

Feasibility Study for Single Window on export- import and transit procedures

Ministry for Economic Development
and Trade of Tajikistan

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- 1. Current situation**
- 2. Main goals and tasks of SW**
- 3. SW model for Tajikistan**
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Rating according Easy Doing Business (WB) – 159 (among 181 countries)

(source WB/IFC Easy Doing Business)

No	Topics	2009	2008
	Rating Doing Business	159	156
1	Starting a business	168	163
2	Licenses and permits	178	168
3	Employing workers	128	127
4	Registering property	46	43
5	Getting credit	172	171
6	Protecting investors	150	179
7	Trading across borders: export and import	177	178
8	Enforcing contracts	23	23
9	Paying taxes	159	155
10	Closing a business	97	102

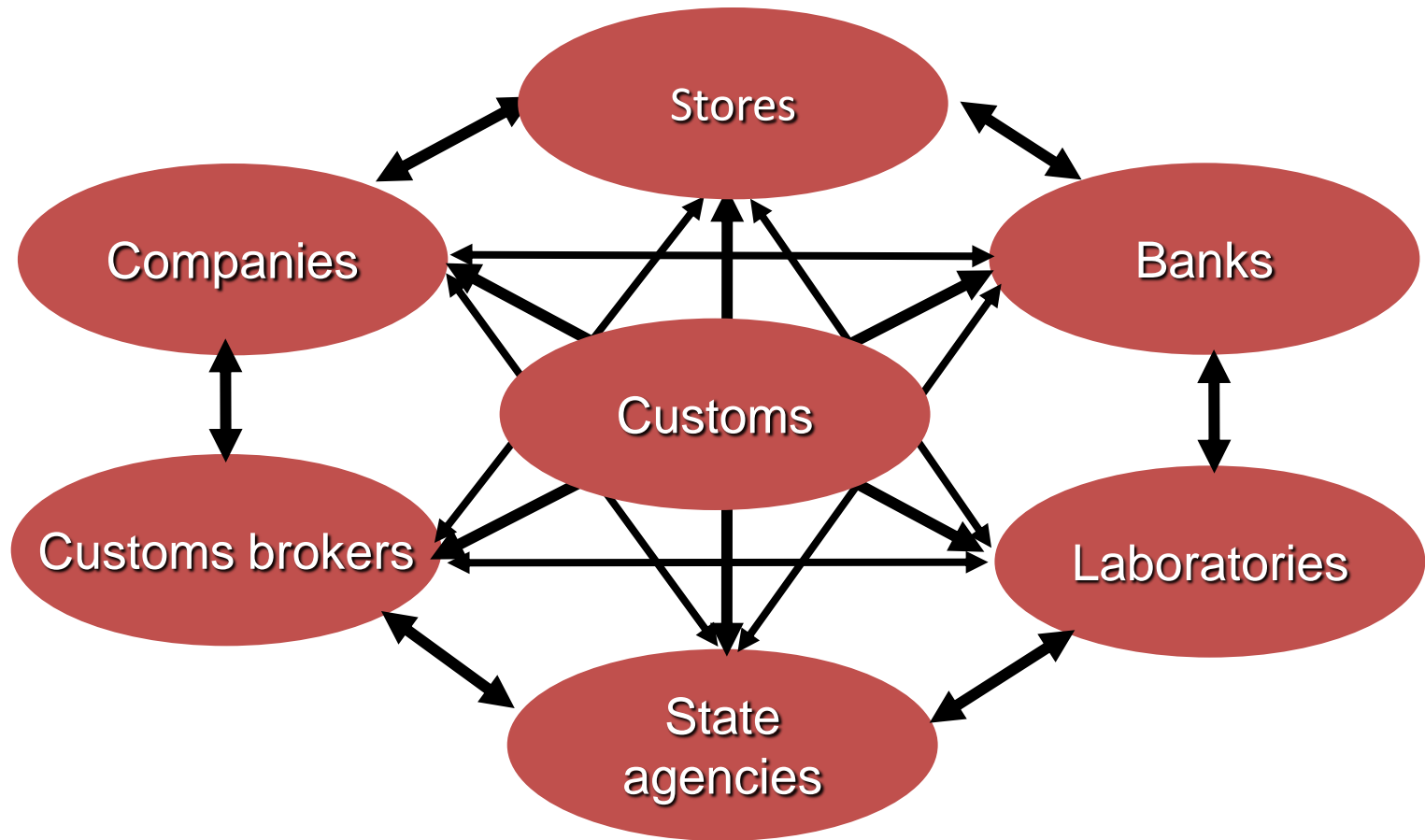
Current situation analysis showed:

