

**Ghana National Single Window
Media Trade Facilitation Workshop**

“Achieving the National Single Window Vision”

**Case Study of
As-Is and To-Be Process & Documentation
for Better Ghana International Trade**

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Royal Senchi Resort, Akosombo, Eastern Region, Ghana



Ghana NSW VISION

for better trade facilitation

50% Better*, Faster and Less-Cost Trading Across Border Environment within 3 years**

- **FROM** 197 hrs, 645 USD **TO** 100 hrs, 322 USD (for export compliance)
- FROM** 564 hrs, 1,027 USD **TO** 282 hrs, 564 USD (for import compliance)

Reduced Cargo dwell time for imports

- **FROM** 20 days (for Port of Tema in 2011 - World Bank Study) **TO** 10 days
- [Cargo dwell time is defined as the period between when cargo/vessel arrives at the port and when cargo exits the port through the last gate.]*

Reduced Intrusive Inspection by Customs for Imports

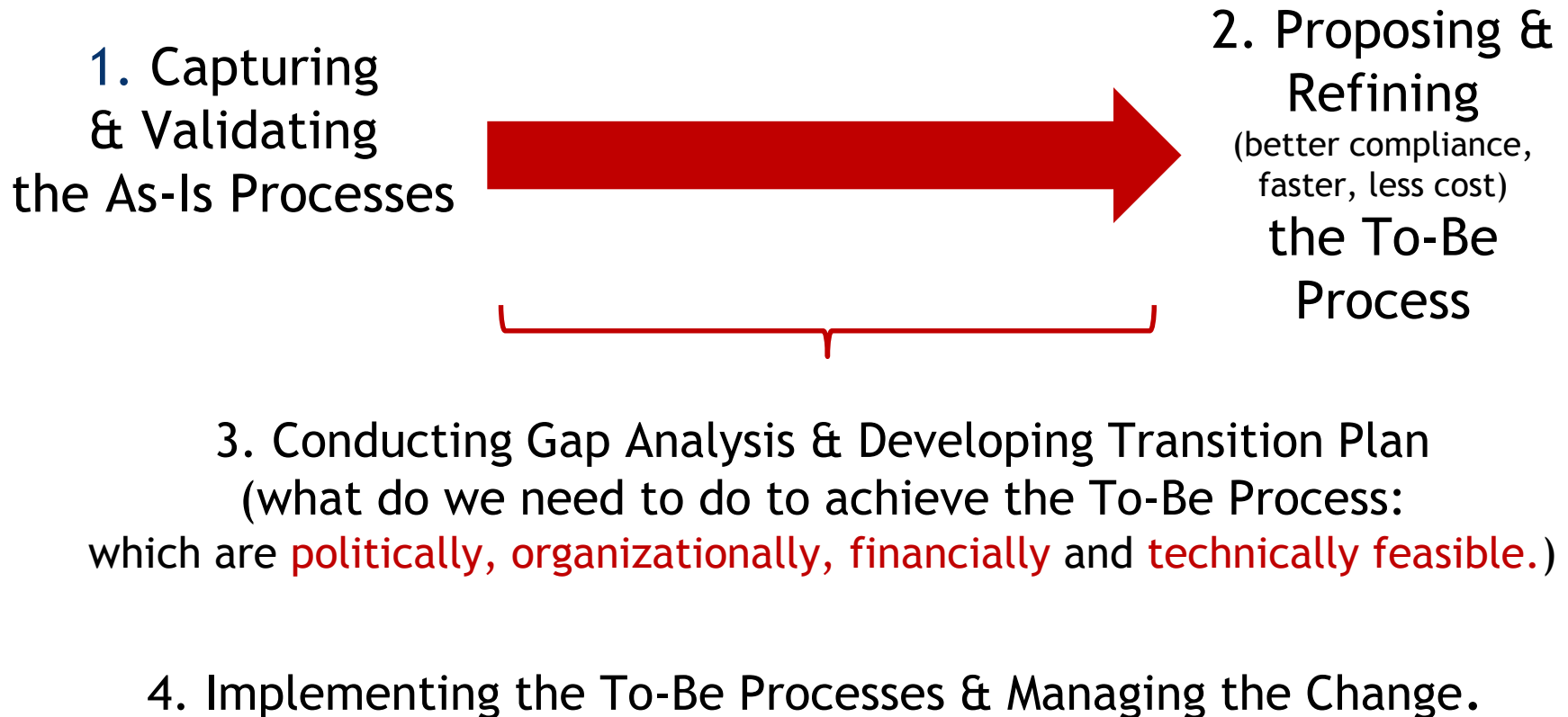
FROM circa 90% **TO** 10%

* Better in regulations, good governance, transparency and security.

** According to World Bank's Trading Across Borders Report 2016 (www.doingbusiness.org)

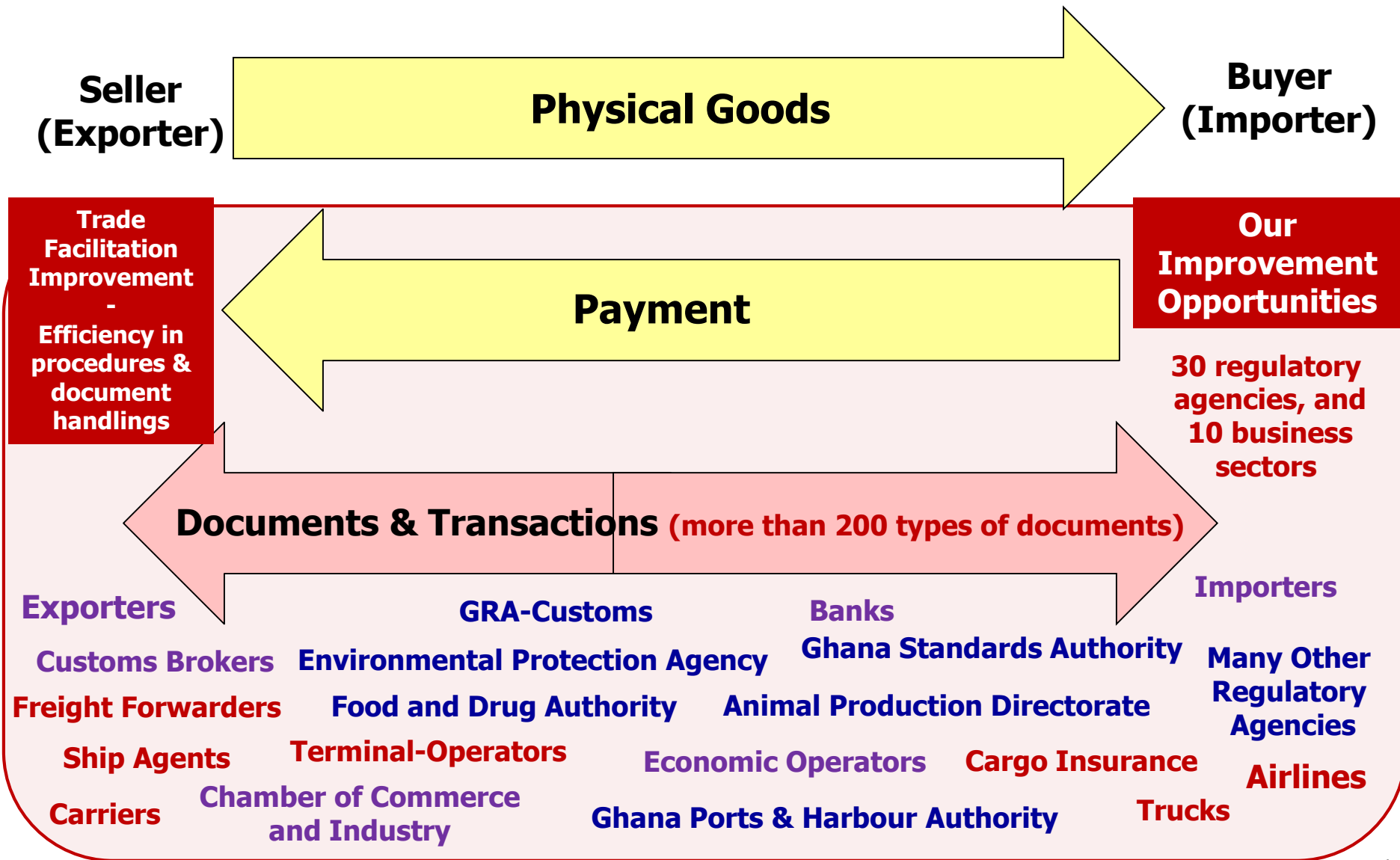
What do we need to do to achieve our VISION?

Trade Facilitation is about “Process Reform.”

