

Jon Walden

Nigerian Ports Authority - National Single Window Final Report/

May 2017



Contract Reference No. NPA Study (041 NPA CA)

Crown Agents Reference NO. 106890

Table of Contents

1.0 Executive Summary.....	1
2.0 The Single Window Concept	2
3.0 Single Window and NPA.....	5
4.0 Recommendations	8
Annex I	9

This document is submitted to the named client but remains the copyright of Crown Agents. It should not be reproduced in whole or part without the express written permission of Crown Agents.

It should be noted that the BSI Symbol and UKAS Accreditation mark signify that Crown Agents operate a documented Quality Management System registered with the British Standards Institution to the international quality standard BS EN ISO 9001:2008. The provision of consultancy services in revenue enhancement and expenditure and debt management including: customs, taxation and trade, human institutional and organisational development, engineering, procurement management advice and reform, health logistics and procurement services. The management of third party quality assurance and inspection services related to the supply of manufactured and processed products. International freight forwarding services utilising in house sub-contract warehousing. Verification of service as follows: Air Import – Clearance UK airport; Exports – Airport of departure; Sea Imports – Clearance UK port; Sea Exports – Port of loading.



FS33234

1.0 Executive Summary

Single Window is a trade facilitation tool which when deployed inevitably results in significant improvement in the time and cost in carrying out cross-border trade. As such, when implemented in developing countries, which tend to suffer from a large number of non-tariff barriers, the benefits are accrued quickly.

In Nigeria, the employment of ICT solutions operated by the regulatory authorities is an ongoing process. There has possibly been insufficient stakeholder engagement in the design, governance, and requirements of the national Single Window platform. The WTO Trade Facilitation Agreement requires member states to implement Single Window. The Nigeria National Trade Facilitation Committee has been convened and Single Window is likely to be a priority agenda item.

The Nigerian Ports are the principal entry points for import and export cargo. Release of cargoes from the ports does not meet international standards in that clearance and release formalities can be an elongated process, thereby increasing the cost of essential imports and reducing export competitiveness. All of this is detrimental to the Nigerian economy.

The Nigerian Ports Authority has taken a very proactive approach to embracing ICT technologies for a number of internal activity areas and now has a focus on exploring the best options for a Single Window environment that would meet the needs of the Ports and all stakeholders therein. The Authority has considered establishing a Port Community System to fill a gap prior to the full rollout of the National Single Window System. The project team considered that this may not be the optimum approach, and our recommendations are based on NPA fully engaging in the phased rollout of the National Single Window. This full engagement would enable NPA to influence the design and capabilities of the system early on in the implementation process when it would be most effective to do so.

2.0 The Single Window Concept

UNCEFACT has made recommendations on the Single Window Concept. Article 33 defines Single Window as “a facility that allows parties involved in trade and transport to lodge standardised information and documents with a single entry point to fulfil all import, export and transit-related regulatory requirements.” The concept allows for either a manual document exchange or an electronic platform. The latter is clearly the way forward as a mechanism to support 21st century trade.

Various options are available in relation to establishing the Single Window and the governing structure. Typical options are:

- Public sector entity owned by the Customs Authority
- Public sector entity owned by another government agency
- Private sector entity, e.g., a chamber of commerce
- Public Private Partnership where a Special Purpose Vehicle is established

Each of the above options has its own strengths and weaknesses, and selection should be based on the capabilities, level of transparency, and the particular circumstances of the national agencies. Necessarily, the implementation of a Single Window system is complex and, therefore, does not happen quickly. As shown below, the implementation of a Regional Single Window in the ASEAN Region provides a good example of the successes and challenges faced in most countries and regions when National or Regional Single Windows are first established.



