



Case Study

National Single Window for Foreign Trade

Republic of Armenia

Armenia began the introduction of international and European standards for integrated border management and international best practices in 2010 in line with the Order of the President of Armenia on Approval of the Strategy for Border Security and Integrated State Border Management of the Republic of Armenia. The strategy was followed by the approval of the “2011-2015 Action Plan for the Implementation of the Strategy for Border Security and Integrated State Border Management of the Republic of Armenia” by Decree of the Government of the RA No. 482-N of 21 April 2011. The action plan envisaged the implementation of around 80 action points, such as the improvement of legislation, inter-agency cooperation, training and the purchase of equipment for border crossing points. Some points of the action plan were aimed at introducing the “Single Window” (SW) concept to facilitate border crossing procedures for persons and goods in Armenia.

The State Revenue Committee implemented initiatives relating to the border management of the Single Window concept following Presidential Decree NK-129-N “On the Implementation of the Single Window/One-Stop-Shop Principle at the State Border Crossing Points of the Republic of Armenia” of 22 July 2013, according to the timeline set out in Government Decree No. 1404-N. The initial timetable extends from 14 April 2014 until the end of 2017. However, the implementation of some action points has been delayed owing to issues surrounding the financing of some programmes, changes of legislation in the Eurasian Economic Union and subsequent amendments to national legislation.

The development of automated information systems for processing Customs declarations in the Republic of Armenia began in 1996 with the introduction of ASYCUDA, the electronic processing system for Customs declarations, which was updated in 2001 with the introduction of a risk management module. Since 2007, the Republic of Armenia has moved to another, completely new, software package for processing Customs declarations – Trade World Manager, which at that time served the needs of Customs services. The **National Single Window for Foreign Trade Portal** was launched in 2013, with the introduction of the system for requesting and obtaining certificates for the import of medicines. This portal is still in use today. It is developed according to UNECE Recommendation No. 33 and corresponds to the third model of the Single Window defined by the Recommendation: **An automated information transaction system.**

Therefore, the system allows the two main principles of the SW to be maintained:

- submission of documents and data only once;
- single combined physical examination of the goods by the border crossing point staff when required, with a prior note to the trader.

The National Single Window has now been implemented at all border crossing points of the RA and is operating successfully.

Currently, the National Single Window System has 24 components functioning at <https://trade.gov.am/trade/home/index> and is continually being updated with new subsystems.

The system is free for all users.

A brief description of the components is presented below. The systems are grouped in three categories:

- eCustoms
- Trade Facilitation
- Maintenance and Support

Most systems, however, can refer to more than just one category.

eCustoms:

- **Single Administrative Document.** The system allows users to complete Customs declarations online in fully electronic form with respect to all the Customs procedures envisaged by law; these are then submitted to the Customs authorities, and accepted, processed, modified and cleared by the Customs authorities. Where electronic signatures are available, the system also allows the entire process to be completed electronically without leaving the portal domains. The system verifies incoming data and notifies users of incomplete data where applicable; it also provides Customs duty calculations, the application of tariff and non-tariff control tools, and provides transparency for all user interactions on Customs declarations. The information is used by the Ministry of Finance, National Statistical Service and other state bodies.
- **Customs Value Declaration.** The system provides all Customs value determination methods in accordance with Customs legislation and ensures the electronic submission and approval of data.
- **Transit Declaration Processing.** The system is used for the electronic submission of transit declarations and accompanying documents, as well as their further processing and feedback by Customs authorities. The system supports five types of transit cases in accordance with Customs legislation.
- **Passenger Customs Declaration.** The system is used for entering and processing passenger Customs declarations. The system allows electronic declarations to be completed by Customs officials based on paper declarations provided by passengers, and also allows passengers to submit their declarations electronically at terminals.

