Seminar on making cross-border trade simpler:

"Values and benefits of a Port Community System, links to Single Window and WTO Trade Facilitation Agreement"

Thursday, 11 April 2019 from 14:00 to 17:30
IMO Headquarters, London
Current Driving Forces

WTO Trade Facilitation Agreement

- December 2013 - WTO members concluded negotiations on a Trade Facilitation Agreement
- 22\textsuperscript{nd} February 2017 - The TFA entered into force once two-thirds of members have completed their domestic ratification process.
- The TFA contains provisions for expediting the movement, release and clearance of goods, including goods in transit.
- It also sets out measures for effective cooperation between customs and other appropriate authorities on trade facilitation & customs compliance issues.
WTO Trade Facilitation Agreement

- 3 articles consisting of 23 sections – At least 8 relate to IT connectivity

**Section I**
- Art.1 Publication and availability of information
- Art.2 Consultations
- Art.3 Advance ruling
- Art.4 Appeal/Review procedures
- Art.5 Other measures for transparency etc.
- Art.6 Fee, Charges and penalty
- Art.7 Release and Clearance of goods
- Art.8 Border Agency Cooperation
- Art.9 Movement of goods intended for import
- Art.10 Formalities
- Art.11 Transit
- Art.12 Customs cooperation

**Section II**
- Special and Differential Treatment for Developing Countries and Least Developed Countries
  - Rules about Categories A, B and C
  - Assistance for Capacity Building
  - Information to be submitted to the TF Committee

**Section III**
- Institutional Arrangements and Final Provisions
  - Committee on Trade Facilitation
  - National Committee on Trade Facilitation
  - Final provisions

Source: www.tfafacility.org/trade-facilitation-agreement-facility
TFA Links to Single Window

Article 10.4 Single Window

4.1 Members shall endeavour to establish or maintain a single window

4.2 “single submission of information”

4.4 ....use information technology to support the single window.

Section III - contains provisions that establish a permanent committee on trade facilitation at the WTO, require members to have a national committee to facilitate domestic coordination and implementation of the provisions of the Agreement
UNECE
Suite of Single Window Recommendations

Recommendation 33 – Single Window Recommendation (under revision)

Recommendation 34 – Data Simplification and Standardization for International Trade

Recommendation 35 – Establishing a legal framework for international trade Single Window

Recommendation 36 – Single Window Interoperability

Recommendation 37 – Single Submission Portal (awaiting approval)

Under Development

Core Principles of the Operation of Single Window

Source: UNECE, Tom Butterly, IPCSA Conference, 1st June 2015
Single Window UNECE Recommendation 33

Recommends Governments to establish Single Window for Cross Border Trade

Defining features:

• ... one time submission
• ..of standardized information and documents
• sharing of information amongst government agencies;
• coordinated controls and inspections of the various governmental authorities;
• Allow payment of duties and other charges;
• Be a source of trade related government information.

Source: UNECE, Tom Butterly, IPCSA Conference, 1st June 2015
Single Window is an environment and change management project, not an IT Project.

Clear Simple Steps for implementation (IPCSA view)

– Analyse the Processes
  • with industry input, what is needed and what is not.
  • Consideration of International Standards used by the industry

– Impact Analysis on industry (Benefits and Challenges)
  • Time, cost, economic impact

– Define Data Definitions and elements
  • Everyone has to speak the same language

– Process Engineering
  • Don’t digitise paper re-engineer the processes
Emerging Trends in Trade Facilitation

• Whole Supply Chain Solution
  – Buy-Ship-Pay model of UN/CEFACT
  – Currently we have two separate streams these will merge

  BUY → SHIP → PAY

• Multiple Single Windows
  – Maritime, Customs, Health, Passengers, Crew etc.

• Increasing need for Port Community Systems
  – Link operational and administrative processes
  – Responsive to industry
In general we can see some of the differences

- **Port Community Systems**
  - Focuses, generally, on Cargo and matching logistics flows with administrational flows and B2B, B2G and G2B processes

- **Port Single Window**
  - Focus is on Port Regulatory requirements for entry and exit of vessels

- **Single Window**
  - Collaborative environment bringing together public administrations to ensure traders only have to submit information only once for cross border trade (simplified view – see Rec 33, 34, 35, 36 and also the associated technical documents of UNCEFACT)
Single Window Integration with Port Community Systems

PCS can:

• Act as gateways to Single Window
  – e.g Maritime Single Window

• Be an integral part of a Single Window
  – e.g Trade Single Window (Benin, Togo, DRC Congo)

• Simplify interfaces for Administration
  – Translate from different message formats

• Provide paperless logistics flows in Sea and Air Ports and border crossings linked to administrative flows
How to develop a Port Community System
The Twelve Actions

1. Create a Common Understanding of a Port Community System
2. Why choose to have a Port Community System?
3. How to start developing a PCS - the Community
4. Ambassadors
5. Communication
6. Identification of Core Business Processes to be Addressed
7. Customs Integration
8. Legal Framework
9. PCS Organisation
10. Development Groups
11. Use Existing Knowledge of Port Community Systems
12. Long-term Operation

Full Publication at www.ipcsa.international/publications
Maritime & Ports Digital Evolution

- Drones
- Autonomous vehicles
- Hyperloop
- Internet of things
- 3D printing
- Blockchain
- Robots
- Augmented reality
- Virtual reality
- 5G
- Big Data
- Machine Learning

Reference: Study by Anna Navarro, Port of Tarragona, 2018
Maritime & Ports Digital Evolution

Reference: Study by Anna Navarro, Port of Tarragona, 2018
Evolution in Port Community
From data exchange platforms to business intelligence systems

- Started late 70-ties
- Data exchange platforms
  - 1979-2020
  - Data standards
  - Neutrality & Trust
  - Global implementation
- Network of PCS platforms
  - 2014-2020
  - Authentication & authorization
  - Data integrity
- Intelligence systems
  - 2018-2025
  - Business intelligence
  - Artificial intelligence
- 2030?
Concluding Thoughts

Technology Neutral approach – enables constant change with new and emerging technologies

International Standards approach – standard data definitions and elements enables simplified exchanges

Port Community System / Single Window

Business drives Processes

Technology enables Business

Processes drive Technology