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AREA

ROUND TABLE DISCUSSIONS ON SINGLE WINDOW
INTEROPERABILITY – GENEVA, SWITZERLAND

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INTERNATIONAL TRADE PROCEDURES DOMAIN

SINGLE WINDOW INTEROPERABILITY ROUND TABLE DISCUSSIONS, GENEVA

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Present:

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PRESENTATION

The presentations and other material are made available on the UN/CEFACT website at:

<http://www.unece.org/index.php?id=38765#/>

INTRODUCTION

1. Markus PIKART of the UNECE Secretariat made an opening presentation which explained the general function and role of UN/CEFACT working on trade facilitation recommendations and standards. He apologized for the absence of Tom BUTTERLY who had wanted to join the meeting but who was called away on urgent business.
2. Lance THOMPSON of Conex, newly elected Chair of UN/CEFACT, presented the principles of the current ITPD project on Single Window Interoperability and the program for the two days. He thanked the hard work of the experts who had drafted the four papers and the engagement of the Vice Chair in charge of International Trade Procedures within the UN/CEFACT, Ms. Estelle IGWE. He ended by explaining the scope of the current SWI work within UN/CEFACT which covers cross-border, regulatory processes. There were some questions from the delegates as to the pertinence of such a choice, the Trade (private sector) activities would be perhaps more pertinent to address. Andrea Hampton further explained this choice within the logic of recommendations which already exist. Lance THOMPSON pointed out that the ITP-PDA is currently considering the development of a new recommendation which would cover these aspects and which should be launched within 2015.
3. Markus PIKART of the UNECE Secretariat made a brief presentation on ten years of single window. He presented the core documents of the UNECE which support single windows: Rec32, Rec33, Rec34, Rec35, the various standards developed within UN/CEFACT, the guides, case studies and capacity building projects. Since 2005 and the publication of Rec33, the number of Single Windows around the world have more than doubled. However, he pointed out that there are many different

types of single windows and that these have been organized by multiple types of actors. We are therefore at times talking of two single windows which are perhaps very different in nature. He continued with some of the results from the Global Trade Facilitation Conference of all five UN regional commissions and the evolution of single windows.

4. Donald TAN of the World Customs Organization (WCO) briefly intervened to underline the usage of the WCO Data Model and the importance of the topic of Single Window within the WCO. They greatly appreciate the input and continued relationship with UN/CEFACT with which there is a good deal of cross linkage. He noted that the WCO Data Model is not yet referenced in the current SWI documents. Lance THOMPSON explained that this would be presented tomorrow and that the WCO DM would be the logic suggestion for international standard for this recommendation given the defined scope.
5. Dmitry GODUNOV of UNCTAD pointed out that the UNCTAD ASYCUDA Program is working in over 90 countries around the world and is highly contributing to the implementation of Single Window and interoperability of agencies within a country and of governments across borders as well as interoperability between governments and regional and international organizations. He praised the collaboration between UNCTAD and UNECE, UNESCAP, WCO, WTO, World Bank, the EU and other international partners and bilateral donors in these areas
6. Zahouani SAADAOUI of the EU DG-TAXUD explained that the EU customs administrations are taking a pragmatic, staged approach. They have begun by connecting customs systems with the EU DG-SANCO for veterinary certificates; they are now looking at concretely integrating more certificates, possibly timber, organic, farming and eventually others. He announced that DG-TAXUD was now working on its new Union Customs Code and that the WCO Data Model is being used as a vector for this.
7. Jukka SAVO of the EU DG-MOVE added that a 2010/65/EU Directive will oblige Member States with maritime ports to create a Maritime Single Window in order to facilitate reporting and sharing of maritime-transport related regulatory information through such a portal. This would cover not only the transport-related information (ship), but also those related e.g. to customs (cargo) and border control (crews and passengers). He pointed out that the current work of the ITPD group seems to be focused very much on removing trade barriers and is therefore strongly customs-related and that this might be a limited approach. Trade facilitation is much broader than these barriers and covers facilitation of cargo movement activities throughout the supply chain. A text was requested from Mr. SAVO to be inserted within the future recommendation text in order to reflect these potential benefits linked to trade facilitation.
8. David HESKETH of the UK HMRC underlined the importance of data quality; if incorrect information is being provided into a single window because the wrong actor is being requested to file such information, than only incorrect information will be able to be passed onward. Garbage in, garbage out. He is currently leading a project within the EU CORE project which aims to have information provided at the source of a trade transaction through a seamless data pipeline. This purely business approach will provide quality information for administrations but also establish multiple benefits for the private sector. The concept of single window interoperability should try to look at this global approach.