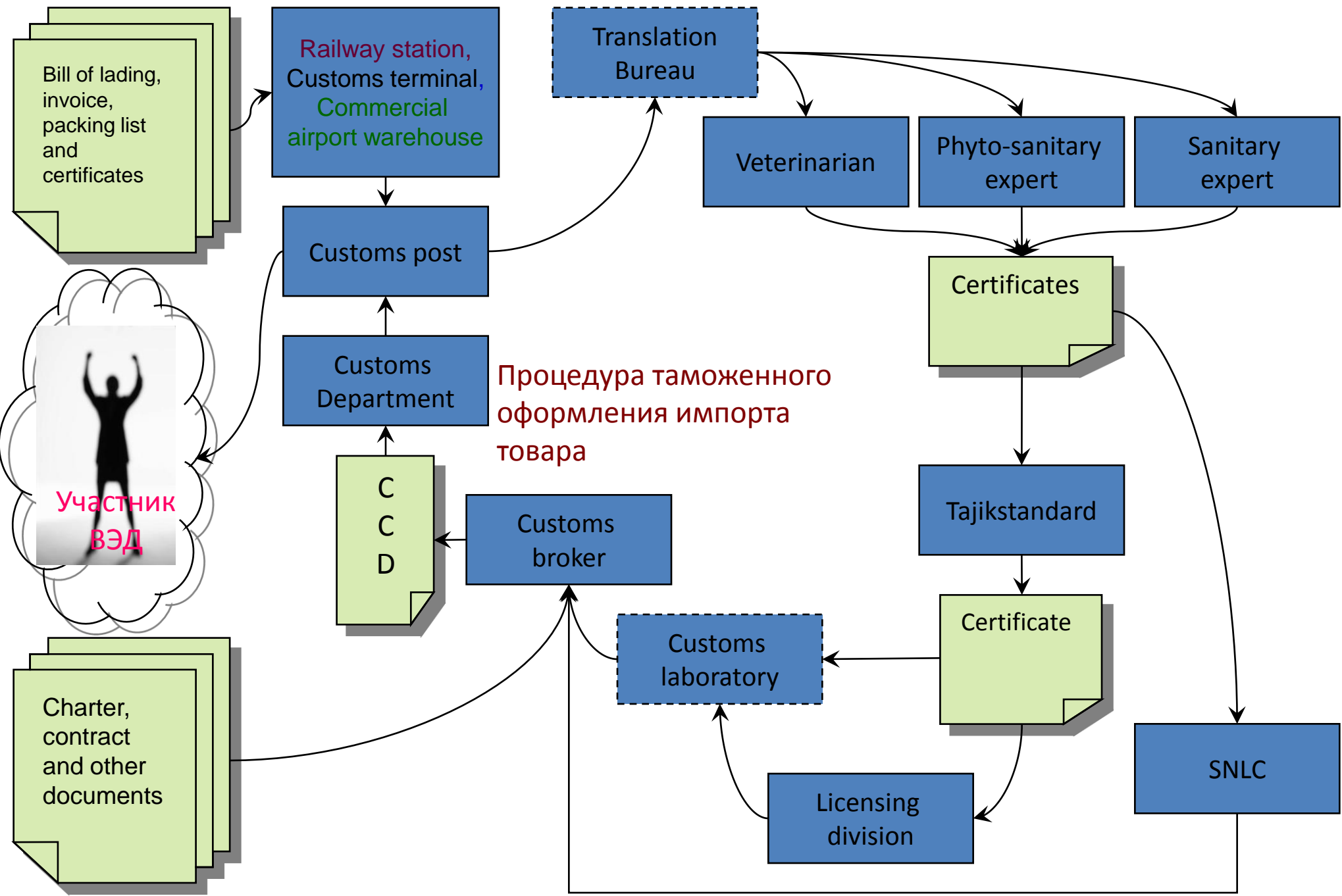
- **44-50 documents** needed for export and import procedures
- **14-20 days** needed to collect all necessary documents
- Minimum cost for one **declaration is 110 TJS**
(costs for permits and licenses not included, only direct costs (!))

