

# KENYA

UNECE Single Window Case Study Repository  
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## Governance

<p><i>Is there a High-Level Steering Committee and/or Technical Committee (or similar) for your SW? If yes, kindly indicate which agency takes the lead (e.g. Ministry of XXXX, Presidents Office, etc.) and list all government and private sector agencies that participate.</i></p>	<p>A high level Steering Committee exists. The Steering Committee is Chaired by KenTrade and Kenya Revenue Authority (KRA). Other members include Kenya Ports Authority (KPA), Kenya Bureau of Standards (KEBS) and Kenya Plant Health Inspectorate Services (KEPHIS). The Committee meets on a Quarterly basis to deliberate on any arising issues regarding the SWS and its integrated systems.</p>
<p><i>Is it enshrined in national legislation? (please list the legislation[s])</i></p>	<p>No, it is not enshrined in national legislation.</p>
<p><i>If you have one, how does your SW Committee relate to the National Trade Facilitation Committee (NTFC), if one exists? Is it under the jurisdiction of the NTFC or separate?</i></p>	<p>Members of the Steering Committee are also active members of the National Trade Facilitation Committee (NTFC). KenTrade Chairs the information sub-committee of NTFC.</p>
<p><i>How is coordination between the participating government agencies in the SW managed? And how often does the above Committee meet, if one exists?</i></p>	<p>Coordination is done by KenTrade and the Committee meets on a Quarterly basis. The Committee deliberates on all aspects from data harmonization concerns to aspects related to business process flow and integrations.</p>
<p><i>Is there more than one SW official government sponsored facility operating in your country? If yes, how is this managed?</i></p>	<p>There is only one official government sponsored facility in Kenya.</p>

## Establishment

<p><i>Have you notified the establishment of a SW as category A, B or C type of measure under the WTO Trade Facilitation Agreement (Article 10.4)?</i></p>	<p>Notification of Category A was done. Category B and C are underway.</p>
<p><i>What is the current status of the facility (study, pilot phase, running)?</i></p>	<p>The facility is currently Running.</p>
<p><i>What motivated the establishment of your Single</i></p>	<p>Establishment of the Single Window was motivated by the need to improve cargo clearance and efficiency of cargo flow at the</p>

<i>Window (SW)?</i>	entry and exit points in order to facilitate international trade. Further to reduce dwell times and improve visibility of processing by regulatory agencies.
<i>What year was it established?</i>	The Kenya National Single Window System was established in 2013.
<i>How did the SW interface with legacy systems (systems that existed prior to the SW project – if applicable)?</i>	The Single Window System was interfaced with legacy systems through web services. Additionally messages are also transmitted using message queuing protocols.
<i>Did any other country's SW model serve as inspiration or model? (which ones)</i>	The Kenya Single Window System is based on the Singapore Single Window System.
<i>What process was followed in setting it up? Was there a pilot project? How long did it take the facility to become operational? Give clear indication on what is the point of starting and what is the operational phase (eg: how long it took from the day the decision was officially taken to implement a single window and the first effective SW transaction )</i>	Implementation followed a phased approach module by module and by users.  The system went live on <b>October 31, 2013</b> , one year after the project commenced. The system was subsequently piloted and stabilized and was fully operational by <b>June 30, 2015</b> with all the main components being live. However new modules have been added over time.
<i>What kind of training for the staff was required in the establishment and how was it organized?</i>	KenTrade staff were part of the implementation process and were working hand in hand with the Singaporeans who were implementing the solution. Part of the agreement with the system developers was to include a knowledge transfer component and this was carried out both at technical and functional levels

## Services

<i>What services does the SW provide? What process/ documents/ information (data) are covered? (include a check list of key business processes and/or documents here)</i>	The SW facilitates submission on trade document for both import and export regimes. The documents covered include: <ol style="list-style-type: none"> <li>1. Permits/Licences/Certificates</li> <li>2. Import Declaration Forms (IDF)</li> <li>3. Manifests</li> <li>4. Security Bonds</li> <li>5. Cargo Release module</li> <li>6. Marine Cargo Insurance (MCI)</li> <li>7. Maritime Single Window System (Currently implementation ongoing).</li> <li>8. Risk Management Module for Regulatory Agencies.</li> </ol>
<i>How many transactions per day are handled?</i>	The average transactions per day is 2200 transaction.
<i>What percentage of total transactions? [what % of a]</i>	The imports account for 97% of all transactions while exports account of 3% on the Single Window.

