



The Single Electronic Window Singapore's TradeNet

Workshop on Single Window Development
for CAREC Trade and Customs Officials

9 July 2008

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Agenda

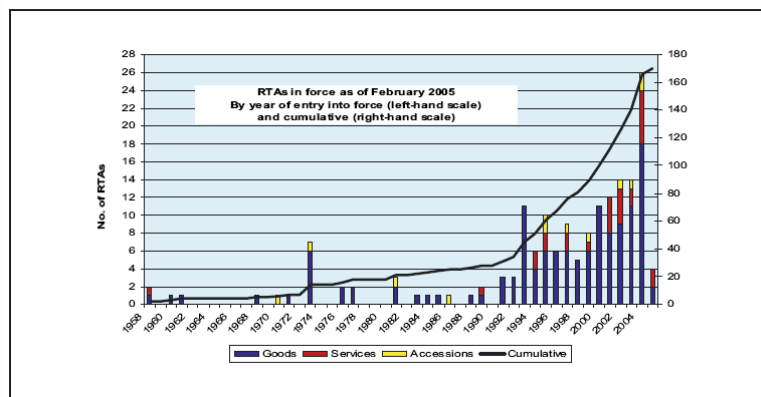
Trade Facilitation Platform

1. TradeNet / TradeXchange
2. Trade Facilitation & Port Community Platforms
3. What's the Cost ?
4. Key Implementation Considerations

Trade Facilitation

Trends in International Trade

In recent years, we see a proliferation of Regional / Bi-laterals Free Trade Agreements, especially since 2000

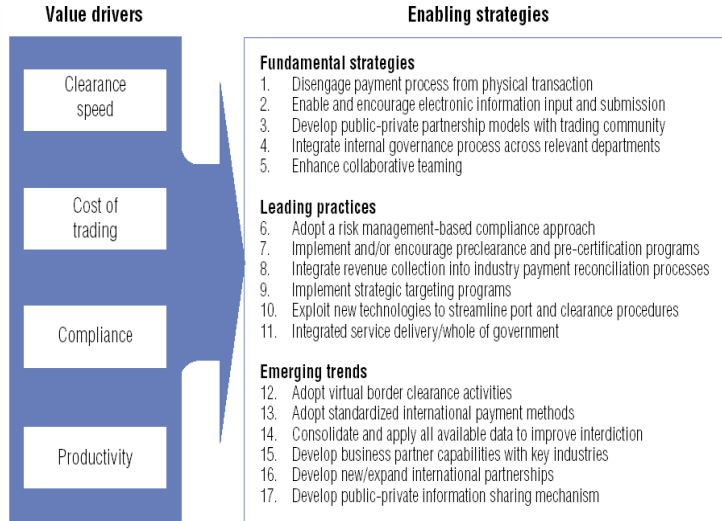




Source: John S. Wilson, November 2004

- Acting as the impetus, catalyst and instrument of Trade.
- Further attraction for Foreign Direct Investment (FDI) and relocation
- Stimulant for trade volume
- Connectivity to major ports of the world
- Facilitation for entry into Globalisation and International trade
- Long-term competitiveness in trade facilitation

Value Drivers for Trade Facilitation



Ease of Doing Cross Border Trade

Region or Economy	Documents for export (number)	Time for export (days)	Cost to export (US\$ per container)	Documents for import (number)	Time for import (days)	Cost to import (US\$ per container)
East Asia & Pacific	6.9	23.9	884.8	9.3	25.9	1,037.1
Europe & Central Asia	7.4	29.2	1,450.2	10.0	37.1	1,589.3
Latin America & Caribbean	7.3	22.2	1,067.5	9.5	27.9	1,225.5
Middle East & North Africa	7.1	27.1	923.9	10.3	35.4	1,182.8
OECD	4.8	10.5	811.0	5.9	12.2	882.6
South Asia	8.1	34.4	1,236.0	12.5	41.5	1,494.9
Sub-Saharan Africa	8.2	40.0	1,561.1	12.2	51.5	1,946.9

Source : "Ease of Doing Business" Survey by World Bank and the International Finance Corporation (IFC).

