Asia-Pacific
Economic Cooperation

2012/SOM1/SCCP/005
Agenda item: 8

Meeting Minutes of the 2011 APEC Regional Workshop on Single Window

Purpose: Information
Submitted by: Chinese Taipei

APEC
RUSSIA 2012

First Sub-Committee on Customs and Procedures Meeting
Moscow, Russia
9-11 February 2012

APEC Regional Workshop on Single Window
Meeting Minutes
Oct 3-6, 2011
Taipei City

Submitted by Chinese Taipei and Japan
(CTI04-2011T)

Introduction

The SCCP held the Regional Workshop on Single Window on October 3-6, 2011 in Taipei City, Chinese Taipei as the first concrete action of the CAP. The workshop is co-hosted by Chinese Taipei and Japan. Key objectives of this workshop include the followings:

1. To share the information and experiences of member economies that have introduced SW systems or exchanged trade related data electronically among the economies;
2. To identify difficulties that hinder member economies from establishing SW systems;
3. To discuss means or strategies that help member economies enhance capacity building of SW systems; and
4. To decide the next concrete steps to be taken based on the needs identified in the workshop.

Day 1 (Oct. 3)

Opening Remarks

Stella Lu – Deputy Director, Dept. Of Collection and Procedures, Directorate General of Customs

Ms Stella Lu welcomed all participants and guests to join this workshop. She also expressed special thanks to the event co-host – Japan for their outstanding efforts in contacting and inviting speakers and representatives to this conference. Japan collegues have also provided Chinese Taipei timely information and assistance during the event prepartion process. This workshop is held to promote SW systems and international interoperability within APEC economies. Ms Stella Lu also announced that the Finance Minister, Mr. Sush-Der Lee will host a welcome dinner party this evening and the Customs Chinese Musical Orchestra will perform classical Chinese music to entertain the distinguished guests. 20 representatives from various Chinese Taipei government agencies are also invited to this workshop as observers.

Ding –Fang Hwang – Deputy Minister of Finance and Concurrent Director General of Customs, Chinese Taipei

In his opening address, Mr Ding-Fang Hwang highlighted that modern customs administrations are faced with the following challenges :

- To provide more simplified and convenient services ;
- To secure supply chain security ; and
- To enhance homeland security.

Estabilishing SW systems is one of the best solutions to consolidate efforts among border agencies. Promoting the interoperability of SW systems within APEC economies also fits the community's shared interests in trade facilitation and counter-terrorism. Chinese Taipei is taking a leading role in the promotion of SW systems. In addition to co-hosting this regional workshop with Japan, the government has allotted about US$25 million to establish a new nationwide SW system - CPT SW system. CPT SW system intergrades three major trade related networks . The construction is expected to be completed by 2013.

Msaki Okamoto – Director for International Affairs, Customs and Tariff Bureau, Ministry of Finance, Japan

Mr Okamoto expressed gratitude to Chinese Taipei for co-hosting this workshop. He highlighted that APEC leaders committed to address impediments to goods movement and services through Asia Pacific supply-chains by implementing the APEC Supply-Chain Connectivity Framework Action Plan with the goal to increase a 10% efficiency in supply-chain performance by 2015. Japan responded to it by proposing the CAP for SW which is endorsed by the SCCP. This workshop is the first concrete action of the CAP. Mr Okamoto urges all participants to recognise the importance of enhacing coordination among border agencies. He also dubbed this workshop "Operation Chopsticks." Asian people learn to use this dining utensil since childhood by observing how adults use chopsticks. Without a role model, people would not have learned to use chopsticks to pick up delicious food. This goes the same with SW implementation. APEC members need to identify better practices in order to know how to run the SW systems effectively and enjoy the benefits of SW systems.

Keynote Address : WCO & Single Window
Gareth Lewis (WCO) -Senior Technical Officer, Compliance and Facilitation Directorate

SW is a multifaceted and complicated concept. It will take efforts from governments agencies to introduce SW at national level. It is especially important for the public sector to know that the benefits and costs of SW development are measurable.

