

Principles for Implementing a PPP Approach in the process of establishing a Single Window (SW) and Port Community System (PCS) in Ukraine

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Introduction

Public Private Partnership (PPP) is a new model by which governments and the private sector work together in a long term relationship to deliver important public services. PPPs today are widely used through the world in transports energy, telecommunications and in health and education. The challenge for governments in implementing PPPs was identified by UNECE several years ago and a framework of support was elaborated in its seven principles of good governance in PPP (ECE, 2008).

The following paper elaborates on how this seven principles contained in the UNECE Guidebook on Good Governance in Public Private Partnerships can be used on the next steps in building Single Window in Ukraine: a maritime/transport sector Single Window or, at a certain point in the future, a national Customs-based Single Window (SW) facility. A Port Community System (PCS), understood as a local Single Window, has already been established in the Ports of Odessa region as a privately built and operated entity called PPL 33-35¹. Yet on the level of a whole sector, such as maritime trade, the Government sector should remain strongly involved.

This document is prepared as a background paper for the fourth UNECE seminar on Trade Facilitation and the Single Window – Local Solution in Odessa, Ukraine, on 27 May 2014, so it makes reference to the specificities of Ukraine.

Definitions

For the purposes of this paper we adopt the following definitions of Public Private Partnership, Single Window and Port Community System:

Public Private Partnership (PPP)

According to UNECE Guidebook on Promoting Good Governance in Public-Private Partnerships, Public Private Partnership (PPP) aims at financing, designing, implementing and operating public sector facilities and services. Their key characteristics include: (a) Long-term (sometimes up to 30 years) service provisions; (b) The transfer of risk to the private sector; and (c) Different forms of long-term contracts drawn up between legal entities and public authorities. They refer to ‘innovative methods used by the public sector to contract with the private sector, who bring their capital and their ability to deliver projects on time and to budget, while the public sector retains the responsibility to provide these services to the public in a way that benefits the public and delivers economic development and an improvement in the quality of life’.

¹ The company was named after UNECE and UN/CEFACT Recommendations 33, 34 and 35 (for more details on the functioning of the system, see www.singlewindow.org). The system has not been transferred to the public sector (e.g. the ports, which are still public). Even if a private company as operator is fully acceptable for a PCS: in some ports in Europe PCSs are 100% private (among these is Hamburg’s Dakosy AG) and in others PCSs have been built on a PPP basis.

Single Window (SW)

The UNECE Recommendation 33 defines a Single Window (SW) as a facility that allows parties involved in trade and transport to lodge standardized information and documents with a single entry point to fulfil all import, export, and transit-related regulatory requirements. If information is electronic, then individual data elements should only be submitted once.

Port Community System (PCS)

The European Port Community System Association (EPCSA) defines a Port Community System (PCS) as a neutral and open electronic platform enabling intelligent and secure exchange of information between public and private stakeholders to improve efficiency and competitiveness within the sea and airport communities. Documents and information can be linked up electronically for better and faster coordination among all those stakeholders in the port community. A Port Single Window normally connects to the electronic Customs declaration system and to other regulatory authorities. The system should optimize, manage and automate smooth port and logistics procedures through a single submission of data and by connecting transport and logistics chains.

Recommendation 33 defines a PCS as a type of SW, while some experts believe these are two different concepts. In the European Commission, two Directorates General have two distinct programmes to establish EU-wide sets of Single Window systems. Namely, (1) the Directorate General on taxes and the Customs Union (DG TAXUD) supports, in its Multiannual Strategic plan on e-Customs, the creation of 28 national Customs-based Single Window systems; and (2) the Directorate General on mobility and transport (DG MOVE) supports the creation of maritime or transport “National Single Windows” (as defined in Directive 2010/65/EU²) in those countries of the European Union and the Single European Space (including Norway which have maritime ports).