TABLE 9.2
Risk-based inspections—the most popular reform in 2005/06

Applied risk management techniques

China, Colombia, Ghana, Hong Kong (China), India, Jamaica, Kenya, Nigeria, Pakistan, Romania, Serbia, Syria, Tanzania

Introduced or improved electronic data interchange systems

China, Colombia, France, Ghana, Hong Kong (China), Jamaica, Kenya, Nigeria, Pakistan, Serbia, Syria, Tanzania

Introduced customs administration reforms

Cambodia, Georgia, Hong Kong (China), Jordan, Kenya, Nigeria, Pakistan, Romania, Syria

Implemented border cooperation agreements

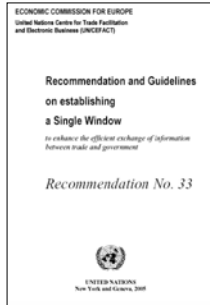
China, Hong Kong (China), Kenya, Nicaragua, Romania, Serbia, Tanzania

Improved infrastructure and interagency cooperation at the ports

China, Colombia, Jordan, Kenya, Nigeria, Togo

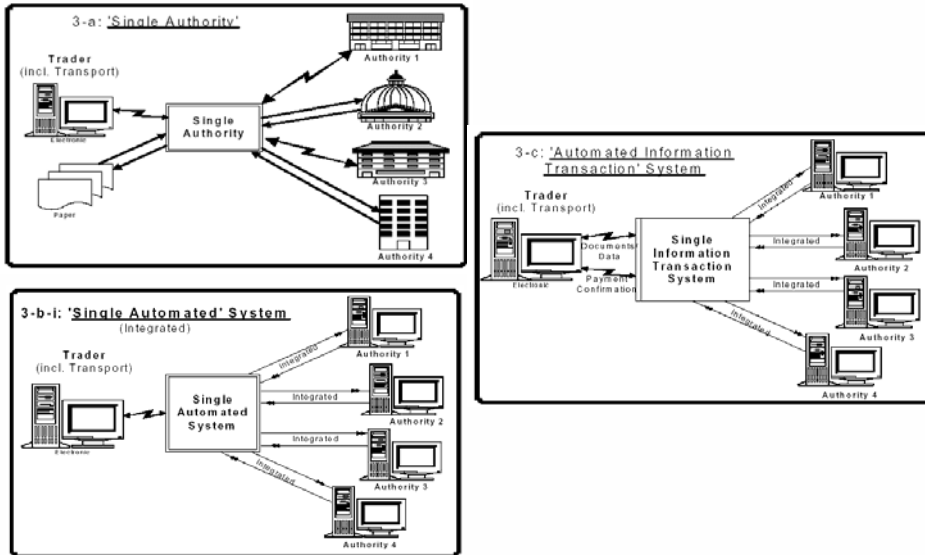
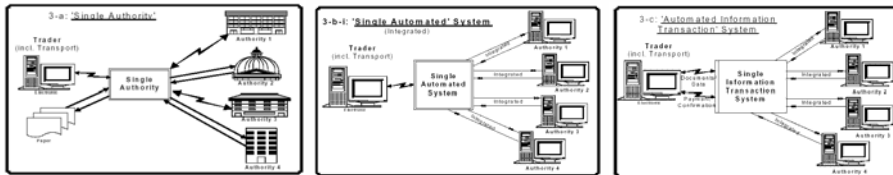
Source: Doing Business database.

Single Electronic Window (SEW)



United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) Single Clearing Facility for Trade Declaration

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. If information is electronic, then individual data elements should only be submitted once



The Singapore Trade Facilitation Journey

History



Singapore in the early 80s

- among the top 20 trading nations of the world
- world's largest port in terms of gross tonnage and in bunkering activity in 1989
- external trade alone equaled 3.5 times its GDP by 1990

Source: Harvard Business Review, Singapore TradeNet: A Tale of One City

Trade Documentation

- involved multiple parties – traders, shipping lines, freight forwarders, shipping agents etc.
- required multiple agencies' endorsement – TDB, Customs, over 35 Controlling Agencies
- About 10,000 declarations daily in 1987
- 4-20 documents had to be completed for each import/export
- all handled MANUALLY

Source: Harvard Business Review, Singapore TradeNet: A Tale of One City

B-G Lee on the transfer of info
The Straits Times 3 December 1986

"Called TradeNet, this system would allow for exchange of information and faster clearing of trading documents, thereby enhancing the international competitiveness of Singapore firms."

