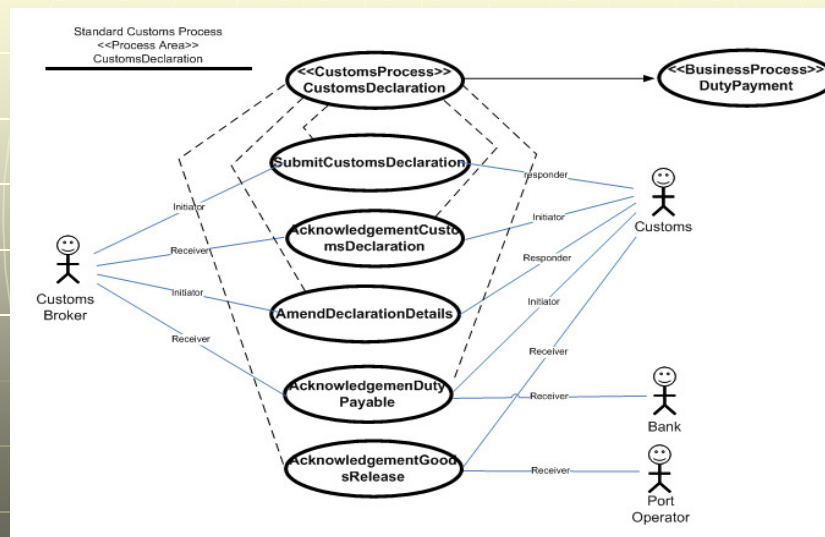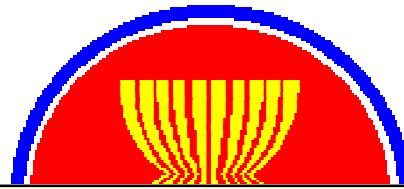
Business Domain Overview for Permit Application

OGA Process <<Process Area>>
Permit Application

<<OGAProcess>>
PermitApplication

Trader — Initiator — PermitApplication — Responder — OGA

Initiator — PermitAmendment — Responder

Receiver — PermitStatus — Initiator
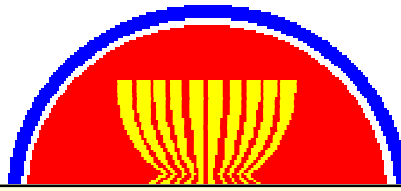
Initiator

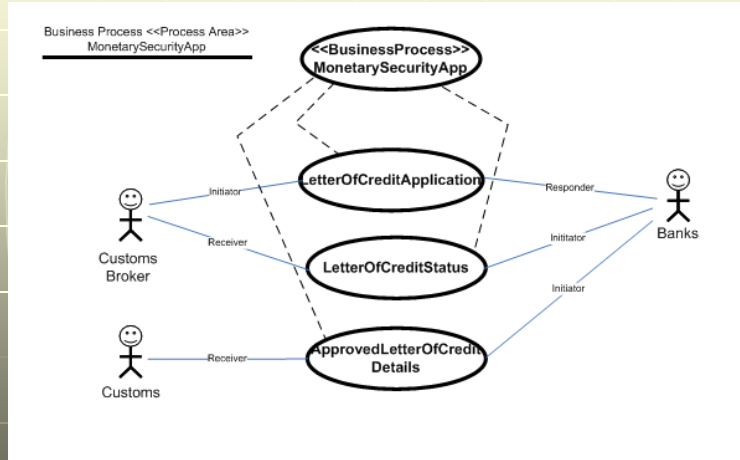Customs — Receiver — ApprovedPermitDetails

- One key process of the international commercial transaction is the financial flow among related parties for payment of traded commodities and honoring fiscal obligations (payment of duty and taxes). (Figures 6 and 7)

Business Domain Overview for Monetary Security Application

Business Domain Overview for Duty Payment

13
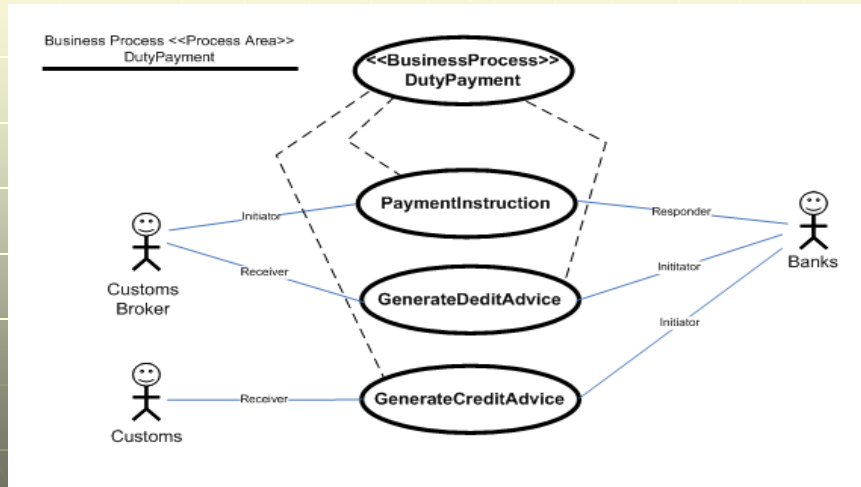
ASEAN Data Model (Workbase 1.0)

**OPTIONAL BUSINESS DATA ELEMENTS**

CONDITIONAL DATA ELEMENTS

MANDATORY DATA ELEMENTS

COMPULSORY DATA ELEMENTS

Functional Perspectives in data harmonization by ASEAN

- Compilation of data and information requirements of Member States (mostly regulatory) and its documentation.

- Conduct of analysis of data requirements (regulatory and commercial, transport).

- Use of international standards such as UNeDocs, WCO Data Model, UNTDED, and others.

- Consultations with Member States.
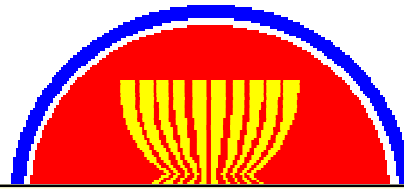
- Standardizing information parameters were a key milestone in the design of ASW.

- Analysis reveals: More than **seventy percent** of data are reused by more than one user. Based on the analysis, it has been established a list of data elements to be used in the initiative.

- Digitalizing information parameters for cargo release constitutes a substantial step in the introduction of Information and Communication Technology= progress from the previous platform of standards in use such as EDIFACT and the like.

Federated Approach

- Validator
- Integrator
- Converter
- Synchronizer

To that end, it requires:

1. Library of processes and business rules.
2. Library of standard protocols of interface and communication
3. Library of reference tables and the like.

FACTORS OF SUCCESS

- STRONG POLITICAL COMMITMENT TO OPERATE THE SINGLE WINDOW AS PART OF E-GOVERNMENT AND E-GOVERNANCE

- HUMAN RESOURCE DEVELOPMENT FOR MEMBER STATES

- PARTNERSHIP WITH INDUSTRIES AND BUSINESSES

- COMMITMENT TO AN INTEGRATED AND VIABLE ENVIRONMENT FOR ECONOMIC GROWTH AND SUSTAINABILITY

ADB-Singapore Workshop on SingleWindow-CAREC

31

Thank You

ADB-Singapore Workshop on SingleWindow-CAREC

32