The Process for the Proposed Single Window for Export Cargo Processing

Final Report

Submitted By

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Purpose Statement

Following a study of the requirements of the exporter and the processes of the major stakeholders to the process – this report has presented a proposed cross organizational process to simplify the processing of export documentation. The process presented within this report has been validated with the major stakeholders and agreement obtained in principal.

Single Window Process for Export Cargo
Processing

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1. Sri Lanka Customs
2. Sri Lanka Ports Authority
3. Regulatory Authorities
    a. Forest Conservation Department
    b. Department of Wildlife Conservation
    c. Textile Quota Board
    d. Geological Survey and Mines Bureau
    e. Department of Imports and Exports
    f. Coconut Development Authority
    g. Department of Animal Production and Husbandry
4. Ceylon Chamber of Commerce
5. Representatives of the Exporters
6. Representatives of the Freight Forwarders

The author would also take this opportunity to thank the NARC Tripartite Committee for the guidance and direction provided when carrying out this assignment.

Finally the gratitude of the author goes out to the Director, Re-engineering and the Project Manager of ICTA who were involved in ensuring the work with the stakeholder organizations were carried out in efficient manner.

Abbreviations

AA	Airport Authority
BOI	Board of Investment
CDN	Cargo Dispatch Note
CUSDEC	Customs Declaration – for Export of Goods
DTI	Direct Trader Input
EDI	Electronic Data Exchange
FF	Freight Forwarder
ICTA	Information & Communication Agency of Sri Lanka
NARC	National Administrative Reform Council
SLPA	Sri Lanka Ports Authority
SMS	Short Messaging System
System@SW	Proposed Single Window System
RA	Regulatory Authority
RA(s)	Regulatory authorities

1.0

Executive Summary

1.0   Executive Summary

1.1   Introduction

The total value of Sri Lankan exports has been USD 7 billion in year 2009 which is 14.5% of the GDP of the country. It is expected that in order to achieve the targets set by "Mahinda Chinthane Idiri Dekma" as to be a Commercial Hub, the exports will need to be doubled. Therefore every possible action should be taken to achieve the export targets.

Currently there are many government organizations as regulators, tax\duty levying organizations and cargo handling organizations which are involved in the process of exporting products. These organizations require exporters to provide numerous documents and obtain multiple approvals prior to export of goods. Due to each organization fulfilling their isolated requirements without considering the other organizations in the process the exporter is required to visit multiple organizations, submit multiple applications, obtain multiple approvals (including permits/licenses) and effect payment to multiple organizations. These isolated processes have made the overall process to the exporter complicated. This has led to higher cost structures to the exporter as well as delays which affect the export process and could discourage the some want-to-be exporters from the export market. Therefore to improve exports from Sri Lanka, it has become essential to streamline the export processes to make it business-centric, efficient and speedy from the exporter's point of view.

1.2   Background

Current Situation & Bottlenecks

The exporter in general has a complicated process to obtain the required approvals to export the cargo. The exporter is required to;

(a) Submit an application to the Regulatory Authority who will decide if the cargo could be exported (only for those products that require regulatory authority approvals).

(b) Based on the approval of the Regulatory Authority the exporter is required to prepare the CUSDEC and submit to the customs.

(c) The exporter is required to visit the customs and obtain approval for export.

(d) Based on the approval of customs the exporter is required to prepare the Shipping Note and visit the SLPA finance section to make the required payments to the SLPA and obtain the receipt.

(e) The exporter is thereafter required to inform the Customs and the Regulatory Authority (only for cargo selected for inspection or panel inspection) that the cargo is ready for inspection.

(f) The exporter is required to make payments for the inspection and obtain authorization for export, (only for cargo selected for inspection or panel inspection).

(g) The exporter will thereafter prepare the CDN and transfer the cargo to the Port.

(h) The exporter will thereafter register the cargo with the SLPA/ Terminal Handler.

(h) The exporter will visit the Customs Office in Port and Pass Boat Note.

(i) After the cargo is exported the exporter is required to visit the Port and obtain confirmation of export.

This procedure has caused many difficulties to the exporter – where they are required to visit the Regulatory Authorities, Customs and SLPA on multiple occasions and have to obtain services from many officers.

Action taken to improve the Services to the Exporter

The Customs have opened up their System for the exporter to enter the CUSDEC information onto their System and obtain the CUSDEC, thereby eliminating the requirement for the CUSDEC information to be entered into the Customs System at the Customs Office. A similar service has also been offered by 'eServices Lanka Ltd.', where the CUSDEC information could be entered, which information is thereafter transferred to the Customs System. In addition 'eServices Lanka Ltd.,' has also integrated their system with specific regulatory authorities for submitting the export information to the Regulatory Authority.

However, the number of exporters participating in either system is limited as in the opinion of the exporter – the current solutions offered do not add much value addition to the exporter.

Perceptions of the Exporter

Following a meeting of the Exporters and Freight Forwarders organized by the Chamber of Commerce the following requirements were identified;

1. Any system proposed should cover the approval and authorization of the CUSDEC from Customs and authorization from the Regulatory Authority and the transfer of goods to the Port without having to visit the Customs Office – provided the documentation is not subjected to queries. (**Note:** Approximately 2 – 3% of the documents are subject to queries and these could be handled manually).

2. In the event of a query on the CUSDEC the exporter has no objection being summoned to Customs and additional information obtained.

3. It was agreed that the Panel Inspection could be initially handled on a manual basis as it is accounts for approximately 15% of the shipments.

4. Unless the proposed system could reduce the cost and increase the speed of transaction they would not be interested in participating in such a system. (Lack of participation in the eServices EDI System and Customs DTI system were sighted as examples).

5. The exporter is currently electronically trading with other organizations and therefore they will be ready to adopt any new system introduced to improve their performance.

1.3   Needs of the Customer (Exporter)

Following a meeting of the Exporters and Freight Forwarders organized by the Chamber of Commerce the following requirements were identified;

1. Any system proposed to cover the approval and authorization of the CUSDEC for exports without queries – without having to visit the Customs Office.

2. In the event of a query on the CUSDEC the exporter could be summoned to Customs and information obtained.

3. Accepted that Panel Inspection could be initially handled on a manual basis as it is approximately 15% of the shipments.

4. Unless the proposed system could reduce the cost and increase the speed of transaction they would not be interested in participating in such a system. (Lack of participation in the eServices EDI System and Customs DTI system were sighted as examples).

5. The exporter is currently electronically trading with other organizations and therefore they will be ready to adopt any new system introduced to improve their performance.

1.4   Problem Statement

To facilitate the exporter to submit the export documentation and obtain the required approvals and authorization without having to visit the relevant organizations authorized (Regulatory Authorities, Customs, SLPA, etc) to process the documentation and effect payments.

1.5   Solution

To develop a system that could effectively handle the communication between the relevant stakeholder organizations and the exporter – while ensuring the confidentiality, integrity and authenticity of the information passed through the System.

1.6   Development Objective

To develop a Single Window that could accept the required information from the exporter and submit the information to the relevant stakeholder organizations, obtain the approvals and conditions of approval from the relevant stakeholder organizations and communicate the approvals and conditions of approval to other relevant stake organizations.

To develop a work flow to ensure the order of the flow of the activities are controlled and managed.

1.7   Areas outside the Scope of the Proposed System

Following the discussions with the customer and other major stakeholders, the scope of the process is restricted to facilitate the common occurrence – which account for over 80 – 85% of all exports. Therefore the following activities will be outside the scope of the proposed process;

1. Any activity that does not facilitate the movement of Cargo from the Exporter premises to the Cargo Hander and thereafter to the Carrier. (E.g., Country of Origin Certificate, Health Certificates, Fumigation Certificate, etc.)

2. Activities carried out by the stakeholders for the purpose of their internal controls.

3. Additional documents required by the stakeholders for the one-off Registration of the Exporter.

4. When a modification is necessitated to the CUSDEC – the processing of the export will be undertaken outside the single window system.

5. Removal of containers from Port.

6. Transfer of Vessel due to a shutout of Cargo or on customer request.

7. Activities involved with the Panel Inspection at Customs.

8. Providing statistical information.

1.8   Envisaged visible changes to the Export Process

We have documented below the visible changes that could be envisaged from a exporter perspective should the proposed process be implemented.

1. The Exporter will be required to submit a Single Form with details of the export to the System@SW which will be used to communicate with the various stakeholders. (I.e., Customs, Regulatory Authorities, Cargo Handlers, Shipping Lines, etc.).

2. All stakeholders to the process will use Digital Signatures to validate their identity.

3. The exporter will be permitted to make payments to Regulatory Authorities(s), Customs, Cargo handlers through the existing methods or using a Credit Card through the System@SW.

4. The 'Space Booking Confirmation' is also obtained from the Cargo Carrier through the Single Window.

5. Approvals and Authorizations from the RA(s) and Customs are received at the Single Window and used to initiate subsequent activities. (E.g., Without an approved CUSDEC the Exporter will not be permitted to generate a CDN).