Round Table 1: Business Needs and related Break-out sessions

9. Jari SALO of Tieke, editor of the Business Needs paper, presented the principle aspects of the current discussion paper. He highlighted the key elements of the business needs as addressed in the paper: Why interoperability, prerequisites for SWI, constraints, stakeholder interests and roles and business analyses.
10. Ibrahima DIAGNE of Gainde pointed out that the context of single window implementation will be different from one country to another. For some countries, it is just a software. For others, it is a service. And finally for others, it is a national governance issue. Interoperability will not have the same implications depending on this. Furthermore, the single window development may be very

different between two or more countries; there may be no system in one country and a SW in another, but a need to exchange information exists.

11. Richard MORTON of IPCA underlined that the business sector is working on collaboration. As long as there is a business case and an opportunity to make or save money, the private sector will find a solution; and if there is a legal requirement, the private sector will deliver the tools it will need to continue trading. He also questioned referencing only the WCO Data Model as many maritime operations are still quite heavily reliant on EDIFACT. If new models are put in place, then there will be a cost and this will fall on the private sector. Therefore the business need which will justify such changes need to be well thought out before conception and implementation.
12. François VUILLEUMIER of ISO echoed the importance of the private sector. International trade is established between two traders; customs or other government agencies are not traders, but a service provider. These business partners need to work on information exchange. When we are considering SW interoperability, we need to ask what this will bring to overall trade facilitation. It will be fatal if exchange of data is established without trade facilitation. He asked what is new in the single window approach to overall trade facilitation.
13. Donald LIM FAT of Mauritius Customs Services briefly outlined the business case of interoperability within the East African Community where the customs declaration for goods destined for an inland member country can be provided at the maritime port of entry and it is then transferred to the appropriate country. Economic development is very important and the cost of doing business will be one of the reasons for SWI.
14. The different levels of cooperation were mentioned. Within the recently approved Rec40 on Consultation Approaches, three levels of such cooperation were outlined; these are strategic, operational and technical. There may be a high level decision at the strategic level and there may be valid technical solutions which could support these decisions but often there may be resistance on the operational level between the two agencies who should actually put in place the framework and implementation of interoperability. It was suggested that the current papers take into consideration these levels and how they could be reflected within the future Rec37. Ramesh SIVA of the World Bank pointed out that this was an issue in the ASEAN initiative of interoperability. The principle was that an export declaration in one member country would become the import declaration in another member country. This has been very difficult to try to implement – but at least the multiple initiatives have resulted in the creation of SW in most countries.
15. Godfried SMIT of EUROPRO pointed out that we are concentrating quite a lot on the systems themselves, but perhaps not enough on the actual exchanges: the information that should be exchanged and for what purposes this information should be exchanged.
16. Ivan KHOLMOV of the Eurasian Economic Commission identified three issues:
 - The current paper will need to clearly explain why business to business transactions are being excluded and there are no recommendations on the technical level.
 - SW is a very popular subject within the EEC and much has been done on the subject of integration. Within the EEC, SW is considered as a whole national system integrating all agencies, but the current business needs paper is making a distinction between “customs” and “non-customs” SW systems which will not be able to apply to the EEC experience. It would be better to use “limited” and “national” single window.
 - It would be a good idea to add the notion of indicators in order to see at what state each country is.
17. Dmitry GODUNOV of UNCTAD noted that the Customs-centric Single Window model proved its efficiency in real operational environment in ASYCUDA-user countries from different regions of the world. He underlined the importance of a constructive dialogue between Customs, other governmental agencies and business associations to ensure successful Single Window implementations at a national level and to identify practical needs for a cross-border interoperability with other countries.
18. Evdokia MOÏSE-LEEMAN of the OECD suggested that the Trade Facilitation indicators under development by the OECD might be useful for this exercise. The current indicators are not yet

finalized, but she shared these and they are made available on the website dedicated to this event. Any comments or suggestions on these indicators can be sent directly to her at evdokia.moise@oecd.org before the end of March 2015.