B-G Lee on the transfer of info

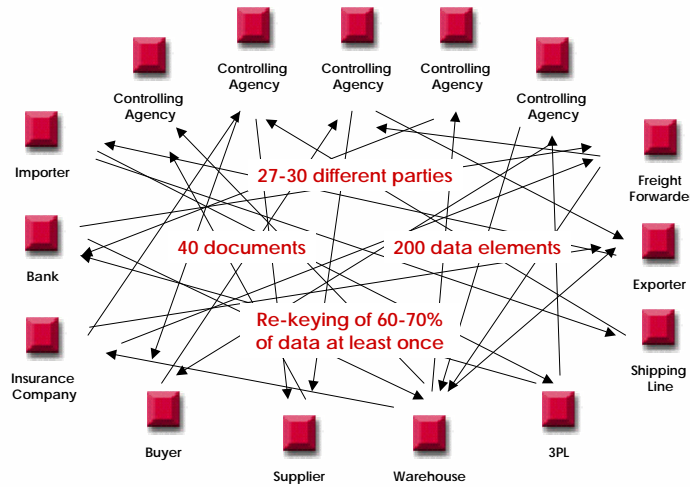
THE minister also said in his opening speech at the Singapore Informatics '86 fair at the World Trade Centre that an electronic link-up of all trading houses and government agencies like Customs, Airport and the Port of Singapore Authority could happen in about two years' time.

Called TradeNet, this trading information system would allow for exchange of information and faster clearing of trading documents, thereby enhancing the international competitiveness of Singapore firms, he said.

While the original aim of the programme, begun more than five years ago, is to make the civil service more efficient, its role under the plan is to transfer public sector experience in computerisation to the industry.

Voluminous Trade Administration

Inefficient Trade Procedures

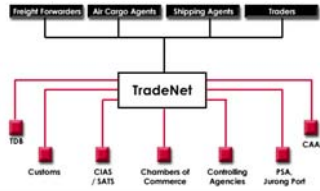


Singapore Trade Facilitation Journey

- In mid 1980's - Singapore experienced her 1st recession
- Government response - establishment of a high-powered Economic Committee to review the weakness of the Singapore economy and to chart new strategies to improve its economic competitiveness.
- One of the recommendations was to expedite the use of IT to improve trade competitiveness. In 1986, Hong Kong, major competitor, revealed that it was creating a trade oriented EDI system (TradeLink), which further strengthened Singapore's resolve to implement our own TradeNet.
- The Trade Development Board was given the task of mobilizing the trade community and became the coordinating point among various agencies such as Customs and Excise, Port of Singapore Authority, and Civil Aviation Authority of Singapore.



Singapore Trade Facilitation Journey



- A TradeNet Steering Committee was created to oversee the process in 1986.
- In Mar 1988, Singapore Network Services Pte Ltd (renamed CrimsonLogic) was created to own and operate the TradeNet system – world's first Single Electronic Window
- In 1989 – TradeNet was launched

Critical Success Factors

- Commitment at the Highest Levels
 - The Minister of Trade and Industry (now PM) provided full support to the TradeNet team.
- Multi-Agency Steering Committee
 - A lead agency chair a multi-agency steering committee with private sector representation draw from a National Trade Facilitation Body (NTFB).
- Sub-Committees
 - A series of sub-committees in charges of simplification of procedures

Logistics Performance Index (LPI)



- The Logistics Performance Index (LPI) is
 - in-depth cross-country assessment of the logistics gap among countries.
 - a comprehensive picture of supply chain performance - from customs procedures, logistics costs, and infrastructure quality to the ability to track and trace shipments, timeliness in reaching destination, and the competence of the domestic logistics industry
 - using a 5-point scale, the LPI combines > 5,000 country evaluations
 - complemented by a number of qualitative and quantitative indicators of the domestic logistics environment, institutions, and performance of supply chains (such as costs and delays)