PPP in the context of SW and PCS

A public-private partnership (PPP) involves the private sector in aspects of the provision of infrastructure assets or of new or existing infrastructure services that have traditionally been provided by the government. In the case of a SW or PCS, we are talking primarily about the development of an information system, where IPRs also enter into the picture. Infrastructure development is just a limited portion of the activities on developing a Single Window. In legal terms PPPs involve delegation of public power to private entities to provide a public service. PPPs thus include:

- a long-term contractual relationship;
- sharing of risks between public and private entities;
- public sector retaining ultimate accountability for the provision of the service;
- payment by the public sector to the private sector operator of fees based on performance, and
- payment only commences when services commence (this feature encourages on time and to budget delivery).

There are numerous SW and PCS facilities developed through PPPs, and the benefits are described in the UNECE Repository of Single Window case studies³. Nevertheless, there is no unanimous view on their overall impact – what are the pros and cons of using a PPP in the creation of a SW or PCS. There are a number of basic features of a SW and PCS, which make them good candidates for implementing them through a PPP:

² Directive 2010/65/EU of the European Parliament and of the Council of 20 October 2010 on reporting formalities for ships arriving in and/or departing from ports of the Member States and repealing Directive 2002/6/EC (text with EEA relevance)

<http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32010L0065&from=EN>

³ http://www.unece.org/cefact/single_window/welcome.html

Overall costs of development and operating a PCS (or a maritime SW) may vary between 2 million EUR (in Barcelona) and 100 million (in Japan). They are manageable when compared to the cost of developing ‘logistical corridors’ which involve different modes of transport.

- Maintenance of SW costs are (partly) transferred to the private sector and the division of roles (tasks) and risks can be easily defined.
- Service delivery to a trading community, who is willing and can pay for the service (as it saves them operational costs), is a good means of generating a revenue stream that forms the basis for operation and maintenance of many PPPs.
- In some cases there may be a staff increase of approximately 30 to 40 to run the facility, to operate it and carry out training on how the partnership would work. A SW would not involve a cut in staff as many PPPs in ports do.

The rationale for using a PPP in building a SW includes the following factors:

- PPP as a way of financing projects that otherwise would be ‘unaffordable’ to the public partner;
- Leveraging private sector innovation and technology;
- Yielding whole life costs savings;
- Allow government Ministries to focus on their core mission.

Basic requirements to establish a PPP

A common misconception about public-private partnerships (PPPs) is that they require less public sector involvement; in reality they demand more. PPPs require a strong public sector that is able to adopt a new role and perform new skills. Weak institutions can hamper the implementation of PPP programmes. Moreover, poorly constructed, non-transparent projects can lead to failure and considerable frustration. This in turn can generate a backlash and political opposition towards the whole concept of partnerships between the public and private sector in infrastructure development.

The United Nations Economic Commission for Europe (ECE) has prepared a Guidebook on Promoting Good Governance in PPPs (ECE, 2008). Its purpose is to assist Governments in realizing the benefits from PPPs through a strengthening of their governance frameworks. The Guidebook sets out **seven principles of good governance in PPPs** and the ways each principle can be achieved with respect to:

- A coherent PPP policy to provide clear direction and leadership;
- Strong enabling institutions within the Government, with skills in identifying, initiating, delivering and monitoring projects;
- A legal and regulatory framework that offers clarity, simplicity and predictability in legal processes;
- Fair risk-sharing between public and private sectors;
- Transparency, openness and fairness in selecting private partners;
- Putting people first by making the projects accountable to them for performance and delivery; and
- Sustainable development and ensuring the outcomes have the maximum developmental impact and respect for the environment.

The ‘reality check’ for any government proposing to encourage a PPP programme is to provide answers to the following three questions. Is there a viable financial and legal framework able to support long-term private sector investment? Is there readiness to pay for advice/consultancy on what problems have to be tackled and how to put them right? Can the incumbent or any future government make a commitment to pay for the services being delivered over the life of the contract, which may be 30 years? These questions reflect real issues, for example for the government of Ukraine, if it starts building "national" maritime or multi-modal transport Single Window.

