



Case Study

China International Trade Single Window

I. Rationale for modernization

As an important measure to promote cross-border trade facilitation and optimize the business environment, the “Single Window” (SW) for international trade is highly valued by the Chinese Government. As a result, the Government issued a series of related policy initiatives requiring the speedy implementation of a Single Window system based on the China E-Port platform. This work has been included in the State Council’s government work report for three consecutive years.

II. Single Window development stages

Overall development of the China Single Window is steered by the State Council’s Interministerial Joint Conference (IJC) on Port Administration, convened by a Vice-Premier of the State Council. The work programme is led by the General Administration of China Customs (more specifically, the National Office of Port Administration), with Cross-Border Regulatory Agencies (CBRAs) forming a Working Group for the Establishment of a Single Window. The China Single Window platform was officially launched in 2016. At present, 25 ministries and commissions are represented among the group’s members.

The China Single Window is being developed and implemented in four main stages.

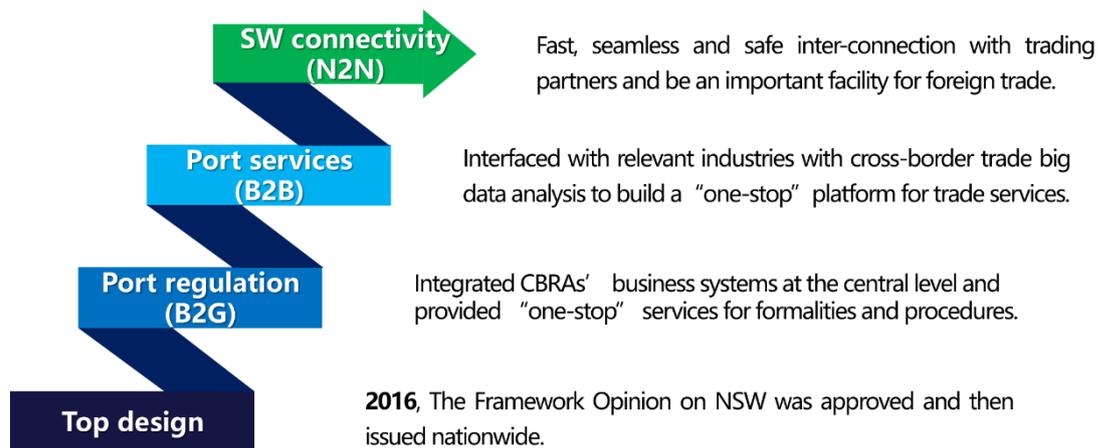


Figure 1 four stages for the construction of China SW

The first stage involved the development of the high-level design layout. In October 2016, a framework opinion on the establishment of a Single Window was issued, clearly specifying the development of a standard version of a Single Window and the creation of a nationwide integrated Single Window environment based on the two-tier E-Port platforms at both central and local levels.

The second stage involved the implementation of functions in relation to port regulation. By late 2018, the Single Window had integrated CBRAs' business systems at central level and provided "one-stop" services for formalities and procedures, with coverage of its core applications exceeding 90%.

The third stage is to implement functions in relation to port services. Since 2018, concerted efforts have been made to promote linkages with relevant industries such as banking, insurance, civil aviation, railways, ports, etc., strengthening the development of integrated applications by implementing the analysis of big data on cross-border trade, so as to create a "one-stop" platform for trade services.

The fourth stage will involve actively promoting international cooperation for Single Window connectivity and achieving fast, seamless and safe linkages with trading partners, thus promoting trade liberalization and facilitation and providing an important tool for China's foreign trade.

III. ICT integration

The China Single Window interfaces with the business systems of 25 CBRAs at central level and promotes information sharing among CBRAs. Applicants can gain access to the Single Window system as a single entry point and submit a number of standardized documents and electronic information that meet the requirements of CBRAs all at one time. Information on the application status or outcome can also be forwarded to the applicant via the Single Window.