Int. LPI Rank	Country	LPI	Customs	Infrastructure	International shipments	Logistics competence	Tracking & tracing	Domestic logistics costs	Timeliness
1	Singapore	4.19	3.90	4.27	4.04	4.21	4.25	2.70	4.53
2	Netherlands	4.18	3.99	4.29	4.05	4.25	4.14	2.65	4.38
3	Germany	4.10	3.88	4.19	3.91	4.21	4.12	2.34	4.33
4	Sweden	4.08	3.85	4.11	3.90	4.06	4.15	2.44	4.43
5	Austria	4.06	3.83	4.06	3.97	4.13	3.97	2.24	4.44
6	Japan	4.02	3.79	4.11	3.77	4.12	4.08	2.02	4.34
7	Switzerland	4.02	3.85	4.13	3.67	4.00	4.04	2.26	4.48
8	Hong Kong, China	4.00	3.84	4.06	3.78	3.99	4.06	2.66	4.33

* The LPI is copyright of The International Bank for Reconstruction and Development / The World Bank

- Trading Across Borders

- is an aspect of the World Bank's "Doing Business" survey
- complies procedural requirements for exporting and importing a standardized cargo of goods by ocean transport from the contractual agreement between the 2 parties to the delivery of goods
- 3 indicators are :
 - number of all documents required to export/import goods,
 - time necessary to comply with all procedures required to export/import goods, and
 - cost associated with all the procedures required to export/import goods

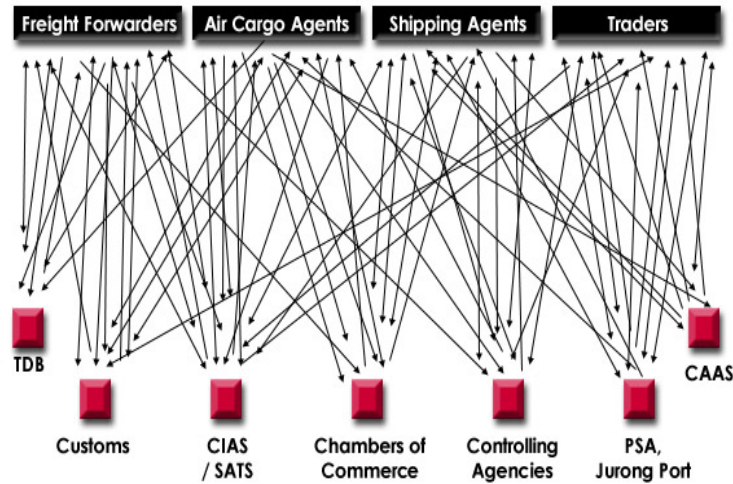
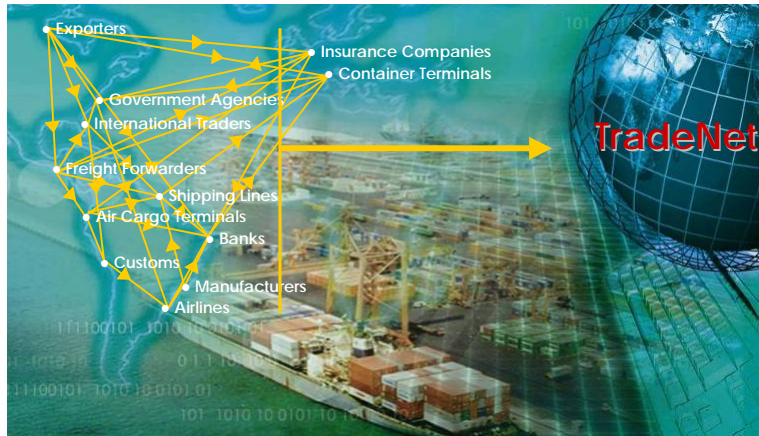


