



MED MSMEs

Policies for inclusive growth

THIS PROGRAMME IS FUNDED BY THE EUROPEAN UNION



Support to an Enabling Business Environment for MSMEs Development & Financial Inclusion



ASEAN Single Window (ASW)

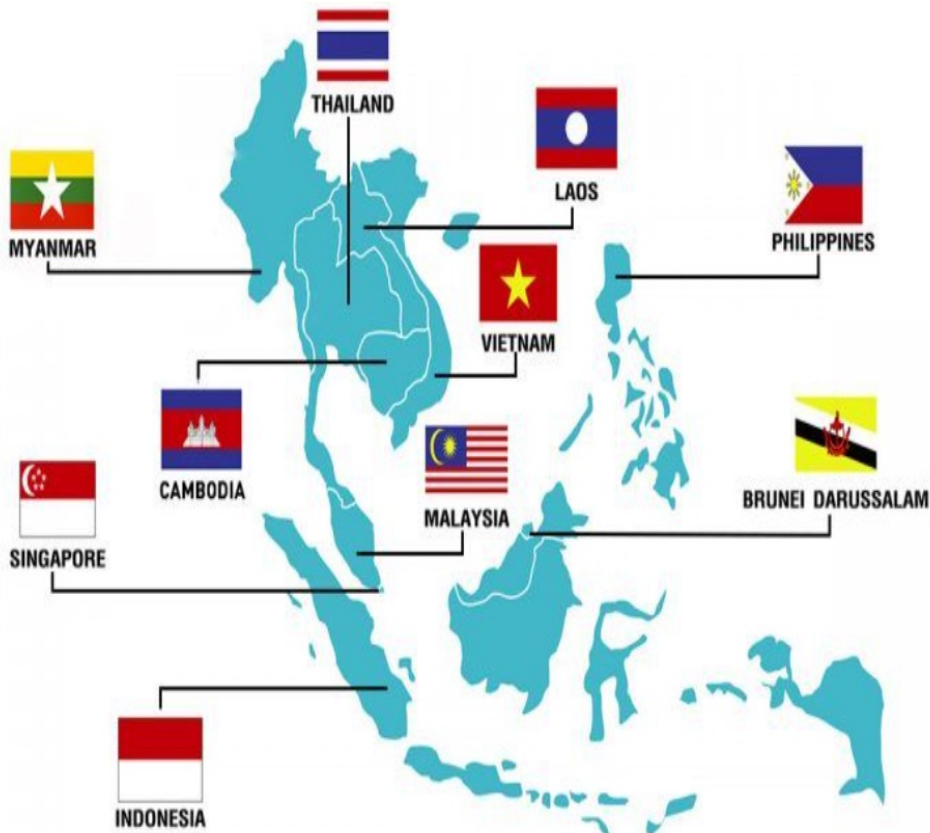
Marrakech, Kingdom of Morocco

September 27 2022





ASEAN



- Founded in 1967, 668m – 10 AMS
- **5th largest economy** in the world (\$3.4tn in 2021), 4th by 2030
- Total GDP has increased 5x since 2000 (Indonesia accounts for 35.5% of GDP)
- GDP per capita 4x since 2000
- FDI inflows into ASEAN grew from US\$108bn (2010) to US\$175 bn (2021)
- **ASEAN Economic Community (AEC)** – single free trade area (4 pillars)
- **ASEAN Trade in Goods Agreement (ATIGA)** and Agreement on Customs (**ATISA**)
- ATIGA has resulted in zero-tariff treatment for more than 98% of intra-Asean tariff lines
- ASEAN and its 5 FTA partners concluded negotiations and signed the **Regional Comprehensive Economic Partnership (RCEP) Agreement** (Nov 2020)
- **Digital Infrastructure** – investment in data centers, 5G networks