Overview of WCO history

WCO is an entity that reflects the shared interests of nations. Its primary goal is to secure the highest degree of harmony and uniformity in Customs.

Evolution of Customs

Mr Lewis highlighted two critical world events that have helped accelerate the reform of cross-border information sharing – the 9/11 incident in 2001 and the Yemen cargo bomb threat in 2010. Customs agencies from all over the world have evolved from governement entities that collect tax revenues to the frontline agencies that safeguard national interests. The importance of Customs had received much needed attention after the 9/11 incident. The WCO SAFE Framework is mandated by the WCO Council in 2005 at a record speed. The Yemen cargo bomb threat brought all stakeholders together to review the WCO SAFE framework with the recognition that advanced electronic cargo information sharing is of extreme importance. Mr Lewis also provided WCO's perspectives on SW systems. He believes the SW concept is multifaceted. SW is about doing the right job with the best resources at hand. WCO Data Model version 3 is an international template for best practice. Many economies and regions have adopted their own SW systems. The next challenge will be international interproberbility.

Presentation: Public-Private Partnership Implementation of Singapore's NSW
Stephanie Kwok -Deputy Head, Corporate IT Branch, Singapore Customs

Singapore is a small dot on the world map, but it has positioned itself as a global trade hub. In 2010, the total trade volume of Singapore was $902.5 billion Singapore Dollars. Singapore is ranked as the world's easiest place to do business by World Bank Report 2007-2011. Such achievement would have not been possible without strong ICTs support.

Singapore Customs began automation reform back in the 1990s with its major function shifting from collecting trade tax to facilitating global trade. TradeNet was introduced in the early 1990s and is now processing 100% of all trade declarations and intergrating 36 Controlling Units. Singapore has noticed the needs for international interoperability between SW systems. Therefore, Singapore has been conducting data mapping of TradeNet system with WCO Data Model version 3. It also takes a leading role in pushing forward the implementation of ASEAN Harmonized Tariff nomenclature (AHTN) 2012. Developing and upgrading of TradeNet system takes great efforts and huge costs; however, the process has been strongly supported by the Singapore government.

4 core elements of developing SW system :

- Technology Exploration ;
- Business Process Re-Engineering (streamline and simplify) ;
- Legislation Review ; and

- Tripartite Parnership (Government – Industries – Customer).

TradeNet is Singapore's first IT project that adopts Public-Private Partnership (PPP) procurement framework. The key spirit of the PPP ownership model is that the public and the private parties share responsibilities and benefits. One of the unique practices of this cooperation model is that operators are rendered sole right to operate for 10 years in order to reap the benefits from fee collection. The scope of responsibility is listed as the following points :

The Government's Commitment

- Monitor the operator based on outcome and SLAs ;
- Audit the statutory fee collected by the operator ; and
- Review system security audit reports and customer satisfaction survey results.

The Operator's Commitment

- Pay for development, maintenance and enhancement of TradeNet System ;
- Manage call centers for TradeNet ; and
- Conduct annual audits, customer satisfaction survey, disaster recovery exercise and IT upgrades at no cost to the government.

A clear PPP framework and penalty scheme ensures successful coooperation between the public and the private parties. The involvement of the private sector also helped bring down the costs that the government has to pay to establish the SW system.

In November 2007, Singapore also rolled out TradeXchange, a neutral and integrated IT platform that enables information exchange among commercial entities. It is viewed as an effective tool for supply chain management in the trade and logistics communities.

Presentation:Challenges and Practices in Implementing Single Window in Japan -How NACCS Contributes to Fulfilling Our Missions : Speedy & Proper Clearance
Harumi Chikada – Deputy Director, Information Management Office, Customs and Tariff Bureau, Ministry of Finance, Japan

Nippon Automated Cargo and Port Consolidated System (NACCS), which plays a pivotal role in achieving SW, serves as a comprehensive international logistics information platform and hence enables complete cargo tracking, quick response and high credibility.

NACCS as the SW system is developed in a phased manner with participation from 6 government agencies. Now, Japan is moving from SW establishment to system integration with an ultimate goal to enhance international competitiveness of logistics in Japan.

