Implications of Single Window International Interoperability

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National Single Window (NSW)

- (**Recommendation 33**) A Single Window is defined as a facility that allows parties involved in trade and transport to lodge standardized information and documents with a **single-entry point** to fullfil all import, export, and transit-related regulatory requirements. If information is electronic, then individual data elements should only be submitted once.
- Government **border control agencies** are linked to the NSW to process transactions but operate **in the background**. International trade and transport stakeholders transact with border control agencies via only one system, thus the term "single window."

ECONOMIC COMMISSION FOR EUROPE
United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT)

Recommendation and Guidelines

on establishing

a Single Window

to enhance the efficient exchange of information between trade and government
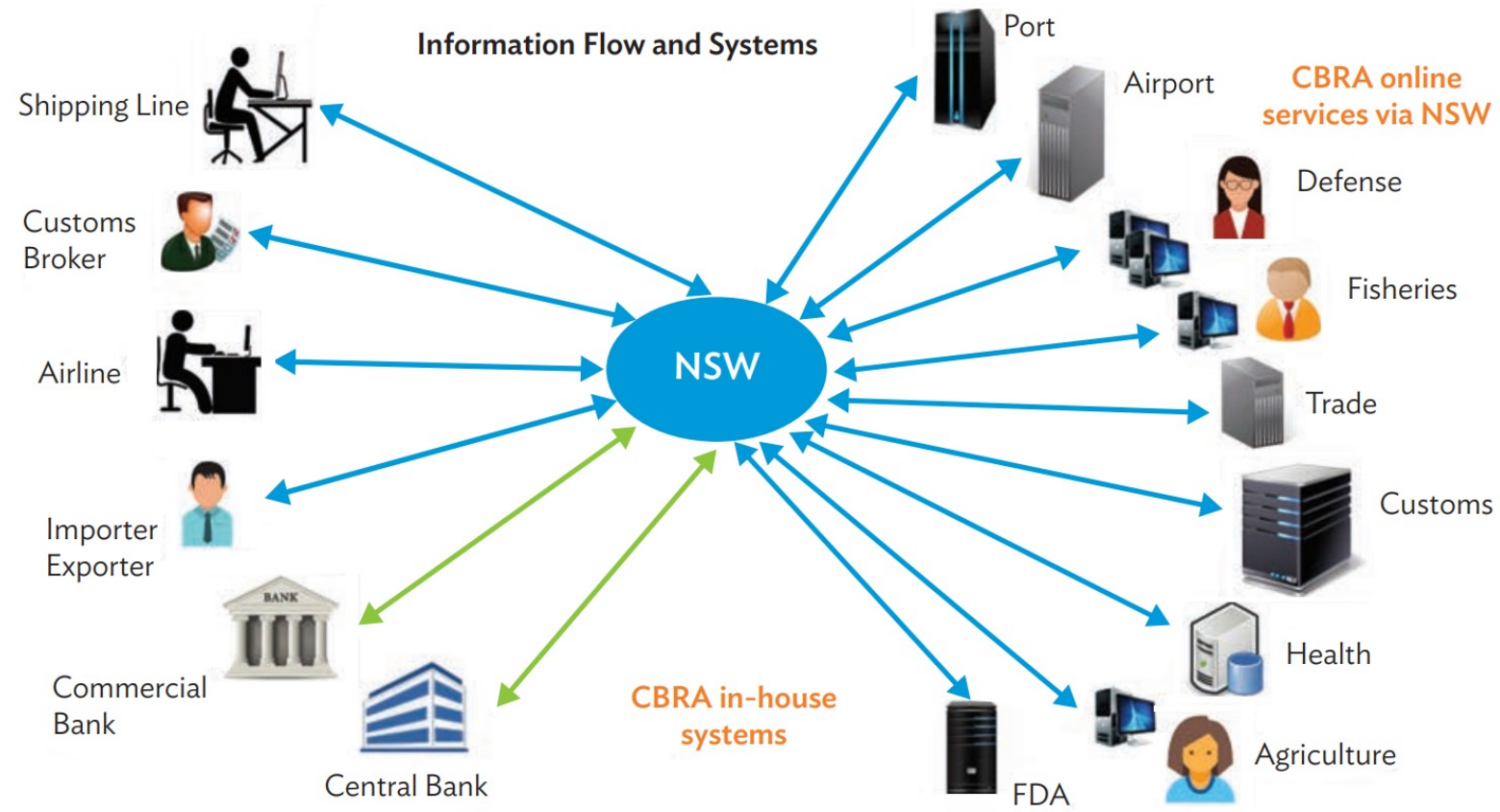
Recommendation No. 33

UNITED NATIONS
New York and Geneva, 2005

B2G and G2G

- UN/CEFACT definition covers interactions between traders, logistics service providers, cargo handlers, and government regulatory agencies. The NSW is thus an instance of **business-to-government** (B2G) e-government system as well as **government-to-government** (G2G) e-government system.
- Business-to-business (B2B) transactions are, therefore, not covered in this definition.

