Creation of the National Paperless Trade System in the Republic of Belarus

Mr Igor KANASH
Head of MCI Department of Strategic Projects

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Components of Belarus State Program on Digital Economy

- **Sub-program "Information and communication infrastructure"** includes measures for creation and development of modern national information and communication infrastructure, platforms and services on the basis of modern ICT technologies.

- **Sub-program "Informatization infrastructure"** aims at further development of e-government systems and the implementation of state functions by means of ICT in order to improve the efficiency and transparency of the state regulation system. It includes projects on creation of Belarusian integrated service and settlement system, development of State system for public keys infrastructure, the national segment of integrated information system of Eurasian Economic Union.

- **Sub-program "Digital Economy"** contains core projects that will provide efficiency gains for the implemented functions, and increased labor productivity based on the transformation of business processes through ICT in all spheres of the national digital market, including real sectors of national economy and the social sphere.
New digital mode of International Trade Transaction which covers either all or some parts of trade procedures on-line via e-Documents instead of conventional paper-based way.
Economic benefits of paperless trade

- Reduction of time and costs of trade transactions, decrease of negative impact of human factors
- Efficiency increase and growth of foreign trade volumes
- Digital economy development and economic growth
- Real time monitoring of import-export flows and the country trade balance
- Increase of foreign trade operators competitiveness and better readiness to join WTO
Regulatory framework of paperless trade

- United Nations Economic Commission for Europe (UNECE) – Road Map for Paperless Trade, 2006

- UNECE - Paperless Trade in the International Supply Chains, 2008

- WTO – Trade Facilitation Agreement, Bali Package, December 2013

- UN/CEFACT Trade Facilitation Recommendations – №33-35, 36


- EuroAsian Economic Committee – priorities of EAEU Digital Agenda, October 2017

- Decree of Belarus President №8 on Digital Economy – December 2017
2014 – signing Memorandum of Understanding between the Republic of Belarus and South Korea on cooperation in ICT and paperless trade areas

2015 – Implementation of Feasibility Study Consulting project for the development of the National Paperless Trade System (NPTS) in Belarus with the involvement of core Ministries, INFOPARK Association, other industrial associations and main import-export operators

2016 – NPTS project inclusion in the State Programme for the development of digital economy in 2016-2020. Preparations and approval of Terms of Reference for the World Bank (WB) technical assistance in this project development

2017 – implementation of the WB consulting project for the development of the road map for NPTS in Belarus. Implementation of the EU Study project for eTrade and eLogistics topics in the framework of the initiative for Harmonisation of Digital Markets in the Eastern Partnership (HDM initiative)
Feasibility Study of NPTS project

Feasibility was conducted on the base of «field» research and requirements analysis of the main participants of foreign trade with the development of NPTS model as the digital “single window” platform.

1. Integration platform for paperless trade «single window»
2. Information Systems for Major Stakeholders
3. Upgrade of Existing Systems

- Main processes and documents digitalization for foreign trade
- Integration of governmental systems and data storage
- Real time monitoring of NPTS operation and foreign trade processes
NPTS project development stages

Regional Exchange of electronic documents & data for eTrade transaction

Integrated National eTrade System

National Centre for eLogistics and Multimodal Supply Chains control

Phase 5
Cross-border eTrade with EU & EaP

Phase 4
Integrated National Platform

Phase 3
Logistics Platform

Phase 2
License and Certification System

Phase 1
e-Customs System

Current State of Belarus

Border control, licenses, certificates of origin, sanitary and veterinary permits, certificates – SW integration platform of governmental agencies

eTrade/eCommerce legal framework, export – import and transit process re-engineering

Electronic Customs – administrative system, NASED, Clearance, Risk Management, EAEU Transit system, etc

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Architecture NPTS

National Paperless Trade System for Belarus

Paperless Trade Portal System
- Trade Marketing
- License & Certificate
- Trade Finance & Settlement
- Customs
- Logistics
  Portal Operation System

Technical Infrastructure System
- Data Exchange
  - PKI Gateway
  - (e-Trade) e-Document Repository
  - e-Payment Gateway

Cargo • Goods Management and Monitoring System
- Cargo Information System (MFCS and Tracing service)
- Good’s Traceability service
- Dashboard System (System Monitoring)

Global Transaction System
- Global Marketplace
- e-C/O
- TIR Carnet

Private Sector
- Trade Company
  - Customs Broker
- Forwarder, Transportation, Airlines

Public Sector
- Ministries
- The State Customs Committee
- OGAs (Ministry of Agriculture & Food Products, MoH..)
- Export Promotion Agency
- C/O Issuing Agency (CCI)
- Bank
- Insurance

Global Network
- Overseas Seller/Buyer
- EU
- Baltic States
- CIS
- Eurasian Union
- uTradeHub

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Foreign trade business processes in NPTS

NPTS (National Paperless Trade System)

1. e-Documents (including License/Permission, Quarantine, Certificate)
3. Application for e-Licensing & Certification
4. Notify the Result of Certification
5. Import & Export Declaration Cargo
6. Air Manifest Information
7. API (Advanced Passenger Information)
8. Notify the Result of Certification

Trading Communities

- Airlines
- Forwarders
- Customs Brokers
- Bonded Transportation
- Bonded Warehouse
- Banks
- Insurances

Global Service

- Trading Communities in overseas countries
- OGAs & Regulatory Authorities (MoAF, MOH, CCI, BELLIS etc.)
- Electronic declaring Cargo Management Risk Management Customs Duties
- Ministry of Transport & Communications (e-Freight or e-AMS System)
- Immigration Service (PNR, APIS etc.)

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# Road Map – NPTS Implementation Plan

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<th>Implementation Assignment</th>
<th>Detailed Implementation Assignment</th>
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<td>Legal Framework Setup</td>
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<td>Establish Implementation Organization</td>
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<td>1. Trade Marketing system</td>
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<td>4. Customs system</td>
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<td>5. Logistics(B2B, B2G) system</td>
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<td>6. Portal Operation system</td>
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<td>10. Dashboard(EWACS) System</td>
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<td>Technical Architecture System</td>
<td>11. Data Exchange System</td>
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<td>13. e-Document Repository system</td>
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<td>Global Transaction System</td>
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## Organisational and financial model of the project

### NPTS Development
- Government Procurement

### NPTS Implementation
- Project Consortium
- World Bank Loan

### PPP Institutionalization
- Joint Venture with Governmental shareholding
- IFI
- Private Investor

### NPTS Operation and Evolution

### Organisational Stages

### Organisational Form

### Source of Financing

### Project Components

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Main components of organisational and financial models

1. NPTS project got included in the State Programme for development of Digital Economy and Information Society in the Republic of Belarus

2. Formation of coordination unit in the Belarus Government for control and monitoring of NPTS project deployment

2. Project Cycle was divided in two main stages:
2.1. Development and implementation of the national integrated “single window” platform for NPTS
2.2. Creation of the national NPTS operator on PPP model in the form of the joint venture with governmental shareholding and private investor

3. Financing of operational activities of NPTS as well as its maintenance and upgrade with the involvement of institutional investor (IFI)

6. NPTS functional extension for processing internal trade transactions in the Republic of Belarus
NPTS payback estimations

Quantitative results

- Estimation period - 9 years (2019-2027):
  - Estimate of total benefits for the period: 47.2 Mio USD
  - Estimate of total costs for the period: 35 Mio USD
  - NPV: 12.1 Mio USD
  - Ratio B/C: 1.35
  - Payback terms: 4 years

Project ROI

Benefits and costs – with accumulation

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<th>Accumulated B-C</th>
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