The major and key driving force behind SW initiative is political impetus. In 2001, Japan's Cabinet committed to creating a paperless environment for import/export and port procedures. Later the same year, the International Logistic Reform Plan (Shiokawa Initiative) was presented by the Finance Minister to the Cabinet to serve as solid foundation for the SW project.

NACCS as the SW system has evolved in three phases: interfacing SW system, common portal SW system, and integrated NACCS. The ultimate integrated NACCS will be implemented by October 2013. Through this evolvement, issues such as user-friendlyness, single point of administration, cost implication, and response speed have been addressed.

Ms Chikada highlighted major contributors to the success of NACCS :

- Political commitment at high level ;
- Coordination mechanism among concerned entities that ensures consistent approach towards SW initiative;
- Simplification and harmonisation of data elements ;
- Stringent project management ; and
- PPP framework and other mechanism that brings together expertise from different sectors.

Conlcusion from Japan's experience

Strong political support is the key driving force behind NACCS. SW construction is IT-intensive in nature, however it provides a great opportunity to propel business re-modeling. SW architect is a grand work; therefore governments have to decide whehter to take multi-phase or one stroke approach.

Q&A

Q: Is there a leading board that coordinates NACCS establishment? Do you hold ministerial meeting for NACCS?
A: Japan did set up a coordination group that held regular meetings for all related agencies to exchange thoughts on SW. Especially in the early stage of SW initiative, the coordination meeting was held at least once a week. Although there is no regular coordination meeting at ministerial level, issues including SW initiative, paperless environment, simplification and harmonisation of procedures are regularly revisited at Cabinet level.

Q: Both Singapore and Japan emphasized the importance of PPP framework in their presentations. I think there are also two other important issues related to PPP. One is budget manament between the public and the private stakeholders. The other is IT expertise nurturing. Do you provide educational training programs to customs officers in order to help them deal with planning of SW system?
Q : How the PPP framework ensures the fair sharing of benefits between stakeholders?
A : The Singapore government doesn't pay for the development or maintenance of the system. The system operators collect permit fee on behalf of the government and they can retain processing fee from each transaction as profits. That is the co-sharing strategy under the PPP framework. Although the private sector operators manage the SW system, the governement has IT experts that engage the operators in the SW development. The government also has outreach programs in place to update the operators on the latest upgrades or issues regarding to the SW system.
A: The costs of development and maintenance of NACCS are shared by the government and the private operators. As regards the question of educational opportunity for customs officers for SW development, currently, Japan Customs has set IT department both at the headquaters and regional customs offices. There are roughly 100 customs officers who are engaged in IT issues. In NACCS case, IT officers are given the chance to write specifications which serves as key document in designing SW system. Customs officers receive training on IT and business model issues too.

Q : Does TradeNet have more than one call centers?
A : TradeNet has one major call center that deals with permit procedures or operation issues. Issues regarding customs policies are directed to a smaller call center. Both call centers are outsourced to private operators.

Day 2 (Oct. 4)

Presentation : Customs-Port-Trade Single Window –The Way Toward Integration and Innovation
Yi-Hsiung Lin – Section Chief, Dept. Of Information Management (Chinese Taipei)

Mr Yi-Hsiung Lin gave a comprehensive overview of the CPT SW system that Chinese Taipei Customs has been constructing. The needs for a national SW system are coming from the following two challenges :

- Neighbor economies such as Japan and Singapore have established their own SW systems; and
- Domestic export/import information sharing systems (CCAS, MT-Net and FT-Net) need to be integrated.

Therefore, Chinese Taipei has been integrating customs, port and trade licensing information services to establish a national SW that aims to achieve the vision: One Entry Submission; the Whole Course Service.

The CPT SW development is taking a 4-phase approach. Currently, it is at the second phase. The planned service framework has the capacity of providing seven types of services to all stakeholders, which include :

- G2G interface Service ;
- B2G Interface Service ;
- Duty/Fee e-Payment Service ;
- N2N Cross Border Data Exchange Service ;
- Web-based Application Service ;
- Web-based Inquiry ; and
- Single Sign-On Management Service.

