



UNECE



NATIONAL WORKSHOP ON ESTABLISHING A SINGLE WINDOW IN MONGOLIA



**Experience Sharing on
Good Practises in
Single Window
MALAYSIA**



*Ulaanbaatar, Mongolia
September 29 – October 1 2009*

The Cost of Trade Documentation

Globally, it is estimated that the cost of trade documentation is approximately 5%-10% of the cost of goods produced.



- Time
- Processes
- Accuracy of Data
- Duplication of Work
- Efficiency and Effectiveness



Impact to Malaysian Economy

Malaysia's Total Trade for 2008 - MYR1.18 trillion
(USD327 billion) (www.matrade.gov.my)



**5% - 10 % equates to as cost of
Trade Documentation**

Approximately USD32.7 billion

**Mongolia's Total Trade for 2007 – USD4.12billion
(www.mit.pmis.gov.mn)**



Birth of Dagang Net Technologies Sdn Bhd
(formerly known as EDI Malaysia Sdn Bhd)



National Chamber of Commerce & Industry

- Dagang Net, the first, largest & foremost e-commerce service provider in Malaysia
- Established in 1989 following a mandate by the Government of Malaysia to **Malaysia's National Chambers of Commerce and Industry (NCCIM)** to pioneer & spearhead initiatives aimed at creating paperless, electronic Customs-related services to ease the facilitation & streamlining of international trading processes for the import/export and trade & logistics industries.

Other Shareholders (Investors)



- TIME Engineering Berhad
(Major Shareholder – Public Listed)



- Bank Islam Berhad
(Islamic Bank)

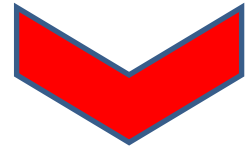


- Juasa Holding
(Malay Language Newspapers Publications)

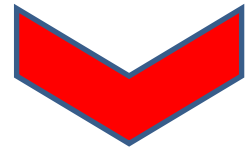
Government Linked Company (GLC)



- Ministry of Finance, Malaysia



- Khazanah Nasional
(Investment Arm for Ministry of Finance)



- TIME Engineering Berhad



Guidelines and Role



WORLD CUSTOMS ORGANIZATION
ORGANISATION MONDIALE DES DOUANES

The Revised Kyoto Convention, Standard 3.12, General Annex – Chapter 3

“Clearance and Customs formalities”, stipulates “The Customs shall limit the data required in the Goods declaration to only such particulars as are deemed necessary for the assessment and collection of duties and taxes, the compilation of statistics and the application of Customs law”.

The Recommendation No.18 of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT)