1. How might the Seven principles promote the implementation of the SW concept?

We will take each of the seven principles contained in the UNECE PPP Guidebook for doing a PPP in turn:

Policy

i. Integrate the PPP project within an overall supportive PPP Policy

Projects succeed where governments support the principle of private sector involvement in the delivery of public services. A political will in addition must exist to drive the country or region towards achieving better value for money in public service delivery.

There must be acceptance of the principle of whole life costing, and an absolute commitment to the long-term (15-30 years) funding of the facility/service by government.

Projects also will benefit from being part of an integrated programme that seeks to boost the trade facilitation, the port and links it to connecting transport such as roads and rail. In Africa, so called ‘logistical corridors’ - of which SW or PCS are but a small part - have proved very successful.

Capacity Building

ii. Develop the capacity to undertake PPP

It is important that governments also increase their capacity to design, develop and manage PPPs, set up PPP units that can advise on documentation, procedures, business processes, IT, and a variety of related issues, and where necessary hire experts to make sure the project meets with international best practice.

Officials must be able to define the services required in terms of output specifications rather than the usual input specification approach, with a willingness to accept creative solutions that can save money and improve the level of service. Training of public sector officials by experienced public and private sector bodies saves repeating errors identified elsewhere and shortens the learning and implementation time.

In Ukraine there is no PPP unit on the national government level, and policy and training now lags behind other countries in the region such as Belarus. For a SW PPP new skills will be needed for both the public and private sectors.

Legal frameworks

iii. A legal framework must be in place to enable the project to compete for long-term international investment

Legal frameworks need to be modernised and simplified and ensure protection of international investors with suitable dispute resolution systems and modern and effective judiciary.

Countries need a secure, predictable, stable, consistent and commercially-oriented framework of law and regulation, so that PPPs can flourish. A clear framework of law and regulation must be based on key principles and priorities: (a) Protection of rights of investors to dispose of their property and assets; (b) Promoting a better quality of legislation under the banner of fewer, better and simpler rules; (c) Making enforcement more business sensitive; (d) Improving the effectiveness of the judiciary in the enforcement of contracts; and (e) Developing the legal framework for PPPs on the basis of thorough consultation in those areas which most directly affect the start-up of the project and its operation, including concession, tax, competition, procurement and company laws.

Fewer, better and simpler laws will all lead to successful PPPs. Improving legal processes means better arbitration processes together with fair and consistent enforcement as well as fuller consultations. It is important to train lawyers and judges, particularly about lenders’ rights to ‘step in’, while empowering

citizens to use the legal processes is also essential to creating good governance. In Ukraine a number of weaknesses exist in the legal framework concerning PPPs. The procumbent law should be consistent with the needs of a PPP-based project.

PPP legal weaknesses in Ukraine⁴:

- Complexity, multi-levelness, bureaucracy of PPP’s mechanism in the Law on PPPs of Ukraine 01.07.2010 N 2404-VI "About PPP";
- Contradictions between the powers of the authorities dealing with PPP;
- Non-transparent mechanisms of PPP project initiation, and of the selection of private partners;
- Small responsibilities of the public partner, which stimulates the cooperation of private partners;
- Lack of regulations in the Budget Code of Ukraine guaranteeing compensation for losses of private partners arising from non-performance of the state's obligations in PPP projects;
- Lack of tax and customs advantages for entities implementing PPP projects.

Risks

iv. Balanced risk sharing

There must be a fair risk sharing between the public and private partners that permits a good chance of generating profitable returns for the private sector, whilst putting private sector investment at risk if services are not delivered at the service level required. In this context the company operating SW should not enjoy a monopolistic position. A competitive environment needs to be developed instead.

In Ukraine there is a lack of transparency often in the area of risk sharing. In IT projects risks are not easily shared: generally because the software in IT proves to be poor basis for collateral. Risk allocation is a critical means of achieving the bankability of projects.

Transparent procurement

v. Open procurement procedure is critical if success is to be achieved

The need to consult with the market and make sure that the government achieves the best deal is a critical feature of PPP. In all countries this involves a dialogue with the private sector including the following:

- Advertise the opportunity;
- Discuss the contract;
- Hold industry briefings;
- Manage the contract preparations;
- Establish a project management team;
- Define the outputs - as opposed to inputs – that will be involved in the project;
- Evaluate the proposals from the business community and negotiate with a small group of shortlisted offers to achieve optimum results from the public interest side.