6. The Exporter will be able to obtain an Authorized CUSDEC through the Single Window System.

7. The CUSDEC requirement to be reduced to a Single Copy – and generated only after the CUSDEC is authorized for Shipment.

8. The CDN to be reduced to a single copy (maximum 2 copies if a copy is required at the Final Entry Gate).

9. The Shipping Note to be reduced to a Single Copy.

10. The Confirmation of Shipment or the 'Mate's Receipt' should be printed through the Single Window System.

11. The manual Authorized CUSDEC, Certified CDN and Shipping Note to be retained by Customs.

1.9   Technical Pre-requisites for the Overall System

In order to implement the proposed process it is imperative to develop the Single Window System that will facilitate the proposed process. The proposed Single Window System should comply with the following technical pre-requisites;

1. All entities receiving digital information should be able to validate the origin prior to approving the information digitally.

2. The Digital Signature/Certificate will be given at an organization level and the organization is required to protect the certificate from misuse.

3. All stakeholders should be able to audit the Single Window system to ensure its conformity with the specified security requirements related to their specific organization.

4. To ensure the information passing through the Single Window is encrypted in a manner it cannot be viewed/modified during its transition (even by the Single Window Operators).

5. To ensure feedback from the stakeholders are properly matched and accurately directed.

6. Where stakeholder systems are available the Single Window should integrate using web services.

7. All information pertaining to an export should be maintained at the Exporter Site and/or with the Owner of the information.

8. The Exporter, Cargo Carrier, Customs and Cargo carrier should have permanent on-line connectivity with the Single Window, However the Regulatory Authorities may opt to have permanent of dial-up connectivity. In the case of dial-up connectivity the Single Window should provide regular SMS alerts of the pending actions to be taken by the Regulatory Authority,

9. All stakeholders should be able to easily monitor the operations of the Single Window.

1.10 Stakeholder Impact matrix

The Stakeholder Impact Matrix will indicate the impact of the System to each major stakeholder and given in detail in Section 3.0 of this report.

1.11 Functional and Non-Functional Requirements

The functional and Non-Functional Requirement is a questionnaire (section 4.0 of the report) that was developed to evaluate the current capabilities of the existing stakeholders. Based on the response to the questionnaire NARC will be in a position to determine how the implementation of the System should be taken to the next step.

1.12 The Way Forward

The 'Way Forward' discussed in Section 5.0 of this report, will assist the NARC committee to understand the subsequent steps that should be taken to ensure completion of the implementation.

1.13 Support from ICTA

During the implementation of the project the ICTA could support the NARC in the following areas as identified above;

a) Technical Advisory Support during the entire existence of the project.

b) Housing and guiding the Project Manager for the project.

c) Assist the Technical Committee on procurement procedures and the document standards.

d) Support the Technical Committee on the evaluation on the proposals.

e) To provide inputs on Technical Standards, Formats, Templates, Industry Best Practices and SOP (Standard Operating Procedures).

1.14 Conclusion

The proposed Single Window System could be developed by an existing stakeholder or a new organization that would be capable of meeting the functional and technical requirements.

In order to ensure the success of the Single Window System NARC should ensure (a) a strict governance framework is put in place to drive the project and (b) obtain the active support of the main stakeholders for the project.

2.0

Process to Facilitate the Single Window for Export Cargo Processing

2.0 Process to Facilitate the Single Window for Export Cargo Processing

Objective

To facilitate the Export of Goods without the Exporter or his representative having to visit the Customs, Regulatory Authorities and/or Ports Authority – other than in exceptional circumstances when specifically requested by the Customs or Ports Authority.

Process Boundary

From the point an Exporter submits the CUSDEC to customs intimating the desire to export the goods, to Customs receiving authorization from the relevant government entities to export the goods, to approving the CUSDEC, to receiving Customs Duty and other charges, to Informing the Ports Authority of the CUSDEC approval, to accepting goods for Export, to Ports Authority informing all related parties of the export being effected – and keeping the exporter informed during the entire process.

Stretch Goals / Critical Success Factors

- To ensure the Exporter has to deal with a Single Window to provide information on the Export of his goods.
- To ensure all CUSDECs without Query could be passed without visiting the Customs. (Provided the Exported uses the Direct Debit facility).
- To reduce the CDN to a Single or 2 Copies.
- To reduce the Shipping Note to a Single Copy.

A1
- Register Export Entity for Single Window Services.

A2
- Receive and Approve Export Documentation and Collect Payments.

A3
- Authorization of the CUSDEC for Export

A4
- Transfer of Goods to Port.

A5
- Post Shipment Confirmations.

Note: All activities in Italics will be carried out by the Stakeholder System or Manually.

A1: Registration of Exporter for Single Window Services

Proposed Outcomes

a) The exporter to register with the Single Window, Regulatory Authorities, Customs and SLPA based on one time information provided by the Exporter to the Single Window.

b) The Single window will inform and follow-up on the Registration of the Exporter with the following entities:

   a. Regulatory Authorities
   b. Customs
   c. SLPA

c) The Exporter will be required to obtain a Digital Certificate that will be used to authenticate the information received from the Exporter. (**Note:** The Digital Certificate will replace the Signature and Seal).

Exceptions

Registration with Single Window, Regulatory Authority(ies), Customs and SLPA

Boundary: From the point an Exporter decides to register with the Single Window to process the Exports until the Exporter is registered with the relevant RA(s), Customs and SLPA.

A1.1. The Exporter (or Freight Forwarder) will update the 'Exporter Registration Information Form' (Format AF1.1) and submit to the System@SW. (**Note:** 'Exporter Registration Information Form' should include all information required by the following entities to register the exporter;

   a) Shipping Line (Airline)
   b) Regulatory Authority(ies) – (RA)
   c) Customs / BOI
   d) SLPA (Airport Authority)

A1.2 If the Application has errors the applicant is informed of the errors.

A1.2. The System@SW will validate the information and accept the form. (Note: The applicant will correct the errors and resubmit).

A1.3. The System@SW will validate the Digital Certificate.

A1.3 Error in the Digital Certificate is informed to the applicant.

A1.4. **If Digital Certificate is NOT Validated by the System@SW**: The Exporter will resubmit the 'Exporter Registration Information Form' together with the new Digital Certificate. Go To A1.2.

A1.5. **If the Digital Certificate is Validated**: The System@SW will authenticate the Exporter and register the Exporter.

A1.6. The System@SW will generate an eMail/SMS message to the exporter confirming the registration with System@SW.

A1.7. Based on the application the System@SW will determine the goods that require RA registration.

A1.8. **If the Export Product does NOT requires RA Approval**: Go To A1.11.

A1.9. **If the Export Product requires RA Approval**: The System@SW will forward the specific Registration Information required by the Regulatory Authority. (Note: The System@SW may provide this information as a Web Service or an email message to the RA based on the infrastructure and staff allocation available at the RA. The System@SW will also generate a SMS message informing the relevant officer a Registration of an Exporter is pending – if response is not received within a specified time frame).

A1.10. The Officer Responsible to Register Exports at the RA(s) will log onto the System@SW, evaluate the information received and confirm the registration of the exporter. Upon receipt of confirmation of Registration from all relevant Regulatory Authorities the System@SW (for those requiring RA Registration) will confirm to the Exporter that he has been registered or rejected with the relevant RA(s)1. (Note: The System@SW should be able to monitor to ensure all RAs have registered the Exporter – and alert the Officer Responsible for Single Window of delays)2.

*A1.10 The Officer Responsible to Register Exports may also reject the application or request for more information then the application is rejected. (**Note:** in either case the application will be processed manually and upon approval the System @SW is informed of the registration System@SW).*

A1.11. After the approval of the RA(s), the authenticated information received from the exporter is now shared by the System@SW with the Customs and SLPA. (Note: Provided they have a requirement for setting-up an Exporter by assigning a Reference Number, etc.).

A1.12. Upon the System@SW receiving confirmation from the Customs and SLPA of the Registration, the system@SW will inform the Exporter of the Customs and SLPA Registration Reference details. (Note: All Registration Reference details related to each Exporter should be stored in the Exporters System – unless specifically requested by the Exporter for a backup to be maintained).

*A1.12 The System@SW should also accept the rejection of the exporter by the Customs or SLPA or the calling for additional information. (**Note:** in either case the application will be processed manually and upon approval the System@SW is informed of the registration passed to the System@SW).*

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[1] Any special requirements that needs to be satisfied for the registration with the RAs should be done outside the System@SW

[2] This information will be shared and received with the RA(s) as a Web Service or Web Interface.

A1.13. The System@SW will in addition have communication links with the following$_a$ entities;

    a. Shipping Agents, Air Lines
    b. Freight Forwarders
    c. BOI
    d. Regulatory Authority(ies)
    e. Customs
    f. SLPA
    g. Airport Authority and Sri Lankan

A1.14. End.