Fig 2 the layout of China SW

The China Single Window adheres to the relevant data model standards adopted by the WCO, UN/CEFACT and other stakeholders in the trade facilitation field. Data coordination, simplification and standardization are actively promoted in accordance with international common practices, creating a set of clearly defined and simplified data elements for Single Window implementation. Following the simplification and merging of data, the number of data elements involved in international trade was reduced from 11,500 to 4,401, a reduction rate of 61.7%, while the number of different documents required for Customs declaration processing has dropped from 89 to 52, a reduction rate of 41.6%. In addition, a long-term effective mechanism for data coordination and simplification tasks has been established.

IV. SW governance structure

Under the system of the State Council's IJC on Port Administration, the Working Group for the Establishment of a Single Window was set up as the decision-making and operational entity. Its members currently represent 25 ministries and commissions as CBRAs, responsible for the overall planning of Single Window implementation, combining business norms and technical frameworks, formulating specifications and standards, unifying the basic functions of the Single Window, and developing a standard version for use nationwide. At local level, the provincial people's governments are specifically responsible for the promotion and application of the standard version, as well as the extension of its scope to cover local services.

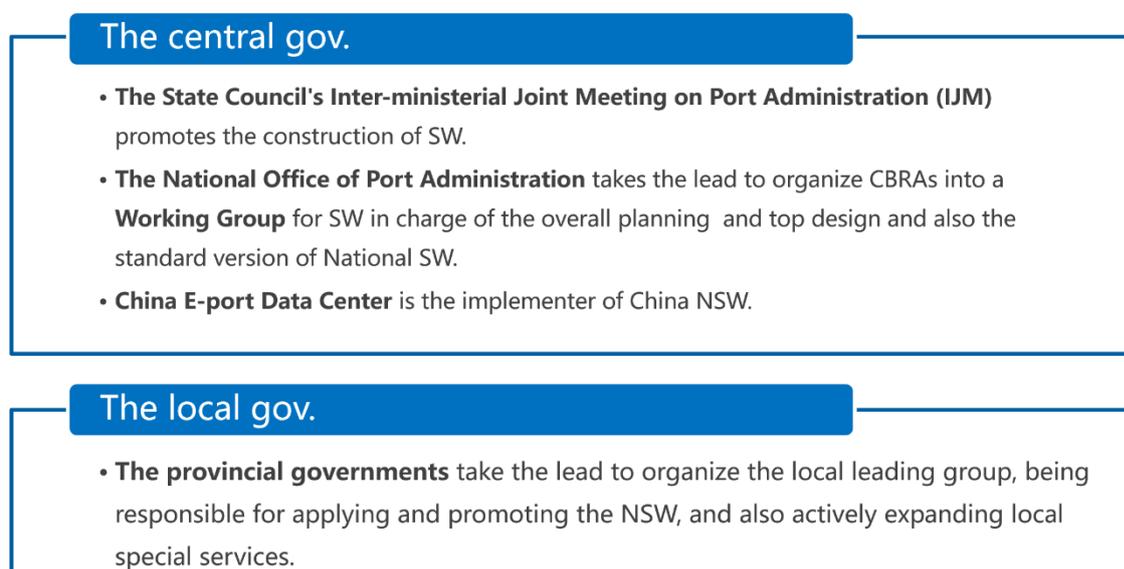


Figure 3 division of duties at the central and local levels

V. Business model

The Single Window in China is a public cross-border trade service facility that receives government funding to support its development, implementation and operation. Its users are able to submit declarations free of charge. Both central and local governments are obliged to provide the funding required for its development and operation, all the while ensuring funding efficiency. Local governments can explore sustainable business models without increasing the burden on users.

Standards and norms related to interfaces, data, services and processes all fall under the remit of the National Office of Port Administration. The China E-Port Data Centre is

responsible for technical implementation. Owing to their high-level design, all seven unified standard systems – data elements, portal, authentication, interfaces, data management, security management, and operational and maintenance services – ensure the safe, stable and efficient operation of the Single Window.