<i>total export declarations and b) total import declarations]</i>	
<i>Does your SW covers all type of transaction (maritime, air, railroad, road or one or few of them)?</i>	Yes, it covers all types of transactions i.e. maritime, air, railroad, road.
<i>Who are the clients of the SW? And how many clients does the SW have at the present time?</i>	The System has 12,500 registered users with a large percentage being importers/exporters (6,004) followed by Customs Agents (3,149), others are Insurance companies, Ground Handling Companies, Government Agencies, Container Freight Stations, Shipping lines
<i>Does your SW provide a full “single entry point” service? If yes, explain briefly how this operates.</i>	No. The Kenya Single Window provides access for traders to submit pre-clearance documents such as permits and certificates. The system also allows Regulatory Agencies to process the documents and intervene on Cargo during Cargo clearance. However, traders are expected to lodge the Customs Entry through the Customs Management system.
<i>How does your system interface with systems that are out of scope of the Single Window, such as Single Submission Portals (Port Community Systems, B2B eCommerce systems, etc.)?</i>	The Single Window System has a host-to-host integration with other systems such as the Terminal operating system, The Customs System and other Government Agency systems. A generic framework based on APIs and Web services has been developed for use by the multiple Government Agencies that require integration.

### Operational Mode

<i>How does it work? (step by step functioning) What is the operational model for the SW (describe the operational structure)?</i>	<ol style="list-style-type: none"> <li>1. System users access the single window facility to submit trade documents or check status of their transactions. The system requires users to prepare a Unique Consignment Reference (UCR) Number to tie all the trade documents together.</li> <li>2. Upon making payments, where applicable, the system automatically submits the document to the respective Regulatory Agencies.</li> <li>3. Regulatory Agencies access the system to process the documents.</li> <li>4. Upon approval/Rejection, message sent to the trader</li> <li>5. Where the Regulatory Agency is operating from a disparate system, the integration are orchestrated through web services and message queuing.</li> <li>6. Regulatory Agencies are further provided with a platform for releasing Cargo at the points of exit/entry.</li> <li>7. The system provides a Risk Management module for Regulatory Agencies to configure their Risk Profile/Parameters.</li> <li>8. In a case where a Government Agency has no back end system, then approvals are done on the Single Window System</li> </ol>
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## Business Model