ASEAN ECONOMIC COMMUNITY GOALS

**SINGLE MARKET AND
PRODUCTION BASE**

**COMPETITIVE ECONOMIC
REGION**



**EQUITABLE ECONOMIC
DEVELOPMENT**

**FULLY INTEGRATED REGION IN
THE GLOBAL ECONOMY**

ASEAN Digital Platforms

- **ASEAN Single Window (ASW)**
- ASEAN Trade Repository (ATR)
- ASEAN SME Academy (online courses)
- ASEAN Access (B2B)
- ASEAN Entities (accreditation)
- ASEAN Digital Innovation Program (ADIP) - joint initiative with Microsoft
- “Digital ASEAN” initiative (PPP – data policy, e-Payments, cybersecurity)





ENHANCED BY Google



The ASEAN Trade Repository (ATR) is supported by the European Union (EU) through its flagship ARISE Plus Programme (ASEAN Regional Integration Support by the EU).

ASEAN MEMBER STATES



Brunei Darussalam



Indonesia



Malaysia



Philippines



Cambodia



Lao PDR



Myanmar



Singapore



TOPICS

- [Tariff nomenclature](#)
- [MFN tariffs, preferential tariffs offered under the ATIGA and other Agreements of ASEAN with its Dialogue Partners](#)
- [Rules of origin](#)
- [Non-tariff measures](#)
- [National trade and customs laws and rules](#)
- [Procedures and documentary requirements](#)
- [Administrative rulings](#)
- [Best practices in trade facilitation applied by each Member State](#)
- [List of authorised traders of AMSs](#)



In line with the ASEAN Trade in Goods Agreement (ATIGA), the ASEAN Trade Repository (ATR) is intended to provide transparency on the trade and customs laws and procedures of all ASEAN Member States. The ATR is an electronic interface through which the public can freely access the information available on the National Trade Repositories (NTRs) of each AMS.



Digital Transformation in ASEAN

- ASEAN is accelerating the pace of digital transformation in the region. With the average proportion of cash transactions declining from 48% (2020) to 37% (2021)
- Over 440m active-internet users throughout the region
- ASEAN's digital economy is projected to hit US\$1tn by 2030
- Consolidated Strategy on the Fourth Industrial Revolution (4IR) for ASEAN
- Bandar Seri Begawan Roadmap (BSBR) on Digital Transformation
- Commence negotiations for an *ASEAN Digital Economy Framework Agreement by 2025*
- Cybersecurity-cooperation strategy 2021-2025 in securing cyberspace for the region's digital economy

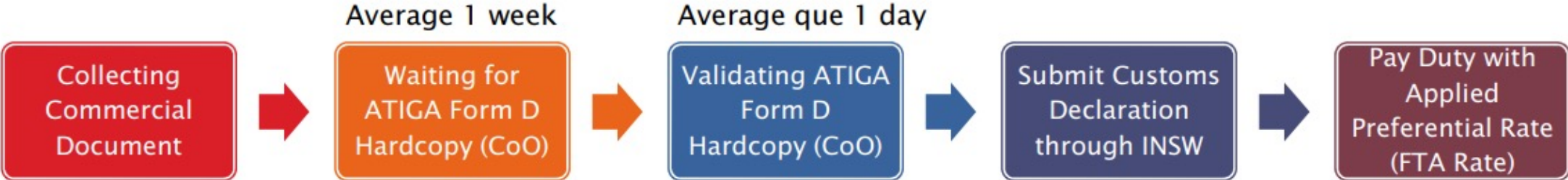


ASEAN Single Window (ASW)