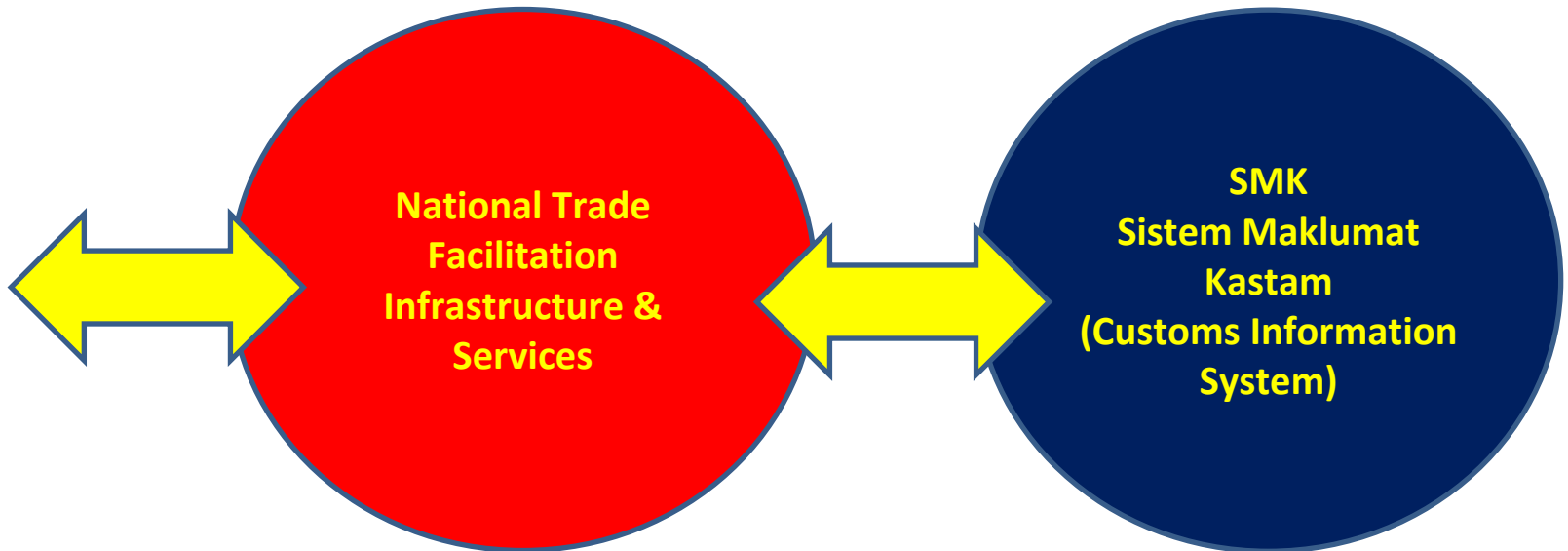


“Facilitation Measures Related to International Trade Procedures” recommends that sellers and buyers should align all relevant inhouse documents to the United Nations Layout Key for Trade Documents. It suggests that government authorities should require a minimum data and documents for control purposes and, where possible, utilize commercial information. It is proposed that Governments should request import and export data only once and should allow the submission of data to a single entity.

Role of Service Provider

LOGISTICS &
TRANSPORT
INDUSTRY

PROJECT NAME : SMK*DAGANG NET





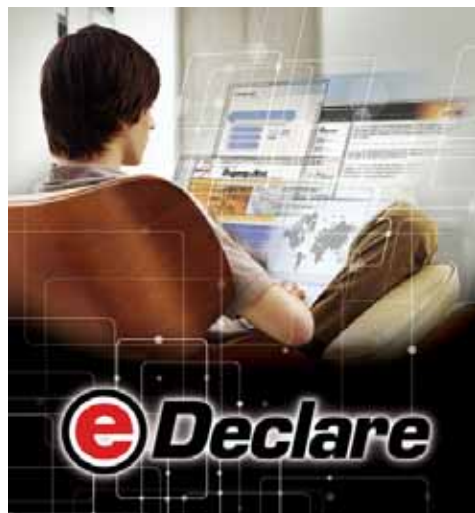
Implementation Milestones

From 1989....

- **1989** – Establishment of Dagang Net
- **1989*1992** – Synchronization of Ministries
- **1992** – Introduction of ADS (Aligned Document System)
Plastic & PC
- **1994*2009** – Introduction of Electronic Trade Services
 - In Phases
 - Nationwide
 - All Permit Issuing Agencies /
Other Government Agencies



