**Backgrounds for introduction of the Single Window as a basis for facilitation of customs procedures**

1.The Ukrainian President’s Order as of 4 July 2001 No. 616/2002 joined our country to the International Convention on the Harmonization of Frontier Controls of Goods signed in Geneva on 21 October 1982.

This Convention aims at reducing the requirements for completing formalities as well as the number and duration of controls, in particular by national and international co-ordination of control procedures and of their methods of application....

There are good reasons to bring to notice that Article 10 “Goods in transit” obliges the Parties to provide “simple and speedy” treatment for goods in transit, especially for those travelling under cover of an international Customs transit procedure, by limiting their inspections to cases where these are warranted by the actual circumstances or risks.

Article 1 “Principles” under Annex 1 “Harmonization of Customs Controls and Other Controls” states that “it is possible if appropriate to carry out all or part of these controls elsewhere than at the frontier, provided that the procedures used contribute to facilitate the international movement of goods.” Meanwhile, clause 3 to Article 3 “Organization of Controls” under Annex 1 defines the following: “The Customs may, through explicit delegation of powers by the competent services, carry out on their behalf all or part of the controls of which these services are responsible. In this case, these services will see to it that the necessary means be furnished to Customs.”

Consequently, in 1982 global community tried to find solution to facilitate customs and border controls and it provided real facilitation by transferring state control authority to customs. Proceeding from current situation within ICTs we can state that those means transferring to the customs authorities shall be deemed goods data bases in electronic format and the tools for their control.

2. The Law of Ukraine “On Accession of Ukraine to the Protocol of Amendment to the International Convention on the Simplification and Harmonization of Customs Procedures” as of 5 October 2006 No.  227-V, joined our country to one more relevant international convention.

The reference data states that this Protocol amended the basic provisions of International Convention on the Simplification and Harmonization of Customs Procedures signed at Kyoto on 18 May 1973.

3.12. Standard of the Convention defines the format of the electronically lodged Goods declaration and 3.18. Transitional Standard obliges “The Customs to permit the lodgement of supporting documents by electronic means.”

6.9. Transitional Standard states that “The Customs shall use information technology and electronic commerce to the greatest possible extent to enhance Customs control.”

Chapter 7 “Application of Information Technology” (7.1-7.4 Standards) states the Customs shall apply information technology to support Customs operations, where it is cost-effective and efficient for the Customs and for the trade. Moreover, “when introducing computer applications, the Customs shall use relevant internationally accepted standards. The introduction of information technology shall be carried out in consultation with all relevant parties directly affected, to the greatest extent possible.”

International Convention highlights that new or revised national legislation shall provide for:

- electronic commerce methods as an alternative to paper-based documentary requirements;

- electronic as well as paper-based authentication methods;

- the right of the Customs to retain information for their own use and, as appropriate, to exchange such information with other Customs administrations and all other legally approved parties by means of electronic commerce techniques.

On the base of the abovementioned provisions of International Convention on the Simplification and Harmonization of Customs Procedures, the Customs shall permit the lodgement of declaration and supporting documents (issued by other state control authorities) by electronic means within national customs environment.

Moreover, International Convention defines electronic commerce methods as an alternative to paper-based documentary requirements and states the right of the Customs to exchange such information with other Customs administrations and all other legally approved parties (state controls).

At the same time, the introduction of information technology shall be carried out in consultation with all relevant parties directly affected, including state control authorities and traders (exporters, importers, carriers, customs brokers, freight forwarders, line agents, owners of rolling equipment, etc.).

3. On 23 June 2005 safer world trade became a reality when Directors General of Customs, representing the then 166 Members of the World Customs Organization (WCO), unanimously adopted the SAFE Framework of Standards to Secure and Facilitate Global Trade by acclamation during their annual Council sessions in Brussels. Our state is a party to this Framework of Standards.

Objectives and principles of the SAFE Framework include the following: the Framework aims to establish standards that provide supply chain security and facilitation at a global level to promote certainty and predictability…, strengthen co-operation between Customs administrations and business community.

