



# Single Window implementation in Customs Environment

Kari Suvila

National Board of Customs, Finland



## Overview

1. eCustoms initiative
2. Prerequisites for implementation of Single Window
3. Single Window in maritime environment in Finland, PortNet
4. Some conclusions



## eCustoms

EU Customs Community has implemented e-government by developing the vision on a paperless environment for customs and trade

Two initiatives has taken to implement the vision

**a) Modernized Customs Code**

Simplification and streamlining the customs procedures, setting legal basis,

**b) Decision of eCustoms**

Planning of the systems, funding and responsibilities,

Single Window, SW, is a key element



## **Interoperability in eCustoms presumes that administrations at every layer are able to**

- Exchange information
- Approach each other for services



## In communication it means

- **Organisational interoperability**, interoperability of administrative processes
- **Semantic interoperability**, understanding each others information
- **Technical interoperability**, the computers must be able to "talk" to each other, normally tackled by standardisation



## On customs area the SW has adopted with other governmental agencies

- Veterinary authority
- Phytosanitary authority
- Agricultural agency
- Statistical office
- Tax authority

and

- **Port Authorities**



## PortNet

### The different types of the SW for the maritime community

#### Port Single Window (PSW)

- System which provides local level information about the vessel to the authorities on a port level,
- PSW has B2G (Business to Government ) character

#### Port Community System (PCS)

- A tool to exchange messages in port environment, having a commercial and logistic nature
- PCS has B2B (Business to Business) character

The type of PortNet is PSW



## BACKGROUND

- There were 6 - 8 mandatory forms to be completed manually at ship port arrivals and departures in the beginning of 90's
- Form content was approximately 80 % identical
- About 50 relevant actors from the port environment were invited to participate to develop a new scheme





## DESIGN AND DEVELOPMENT PROCESS 1/2

- The first step was to develop a single paper form, accepted by all actors
- A study was launched to determine the actual benefits of an electronic solution
- The first PortNet to collect notifications into a common database was developed in 1993
- The system received 200 daily entries in average, but the interchange was one way



## DESIGN AND DEVELOPMENT PROCESS 2/2

- PortNet use was voluntary but was encouraged by 1 % discount in fees of some ports
- First version operated with VT100 dumb terminals, direct input into database
- Since 2000 data may be sent by the ship agent either by a web interface or by XML/EDI file transfer



## STRUCTURE AND SERVICES

1/2

- Pre-arrival notification on the arrival of a ship given 24 h before the arrival
- Pre-arrival security notification given by the ship before arrival (ISPS-code)
- IMO general declaration regarding the arrival of a ship into port (IMO/FAL Form 1)
- Fairway tax notice as a consequence of the port call
- Cargo declaration notice for arriving or departing cargo attached to the port call, presenting the goods
- Dangerous goods notification (IMO/FAL Form 7)



## **STRUCTURE AND SERVICES**

**1/2**

- Cargo information for official maritime traffic statistics
- Dangerous goods notification to the port, enabling the port to issue an official dangerous goods reception permission into that particular port
- Waste notification regarding ship generated waste
- PortNet issues a Customs reference ID code to be carried throughout the port call



## **BUSINESS MODEL**

- The Customs, the Finnish Maritime Administration and the 20 largest ports presently own and finance the system
- No user fees are charged, cost are embedded in the fairway tax



## RESULTS

1/2

- Major ports use data as input for port charge invoicing
- 40 000 port call notifications per year
- 70 000 cargo declarations per year
- 15 000 dangerous goods declarations per year



## RESULTS

2/2

- 70 % of the data is sent by handful of users
- PortNet covers 99 % of the maritime traffic
- One major shipping company declared that their annual fax count fell from 15 000 to 360
- PortNet provides direct input to the SafeSeaNet system without involving any other actors



## **From Customs' perspective**

- PortNet is totally separate from the other Customs' ADP systems
- No connections to Risk assessment –modules

## **What makes PortNet exceptional ?**

PortNet is considered to be **COMMON** national infrastructure for all Finnish ports





## Some conclusions about implementing the SW

- A fundamental change of existing responsibilities is not necessary
- Non compatibility of IT systems is not the main problem
- The reason why customs administration has taken the initiative
  - Customs always intervenes in goods crossing the border
  - Customs has a experience in co-operating with economic operators



Thank you for your attention !