Addition of New Products for Export

A1.15. The exporter requiring to export additional goods (that are subject to approval from a Regulatory Authority) – would log onto the System@SW and update the 'Additional Product Details Form' (Format AF1.2).

A1.16. The System@SW will forward the Registration Information required by the Regulatory Authority. (Note: The System@SW may provide this information as a Web Service or an email message to the RA).

A1.17. Upon receipt of confirmation of Registration from all relevant Regulatory Authorities the System@SW (for those requiring RA Registration) will confirm to the Exporter that he has been registered with the relevant RA(s).

A1.18. End.

Note: The Customs and SLPA to be informed of the Exporters who have registered with the relevant RAs for additional products.

A2: Receive Export Documentation, Approvals and Collect Payments.

Proposed Outcomes

a) The exporter to will be able to submit all details related to the shipment to RA(s) and Customs through the Single Window.

b) The RA(s) and Customs will review the 'Export Information' (Customs – CUSDEC) and provide approval for documentation and other conditions (e.g. RA - Inspection and/or Customs - Panel Inspection).

c) Exporter to effect payment to RA(s) and Customs – directly through Credit Card transaction or instructions for debiting the Customer Account.

d) Upon receiving confirmation of the goods availability for inspection the Customs and RA(s) will assign Officers to inspect the cargo and inform the exporter through the Single Window.

e) Following the inspection the Customs and RA(s) will authorize the shipment.

Intimation of Export to RA(s) through the Single Window

Note: The Customs Bond Approval required prior to the processing of the CUSDEC by customs will be considered similar to a RA for the purpose of the process.

A2.1. The exporter will complete the 'Intent of Shipment Form (ISF)' (Format AF2.1) and submit to the System@SW with the Digital Certificate. (**Note:** If required the exporter should be able to attach scanned documents – e.g., Commercial Invoice, Bulk Export License, etc., which shall also carry the Digital Signature of the organization).

A2.2. The System@SW will validate the information within the ISF and ensure its completeness and accuracy and the Digital Certificate. (Note: The applicant will correct the errors and resubmit).

A2.3. The System@SW will thereafter check to ensure the exporter is registered with the relevant RA(s) for all products stated in the ISF that require RA approval for export. (Note: If not registered the exporter will be required to register with the relevant RA(s) and re-submit the ISF).

> **Exceptions**
>
> *A2.2 If the information is either incomplete or inaccurate the System@ SW will generate an error message.*

A2.4. The authenticated ISF Information is shared by the System@SW with the relevant RA(s). (Note: The information could be shared as a Web service or a simple email message to the RAs – with a SMS Alert/Reminder feature).

A2.5. *The Officer Responsible for Approval of Export at RA will review the 'Export Application' and decide if the shipment could be approved or not. (Note: (a) The RA could also obtain a printout of the application if maintaining physical documents are required. (b) The System@SW should be able to ensure all RAs have registered the Exporter – and alert the Officer Responsible for Single Window of delays).*

A2.6. **If RA decided to Approve Shipment**: Go To A2.8.

A2.7. **If RA decided to Reject the Shipment**: The Officer Responsible for Approval of Export at RA will update the System@SW the shipment has been rejected – with the reasons. A2.15. (Note: If the RA Systems already has this feature the System@SW should be able to accept the information as a web service or to use the System@SW web interface).

A2.8. The Officer Responsible for Approval of Export at RA will update the System@SW with the approval and Payment Notice with details of Payment[3]. (Note: If the RA Systems already has this feature the System@SW should be able to accept the information as a web service else to use the System@SW web interface. Each RA could have multiple payments).

A2.9. **If the Exporter has authorized the RA to debit the Exporter Account**: The RA will debit the relevant Exporter Account with the amount indicated in the Payment Notice and update the System@SW with the Receipt and Amount debited[4]. Go To A2.14. (Note: Marinating the exporter account will not be required within the System@SW).

A2.10. **If the Exporter has NOT authorized the RA to debit the Account**: The Officer Responsible for Approval of Export at RA will update System@SW with the amount payable by the Exporter and Application Reference Number assigned by the RA.

A2.11. The System@SW will inform the Exporter of the Payment Notice issued by the relevant RA and the relevant RA Application Reference Number.

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[3] The exporter should be able to obtain a printout of the Payment Notice – in accordance with the e-Transactions Law.

[4] The RA should make arrangements to have any Manual Receipts sent to the exporter or provide for electronic receipts.

A2.12. The Exporter will be able to make payment to the RA(s) using the Lanka Gate Payment Gateway through the System@SW (for credit card payments), Bank Transfer or Cash/Bank Draft payments. (**Note:** The exporter will use the Payment Notice Number as the reference for effecting payment and the RAs will be required to set-up the required infrastructure to facilitate on-line payments).

A2.13. Upon receipt of the payment from the Exporter the RA(s) will update the System@SW that the monies have been received together with the relevant Receipt Number.

A2.14. The relevant RA(s) will log onto the System@SW and confirm the following information;

(a) RA Application Reference Number
(b) Approval/Rejection
(c) Conditions of Approval (if any) – (**Note:** It should be possible to select the entire shipment or a part of the shipment for Inspection).
(d) Relevant Receipt Number, Amount Received and the Date.

(**Note:** If the RAs have a System to provide this information as a Web Service – the System@SW should be able to accept the information).

A2.15. The System@SW will forward the information to the Exporter. (Note: The Exporter should be able to obtain an electronic receipt for the monies paid to the relevant RA(s) and to save the information within the Exporter System).

A2.16. End.

Intimation of Export to Customs through the Single Window

A2.17. Based on the authenticated approval of the relevant RA(s), the System@SW will submit the electronic CUSDEC with the RA reference, approvals and conditions, other supporting documents submitted by the Exporter (e.g., Commercial Invoice, Packing List, etc.) to the Customs through a Web Service.

A2.18. *The Customs Officer will review the CUSDEC, register the CUSDEC (by assigning a CUSDEC Number) and authorize the issue of the 'Customs Assessment Notice'.* (Note: The System@SW should be able to associate the CUSDEC Number with the RA Reference Numbers).

A2.19. **If the Exporter has authorized Customs to debit the Exporter Account**: The Customs will debit the relevant Exporter Account with the amount indicated in the 'Customs Assessment Notice' and update the System@SW with the Receipt Number and Amount debited and Date. (Note: This could be provided from the Customs System as a Web Service). Go To A2.25.

A2.20. **If the Exporter has NOT authorized the Customs to debit the Account**: The Customs will update System@SW with the amount payable by the Exporter and CUSDEC Reference Number. (Note: This could be provided from the Customs System as a Web Service).

A2.21. The System@SW will inform the Exporter of the 'Customs Assessment Notice'[5] issued by the Customs and the CUSDEC Reference Number.

A2.22. The Exporter will be able to make payment to the Customs using the Lanka Gate Payment Gateway through the System@SW (for credit card payments), Bank Transfer or Cash/Bank Draft payments. (**Note:** The exporter will use the Payment Notice Number as the reference for effecting payment).

A2.23. Upon receipt of On-line Payment, Cash/Bank Draft or Direct Bank Transfer from the Exporter the Customs will update the System@SW with the relevant Receipt Number and the amount received and date. (Note: This could be provided from the Customs System as a Web Service).

A2.24. The System@SW will forward the Payment Receipt information to the Exporter. (Note: The Exporter should be able to obtain an electronic receipt for the monies paid to the Customs).

A2.25. Upon payment of the monies the System@SW will send a reminder to the Officer Responsible to Warrant (OR-W) will review the CUSDEC and decide to Warrant (approve) or query the CUSDEC. (Note: The OR-W the CUSDEC should be able to review the Information on the System@SW using the CUSDEC reference number).

A2.26. **If the OR-W Warrants the CUSDEC**: The OR-W will update the System@SW that the CUSDEC has been warranted and if the cargo is subject to a Panel Inspection and the number of Container that are subject to inspection. (Note: The OR-W could also warrant the CUSSDEC on the Customs System and pass the information to the System@SW through a Web Service). Go To A2.32.

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5   The exporter should be able to obtain a printout of the Payment Notice – in accordance with the e-Transactions Law.

A2.27. **If the OR-W Does NOT Warrants the CUSDEC**: The OR-W will update the System@SW with the query on the CUSDEC and calling a representative of the Exporter to visit the Customs Office to resolve the matter. (Note: The OR-W should be able to select the query or enter the query or obtain this information as a Web Service from the Customs System).

A2.28. *The Officer of the Exporter will visit the Customs and discuss the issue with the OR-W at Customs.*

A2.29. **If the OR-W requires the CUSDEC to be Rejected**: The OR-W will reject the CUSDEC and update the System@SW. (Note: This could be provided from the Customs System as a Web Service). Go To A2.33.

A2.30. **If the OR-W requires the CUSDEC to be amended**: The OR-W will amend the CUSDEC and update the System@SW that the CUSDEC was rejected. (Note: The CUSDEC will be amended and handled manually – less than 1-2% queries on CUSDECS). Go To A2.33.