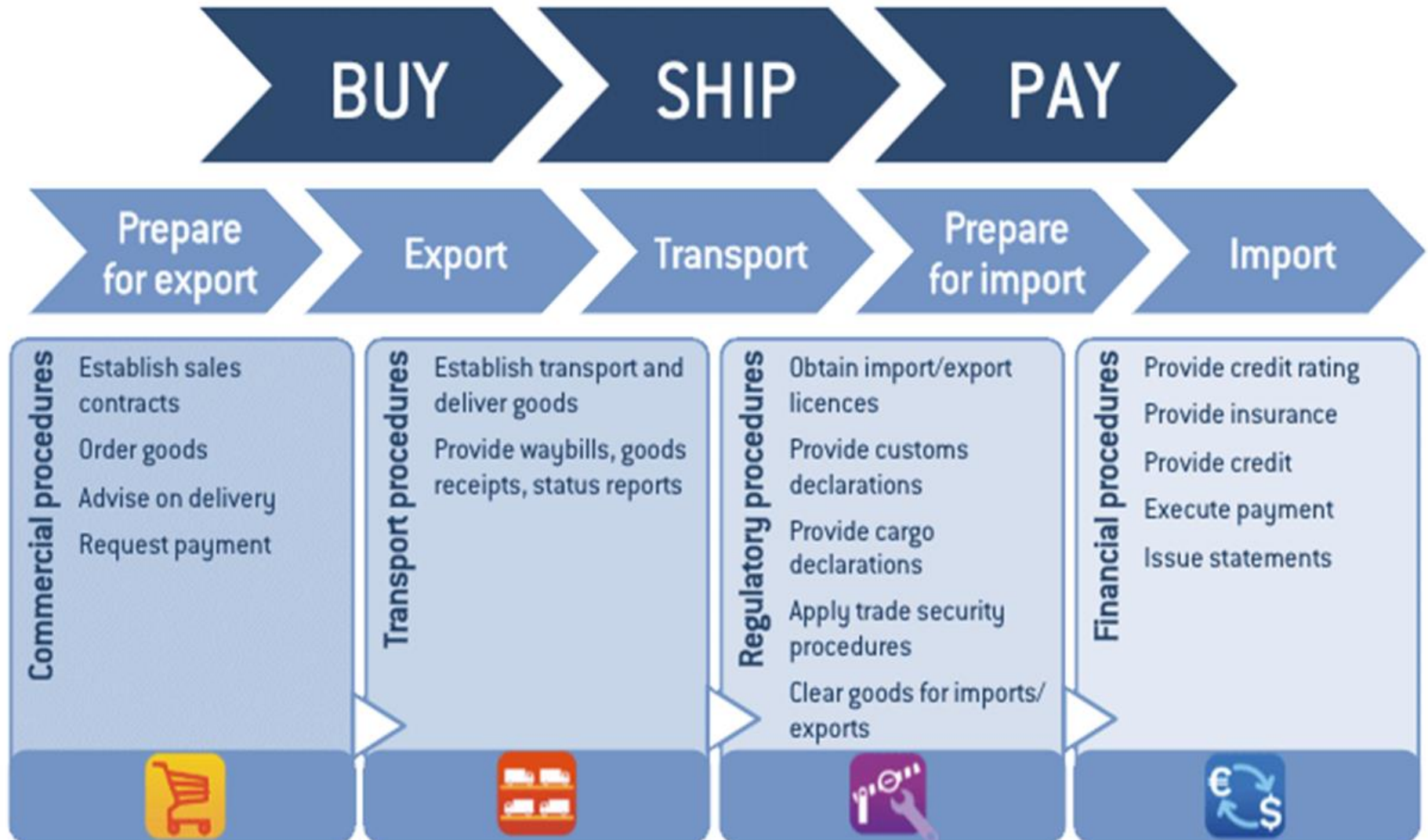


What is the International Trade?

The movement of goods which involves at least 3 different kinds of flows.



Buy-Ship-Pay Model



International Trade Documents

needed to Import Rice to Ghana

Regulatory Registration (applying once, use many times)

1. Tax Identification Number (TIN) Certificate
2. Tax Clearance Certificate (TCC)
3. Business Registration Certificate (Registrar General)
4. Importer Registration Application Form (FDA)
5. Application Letter for Importer Registration (to CEO's FDA)
6. Importer Registration Certificate (FDA)
7. Product Registration Application Form (FDA)
8. Application Letter for Product Registration (CEO's FDA)
9. Warehouse License Form (FDA)
10. Certificate of Analysis (or GSA's Test Report)
11. Product Registration Certificate (FDA)
12. Importer Registration Application (to GSA)
13. Product Laboratory Test Result (GSA)
14. Importer Registration Certificate (by GSA)
15. Registration Application Form (to PPRSD)
16. Certificate of Origin (from Country of Origin)
17. Phyto-Sanitary Certificate (Country of Origin)
18. Importer Registration Certificate (by PPRSD)
19. Application Letter (to Honorable MOFA Minister)
20. Product Registration Certificate (by PPRSD)

Commercial-related documents

21. Sales Contract
22. Pro-forma Invoice
23. Letter of Credit
24. Bill of Lading
25. Packing List
26. Final Invoice
27. Insurance Certificate

**44 Documents
needed**

Regulatory-required documents

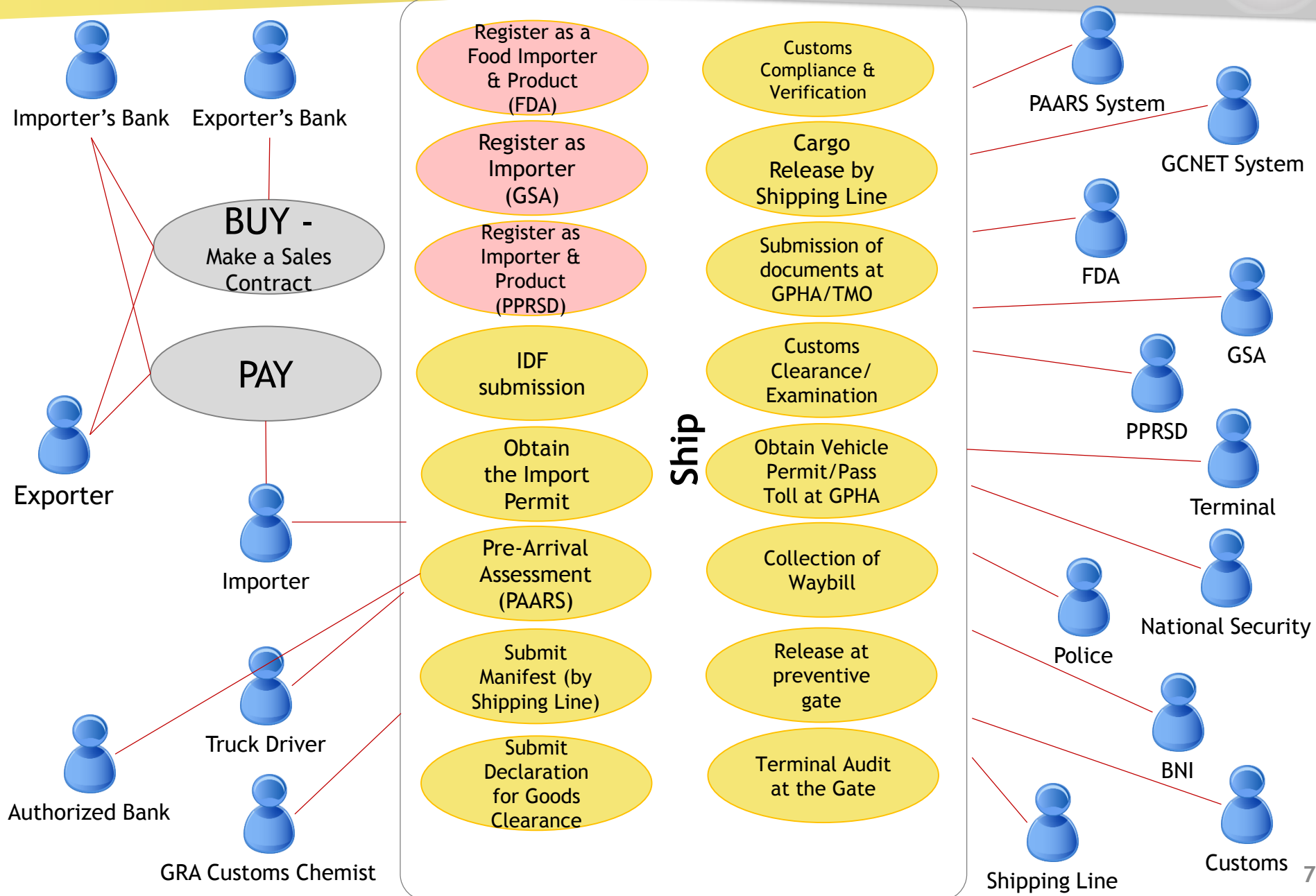
28. e-IDF Form
29. e-CCVR
30. Online Application Form for Permit (eMDA)
31. Approved Declaration/Permit (GSA)
32. Approved Declaration/Permit (PPRSD)
33. Provisional Approval Import Permit (FDA)
34. e-Manifest and Paper Manifest (from Carrier)
35. Customs Declaration (Bill of Entry)
36. Import Duty Payment Receipt
37. Final Approval Permit (FDA)
38. Phytosanitary Certificate (PPRSD)

Transport-related documents

39. Delivery Order
40. Carrier Payment Receipt
41. Equipment Interchange Form (EIR)
42. Vehicle Permit/Pass Toll
43. Terminal Payment Receipt
44. Waybill

Ghana's Import Process of Rice

18 Actors, 18 Main Procedures involved



Time & Procedures for **Importing Rice (As-Is)** (excluding registration, buy and pay processes)

Min Time ~ 6 Days 2 Hours
Max Time ~ 55 days 71 Hours*

1. IDF submission (10 mins)
2. Submit Applications for Permits (20 mins)
3. Process the assessment to issue the CCVR (1-2 days)
4. Shipping Line Submits Manifest (1-3 days)
5. Submit Declaration for Goods Clearance (10 mins)
6. Customs Compliance/Validation (30 mins-2hrs)
7. Cargo Release (by Shipping line) (2 hrs)
8. Submission of documents at GPHA/Terminal for Positioning Container for examination (24 hrs-7 wks)
9. Goods Examination and Clearance (PPRSD 1 hr, FDA 1 hr, GSA 1 hr, customs chemist 15-30 mins, customs examination 1 hr)
10. Obtain Vehicle Permit/Pass Toll at GPHA (30 mins - 24 hrs)
11. Collection of Waybill (1-3 hrs)
12. Release at preventive gates (1-3 hrs)
13. Terminal Audit at the Gate (1 hr)