Provision 1.3.8 “Single Window” under SAFE Framework states “Governments should develop co-operative arrangements between Customs and other Government agencies involved in international trade in order to facilitate the seamless transfer of international trade data (Single Window concept) and to exchange risk intelligence at both national and international levels. This would allow the trader to electronically submit the required information once to a single designated authority, preferably Customs. In this context, Customs should seek close integration with commercial processes and information flows in the global supply chain, for example by making use of commercial documentation such as the invoice and the purchase order as the export and import declarations.”

Analyzing this Provision of the SAFE Framework we can accentuate two global tasks that can be solved by the introduction of the Single Window into the national customs environments:

- the trader shall submit the required information once to a single designated authority – customs service. This information may be lodged in the electronic format;

- facilitation of export and import customs procedures may be introduced by making use of commercial documentation such as the invoice and the purchase order as the export and import declarations.

Summing up the results of SAFE Framework analysis, we can state that along with the other measures proposed by this international convention the most efficient one is a “Single Window Concept” that may facilitate the seamless transfer of international trade data within the national customs environment which is achieved by electronic submission of the required information once to a single designated authority, preferably Customs.

4. United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) has elaborated and distributed among the governments, customs and business the following provisions aimed at facilitation of Single Window introduction. They are:

“Recommendation and Guidelines on establishing a Single Window” (Recommendation No. 33),

“Data Simplification and Standardization for International Trade” (Recommendation No. 34) and

“Establishing a legal framework for international trade Single Window” (Recommendation No. 35).

These documents are to provide the elaboration of national version for Single Window based on Recommendations by UN/CEFACT.

5. On 31 May 2011 the Law of Ukraine “On Amendments to Several Legal Acts of Ukraine Regarding Provisional Control at Border Crossings within Ukraine” (as of 3 February 2011 No. 2973-VI) entered into force.

The Law respects the requirements of International Convention on the Harmonization of Frontier Controls of Goods signed in Geneva on 21 October 1982. It has introduced certain facilitations for customs and border procedures.

The Law states that, under certain conditions, the functions of state control (sanitary and infection control, vet control, phytosanitary control, ecological control and control for cultural values) shall be performed by the customs authorities.

Such control that includes the control of documents and lists, affords grounds to choose it as a possible base to introduce Single Window.

**AGENDA**

**Interagency Working Group Meeting**

**Introduction of “Single Window – Local Solution” within Southern Customs and Odessa Region Sea Ports**

18.10.2011 Kyiv

**1. Key outcomes of International Trade Facilitation Seminar “Single Window Concept and Integrated Railways Transportation to Facilitate Trade in the Pan-European Environment”**

Speaker:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Time: 5-7 minutes

**2. Basic provisions to elaborate Pilot Project “Single Window – Local Solution”**

Speaker:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Time: 5-7 minutes

**3. Defining the members of Interagency Working Group on “Single Window – Local Solution”**

Speaker:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Time: 5-7 minutes

**4. Considering the proposals on membership in Expert Panel on elaboration of proposals aimed at implementation of “Single Window – Local Solution” Pilot Project**

Speaker:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Time: 5-7 minutes

**5. Discussion of draft decision made by Interagency Working Group on Introduction of “Single Window – Local Solution” within Southern Customs and Odessa Region Sea Ports**

**Decisions**

**made at the first meeting of Interagency Working Group (18 October 2011) regarding development and introduction of “Single Window – Local Solution” Pilot Project**

1. To approve the proposal from ICC Ukraine regarding the need to create the concept of “Single Window – Local Solution” Pilot Project within Southern Customs and Odessa Region sea ports.

2. To adopt the membership of Interagency Working Group on introduction of “Single Window – Local Solution” as per Annex.

3. Members of Interagency Group are to propose representatives of ministries, agencies and business for Expert Panel to ensure the competent handling of administrational, methodological and technical issues regarding the Single Window – Local Solution” Pilot Project.

4. To prepare the address to UNECE regarding the possible contribution (administrational and financial) of UNECE representatives to arrangement and running of the relevant training in Ukraine dedicated to the application of documents with digital signature within international trade.

5. To hold the next meeting of Interagency Working Group on “\_\_” December 2011.