Main problems for export and import procedures

- **Not clear description of procedures**
- **Inefficient administration of procedures take up a lot of time, expenses and efforts**
- **Physical presence is needed (possibility for corruption)**
- **Not enough coordination between agencies involved**
- **Difficulties with access to information!**
- **Spending too much time at border crossing points!**

Situation today...



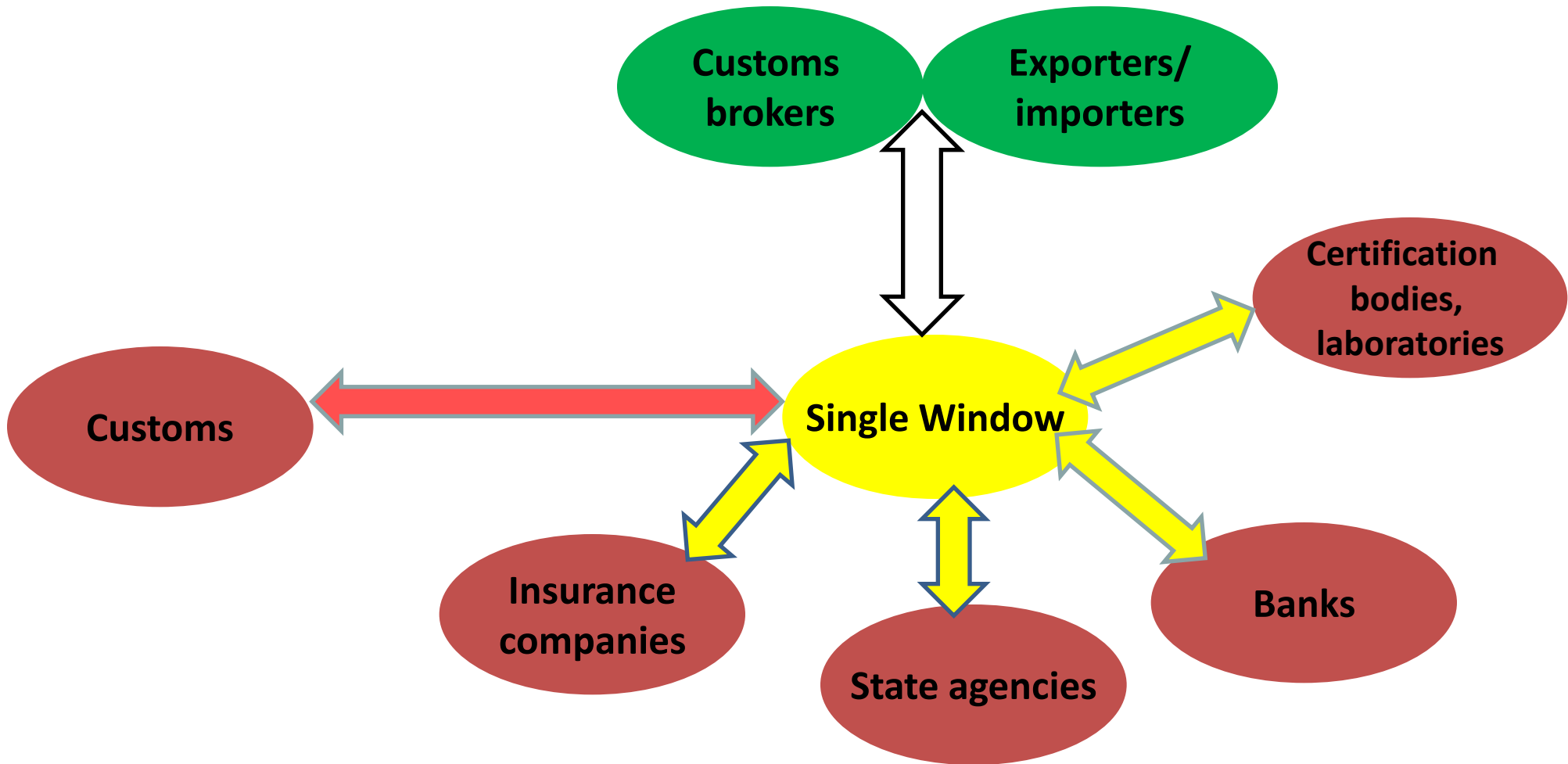


Solution :