International Trade Documents for Exportation of Rice

(from purchase order until the cargo container leaving the sea port)

36 Documents involving 15 parties, and more than 1,140 data elements to be filled in

Buy/Pay Docs

1. Proforma Invoice (35)
2. Purchase Order (39)
3. Commercial Invoice (51)
4. Application for Letter of Credit (24)
5. Letter of Credit (32)
6. Packing List (25)
7. Cargo Insurance Application Form (20)
8. Cover Note (23)
9. Insurance Policy (24)
10. Booking Request Form – Border Crossing (25)
11. Booking Confirmation – Border Crossing (30)
12. Booking Request Form – Inland Transport (16)
13. Booking Confirmation – Inland Transport (18)
14. Bill of Lading (42)
15. Empty Container Movement Request (TKT 305) (20)
16. Request for Port Entry (TKT 308.2) (27)
17. Equipment Interchange Report (EIR) (24)
- 18. Container Loading List (28)**
19. Container List Message (32)
20. Outward Container List (34)

Transport Docs

21. Master Sea Cargo Manifest (17)
22. House Sea Cargo Manifest (37)

Regulatory Docs

- 23. Export Declaration (114)**
- 24. Good Transition Control List (27)**
- 25. Application for Permission to Export Rice (KP. 2) (24)**
26. Sales Report (KP 3) (21)
- 27. Application for the Collection of the Permit for the Export of Rice (A. 3) (35)**
- 28. Permit for the Export of Rice (A. 4) (35)**
- 29. Application for Certificate of Standards of Product (MS. 13/1) (44)**
- 30. Certificate of Analysis (17)**
- 31. Certificate of Product Standards (MS. 24/1) (45)**
- 32. Certificate of Fumigation (21)**
- 33. Application for Phytosanitary Certificate (PQ. 9) (29)**
- 34. Phytosanitary Certificate (33)**
- 35. Application for Certificate of Origin (42)**
- 36. Certificate of Origin (38)**

* Number in parenthesis is the no. of data elements

BUSINESS PROCESS ANALYSIS
GUIDE

TO SIMPLIFY TRADE PROCEDURES



Trade Facilitation is about

Enhancing National Trade Competitiveness

by improving
import/export/transit procedures and
document/information handlings among
government agencies,
trader/business entities and
logistics service providers

for all major modes of transportation of the country
(sea, air, and land transport)

How Ghana is performing comparing to other countries around the world?

World Bank's Trading Across Borders Report 2016 (comparing 189 economies)

Indicator	Ghana	Nigeria	Morocco	Thailand
Ranking	171	182	102	56
Documents to export (number)	9	10	4	7
Time to export: Border compliance (hours)	108	159	76	51
Cost to export Border compliance (USD)	490	786	247	223
Time to export: Documentary compliance (hours)	89	131	26	11
Cost to export Documentary compliance (USD)	155	250	107	97

Documentary compliance

Obtaining, preparing and submitting documents during transport, clearance, inspections and port or border handling in origin economy

Obtaining, preparing and submitting documents required by destination economy and any transit economies

Covers all documents required by law and in practice, including electronic submissions of information as well as non-shipment-specific documents necessary to complete the trade

Border compliance

Customs clearance and inspections by customs

Inspections by other agencies (if applied to more than 10% of shipments)

Port or border handling at most widely used port or border of economy

Obtaining, preparing and submitting documents during clearance, inspections and port or border handling

Threats to Ghana's Trade Competitiveness*

It is a lot more difficult to trade with Ghana comparing to most developed and developing countries, e.g.

- About **2 times slower** and **20% more the cost** to export from Ghana than to export from average East Asia/Pacific countries*
- About **4 times slower** and **2 times the cost** to import to Ghana than to import to average East Asia/Pacific countries*

However, this threat is also a great opportunity for improvement for better Ghana.

Ghana's Indicators

according to World Bank's Trading Across Border Report 2016

	Border Compliance		Documentary Compliance		Total
Export	Time to export (hours)	108	Time to export (hours)	89	197
	Cost to export (USD)	490	Cost to export (USD)	155	645
Import	Time to import (hours)	282	Time to import (hours)	282	564
	Cost to import(USD)	725	Cost to import (USD)	302	1027

Is it possible to reduce cost, improve efficiency (speed) and performance (better compliance) by 50% (from the above figure)?

Nigeria's Indicators

according to World Bank's Trading Across Border Report 2016

	Border Compliance		Documentary Compliance		Total
Export	Time to export (hours)	159	Time to export (hours)	131	290
	Cost to export (USD)	786	Cost to export (USD)	250	1036
Import	Time to import (hours)	250	Time to import (hours)	1077	1327
	Cost to import(USD)	298	Cost to import (USD)	173	471

Ghana's Indicators (Rank #171)

according to World Bank's Trading Across Border Report 2016

	Border Compliance		Documentary Compliance		Total
Export	Time to export (hours)	108	Time to export (hours)	89	197
	Cost to export (USD)	490	Cost to export (USD)	155	645
Import	Time to import (hours)	282	Time to import (hours)	282	564
	Cost to import(USD)	725	Cost to import (USD)	302	1027

There are several case studies and measures to be considered for Ghana's improvement opportunities.

For example - Thailand Case Study (Rank #56)

	Border Compliance		Documentary Compliance		Total
Export	Time to export (hours)	51	Time to export (hours)	11	62
	Cost to export (USD)	223	Cost to export (USD)	97	320
Import	Time to import (hours)	50	Time to import (hours)	4	54
	Cost to import(USD)	233	Cost to import (USD)	43	276

Ghana's Export Process of Edible Fruit and Nuts (HS 08)

(World bank's trading across border report 2016 – data collected in Mid of 2015)



A warehouse,
nearby Accra

Port handling and Customs Clearance
at Tema Sea Port



India

Border Compliance: 108 hours, \$490

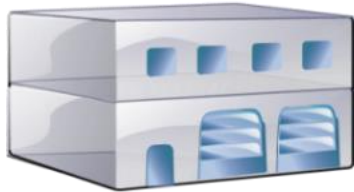
Documentary Compliance: 89 hours, \$155

**9 Documents
needed**

- Bill of lading
- Cargo release order
- Commercial invoice
- Export Declaration
- Export License
- Non-traditional export form
- Packing list
- Quality Control Certificate
- Terminal handling receipt

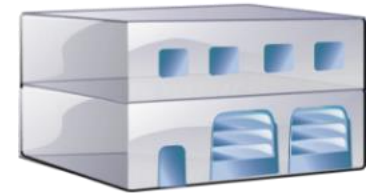
Thailand's Export Process of Machinery (HS 84)

(world bank's trading across border report 2016)



A warehouse,
nearby Bangkok

Port handling and Customs Clearance
at Leam Chabang Sea Port



China

Border compliance: 51 hours, \$223

Documentary compliance: 11 hours, \$97

7 Documents
needed

Bill of lading

Certificate of origin

Commercial invoice

Customs declaration

Packing list

Technical standards certificate

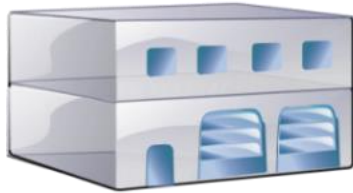
Terminal handling receipt

What are the Key Characteristics?

- **ASEAN+China FTA**
- Online Application & Automation of Rules-of-Origin Calculation for issuing Certificate of Origin (C/O)
- **Paperless Customs Declaration, Compliance & Approval Online**
- Customs Clearance with electronic Risk Assessment
- **Customs Physical Inspection less than 5%**
- Terminal Handling (Cargo/Container Data Cross-Checking Online)

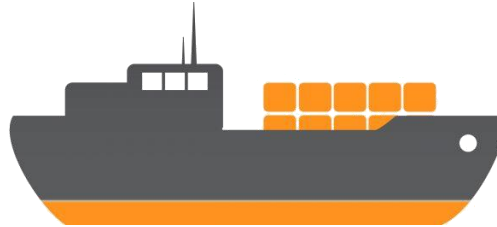
Ghana's Import Process of Auto Parts (HS 8708)

(World bank's trading across border report 2016 - – data collected in Mid of 2015)

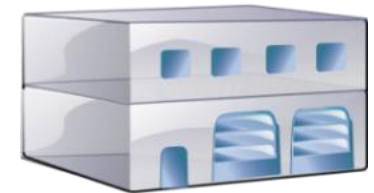


Belgium

Port handling and customs clearance at Tema Sea Port



Import declaration submission and others



A warehouse nearby Accra

Border compliance: 282 hours, \$725

Documentary compliance: 282 hours, \$302

10 Documents needed

Bill of lading

Cargo Release Order

Commercial invoice

Delivery order

Final Classification and Valuation Report (FCVR)

Import declaration form (IDF)

Import License

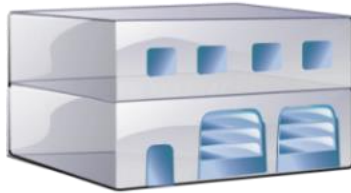
Packing list

Technical Standard Certificate

Terminal Handling Receipts

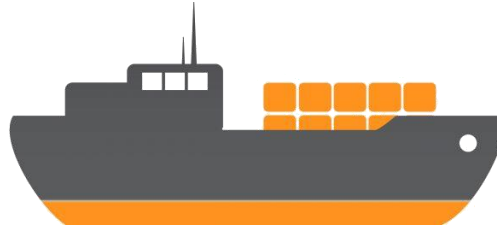
THAILAND'S IMPORT PROCESS OF AUTO PARTS (HS 8708)