CBRA = cross-border regulatory agency, FDA = food and drug authority, NSW = national single window.

Single Window International Interoperability (SWII)

- SWII refers to the integration and harmonization of NSWs to facilitate international trade and customs processes.
- SWII aims to streamline and simplify **cross-border transactions** by allowing businesses and government agencies to submit and exchange trade-related information through a single electronic platform.

- Through SWII, countries can establish **standardized** data formats, message protocols, and technical interfaces that enable seamless data exchange and collaboration between their respective NSWs. This promotes efficiency, reduces duplication of efforts, and improves the speed and accuracy of customs clearance procedures.

Benefits of SWII

- The ultimate goal of SWII is to enhance **trade facilitation**, increase transparency, and foster economic growth by promoting the seamless flow of goods across borders. It enables businesses to submit required documents and information electronically, reducing paperwork and administrative burdens.

- Additionally, it improves **risk management** capabilities by enabling real-time sharing of information among participating countries, which helps in detecting and preventing illegal activities such as smuggling and fraud.

Means to Achieve SWII

- Adopt and adhere to **international standards** for data formats, messaging protocols, and interoperability frameworks
- Establish **bilateral or multilateral agreements** between countries or regions to define common protocols, legal frameworks, and information exchange mechanisms
- Harmonize data elements and definitions used in different NSWs, and **map and align data fields** to ensure consistency and compatibility
- Develop standardized APIs, web services, or interoperability layers that allow secure and efficient **data exchange** between NSWs
- Collaborate and coordinate among national agencies responsible for implementing NSWs, and **share best practices** to enhance interoperability
- Establish **testing and certification mechanisms** to verify interoperability between different NSWs
- Address legal and regulatory aspects related to cross-border **data privacy and security**
- Establish **international collaboration** platforms and forums where countries and stakeholders can exchange knowledge, experiences, and best practices

NATIONAL SINGLE WINDOW

GUIDANCE NOTE

MAY 2022

ASIAN DEVELOPMENT BANK

ADB

SWII Agreements That Are Operational

- Association of Southeast Asian Nations (ASEAN) Single Window (ASW):
  - electronic exchange of certificates of origin among all 10 member countries since 2019
  - ASEAN customs declaration documents among 5 members from 2020
- Pacific Alliance:
  - Chile, Republic of Colombia, Mexico, Peru launched SWII in 2016
  - sanitary and phytosanitary certificates (2017), certificates of origin (2018)
- Northeast Asia Logistics Information Service Network:
  - Sharing of vessel and container status: Japan, the People's Republic of China, the Republic of Korea
- Australia and New Zealand system-level exchanges (not an NSW):
  - Exchange of sanitary and phytosanitary certificates between the Australian Quarantine and Inspection Service and the New Zealand Food Safety Authority

- While top-down inter-governmental agreements are important, most operational SWII agreements are bottom-up, achieving exchange of data firstly among fewer countries and for fewer data elements
- Top-down approach requires close-knit (sub) regional trading block which has a (sub) regional SW mandate
- Bottom-up approach is more flexible and open-ended, and it allows stakeholders to see benefits early

Current Status of SWII in CAREC Region

- NSWs in Operation: Azerbaijan, PRC, Georgia, Kazakhstan, Kyrgyzstan, Pakistan (?) and Tajikistan
- Data exchange agreements: Kazakhstan with Uzbekistan; Azerbaijan with Uzbekistan; Azerbaijan with Georgia; etc. But may not be for real time operational data exchange
- Eurasian Economic Union (EAEU) is a customs union that includes Kazakhstan and Kyrgyz Republic where customs control functions are integrated

- CAREC is not a trading block and doesn't have a mandate for a (sub) regional SW
- Many countries have developed or been in the process of developing their NSWs with different approaches, using their home-grown systems, or Asycuda-based variations
- Most countries are struggling with their domestic institutional coordination issues
- There are also difficult legal restrictions due to outdated legislations and regulations
- EAEU poses challenges as Kazakhstan and Kyrgyz Republic need to be in sync with Russia, which is not a CAREC member

Proposed Way Forward for CAREC Countries

- CAREC countries, as part of their own NSW development processes, ensure all those organizational, technical, legal, and operational conditions for SWII being met (slide 6)
- Actively participate in (sub) regional activities, such as those under CAREC CCC, to be updated about the latest and best practices in SWII, and contribute to the process as well
- As part of the bottom-up process, reaching out to neighboring countries on a bilateral basis for practical means of data exchanges, such as those for certificates of origin, etc.
- Participate in multilateral efforts of specific data sharing and exchange programs such as that proposed for CAREC Advanced Transit System / Information Common Exchange
- Developing application systems, utilizing data availability brought by SWII
- Reaching out to all stakeholders and beneficiaries for long term and sustained support
- Based on achievements above, moving up to full scale SWII through multilateral agreements with proper legal, operational and institutional setups.

Thank You

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Questions?