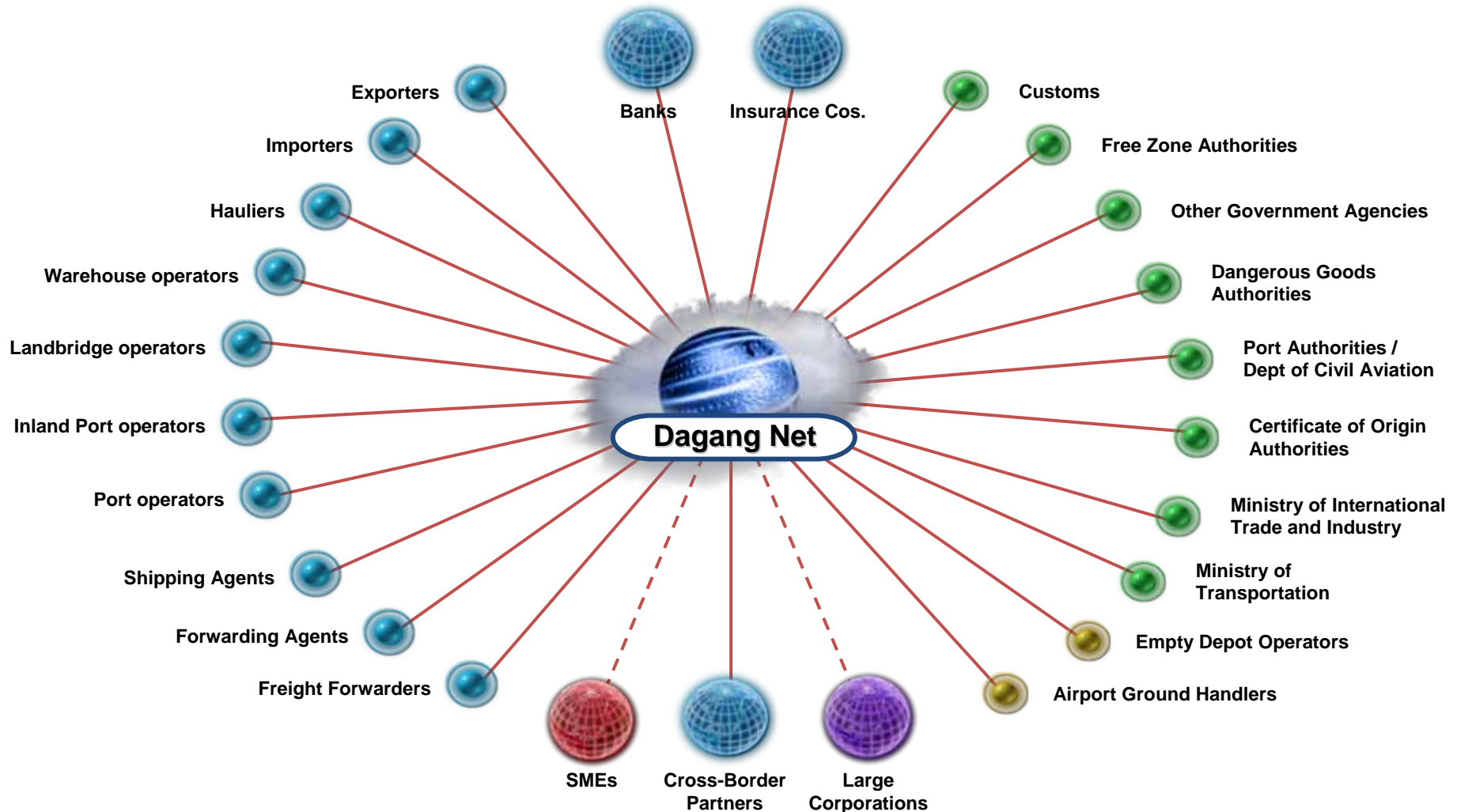
Services Implemented



- e-Declare (Customs Declarations)
 - e-Permits (OGAs)
 - e-Manifest
- e-Preferential Certificate of Origin (ePCO)
 - Duty Net (Customs Duty Payments)
 - Vessel Information System
 - e-Cargo Insurance



Single Access, Multiple Connectivity



2005 – The Birth of National Single Windows (ASEAN)

- During the ASEAN Economic Ministers Meeting , all ten Economics signed an agreement to have their respective National Single Windows operational by :-
- ASEAN 6 – Brunei, Indonesia, Malaysia, Philippines, Singapore & Thailand **(2008)**
- ASEAN 4 – Cambodia, Laos, Myanmar & Vietnam **(2012)**