<i>What is the business model?</i>	There are no transaction fees for using the Single Window System. The services rendered are free.
<i>How is it financed (government, private sector, Private-Public partnership)?</i>	Currently the SWS is fully funded by the Government
<i>Have parts or the entire development and/or management of the facility been outsourced to a private contractor?</i>	KenTrade contracted the Singapore Corporation Enterprise (SCE), a Government institution in Singapore, who subcontracted CrimsonLogic to support the implementation of the Kenya Single Window System. CrimsonLogic pte is a renowned name in the implementation of Single Window System having implemented the Singaporean SWS and many other SWSs globally.
<i>What were the costs of establishment of the facility?</i>	The implementation cost approximately USD 12 million. This are software, infrastructure and project implementation costs
<i>How were the costs initially performed? (assessment, tender...) Did you have assistance establishing the estimate?</i>	Kenya conducted due diligence benchmarking study tours to establish both the key functionalities in other parts of the world and also the cost estimates. A technical advisor was also contracted to assist the project at the initial stages.
<i>What are the ongoing operational costs (annual)? How do these compare with the initially estimated costs?</i>	The <b>approximate</b> annual operational costs are as follows: <ol style="list-style-type: none"> <li>1. SWS Base Software USD 1,000,000.</li> <li>2. Hosting (Primary/Secondary sites) &amp; Software licences USD 1.5Million</li> </ol> A total of approximately USD 2.5Million  This were the expected costs at initiation.
<i>What are the user fees (if any) and annual revenue? Model of payment (fixed price per year, price per transaction, combination, other model)?</i>	Currently the TradeNet system offer a free platform for lodging international cargo clearance documents. Respective Regulatory Agencies operating through the SWS charge an administrative fee for the permits issued. The revenue collected is not shared with KenTrade.
<i>Is the long-term financing model integrated into public budget or self-sufficiency funding? Do you think these sources of revenue are enough to ensure a certain degree of self-sufficiency?</i>	Currently the financing is integrated into the public budget, The Agency has however proposed a business model to charge a fee for documents lodged on the Kenya Single Window System (TradeNet system) to ensure sustainability.
<i>Do the revenues generated cover operational costs or do they make a profit?</i>	Currently the Agency does not generate revenue as there are no transactional fees to users.
<i>Are the revenues (if any) reinvested in the SW?</i>	Currently the Agency does not generate revenue, as there are no transactional fees to users. Re-investments costs are borne by the Government.

## Technology

<i>What technology is used?</i>	The implementation of the application is Java based. The system uses an Oracle Database.
<i>How are data submitted (electronically – what type of format/language; paper – what forms; combination – what kind of combination)?</i>	Data is submitted electronically using electronic forms. Data transmission to other systems is through web services and message queuing.
<i>Where are data sent and stocked (government or private entity)?</i>	Data is sent to facilities owned by the government. The government has contracted a private entity to provide the facility. However management of data is by the Government.
<i>Who can submit data (importer, exporter, agent, customs broker)?</i>	Data can be submitted by Importers, Exporters, Customs Agents and Shipping Lines/Agents.
<i>If the submission of data is electronic, are individual data elements submitted only once? Or are there potential of submitting the same information multiple times?</i>	Data is submitted once.  The system has provided a clone functionality that allows users to re-use existing documents to submit new requests.
<i>Can client systems interface directly with the SW?</i>	The design of the TradeNet system allows for interfacing or integrate with other systems private or public
<i>Is an electronic signature used in you SW? if yes it is mandatory and for which processes?</i>	Currently the electronic signature is not used but the capabilities can be implemented.

## Promotion and Communication

<i>How did you promote the Single Window facility?</i>	The TradeNet system promotion involved stakeholders' engagements, media campaigns and a robust Change Management Strategy to inform about the offering and its benefits to the economy and trading community.
<i>How are all stakeholders kept informed about the facility's progress?</i>	The Change Management Strategy has ensured implementation of structures such as Change Agent Networks (CAN) in multiple locations wherein stakeholders are informed about any changes and the implementation progress. The Change Networks which consist of different groups of stakeholders have been constituted in key entry and exit points in the country. Additionally, stakeholders are also informed of changes or new developments through emails and website announcements and media.
<i>What kind of training is provided for users?</i>	The training offered is determined by the user group. The system has user groups such as Customs Agents, Importers/Exporters, Regulatory Agencies, Insurance Companies, Insurance Regulators et cetera. Trainings are tailor made for the different groups of users.
<i>Did you have a change and transition management program for your SW?</i>	Yes, the Agency has a robust change management strategy headed by a Change management Manager.

<i>Do you provide any helpdesk or customer service?</i>	Yes, the Agency has a fully-fledged contact center and customer service department, which provides support on users issues. This interface with the trading community has been one of the strengths that KenTrade has exhibited.
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### Legal Aspects

<i>Is use of the facility obligatory or voluntary?</i>	The use of the facility is obligatory through Government Directives. KenTrade is in the process of putting in place a legislative framework through an act of parliament.
<i>Do participants need to sign an agreement with provider/agency in order to participate? What are the requirements?</i>	Yes, for users to be fully registered they must provide legal documents such as National Identity Number, Personal Identification Number (PIN) Information and business licenses. The traders are further required to agree to the terms of use.
<i>Was specific legislation (or change of old legislation) necessary? (Please specify)</i>	Yes, the Agency has proposed a change or enactment of Single Window System Bill to enhance its mandate and authority.
<i>How is the privacy of information protected?</i>	The Agency has protected the user information through modern technology and adhering to international privacy standards and data protection legislation.