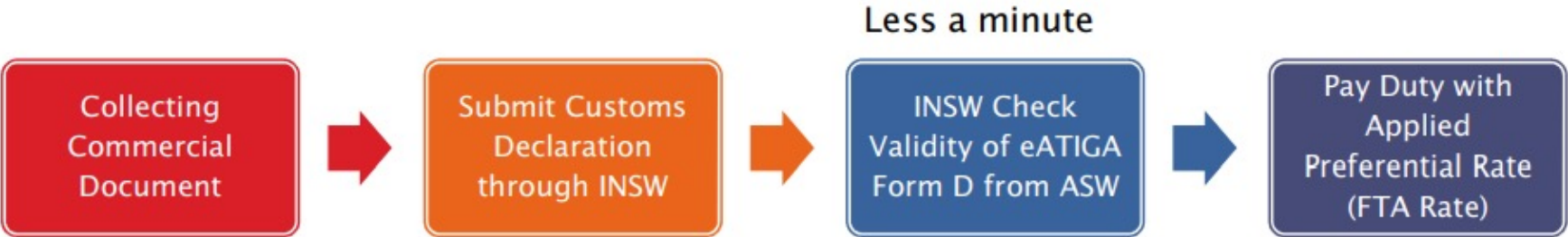
1. Original idea - 2003 (Bali ASEAN)
2. ASWs helps expediate electronic exchanges of customs data that can be used by traders to obtain customs clearances, permits and other documentation (for intra-regional trade)
3. Promotes **regional ASEAN economic integration** and increased cross-border paperless trade
4. **Reduces the cost of doing business for ASEAN traders**, encourages trade & investment in (and between) the region
5. Regional tool for **WTO TFA implementation (RCEP etc)**



Reducing the time and costs for traders doing business across the ASEAN region



▶ After ASW



Comparison of Customs Declaration Procedures at the Importing Side Before and After ASW Source: INSW Operating Agency

A catalyst for a deeper intra-regional trade integration (& reduction of NTMs)

- ASEAN Economic Community (AEC) Blueprint 2025
- Over the past decade, intra-ASEAN trade increased from US\$500 bn (2010) to US\$712 billion (2021) - 21% of the region's total trade (15% of investment)
- **ASW**: part of strategy to increase the volume and percentage of regional trade
- In 2021, AMS has exchanged 880,000 e-ATIGA eForm Ds (Certificate of Origin) through the ASW
- **AMS are also working to expand the coverage:**
 - ✓ ASEAN Custom Declaration Document (ACDD)
 - ✓ e-Phyto Certificate
 - ✓ e-Animal Health Certificate
 - ✓ e-Food Safety Certificate





Other benefits of ASW

- ✓ Reduce the need to bring physical paperwork (megacities)
- ✓ Reduce bureaucracy both nationally & regionally
- ✓ One single location for businesses to get permits & certificates they require to import & export goods
- ✓ Reduces the amount of time waiting for goods to be cleared, chasing permits and certifications
- ✓ Qualify for reduced tariffs (*ATIGA eForm D*)
- ✓ Empowering MSMEs, women-led companies, and other 'less networked' firms to benefit from cross-border regional trade
- ✓ Increase transparency
- ✓ Improve regional border security & control (regional security)
- ✓ Make the region more attractive for regional FDI
- ✓ Facilitate the development of region production networks
- ✓ Enhancing ASEAN's capacity in global supply chains

An aerial night view of a city skyline, featuring a prominent skyscraper with a red top and a blue facade. The city is illuminated with various lights, and a river or canal is visible in the foreground. The image is partially obscured by a white, torn-paper-like border on the right side.

ASW – a brief intro

- ✓ ASW a regional electronic platform that promotes ASEAN economic integration by enabling the electronic exchange of trade-related documents among the 10 AMS
- ✓ It connects and integrates the 10 NSWs to exchange electronic trade data
- ✓ It enables a single submission of data, a single synchronous processing of information and a single decision-making point for customs release and clearance among AMS
- ✓ In Dec 19, all AMS joined the *ASW Live Operation*, which enabled the granting of preferential tariff treatment based on the *ATIGA electronic Certificate of Origin (the so-called Form D)* exchanged through the ASW
- ✓ This has allowed for streamlining trade procedures and documentation processes as well as reducing the cost and time of doing business for the traders