(WORLD BANK'S TRADING ACROSS BORDER REPORT 2016)

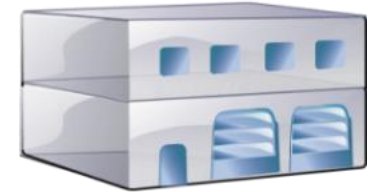


Japan

Port handling and customs clearance at Leam Chabang Sea Port



Import declaration submission and others



A warehouse nearby Bangkok

Border compliance: 50 hours, \$233

Documentary compliance: 4 hours, \$43

7 Documents needed

Bill of lading

Commercial invoice

Customs Import Declaration

Delivery order

Import license

Packing list

Technical standards certificate

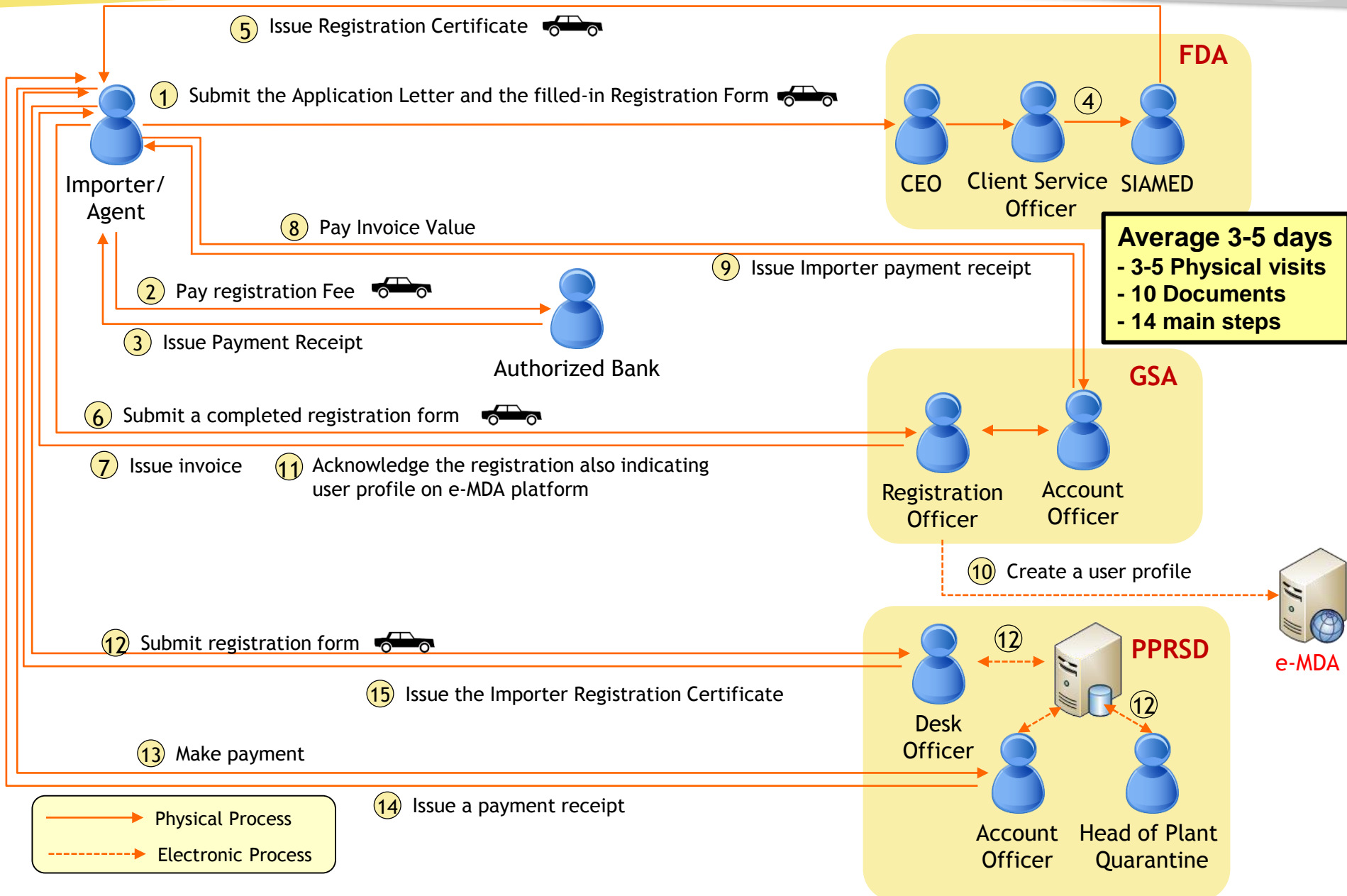
What are the Key Characteristics?

- **Thailand & Japan FTA**
- **Paperless Customs Declaration, Compliance & Approval Online**
- **Customs Duty e-Payment**
- **Customs Clearance with electronic Risk Assessment**
- **Customs Physical Inspection less than 10%**

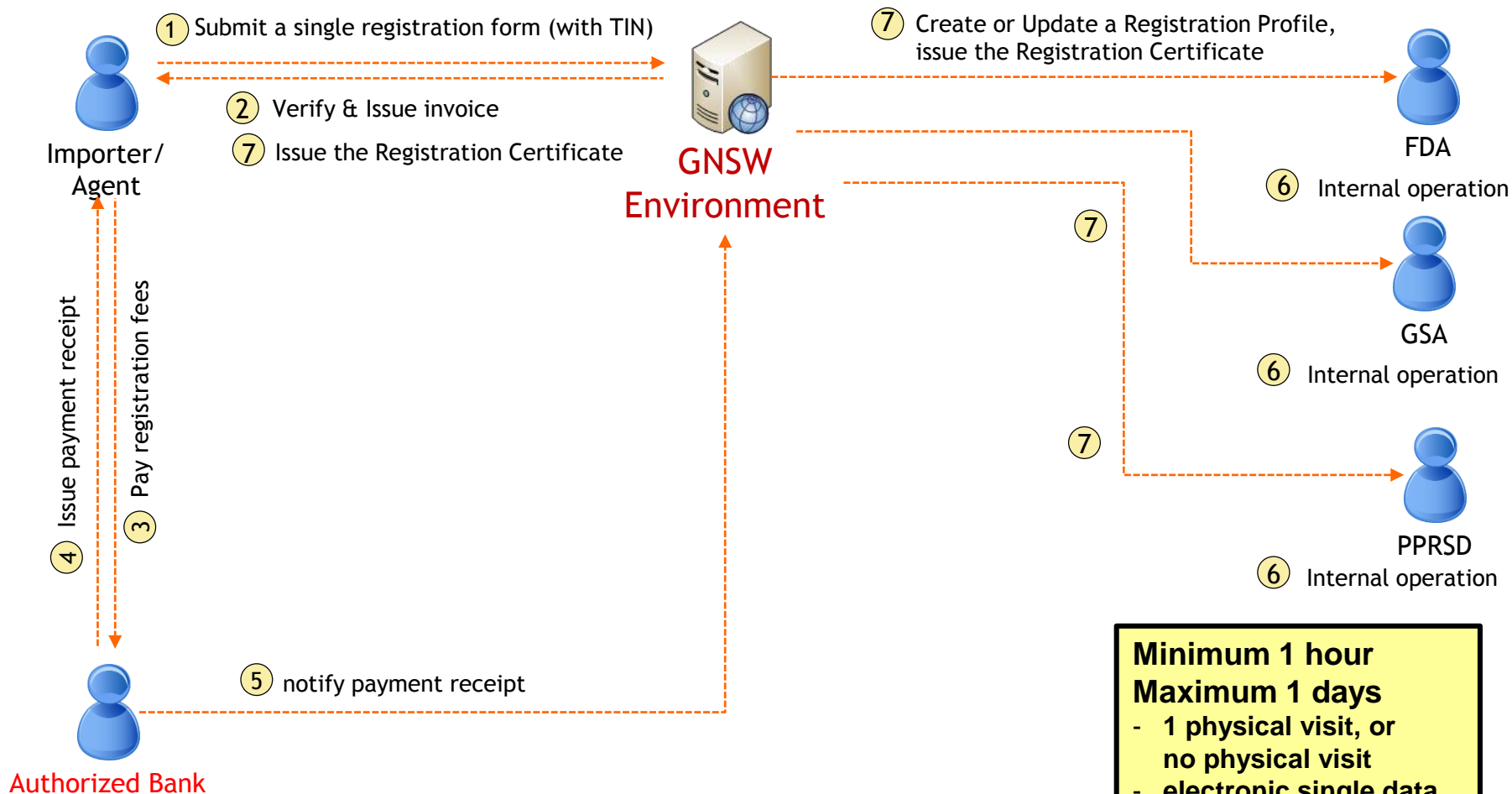
General Observations/Findings of the As-Is Ghana's International Trade Process

- **Multiple documentation submission & data duplication**
- **Mostly paper-based processing & operations** (both front-end public services & internal workflow of the agency) - even though some documents available electronically.
- The current paper-based operations make it **difficult to validate the information within the paper documents (data validation)**, especially when handling paper documents from several Participating Government Agencies (PGAs).
- **Difficulty, costing and time consuming in work coordination** among several regulatory agencies and business stakeholders during trade facilitation/supply chain operations.
- High-percentage of **physical inspection**

Importer Registration: As-Is Process



Importer Registration: proposed To-Be Process* (for further consultation with stakeholders)