Environmental sustainability

vi. Make sure that achieving certain commercial goals does not come at the cost of sacrificing the environment

The SW as a paperless trading mechanism has built in green credentials but nevertheless a number of ‘green economy objectives’ need to be complied with, in the development of a SW PPP.

People

⁴ Selivanova, Irina. “[Ukrainian legislation on PPP does not advance investor relations](#)”, Legal Practice, no.40, 03.10.2013 (in Russian)

vii. Put people first

Very few PPPs adequately consult end users and PPPs need to develop proper consultative mechanisms so that the PPPs become more popular and reflect the public interest. Governments need to consult with the public and all stakeholders in developing a SW system. In this sense, the project should not just lead to the decrease of numbers of people working on the collection of trade-related information and the control of the flow of goods and accompanying information.

Basic PPP models

A number of different models can be applied in the development of a PCS and a maritime SW, such as: “Build-Operate-Transfer” (BOT), “Design-Build” (DB), “Design-Build-Maintain” (DBM), “Design-Build-Maintain-Operate” (DBMO), “Design-Build-Finance-Maintain” (DBFM), “Design-Build-Finance-Maintain-Operate” (DBFMO), “Build-Operate-Transfer” (BOT), “Build-Transfer- Operate” (BTO), Leaseback and Concession, which have been used in various locations around the world. Please see the Annex 1 of this paper for the full description of basic PPP models. UNECE’s suggestion to the relevant authorities and businesses in Ukraine is to consider building the next phases of the Single Window in Ukraine (notably if they cover whole sectors of the Ukrainian economy) on the basis of PPP for the following reasons:

- 1) PPP has been successfully used to build and operate a number of Single Window facilities around the world, and these clearly demonstrate the benefits of using this approach. A Maritime Single Window has been built in Finland – the first such facility in a European country, covering its whole maritime trade sector. This proved exceptionally trustful to both public and private sectors and increase trade and revenues. The Single Window in Singapore, which plays an important part in the economy of that country, has also been built using PPP. The Single Window in Senegal was also based on PPP. Short description of these cases is provided in the Annex 4 of this paper.
- 2) Private sector skills and expertise in IT are critical for facilitating trade using new technologies. In most countries the public sector’s capabilities are not sufficient to deliver efficient functioning of ITs systems for the 21st century.

Conclusions

The use of PPPs for SWs has been successful in many cases around the world, similarly to PPPs in ports which focus on infrastructure development. However, there are specific challenges in the cases of building various forms of SW through PPP, which have to be studied and addressed. Collecting and presenting to the stakeholders best practices from the various cases of successful implementation is a first step that would give more confidence to both public and private sectors in developing PPPs in SWs in Ukraine and elsewhere.

A PSC has already been established in the ports of Odessa region through private investment by the Plaske freight forwarding company and is operated by a private company called PPL 33-35. The private sector in Ukraine took voluntarily UNECE’s advice to develop the PCS in Odessa as a trade facilitating instrument. First, the system was created by and for the Port of Odessa, then an MoU was signed with the neighbouring port of Ilyichovsk, with a view to expand the system to the Port of Yuzhniy, the dry port of Odessa and the river port of Reni, thus creating a key link in trade information flows between maritime and river transportation. The investment was private, but the implementation was carried out by specialists of the publically owned Port of Odessa - notably the IT and commercial departments of the Port of Odessa. Yet they did not adopt a business model, in which the private sector would invest, recover its investment, and then transfer the system to the publically-owned ports, and leave it to operate as a public-private partnership. The arguments were that: (1) the public sector (the port) had no financial resources, organizational ability and capacity to implement the project (even if the system was developed by specialists from the Port Administration, which requested the project); (2) only the private investor could go on with the maintenance

and operation of the system after it started paying off; (3) Only the private investor took the risk to support the project financially in the beginning.