A2.31. **If the OR-W accepts the CUSDEC**: Go To A2.26.

A2.32. The System@SW will inform the Exporter and SLPA/AA that the CUSDEC has been Warranted and the conditions.

A2.33. The exporter will generate a Payment Instruction (for Panel Inspection) through the System@SW. (Note: Only for cargo that has been selected for Panel Inspection).

A2.34. The exporter will effect payment to Customs on account of the Panel Inspection using the Lanka Gate Payment Gateway through the System@SW (for credit card payments), Bank Transfer or Cash/Bank Draft payments. (**Note: (a)** The exporter will use the Payment Notice Number as the reference for effecting payment). **(b)** The Customs should permit the payment for the Panel Inspection through the Credit Card. **(c)** The Panel Inspection process will be handled manually at the current stage).

A2.35. The Payment Receipt Number for the Panel Inspection with the amount and Date received are updated on the System@SW. (Note: This could be provided from the Customs System as a Web Service).

A2.36. The details of the receipt are informed to the exporter by the System@SW – and the exporter could generate a receipt through the System@SW.

A2.37. End.

A3:   Authorization of the CUSDEC for Export

Proposed Outcomes

a) Upon receiving confirmation of the goods availability for inspection the Customs and RA(s) will assign Officers to inspect the cargo and inform the exporter through the Single Window.

b) The Officers will inspect and document observations.

c) Following the inspection the Customs and RA(s) will authorize the shipment by authorizing the CUSDEC.

Exceptions

Inspection of the Cargo by RA(s) – Only for those Selected for Inspection

A3.1.   The Exporter will update the System@SW with the time the Cargo will be ready for RA Inspection and/or Customs Panel Inspection by completing the 'Cargo Ready for Inspection Note' (Format AF3.1). (**Note:** The Exporter will only be permitted to update this information for cargo that has been selected for inspection.)

A3.2.   Based on the intimation received from Exporter the System@SW will inform the relevant RA(s) of the time the Cargo will be available for Inspection. (A SMS reminder is sent to the relevant officer informing him of the Cargo Ready Status).

A3.3.   *Based on the information received through the System@SW the RA will appoint an Officer to inspect the Cargo.*

A3.4.   The details of the assigned Officer for each inspection and date of Inspection is updated on the System@SW[6]. (**Note**: It should be possible to generate a (a) Individual Inspection Sheet – which may vary based on the RA and (b) Daily Inspection Schedule per Inspector)[7].

A3.5.   The System@SW will inform the Exporter of the date of the Inspection and Name of Inspector where the Exporter has to make arrangements provide transport for the Inspector.

A3.6.   ***If RA will make arrangements to Visit the Exporter Warehouse****: Go To A3.8.*

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[6] If the RA could provide this information through a Web Service – the System@SW should be able to capture the information.

[7] The documents referred to will not be within the scope of the Single Window – but would be required to be implemented as a activity of the RA(s).

A3.7.

A3.8. ***If Exporter to make arrangements to collect the Inspector****: The Exporter will contact the relevant officer assigned for the inspection and make arrangement to visit the Exporter Warehouse.*

A3.9. *Upon Inspection of the cargo the Inspector will update the 'Individual Inspection Sheet' and draw samples – if so required.*

A3.10. *The Inspector will complete the inspections assigned and return to the RA office.*

A3.11. The 'Individual Inspection Sheets' (and Samples – where applicable) are reviewed and Authorization for Shipment or Rejection of Shipment and this information is updated on the System@SW[8]. **(Note**: It will be useful to have a barcode printed on each 'Individual Inspection Sheet' to minimize errors in data entry).

A3.12. The System@SW will inform the Customs (through Web Service) and the Exporter the Cargo has been authorized for export by the relevant RA(s) or rejected.

A3.13. End.

Panel Inspection by Customs Officers

A3.14. *On receipt of confirmation of the Container being available for Panel Inspection – through the System@SW, the Officer Responsible for Assigning Inspectors will assign the Officers for the panel Inspection.*

A3.15. *The Representative of the Exporter is required to visit the Customs together with the payment receipt for Panel Inspection.*

A3.16. *Based on the receipt of the information and fees the Officer Responsible for Assigning Inspectors will update the System@SW the names of the Inspectors Assigned. (Note: In the event of the Panel Inspection the Representative of the Exporter should bring along an approved CUSDEC generated through the System@SW).*

A3.17. *The Representative of the Exporter will make arrangements with the Inspectors to visit the Exporter Warehouse.*

A3.18. *Prior to leaving Customs the Inspector will obtain the 'Panel Inspection Report Form' in respect of each inspection to be carried out.*

A3.19. *Upon Inspection of the Container the Customs Inspection Panel will update the 'Panel Inspection Report Form' and draw samples – if so required.*

A3.20. *The completed 'Panel Inspection Report Form' is handed over to the Representative of the Exporter.*

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[8] If the RA could provide this information through a Web Service – the System@SW should be able to capture the information.

A3.21. The duly completed 'Panel Inspection Report Form' is handed over to the Officer Responsible for Panel Updates at Customs Office by the Representative of the Exporter.

A3.22. Based on the 'Panel Inspection Report Form' the CUSDEC is authorized or rejected and this information is updated on the System@SW[9]. (**Note**: It will be useful to have a barcode printed on each 'Panel Inspection Report Form' to minimize errors in data entry).

A3.23. The System@SW will permit the Exporter to obtain a printout of the 'Authorized CUSDEC' with an Authorization Code of Customs (**Note:** Such an authorization code does not currently exist).

A3.24. The System@SW will also inform the Cargo Handler (SLPA/AA) of the authorization granted for the shipment of the Cargo.

A3.25. End.

Modification of Authorized CUSDEC Information

Note: The System@SW will be required to have this feature to be activated based on the approval granted by the customs for specific items of information which could be activated as may be required from time to time. In any event the modification will only be permitted only until the cargo is transferred to the port.

A3.26. The Exporter may log onto the System@SW and recall a specific ISF Form number and identify the information he intends to modify. (**Note**: Only information that does not require approval from the Customs or SLPA would be permitted to be modified. E.g., Name of Vessel).

A3.27. The System@SW will send a message and request the information to be updated in the relevant organizations maintaining the information. (**Note**: This information may be shared as a Web Service or an email to the relevant organizations).

A3.28. End.

A4:   Transfer of Goods to Port

Proposed Outcomes

a)   To facilitate the payment to SLPA through the Internet.

b)   To minimize the number of copies of the Shipping Note and/or CDN

c)   To ensure only Cargo with an Approved (warranted) CUSDEC is accepted by SLPA.

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[9]   If the Customs System could provide this information through a Web Service – the System @SW should be able to capture the information.

d) The consolidation of multiple Authorized CUSDEC(s) into a single container.

e) Automation of the passing of the Boat Note.

Obtaining Booking Confirmation and Preparation of the Shipping Note

Exceptions

a

Note: The Booking Confirmation could be either from the Shipping Agent or the Airline Agent or Freight Forwarder. The entity transferring the Container to the Cargo Carrier will be considered the Shipper. (**Note:** The Shipping/Airline Agent or Freight Forwarder will be Termed as the 'Cargo Carrier' from the perspective of the Exporter)[10].

A4.1. The Exporter upon submission of the ISF could request the System@SW to submit a 'Request for Space Booking' to the relevant Shipping/Airline Agent or Freight Forwarder. (**Note:** The Exporter should be permitted to amend the quantities to the actual quantities being shipped prior to submitting the information to the Cargo Carrier).

A4.2. The Cargo Carrier will update the System@SW confirming the Space Booking and first port of discharge. (**Note**: The System@SW should be able to send reminders to the 'Cargo Carrier' in the event the confirmation is delayed).

A4.3. The System@SW will inform the Exporter of the status of the Booking Confirmation. (**Note:** This will permit the exporter to view the status of multiple shipping notes given to various cargo carriers).

A4.4. Based on the confirmed Booking Confirmations the System@SW will forward the Shipping Note details to the Cargo Handler (SLPA/AA) to register the Shipment. (Note: The information should be transferred as a Web service or email based on the infrastructure of the Cargo Handler)

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[10] The Cargo Carrier may accept the information as an email message or as a Web Service integrated with the Cargo Carrier System.

A4.5.

A4.6. The Cargo Handler will evaluate the Booking Confirmation and estimate the Charges and update the System@SW with the shipping charges and register the request. (Note: If the Cargo handler has a system to expose a web service with this information – the System@SW should be able to capture the required information).

A4.7. **If the Exporter has authorized the Cargo Handler to debit the Exporter Account**: The Cargo Handler will debit the relevant Exporter Account with the amount indicated in the 'Handler Payment Instruction' and update the System@SW with the Receipt Number and Amount debited. (**Note**: This could be provided from the Cargo Handler System as a Web Service). Go To A4.12.

