T R A D E   B E A T

MONTHLY NEWSLETTER OF THE INTERNATIONAL LIAISON UNIT

Jamaica Customs Agency
ASYCUDA WORLD

The modernization of Jamaica Customs was initiated as part of the Public Sector Modernization Project (PSMP) which began in 1996, and sought to modernize entities of the Government of Jamaica (GOJ) through a collaborative project with the World Bank. The Jamaica Customs Agency, in keeping with its designated vision and mission, is currently undertaking a number of changes that would advance the Agency's modernization initiatives and effect a modern world class Customs administration. Consistent with the Agency's mission, three specific mandates have been identified: the equitable collection of revenue; the protection of Jamaica's borders against illicit imports; and the facilitation of international trade. Integral to the fulfillment of these specific objectives is a modern automated Customs management system, which will aid in realizing the vision of a *modern Customs administration, delivering excellent service, fostering compliance and contributing to our national development and protection of society.* *(Jamaica Customs Vision statement)*

JAMAICA CUSTOMS AUTOMATION PROGRAMME (BACKGROUND)
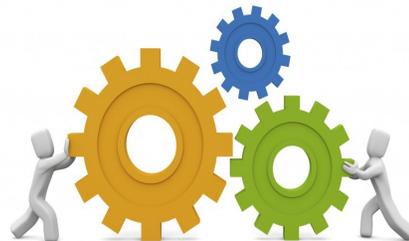
The modernization of Jamaica Customs has consistently been on the agenda of the GOJ and steady steps have been taken for the Agency to be tantamount to the most efficient Customs administrations of the world. The development of the Customs Automated System (CASE) was one of the principal initiatives taken to automate the technical infrastructure of Jamaica Customs, which allows access to online Customs services that supports the global trading community. Functioning for over a decade, CASE attributed to increased revenue collection, increased levels of efficiency and improved trade facilitation.

You may work with many documents

Increased efficiencies were noted in the submission and payment of entries and the reconciliation of payments for entries processed. CASE also contributed to a reduction in processing times, as well as a reduction in the number of queries logged at the collection and clearance points. Despite these benefits however, the system presents challenges. With a suite of over twenty (20) systems and satellite programmes serving CASE, there is an absence of a fully integrated solution for a number key functions within the JCA. Risk management, post clearance audit and an electronic-manifest   application, are some of the functions that have not been sufficiently integrated within the system to properly serve the needs of stakeholders.

Under this backdrop, and after consultations with the trade community and the relevant stakeholders, the JCA has committed to implementing the United Nations Conference on Trade and Development (UNCTAD)'s latest version of the Automated System for Customs Data (ASYCUDA World). ASYCUDA is a computerized system designed by UNCTAD, and was initiated in response to development concerns particularly related to international trade. ASYCUDA was progressively developed to aid the process of reform and modernization in Customs Administrations and is currently offered in three different versions: ASYCUDA 2.7, ASYCUDA++ and ASYCUDA World, which is the latest version available for implementation.

ASYCUDA is an integrated Customs management system for international trade and transport operations in a modern automated environment. The system allows for advanced software applications, designed and developed for Customs administrations and the trade community to comply with international standards and best practices when fulfilling import, export and transit related procedures. This is essential to advancing international trade flows and supports connectivity and information transfer between all segments of international trade. Regarded as the largest driver of economic development, international trade is the primary focus of UNCTAD's work, with great emphasis placed on capacity building. This is achieved through a number of technical assistance initiatives to ensure that all members of UNCTAD are equitably integrated into the global economy.

UNCTAD through its ASYCUDA Programme, aims at:

- Modernizing customs operations and helping to improve revenue collection
- Facilitating trade efficiency and competitiveness by substantially reducing transaction time and costs
- Improving security by streamlining procedures of cargo control, transit of goods and clearance of goods
- Helping fight corruption by enhancing the transparency of transactions
- Promoting sustainable development by cutting down on the use of paper, through the use of electronic transactions and documents

ASYCUDA is undoubtedly the leading automated system for Customs modernization programmes worldwide, and is at the core of the integrated single window concept in approximately ninety (90) countries. The primary purpose of ASYCUDA is to help to facilitate trade by strengthening the capacity of Customs Administrations worldwide and to expedite efficient operations by using modern and reliable systems, thus enabling the simplification of the clearance process through automation. The level of efficiency of Customs Administrations is often measured by the transaction costs associated with international trade. These costs are often elevated by bureaucratic Customs procedures, and barriers to international trade are therefore created. In contrast to the traditional barriers created by tariffs, inefficient Customs procedures can create Non-Tariff Barriers to Trade (NTBs) , and in order to avoid these unnecessary trade barriers, the streamlining and simplification of Customs procedures becomes fundamental in reducing transaction costs.

