

El Salvador's Single Window for Foreign Trade (SW)

Single Window application Methodology Experience Banco Central de Reserva de El Salvador

October 2023





Content

- 1. Single Window for Foreign Trade (VUCE) origin in El Salvador
- 2. VUCE Basic concepts in El Salvador
- 3. Regulatory Framework
- 4. Interoperability
- 5. VUCE Services Evolution
- 6. Clients Evolution
- 7. Benefits
- 8. Foreign Trade Services Modernization and Acceleration Strategy
- 9. Single Window Assessment Methodology Application Experience
- 10. Trade Facilitation Five-Year Projects Portfolio
- 11. Activities Performed
- 12. Executed Projects During 2023
- 13. Conclusions





1. Single Window origin in El Salvador







Exports Window

1986

Foreign Trade Ministry

Single Window Model: CENTREX Multiservice

Exports Window

1989

Central Bank of El Salvador

Single Window Model: Interinstitutional CENTREX Single Window for Foreign
Trade (VUCE)

2011

Central Bank of El Salvador

Import/Export Single Window Model: Interinstitutional CIEX El Salvador







2. Single Window Basic Concepts in El Salvador

The Import and Export Center is the Single Window for Foreign Trade in El Salvador:

Integration of:



- Importers
- Exporters
- Carriers

Interconnected Information
System Management with the
following institutions:



- State Institutions
- International Organisms
- Financial System Institutions

Central Bank Personnel with the institutions involved:



Medicines





Defense

Natural resources and environment

Treasury





LOO Imagen de personal bcr e instituciones involucradas: Health, Agriculture and Livestock, natural resources and environment, Treasury, national defense, National Medicines Office

Leslie Rocío Orantes Alfaro, 2023-09-27T15:41:52.280



3. Regulatory Framework

Legislative Decree No. 599, January 20th, 2011



Art.1

Establishing the **single presentation and emission** of the necessary requirements to import and export in El Salvador, using a single decision point.



Art.2

It centralizes the Management of foreign trade transactions and enables institutions integration related to imports and exports.



Art.3

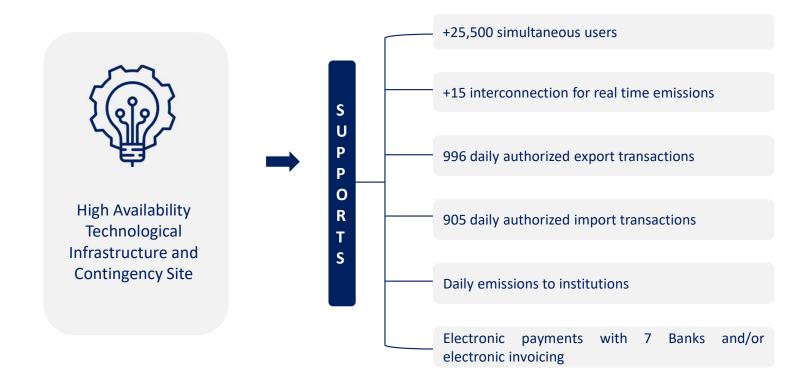
Central Bank of El Salvador is the managing institution for the Imports and Exports Center of El Salvador (CIEX ES).







4. Interoperability





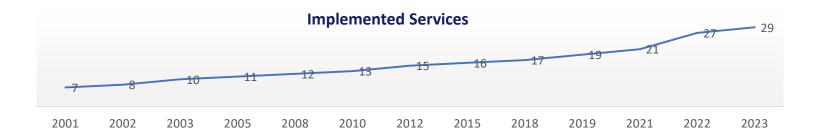




5. Single Window Services Evolution

Exports











5. Single Window Services Evolution

Imports



Implemented Services







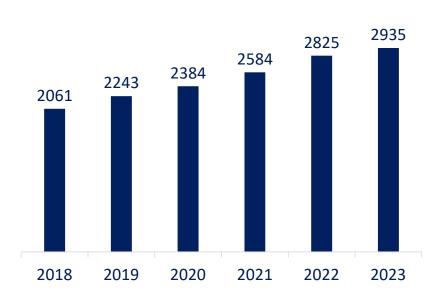


6. Clients Evolution





Active exporters





By 2023, the amount of single window clients has increased substantially compared to 2018: 69.5% of active importers and International carriers, and 42.4% of active exporters, adding up to 10,585 clients.