A disaster recovery system is installed in a remote area to ensure uninterrupted service of the CPT SW system during disastrous events. Different inquiry needs can be satisfied through a central database.

The CPT SW system has a three-stage timeline for operation strategy. The long-term goal is to enlarge outsourcing scale and to create value-added service. With regards to data harmonization, the CPT SW system has undertaken WCO Data Model version 3 as standard.

Reward practice

Currently, the private sector stakeholders rely on Turnkey System to connect with government agencies' message exchange systems. It will require them to upgrade the Turnkey System in order to connect with the CPT SW system. Compared to big cooperations or government entities, small companies or users are less willingly to upgrade Turnkey System. Therefore, the government has provided legal basis and budget to reward infromation service providers and stakeholders who make the necessary upgrades.

The CPT SW system is entering the third phase of development. There is still a long way to go. However, Mr Lin is confident the full implementation and operation will take place in accordance with the timeline.

Q&A

Q : What kind of mechanism is there to reflect the interests of government agencie in the SW system project? Is the operation organization owned by the public sector or the private sector?

A: The operation organization of the CPT SW system is composed of customs, port and trade related government agencies. Customs act, Article 10 is revised to pave legal basis for its authority. We have a three stage operation plan. In the first stage, the government is in full control of the system's operation and management. In the second stage, the operation part will be outsourced to private operators. However, the system is managed by the government entities. In the third stage, both system operation and management will be outsourced to private operators. The operators performance quality is monitored by the government.

Presentation : A Unique Access Point for Your Foreign Trade Operation
Andres Flores Guzman – Technical Coordinator for the SW for Foreigng Trade Organization, Ministry of Foreign Trade and Tourism, Peru

Peru has been actively involved in FTA negotiations with other economies. In 2011 alone, it is estimated that 95% of Peruvian exports are destined to markets that have signed FTA with Peru. SW system is viewed as an effective tool to facilitate trade. There are three hurdles to overcome in terms of SW implementation in Peru :

- Public sector reform ;
- Discrepancy in technology capability within public agencies ; and
- Complicated procedures and unclear legal framework.

VUCE, Peru's SW system is initiated by the Ministry of Foreign Trade. It is a an integrated system that can be accessed by all parties involved with overseas trade through a single entry point. It is also a strategic component designed to facilitate and simplify foreign trade procedures.

Mr Guzman introduced three areas of service that have adopted the VUCE system :

- Restricted goods ;
- Port Services ; and
- Certificate of Origion.

Statistics proves that VUCE is an efficient tool that simplies trade procesures and helps users save time and costs. The number of stakeholders that opt for VUCE in restricted goods declaration has continued to increase.

Due to the lack of communication infrastructure in remote cities, more than 80% of VUCE service users are from the Capital area. VUCE is ready to enter the second phase of development with the following objectives :

- To incorporate all restricted merchandise administrative procedures ; and
- To integrate Customs procedures and Post services.

The promotion of SW system in Peru has encountered rejective attitude from government agencies, which makes the biggest hurdle to overcome in the future. Discrepancy in IT infrastructure and lack of legal guidelines are also issues to address.

Q&A

Q : Is there any need to revise the laws so as to allow Customs and other trade agencies to use the SW system?
A : Peru has s a special commission that regulates laws regarding SW system implementation and operation. Since the Customs authorities are represented in this special commission, there is no need to revise any law.

National Single Window – The Philippines Experience
Maria Caridad Manarang –Deputy Commissioner, Management Information System adn Technology Group, Bureau of Customs (The Philippines)

The Philippines National Single Window (NSW) is mandated to be impemented by Executive Order 482. NSW is designed to facilitate trade by enhacing efficiency in the Customs and authorization processes. Government agencies and traders have a more transparent and effective tool of monitoring and tracking goods through NSW.

NSW is curretly in full operation at 30 government agencies in Metro Manila. 7 of the 30 agencies have NSW regional representation in remote areas.

Ms Manarang introduced briefly about the IT requirements and NSW webpages.

