



Session 10: Value Proposition of Exchanging Export Declaration as Advance Information to Support Cross-Border Digital Trade and Green Customs (ASEAN Experience)

Regional Workshop on Cross-border Digital Trade for CAREC Countries

Dennis Capistrano Pantastico

12-14 November 2024

Seoul, South Korea

Exchanging Export Declaration

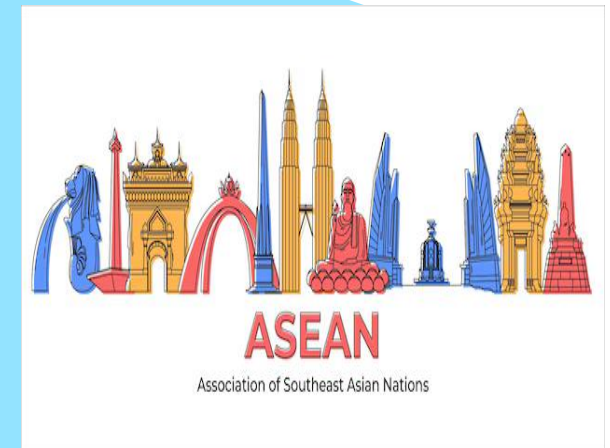
The ASEAN Single Window, a transport platform, is a regional initiative being used for the exchange of the export declaration to speed up cargo clearance and promote regional economic integration by enabling electronic exchanges of border documents among the 10 ASEAN member states.

In December 2020, Cambodia, Myanmar, and Singapore started exchanging ACDDs (Export Declaration) through the ASW. Malaysia and Thailand followed on March 31, 2021, while the remaining ASEAN member states joined in 2022.



Binding Agreements

- The Article 6 of the “Protocol to Establish and Implement the ASEAN Single Window” states that the ACDD shall be used in the ASW system by Member States.
- The ASEAN Single Window Steering Committee has agreed, pursuant to Article 6 of the ‘Protocol to Establish and Implement the ASEAN Single Window’, to implement the ACDD for export information exchange among ASEAN Member States.
- The ACDD is a multipurpose document used for faster exchanges of export declaration information to support risk profiling activities at the importing country. It includes 15 mandatory information parameters extracted from the export declaration.



Source: https://pdf.usaid.gov/pdf_docs/PA00TD5D.pdf

Benefits of Cross-border Digital Trade

Export Competitiveness

- Complying with ASEAN agreements allows these exporters ease of access and builds a repository of valuable information for both government and the trading community.
- Provides visibility and transparency that give an edge for local exporters to expand their markets to bigger economies.
- Optimizes customs procedures that provide a robust foundation to improve virtualization, visibility, and data exploitation in supporting informed decision-making.



Benefits of Cross-border Digital Trade

Strengthen Controls

- Sustaining this initiative requires Customs and trading community's continuous cooperation and strategic controls to maximize the opportunities of this ACDD cross-border exchange for governance innovations and exporters' participation.
- This assists Customs Risk Management Office in updating their Trader's Compliance Scoresheet system and the Export Coordinating Division in monitoring all outbound ACDD electronic messages.



ASEAN ACDD's Message Implementation Guidelines and Process Specifications

The footer features a blue background with a pattern of white vertical lines and dots, resembling a circuit board. On the left side, there are several colorful, stylized icons representing various aspects of digital trade and technology, including a person, a cloud, a network, and a battery. On the right side, there are green and yellow curved shapes.

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Message Implementation Guidelines

Objectives

- Develop an XML message to convey export declaration data that is aligned with the latest WCO data model for review by Member States
- Propose a revised ACDD information process flow for review by Member States
- Develop a message implementation guide and process specifications, including the XML Schema Definition (XSD) for review by Member States



Source: https://pdf.usaid.gov/pdf_docs/PA00TD5D.pdf

Message Implementation Guidelines

Ensure Interoperability

- Member States shall exchange ASEAN Customs Declaration Documents (ACDDs) electronically in accordance with these *ACDD Message Implementation Guide and Process Specifications*, as may be updated from time to time.
- In the event a Member State does not wish to implement all the electronic processes and related information elements specified in these *ACDD MIG & PS*, that Member State shall inform the other AMS, through the ASEC, which processes and related information elements it does not wish to implement.