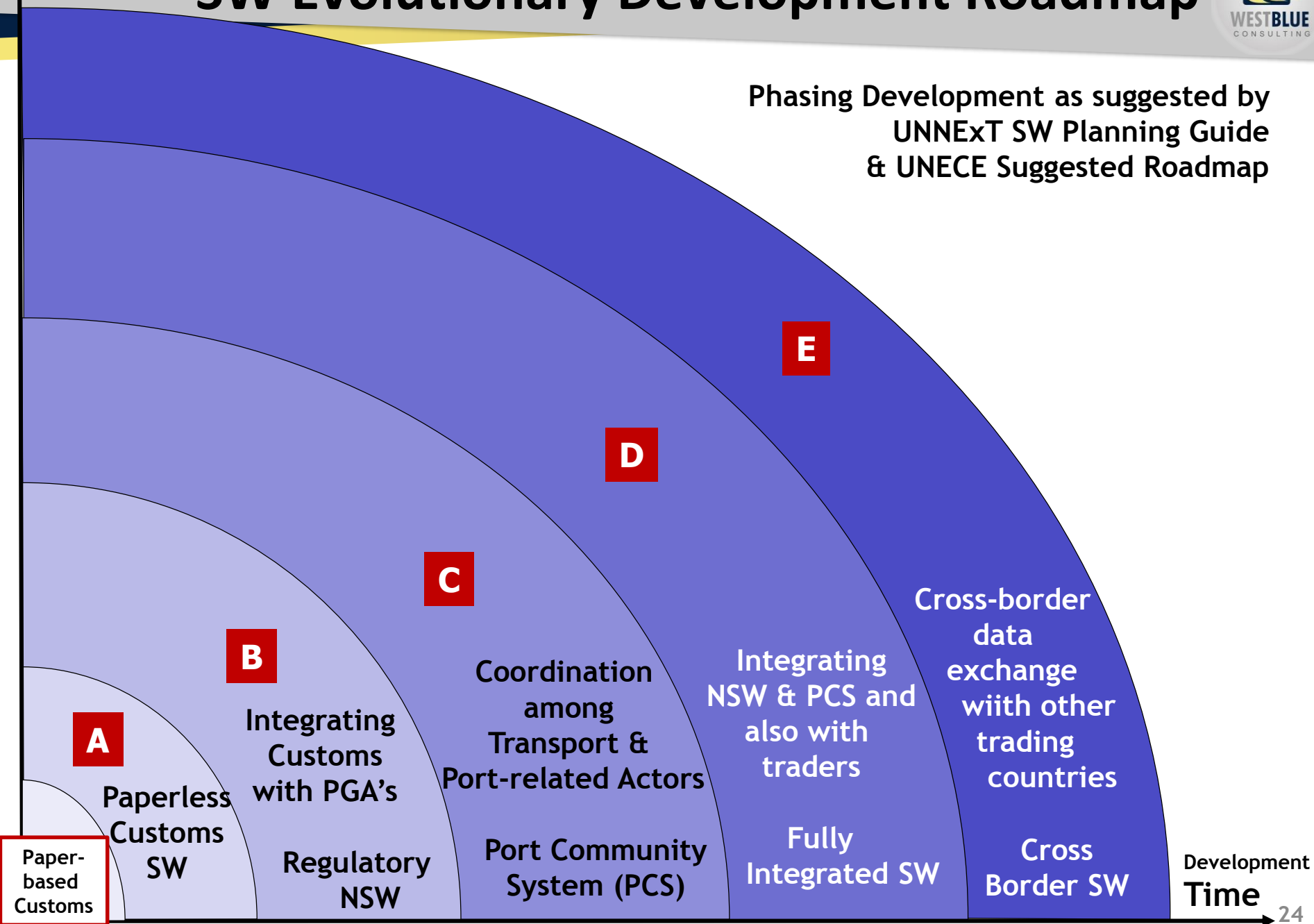
Minimum 1 hour
Maximum 1 days

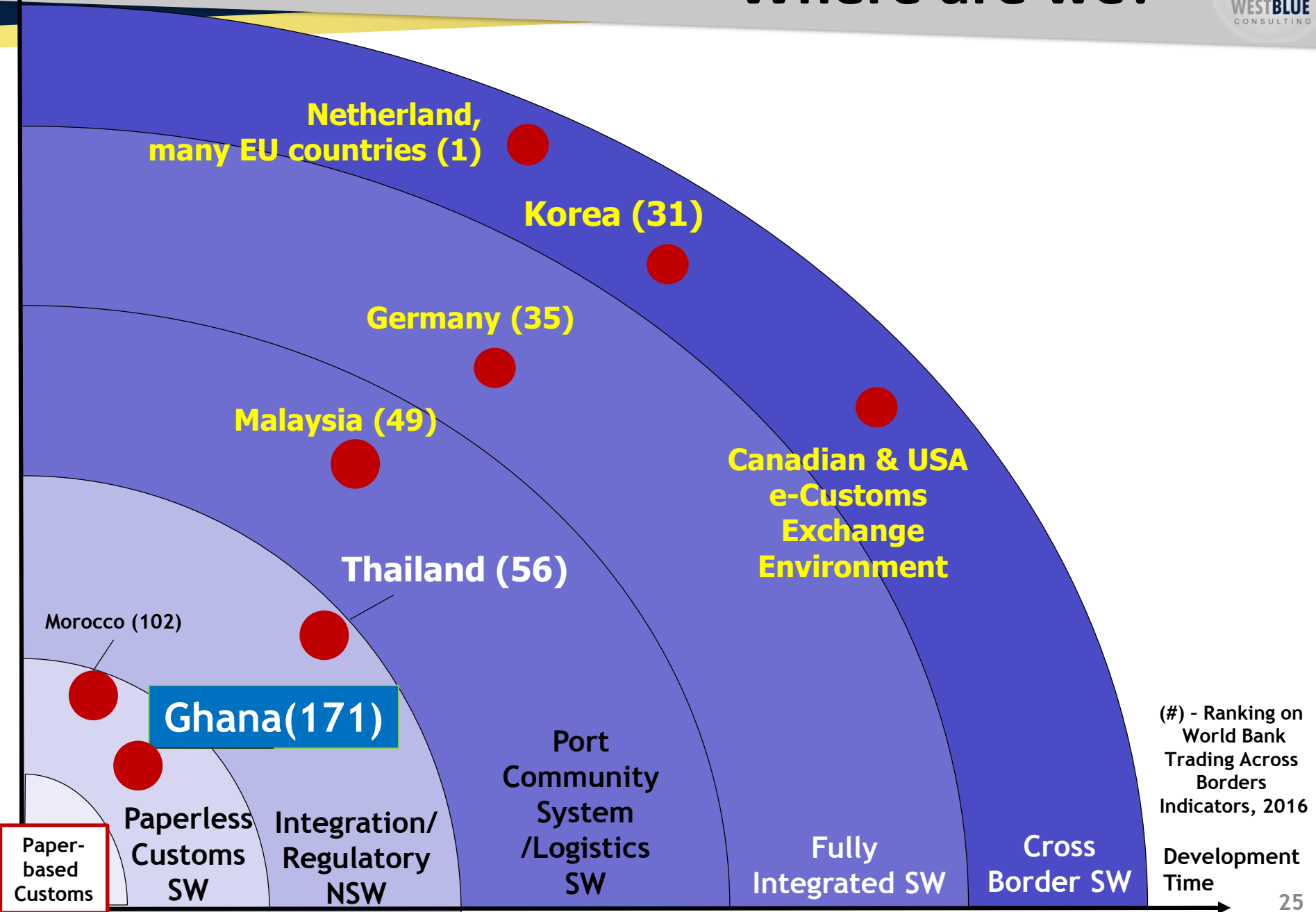
- 1 physical visit, or no physical visit
- electronic single data submission and online data cross checking
- 7 main steps online

* For both new registration, and renewal.