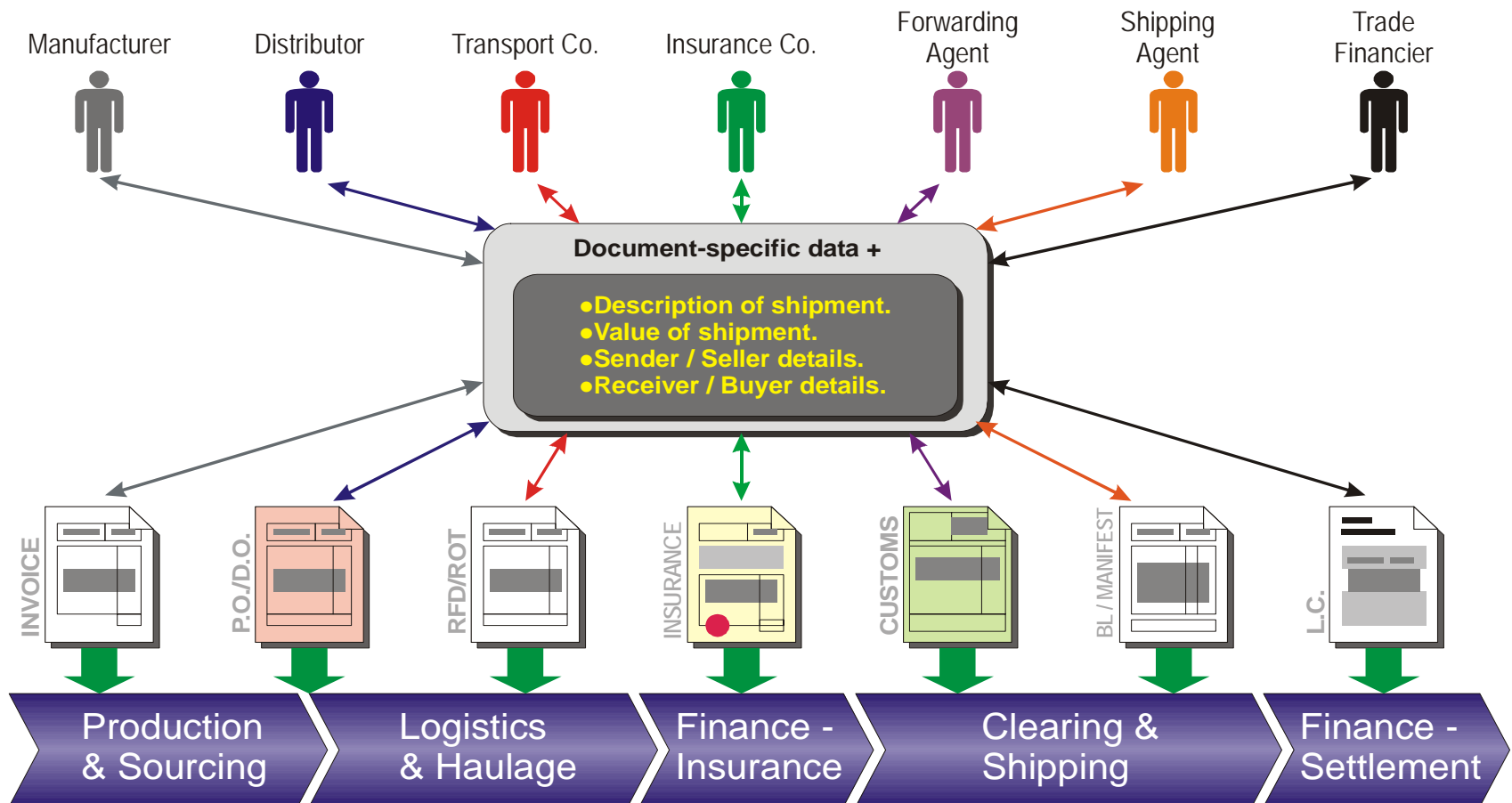




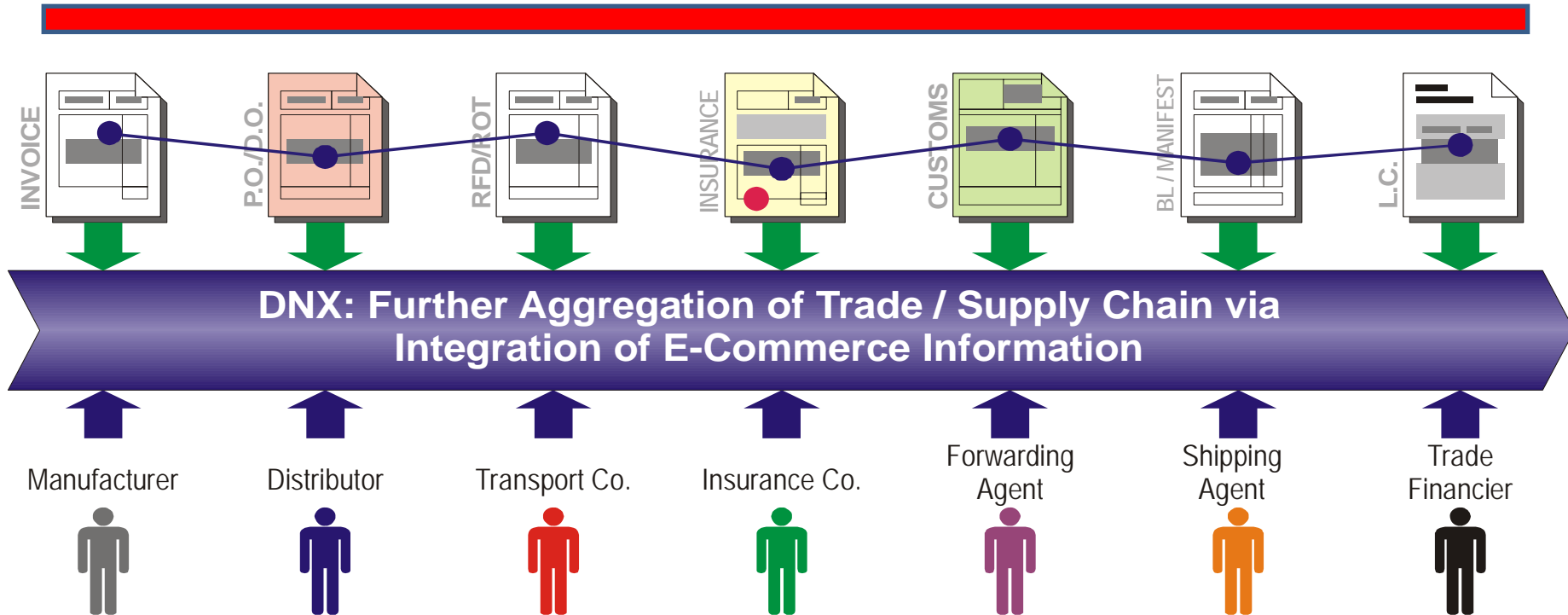
Vision

The Challenge

Various / Different Controlling Govt. Agencies



The Vision



Extended Data Re-use

Accuracy

Efficiency

Speed

Single point-of-reference

Cost Savings