It is essential to develop from the very beginning, coordinate between public and private stakeholders, and then implement a business plan based on analysis of costs and benefits, sources of initial investment, its reimbursement the method of financing the maintenance of the system (fees-based or other), the distribution of investments, risks, ownership and income from the functioning of the system and other issues.

The planned next step is the establishment of a maritime Single Window in Ukraine, covering all the ports and various modes of transport in the country. On this second stage of development of the Single Window concept in Ukraine, it seems that the PPP model should be considered much more seriously than on the level of a PCS. On this level (a whole sector of the economy - maritime transport or even the whole transport sector) it is important to keep the public sector in the picture, in order to avoid risks of domination of the system by a monopoly and overly concentration of a basically public agency function in private hands. In Finland, for example, the maritime Single Window called PortNet operates as a company under the Ministry of Transport. A system was created in 2011 in Morocco (also called PortNet) with the investment of 8 million euros from the National Administration of Ports. When the system started working, it was expanded to include Customs and other regulatory bodies; while the ownership was split between the public National Administration of Ports (60%) and private trade operators (40%). Currently, the use of the system is free, but a payment scheme for services will be introduced soon.

The first steps to create such a mechanism have been made in Ukraine. The Administration of Ports, under the Ministry of Infrastructure, has made the first steps towards the establishment of a maritime Single Window. The Directorate General of the European Commission, dealing with mobility, DG MOVE, has adopted Directive 2010/65/EU on reporting formalities for ships arriving in and/or departing from ports.⁵ It envisages the creation of a network of “National Single Windows” (in fact transport sector Single Windows) in the European Union. Actually, some countries, including Ukraine, can focus on creating a Single Window for all transport sectors, using PPP. The experience and software of the PCS in Odessa can become an excellent basis for building a maritime or transport Single Window on the basis of one of the PPP models listed in the Attachment 1 below. Directive 2010/65/EU of the European Union confers responsibility for implementing a maritime Single Window in all EU Member States, but leaves for them the possibility to choose a concrete form of developing and operating such a system, including who will be the operator – the private or the public sector. In any case, it is necessary to provide the enabling circumstances for the State to perform its essential functions in the field of regulation of international trade, and to create the necessary conditions for free competition.

⁵ <http://ec.europa.eu/transparency/regexpert/index.cfm?do=groupDetail.groupDetailDoc&id=8971&no=2>

Annex 1: Basic PPP models⁶

The following terms are commonly used to describe typical partnership agreements:

Buy-Build-Operate (BBO): Transfer of a public asset to a private or quasi-public entity usually under contract that the assets are to be upgraded and operated for a specified period of time. Public control is exercised through the contract at the time of transfer.

Build-Own-Operate (BOO): The private sector finances, builds, owns and operates a facility or service in perpetuity. The public constraints are stated in the original agreement and through on-going regulatory authority.

Build-Own-Operate-Transfer (BOOT): A private entity receives a franchise to finance, design, build and operate a facility (and to charge user fees) for a specified period, after which ownership is transferred back to the public sector.

Build-Operate-Transfer (BOT): The private sector designs, finances and constructs a new facility under a long-term Concession contract, and operates the facility during the term of the Concession after which ownership is transferred back to the public sector if not already transferred upon completion of the facility. In fact, such a form covers BOOT and BLOT with the sole difference being the ownership of the facility.

Build-Lease-Operate-Transfer (BLOT): A private entity receives a franchise to finance, design, build and operate a leased facility (and to charge user fees) for the lease period, against payment of a rent.

Design-Build-Finance-Operate (DBFO): The private sector designs, finances and constructs a new facility under a long-term lease, and operates the facility during the term of the lease. The private partner transfers the new facility to the public sector at the end of the lease term.

Finance Only: A private entity, usually a financial services company, funds a project directly or uses various mechanisms such as a long-term lease or bond issue.

Operation & Maintenance Contract (O & M): A private operator, under contract, operates a publicly owned asset for a specified term. Ownership of the asset remains with the public entity. (Many do not consider O&M's to be within the spectrum of PPPs and consider such contracts as service contracts.)