VI. Service coverage

There currently exist 12 categories of basic governmental service functions, namely cargo declaration, manifest, transport vehicles, trade licenses, certificate of origin, enterprise qualifications, data inquiry and statistics, export tax rebate, tax payment, exhibits, processing trade and bonded business, and cross-border e-commerce. The Single Window has integrated and shared information with 25 CBRAs, including the General Administration of China Customs, the Ministry of Public Security, the Ministry of Transport, the Ministry of Agriculture and Rural Affairs and the Ministry of Commerce, and provided access to 495 service items. Its coverage extends to all major international trade routes and supports a wide variety of users from the fields of production, trade, warehousing, logistics, e-commerce, finance, etc. The Single Window has achieved the paperless and automated process of Customs clearance for all types of goods, providing users with access to “one-stop” services for formalities and procedures. The Single Window is free of charge for anyone wishing to use it. The coverage of its core applications such as cargo, manifest and transport vehicle declaration has already exceeded 90% and is set to reach 100% this year.

VII. Performance measurement

During the past year, the core system availability was more than 99.9%; meanwhile, the number of registered users has now surpassed 2.3 million. Since the implementation of the Single Window, the paperless rate of Customs clearance has reached 100%, and the Customs clearance time has achieved a compression rate of over 40%, cutting enterprises’ costs by a third. In addition, the free declaration system has also greatly reduced the burden on enterprises and created a universal benefit and win-win situation for the business world.

VIII. Achievements

The implementation of the Single Window has greatly improved port efficiency and the business environment and enabled the deployment of port and regulatory resources. The “once-for-all” declaration for vessel entry and exit through the Single Window, together with the whole paperless operation process, has done away with 44 categories classifying over 70 types of goods, as well as a total of some 150 pages of paper documents, and has seen the time required for procedures and formalities reduced from the original 16 hours to just 2, with the incidence for running on-site errands also reduced from the original nine times or more to only once.

The World Bank’s Doing Business 2019 report shows that China’s cross-border trade ranking has jumped 32 places from the 97th to the 65th position. The report specifically mentions that, through the implementation of the Single Window, China has eliminated administrative fees and charges, enhanced transparency, encouraged competition, and reduced the time and costs involved in cross-border trade, thus providing a boost to the country’s cross-border trade ranking.

On 13 July 2018, the implementation of the Single Window in fulfilling China’s commitment to the WTO was given the seal of approval at the session of WTO’s seventh trade policy review on China. The American Chamber of Commerce in Shanghai – one of the largest US chambers of commerce in the Asia-Pacific region – released the 2018 Trade Environment Satisfaction Survey Report, which showed that the implementation of the China Single Window has won praise from traders, achieving the highest level of user satisfaction among all the indicators identified.

IX. Future steps

Going forward, it is necessary to continue striving to meet high-level requirements by benchmarking at international level, tapping existing potential and further promoting the implementation of the Single Window, so that the system can become more convenient, intelligent and internationalized for cross-border trade and provide a further boost to trade facilitation and business environment optimization. First, the Single Window needs to be developed into a “one-stop” trade service platform, effectively covering the entire chain of international trade management. Second, the possibilities afforded by the use of big data, the

“Internet of Things”, artificial intelligence, block chain and other new technologies must be explored with a view to building a smart Single Window. Third, active participation in cross-border cooperation is needed to promote the international interoperability of the Single Window for the benefit of global traders and make trade smoother for businesses. At present, China’s development of the Single Window block chain technology application in cooperation with Singapore is advancing as planned.



Figure 4 future steps for China SW

X. Lessons learned

Five key conclusions can be drawn: first, the strengthening of leadership is a key factor in the successful implementation of the Single Window; second, users’ needs determine the vitality of the Single Window; third, scientific and rational high-level design can maximize the benefits of the Single Window; fourth, synergic cooperation between CBRAs supports the effective implementation of the Single Window; and, finally, the innovative application of new technologies will help create a more convenient Single Window for traders.