Message Implementation Guidelines

Cancellation Requests

- In exceptional cases, the exporting Member State may request for the ACDD to be cancelled and may be subsequently replaced.
- ACDDs to be cancelled shall follow the generic cancellation process, as specified in the *Generic ASW Messages, Message Implementation Guide and Process Specifications*



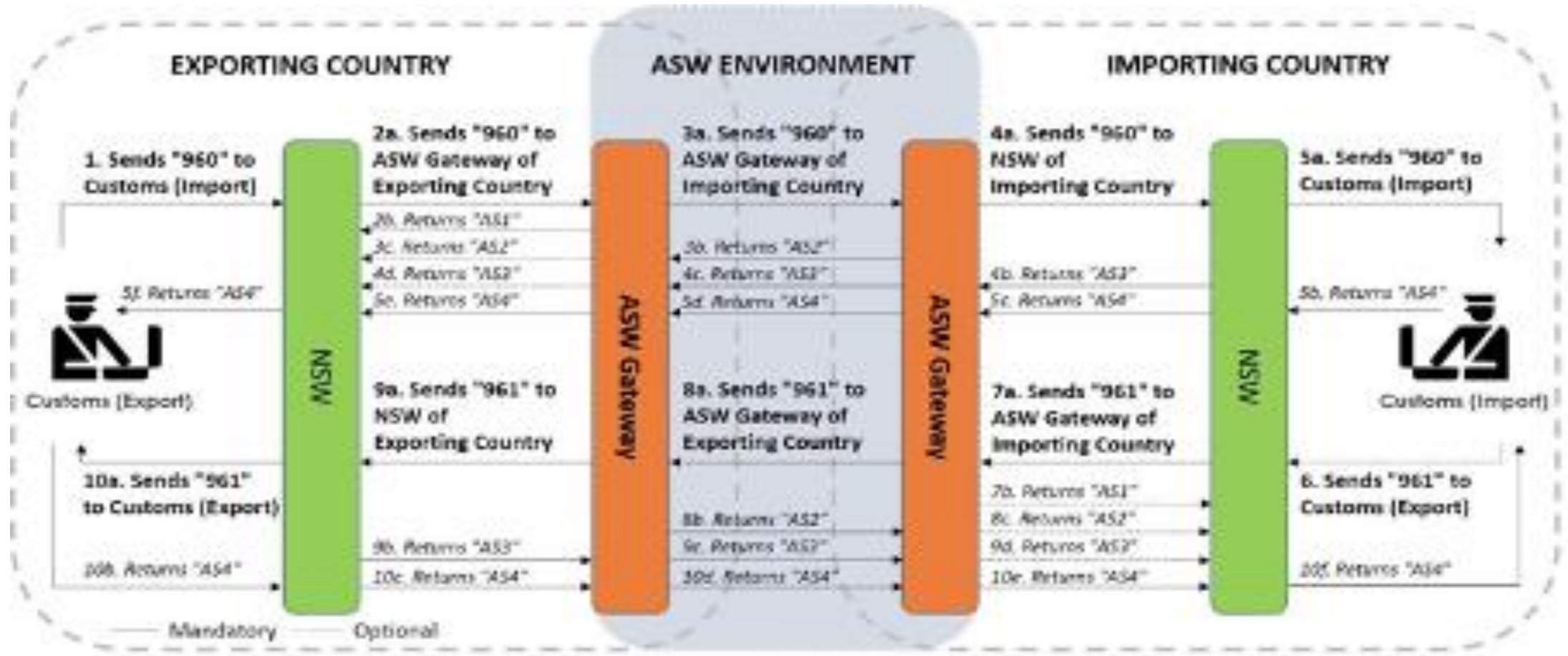
Message Implementation Guidelines

MIS Reporting

- On a periodical basis, the transaction statistics from Member States' ASW Gateway should be extracted and uploaded to the Regional Services Portal, using an upload mechanism mutually agreed between the Member State and the ASEAN Secretariat
- ASEC shall generate MIS Reports from the Regional Services Portal to enable each MS to reconcile the transactions reported by the other AMS
- In the event a Member State identifies any discrepancies in the MIS Reports, they shall inform the other AMS, through ASEC



