

## **1. INTRODUCTION (SLIDE 3)**

A regional single window in the ASEAN context involves not a centralized information processing system but an infrastructure environment for efficient cross-border exchange of electronic data between ASEAN stakeholders to expedite cargo clearance and to facilitate trade across border.

The ASW constitutes the platform for electronic transactions not only within ASEAN but subsequently between an ASEAN hub and other ASEAN dialog partners.

The National Single Window is one of the pre-requisites of the ASW implementation. While the national single window does not necessarily imply the implementation and use of high-tech *information and communication technology (ICT)*, the use of ICT is inevitable for a regional single window.

## **2. PROGRESS OF ASW (SLIDE 4 and 5)**

Before the setting up of the ASW Steering Committee and the 2 working groups (TWG and LWG) in 2007, an ASW Agreement and ASW Protocol were established and signed by the ASEAN Ministers of Trade and Ministers of Finance respectively.

Between 2007 and 2010, there was a lot of discussion and debate on the technical architecture and implementation approach of the ASW with the initial idea of having data exchange through a central server which is to be connected to all 10 Member States national single window system. Main concerns were raised on data confidentiality and a single point of failure.

With the completion of a study on the ASW architecture design in 2011, ASEAN Member States had agreed to pilot test the concept of a distributed gateway model.

From 2012 onwards, all effort and activities have been geared towards the pilot implementation with the target deadline of 'live' implementation by end 2015.

### **STATUS OF ASW (SLIDE 6)**

The ASW architecture for the pilot project adopts a distributed gateway model, whereby a common gateway application (could be a COTS or a regionally developed application) is hosted by each AMS.

This architecture has helped address the main concern on confidentiality of trade data through a central server and single point of failure at the central server

**Seven ASEAN Member States have successfully tested the ASW architecture in terms of connectivity for the electronic exchange of intra-ASEAN ATIGA Form D and ASEAN Customs Declaration Document (ACDD) data**

**Preparation for the implementation of a more comprehensive ASW Pilot is underway.**

**A regional Legal Framework Protocol to govern the legal aspects of ASW 'live' implementation is expected to be signed by end 2014.**

### **3. ACHIEVEMENTS (SLIDE 7)**

**Various activities to support the ASW implementation have been carried out and some major achievements as of to-date are:**

- i. Completion of a MoU on the implementation of the ASW Pilot Project.**
- ii. Establishment of the architecture for the ASW Pilot**
- iii. Completion of the Sustainability Study which has provided a recommended business model to sustain the 'live' operation of ASW for the consideration of ASEAN Member States, including a transition plan from the pilot to the 'live' implementation.**
- iv. An ASW symposium was conducted to provide a platform for consultation among stakeholders from the public and the private sectors to brainstorm on their expectation on the ASW.**
- v. Connectivity testing between gateway to gateway has been conducted using the ATIGA Form D and ASEAN Customs Declaration Document.**
- vi. The ASW web portal was launched in May 2013.**
- vii. The ASW Cross-Border Business Process Analysis Study was completed. The outcome of the study outlined the proposed cross border trade flows whereby possible documents could be considered for exchange via the ASW.**

### **4. ASW AND PAPERLESS TRADE (SLIDE 8)**

**How ASW can play a role in Trade Facilitation on cross-border paperless trade?**

**ASEAN Member States are looking at using ASW for Cross-border information exchange:**

- i. To enable seamless cargo movement across border for goods in transit**
- ii. For Pre-arrival cargo clearance (using information from document such as transport documents, phyto-sanitary certificate, commercial invoice, packing list, etc)**

- iii. **For Risk Management and compliance (using manifest information, inspection certificate, etc)**

**Information exchange could be on G2G, B2G and B2B basis.**

**Examples:**

- ✓ **G2G - with Transit information, Physical Inspection at Export, Preferential CO**
- ✓ **B2G – with Export license/permit**
- ✓ **B2B - with Transport Documents (Bill of Lading, Sea Waybill, Air Waybill), Cargo Manifest (House/Master), Commercial Documents (Commercial Invoice, Packing List)**