19. Jalal BENHAYOUN of Portnet in Morocco pointed out that SWI projects could be a real source of development providing, for example better access to the EU, motorways of the sea, initiatives between mini ports as well as others. Interoperability will often be linked to a bilateral or multilateral trade agreement; how can this concept be translated into the current work?
20. During Break-Out sessions, one group led by Ibrahima DIAGNE of Gaiende looked at return on experiences. XXX CHECK TEXT WITH JARI. Some returns on experience were brought forward:
 - Mozambique to South Africa was SW to no SW. The technical levels had to be sorted out fast. It is a customs driven system for exchange of customs declarations, currently pending approval of legislature.
 - East African Union under the USAID project RADEX was driven by landlocked countries to have access to sea and have more streamlined process. It aims to exchange customs declarations in this common customs territory
 - Japan to Korea data exchange of commercial data for steel exports. The documents (Bill of Lading, invoice...) were sometimes slower than containers. The exchange of electronic documents are used for customs clearance; the hard copy follows later.
 - The Pan Asian e-Commerce Alliance has an established data exchange network among 11 member states, supported by proper legal framework, and some of them carried out transaction of certificates of origin, but no other real commercial document (like invoices) exchange at present.
 - The EU is preparing self-assessment. Data is shared between member states' SW and is "brushed up" so of questionable value.
 - EAEU countries have experience in "limited" single windows interoperability inside countries and cross border system integration. Legally significant electronic interaction is now being implemented through trans-boundary space of trust.
 - The final conclusions of the break out group included the following. The technologies and the capacities are available. The interest for the public and private sector need to be clearly stated. The model of implementation is not always clear (Concretely: whom, what, how). There needs to be consideration of the different situation of countries/regions. A champion at country level needs to be designated. THE ULTIMATE GOAL IS NOT SWI, IS JUST DATA AND DOCUMENTS EXCHANGED.
21. During the parallel Break-Out session, the other group led by Gordon WRIGHT of IATA looked at costs, challenges and benefits.
 - Some of the benefits underlined include
 - No need to re-key information
 - Reduction of costs (either for government or trade)
 - Reduce administrative burden
 - Consistency of the data
 - Combat fraud/smuggling
 - Support coordinated border management
 - Assists in the integration of supply chains - can assist ability of trade to compete
 - Increase transparency
 - Supports the application of risk management
 - Supports data quality by multiple sources submitting data
 - Business process simplification
 - Supports a paperless environment
 - Supports regional integration and trade
 - Fosters economic growth
 - Some of the costs/challenges that were discussed include

- Lack of political will
- Lack of legal framework
- Lack of IT tools experts
- Compatibility of systems and standards
- Data protection
- Protection and sensitivity of commercial data
- Using data provided for the wrong purpose (misuse of data)
- Difficult to validated data
- Possible loss of sovereignty
- Delegation of government services to the public service
- Can lead to loss of jobs
- Integrity issues
- Misunderstanding of what a single window
- Lack of trust
- Export dec may not map to imp dec
- Lack of cooperation at an operational level
- Unsure that it is translated to the operational level
- These discussions lead to the question of why interoperability? The following points were brought up:
 - Risk analysis
 - Prep of border volumes
 - Combatting Illicit trade
 - Trade facilitation
 - My export becomes your import
 - Release for transit
 - Speed and predictability
 - Visibility of costs