A4.8. **If the Exporter has NOT authorized the Cargo handler to debit the Account**: The Cargo handler will update System@SW with the amount payable by the Exporter and Handler Reference Number. (**Note**: This could be provided from the Cargo handling System as a Web Service).

A4.9. The System@SW will inform the Exporter of the 'Handler Payment Instruction' issued by the Cargo handler together with the Handler Reference Number.

A4.10. The Exporter will be able to make payment to the Cargo Handler using the Lanka Gate Payment Gateway through the System@SW (for credit card payments), Bank Transfer or Cash/Bank Draft payments. (**Note:** The exporter will use the 'Handler Payment Instruction Number' as the reference for effecting payment).

A4.11. Upon receipt of Cash/Bank Draft from the Exporter the Cargo Handler will update the System@SW that the Cargo Handling Fees have been received together with the relevant Receipt Number amount and date for the specific 'Handler Payment Instruction Number'.

A4.12. The System@SW will forward the Payment Receipt information to the Exporter. (**Note**: The Exporter should be able to obtain an electronic receipt for the monies paid to the Cargo Handler by Credit Card).

A4.13. The Exporter will now be permitted to generate the Shipping Note with the Amended Shipment Quantities. (**Note**: The default will be the quantities updated on the CUSDEC).

A4.14. End.

Exceptions

Preparation of the CDN (Cargo Dispatch Note) and Transfer of Cargo to Cargo Handler.

A4.15. Upon receiving Approved CUSDEC the System@SW will permit the Exporter to update the System@SW with the final quantities to be exported, the details of the transporter, details of the container and the primary and secondary seals. (**Note**: It should be possible for FF to enter details of multiple Shipping Notes/CDNs to facilitate consolidation of Cargo).

A4.16. The System@SW will transfer the CDN information to the Cargo Handler[11] and to Cargo Verification Unit[12] (for BOI Exports only). The Cargo Handler will register the CDN and associated with the Shipping Note and Receipt as well as the validity of the other information related to the Vehicle and the Staff transporting the Cargo. (**Note**: The approval of the Vehicle and Staff transferring the cargo may not be required when the goods are being handed over to a Freight Forwarder).

A4.17. The Cargo Handler will now confirm on the System@SW the cargo as per CDN is ready for acceptance by the Cargo Handler.

A4.18. The System@SW will inform the Exporter and permit the Exporter to generate an authorized CDN which will have a Bar Code to identify the CDN..

A4.19. *The Authorized CDN is handed over to the Staff Transporting the Cargo.*

A4.20. *The Cargo and the CDN is handed over for inspection and approval at the various points of entry into the Cargo Handler's Area.*

A4.21. *The CDN may be stamped as required (as the cargo passes the various points) – and the CDN Barcode is scanned into the Cargo Handlers System and information on the System Validated with the CDN information and the Physical Information. (Suggest: No copies of the CDN are retained at the Gates – if on-line facilities are NOT available only one copy to be retained at the Final Point of Accepting the Cargo and this information should be updated on the Cargo Handler's System).*

A4.22. *The stamped CDN is handed over to the Handler's Export Office to update the Cargo Handling System and authorize the CDN to accept the Cargo by the Terminal Handlers.*

A4.23. The Authorized CDN is handed over to the Terminal Handlers – who will accept the Cargo, certify the CDN the cargo has been accepted and update the System@SW the cargo has been accepted. (Note: The System@SW could be

Exceptions

A

A4.16 If the information received is NOT accepted by the Cargo Handler System the exporter is informed through the System@SW and the exporter may correct the CDN information. Go To A4.14.

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[11] The Cargo Handler may accept the information as an email message or as a Web Service integrated with the Cargo Handler System.

[12] Approval of the Verification Unit will also be updated on the System@SW.

updated directly through a web service exposed by the Terminal handlers System).

A4.24. End.

Passing of Boat Note (Final Approval by Customs for Shipment)

A4.25. *The Exporter Warf Clerk will submit the following documents to the Customs – Boat Note Passing Office. (Note: When the cargo is consolidated – every individual item has to be passed separately before the consolidated package/container is authorized for Shipment).*

   a) *The CUSDEC authorized for shipment by the Customs*

   b) *The authorized Shipping Note*

   c) *The CDN – as registered with the Cargo handler.*

A4.26. *Based on the above documentation the Customs Officer at Boat Note Passing Office – will check the Customs System and Update the Customs System any variation as specified in the CDN.*

A4.27. *The Customs Officer at Boat Note Passing Office will now authorize the Shipment by Authorizing the CUSDEC for shipment, Authorize the Shipment on the Customs System.*

A4.28. *The Customs System will update (through a web service) the System of the Cargo Handler authorizing the export of the cargo.*

A4.29. The System@SW will receive the information relating to the 'confirmation of Authorization for Shipment' from the Customs System as a web service and pass on the information to the Exporter. (Note: This could be automated through a Web service exposed by the Customs System).

A4.30. End.

Note:

In the event of the following scenarios – the process from that point onwards will be handled manually;

(a) Shut Out of Cargo – after being accepted to the Terminal

(b) Change of Vessel by the Exporter.

(c) Cargo detained for Customs Inspections

A5:   Post Shipment Confirmations

Proposed Outcomes

   a) To share the Loading Information captured by the Terminal Handlers to Customs, Exporter.

The Terminal Handler will update the 'Loading of the Cargo onto the Vessel'.

A5.1.   **If the Cargo was Loaded onto the Vessel:** The Terminal Handler (Shipping Agent) will load the cargo onto the Vessel and update the System@SW confirming the cargo has been loaded. (**Note:** The information should be captured directly if the Terminal Handler could provide a web service with the required information). Go To A5.3.

A5.2.   **If the Cargo was NOT Loaded onto the Vessel:** The Terminal Handler (Shipping Agent) will also update the System@SW of the cargo that has been shut-out from the vessel. (**Note**: The information should be captured directly if the Terminal Handler could provide a web service with the required information).

A5.3.   The System@SW will inform the Customs, Cargo Handler, Relevant RA(s) and Exporter the Cargo has been loaded (or NOT) on the vessel. (Note: This information could be shared as a Web Service or email messages as may be required with the different entities).

A5.4.   The System@SW should be able to print the 'Confirmation of Shipment' (Mate's Receipt) to be printed by the exporter. (**Note**: Any authorized 3rd Party should be able to access certified information of the export of the cargo through the Single Window).

A5.5.   *Where an entity requires direct confirmation from the Customs System is required – the entity will be required to access the Customs System through a Web Service exposed to certify post shipment information. (Note: This step will not be an activity for the single window).*

A5.6.   End.

3.0

Stakeholder Impact Matrix

3.0 Stakeholder Impact Matrix

A1: Registration Exporter for Single Window Services

Process Reference	Regulatory Authority	Customs	SLPA/AA
A1.1.			
A1.2.			
A1.3.			
A1.4.			
A1.5.			
A1.6.			
A1.7.			
A1.8.			
A1.9.	Accept the information provided by the System @SW (via a Web Service or email) and to register the Exporter and assign a Reference Number,		
A1.10.	To update the System@SW with the Assigned Reference Number – by updating the Web Interface or providing a Web Service.		
A1.11.		Accept the information provided by the System @SW (via a Web Service) and to register the Exporter and assign a Reference Number,	Accept the information provided by the System @SW (via a Web Service) and to register the Exporter and assign a Reference Number,
A1.12.		To update the System @SW with the Assigned Reference Number via a Web Service.	To update the System @SW with the Assigned Reference Number via a Web Service.
A1.13.	To register with the Registration Authority and obtain a Digital Certificate – and ensure all information carries the Signature for verification.	To register with the Registration Authority and obtain a Digital Certificate – and ensure all information carries the Signature for verification.	To register with the Registration Authority and obtain a Digital Certificate – and ensure all information carries the Signature for verification.
A1.14.			
A1.15.			
A1.16.			
A1.17.			
A1.18.			

A2: Receive Export Documentation, Approvals and Collect Payments.

Process Reference	Regulatory Authority	Customs	SLPA/AA
Note		The customs to consider the Customs Bond activities as being similar to a Regulatory Authority for the purpose of Export of Cargo.	
A2.1.			
A2.2.			
A2.3.			
A2.4.	The ability to accept the Export Application (which may include other electronic documents) via Web Service or by email.		
A2.5.	Review of the application together with the supporting documents received electronically and decide if the application could be accepted or not and any conditions applicable.		
A2.6.	The RA should update the System @SW with the acceptance (either directly through a web service or updating the Web Interface).		
A2.7.	The RA should update the System @SW confirming rejecting the application (either directly through a web service or updating the Web Interface).		
A2.8.	The RA will prepare the Payment Notice details and update the System @SW through a Web Service or directly updating the Web Interface or emailing the Payment Notice.		