BENEFITS

Trade Facilitation

Law Enforcement

Revenue and Statistics

Standardization and Normalization

E-Government

As ASYCUDA progressed, technological advancements contributed to the latest version ASYCUDA World which supports interoperability, single window capabilities, document workflow manageability and a user-friendly interface. Customs administrations throughout the globe have undergone significant changes regarding their business processes which have been endorsed by the World Customs Organization (WCO) through its standards and guidelines. As such, ASYCUDA World supports the SAFE Framework of Standards to Secure and Facilitate Global Trade (supply chain security standards and best practices), the Revised Kyoto Convention (simplification of Customs processes) and the Arusha declaration (Customs integrity and transparency). Greater emphasis is currently being placed on trade facilitation, the simplification and standardization of Customs processes and procedures, as well as a push for data exchange and collaboration among Customs administrations, other government agencies, and the private sector. The implementation of ASYCUDA World is judicious to the JCA, as there is a general increase in the need for online business transactions and an increased reliance on Information Communications Technology (ICT) to conduct Customs transactions. ASYCUDA World is already used by a number of countries in the Caribbean region including some of the JCA's CARICOM counterparts, such as Trinidad and Tobago and Dominica. The full implementation of the ASYCUDA World system will further advance the standardization of Customs procedures and facilitate the harmonization and simplification of Customs data at the regional level, promoting further integration and collaboration.

JAMAICA CUSTOMS BUSINESS NEEDS

- **Efficient and Modern Customs Processes and Procedures -** Adherence to the World Trade Organization (WTO)'s trade facilitation measures and the World Customs Organization (WCO)'s Revised Kyoto Convention (RKC) largely depends on a modern customs management system based on internationally recommended standards upon which ASYCUDA World was built.

- **Implementation of Supply Chain Security Standards -** Strengthening of the post clearance audit capacity will be provided through ASYCUDA World which supports the Authorized Economic Operator (AEO) programme that aligns the JCA with the WCO SAFE Framework of Standards.

- **Harmonization of Regional Customs Procedures -** ASYCUDA World will facilitate further integration with regional counterparts to harmonize and standardize Customs procedures and align the JCA with the CARICOM model harmonized Customs legislation which has been drafted.

- **National Single Window Efforts -** ASYCUDA World will be capable of interfacing and interacting with the Port Community System (PCS) which is an initiative by the Port Authority of Jamaica to create a central database providing integration of commercial and logistics activities among companies involved in the export and import process. This is a vital step towards the development of a National Single Window, which will support the Logistics Hub Initiative and allow for the accrual of benefits from the expansion of the Panama Canal.

- **Internal Data and System Standardization and Web Access -** Systems and procedures need to be uniform and consistent throughout all Customs locations, in line with international standards and best practices. ASYCUDA World is capable of providing a nation wide web-based Customs system that can integrate and modernize current applications.

- **Risk Based Approach Cargo Examination -** With the proposed expansion of the ports, the JCA has resolved to adopt a risk-based approach to cargo processing, encompassing both physical and non-intrusive examinations. This will be facilitated by ASYCUDA World, as targeted cargo selection will be achieved by matching electronic declarations with the relevant cargo.

JAMAICA CUSTOMS ASYCUDA WORLD

ASYCUDA World is a web-based application that allows Customs and traders to conduct transactions via the internet, and promotes paperless declarations that contribute to the dissemination of timely and accurate data to support government projections and planning through statistical data information. In keeping with the GOJ's modernization objectives, ASYCUDA World was selected as the leading modernization tool to align Jamaica Customs to current business practices and technology. In a fast changing technological environment, ASYCUDA World supports the integration of wireless devices through its internet applications, and the acquisition of such a system illustrates the direction of current Customs and business technology, in which the JCA fully endorses.

With the aid of a technical feasibility study that was conducted by UNCTAD in February 2013, and a revision of five potential options, the JCA selected ASYCUDA World as the most viable and prudent option to adapt, customize and implement as the core Customs Management System. The ASYCUDA World implementation project was initiated through contract by the GOJ and UNCTAD and commenced on April 1, 2014 and should continue for a period of twenty-four months which will culminate in a Pilot roll out. The JCA, through the GOJ, possesses full ownership of the ASYCUDA source code that will allow the Agency to customize and provision the system for future upgrades at no additional cost, by UNCTAD through technical cooperation. A national project team has been recruited, and comprises both technical and functional contingents to facilitate the ASYCUDA World implementation. Through ongoing training and sensitization initiatives, the team has coordinated several programmes including "developing a change management strategy workshop" and the "name the system competition" respectively, to engage all stake-holders, especially JCA staff in the implementation of ASYCUDA World.

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