- **Customs Credit Order.** Used to calculate financial obligations for goods being imported by individuals for personal use. It also provides for control over temporary imported vehicles for personal use for the period of stay.
- **Statistical Form.** The system is used for the electronic submission of the statistical form documents that substitute goods declarations where goods are moved between member countries belonging to the Eurasian Economic Union, and the registration of such movement.
- **Advance Cargo Information.** The system is used for the electronic submission of preliminary information by the freight forwarder or importer before the goods arrive at the Customs border in order to accelerate the border crossing process. The system is functionally ready, but its use has been suspended owing to expected legislative changes.
- **Electronic Release of Goods.** The system is used to register the physical exit of goods from the borders of Eurasian Economic Union member countries. Their physical exit is registered after receipt of confirmation of the goods' exit.
- **Financial Guarantee Management.** The system allows for guarantees of future payments to Customs authorities in respect of fees that are not due at the moment of border crossing, but that may be required later. It also provides information on availability, amount, term and other details regarding the financial guarantee of the entity. The system is functionally ready, but its use was suspended owing to expected procedural changes in the EAEU.
- **Centralized Weighting System.** One of the latest systems has been fully functional since February 2018. The system is used as a centralized database of weighting records, as well as photos of haulage vehicles. The system also provides automated identification of vehicles based on their plate numbers.
- **IRU Data Exchange.** The system provides data exchange between RA Customs authorities and the IRU (International Road Transport Union) in real time. Its main purpose is to check validation and to submit information on the termination of TIR carnets via Real Time SafeTIR.

Trade Facilitation:

- **Preliminary Decision on Classification.** The system is used for the electronic submission and processing of applications for goods classification with all product description documentation included. Customs authority decisions on the classification of specific products that may be imported/exported can be transmitted through the electronic platform.

- **Ministry of Health Certificate.** The system enables the electronic submission of import applications and related documents by drug importing companies to the Ministry of Health of the RA and the Scientific Center of Drug and Medical Technologies Expertise (SCDMTE). Applications are processed by the system, ensuring that the application status and the decisions made by the relevant departments of the Ministry of Health, SCDMTE and the importer are recorded. Decisions are recorded electronically, so there is no need to submit paper copies of decisions to Customs authorities.
- **State Service for Food Safety.** The system allows the State Service for Food Safety of the Ministry of Agriculture of the RA electronically to submit applications for import, export and transit permits for products subject to veterinary control, products subject to phytosanitary control, and substances in direct contact with food. Applications are processed by the system. Decisions are recorded electronically, so there is no need to submit paper copies of decisions to Customs authorities.
- **Postal Items Clearance System.** The system is used for the electronic registration and control of postal items, the calculation of fees to be charged based on electronic data received from postal and courier services, as well as data verification with the RA Police Passport and Visa Department (PVD).
- **Radio Frequency Equipment Import License.** The system is used for the electronic submission and processing of applications for licences for the import and export of radio-electronic and/or high-frequency devices for civilian use. The system ensures electronic interoperability between the Licensing Committee of the Ministry of Transport, Communication and Information Technologies of the Republic of Armenia, Republican Telecommunication Center (SNCO) and importers. Decisions are available electronically.
- **Transport Control System.** The system is devised to control vehicles crossing borders of the Republic of Armenia, supporting interaction with Ministry of Transport, Communication and Information Technologies of the RA. The system is functionally ready, but its use has been suspended owing to expected legislative changes.

Maintenance and Support

These systems are used by the Customs authorities and ensure functionality and integration between the various components of the National Single Window:

- **Live Reporting System.** The system allows data to be generated and exported in various file formats (Excel, pdf, txt and csv) and has built-in statistical data-analysing tools.
- **Trade Documents Cloud.** The system uses centralized network storage for all electronic documents and allows these documents to be used across all RA National Single Window Platform systems multiple times.
- **Centralised Accounting and Payment.** The system is used for the centralized registration and control of all payments collected by Customs authorities and allows businesses/physical persons to have information on their financial liabilities in one place.
- **Risk Management System.** The system provides modern tools for effective Customs risks management with the use of targeting and feedback mechanisms.

- **Reference Information Management System.** The system provides centralized management of classifiers, registries, lists and other formatted fields of RA National Single Window Platform systems through one-time insertion of data and a single processing point.
- **Business Rules Modelling.** For defining logical rules for the functioning of other systems of the National Single Window Platform.
- **Enrolment Management System.** The system provides for the management of users and respective roles for all National Single Window components and ensures security management by controlling access.