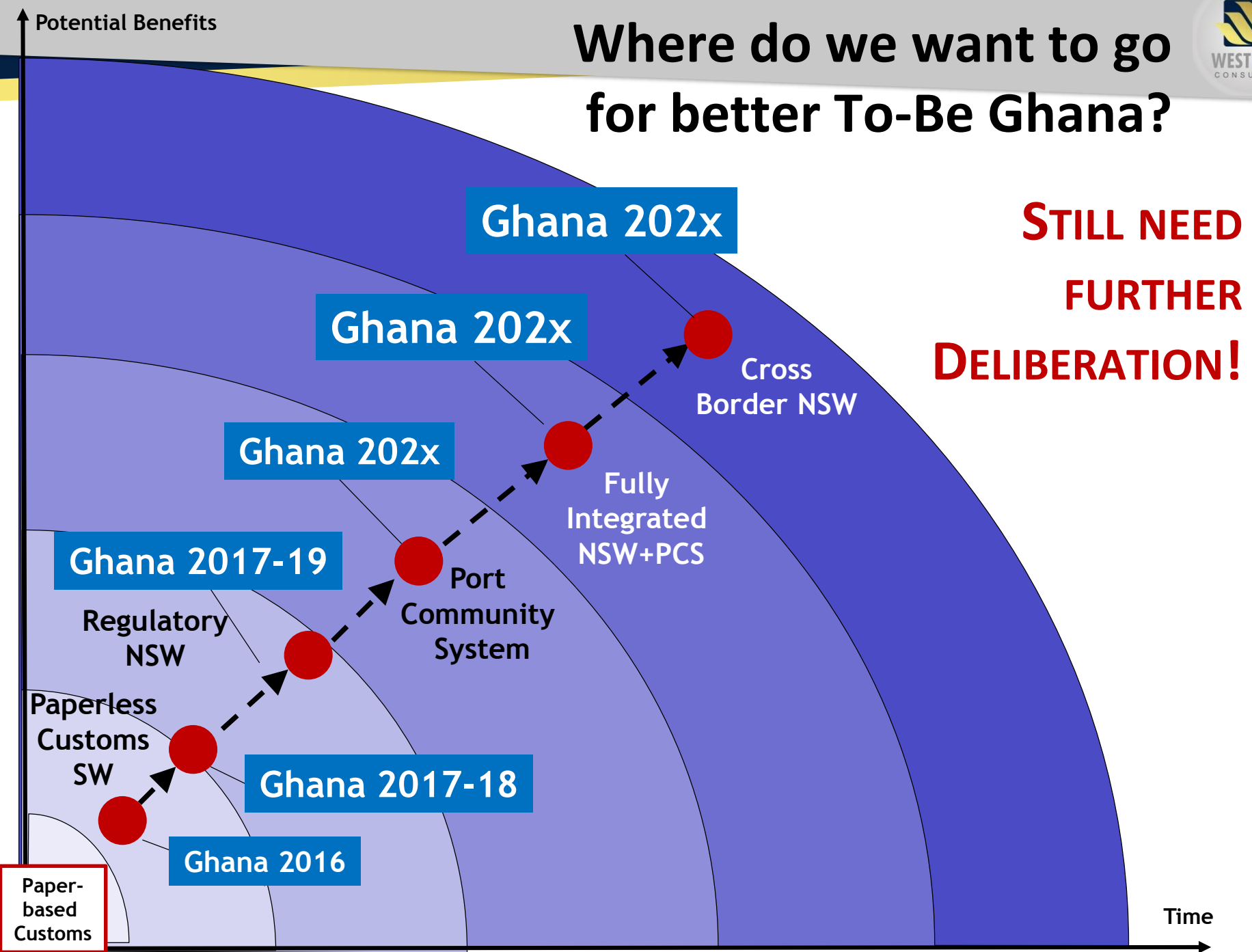
SW Evolutionary Development Roadmap

Phasing Development as suggested by
UNNExT SW Planning Guide
& UNECE Suggested Roadmap





Where do we want to go for better To-Be Ghana?



Two Distinctive Forces that have shaped International Trade Flows in many countries!

1. Policy Reforms - internally & also through Multilateral Trade Agreements aiming at reducing the barriers to trade, e.g.

- Authorized Economic Operators, Pre-Arrival Processing, Post-Clearance Audit, etc.

2. Applications of ICT & electronic Single Window, e.g.

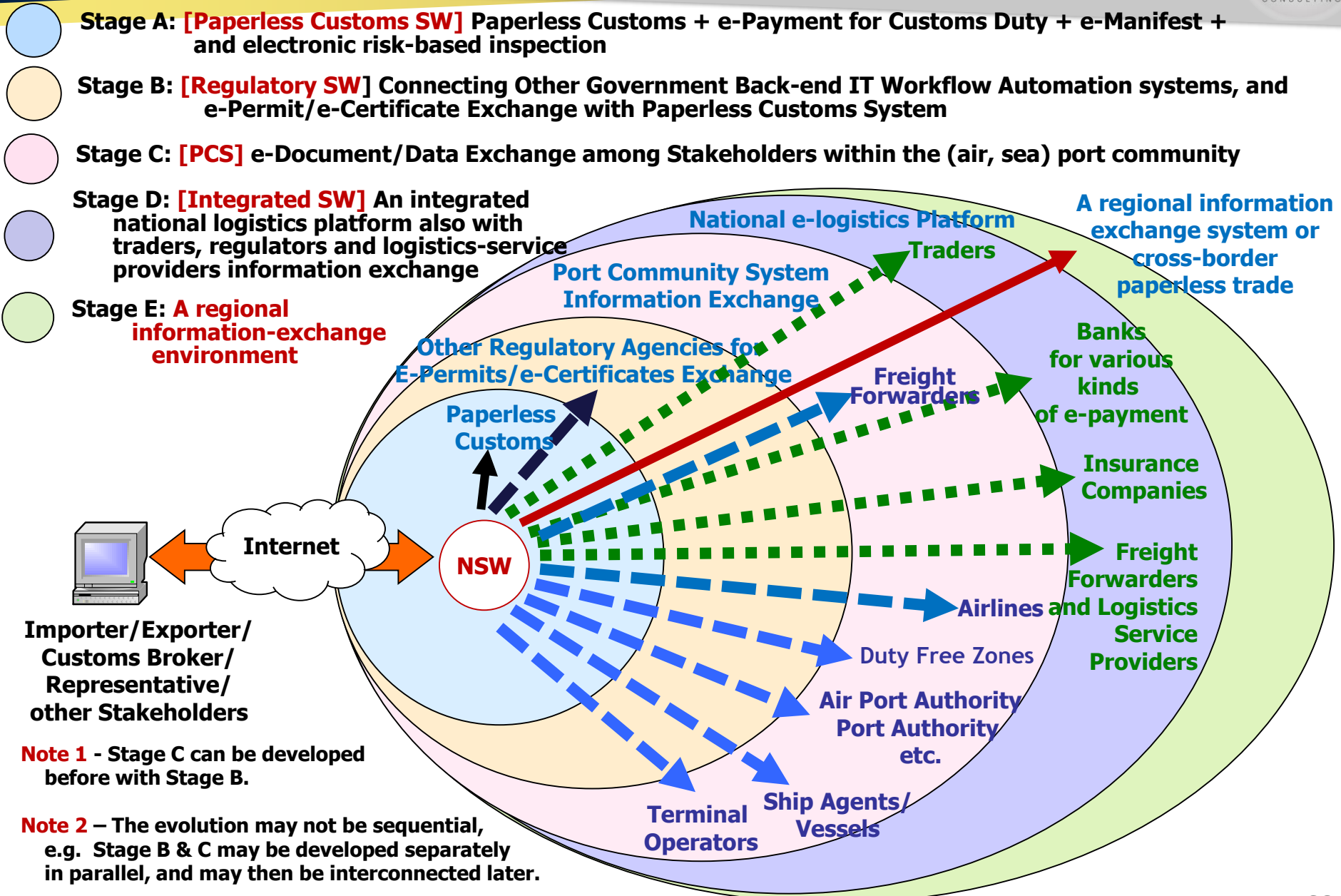
- Paperless Customs Declaration & Approval Online
- Payment of Customs Duty and Fees electronically
- Electronic Information Risk Assessment, and effectively reducing the percentage of Customs Physical Inspection to less than 10%
- Workflow Automation within each participating government agency for efficiently issuing e-registration, e-permits, and e-certificates.
- Automatic information cross checking among the corresponding e-Customs Declaration, e-Permit, e-Certificate & Scanning Info. for effective/efficient inspection and release.
- Electronic information submission once for each data element, but can be used electronically many times by relevant authorities.
- Electronic Single Window for obtaining government e-permits, e-certificates, e-declaration, registration and renewal.
- Paperless operations also with Port Authority/Terminal Operators, Shipping Lines

Improvement
Opportunities
also for Ghana

SW Evolutionary Development Roadmap

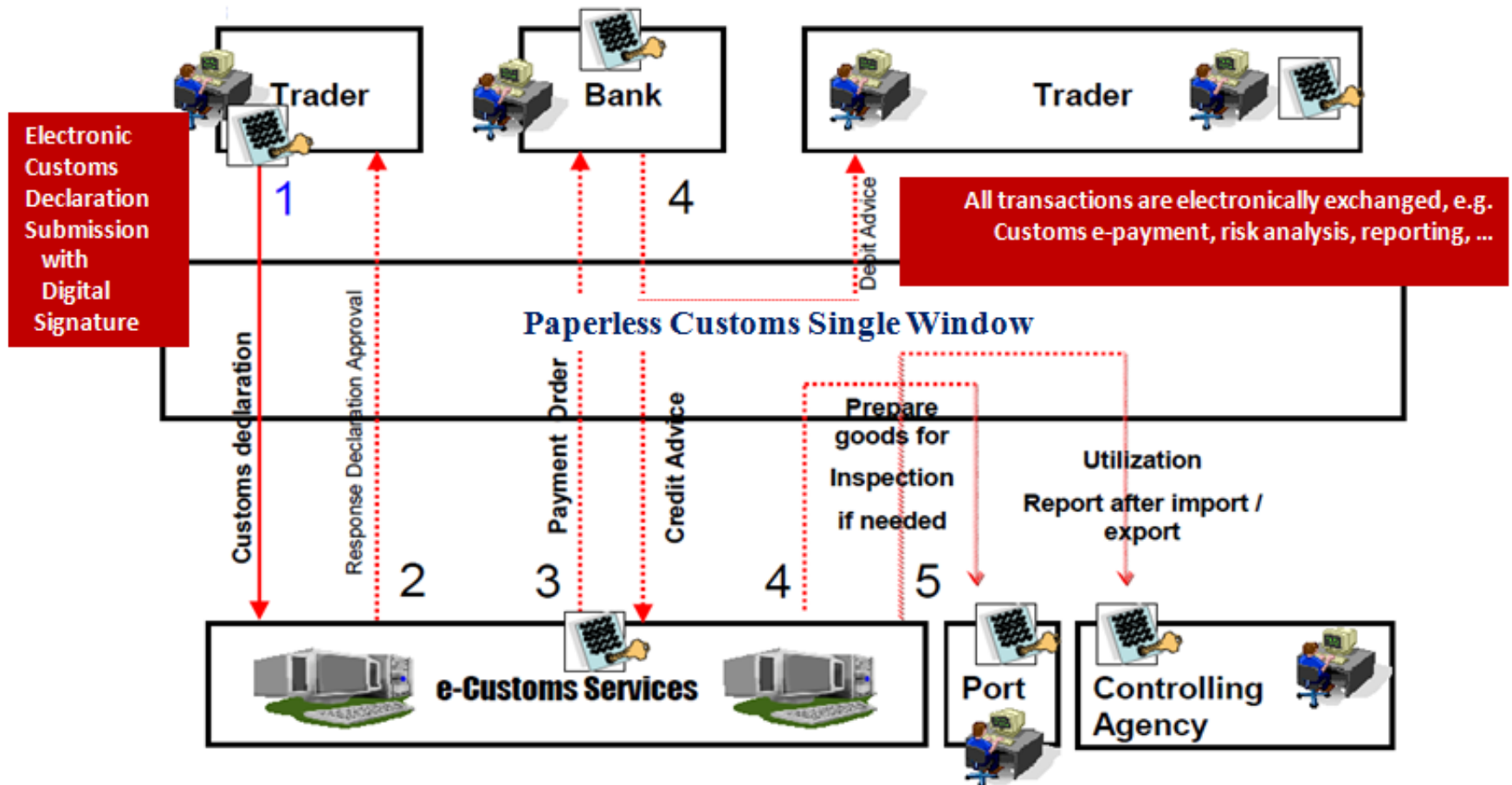
(not necessary in a sequential fashion)