Process Reference	Regulatory Authority	Customs	SLPA/AA
A2.9.	The RA will prepare the Payment Notice details and update the System @SW through a Web Service or directly updating the Web Interface or emailing the Payment Notice.		
A2.10.	If the RA maintains a Payment Account for the Exporter – to debit the amount and confirm the amount debited, Receipt Details and the balance available.		
A2.11.			
A2.12.	RA to accept Credit Card Payments made through the System@SW.		
A2.13.	The System@SW is updated by the RA with amount received and receipt reference number.		
A2.14.	The RA will approve the Export Application and update the System @SW confirming same (through Web Service, Web Interface or email).		
A2.15.			
A2.16.			
A2.17.		Accepting the CUSDEC, Supporting Documents and RA approvals and Reference details via Web Service.	
A2.18.			
A2.19.		If the Customs maintains a Payment Account for the Exporter – to debit the amount and confirm the amount debited, receipt details and the balance available.	
A2.20.		To update the System@SW with the assigned CUSDEC number via Web Service.	

Process Reference	Regulatory Authority	Customs	SLPA/AA
A2.21.			
A2.22.		Customs to accept Credit Card Payments made through the System@SW or direct payment to Customs.	
A2.23.		The Receipt Number to be uploaded onto the System@SW (via a web service)	
A2.24.			
A2.25.			
A2.26.		To update the System@SW (via a web service) the CUSDEC has been warranted with applicable conditions.	
A2.27.		To update the System@SW (via a web service) that the CUSDEC has been queried and for a representative to visit the Customs.	
A2.28.			
A2.29.			
A2.30.			
A2.31.			
A2.32.			
A2.33.			
A2.34.		The Customs System should be able to accept cash for Panel Inspection and issue a receipt – and information exposed as a web service.	
A2.35.		The Customs Officer to update the Receipt Details on the Single Window or the information to be maintained in the Customs System and provided to the System@SW using a web service.	
A2.36.			
A2.37.			

A3: Authorization of the CUSDEC for Export

Process Reference	Regulatory Authority	Customs	SLPA/AA
A3.1.			
A3.2.	The RA to accept information related to the date and time 'Cargo will be Ready for Inspection' electronically.		
A3.3.	Based on the electronic information to appoint an Inspector.		
A3.4.	The details of the inspector to be updated on the System@SW via Web Service, Web Interface or email.		
A3.5.			
A3.6.			
A3.7.			
A3.8.			
A3.9.			
A3.10.	The Inspection Sheets are uploaded onto the System@SW with confirmation of authorization or rejection of the cargo for export.		
A3.11.		Customs to accept intimation from the System@SW the specific CUSDEC has been authorized by the RA(s).	
A3.12.			
A3.13.		Customs to accept information from the System@SW re: date and time cargo ready for Panel Inspection. (via web service).	
A3.14.			
A3.15.			
A3.16.			
A3.17.			

A3.18.			
A3.19.			
A3.20.			
A3.21.		The outcome of the Panel Inspection is updated on the System@SW (via Web Service or Web Interface).	
A3.22.		The customs System to update the System@SW confirming an Authorized CUSDEC could be printed and the information shared with the Customs Officers managing the Cargo Loading points/gates.	
A3.23.			
A3.24.			
A3.25.			
A3.26.	The RA System (or procedures) should be able to update the modified related to the specific export.	The Customs System to accept the modified information and update the specific export.	The SLPA System to accept the modified information and update the specific export.
A3.27.			

A4:   Transfer of Goods to Port

Process Reference	Shipping Line	Customs	SLPA/AA
A4.1.	To accept a 'Request for Space ' via a Web Service or email from the System @SW.		
A4.2.	To update System@SW with the confirmation of 'Space'.		
A4.3.			
A4.4.			To accept 'Shipping Note' information from the System@SW (via a Web service).
A4.5.			To update the System@SW with the confirmation of the Cargo Handling Charges.
A4.6.			
A4.7.			
A4.8.			Update the System@SW with the amount payable to the Handler Reference Number.
A4.9.			
A4.10.			To accept Credit Card Payments through the System@SW or direct payment to the Cargo Handler and Receipt details to be updated on the System@SW.
A4.11.			Upon Receipt of the Handling Charges the Cargo handler will update the System@SW confirming Receipt Number and Amount Received.
A4.12.			
A4.13.			
A4.14.			
A4.15.			
A4.16.			The Cargo Handlers System should accept the Transporter and Packaging details (via Web Services or

			as a email).
A4.17.			The Transfer information is shared with the gates and other relevant offices of the Cargo handler and confirm to the System@SW the information has been shared as required.
A4.18.			
A4.19.			
A4.20.			
A4.21.		The Customs System is updated at the gate confirming the entry of the cargo to Port.	The CDN is stamped as required and the Cargo handling System is updated confirming the entry of the cargo at the gates.
A4.22.			The System@SW is updated the confirming the Cargo has been accepted.
A4.23.			
A4.24.			
A4.25.			
A4.26.			
A4.27.			
A4.28.			
A4.29.		Update the System@SW confirming the Boat Note has been passed.	
A4.30.		Update the Cargo handlers System confirming the Authorization to Export the cargo	Accept from the Customs System the Authorization to export the specific cargo.

A5:   Post Shipment Confirmations

Process Reference	Regulatory Authority	Customs	SLPA/AA
A5.1.		Accept the information from the Cargo handler with regards to the cargo loaded.	Update the System@SW and Customs System confirming the Cargo has been loaded onto the vessel.
A5.2.	Accept Confirmation from System@SW of the Cargo loaded by Web Services or email.		
A5.3.			
A5.4.			
A5.5.			
A5.6.			

4.0

Functional & Non-Functional Requirements for Single Window System

for Export Cargo Processing

4.0 Functional / Non Functional Requirements for the Single Window System

The following functional and non-functional requirements single window system has been identified below. Please ensure the instructions stated below when completing the document. Please confirm you have complied with the Instructions for Completion by updating the relevant column within the 'Confirmation of Compliance'.

Instructions for Completion and Special Obligations of the Single Window Operator:

Instructions for Completion	Confirmation of Compliance	
	Yes	No
1. All digital certificates referred to within this document are digital certificates issued by the Lanka Government Network (LGN) Certification Authority.		
2. If the specific functionality **is currently available** within your system – please respond as '**Yes**'		
3. If the specific functionality **is not currently available** within your system please respond as '**No**'.		
4. If you are planning to provide a functional/non-functional requirement **which is currently not available**, please mention **'No'** as your response and also mention how and when the particular requirement can be met, in the remarks column.		
Special Obligations of the Single Window Operator		
1. The information to be received by the Single Window (whether specified or not) will always have to be received either through Web Services or the Web Interface of the Single Window. Communication must make use of authenticated secure communication channels (HTTPS, WS-Security), including upload of scanned documents.		
2. The information to be transferred by the Single Window (whether specified or not) will always have to be provided using Web Services. WS-Security must be used to ensure all communications are authenticated, over a secure communication channel, and where applicable message content is encrypted.		
3. Agreement to permit other stakeholders to audit the system to ensure compliance with the agreed requirements including a standard security audit.		
4. Agreement to maintain the audit trails and furnish to any user the required information related to any specific message upon request.		
5. To represent any stakeholder in a court of law to confirm the authenticity of the information and/or the documents that were routed through the SWin System		
6. To support and facilitate any stakeholder system to be integrated with SWin System using Web Services.		
7. Agreement to train all stakeholders to use the SWin System.		
8. To provide a help desk for the stakeholders to log any queries and issues with the Swin System.		
9. To ensure the specified service standards are monitored and maintained and reported regularly to the stakeholders.		

Functional/Non-Functional Requirement	Yes	No	Remarks (in case the function is currently not available, please mention how and when it will be provided)
A1. Registration of the Exporting Entity			
1. Accept information relating to all stakeholders (i.e., all Regulatory Authorities, Customs, BOI, Shipping Lines, SLPA and Airport Authority and Single Window) when exporter requests to register with the Single Window.			
2. To accept scanned copies of documents required by any of the stakeholders within the System and transfer them electronically to the relevant stakeholder.			
3. To utilize authenticated secure communication channel for data as well as scanned documents received.			
4. To validate the information received for completeness and accuracy (based on validation rules) and inform the exporter of any inconsistencies.			
5. To inform the exporter in the event the an authentication attempt is failed or a secure channel establishment failed due to an issue with the digital certificate.			
6. To forward the validated information to the Regulatory Authorities as may be required by them and based on the products identified by the exporter to be exported (including scanned documentation required by the Regulatory Authority).			
7. To electronically follow-up with the regulatory authorities until the registration information is received.			
8. On receipt of the confirmation of the registration – the Swin System should be able to accept the Registration Information and any conditions specified by the Regulatory Authorities.			
9. The SWin System should be able to match the response received from the regulatory authority with the application made by the exporter.			