Design-Build (DB): The private sector designs and builds infrastructure to meet public sector performance specifications, often for a fixed price, turnkey basis, so the risk of cost overruns is transferred to the private sector. (Many do not consider DB's to be within the spectrum of PPPs and consider such contracts as public works contracts.)

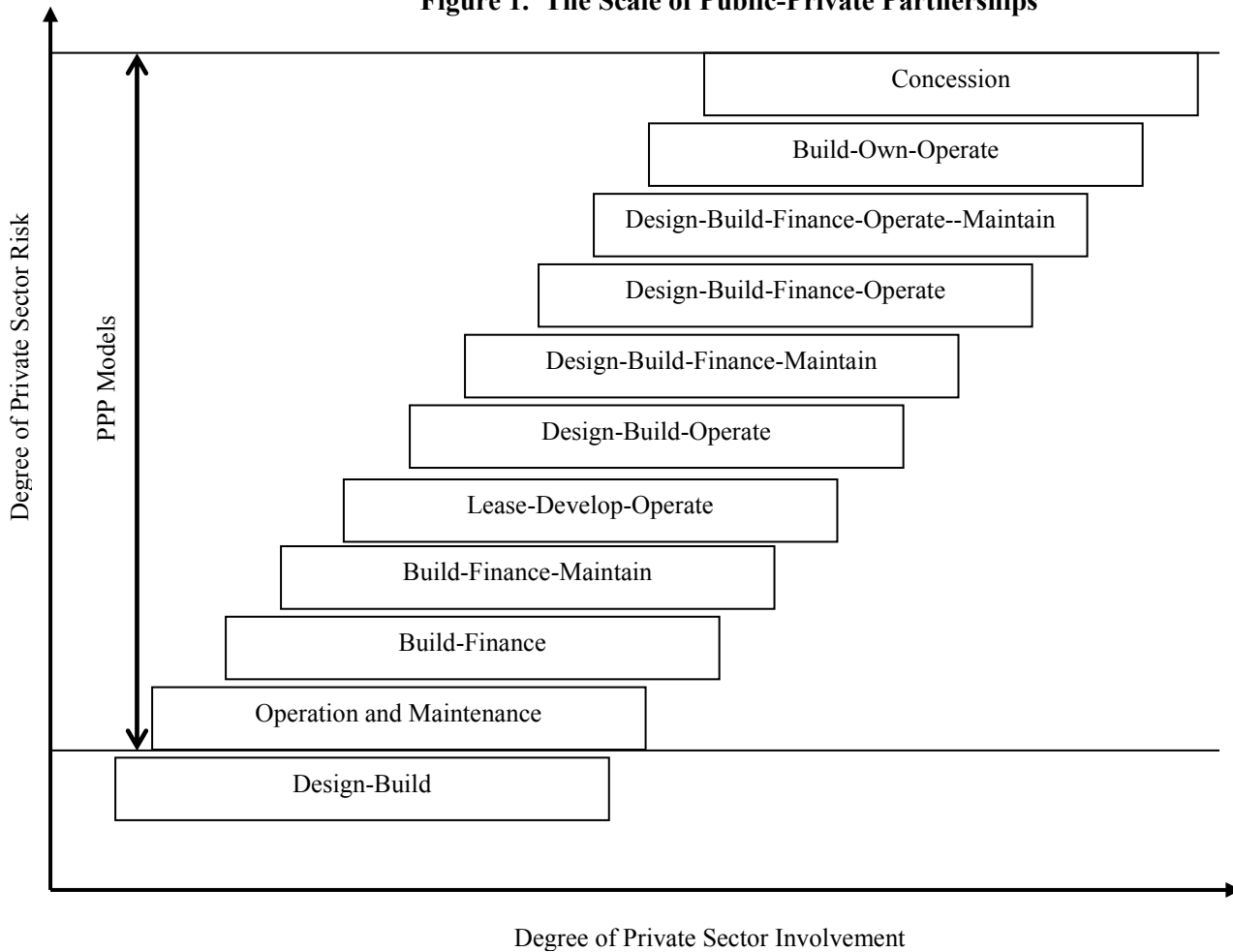
Operation License: A private operator receives a license or rights to operate a public service, usually for a specified term. This is often used in IT projects.