Round Table 2: Legal environment

22. Lauri RAILAS presented the discussion paper on the legal environment. Recommendation 35 represents a good checking list but the cross-border legal aspects are not a mirror image of those in a single economy. Public international law determines the cross-border G2G relations. SWI can best be achieved by treaties, but states can cooperate without them by recognizing data and other deliverables from each other. He then went through a number of individual legal issues. He also introduced a set of data transfer principles emanating from the Eurasian Economic Commission.
23. Godfried SMIT of EUROPRO underlined that the current paper is addressing jurisdiction to jurisdiction aspects. There could be another option, using agreements on international treaties. He also underlined that information provided in one country could have a legal consequence in another country with the notion of extra-territoriality and long-arm jurisdiction that some countries put in place.
24. Jukka SAVO of EU DG-MOVE pointed out that most aspects of the paper will be applicable when considering e.g. two customs systems connecting and therefore falling within the same legislative and organizational environment. However the situation can come more complex if the two lead agencies are not from the same sector or if there are multiple agencies, and legal basis, within the SW. In this case an additional layer of legal acts deriving from various sectors might hinder the use of information even if an agreement on the cross-border interoperability itself can be established.
25. For example, confidentiality can be considered differently in each partner jurisdiction. It was reminded though that the purpose of data use should be clearly defined in the agreement in order to ensure that it would not be misused afterwards. But these limitations of usage may also prohibit data exchange (if data submitted for a customs declaration can only be used by/for customs administrations).

26. Particularly in long term and complex projects like implementation of SWI, the political will in an agreement at the strategic level may not be taken into consideration within the operational level throughout the project period.
27. Data hosting and the possibility of cloud computing could also be a potential problem. Stakeholders may not know where the data is actually stored.
28. Lance THOMPSON of Conex put the question of authentication to the floor, enquiring if within the defined scope of government to government data exchange the question of authentication is pertinent. The assembly responded that this will largely depend on the final use of the data exchanged. For many operations, such authentication may not be necessary, but if the data will be used for a legally binding purpose, then it may be warranted.
29. In order to address these questions of authentication and jurisdiction, it was reminded that the information should not be shared outside of the scope of the interoperability agreement. The terms of this section of the agreement will be very important and will determine many of the other aspects that need to be considered.
30. Ownership of data will be another important issue. Some large internet companies claim that there is no ownership of data. But from a supply chain perspective, there may be justifiable commercial or strategic reasons for wanting to ensure the privacy of the data. The issue of reuse of data will need to be established very early on within any agreement.

Round Table 3: Governance environment

31. Andrea HAMPTON of Crown Agents and leader of the Governance environment paper, presented the principle aspects of the current discussion paper. She highlighted the functions of governance over processes, powers, actions, and verification and the shifts in demands at the different stages of single window interoperability (design, development, and operation). Governance provides the overall framework that is critical to ensuring all other aspects of single window interoperability initiatives are successful, particularly in light of the specific challenges posed by their cross-border and multi-stakeholder nature.
32. Ivan KHOLMOV of the EEC underlined that bureaucratic procedures do not always allow a substantive change in existing governance structures and it might be a good idea to try to introduce such flexibility within the current draft to allow for changes in emphasis rather than structures themselves. UNNExT's Single Window Planning and Implementation Guide proposes Single Window Implementation Framework (SWIF) which is a good experience in iterative kind of project development. He also pointed out that within regional cooperation, each level (national / supranational) way may have its own management group. It would be good to integrate this aspect into the current draft as two-tiered structure in addition to Centralised and Network Governance Models. He finally explained that the translation of "governance" could be difficult to translate as this will be related to 'government' in other languages even though the paper is addressing management and administration – not government per say.
33. Ibrahima DIAGNE of Gaiende suggested that two additional points would be useful in this section: a champion for implementation and change management.
34. Dmitry GODUNOV of UNCTAD suggested that some of the elements shown as lists should be presented in a different order in order to provide a logical flow. He noted that any new IT developments should be preceded by a pragmatic analysis of current procedures and re-engineering of business processes in line with international standards and best practices.
35. Geodfrey SMIT of EuroPRO pointed out that some 'single windows' are supplying regulatory related services, but are sometimes closed to certain actors on the supply chain. He underlined the importance to avoid such monopolistic tendencies; the functions of a nationally recognized single window should be open, free of charge to all on the supply chain.
36. David HESKETH of HMRC indicated that it is important to identify not only the problems which are being solved by single window interoperability, but who should own the problem. If it is a government-related problem, then the public sector should have to pay for it or pass it on to another entity under their responsibility. If it is a private-sector problem, then the private sector