Functional/Non-Functional Requirement	Yes	No	Remarks (in case the function is currently not available, please mention how and when it will be provided)
10. The SWin System should communicate the response and registration information with the exporter with confirmation of the information received from the specific Regulatory Authority.			
11. Upon receiving confirmation of registration from all relevant regulatory authorities the SWin should forward the information and any scanned documents required to the other stakeholders (i.e., Customs, BOI, SPLA, etc.) through an authenticated secure communication channel.			
12. The SWin System should be able to match the response received from the other stakeholders with the application made by the exporter.			
13. The SWin System should communicate the response and registration information with the exporter received from the other stakeholders with confirmation of the information has being received from the specific stakeholder.			
14. The SWin System upon receipt of the required registration information from all stakeholders – will inform the exporter that he could use the SWin System to submit the required export documentation.			
15. The SWin System should permit the adding of new products to be exported (to the existing portfolio) together with the supporting data and scanned documents (as may be required by a regulatory authority) – which should be forwarded to the relevant Regulatory Authorities and confirmation of registration obtained. (**Note: (a)** As per the method specified in steps 2 -12. **(b)** The new products may have to registered with existing or new regulatory authorities).			

Functional/Non-Functional Requirement	Yes	No	Remarks (in case the function is currently not available, please mention how and when it will be provided)
A2. Receive Export Documentation, Approvals and Collect Payments			
16. Ability to receive Export Information (i.e., all information required by the relevant Regulatory Authorities, Customs, BOI, Shipping Lines, SLPA and other stakeholders) with scanned documents through a secure **web service** from the exporter system.			
17. Ability to receive Export Information (i.e., all information required by the relevant Regulatory Authorities, Customs, BOI, Shipping Lines, SLPA and other stakeholders) with scanned documents through a **web interface** using a authenticated secure communication channel (HTTPS) provided by the SWin System.			
18. To validate the information received and inform the exporter of any discrepancies.			
19. Upon validation of the information to forward the relevant export information to the relevant Regulatory Authority (including scanned documents) together with the confirmation of the exporter details generated through the SWin from a secure **web service** exposed to the Regulatory Authority			
20. Upon validation of the information to forward the relevant export information to the relevant Regulatory authority (including scanned documents) together with the confirmation of the exporter details generated through the SWin as a secure **valid message** (email) which could be acted upon by the Regulatory Authority.			
21. To generate an intimation message and reminder messages to the relevant officers within the Regulatory Authorities of the non-receipt of the approvals. (**Note:** The SWin System will maintain the information related to the Officer Responsible for approving the export information).			
22. The exporter to effect on-line payments through the SWin to the Regulatory Authority using the Lanka Gate Infrastructure. (**Note:** The payment could be through Credit Card payments or Bank Transfers or Direct Debit).			

Functional/Non-Functional Requirement	Yes	No	Remarks (in case the function is <u>currently not available</u>, please mention how and when it will be provided)
23. To receive the Official Receipt issued by the Regulatory Authority through a Web Service or from a Web Interface and to transfer the information to the exporter in a secure manner.			
24. Ability to receive Confirmation of Approval of export (i.e., all information required to confirm the approval, including registration number and/or conditions of approval etc.) by the regulatory authority through a secure **web service** or **authenticated email message** from the Regulatory Authority system.			
25. The exporter to effect on-line payments through the SWin to the Customs using the Lanka Gate Infrastructure. (**Note:** The payment could be through Credit Card payments or Bank Transfers or Direct Debit).			
26. To receive the Official Receipt issued by the Customs through a secure Web Service or a Web Interface via a secure communication channel (HTTPS).			
27. To forward the information to the exporter through a secure communication channel or an email message with a confirmation generated through SWin confirming the information was received from the Customs.			
28. The validated information is forward as required (i.e., this may include a combination of Information Supplied by the exporter and regulatory authority including scanned documents) to the Customs/BOI with confirmation from the SWin System stating the originator of the relevant information through an authenticated secure communication channel.			
29. To forward the confirmation with the specified conditions to the exporter and the SLPA with a confirmation generated by the SWin stating the originator of the information through a secure communication channel or an email message.			

Functional/Non-Functional Requirement	Yes	No	Remarks (in case the function is <u>currently not available</u>, please mention how and when it will be provided)
A3. Authorization of the CUSDEC for Export			
30. To forward the information confirming the 'goods ready for inspection' to the Regulatory Authorities and the Customs/BOI with confirmation the information was received from the specific exporter generated through the SWin System through a secure **Web Service**.			
31. To forward the information confirming the 'goods ready for inspection' to the Regulatory Authorities and the Customs/BOI with confirmation the information was received from the specific exporter generated through the SWin System as a **Authenticated Message (email or SMS alert?)**.			
32. The validated information should be passed onto the exporter with a confirmation from the SWin confirming the originator of the information.			
33. The exporter to effect on-line payments through the SWin to the Customs for the Panel Inspection using the Lanka Gate Infrastructure. (**Note:** The payment could be through Credit Card payments or Bank Transfers or Direct Debit).			
34. To receive the Official Receipt issued by the Customs through a secure Web Service or a Web Interface through a secure communication channel (HTTPS) with an email message and to transfer the information to the exporter with the confirmation the information was received from the Customs through a secure communication channel.			
35. To receive inspection confirmation and conditions (if any) with details of the inspection and inspectors from the Customs from a secure web service, this is validated by the SWin and accepted or rejected. (**Note:** Rejections should be communicated with the			

Functional/Non-Functional Requirement	Yes	No	**Remarks** (in case the function is <u>currently not available</u>, please mention how and when it will be provided)
exporter).			
36. The ability to prepare the inspection schedule for the inspectors as well as Inspection Report formats with the details on the exports with the required bar code.			
37. To receive the authorization or rejection confirmation for the export from the Regulatory Authority through a secure communication channel, which is validated by the SWin and accepted or rejected.			
38. To inform the exporter of the authorization or rejection of the export by Regulatory Authority with the confirmation the information was received from the Regulatory Authority .			
39. To inform the Customs and SLPA of the authorization or rejection of the export by Regulatory Authority with the confirmation the information was received from the Regulatory Authority.			
40. To accept the confirmation from Customs of Authorization or Rejection of the CUSDEC with an authorization bar code.			
41. To transfer the CUSDEC authorization/rejection information received from the customs to the exporter and SLPA with the confirmation the information was received from the Customs.			

Functional/Non-Functional Requirement	Yes	No	Remarks (in case the function is currently not available, please mention how and when it will be provided)
A4. Transfer of Goods to Port			
42. Swin will transfer the Shipping Note information to the Shipping Agent or Freight Forwarder with the confirmation the information was received from the specific exporter.			
43. To receive conformation of 'Space Booking' from the Shipping Agent or Freight Forwarder from a secure Web Service and Web Interface over a secure communication channel (HTTPS) together with any other supporting documents (e.g., Container Release Note).			
44. Space Booking confirmation is forwarded to the Exporter with the confirmation generated by the SWin that the information was received from the Shipping Line.			
45. The Space Booking information received from the Shipping Line is retained at the SWin System until the exporter requests the SLPA for the payment details.			
46. To transfer the Space Booking with the confirmation the information was received from the Shipping Line.			
47. Upon receipt of the request from the exporter the SWin will match with the confirmation received from the Shipping Line and forward the relevant information to the SLPA to determine the SLPA Charges with the confirmation the information was received from the specific source (**Note:** Multiple Source Information).			
48. To receive confirmation from the SLPA on the charges and to communicate the authenticated information with the confirmation the information was received from the SLPA.			
49. The exporter to effect on-line payments through the SWin to the SLPA for the SLPA Charges using the Lanka Gate Infrastructure. (**Note:** The payment could be through Credit Card payments or Bank Transfers or Direct Debit).			
50. To receive the Receipt details for the payment made by the exporter via a secure communication channel. All rejected information is informed to the source.			

Functional/Non-Functional Requirement	Yes	No	Remarks (in case the function is <u>currently not available</u>, please mention how and when it will be provided)
51. To transfer the Receipt details received from the SLPA to the relevant exporter with the confirmation the receipt details were received from the SLPA.			
52. Upon payment of the SLPA Charges the exporter is permitted to update the CDN details on the SWin System. (**Note: (a)** The SWin System may have to call on many approved CUSDECS for preparing the CDN in the case where cargo is consolidated into a single container. **(b)** The exporter should be permitted to update the CDN only after the approval of the CUSDEC).			
53. SWin will validate the authenticity of the shipper and forward the CDN details to SLPA with the confirmation the information was received from the shipper through secure communication channel.			
54. The SWin will receive confirmation of acceptance/rejection (with details) of the CDN from SLPA.			
55. The SWin System will validate the authenticity of the accepted/rejected CDN and forward the information to the exporter with the confirmation the information was received from the SLPA.			
56. The SWin will permit the printing of the authorized CDN and Shipping Note by the exporter with the authorization bar code.			
57. The Customs will update the Boat Notes passed on the SWin via a secure mechanism.			
58. The SWin will ensure the authenticity, and pass the information to the SLPA and the Exporter with the confirmation that the information was received from the Customs.			