National Single Window versus Trade Facilitation

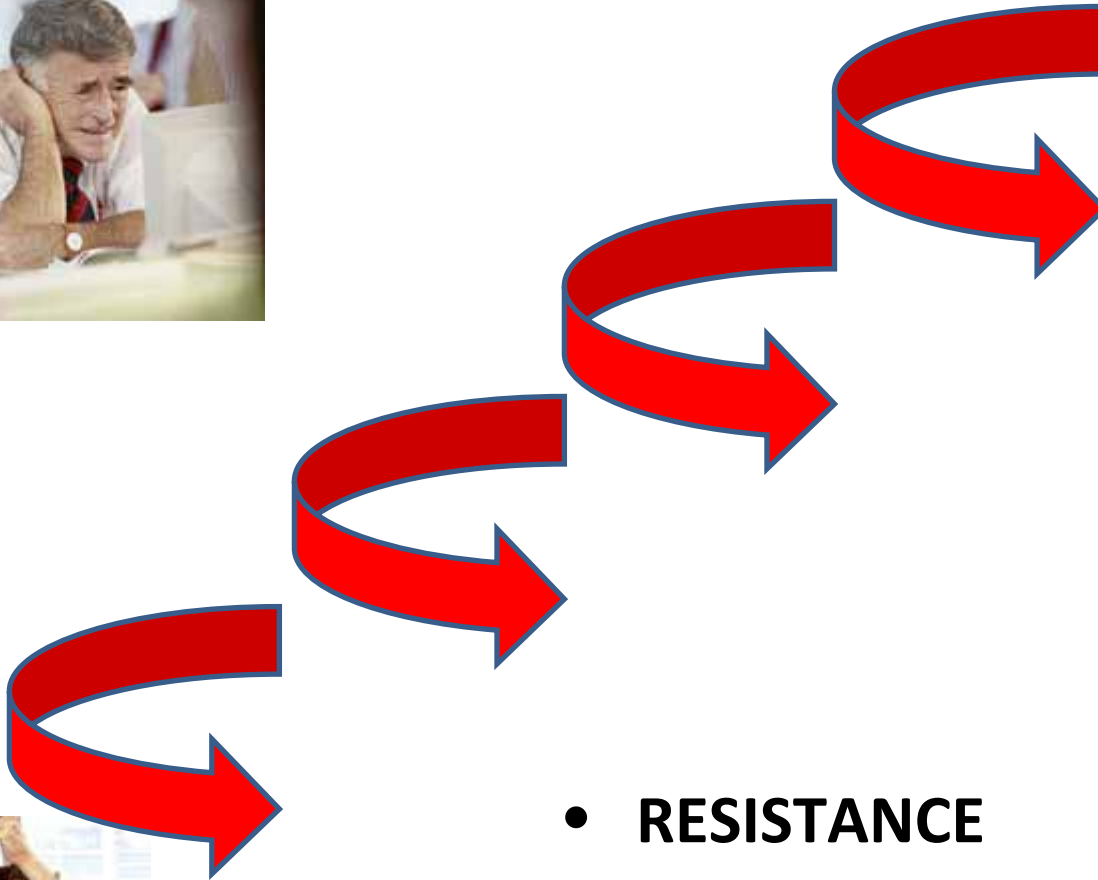




Challenges

PEOPLE

Mindset



• **RESISTANCE**

- Too visionary
 - Complex
 - Confusion
 - Fear



Lack of Information



Uncertainty



W I I I F M ???



WHAT IS IT IN FOR ME ?