ASEAN
10 COUNTRIES



THAILAND



VIETNAM



CAMBODIA



SINGAPORE



LAOS



INDONESIA



MYANMAR



MALAYSIA



BRUNEI

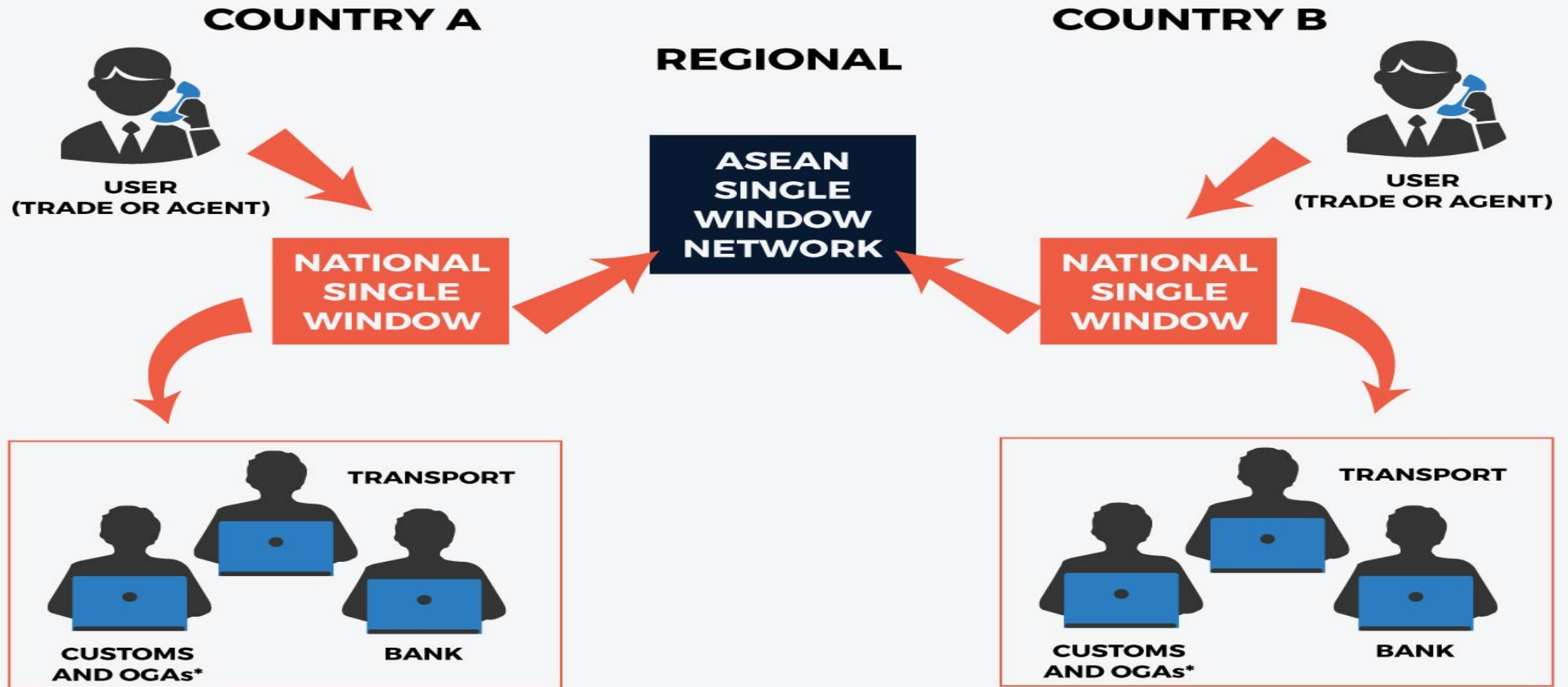


PHILIPPINES

Establishing ASW – first steps

- Conduct Business Process Analysis (BPA)
- Development of a **legal framework** for the cross-border exchange of electronic transaction data
- Design and implementation of the **ASW prototype**
- Design and implement a regional architecture to connect AMS' NSW
- Assistance for those countries still working on **improving their NSW**
- **Harmonization and standardization of electronic data** needed to process and clear shipments
- Financial feasibility options