NSW is at the early stage of implementation and its functionality has yet been fully optimized mainly because of the lack of IT readiness. Some government agencies still allow manual permit or clearance procedure. Small traders also prefer paper over electronic application.

Two months ago, an independent consultant conducted assessment of NSW implementation. The finding points out the following areas for improvement :

- E-Docs are not coherent and streamlined ;
- Lack of IT infrastructure ;
- Lack of compliance among government agencies ;
- Roles and responsibilities of member agencies are not clearly defined ;
- Lack of strong directives toward paperless transaction and exchange of electronic information ; and

- Management issues of NSW.

Among the above challenges, change of management is essential to the success of NSW. Data harmonization and business process simplification should be strictly implemented in phase two development.

NSW is the largest nationwide IT and cross-border project ever undertaken in the Philippines, considering the scale of stakeholders and budget involved.

Q&A

Q : How did Crown Agents get to develop the Philippines National Single Window?
A : There was a bidding process and that Crown Agents won in the bidding.

Presentation: Practices and Challenges in Implementing SW system
Flor Febres Zapata – Specialized Professional (Peru)

Before the existence of VUCE, the Peruvian Customs had adopted SW system. Two of its best practices are reused in VUCE. .

Best Practice 1: Authentication service through SOL key

Importers can access VUCE authentication service through SOL key –single sign on service. Digital signature function will be further integrated into SOL key service.

Best Practice 2: Electronic payment

Peruvian Customs introduced electronic payment service in 1999. 80% of Customs transactions are completed by electronic payment. Electronic payment service is included in VUCE SW system. Users can choose options of payment on the VUCE website and will receive a summary of payment via email.

Overview of Peruvian Customs Modernization

In order to facilitate trade and enhance clearance efficiency, Peruvian Customs decided to introduce new SW system in 2009. The implementation of new system, SUNAT has brought several improvements, which include swifter goods clearance, cost/time reduction for users and simplified procedures.

Compared to the old system that had to manage various databases for different government agencies, SUNAT has one central database that is easier to access and to manage.

Currently, SUNAT service is only available to importers. Peruvian Customs plans to expand the coverage of service to export business in SUNAT's phase two development.

Future challenges for SW promotion include two main areas:

- Management and Process

1. SW development is a huge project that requires continuous input of resources and funding. Securing political support is crucial to securing long-term resources ;
2. There is a strong need to overhaul business model within government agencies ;
3. Lack of clear legal regulations and guidelines for SW system ;
4. Technical strengthening of functionality ;
5. An IT support team is needed in response to the quick development of SW ;

6. Interoperability with other SW systems ; and

7. Need to define contingency plan for SW system.

- IT Infrastructure

1. Data harmonization in alignment with WCO Data Model ;

2. Need for SW technology manager ;

3. Need for further incorporating Customs' requirements into VUCE system ; and

4. Business and Home Banking solutions to assist electronic payment.

The only way to continue improving VUCE is to learn from other nations' experiences in SW development.

Q&A

Q: Which entity is responsible for managing the central data base of SUNAT?
A: The central database of SUNAT is managed by the Ministry of Foreign Trade. Peruvian Customs provides IT training to the Ministry of Foreign Trade.
Q: Do you have contingency plan for the SW system in Peru?
A: The main server is operated in the Ministry of Foreign Trade. If the main server fails during emergency, traffic will be directed to the minor server that is operated in Peruvian Customs.
Q: Do you have a back-up system to the SW system?
A: We do on-line data backup from the main server to the minor server. This is our contingency plan.

Presentation: Case Studies of Pan Asian E-Commerce Alliance
Alicia Say –PMP Work Group Leader, PAA

Ms Alicia Say is the only non-government representative in this workshop. In her presentation, she brought the perspectives on the issues of SW development from the viewpoints of Trade Van Information Service of Chinese Taipei. She also explained why Pan Asian E-Commerce Alliance (PAA) proves to be a successful public-private partnership model and how it helped build a regional single window through four case studies.

