

Unified Automated Information Systems: A Vital Trade Facilitation Measure



ministry in several CAREC member countries, the promotion of concerted modernization of customs and tax services would help member countries take a broad approach in modernizing revenue collection, maximizing synergy, and saving public resources. A major lesson learned from Singapore's effort to introduce "one-stop tax services" is that investment in ICT must be accompanied by efforts to (i) reorganize tax administrations along the functional lines; (ii) reengineer and streamline

The promotion of the concerted development of unified automated information systems (UAIS) for customs services is a key objective of the Central Asia Economic Cooperation (CAREC) trade facilitation program. Automating customs services through UAIS is recognized as a major trade facilitation measure that helps improve efficiency and reduce corruption.

At the Forum on Trade Facilitation and Customs Modernization, held on 26–28 January in Singapore, participants discussed the modernization of tax services and the integrated border management for border-points and free trade economic zones.

The forum was organized through the Regional Trade Facilitation and Customs Cooperation Program, under the CAREC Program. The forum was cosponsored with the International Enterprise Singapore, a government body mandated to promote trade and services for Singapore-based enterprises. Major trade-related government agencies and private information and communication technology (ICT) companies also participated as sponsors of individual sessions. Deputy ministers and heads/deputy heads of customs from Azerbaijan, Kazakhstan, Kyrgyz Republic, Mongolia, Tajikistan, and Uzbekistan participated in the forum.

CAREC member countries are at different stages of implementing and upgrading their UAIS. However, the development

of UAIS entails various challenges ranging from the design of the master plan to its phased implementation and maintenance. The forum provided an opportunity to learn from Singapore's experience as it was one of the few countries that developed a nationwide UAIS—TradeNet. This could help CAREC member countries avoid mistakes and effectively use public resources for customs modernization. The highlights of the forum include the following.

Singapore's UAIS—TradeNet.

The TradeNet is the world's first nationwide electronic trade documentation system that approves permit applications almost instantaneously. Unlike most countries' trade facilitation efforts, Singapore took a comprehensive approach in leveraging ICT for trade facilitation. The Singapore Customs is only one of the many users of the TradeNet. Strong leadership for interagency coordination is the key to adopting a holistic approach of trade facilitation.

Measuring the impact of customs modernization. A key feature of Singapore's civil service reforms is to introduce "private sector mind set" in public services. Performance targets, as measured by processing time required, are set for all categories of services ranging from processing customs declaration to issuing warehouse licenses and trade certificates.

Modernization of tax services.

Since tax and customs are under the same

internal procedures to reduce administrative cost and increase staff accountability; (iii) strengthen audit functions; and (iv) change attitude toward taxpayers and facilitate taxpayers' compliance to laws and regulations.

Integrated border management. To facilitate the movement of goods, Singapore has streamlined border control practices. The Singapore Immigration and Checkpoints Authority (ICA) is the only agency allowed to undertake physical inspection at border points and gates of free trade economic zones.

Singapore may present a radical model of trade facilitation. Some measures may not be immediately applicable because of (i) difficulty to set up an interagency coordination mechanism for trade facilitation, and (ii) lack of public resources to implement a nationwide e-governance system for trade facilitation. However, Singapore's practices may guide future directions of trade facilitation initiatives of CAREC member countries.

The lack of an effective interagency coordination mechanism for trade facilitation in CAREC member countries poses a major challenge to the CAREC Program in expanding the trade facilitation program beyond customs cooperation. Support for the establishment of in-country interagency trade facilitation committees could be a major task of CAREC's trade facilitation program in the future. ■