The RA National Single Window for Foreign Trade system has 14,797 users.

Since the launch of the portal (in 2013) until 2019, the overall number of transactions through the “Single Window” system has amounted to **approximately 5,200,000**, while the number of attached documents in the “Trade Documents Cloud” subsystem has reached **approximately 500,000**.

According to average statistics, the daily interactions number **approximately 9,000**, taking into consideration the fact that a number of system components were implemented in 2015, 2016, 2017 and 2018.

Year	No. of implemented components for eCustoms and Trade Facilitation	No. of transactions per year
2013	1	507
2014	1	3,007
2015	5	86,728
2016	9	191,718
2017	21	1,687,924
2018	24	3,264,269

Working model:

The system is web-based. It can integrate with any other system and information source, receiving and providing necessary information to the relevant authorities in real time.

The trader (declarant) can submit a package of documents for Customs declaration and all the other border procedures at border crossing points through the electronic platform at the same time. This means that the whole process of document transmission and receipt at border crossing points is conducted through the National Single Window.

Through the system, the user may submit applications (for receiving permission documents) and declarations, and make all types of payments.

In cases where declarants provide paper documentation to the Customs services, they can scan the documents and upload them to the Single Window Portal for processing.

The user can approve all these procedures with an electronic signature.

Then the processing of the submitted documents begins. This may include several sessions of online clarifications between the declarant and border agencies, in which case there is no need to duplicate information already provided.

After processing of Customs clearance and other necessary documents, the declarant is issued an invoice for duties payable.

Staff at the relevant agencies process applications through the system and carry out necessary analysis. They can verify document data through the system, receive applications (declarations), request clarifications or reject applications, as well as carry out a number of procedures as defined by the law.

The system automatically carries out risk assessment and verification; relevant financial liabilities are calculated and payments verified, notifications on main functions are sent, and verifications and data are exchanged between portal subsystems and other authorities' systems (for example RA Police Passport and Visa Department, CES, etc.)

The results of the checks are provided through the system, and declarants can keep track of the whole process from their personal computer.

Declarants can also request documents in hard copy from the relevant state bodies.

The portal has a help section which provides FEA implementers with information on imported and exported goods, permission documents, Customs duties, etc.

Data and information exchange between the "Single Window" and other systems is implemented through web services. Data standardization is based on the World Customs Union Data Model 3 (WCO Data Model 3.5), which ensures interoperability with similar systems in other countries.

The public and private bodies that are currently involved in the RA National Single Window for Foreign Trade operation are as follows:

- State Revenue Committee of the RA
- Ministry of Health of the RA
- Compulsory Enforcement Service of the Ministry of Justice of the RA
- Ministry of Transport, Communication and Information Technologies of the RA
- Food Safety Inspectorate of the RA
- Central Bank of the RA
- "Haypost" CJSC – the official national postal operator of the RA
- Scientific Center of Drug and Medical Technology Expertise (CJSC)
- Courier services operating in the RA
- Customs brokerage organizations of the RA

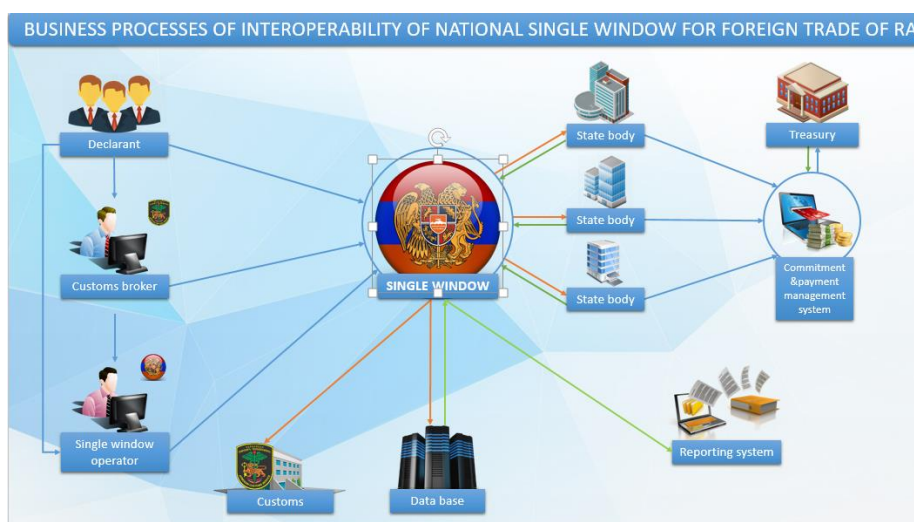
The RA National Single Window for Foreign Trade Portal is currently integrated with the following systems:

- "Taxpayer 3"
- Systems of the Central Bank of the RA

- Information Exchange System of the Eurasian Economic Commission
- International Road Transport Union (IRU)
- Systems of the Ministry of Health of the RA
- System of Compulsory Enforcement Service of the Ministry of Justice of the RA
- RA Police Passport and Visa Department system

The RA National Single Window for Foreign Trade Project has achieved the following objectives and is aimed at continuous enhancement of results:

- Increase number of provided B2B, B2G services
- Ensure faster clearance times, a more transparent and predictable process and less bureaucracy for traders
- One-time submission of documents and data
- Ensure interoperability platform for state bodies
- Eliminate unnecessary stages and duplications in trade formalities, processes and procedures
- Modernization of infrastructure for electronic processing of trade documents and related data exchange



Perspective and plans for 2020:

- **Single Application Form.** Intensive work is being carried out to implement the Single Application Form (SAF) on the existing platform of the RA National Single Window for Foreign Trade. The SAF is considered as an advanced tool for simplifying foreign trade procedures. It allows all participants of foreign trade to submit information required by regulatory authorities for import, export and transit operations only once. The SAF will allow procedures to be performed by other state bodies through the RA National Single Window Portal, including information exchange and cross-border control with other relevant state bodies and agencies:
 - Ministry of Health of the RA
 - Minister of Energy Infrastructures and Natural Resources of the RA
 - Ministry of Agriculture of the RA

- Ministry of Culture of the RA, Cultural Values Protection Agency of the RA
 - Ministry of Defence of the RA
 - Ministry of Economic Development and Investments of the RA
 - Ministry of Energy and Natural Resources of the RA
 - Ministry of Nature Protection of the RA
 - Ministry of Finance of the RA
 - State Nuclear Safety Regulatory Committee of the RA
 - Public Services Regulatory Commission of the RA
- **Data harmonization.** Data harmonization is a process whereby separate but similar data are considered and attempts are made to align the data elements so that they are combined and used for comparison or classification. This alignment is accomplished by converting the data into a common format or by linking metadata that allows comparison. Full harmonization is achieved by the same definition of all data elements using the same categories. Harmonizing data used in trade documents and aligning them with international standards ensure data interoperability among the various parties engaged in a trade transaction. In particular, harmonization is a necessary step towards trade automation and the introduction of electronic Single Window facilities, where all trade-related information and data should be submitted only once so that repetitive keying of the same data can be reduced. Data harmonization is a prerequisite in introducing a system for electronic data sharing and exchange.
 - **Shift of Customs control from pre-clearance to post-clearance.** The Risk Management System has the functionality to support this shift. The pilot phase has been successfully completed, and several post-clearance risk profiles are currently functioning in the test environment
 - **Online self-registration tool for traders.** This will allow traders to become users of the RA National Single Window of Foreign Trade and receive the corresponding registration data in electronic form without visiting the Customs Service.
 - **Enhancement of data management and processing.** This includes the development of a Generic Portal Solution environment, consisting of a new application wizard built on the Grails open-source technology which is already used by SRC and allows the addition of new functionality to the Single Window Portal, supports the creation of additional database tables and integrates new data elements into the Common Data Model. This also involves the wide application of big data and machine-learning tools intended for data processing and management.

These electronic systems and the way that they interoperate with systems from other institutions, together with the risk management smart system, greatly reduce the chance of human error. Simplifying and harmonizing trade data and document requirements can make a significant contribution to reducing the time and costs involved in international trade transactions.