PAA is the first regional alliance to facilitate cross border paperless trade. The nature of trade involves more than two economies. Domestic automation is not good enough to help traders connect with other economies. That is why PAA was set up to connect to all the customs service providers in the region. Importers/Exporters then can enjoy the benefits of streamlined and full automation.

PAA currently has 12 members that are required to meet the following two criteria:

- Government leaned service provider ; and
- Authorized by the local government to do customs or trade related services.

Single Window, Asian Connection

Take Chinese Taipei for example. The ultimate goal of PAA is to allow any trading party to be able to connect to Trade Van and through the PAA secure network, the trading party will be able to connect with other trading parties in the rest of Asia.

The PAA network is a virtual single window. Although there is no physical IT infrastructure, PAA members are using standardized protocol and complying with the same set of rules.

PAA Milestone

After its establishment in 2000, PAA spent the first four years in constructing IT and legal infrastructure. First, it built PKI Mutual Recognition framework to ensure a secure cross border

transaction environment. Digital signature is used to safeguard information confidentiality and hold trading parties responsible to their liabilities and obligations. After the IT framework was ready, PAA spent 2003 in setting up legal framework. It was not until 2004 that PAA started pilot projects.

PKI Mutual Recognition mechanism

Each member economy has its own Certificate Authority (CA) that issues digital signature. PAA conducted interoperability tests of CA formats among 12 members to ensure digital signatures are recognized among members. PAA also has its policy book that stipulates certificate recognition procedures and operation requirements for CAs to comply with.

Multi-layer Legal Framework

- PAA Policy Authority Company ;
- CA Recognition Agreement (signed by all Cas) ; and
- Interconnect Agreement (signed by all PAA members).

Case studies of PAA Projects & PAA Value Proposition

B2B Projects: Commercial Document Exchange
- Electronic commercial documents exchanged in textile industry between Chinese Taipei and Hong Kong, China

B2G Projects: Automated Manifest/Declaration Service
- Air Way Bill data from Chinese Taipei and Hong Kong, China delivered to Korea to be generated into Korean Import Air Manifest
- Air Way Bill, commercial invoice and export customs declaration data from Korea delivered to Chinese Taipei to be generated into import declaration

ECO Project
- ECO exchange between Chinese Taipei and Korea

Global Visibility Project
- Cross border container tracking between Asia and Europe

PAA is the first regional alliance of service providers facilitating paperless trade, customs and logistics. Currently, PAA is serving 150,000 organizations, representing almost all active trading enterprises in the Asian market.

Q&A

Q: Does PAA have a global strategy to develop a worldwide e-Commerce network?
A: Pan-African Alliance has joined PAA meetings for three times as observers. They want to know how to set up a regional SW alliance in Africa and expressed interestes in interchanging information with PAA. PAA also worked with Asia-Europe Alliance for Paperless Trading. Although PAA is not a global network, it is happy to work with other regional networks.
Q: What mechanism does PAA adopt to ensure the visibility of cargo information?
A: PAA uses standardized EDI message to send and receive container information from different ports.
Q: Do you charge importers or exporters who use PAA service?
A: Currently, we do not charge our clients or traders. In the future, however, PAA is planning to charge 1 USD on every transaction. 1 USD is really a tiny amount of money comparing to the costs saved by this service.

Conclusion

Japan co-chair, Mr Masaki Okamoto -Director for International Affairs of Japan Customs raised the following points for consideration at the end of the second day meeting:

- Be sure to note the importance of setting mid-term objectives of SW development.
- How to sustain continuous budget to develop SW projects, including to seek possible assistances from different government agencies or NPOs?
- How to accomodate infrastructures of both the public and the private sector to the SW

development so as to maximize its efficiency?