### Standards

<i>What is the role of international standards (UN/EDIFACT, UNLK, UNLOCODE, UN/CEFACT Single Window Recommendation, etc) in your SW?</i>	The TradeNet system was developed based on the UNCEFACT guide on how to set up a Single window system. Adoption of the standards has enabled the Kenya SWS to be compatible with the Customs System and many Other Government Agency system.
<i>Do you use an international standard for your data library (the UN/CEFACT Core Component Library, the WCO Data Model, other)?</i>	Yes, KenTrade Adopted the robust ITIL that aligns the IT practices and infrastructure to the core business. The WCO Data model has also been adopted for message exchanges with Customs
<i>Have you used UNECE Recommendations 33, 34, 35 and 36 in developing your SW? If so, please explain how this was done.</i>	Yes, KenTrade adopted the UNECE recommendations in development of the Kenya TradeNet system. The system is based on recommendation 33 with very slight variations that traders lodge the customs entry through the customs management system.

### Benefits

<i>Can you indicate the reduction in time and cost for import and export procedures as a result of implementing the SW for users?</i>	The TradeNet System has benefitted the Kenyan economy tremendously, currently it has over 12,500 registered users from over 6600 organizations. From assessments done by the World Bank/ IFC, the system has improved automation levels of trade facilitation process and procedures in Kenya from 18% to currently 88%. Overall cost savings per year to the economy amount to approx. USD 22.5Million. Reduction in processes by about 50%.
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<i>What are the benefits to clients and to participating agencies?</i>	The Kenya Single Window System has reduced the time taken to process permits, increased the level of transparency and compliance.
<i>What was the impact on Customs revenues?</i>	The TradeNet has transacted of USD 1.2 Billion in trade value and cost savings approx. USD 22.5Million per year. Assisted the participating Partner Government Agencies (PGA) to collect over USD 22 Million.

### Lessons Learned

<i>What were the crucial success factors?</i>	<p>The crucial success factor for Kenya has been Continuous stakeholder engagement and effective Change Management.</p> <p>Kenya Single Window System implementation ensures stakeholder engagement by having in place a robust Change Management Strategy.</p>
<i>What were the greatest obstacles?</i>	<p>Conflicting and duplicated government agency mandates which impact processing time and slow down implementation and adoption.</p> <p>Reliance on government funding is a challenge as it is not predictable</p>
<i>What are the main lessons learned? What could have been done differently?</i>	<p>Change Management and Stakeholder engagement is key.</p> <p>The sustainability model should have been in place at onset of the system.</p> <p>Political goodwill is key in the implementation of the Single Window System reforms.</p>

### Future Plans

<i>What are the plans for further development of the SW?</i>	KenTrade is lobbying for the implementation of a Single Window Environment which would link the Kenya Single Window System with a Logistics Coordination Platform (LCP). This will ensure as traders get information about cargo documentation they are equally informed about where their cargo is physically. Currently, there exists a gap where documents in the SWS may be released but the actual status of cargo is not known.
<i>What are the biggest obstacles to further development of the SW?</i>	Silo mentality within Government Agencies in the country and turf wars.
<i>Do you intend to make agreements concerning SW cooperation on the regional level?</i>	Kenya has been at the forefront in lobbying for Regional cooperation through data exchanges between regional national single window systems. The initiative is currently ongoing albeit at a very slow pace due to different level of system implementation among different regional countries.
<i>Are you planning to have agreements for exchange of data with SW running in other countries?</i>	Yes. Discussions are ongoing at regional level to implement regional data exchanges.

Source for further information and contact person:

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