Summary Report

Technical Exchange Meeting with UNCTAD and Kosovo Customs on PAP for Express Consignments and Regional Exchange Workshop on the Digitizing Global Maritime Trade (DGMT) Project

22-24 Jan 2020

Under the invitation and logistic support of ARISE Plus Cambodia, six staffs from GDCE were attending the Regional Exchange Workshop on the Digitizing Global Maritime Trade (DGMT) Project in Bangkok on 23-24 January 2020 and a sideline trilateral technical exchange meeting with UNCTAD and Kosovo Customs on PAP for Express

Consignments on 22 January 2020. The events were held at the Novotel Bangkok Ploenchit Sukhumvit.

The trilateral technical exchange meeting was arranged and facilitated by ARISE Plus Cambodia in response to the GDCE's interest, expressed during the fact finding mission on Pre-arrival Processing (PAP) led by ARISE Plus Cambodia expert Mr. Dietmar Jost, for an exchange with peer customs in Kosovo about PAP for express consignments. Kosovo has one of the best success stories on the pre-arrival for express in Balkan countries. The meeting ended up with useful inputs from all participants and provided a good opportunity for GDCE to review the current PAP system, its development background, and its implementation in Kosovo in terms of TFA compliance and international good practice.

The DGMT project is managed and facilitated by GIZ under the financial support of Germany's Federal Ministry for Economic Cooperation and Development (BMZ) through the Alliance for Trade Facilitation programme. The Regional Exchange Workshop on the DGMT Project brought together experts from GIZ, German Alliance for Trade Facilitation, UNCTAD, Maersk/TradeLens, and customs authorities from four countries – namely Cambodia, Sri Lanka, Thailand, and Kosovo, to discuss on the pilot project in Cambodia and Sri Lanka that involves the development of ASYHUB by UNCTAD and the resulting possibility to connect ASYCUDA with industrial software, including the express and maritime trade software such as TradeLens (www.tradelens.com).

TradeLens platform was jointly developed and launched by Maersk and IBM in 2018 and currently is used by 100 industry players and customs administrations that covers some 45% of global containerised trade. ASYCUDA is a computerized system developed by UNCTAD that provides modules to handle manifests, customs declarations, risk management, among others. It is currently used by nearly 100 countries across the globe, including Cambodia and Sri Lanka. Under the DGMT, UNCTAD will develop and implement a digital adapter called ASYHUB that enable ASYCUDA users to connect to Maersk's Tradelens and other similar software from other major shipping lines and ultimately use the information provided by the shipping lines on their respective software as the basis for better risk management for pre-arrival and pre-declaration.

The first day of DGMT workshop provided an opportunity for all participants, particularly the participating customs officials from the two pilot countries, to learn about the potential benefits and requirements of the DGMT project, business showcases of TradeLens, current situation and priorities for customs officials in Cambodia, Sri Lanka and Thailand with regards to maritime shipments processing, develop a shared vision and expectation for the TradeLens and ASYHUB solution capabilities, and associated functional upgrade requirements for ASYCUDA. On the second day of the workshop, the participants discussed and came up with a plan on how the DGMT project implementation would go about in the two pilot countries as well as the approach on how the project would further onboard other ASYCUDA using countries who want to use the same solution.

The workshop also demonstrated how important the country-specific situation is and that the project must take into account the difference among the participating countries with regards to their readiness for the adoption and implementation of the TradeLens and ASYHUB solution as well as the important role of on-the-ground support through ongoing GIZ technical assistance projects in the two pilot countries. Specifically, the discussion among Sri Lanka customs officers evolved around the implementation plan of the project

whereas that among the Cambodian customs officers mainly focused on the pre-conditions setup that would lead to the final decision and enhancement of Cambodia's readiness to participate in the pilot project, particularly on the cost of ASYUCDA upgrade as well as ASYHUB maintenance.

The pre-conditions setups discussion among Cambodian customs and experts came up with the following six major milestones and proposed supporting activities:

1. Legislation and regulation enablers: officers discussed and agreed about closing the potential legislation and regulation gaps through conducting detailed gap analysis including looking into the similar setup as electronic transaction act as in Sri Lanka and the UNCITRAL model law. The officers came up with the preliminary timeframe by Q4 of 2020 to reach this milestone.

2. Other formality requirements: MoU for Cambodia's commitment to participate in the pilot project. The supporting activities for this milestone include consultation with GDCE's DG, clarification of remaining issues identified throughout the discussion, and drafting and signing the MoU itself. The preliminary timeframe for this milestone was set as mid-Feb 2020. The prerequisite for the consultation with DG includes the information on the financing support for the migration of ASYCUDA to the latest version.

3. Software capacity upgrade: upgrade ASYUCDA to 4.3.2. Reaching this milestone involves 3 steps of proposed activities: (1) migration to test server, (2) user acceptance test that requires equipments to be already in place, and (3) deployment and goes live of the software. Again, for this upgrade, the prerequisite is the need to identify the source of the fundings that fits the proposed cost by UNCTAD. The group made note of the fact that GDCE was made known of the price tags for UNCTAD to implement step 1 and 2, and UNCTAD has agreed to also provide the cost estimates for step 3. The timeframe for funding source identification is set as ASAP, through looking more into the DeveloPPP timeline, for the actual software capacity upgrade to be taking place by Q3 2020.

4. Hardware capacity: the milestone is to have a server solution for ASYHUB by Q3 2020 following the successful upgrade of ASYUCDA to the latest version of 4.3.2; through supporting activities as (1) analysis of the specification requirements, (2) procurements, and (3) installation and maintenance.

5. Project management: the milestone is to have a committee on steering and monitoring the project, for which the supportive activities are required with regards to the identification of existing mechanism or setup of TOR and project steering committee, setup of baseline and KPI, and continuous implementation/coordination by project implementation unit.

6. Process and workflow: the milestone is a clear picture on the effective use of the raw data imported from TradeLens. This milestone is to be achieved by Q3 2020 through proposed activities as (1) having a better understanding of the data retrieved from TradeLens, (2) defining the use of retrieved data, and (3) leveraging data for PDP/PAP including RM. Regarding the use of data, the discussants also discussed the need to have consent from traders as well to be also included in the legislation and regulation enablers.