CONSULTING



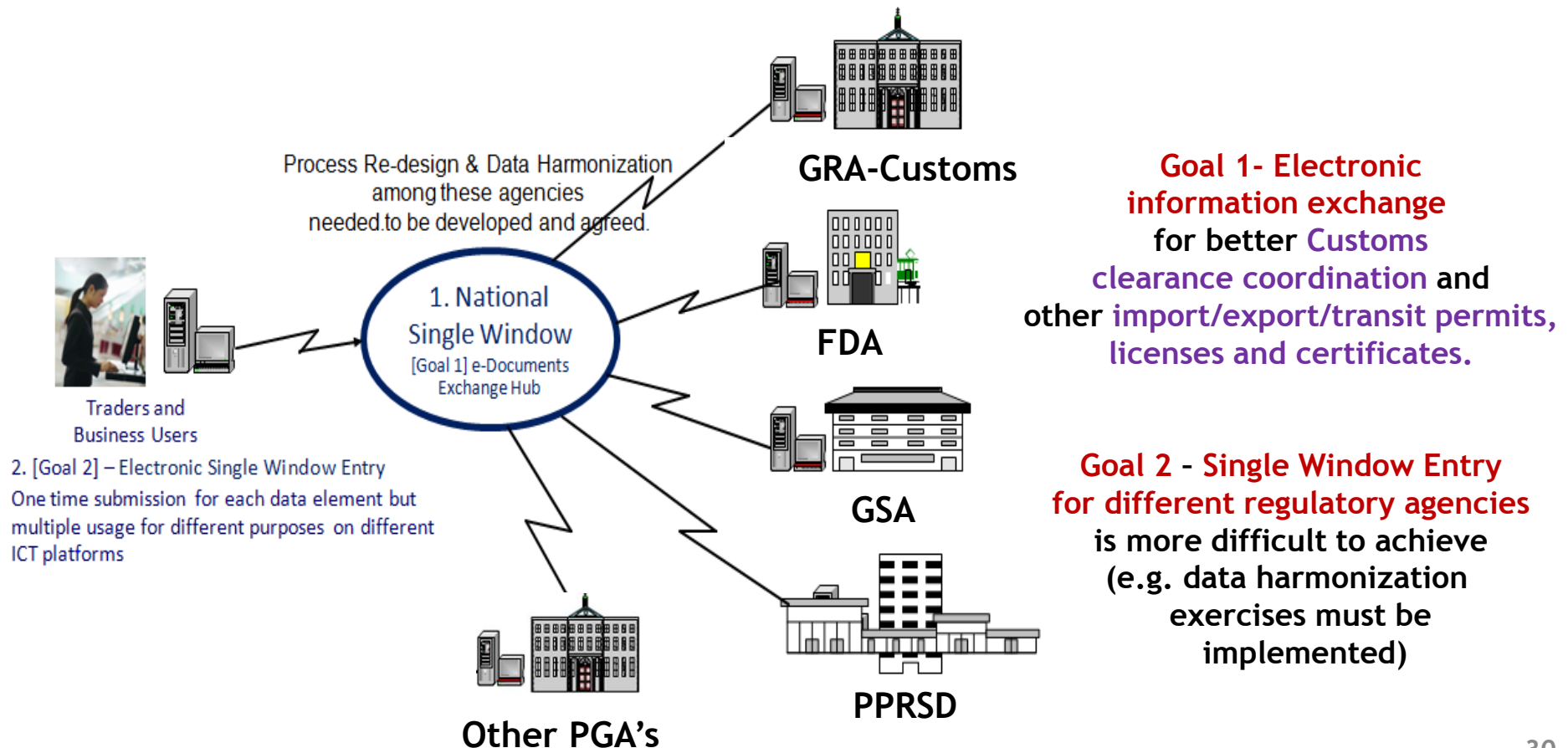
A. Paperless Customs Single Window

Preferred Features/Functions for Paperless Customs Single Window –
Electronic Customs Declaration Submission with electronic signature +
Automatic Customs Valuation/Classification & Compliance Validation online +
e-Payment for Customs Duty +
e-Manifest + and electronic Risk Analysis
for speeding up customs clearance and reducing # of physical inspections

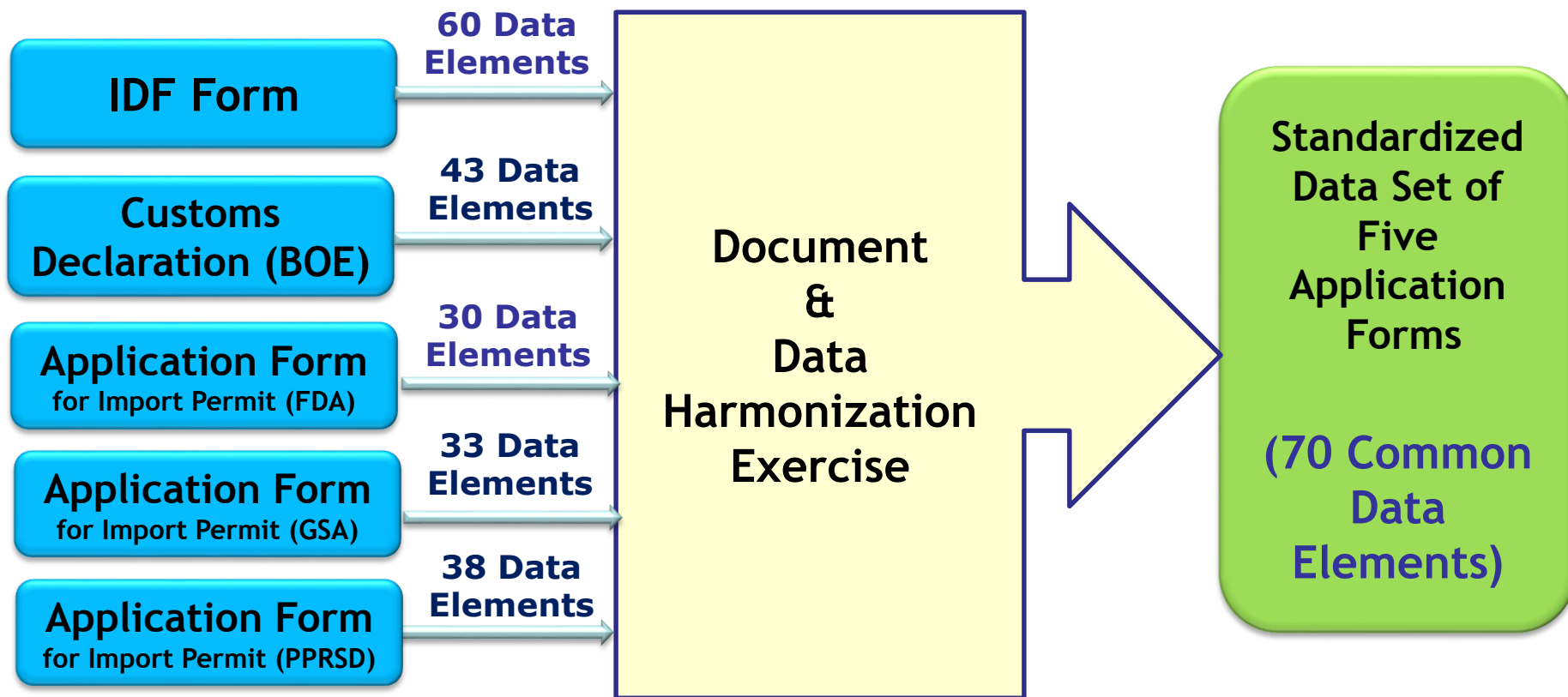


B. Regulatory NSW

- Gradually & electronically linking Customs SW to selected PGAs first (based upon key strategic goods, economic gains, willingness and readiness etc.), and then expanding to more and all PGA's (including e-data single submission, internal workflow automation, and cross-agency information exchange, e.g. application e-form, e-permit/e-certificate exchange).