The options available for delivery of public services range from direct provision by a ministry or government department to outright privatization, where the government transfers all responsibilities, risks and rewards for service delivery to the private sector. Within this spectrum, public-private partnerships can

⁶ United Nations Economic Commission for Europe. Guidebook on Promoting Good Governance in Public-Private Partnerships, United Nations, New York and Geneva 2008, pp. 2-5. http://www.unece.org/fileadmin/DAM/ceci/publications/ppp_r.pdf

be categorized based on the extent of public and private sector involvement and the degree of risk allocation. A simplified spectrum including the above models for public-private partnerships follows.

Figure 1. The Scale of Public-Private Partnerships



Source: The Canadian Council for Public-Private Partnerships

Annex 2: Country Examples of successful PPP application in SW and PCS

Finland⁷

Probably one of the earliest applications of the Single Window concept was the Finnish Portnet system, which was established already over ten years ago and has probably served as one model for the 2010 Reporting Formalities Directive of the European Union.⁸ The Portnet-system is a cooperation project between the Finnish maritime administration and the Finnish Customs. There are 28 commercial ports in Finland. These are mostly owned and run by the city, town or other municipality in which they are located. Some port organisations are joint stock companies, which matter adds pressure to gain profitability. All commercial ports adhere to the Portnet.

⁷ The description of Portnet is based on the PowerPoint presentation "Portnet a National Single Window for Maritime Reporting Formalities" of Mr. Antti Arkima, Finnish Transport Agency, dated 18 March 2014.

⁸ An earlier implementation was the Cargo Clearance Point established at the Schiphol Airport in Amsterdam.

The idea of Portnet is very simple: when a ship enters the port, one notice to the Portnet is enough, the message contains the relevant information for the supply of proviant (provisions), various official charges levied on the ship (fairway, pilotage and port dues), Customs operations as well as maritime safety (dangerous cargo etc.). A Portnet notice is accepted by the Customs for declaration purposes as a general notice.

In practice, this and other electronic services rendered by the government are based on administrative agreements between the various organisations involved. One of them is budgeted funds to run the system, and the maintenance can be funded by fees which the running organisation can collect in connection with receiving notices. Since the bodies are part of state administration, liability towards citizens and the public in general is based on the ordinary civil liability imposed on the Finnish state as a public community.⁹

The above does not mean that no problems would have emerged. These problems have not concerned the technical operation of the system or the data content involved as such. The problems have related to the substantive law of port operations. There is the profession of ship's agents who take care of a number of operations relating to the call of ships in ports. Ship's agents take care of Portnet notices¹⁰, too. When it comes to ships that do not regularly call Finnish ports, the agent is put in a risky position since the amendment of the Fairway Due Act¹¹ has made the agent personally liable for the payment of the relevant dues and of the documentation of the ship determining the ice class being a criterion for the size of the fairway dues, which liability is a menace for the agent. Before Portnet, vessels calling in Finnish ports were visited physically to check the documentation. This problem is mentioned only as an example that technological advances should not be accompanied by changes in the private law positions of the parties and civil liability involved.

Singapore¹²

TradeNet®, the world's first nationwide electronic trade documentation system, has been recognised as a great contribution to Singapore's pro-business environment, increasing efficiency and lowering business costs for the Singapore trading community with the innovative use of IT.

The high cost savings, greater efficiency and shorter turnaround time derived from TradeNet made Singapore a much more competitive trading hub. Before TradeNet, there was no one overall computer system to coordinate all processes and trade permit processing was done manually. The main design principle that TradeNet adopted was to reduce the interfaces required by the shipping community with the systems belonging to different government agencies. For those agencies which had yet to develop a system for processing trade permits, a user interface was provided for approval of exceptions which the business rules in TradeNet could not automatically approve. For those with existing systems, TradeNet built a few standard interfaces including MQ, flat file transfers, ftp etc.