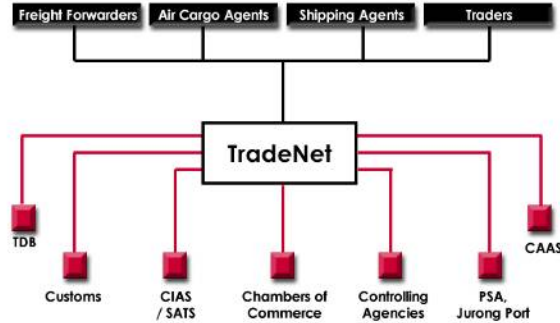
Economy	Trading Across Borders Rank	Documents for export (number)	Time for export (days)	Cost to export (US\$)	Documents for import (number)	Time for import (days)	Cost to import (US\$)
Singapore	1	4	5	416	4	3	367
Denmark	2	4	5	540	3	5	540
Hong Kong, China	3	4	6	525	4	5	525
Norway	4	4	7	518	4	7	468
Finland	5	4	8	420	5	8	420
Sweden	6	4	8	561	3	6	619
Estonia	7	3	5	675	4	5	675

* The Trading Across Border is copyright of The International Finance Corporation / The World Bank

The Singapore TradeNet

World's first nationwide electronic trade clearance system
 Integrates 35 controlling units' requirements



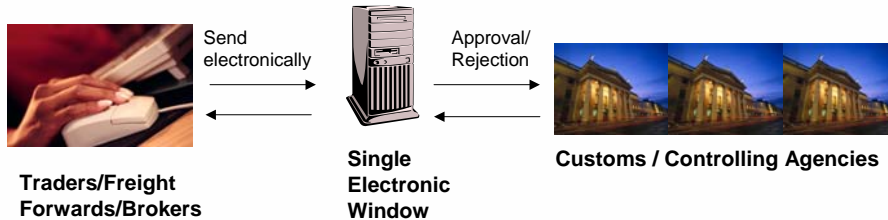


- World's first nationwide trade documentation system
- Integrates **ALL** 35 controlling units' requirements and processing rules (about 7,000+)
- Processes 100% of all trade declarations
- Fees computed automatically and collected via interbank direct-debit facilities

TradeNet® Single Electronic Window

Single point of data entry to achieve a number of completed transactions with the Government

One service with multiple agencies' involvement



	Before TradeNet	After TradeNet
Processing time/permit	2 – 7 days	1 min or less
Fees charged	US\$6 – US\$13	approx. US\$2.10
Number of documents	4 – 20 docs	1 eForm/eDoc

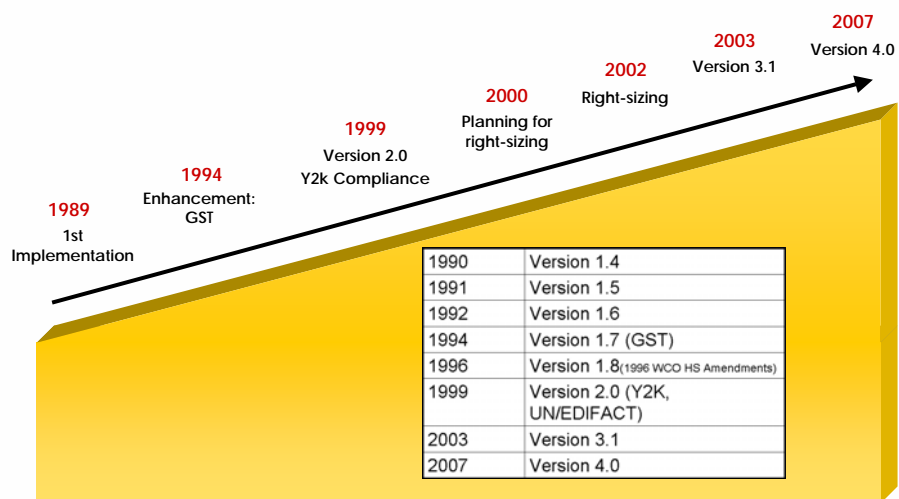
Singapore's TradeNet - The most studied national trade clearance system !

Harvard Business School – “TradeNet is the World's First Nationwide Electronic Data Interchange System”

IBM's Robert M Howe - “It is estimated that TradeNet saves Singapore traders around US\$1 billion per year.”

McKinsey Quarterly - “...Fill in one online form and receive the import or export license 15 seconds later ...”