Challenges

***SIMPLIFICATION, STANDARDIZATION &
HARMONIZATION***

The Concern

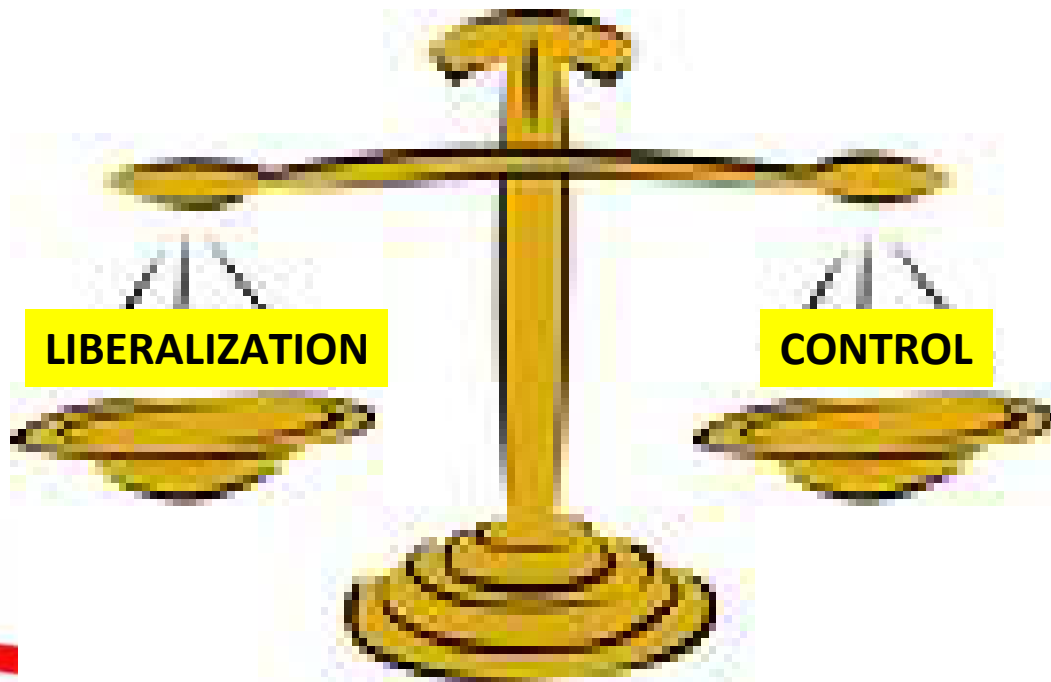
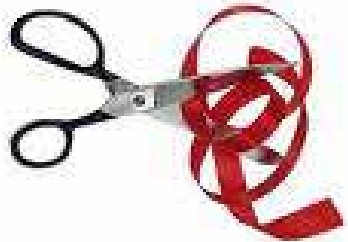
- Loss of specialized requirements.
 - Loss of authority.
 - Loss of power.
 - Loss of job.