- ✓ Strong central vision and political support
- ✓ Harmonization of processes and documents
- ✓ Investment
- ✓ Recognition of a lead agency



Continued expansion to other documents
Early stakeholder engagement
Legal Framework
Enforceability
Sustainability

Conceptual decisions which must be made at an early stage are identification of the lead agency, financing model, and governance of the system. Best practice for implementation is generally a four-phased exercise:

- Phase I – Business Process Re-engineering
- Phase II – Harmonization of documents and systems across agencies
- Phase III – Role-out to connect relevant public sector agencies
- Phase IV – Role-out to relevant private sector organizations

Single Window environments have been successfully implemented in several Sub-Saharan African countries, including Senegal, Kenya, and Rwanda. In all cases, the envisaged benefits have materialised to the benefit of the relevant economies. It should also be recognised that the WTO Trade Facilitation Agreement is now in force and compliance thereof, including establishment of a Single Window, is mandatory for Nigeria.

UN RECOMMENDATIONS FOR SW

Est.	No.	Recommendation
2004	33	Single Window Recommendation
2011	34	Data Simplification and Standardization for International Trade
2011	35	Establishing a legal framework for international trade Single Window
2017	36	Interoperability of Single Window Systems
2017	tbc	Core Principals for the Operation of Single Windows



3.0 Single Window and NPA

NPA has stated, “a single window deployment must set guidelines for data harmonisation and standardisation so that the heterogeneous systems installed by the agencies / stakeholders involved in the trade facilitation understands and interpret data the same way.”

NPA has robustly recognised the importance of Single Window and has planned its own ICT strategy to embrace the concept and to provide leadership within the port community in this respect. The Authority has conducted a mapping exercise to identify stakeholders requiring connectivity into the Single Window, as follows:

Immediate Connection

- Private Terminal Operators
- Shipping Lines/ Shipping Companies
- Freight Forwarders
- The Nigerian Customs Service
- Stevedores
- Inland Container Depot (ICDs)
- Security Agencies such as the Nigerian Navy, the Marine Police, Port Police, SSS, etc
- Crude Oil & LNG/LPG Terminal Operators
- Importers and Exporters

2nd Phase connection

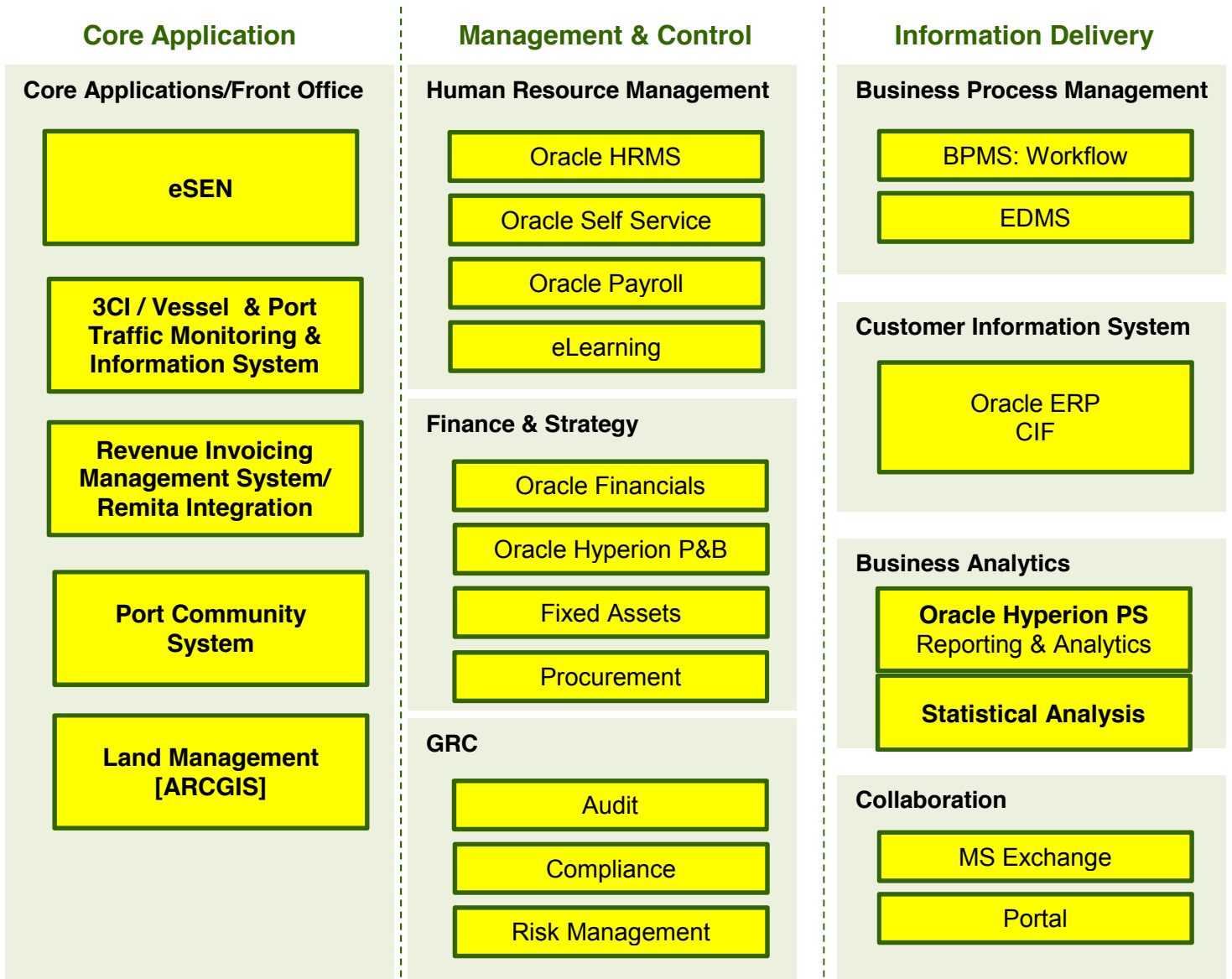
- Intermodal Transportation System Agencies (NRC)
- Nigerian Immigration Service
- Sister Maritime Agencies (NIMASA, Nigerian Shipper’s Council, NIWA)
- National Agencies such as CBN, NBS, Federal Ministries, Presidency etc.