- Business model re-engineering within organizations is crutial.
- Legal basis for electronic data exchange is crutial.
- Public-Private partnership is crutial to SW development.
- Contingency plans or data back-up mechanism is essential to ensure uninterrupted SW service. During the 3/11 tsunami event in Japan, NACCS system in Japan did not stop its services, knowing that service shut-down would cause unbearable consequences on global trade activities.
- How to prevent data loss in a paperless trade environment?
- Electronic payment measures have to be supported by private stakeholders such as the banking industry. Is there a credible payment authentication mechanism in place?
- TRS is one of many measures to evaluate the efficiency of SW systems. However, there should be other evaluation options to be developed for SW assessment.
- Measures to ensure SW systems, such as manual training and easy-to-operate screen, are to realize user-friendly circumstances.
- How to streamline and simplify business procedures through applying SW systems?
- Customs administrations have the duty to protect global interests. There is a need to strike balance between border control and trade facilitation. Risk management is one of core issues to SW projects.

Day 3 (Oct. 5)

Presentation : Electronic Exchange of ATIGA Form D – The Malaysian Experience
Rita Paul –Senior Assistant of Customs (Malaysia)

In the beginning of her presentation, Ms Rita Paul introduced an overview of ASEAN Single Window. ASEAN Single Window is a regional SW facility that enables the seamless integration of NSW systems for 10 member states to expedite trade among ASEAN members. ASEAN launched the feasibility testing of electronic exchange of its Preferential Certificate of Origin, ASEAN members pilot project in June 2009 to evaluate the readiness of technical infrastructure and data exchange among ASEAN members. Malaysia and Indonesia joined this pilot project that basically tests the electronic exchange of ATIGA[1] Form D (Formerly known as CEPT form D)

Since the secured network infrastructure is still under construction, data exchange is enabled through ASEAN Single Window Gateway Server. ASEAN had adopted ASEAN Data Model which is aligned against WCO Data Set version. 2 and UNTDED (United Nations Trade Data Elements Directory). The test results over the past 2 years have shown an increasing number of electronic ATIGA Form exchange.

Rita Paul highlighted that strong political will and funding/technical assistance are two major factors to the success of ASEAN Single Window pilot project.

Presentation : Risk-Based Information Sharing Approaches to Supply Chain Security and Visibility
June-Fu, Lin – Specialist, Dept. Of Investigation (Chinese Taipei)

In the beginning of his presentation, Mr June-Fu Lin highlighted the risk posed to the cross border security by the invisibility of cargo transportation information. The risk can be managed by building a cross-border platform that shares the high-risk and low-risk container movement information in real time in order to achieve the balance between security control and trade facilitation.

Two pillars for the cross-border cargo information sharing platform :

- Coding conformity for cargo identification ; and
- ICTs for cargo identification and tracking information sharing

Code unity is the ultimate goal. For a short-term solution, an automatic mapping table operated at secured networks can be designed to help convert different codes to a mutually recognized one.

---

1 ASEAN Trade in Goods Agreement

Speaking the same language in terms of cargo information exchage is crucial to the success of the cross-border container information sharing platform.

Case Studies 1

In 2009, Chinese Taipei lauched a three-year long cargo movement security subproject. RFID e-Seal technology is tested in this project.

Two types of RFID e-Seal application :

Open Loop Application : Passive e-Seal is cheaper because of limited functions and shorter reading distance. Passive e-Seal doesn't use batteries and therefore saves the trouble of recycling. It is applied to exporting containers.

Close Loop Application : Active e-Seal is stronger in functionality, but more expensive. It provides real-time tacking and warning. It is recommended for the purpose of high-risk container tracking.

By the end of 2012, major ports across the island will be equipped with RFID lanes or Green Channels (for active e-Seals).

Case Study 2
Chinese Taipei Customs initiated the cross-border pilot project on RFID e-Seal tracking system with Malaysian counterpart. The project is currently at the first stage – port-to-port testing. It will move to consigner-consignee testing stage after MOU is signed by Chinese Taipei and Malaysia.

Q&A

Q : What is the cost element in your RFID e-Seal project?
A : Currently, our project focuses on the use of passive e-Seals. The costs are 100% funded by the government.
Q : Can you elaborate on the definition of open loop application and close loop definition?
A : Open loop means uncertainty. For exporting containers, we apply passive e-Seals to save the trouble of e-Seals recycling. We are also working on bringing down the costs of passive e-Seals.