Functional/Non-Functional Requirement	Yes	No	Remarks (in case the function is currently not available, please mention how and when it will be provided)
A5. Post Shipment Confirmations			
59. The SLPA/Shipping Agent to update the SWin with confirmation of the loading of the cargo (or the shut-out of the cargo) onto the vessel through a secure communication channel. (**Note:** The information will be accepted through a secure web service or through a web interface over HTTPS).			
60. The SWin will ensure the authenticity of the information and pass it to the exporter and the Regulatory Authorities with the confirmation the information was received from the SLPA/Shipper.			
61. The SWin System will permit the exporter to print the 'Confirmation of Loading' through the SWin System.			
General Requirements			
62. The System should be available for all of the above transaction 24/7 basis.			
63. Ability for the SWin System to generate email and SMS messages as reminders based on a given frequency to generate the reminders.			
64. The Single Window operator should be able to maintain an audit trail of all the information passed through the single window.			
65. In the event of a dispute the Single Window operator should be able confirm the authenticity of the information transferred based on the digital certificate, email traces, and other logs & audit trails and defend their position in a court of law.			

5.0

The Way Forward to Implement the

Single Window System for Export Cargo Processing

5.0 The Way Forward for Implementation of Single Window for Export Documentation Processing

1. Introduction

The total value of Sri Lankan exports has been USD 7 billion in year 2009 which is 14. 5% of the GDP of the country. It is expected that in order to achieve the targets set by "Mahinda Chinthane Idiri Dekma" as to be a Commercial Hub, the exports will need to be doubled. Therefore every possible action should be taken to achieve the export targets.

Currently there are many government organizations as regulators, tax\duty levying organizations and shipping/port organizations which are involved in the process of exporting products. These organizations require exporters to provide numerous documents, get through many gates for exporting goods. Due to the lack of co-ordination among the above mentioned parties to streamline the process the exporters have to visit many government organizations, obtain many permits/licenses, pay different fees\duties\taxes to those organizations. This has led to long delays which has effected the export process and even discourage the some want-to-be exporters from the export market. Therefore it has become essential to streamline the export processes to make it business-centric, efficient and speedy activity from the exporter's point of view.

2. Background

Current Situation & Bottlenecks

The exporter in general has a complicated process to obtain the required approvals to export the cargo. The exporter is required to;

(a) Submit an application to the Regulatory Authority who will decide if the cargo could be exported (only for those products that require regulatory authority approvals).

(b) Based on the approval of the Regulatory Authority the exporter is required to prepare the CUSDEC and submit to the customs.

(c) The exporter is required to visit the customs and obtain approval for export.

(d) Based on the approval of customs the exporter is required to prepare the Shipping Note and visit the SLPA finance section to make the required payments to the SLPA and obtain the receipt.

(e) The exporter is thereafter required to inform the Customs and the Regulatory Authority (only for cargo selected for inspection or panel inspection) that the cargo is ready for inspection.

(f) The exporter is required to make payments for the inspection and obtain authorization for export, (only for cargo selected for inspection or panel inspection).

(g) The exporter will thereafter prepare the CDN and transfer the cargo to the Port.

(h) The exporter will thereafter register the cargo with the SLPA/ Terminal Handler.

(h) The exporter will visit the Customs Office in Port and Pass Boat Note.

(i) After the cargo is exported the exporter is required to visit the Port and obtain confirmation of export.

This procedure has caused many difficulties to the exporter – where they are required to visit the Regulatory Authorities, Customs and SLPA on multiple occasions and have to obtain services from many officers.

Action taken to improve the Services to the Exporter

The Customs have opened up their System for the exporter to enter the CUSDEC information onto their System and obtain the CUSDEC, thereby eliminating the requirement for the CUSDEC information to be entered into the Customs System at the Customs Office. A similar service has also been offered by 'eServices Lanka Ltd.', where the CUSDEC information could be entered, which information is thereafter transferred to the Customs System. In addition 'eServices Lanka Ltd.,' has also integrated their system with specific regulatory authorities for submitting the export information to the Regulatory Authority.

However, the number of exporters participating in either system is limited as in the opinion of the exporter – the current solutions offered do not add much value addition to the exporter.

Perceptions of the Exporter

Following a meeting of the Exporters and Freight Forwarders organized by the Chamber of Commerce the following requirements were identified;

a) Any system proposed should cover the approval and authorization of the CUSDEC from Customs and authorization from the Regulatory Authority and the transfer of goods to the Port without having to visit the Customs Office – provided the documentation is not subjected to queries. (**Note:** Approximately 2 – 3% of the documents are subject to queries and these could be handled manually).

b) In the event of a query on the CUSDEC the exporter has no objection being summoned to Customs and additional information obtained.

c) It was agreed that the Panel Inspection could be initially handled on a manual basis as it is accounts for approximately 15% of the shipments.

d) Unless the proposed system could reduce the cost and increase the speed of transaction they would not be interested in participating in such a system. (Lack of participation in the eServices EDI System and Customs DTI system were sighted as examples).

e) The exporter is currently electronically trading with other organizations and therefore they will be ready to adopt any new system introduced to improve their performance.

3. Problem Statement

To facilitate the exporter to submit the export documentation and obtain the required approvals and authorization without having to visit the relevant organizations authorized (Regulatory Authorities, Customs, SLPA, etc) to process the documentation and effect payments.

4. Solution

To develop a system that could effectively handle the communication between the relevant stakeholder organizations and the exporter – while ensuring the confidentiality, integrity and authenticity of the information passed through the System.

5. Development Objective

To develop a Single Window that could accept the required information from the exporter and submit the information to the relevant stakeholder organizations, obtain the approvals and conditions of approval from the relevant stakeholder organizations and communicate the approvals and conditions of approval to other relevant stake organizations.

To develop a work flow to ensure the order of the flow of the activities are controlled and managed.

6. Development Approach

Stated below is a set of activities that would have to be carried out to increase the probability of success for implementing the Single Window Systems to facilitate the export of cargo.

Activity	Current Status	Responsibility
a. Defining of the processes for the Single Window System & obtaining approval in Principle from all major stakeholder within the process (i.e., Exporters & Freight Forwarders, Regulatory Authorities, Customs and SLPA).	Completed	ICTA
b. To define a Governance Model for the Development, Implementation and Maintaining the proposed Single Window System.	Pending	NARC
c. To develop a Functional Questionnaire to access the current capabilities of the existing stakeholders to facilitate the Single Window System	Completed	ICTA
d. To conduct a survey based on the Functional Questionnaire among the major stakeholders and decide if a single stakeholder is capable of developing, implementing and maintaining the Single Window System.	Pending	NARC
e. Defining the Interoperability Standards to be used by the Single Window.	Pending	ICTA
f. Obtaining high level commitment of the major stakeholders to support the change and commitment to develop the stakeholder systems to support the Single Window System.	Pending	NARC
g. Defining the System Architecture and the Technical Questionnaire (only in the event an existing stakeholder has been selected to develop and maintain the Single Window System).	Pending	ICTA
h. Based on the feedback to determine the technical capabilities of the stakeholder to develop and maintain the Single Window System.	Pending	NARC/ ICTA
i. To develop the SRS (Software Requirement Specification) and the scoping of the Pilot Deployment	Pending	ICTA
j. Developing Cost Estimation for the Software, Hardware for the Pilot Deployment as well as the SQA (Software Quality Assurance) contract.	Pending	ICTA

Activity	Current Status	Responsibility
k. Deciding on the procurement strategy and the Funding Requirements for the Project.	Pending	NARC
l. Selection and hiring of a Project Manager to manage the Project.	Pending	NARC
m. Preparation of the Tender Documents for the Single Window System.	Pending	NARC/ICTA
n. Selection of Vendor(s) and award of the contract.	Pending	NARC
o. Development and SQA (during the entire life cycle of the system development process)	Pending	NARC/ICTA
p. Signing Off the Systems confirming acceptance of the System and to effect payment to the vendors.	Pending	NARC/ICTA
q. Managing the Pilot Deployment.	Pending	NARC
r. Acceptance and Rollout	Pending	NARC

7. Support from ICTA

During the implementation of the project the ICTA could support the NARC in the following areas as identified above;

f) Technical Advisory Support during the entire existence of the project.

g) Housing and guiding the Project Manager for the project.

h) Assist the Technical Committee on procurement procedures and the document standards.

i) Support the Technical Committee on the evaluation on the proposals.

j) To provide inputs on Technical Standards, Formats, Templates, Industry Best Practices and SOP (Standard Operating Procedures).

8. Conclusion

The proposed Single Window System could be developed by an existing stakeholder or a new organization who would be capable of meeting the functional and technical requirements.

In order to ensure the success of the Single Window System NARC should ensure (a) a strict governance framework is put in place to drive the project and (b) obtain the active support of the main stakeholders for the project.

The contents of this report are confidential and the recommendations have been based on the feedback and approval received from the Major Stakeholders within the process.

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