Business Process Flow



Source: https://pdf.usaid.gov/pdf_docs/PA00TD5D.pdf



Business Process Flow

Key Process Specification Points

1. ASW gateway (exporting country) where it receives the XML or the ACDD coming from the NSW of the exporting country
2. The ASW gateway (importing country) confirming receipt of the ACDD message coming from the exporting country
3. The NSW of the importing country receiving the ACDD message
4. Processing at the agency level confirming receipt of the ACDD XML message, who is in charge and will take the lead in processing a particular electronic messaging exchange



15 Key Mandatory Data Elements

ACDD Data Elements

- | | | |
|---|---|----------------------------------|
| 1. Customs Office of Lodgment | address only) | Loading/Unloading |
| 2. Type | 6. Date of exportation | 11. Customs Office of entry/exit |
| 3. Exporter/Consignor and Number (Name and number only) | 7. Identification of Declarant/ Representative; Number Mandatory (Name and number only) | 12. Item number |
| 4. Customs Reference number | 8. Code of the Country of exportation | 13. Commodity code (AHTN) |
| 5. Importer/Consignee; Number (Name and | 9. Mode of transport | 14. Country of origin |
| | 10. Place of | 15. Supplementary quantity |



System Requirements Specification or Member States



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Customs Memorandum Order (CMO)

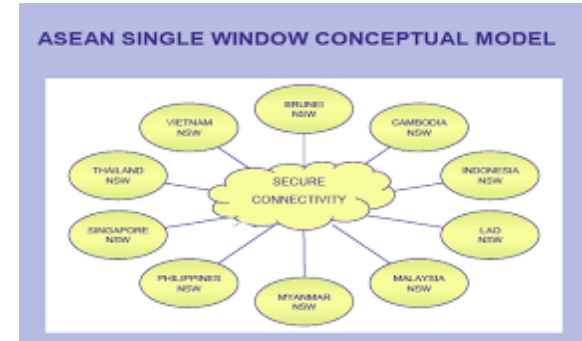
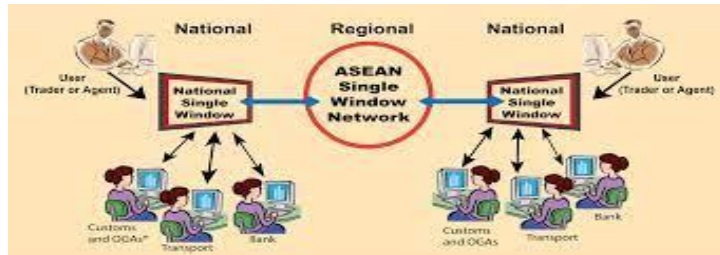
The CMO No. 26-2022

- In January 2022, after series of consultations with exporters, a customs order was issued which provides guidelines and procedures for the exchange of export declaration to facilitate and inform the importing country in advance of the export information details with the view of expediting clearance and grant of preferential rate.
- The exporter is required to register through PH Customs ACDD Portal (<https://acdd.customs.gov.ph>) to verify applicant's identity in giving legal consent to authorize Customs to start exchanging the ACDD with other ASEAN Member States.