Before the end of the morning session, the Japan co-chair, Mr Masaki Okamoto made the following conclusion points :

- ASEAN Single Window can be viewed as a global SW system because it is endorsed by a multilateral agreement from 10 member states. High –level political commitment is the major driving force for SW implementation that requires strong human resources and budget support ;
- Because SW is a computerized system, harmonization of data/ protocol/ message specification are required in order to pursue interoperability ;
- SW system development requires high level of ICTs ;
- Data from exporters, importers and customs agencies are sent to and stored at SW system computers. Any leak of information to an unauthorized party will pose a great threat. Therefore, governments must consider how to design a mechanism to enhance information security for SW systems ; and
- RFID application is another success story of SW system in introducing visible supply chain management for trade facilitation. SW systems have the advantage of compiling databases easily for the purpose of risk assessment and trade facilitation.

Round Table Session 1

Table A, Facilitator: Yi-Hsiung Lin (Chinese Taipei)

Summary of discussion :

1. Member economies that have implemented SW systems agree that there is still room for improvement ;
2. Some member economies that have not felt urgent needs for SW implementation become

interested in SW after this workshop and will consider future implementation ;
3. Knowledge sharing among economies contributes to pushing forward SW initiatives. In this regard, Participants hope to see more workshops on SW for in-depth disucssions on SW related issues, and hope that legal, procedural, and technical aspects will be further addressed and analysed; and

Member economies reconfirmed the importance of moving toward interproberbility.

Table B, Facilitator: Masaki Okamoto (Japan)

Summary of discussion :

1. For those member economies that have not adopted SW systems, it is recommended to accelerate the system development by setting up a timeframe. Although capacity building is crucial to SW construction, equal emphasis should be given to management reorganization and efficiency enhancement within government agencies ;
2. It is suggested to establish two sub-committees or workshops to propel the SW development -one addresses legal issues and the other addresses IT issues. Customs agencies should serve as a core player in such committees or workshops because they are experienced in import/export procedures ;
3. It is important to secure technical assistances ;
4. Customs agencies need to consider how to sustain long-term budget for SW development that usually takes many years ; and
5. After the SW implementation, government agencies and other stakeholders should conduct system evaluation. Although TRS is a commonly practiced evaluation tool, other options should be developed too.

Round Table Session 2

Table A, Facilitator: Yi-Hsiung Lin (Chinese Taipei)

1. Interproberbility is an important issue to Customs agencies because they need an integrated cross border information sharing platorm for the purpose of risk management and trade facilitation;
2. SW systems that adopt similar or same message standards should move toward interoperability because these systems speak the same language ;
3. It is suggested that the SCCP conduct a survey on interoperability issues among APEC member economies ;
4. Experiences of individual APEC economies on interoperability should serve as good practices for other economies.;
5. Roles of private sectors for the future development in interoperability should be discussed ; and
6. It is suggested that the SCCP hold a workshop on interoperability for member economies to share experiences on related issues. In the same vein, experience on legal, procedural and technical aspects on interoperability should also be shared across member economies.

Table B, Facilitator: Masaki Okamoto (Japan)

Summary of discussion :

1. Interoperability issues concern different economies. Therefore, negotiations on political, legal and technical issues among economies are required. These are daunting tasks ;
2. Regarding data harmonization, it is not easy for economies to agree unanimously on which an international standard model to follow in their pursuit of interoperability. ASEAN SW is providing valuable experiences to learn from, because ASEAN members are given a clear roadmap and directions to follow in order to connect different SW systems .Although there are many difficult challenges regarding interoperability to address, it is critical for APEC members to start build SW systems ; and
3. It is important that customs agencies have to facilitate global trade balancing with effective border control.

Closing Remarks

The workshop chair, Ms Stella Lu thanked the facilitators for conducting the round table discussion. She also thanked all participants for their enthusiastic discussion in the 3-day workshop.

The workshop co-chair, Mr Masaki Okamoto thanked collegues of Chinese Taipei Customs for their outstanding efforts in organizing this workshop. Both Ms Stella Lu and Mr Masaki Okamoto urged all participants to take with them the valuable information on SW back to their individual economy and help put SW concept into practices.