3rd Last stage of Connection

- Other Ports of the World
- International Organizations and Bodies such as IMO, UN, UNCTAD, WTO, EU, ECOWAS, ADB etc
- Other relevant stakeholders
- Federal Ministries.

The project team have reviewed the list and, with the exception in red, fully agree with these phases.

In their internal operations, NPA have issued a summary of their strategy and implementation plan, as below:



Currently in Nigeria there are different views on how far Single Window has been implemented to date. The Federal Government of Nigeria “Single Window for Trade” website states, “The Nigerian Single Window Trade Portal is a cross-government website that opens a new era for trade facilitation by offering a single portal for trade actors, both Nigerian and international, to access a full range of resources and standardised services from different Nigerian government agencies. The NSW Trade Portal facilitates trade by offering a platform for users to:

- Consult trade information online. For example, tariff search, arrived vessels, and regulatory guidelines
- Submit trade documents and track their trade transaction status online
- Pay online through e-payment facilities using credit card (this function to be deployed in the next phase)
- Access help-desk, trouble tickets, and other support services online (for registered users)
- Quickly reference important information on different government agencies involved in trade matters, as well as linked to their websites through a convenient hub”

Stakeholders interviewed during the project, including NPA, suggested that not all of these services are currently available and it is very clear that the process of customs clearing and releasing cargo from the ports is still not fully automated, resulting in regular delays for most traders. Conversely, the introduction by NCS of the PAAR system (pre-arrival processing) has evidenced benefits. This would suggest that the implementation of a comprehensive National Single Window in Nigeria would facilitate a multiplier effect in relation to regulatory and logistics operations at the key entry and exit points.