The ACDD Operations Portal

- The ACDD Operations Portal and API routing platform facilitate the incoming and outgoing ACDD (export declaration) messages between the portal and each ASEAN Single Window (ASW) Gateway B2Bi software hosted by ASEAN Member States

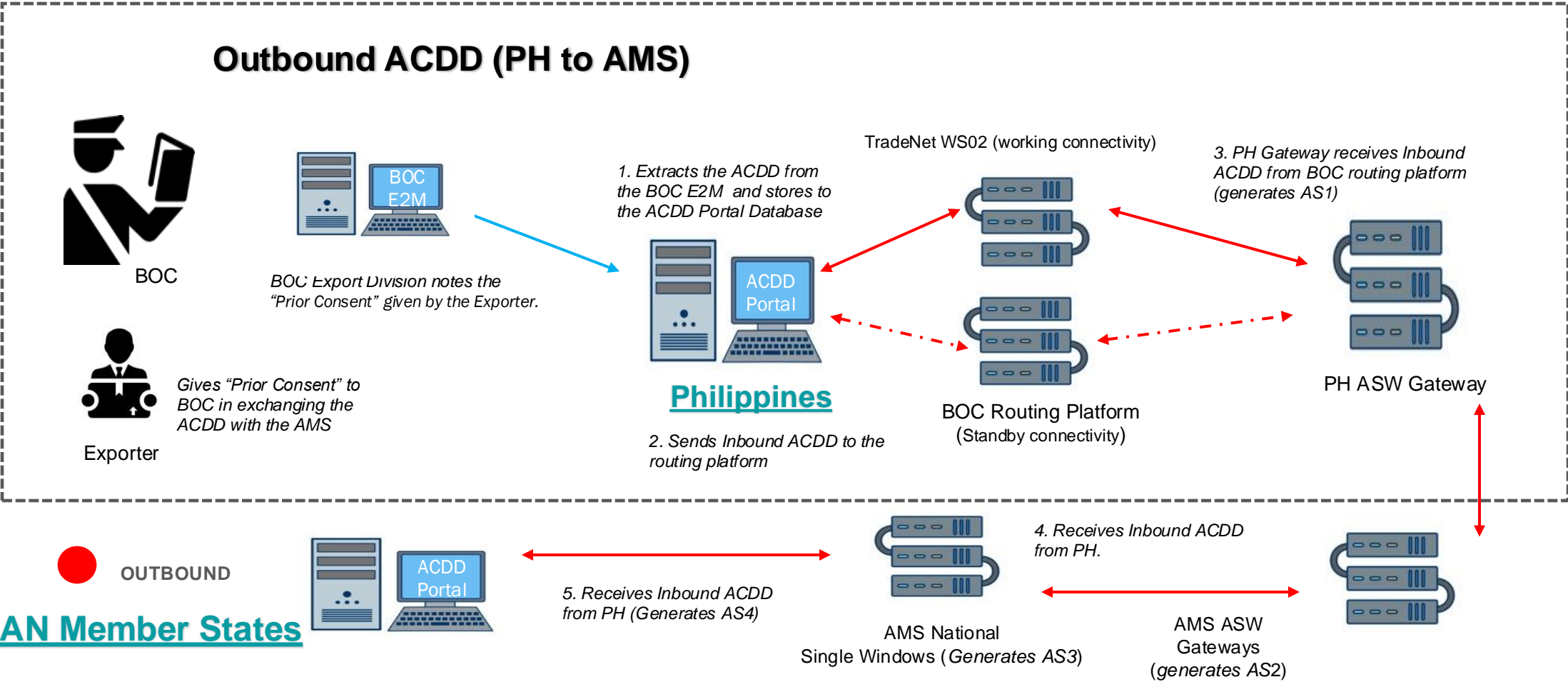


- The portal provides the necessary record keeping and tracking of all electronic messages passing through the system to enable the designated operators to verify exchanges with ASEAN Member States.
- The ACDD information are being used as advance information to support the customs authorities of the importing country in carrying out risk management activities, thus reducing Customs clearance time for import consignments.