The shipping and trade community can submit their trade declaration using the Front-End (FE) TradeNet software offered by any software providers approved by Singapore Customs or the simple web-based application provided by the Government. The FE software offers the users a variety of data submission methods, i.e. via internet / web application, client based input or host-to-host connection. After the user submits the declaration, the FE system sends the data for automated processing by the various authorities via TradeNet. The permit processing sub-module of TradeNet provides an intelligent routing agent that automatically determines the workflow required for that particular permit application and routes it to the relevant authorities for their processing. A set of rules embedded in the rules engine will then execute the

⁹ Chapter 3 Section 1 paragraph 2 of the Finnish Torts Act (412/1974)

¹⁰ These are Advance Notice (CUSREP) DG Cargo Notice (IFTDGN) and Cargo Report (manifest or statistical), (CUSCAR)

¹¹ Väylämaksulaki (1122/2005)

¹² UNECE SW repository http://www.unece.org/fileadmin/DAM/cefact/single_window/sw_cases/Download/Singapore.pdf

processing requirements for each of the controlling agencies involved in the processing. With the in-built intelligence that enables automated processing, more than 90% of the declarations do not require manual intervention and users are able to receive and print their approved cargo clearance permit within 10 minutes. There are also options for declarants to transmit data directly via their host systems in any structure data format.

Web portal services are provided for traders to process their permits, check on the transaction status and make billing enquiries. It also allows download of permit listing, and code tables (e.g. country, port, harmonized system codes etc). The portal also enables the authorities to process the declarations and to make enquiry.

Singapore Customs adopted a Public-Private Partnership (PPP) model for the development and implementation of TradeXchange® and revamp of TradeNet in 2007. TradeXchange is a neutral and secure and neutral IT platform that facilitates the exchange of commercial and regulatory information for the trading and logistics communities. It enables value-added service providers to offer end-to-end application services to the trade and logistics community, such as supply chain management, trade documentation preparation, trade finance and insurance. TradeNet, a core application of TradeXchange, was revamped to provide a more stream lined and simplified trade declaration system and more value-added services to users.

CrimsonLogic Pte Ltd, a private company, was selected through an open competitive tender to develop, operate and maintain TradeXchange and TradeNet. The PPP model enables Singapore Customs to leverage on the capabilities and expertise of the IT company to build and operate these systems, while CrimsonLogic is able to recover its capital investments and operating expenses through collecting processing fees from users.

Senegal¹³

The Ministry of Commerce started the Senegalese Single Window's project – ORBUS - in early 1996. Some stakeholders were already equipped with their own system (e.g.: Banks, insurance companies, inspection, customs) others were not. For those who were not equipped, we provided them with.

ORBUS interface as their new system (hardware and software were offered to public stakeholders. For private stakeholders, only software was offered). We provided those who were equipped, with an open interface that they can use by creating an electronic link to their system to proceed 100% electronically. It is also possible for them to use the interface as a stand-alone application and to manually feed data into their system.

In 2001, the project moved to the Ministry of Finance. In 2002, GIE GAINDE 2000 was created to finalize the project and to operate the system. The two solutions currently co-exist. The project ended in 2004.

The ORBUS 2000 System is designed to facilitate foreign trade procedures through electronic exchanges among the different stakeholders. The system is built on a technological infrastructure and provides a set of services. The Facilitation Center (the Key point of the ORBUS System) is in charge of coordinating the ORBUS operations and the monitoring of the system's performances. The Facilitation Center has been set up to carry out three main functions: serve as the back office of the ORBUS System, manage the traders who do not have direct access to the system, certify the ORBUS printouts to be submitted to non-automated Customs Stations.

¹³UNECE SW repository http://www.unece.org/fileadmin/DAM/cefact/single_window/sw_cases/Download/Senegal.pdf

During the Trade Point phase, the government mainly financed the project. After transferring the project to Customs, the project was financed by a committee including both the private sector and the Government. That committee collects 10 USD per customs declaration to maintain and improve the system.