7. Benefits



202 **automated services** and processes.



Discretionalities elimination and traceability strengthening.



Extended Service Approach, from 8 hours to 24/7.



Costs reduction. More than 95% of payments are done online.



Wait time reduction to **37 seconds,** on average.



Authorization Management from all over the World.







8. Foreign Trade Services Modernization and Acceleration Strategy

- 1. The SW development srategies are **interinstitutional and long term.** Therefore, they must be **executed gradually** and at different stages.
- The Central Bank designed a Digital Projects Strategy 2023-2027 looking forward to improve the interinstitutional coordination and to strengthen the foreign trade services offered through CIEX El Salvador.
- 3. The Central Bank, coordinated, with the Trade and Commerce Secretary, a **high level meeting** with foreing trade institutions to announce the new Strategy, on January 17, 2023.







8. Foreign Trade Services Modernization and Acceleration Strategy

1. In order to successfully execute the Strategy, the activities to be performed are based upon the following guiding principles:



Alignment and high level formal commitment



Central Bank as SW articulator



Client transaction Integral Vision



Simplify: processes + documents + data



International
Standards and
Communication
and Information
Tecnologies



Complementarity with trade facilitation policies or other







9. Single Window Assessment Methodology application experience

- 1. As result of the high level meeting, it was agreed upon to move forward with the Strategy planning and execution, which should be in sync with other initiatives by President Nayib Bukele, to create a modern and practical business ecosystem.
- 2. The Strategy financing was linked to the IDB Programme "Trade Facilitation and Port Modernization", involving the foreign trade services strengthening component through our Single Window.
- 3. The IDB provided technical assistance to apply the SWAM:



Current state diagnostic



Opportunity identification



Include new services







9. Single Window Assessment Methodology application experience

Phases

- **1** Gathering of information through questionnaires to 12 foreign trade institutions.
- **2** Data collection and analysis.
- **3** Formulation of Projects Portfolio to be financed.

Findings



Manual services.



Services not integrated to VUCE.



Extended response times.



Processes and data duplication.







10. Trade facilitation five-year projects portfolio

- 1. This information was used to formulate the projects portfolio in order to create a flagship Single Window in Latin America.
- 2. The projects selection was done through the following criteria delimitation: impact on volume of transactions and number of beneficiaries, complexity, correlation and received requests to date.

73

Potential Foreign Trade Projects 16

Government Institutions

1

Regional Organization







11. Activities Performed in 2023



Cooperation
Agreements
(7 institutions)



Project profiles (7 institutions)



VUCE insignia LAT 2027



Five-year planning (2023 – 2027)



Single Window Governance Strengthening







12. Executed Projects During 2023



Chemical Substances Import Electronic Authorization from the Ministry of Health and Ministry of National Defense



Animal and Plant Products Export Electronic Authorization



Phytosanitary and Zoosanitary Export Certificates Emisision to the Central American Trade Digital Plattform (PDCC)*



Electronic Tax Document Implementation



Incorporation of Special Visa for Agricultural supplies



Improvements in Import Authorizations (visas) From the National Medicine Office



Improvements to the Advance Declaration with Guatemala



Advance Declaration Implementation with Honduras (El Amatillo)







13. Conclusions

- The Single Windows is a flagship Project in our country in terms of trade facilitation by modifying the services offered to users in less time and lower costs.
- The Single Window is a long term Project and with intensive use of Communication and Information Technologies, that requires planning, financing, governance and interinstitutional coordination, lead by the Central Bank of El Salvador.
- 3. The use of SWAM was key in the formulation of the foreign trade services modernization and acceleration strategy and its Project Portfolio.
- 4. President Nayib Bukele initiatives are leading El Salvador to take actions to create a modern and practical business ecosystem, that offers quality services according to International standards to all salvadorans.







Thank you!

Douglas Rodríguez

President Banco Central de Reserva de El Salvador

Date: October 4, 2023