The website currently lists the following agencies as having connectivity to the Single Window:

NCS
NAFDAC
SON
CBN
FMF
NBS
FIRS
NESREA
FRSC
RMRDC
NAQS
NFIU

Understandably, there is a level of impatience for Single Window to become available to the large number of stakeholders involved in cross-border trading operations. Consequently, NPA have been considering the establishment of a Port Community System to connect port stakeholders in the short to medium term. The rationale for this is well-founded. However, the project team consider that the setting up of a Port Community System could be counterproductive as, inevitably, at some stage the PCS would need to become part of the Single Window. Otherwise, there would effectively be a duplicative and inefficient double window, which would not be for the benefit of traders. Rather than progress in this direction, the team believes that NPA should be positioned to engage fully from this point henceforth in planning and becoming a core element of the Nigerian National Single Window. It should be noted that Kenya considered

a similar approach of establishing a Port Community System in Mombasa Port Complex but the establishment of the Kenya Trade Single Window – Kentrade - overtook this initiative. Kentrade is now operating successfully and the intended benefits are now evident.

4.0 Recommendations

The project team make the following recommendations:

1. NPA should fully engage with the Nigeria National Trade Facilitation Committee on all matters concerning Single Window as a core stakeholder. This will help ensure that the design and data capture of the platform meets the requirement of the port community and port operations.
2. NPA should ensure that broadband connectivity is available throughout the environs of the Port Complexes so that the infrastructure enables stakeholders to access all the appropriate elements of the platform.
3. NPA should work with NCS to prioritise full connectivity for Terminal Operators at an early stage. The availability of Direct Trader Input into the system should also be expanded.
4. If it becomes necessary to establish an interim Port Community System, the technical design should allow for full integration into the National Single Window at an early stage. As such, a corresponding legal framework (to SW) should also be established at the outset:

UN/CEFACT Rec.No. 35 – Legal Framework

- Provides a checklist of legal issues for Single Window operators:

- | | |
|--|--------------------------|
| a. legal basis | j. intellectual property |
| b. Organizational structure | k. competition issues |
| c. Data requests | |
| d. data sharing | |
| e. data protection | |
| f. data accuracy and integrity | |
| g. liability | |
| h. dispute resolution | |
| i. electronic archiving and audit trails | |

38

5. NPA should closely monitor, record and publish average release times at each terminal to measure change as the Single Window system matures.
6. NPA should consult with port stakeholders groups regularly to ensure their changing needs are met during system design phases.

ANNEX I

Crown Agents Ltd
St Nicholas House
St Nicholas Road
Sutton
Surrey
SM1 1EL
United Kingdom

T: +44 (0)20 8643 3311
F: +44 (0)20 8643 8232

e-mail enquiries@crownagents.co.uk
www.crownagents.com

ANNEX I



Good Practice in Trade Enabling Environment /

Best Practice for Single Window

NIGERIAN PORTS AUTHORITY / MAY 2017



1. Defining Single Window
2. International Best Practice
3. Lessons Learned from Crown Agents

Defining Single Window /



Defining Single Window



“Single Window is defined as a facility that allows parties involved in trade and transport to lodge standardized information and documents with a single entry point to fulfill all import, export, and transit-related regulatory requirements.

If information is electronic, then individual data elements should only be submitted once.”

- *UNCEFACT Recommendation 33*

N.B. Trader Perspective

Defining the Single Window

“The Single Window for trade is a national **or regional system** **mainly built** on a computer platform **initiated by government or an ad hoc entity** to allows parties involved in trade and transport to lodge standardized information and documents with a single entry point to fulfill all import, export, and transit-related regulatory requirements.”

- African Alliance for eCommerce



International Best Practice /




UN/CEFACT

SIMPLE, TRANSPARENT AND EFFECTIVE
PROCESSES FOR GLOBAL BUSINESS



WORLD CUSTOMS ORGANIZATION
ORGANISATION MONDIALE DES DOUANES



Est.	No.	Recommendation
2004	33	Single Window Recommendation
2011	34	Data Simplification and Standardization for International Trade
2011	35	Establishing a legal framework for international trade Single Window
2017	36	<i>Interoperability of Single Window Systems</i>
2017	<i>tbc</i>	<i>Core Principals for the Operation of Single Windows</i>  HC1

Slide 8

HC1

For 2017 tbc? Is this accurate?