## **5. CHALLENGES (SLIDE 9 and 10 )**

**Since the National Single Window is one of the pre-requisites of ASW implementation, the challenges encountered can be at the national or regional level.**

**Listed here are some of the challenges:**

- i. **It does make a difference in having the right champion to spearhead the NSW implementation on the right track with ASW implementation. Getting this right national champion might not be easy.**
- ii. **To coordinate various relevant parties, among Government agencies and between government and private sectors to get them understand what is required from them and get things done on time.**
- iii. **Business process reengineering needs to be carried out at the national level to synchronize with the cross-border processes**
- iv. **ASEAN's decision making is always based on consensus and compromise solution takes time.**
- v. **Another significant challenge is the Functional integration of NSW with ASW because Information systems vary greatly in terms of architectures, mix of messaging enablers, and differences in business mandates of participating entities (government, trade, service providers) at the national level.**
- vi. **Planning and preparation costs could be high and financial constraints remain an issue. For example, implementation of the ASW Pilot is very much dependent on external funding.**
- vii. **The pros and cons between a Commercial-off-The-Shelve Software (COTS) and proprietary developed software need to be taken into**

consideration when ASEAN Member States decide on the choice of software to be used for the ASW Gateway.

- viii. While the need for high level of security and reliability in the communication network is expected in the 'live' implementation of ASW for some documents exchange and interactive transactions, such requirements could be compromised during the pilot phase. Nonetheless, failure to synergize and synchronize various factors or parties could lead to unnecessary wastage of resources.
- ix. Operating and maintaining the ASW at the regional level will require sustainable source of revenue, a budget to manage expenditures, and agreed location(s) to house staff and the Regional Services server, etc. So, what is the best fit business model?.
- x. Cross-border information exchange in the regional domain may be dependent on national business process and to what extent or level do we want to delve in.
- xi. Effective regional Legal Frameworks need to be in place. It is complex and it takes time.

## 6. LESSONS LEARNED (SLIDE 11 and 12 )

Many lessons have been learned from the development of ASW whether in the technical or non-technical aspects.

- i. Top in the list is the need to have a clear vision on the goal and objective to be achieved.
- ii. The vision should be ambitious but feasible. Think 'big' and starts 'small'.
- iii. Single window approach and architecture must synchronize with objective.
- iv. Common understanding must be ensured on terminology used, decision made and most important on the concept and implementation approach.
- v. Capacity building for technical officials and awareness program for decision makers is very important and useful. It helps broaden the mindset and knowledge with information sharing by various experts on relevant initiatives implemented throughout the world.
- vi. Focus on regional activities and assist in national activities.

- vii. **Business model and governance for sustainability should be identified as early as possible once implementation approach is decided.**
- viii. **The ASEAN Secretariat has played a critical role in coordinating the work of ASW working groups and steering committee.**
- ix. **Intellectual leadership is important to provide fresh ideas and to learn from others' experiences.**
- x. **Engagement in inter-sessional discussion is crucial to meet deadline and that calls for dedication and commitment.**

## **7. CONCLUSION (SLIDE 13)**

**The implementation approach could vary depending on various factors surrounding it.**

**What could be considered are:**

- i. **To identify the objective in the right context.**
  - **Is it going to be used solely for Information dissemination and sharing that does not require high level of security, within an organization with remote offices or inter-organizations/agencies), OR**
  - **Is it for Secure information exchange within the same governance/regime? OR**
  - **Is it for Cross-border secure information exchange? OR**
  - **Is the information required in an Interactive manner or delayed exchange or in batch? etc, etc**

**All these will determine what you want to achieve and how you want the single window to function in order to achieve your objective.**

- ii. **To establish right strategy for realistic roadmap**
- iii. **To work around limited resources towards the best possible.**

**What is most important is to be clear of your vision and implement what is practical, feasible and needed.**

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