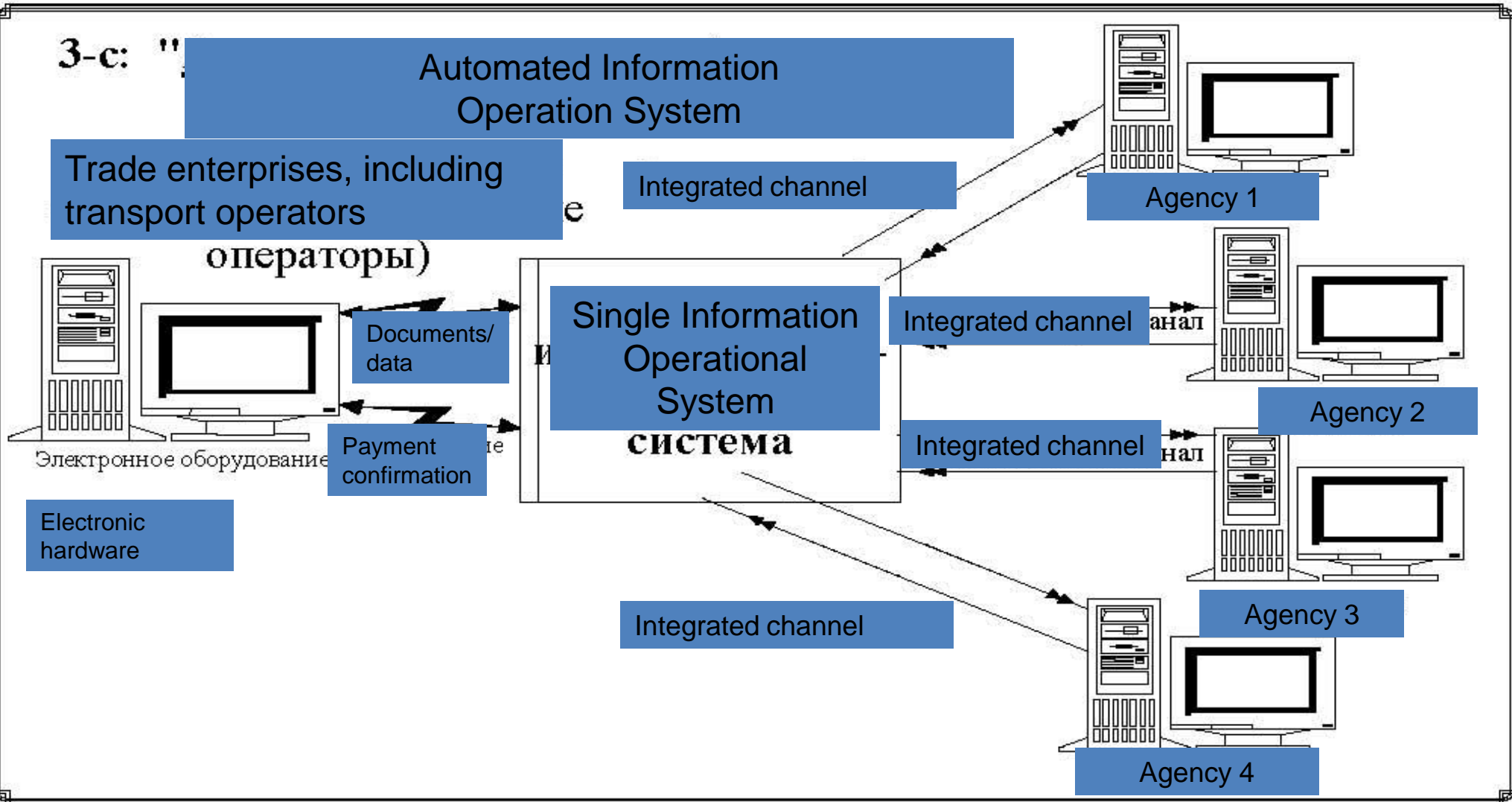
Single Window for export and import procedures

