

# SGS FIRST TRADENET SINGLE WINDOW IMPLEMENTATION IN GHANA PRIVATE SECTOR & AID FOR TRADE

#### 1. INTRODUCTION

Over the past 40 years SGS has been providing services to Governments in all continents, especially developing nations to assist Customs Authorities in their mission for the proper collection of Customs duties and taxes, Trade Facilitation, Security of cargoes and for capacity building.

## 2. BRIEF COMPANY BACKGROUND

SGS is the world's leading inspection, verification, testing and certification company for more than 130 years. With over 64,000 employees, SGS counts on a network of over 1'250 offices and laboratories around the world with the head office in Geneva, Switzerland.

#### 3. MOTIVATION / PROBLEM IDENTIFIED / ISSUE ADDRESSED / FOCUS

SGS Government and Institutions Services (GIS) commitment is to sustain the fair and proper enforcement of legislation, economic growth, market visibility and accountability for our client governments, institutions and partner organisations. Our focus in trade is to streamline the trade supply chain process, increase efficiency and shortening the trade cycle through the use of IT towards faster modernization. We apply valuable trade knowledge to verify trade information; set up electronic business processing and scanning operations; assess efficiency and legal compliance in aid delivery schemes and forestry operations; monitor markets and provide channel security controls.

### 4. DESCRIPTION OF INITIATIVE

What is the Contribution to Strengthened Trade Capacity?

#### WHAT

On top of leveraging on the latest technology available, SGS can also provide investment for the initial funding to ensure quick start investment in the country.

#### HOW

SGS believe that the most appropriate approach is to establish a Public Private Partnership (PPP) and a BOT (Build, Operate and Transfer) Model. By ensuring that both the public and private sectors are bound together in this initiative, the chances of success are substantially increased.

The public sector is best positioned to formulate needs and drive the system design; the private sector is equipped to ensure rapid development and deployment. Our understanding of a PPP is the creation of a Joint Venture company with shareholding from representatives of both the public and private sectors, and mandated by the Government to set up and manage the required service over a concession period. The concession fee collected will be used to maintain and upgrade the solution to guarantee commitment and sustainability.

### **USE EXISTING INVESTMENT:**

SGS designed solutions are not about replacing or duplicating any existing reliable systems. To the extent of what is possible we will reuse existing investment and infrastructure which is working fine and focus on bridging the gaps with the help of technology. In many countries, not only do we not replace existing system, we actually reinforce them such as the way we manage existing implementations of the Asycuda++ implementations which in many countries of the world require significant infrastructure work. We upgrade the hosting environment, upgrade the network and ensure high availability architecture.

## USE TECHNOLOGY AND ADAPT TO ENVIRONMENT:

We are not a technology company, and that gives us the advantage of an unbiased appreciation of how to embed a technical solution within an existing environment. Technology alone does not drive a project; however we rely on the best available technology to yield its highest potential as we apply it skilfully in a harnessed and careful way. Naturally, we bring in the top technology on the market, e.g. CrimsonLogic of Singapore and SAVI Technology from US.

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#### ARE THERE MEASURES TO BUILD IN SUSTAINABILITY IN THE LONGER-TERM?

It is important to note that an Integrated Trade Facilitation System should in reality not be seen just as a technological solution. It is about bringing technology to civil servants whose role are to serve private users of various public services that must be accompanied in implementing the central governmental strategy of coordinating, streamlining and harmonizing heterogeneous and at time unnecessarily/unwillingly conflicting processes.

The real challenge to successfully implement such project is to overcome the frequent natural resistance to change, to meet infrastructure challenges, to provide capacity building and to ensure sustainability. This is where SGS with its deep understanding and expertise in Customs procedures and environments in trade facilitation and in supply chain can add a critical layer of services for a successful implementation and a sustainable operation of this project.

As part of a sustainable model, we provide customised training for every deployment base on roles and ongoing training to ensure that all operation staffs are equipped with the right knowledge to support the day to day operation. We also provide; facilitate or improve access to valuable business information through our advanced Business Intelligence tools providing accurate and up-to-date statistics and reports to authorised users.

#### 5. IMPACT/RESULTS

SGS first TradeNet Single Window implementation in Ghana marked our entry into this business a good few years ago. Gaining the trust of visionary individuals in the public and private sectors, we have managed to radically transform the trade environment in that country. With the support of clients and partners we have introduced ground-breaking ideas ahead of their time. We have succeeded in pooling resources from the public and private worlds in a number of countries, shaping up the Single Window concept as we know it today.

It has been observed in general that the introduction of TradeNet had an immediate effect on Duty and Tax revenue increasing collection by 20% to 35% year on year in US dollar terms whilst reducing clearance time by a factor of five for compliant traders.

Since Ghana, both Madagascar and Cote d'Ivoire have opted for SGS-designed Single Window solutions. We are now implementing this solution in Mozambique. We have also provided high-level advice to Mongolia and countries in the Caribbean region

Today SGS can claim over 10 years' diversified experience in the design, integration and deployment of Single Window solutions that have matured both in scope and complexity. We are now designing the next generation TradeNet to be rolled-out in Mozambique.

SGS has invested heavily in Single Window programmes. The initial investment was USD 7 Mio in Ghana, USD 13 Mio in Madagascar, USD 12 Mio in Mozambique. All these projects include subsequent investments, generally after 5 years and mainly to renew the equipment.

Countries that have implemented TradeNet with SGS have benefited greatly from the initiative towards eGovernment, e.g. increase trade efficiency, reducing paper work and provides more opportunities for collaboration between public and private sectors. On a bigger picture, we have set the foundation for many applications which SGS is able to implement such as Immigration and Custom Declaration, Vehicle Registration and Licensing and Permits System. We are also actively exploring for solutions related to healthcare, judiciary, cadastral for developing countries. For instance, our Joint Venture in Ghana after connection various public departments is now working with the Government towards full automation of Inland Revenue Services.