The ACDD Operations Portal

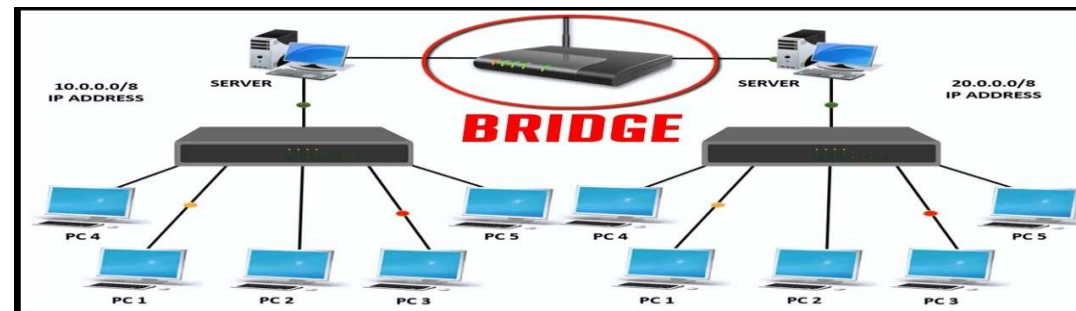
- Extracting 15 data elements (ACDD) from the Export Single Administrative Document (SAD), developed in-house, in line with information security best practices, then stored into the ACDD Portal. Thus, only the ACDD data would be exchanged with AMS.
- A “prior consent” feature is part of the process to protect export data and only ASEAN agreed ACDD data elements would be exchanged.
- Linked with the Customs’ Client Profile Registration System (identity management, authorization, and authentication system)
- An alternate connectivity (API Routing Platform) was developed between the ACDD Portal and the PH Gateway avoiding dependency with the Tradenet system
- The Operations Portal source code was provided by the contractor to allow Customs to enhance the Portal to meet future needs

Outbound ACDD Business Flow



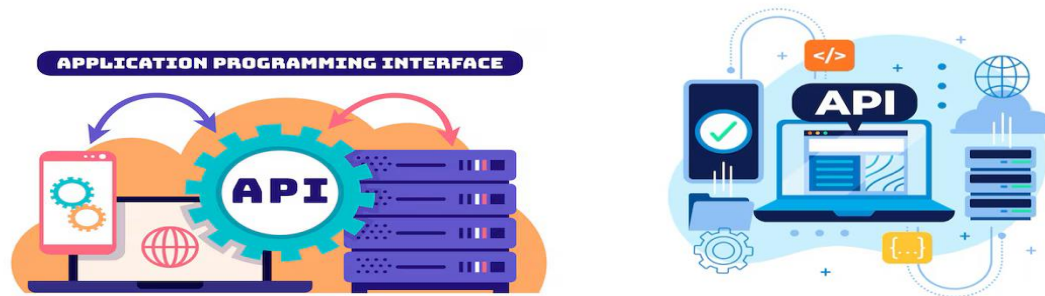
API Bridge Solution Approach

- It was agreed that no third party would be allowed to interface or connect with the BOC E2M system MISTG developed the extraction algorithm in getting all export SAD
- Thus, only the extracted export SAD is stored into the ACDD Portal database
- Then, only the ACCD stored in the portal could be exchanged to AMS
- Moreover, the ACDD Portal could be accessed by the RMO, Export Division and the BOC Command Center supporting their risk targeting and profiling activities



API Routing Platform

- The API solution connects to the Single Window and Customs processing systems based on the current ACDD Message Implementation Guide agreed by ASEAN Member States.
- The solution approach provides faster and easier completion of multiple tasks on one platform rather than having to switch between multiple apps.
- An API bridge script is configured to route, send and receive the ACDD electronic message/s to and from the ASW gateway B2Bi, including validation of the electronic messages and appropriate interfaces with relevant system.



Pre-conditions

For outgoing ACDD

- Exporters must be accredited by BOC using the BOC Accreditation System. Classification of exporters are defined in “Export Cargo Formalities and Issuance of CO and Proof of Origin
- By signing in the Registration/Accreditation of the BOC system, the exporters provide consent to BOC to share its data within ASEAN+3
- The Exporting country would be able to generate the AS1 through its own ASW Gateway, and receive the AS2, AS3, and AS4 business and system responses once the Importing receives the outbound ACDD



Pre-conditions

For incoming ACDD

- The Importing country would be able to generate the AS2 from its ASW Gateway once it receives the inbound ACDD, then once the TradeNet platform receives the inbound ACDD, an AS3 would be generated.
- The Customs NSW Management System (ACDD Management System) can generate the AS4/RES acknowledgement response.
- The incoming ACDD data will be translated to executive reports/dashboards to support BOC's risk data gathering and analysis, risk assessment, profiling and updating of selectivity criteria and parameters.