- *Creation of effective information interchange mechanism between all participants involved in foreign trade process*

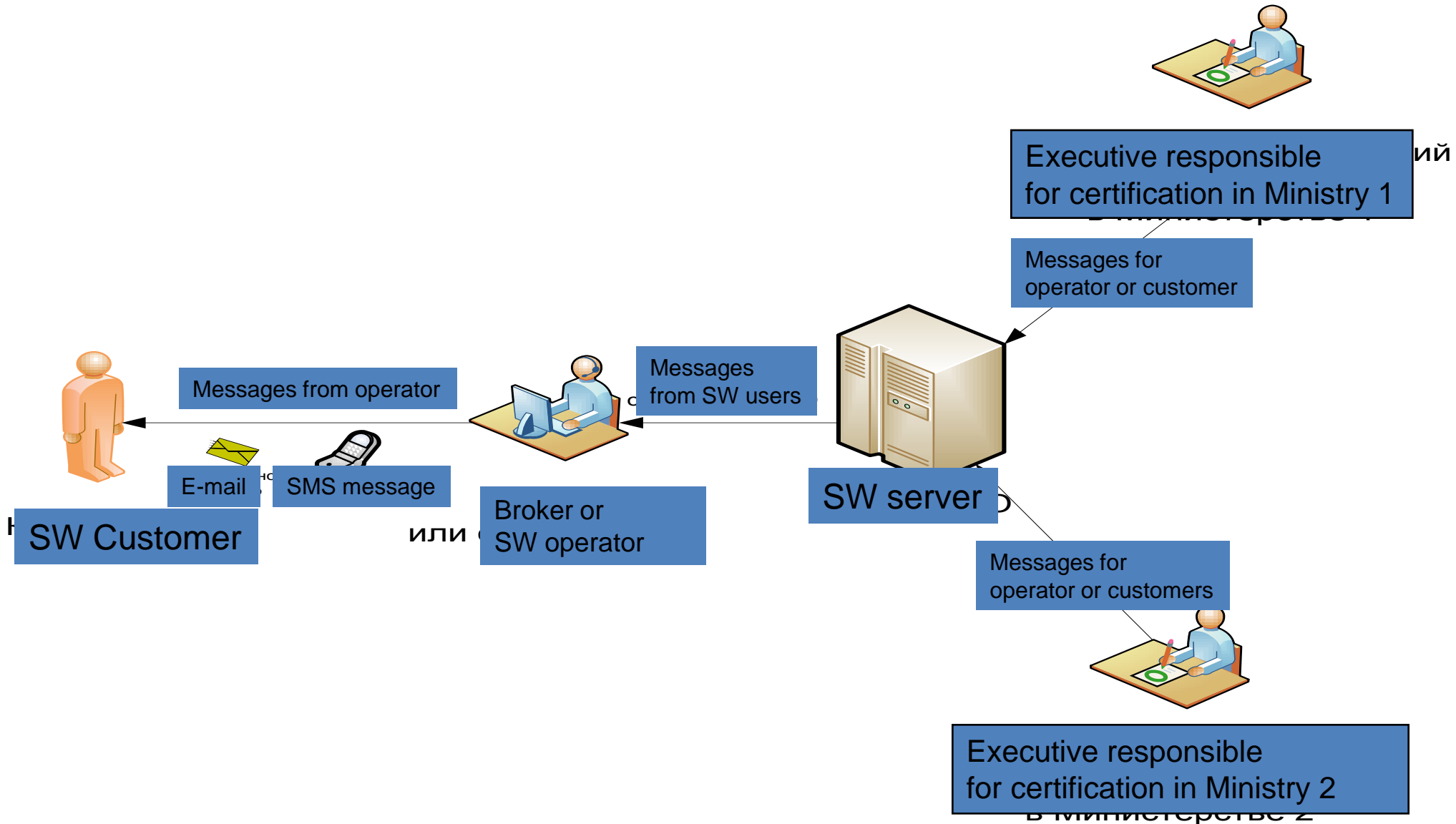
SW for export and import procedures



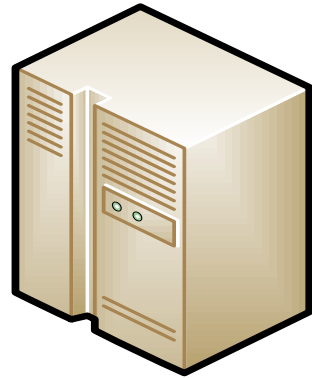
Proposed SW Model



How does a SW work?