should have to solve and finance the solution. However, Mr. SMIT of EuroPRO pointed out that even if it is a government-related problem, the final payment will be on the private sector either through paying for the service or paying taxes. What's more, the streamlining of a government service may be in the private sector's interest – so the line between who owns the problem may not be easily defined.

37. Donald TAN of the WCO explained that the devil is in the detail. Within the framework of the 'Globally Networked Customs' of the WCO, a template has been developed which might be able to be reused here. This template underlines the process to be tackled and the issues involved such as the data to be exchanged, the actors involved or the business rules which apply.
38. Political will may be a constant throughout the project, but the enabling legislation may need to evolve as the project progresses. At inception, the first legal acts may just state the principle that two single windows should share information. But as the project progresses to the operational aspects, this general statement will need more clarity on who, what, when, how... New legal texts will likely be needed to translate the reality into an enabling environment. Then when arriving at the technical level, still other challenges will be met such as which technical specifications to use. Again, the legislation will need to evolve to follow these challenges. Legislation will need to review and revise their decisions in a lifecycle model.
39. Jalal BENHAYOUN of Portnet in Morocco reminded that there must be a buy in from all of the stakeholders. A solution may be very performant and well thought out, but without the buy in from those who will have to use it, it will not be able to work.
40. Bismark SITORUS of UNCTAD pointed out that the work going on in other UN/CEFACT recommendation projects may be of interest or of use to this project. The ongoing work in the revision of Recommendation 4 could provide some input on the factors contributing to good decisions. Also, the recently approved Recommendation 40 work on the scope might be interesting to consider, especially concerning considerations for regional, global or network scope.

Round Table 4: Semantics

41. Remy MARCHAND of AFNET and leader of the Semantics paper, presented the principle aspects of the current discussion paper. He highlighted the importance of the various references available for any decision maker, expert or developer wanting to lay the foundation of cross border semantic interoperability between National Single Window systems. He recommended to give the priority to an approach irrespective of technically binding assumptions but to rather establish semantic interoperability per se.
42. Donald TAN of the WCO explained how the Data Model of the WCO has become a very useful tool, especially since the version 3.3 which split the data model into four different information packages.
43. David HESKETH of HMRC explained that the status of information in privately controlled systems may not have the same impact as those in publicly controlled systems. Within the Data Pipeline concept, the information being shared and prepared is considered pre-declaration, so it has no official status. This facilitates a number of issues related to legal aspects, but also semantics.
44. Jukka SAVO of DG Move explained that when establishing the legislation to support harmonized electronic information submission and sharing in maritime transport sector, it was not practical to require all EU ports to change their existing systems. This is why it was decided to establish Single Windows on national level in all 24 maritime Member States. The regulator data elements were identified and harmonized and duplications removed. This reduced the data elements to be collected from about 300 to 130. These have then been mapped to either ISO 28005 or the WCO Data Model. There is ongoing work to map those also with UN/EDIFACT but this is difficult due to different subsets.
45. Ivan KHOLMOV of the EEC demonstrated that within the Eurasian Economic Union, there is a strong political will to exchange information with the region, but there is also a forward-looking goal of exchanging information beyond this region. For this reason, they have developed their solution based on international standards. They have considered the CCL of UN/CEFACT though they have identified some limits. The CCBDA allows for a good message description and we should

mention this specification within the paper. He further said that it would be a good idea to integrate the notion of repository into this paper.

46. Given the discussions during the two days, it was suggested that a different title (or a sub-title) might be useful. Something along the lines of: "Cross Border Interoperability of Trade Regulatory Systems."

DRAFT - pending approval