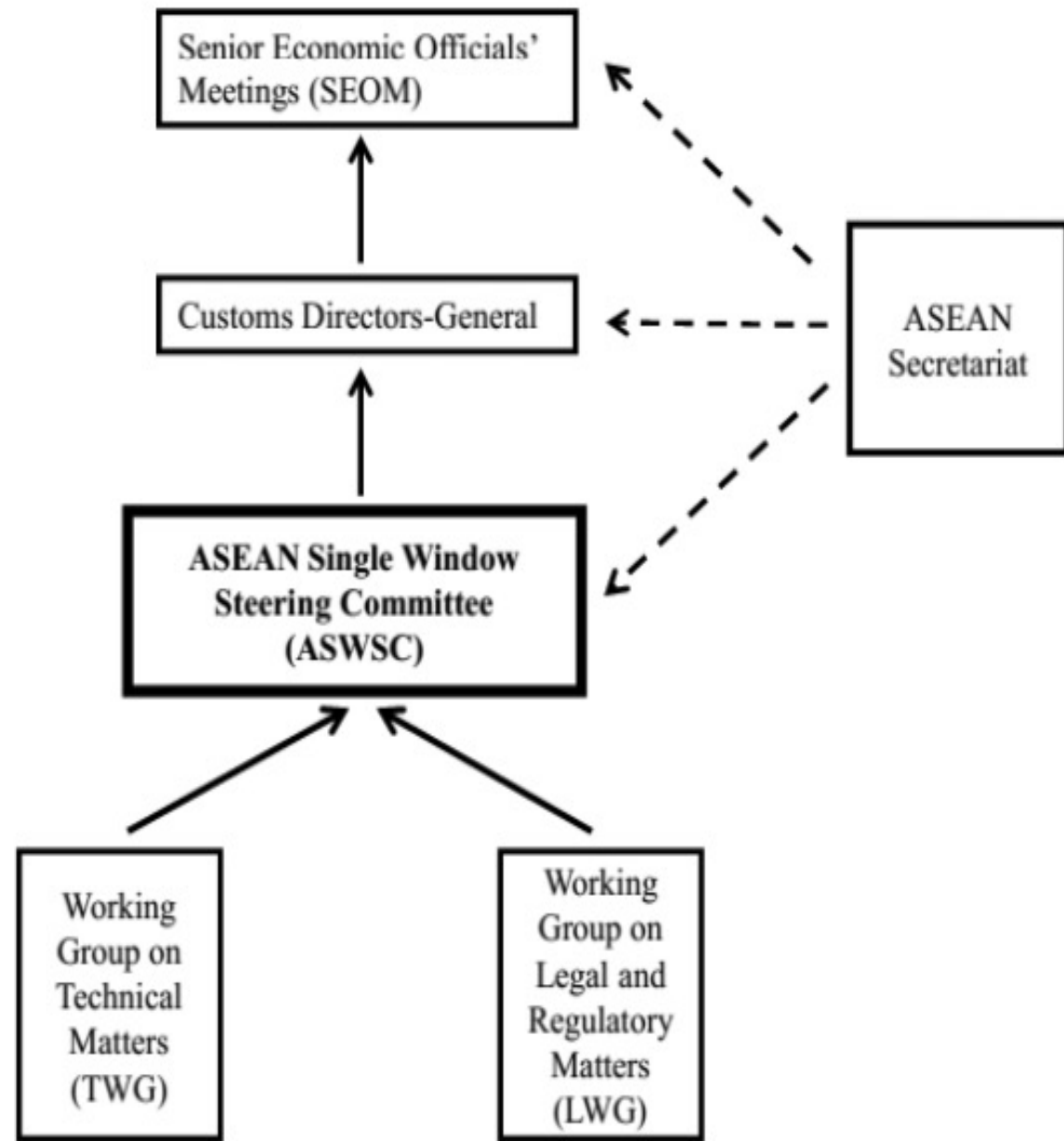
HOW DOES THE ASEAN SINGLE WINDOW NETWORK WORK