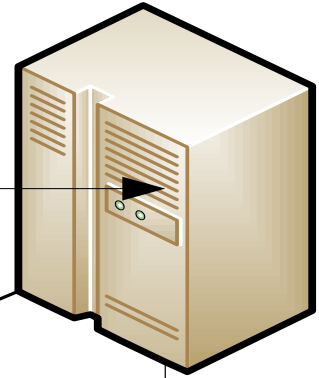
Data transmission to Customs



SW server

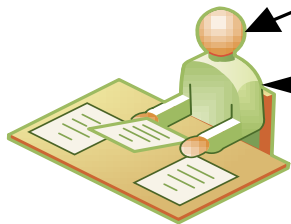


Single Administrative Document with information on issued certificates



Customs server

Data on certification are linked to the trader



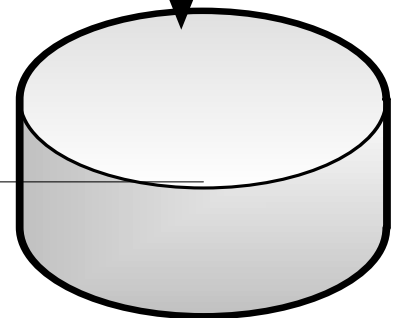
Customs inspector

Option 2: Data on certification is used in customs clearance

Customs database

Вариант 1: ... административный документ используется напрямую

Option 1: SAD is used by Customs directly



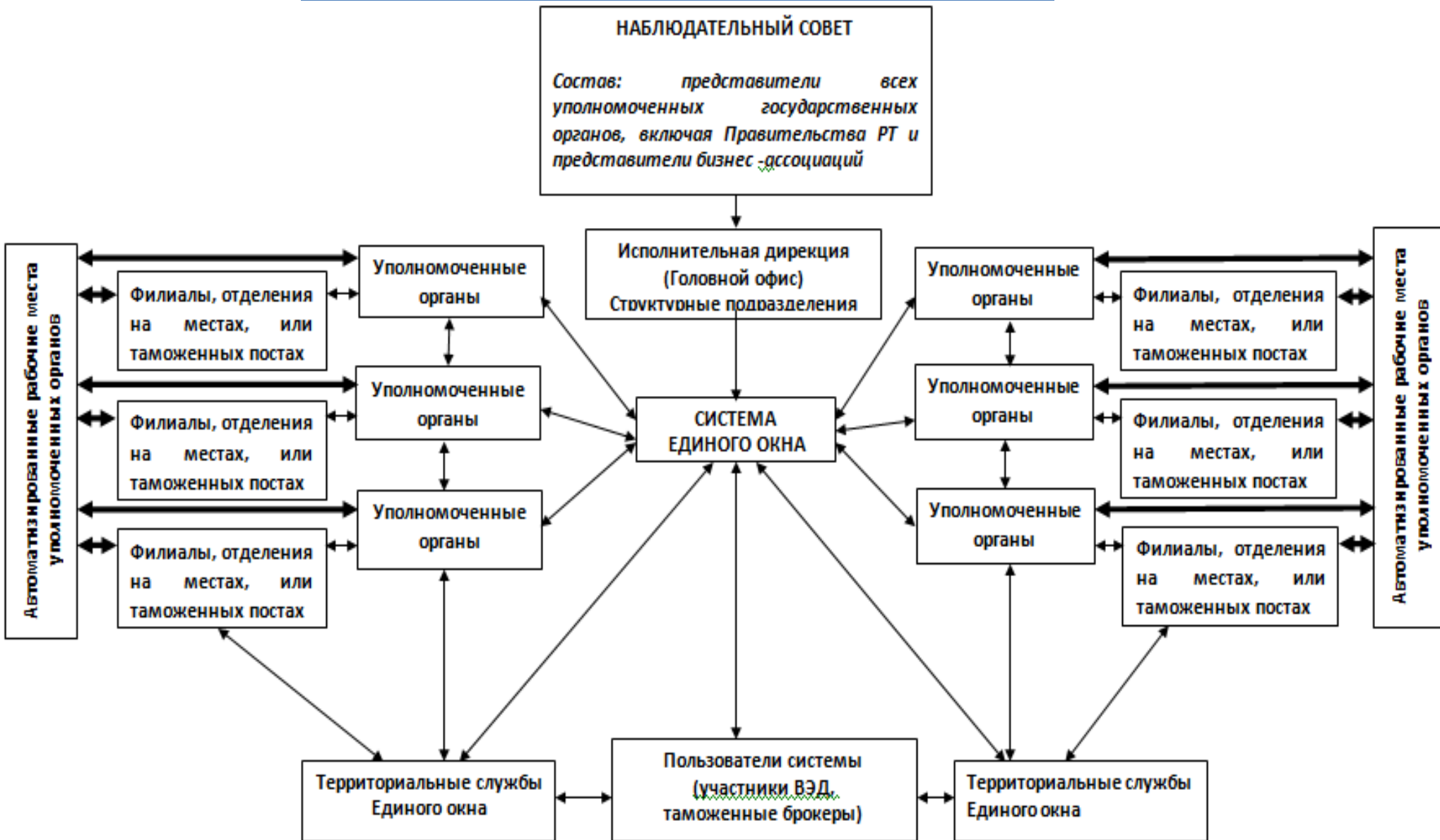
Important to know(!):