Visibility

- 24/7 Operation
- Track and Trace
- Promote re-usability of information (BOC E2M)
- Electronic Notification
- Provision for continuous improvement of the portal
- Modular approach – plug and play feature



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Support for Green Customs

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Support for Green Customs

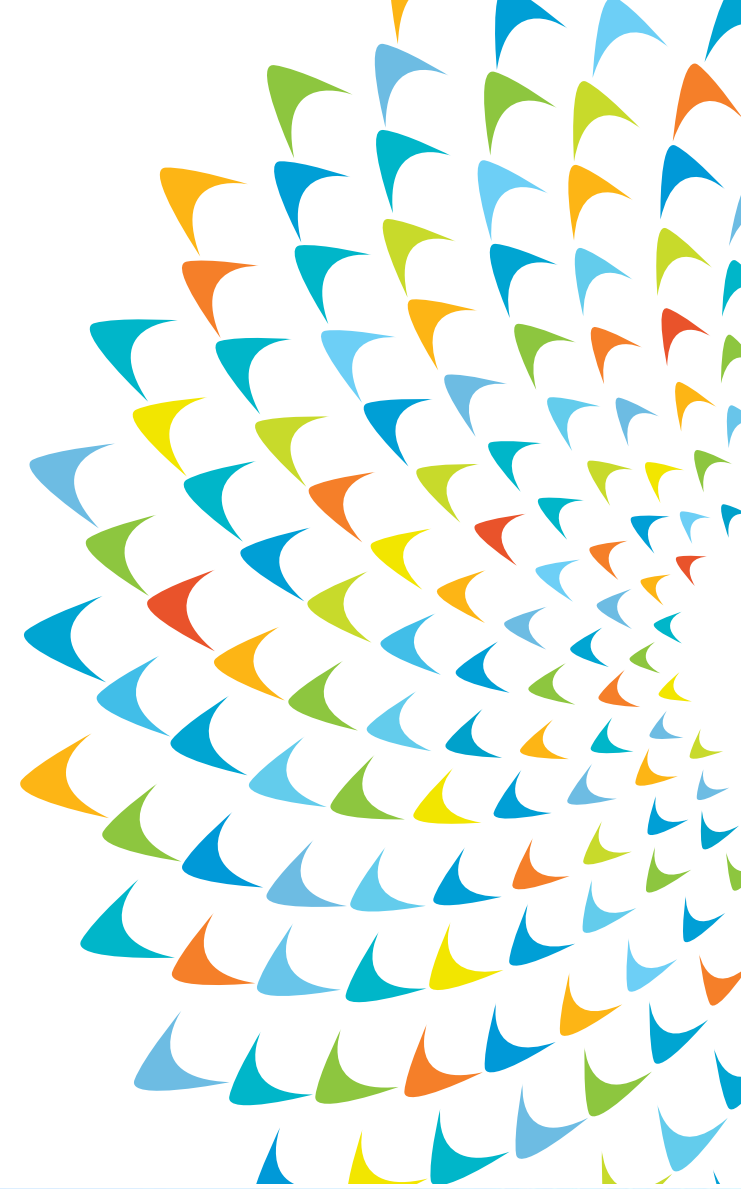
Cross-border Digital Trade

- Adopting digital solutions to replace paper-based processes can not only enhance efficiency but also conserve resources
- Automated solutions enable faster communication with traders and other government agencies, reduces manual labor and human-caused errors, and unlocks powerful data analytics capabilities
- When permit application, clearance, and customs inspection processes work smoothly, traders are more likely to choose the legal path — present their goods to customs and comply with regulations





Thank you



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