Halewyck, Caroline, 10/13/2017

UN/CEFACT Rec.No. 33 – Defining the Concept

Definition: “A Single Window is 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.”

Guidelines offer:

- common models (single authority, single system)
- benefits
- services
- practical steps and standard tools

UN/CEFACT Rec.No. 34 – Data Simplification

A four-stage process to achieve a national simplified and standardized dataset to meet government information requirements:

- Capture (prepare a national inventory)
- Define (data elements)
- Analyse (aim, context and necessity)
- Reconcile (align with international standards, e.g. UNTDED2 and UN/CEFACT Recommended Code List)

Provides a checklist of legal issues for Single Window operators:

- a. legal basis
- b. organizational structure
- c. identification, authentication and authorization
- d. Data requests
- e. data sharing
- f. data protection
- g. data accuracy and integrity
- h. liability
- i. dispute resolution
- j. electronic archiving and audit trails
- k. intellectual property
- l. competition issues

UN/CEFACT Rec.No. 36 – SW Interoperability

Supporting Cross Border Interoperability of Trade Regulatory Single Window Systems by looking across four areas:

- **Business Needs** - the primary drivers and needs for Single Window Interoperability
- **Technical Semantics** - type of business processes and information to be exchanged and existing semantic frameworks
- **Governance** - most appropriate model(s) for governance of the interoperability activity.
- **Legislative** - regional and bilateral trading obligations.

Other UN/CEFACT Tools

Simplification and Harmonisation of Trade Procedures

Rec.4 – National Trade Facilitation Bodies

Rec.18 – Facilitation Measures related to International Trade Procedures

Trade Documents

Rec.1 – UN Layout Key for Trade Documents

Rec.6 – Aligned Invoice Layout Key

Rec.22 Layout Key for Standard Consignment Instructions

Codes for International Trade:

Rec.16 – UN/LOCODE (Code for Ports and other Locations)

Rec.19 Codes for Modes of Transport

Rec.20 – Codes for Units of Measurement in International Trade

Information Communication Technology

Rec.14 – Authentication of Trade Documents by means other than signature

Rec.25 – Use of UN/EDIFACT Standard

Rec.31 – Electronic Commerce Agreement

Rec.32 – E-Commerce Self-Regulatory Instruments

Others:

Trade Data Element Directory (TDED, ISO 7372), UN/CEFACT Modelling Methodology (UMM)

WCO on Single Window

Supporting Cross Border Interoperability of Trade Regulatory Single Window Systems by looking across four areas:

- **Paper: “Single Window: Implications for Customs Administrations”** - describes the possible impact that developments around a Single Window Environment has on the future of Customs' Business.
- **Single Window Data Harmonization Guidelines** - provides Single Window environment developers with tools that can be used in order to achieve data harmonization and to develop internationally standardized data sets including the data element names, definitions, the United Nations Trade Data Element Directory (UNTDDED) tag and the formats.
- **Compendium: “How to Build a Single Window Environment”** - Volume 1 ‘Executive Guide’, deals with aspects of Single Window that are of concern to senior management. Volume 2 “Professional Practice Guide” is a collection of tools and techniques to support technical experts working on projects to establish a Single Window.