Challenges

THE BALANCE

Business versus Government





Points to think about

GOVERNMENT OR PRIVATE SECTOR ?

The Dilemma

- Government doing business ?
- Private sector producing national policies ?
- Confidentiality ?
- National Interest ?

The Solution

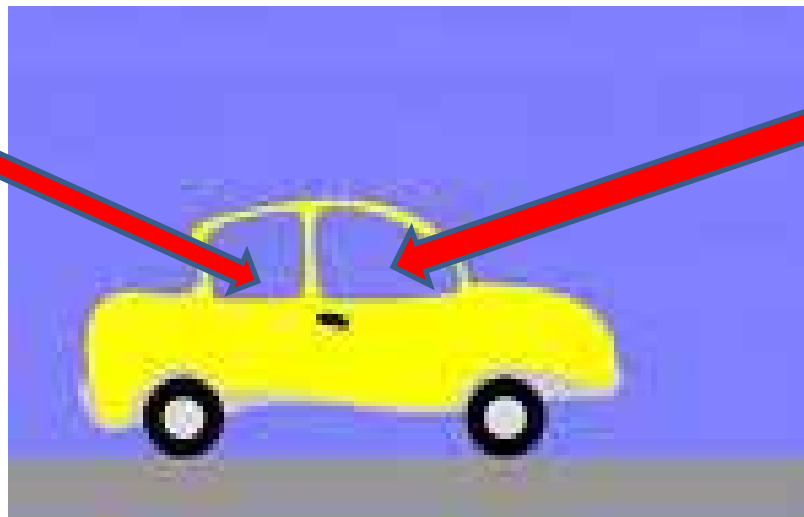
“The **private sector** should be the **DRIVER** whereas the **Government** should take the **back seat**....”

Quoted from a speech by Tun Abdullah Ahmad Badawi, former Prime Minister of Malaysia

**GOVERNMENT
(BACK SEAT)**

Also known as “Boss”

**PRIVATE SECTOR
(DRIVER)**



PUBLIC – PRIVATE PARTNERSHIP (PPP)



Points to think about

SEW OR JUST SW ?



Points to think about

BENEFITS FROM SINGLE WINDOW

Potential Benefits

- SW is for the business...higher profit, lower cost.
- Enhance IT literacy.
- Increase demand for IT skill sets.
- Creates / Enhance supporting IT industry and services.
- Enhances transparency rating.
- Spurs new innovations and creativity.

ESTABLISH STRONG VALUE STORY



Points to think about

***SUSTAINABILITY AND KNOWLEDGE
MANAGEMENT***

Sustainability

- Donor agencies for financial assistance – short term assistance.
- Not a blank cheque.
- Business model – in line with global trends
 - Volume base
 - Transaction base
 - Irrespective of success.
 - Per successful transaction.
 - Complete cycle
 - Complete successful transaction.

Knowledge Management

- Build internal competencies.
- Establish “shadow teams”.



Points to think about

UNAVOIDABLE

Unavoidable areas of concern

- Additional investment – PCs, software etc.
- Parallel requirement – both electronic and paper base.
- “Big bang” implementation.
- Technology and standards chase.



Points to think about

OTHER CRUCIAL AREAS

Normally left out

- Assessability – telephone lines, internet assess etc.
- Electricity.
- Building developers.



Points to think about

AFTER SINGLE WINDOW IN MONGOLIA

Maximization

- Supply Chain is “door to door”
- Full realization of benefits – if business counterparts complements.





THANK YOU

Tand ikh bayar lalaa

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