*OGAs : Other Government Agencies



ASW Governance



Article 10: Formalities connected with importation and exportation and transit

10

Formalities connected with importation, exportation and transit

Formalities and docs. requirements

Review formalities and documentation requirements to minimize complexity of operations and simplify documentation requirements

Acceptance of Copies

Acceptance by border regulatory agencies of paper or electronic copies of the required documentation

Use of International Standards

Formalities, procedures and documentation requirements are based on international standards

Single Window

Set-up a single entry point through which traders will submit, only once, information to all border agencies and through which agencies will submit their response back

Pre shipment Inspection

No mandatory use of pre-shipment inspections for tariff classification and customs valuation

Art. 10.4.3



Regional Single Windows

- **Eurasian Economic Union SW** (Armenia, Belarus, Kazakhstan, Kyrgyzstan, Russian Federation)
- **EU Single Window Environment for Customs** - proposed Oct'20
- **African Alliance for Electronic Commerce (AAEC)** – 18 members, RSW is a key objective
- **New Computerized Transit System (NCTS)** – EU, ETFA, Turkey, Serbia, North Macedonia - electronic declaration and processing system that traders must use to submit a transit declaration electronically
- **Pacific Alliance (Chile, Colombia, Mexico and Peru)** have been exchanging preferential certificates of origin and SPS certificates through their respective NSW - now working on enabling the cross-border electronic exchange of customs declarations
- **Central America (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama)** electronically exchange Customs declarations and preferential COs. They are now working on enabling the cross-border electronic exchange of SPS certificates.

Challenges implementing ASW

- ✓ Security of cross-border exchange of data
- ✓ Functional equivalence of paper and electronic docs
- ✓ Acceptance of e-signatures (inc. mutual recognition of digital signatures)
- ✓ Electronic data retention & archiving data confidentiality & protection
- ✓ Use of electronic data in judicial proceedings
- ✓ Liability and dispute resolution issues
- ✓ Transaction data retention at the regional level
- ✓ Information security standards at the national level
- ✓ Different level of compliance of traders across borders
- ✓ Parties at different levels of economic development - the interest and expectations on the regional SW are relatively diverse
- ✓ ASEAN's decision making based on consensus and compromise solution takes time
- ✓ Individual AMS' may have its own legislation and different levels of automation
- ✓ Planning and preparation costs can be high re: implementation of ASW Pilot (v. much dependent on external funding)



Challenges implementing ASW (continued)

- ✓ Need an agreed business model to govern and sustain the regional SW operation
- ✓ BPR needs to be carried out to streamline the cross-border processes, followed by data harmonization.
- ✓ Different risk criteria on commodities
- ✓ Different level of compliance of traders
- ✓ Issue of security of cross-border exchange of data
- ✓ Functional integration of local SW with regional SW
- ✓ Effective regional and NSW Legal Frameworks need to be in place and such legal matters tend to be complex






Challenges to increase intra-regional trade

- Redouble efforts to reduce trade costs
- Identify new sectors and products with a high trade potential
- Continue to support an open, inclusive and rules-based trading system
- Need for the region to build hard & soft infrastructure, including regulatory reform & **digital infrastructure**, develop human resources
- **Expand the coverage of ASW (logistics, transportation other supply-chain related docs)**



SouthMed RSW – next steps?

- Further investigation – best practices/model?
 - SouthMed RSW Concept Note & dedicated regional event?
 - Roadmap for a RSW?
 - RSW Blueprint?
 - Proposal for a Pilot project?
 - SouthMed RSW declaration?
 - Framework Agreement on CB Paperless TF in SouthMed?
- 

Shukran
Merci
Thank you