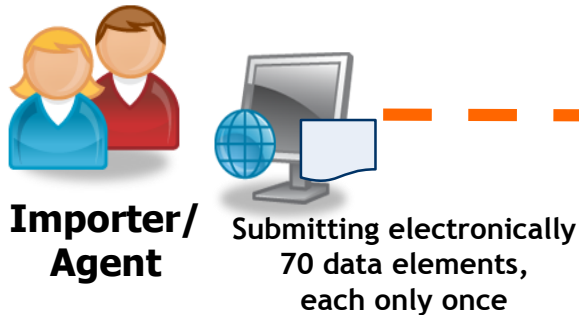
Document & Data Harmonization of 5 documents (normally submitted by the Rice Importer)



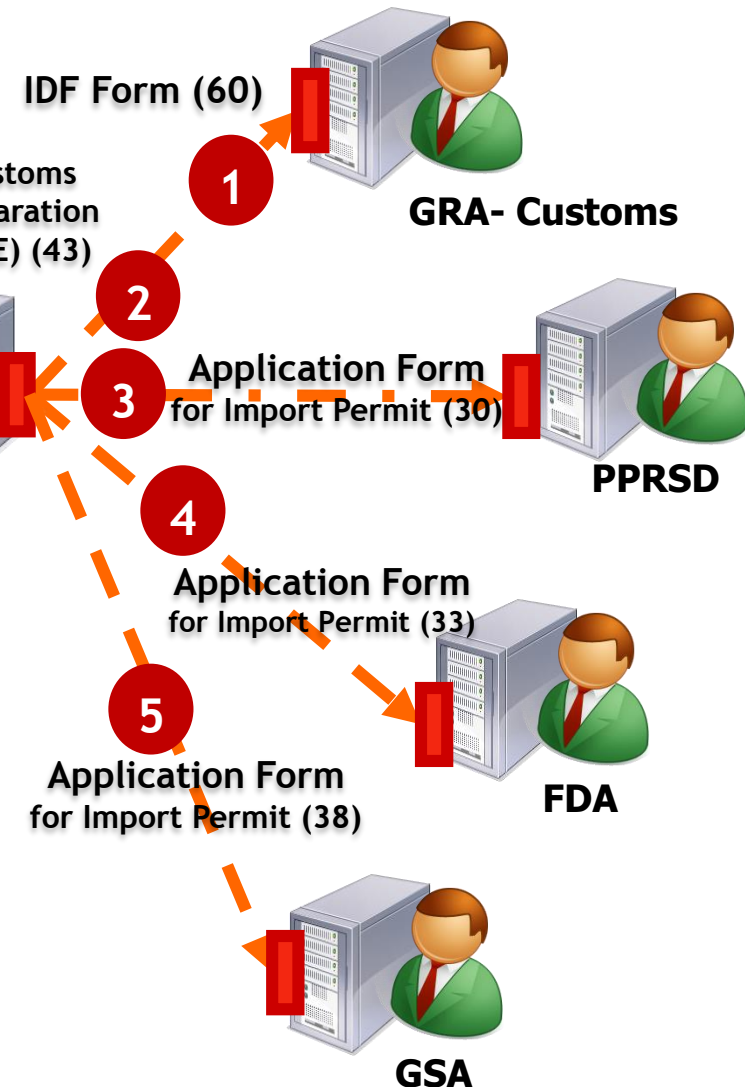
Standardization and Harmonization can reduce the data elements from 60+43+30+33+38 = 204 data elements of 5 documents to 70 data elements for a standardized data set

Electronic Single Window for Rice Importers

Single Window Entry for Traders/Agents

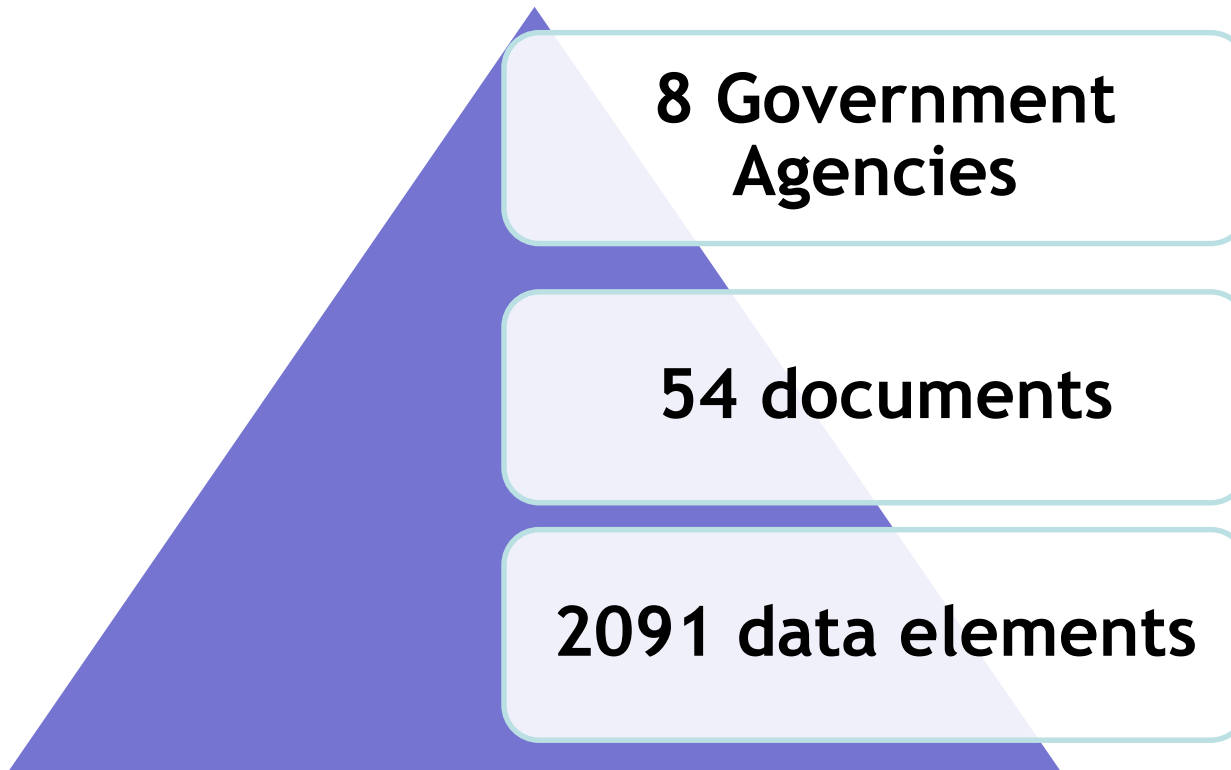


Electronic information submission once for each data element, Then several electronic application forms can be automatically generated and sent electronically to several relevant authorities.



Work Progress of GNSW Data Harmonization

- Based on the sample documents collected during the Business Process Analysis activities
- 54 regulatory documents from 8 government agencies* are being analyzed.



* NCB, GSA, APD, GEPA, PPRSD, VSD, FDA and NPA (National Petroleum Authority)

- About 50 information gathering sessions/site visits to government agencies and business stakeholders have been conducted during the past 3 months.
- As-Is business process descriptions related to trade facilitation have been drafted for the following 11 agencies (more validations are still needed).
 - GRA - Customs Division
 - Food and Drugs Authority (FDA)
 - Ghana Standards Authority (GSA)
 - Environmental Protection Agency (EPA)
 - Ghana Ports & Harbour Authority (GPHA)
 - Plant Protection and Regulatory Services Directorate (PPRSD)
 - Animal Production Directorate (APD)
 - Veterinary Services Department (VSD)
 - Narcotics Control Board (NCB)
 - Ghana Chamber of Commerce and Industry (GCCI)
 - Ghana Export Promotion Authority (GEPA)
- As-Is end-to-end Export Processes of 4 products (Cashew Nuts, Cocoa beans, Fish and Gold) have been drafted & validations are needed.
- As-Is end-to-end Import Processes of 7 products (Rice, Auto Spare Parts, Oil/Petroleum Commodities, Passenger Vehicles/Trucks, Tomato Pastes, Medicines in Doses, and Vegetable and Palm Oil) have been drafted & validations are needed.
- Proposed To-Be Process Diagrams of the above are also drafted for brainstorming.
- About 54 documents/forms (8 government agencies) collected and analyzed for data definition & harmonization - about 2091 data elements are being analyzed.

Summary – Topics of continuing deliberation

1. **Policy Reforms**, e.g. Authorized Economic Operators, Pre-Arrival Processing, Post-Clearance Audit, etc.
2. **Applications of ICT & electronic Single Window**, e.g.
 - **Paperless Customs Declaration & Approval Online**
 - **Payment of Customs Duty and Fees electronically**
 - **Electronic Information Risk Assessment**, and effectively reducing the percentage of Customs Physical Inspection to less than 10%
 - **Workflow Automation within each participating government agency** for efficiently issuing e-registration, e-permits, and e-certificates.
 - **Automatic information cross checking among the corresponding e-Customs Declaration, e-Permit, e-Certificate & Scanning Info.** for effective/efficient inspection and release.
 - **Electronic information submission once for each data element**, but can be **used electronically many times** by relevant authorities.
 - **Electronic Single Window** for obtaining government e-permits, e-certificates, e-declaration, registration and renewal.
 - **Paperless operations** also with Port Authority, terminal operators/ground handling agency, freight forwarders, trucks, shipping lines/carriers and regulatory agencies.

Conclusion

There are
a lot of improvement opportunities
for better Ghana's trade facilitation environment

by improving
export/import/transit procedures and
documentary handlings
among
regulatory agencies,
business traders and
related logistics service providers.

THANK YOU!

For questions or discussion, further contact:

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