Single Window is a system facilitating export-import and transit procedures, and does not incur function of supervising bodies as well as function of customs registration!

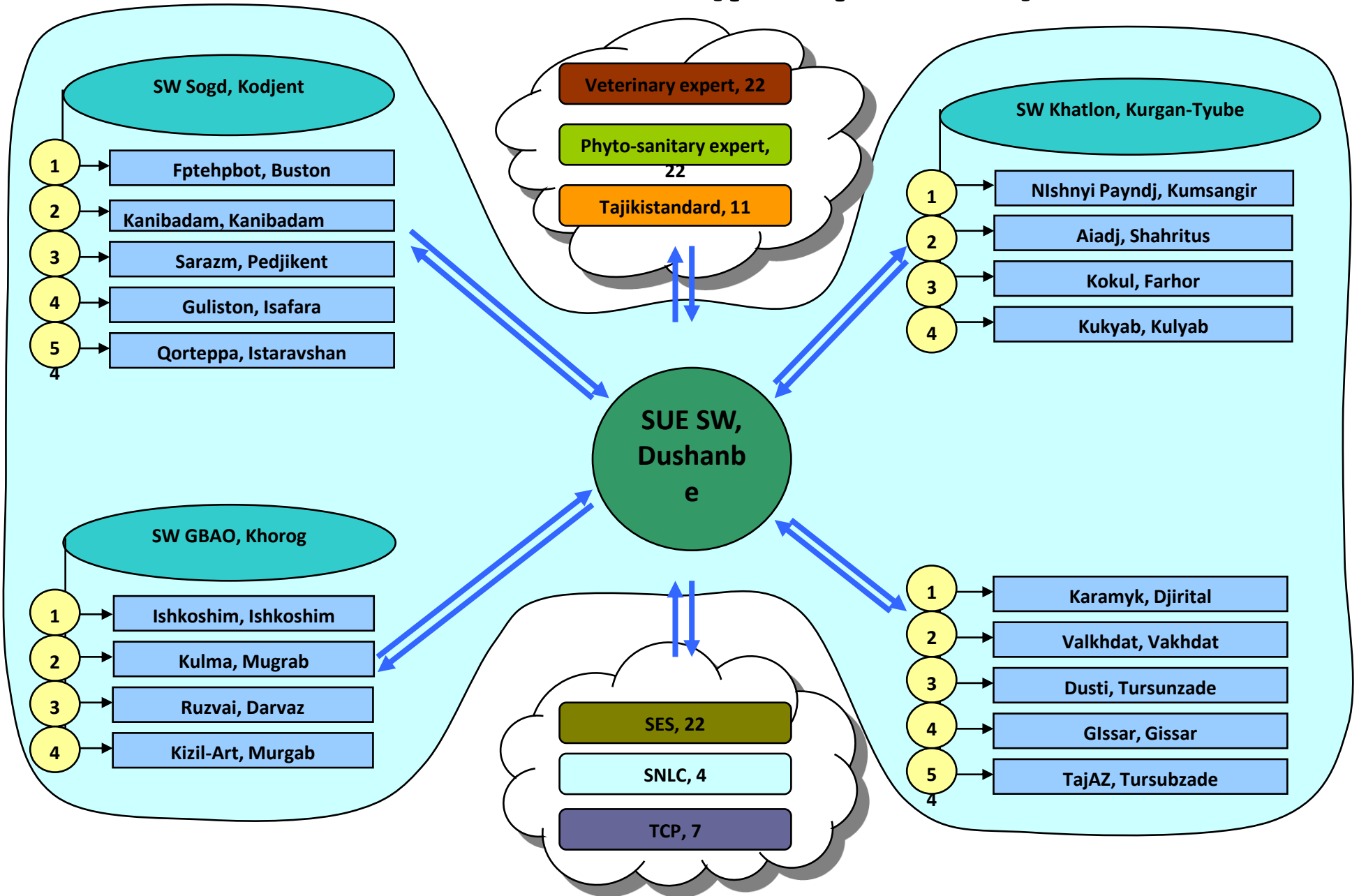
Organizational and legal aspects of Single Window