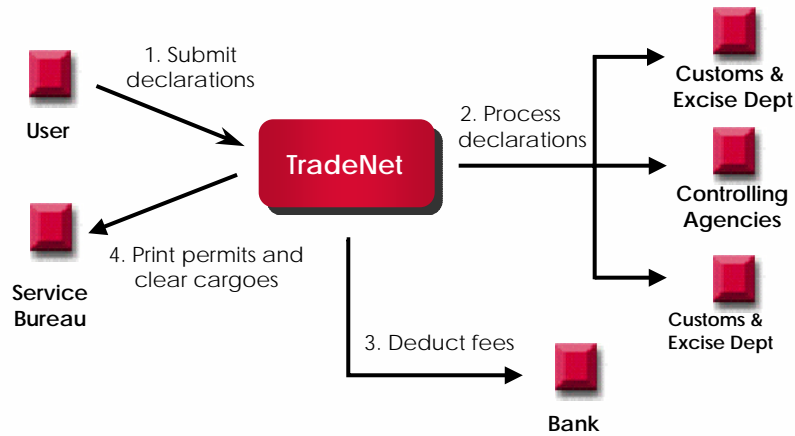
Awards - Received the Top eAsia award under the Trade Facilitation Category”



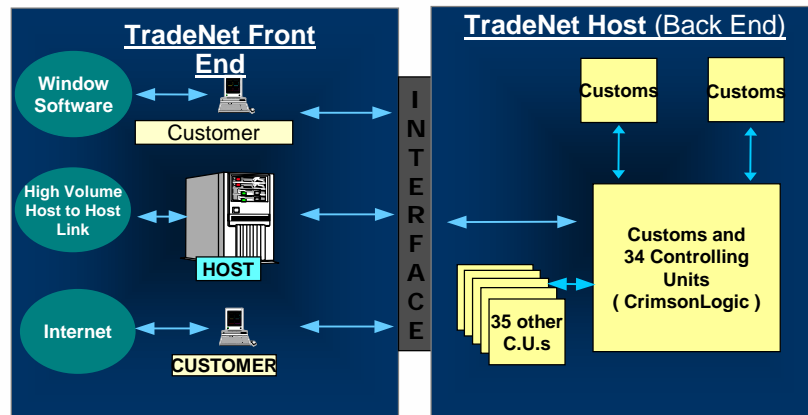
- TradeNet handles 30K trade declarations per day ; approx. 9 million a year
- > 95% of the permits are processed in less than 3 minutes
- Provides payment of:
 - Government processing fees
 - Import GST and Customs duty
- UN/EDIFACT

How TradeNet Works

Trading with TradeNet



TradeNet Structure



- **Internet Declaration System** offered by Government
 - Access via TradeNet® id



How to apply for Permits?

- ★ Select by **Message and Declaration Type**
- ★ Generally defined by **movement of goods**
- ★ Whether or not **payment** is involved

IN • PAYMENT
 • NON-PAYMENT

OUT (with or without CO)

TRANSHIPMENT / MOVEMENT

CO (standalone application)

- **Copy** of approved permit declared on your behalf
- **Self-printing** of electronic true copy of permit
- **Self-printing** of Permit Listing

TRANSHIPMENT / MOVEMENT

THRU TRANSHIPMENT WITHIN SAME FTZ

THRU TRANSHIPMENT WITH INTER-GATEWAY MOVEMENT

INTER-GATEWAY MOVEMENT

REMOVAL

BLANKET REMOVAL

CO

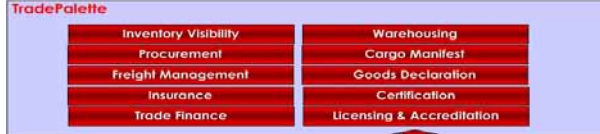
CERTIFICATE OF ORIGIN

- May be submitted **jointly** with outward application or separately as a CO application
- If only CO is applied, you are still required to apply for separate outward application if not done so earlier
- CO applications may be submitted for **controlled items** to be processed jointly by SC and CAs

CrimsonLogic develops and operates
5 National Single Windows :

- Singapore TradeNet / TradeXchange – 1989
- Mauritius TradeNet – 1994
- Ghana Community Network (GCNet) – 2000
- Saudi Arabia (SaudiEDI) – 2004
- Madagascar Community Network (GasyNet) - 2007

Single Electronic Window



Thank you very much for your attention

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