Lessons Learned from Crown Agents /



Lessons from Crown Agents SW Activities

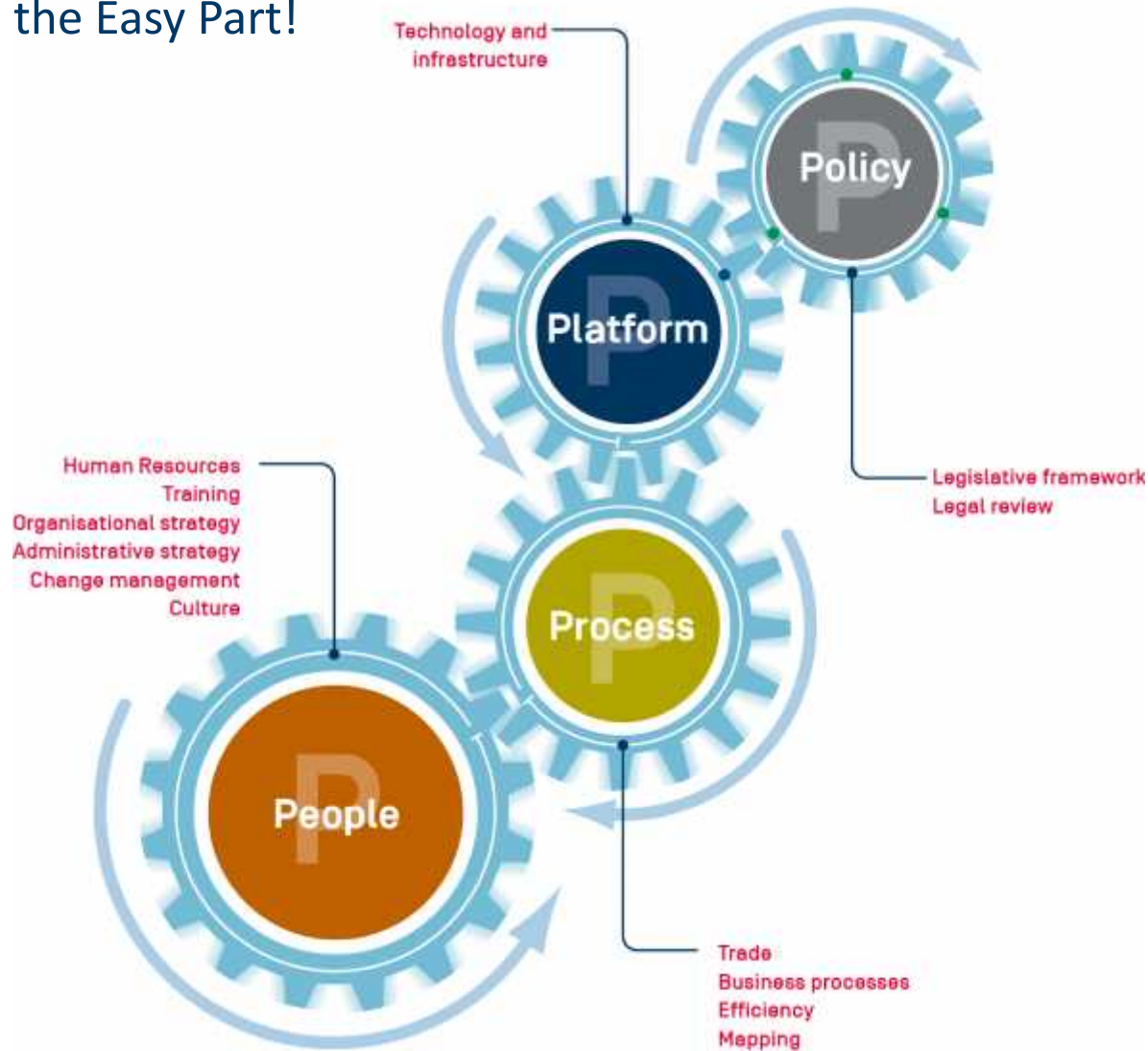
About our Work:

Crown Agents is neither an IT software company nor an integration services provider. Rather, we are a social enterprise that specialises in international economic development with trade facilitation as a key component of that.

We apply our expertise in international trade regulatory control (customs and other government agencies) in our advisory work on Single Windows, which generally involve multiple agencies working at the borders. We have worked on full implementations in Philippines, and Central Asia and provided advice and feasibility studies in a number of other countries across Africa, Asia and in the Caribbean.

We generally work with local IT development partners, supported by our system and solution architects who are, in turn, informed by our trade experts.

Technology is the Easy Part!



“Crown Agents knows that real Trade Facilitation is driven not just by the infrastructural or technological aspects, but also by the definition of more efficient processes or ways of doing things and the human and legislative changes that may be necessary to achieve enhanced trade performance.”

Thank you /