- **SW Center– State Unitary Enterprise (SUE), on self-sufficient base**
- **Supervisory Board– representative of State agencies and **private sector!****
- **Self-sufficient, but **not income oriented!****

Structure of Organization and Work of the State Enterprise "Single Window Center"



Pilot for SW (proposed)



Project economic efficiency

- **Project cost: around 2.3 mln \$**
- **Implementing: start with mid 2010.**
- **Payback period: 3 years with worst scenario**
- **One transaction approx. 10-12 USD (less than 110 TJS - costs for today)**

Customs Declarations increase forecast

Сценарий роста количества ГТД	2007	2008	2009	2010	2011	2012	2013	2014	2015
Number of CCD Export									
High-case	32613	30093	31598	33809	36176	38708	41418	44317	47420
Baseline	32613	30093	30996	32236	33847	35540	37317	39183	41142
Low-case	32613	30093	30093	30845	31771	32724	33706	34717	35758
Number of CCD Import									
High-case	55531	71930	82720	90991	100091	110100	121110	133221	146543
Baseline	55531	71930	82720	90991	97361	104176	111468	119271	127620
Low-case	55531	71930	82720	90991	95541	100318	105334	110601	116131
Increase in CCD Export									
High-case		-8%	5	7	7	7	7	7	7
Baseline		-8%	3	4	5	5	5	5	5
Low-case		-8%	0	2.5	3	3	3	3	3
Increase in CCD Import									
High-case		23%	15	10	10	10	10	10	10
Baseline		23%	15	10	7	7	7	7	7
Low-case		23%	15	10	5	5	5	5	5

Benefits of SW implementing

- 1. Reduce time and costs of traders at least by half!**
- 2. No direct contact between agencies and traders (less corruption, more income for the State)**
- 3. Better coordination through electronic exchange of information and using Single Data Base**

1,2,3... and results:

- 1. Export and import procedures simplified (easy to get permissions for export and import)**
- 2. Stimulate SME activeness**
- 3. Tajikistan increased its rating on business climate**
- 4. Tajikistan accepted as favorable country for business**
- 5. Investment climate improved**

Where we are now? Achievements:

1. **SW Concept approved by Government** (Decree 659 from 31.12.08), **FS drafted**
2. **Most of agencies supporting the project, despite of some hesitations**
3. **First steps on simplifications approved by Government** (Decree №487 from 01.10.08)
4. **Conducted survey on Readiness of agencies**
5. **Customs modernization started!**
6. **Good coordination between MEDT and Customs Service and donors **GTZ, USAID, ADB** on project planning.**

Next steps on SW implementation:

- 1. SW FS approved by Government**
- 2. Define SW financing**
- 3. Define implementing agency**
- 4. Action Plan on SW implementation**
- 5. Start with practical implementation: show strong Governmental will and ownership!**