

PUBLIC POLICY AND PRODUCTIVE  
TRANSFORMATION SERIES  
N° 8 / 2012

International Trade  
Single Window.  
**REQUIREMENTS  
FOR A SUCCESSFUL  
IMPLEMENTATION  
IN LATIN AMERICA**

# **International Trade Single Window. *Requirements for a successful implementation in Latin America***

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**Public Policy and Productive Transformation Series**

**No. 8 / 2012**

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**International Trade Single Window.  
Requirements for a successful implementation in Latin America**

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# Index

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<b>Foreword</b>	7
<b>Executive Summary</b>	9
<b>Introduction</b>	11
<b>SW and its role in competitiveness</b>	15
<b>SW in the region</b>	19
<b>Essential factors for an SW</b>	25
Political Will	26
Operating Model	29
Institutional Coordination	32
Legal Framework	34
The Decision about Technological Support	37
<b>Conclusions and Recommendations</b>	39
<b>Bibliography</b>	43



# Index of Boxes, Tables and Figures

---

<b>Table 1.</b> Advantages of an SW	16
<b>Table 2.</b> Best practices for facilitating trade	19
<b>Table 3.</b> SW situation in Latin America	20
<b>Table 4.</b> Total and cross-border trade ranking in Latin America	21
<b>Table 5.</b> Relationship between bureaucratic paperwork for trade and general ranking	23
<b>Table 6.</b> Probable effect of greater responsiveness on trade	24
<b>Figure 1.</b> Factors for a successful SW	26
<b>Box 1.</b> Colombia: the institutional character of the political will	27
<b>Box 2.</b> Costa Rica: a good public-private partnership	30
<b>Box 3.</b> Peru: a comprehensive institutional framework for an SW	35
<b>Box 4.</b> Interoperability or regional SW: the next step	39



## Foreword

Productive transformation has been one of the areas that CAF, as the development bank of Latin America, has fostered as a necessary condition for reaching a high and sustainable level of development in the region.

The experience and expertise generated in each project over the last few decades have made the Institution a Latin American point of reference in areas of competitiveness, corporate governance, local and business development, and productive inclusion.

The public policies necessary to drive productive transformation are based on the development of those capabilities aimed at the implementation of good practices and specific supports for improving business management and productivity. Thus, CAF makes its knowledge and expertise available and offers efficient support to a variety of sectors while, at the same time, it creates documentation and does research on success stories that are relevant to the region.

“Public Policy and Productive Transformation” consists of a series of policy documents aimed at disseminating those experiences and success stories in Latin America as an instrument for spreading the knowledge that CAF makes available to the countries in the region so that better practices with respect to business development and productive transformation can be implemented.

L. Enrique García  
**Presidente Ejecutivo**





## Executive summary

The International Trade Single Window referred to as an SW<sup>1</sup> is a very useful instrument for the Latin American countries which are making systematic efforts to improve the mechanisms for expanding into the international market as well as the competitiveness of their products. Not only does an SW mean an easing of the administrative processes for foreign trade, it also has significant implications for the institutional interoperability of each country.

When an SW goes into operation, the effect will be to push the incorporation of new changes in the administrative and institutional structure, which will ensure more and better participation on the part of users. Thus, an SW will also become an instrument for modernizing institutions.

This document describes the advantages of an SW as it has been implemented in Latin America and the factors that are indispensable for making it function. These include: political will, an efficient operating model, institutional coordination, an appropriate legal framework, and determining the proper technical support. In addition, there are cases of the successful implementation of an SW and how they are turned into a highly beneficial tool for the development of foreign trade.

*Key words: International Trade Single Window, SW, international trade, interoperability*

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<sup>1</sup> SW will be used to denote International Trade Single Window for easier reading.



# Introduction

International Trade Single Window –SW– has become a highly useful instrument for the countries of Latin America which are making systematic efforts to enhance their mechanisms for expanding into the international market and the competitiveness of their products. In fact, it is not a coincidence that its appearance and growth in the region coincided with the period of trade deregulation that has been experienced since the beginning of the 90s, and that has developed rapidly in those countries where the policy on foreign trade plays a leading role. Briefly, those countries that have the best practices in foreign trade have adopted or are adopting the SW system.

Indeed, to the degree that foreign trade and exports have been gaining importance for the economic performance of the countries in the region, it is becoming more and more important and necessary to have an impact on the efficiency of the commercial process as a complementary and determining factor in the competitiveness of the products that are exported. With the deregulation of trade and the generalized reduction in tariffs and other tax burdens, it is necessary to look to other aspects for ways to be more competitive in a determined foreign market. One of these aspects, and one which is no less important than the price or quality of the products, is the one related to the process itself of marketing the merchandise: first at its place of origin, then, in its passage through border entry points (customs and ports) and, finally, its transportation to the intended markets. All are within an area of business that has been defined as “trade facilitation.”

In fact, models of international measurements of competitiveness such as the World Economic Forum Index include the “burdensome/onerous nature of customs procedures and other non-tariff barriers to trade” among the variables relevant to competitiveness. However, others such as infrastructure and communications that are also concerned with facilitating trade are not touched on. The World Bank’s Doing Business, in turn, also includes “the number of export documents, the time required to export products, and the export cost per container,” etc. in the chapter on cross-border trade.

In recognizing the benefits of foreign trade for economic performance, the World Bank itself stated that “the ability of a company to export can be blocked by a series of factors such as the lack of an appropriate infrastructure, inefficient management of the port, excessive or cumbersome documentation requirements and long customs procedures, strictly thorough inspections, and tax investigations by numerous governmental entities.”<sup>1</sup>

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<sup>1</sup> World Bank and International Finance Corporation: Trading Across Borders. Doing Business report 2012

Therefore, with the high indices of competition that our exports face today, delays, obstacles, or extra costs in the process of marketing merchandise could entail lags in the market or even its total loss. That is why it is vitally important for countries to work to improve all of the factors that are involved in facilitating trade. "Trade facilitation" was introduced as a concept in the WTO work program through the 1996 Singapore Ministerial Declaration and is a central element of this program and of the great majority of trade agreements. By means of trade facilitation, exporters and importers are ensured that they will benefit from faster, simpler, and more transparent procedures and these procedures will not in any way replace the customs duties and tariffs that are eliminated.

However, when "facilitate trade" refers to procedures, it requires action at different stages, levels, and by different institutions. Because of this, the SW has become the ideal instrument for this purpose since it refers precisely to the concentration of these three (stages, levels, institutions) at a single point of interaction for the authorities and merchants.

On occasion, the SW is reduced to a simple vision of simplifying paperwork, but this valuable instrument brings effects with it that are related to the substantial reduction in time and cost associated with the operational processes of foreign trade. This is especially true if we take into consideration the immense complexity that managing this process has acquired with respect to compliance with non-tariff demands and requirements associated with getting preferential treatment as a result of a trade agreement. However, within the countries and public administrations, an SW is a major challenge for the governments since it implies the creation or substantial modification of procedures that should be simpler and more efficient in a significant number of entities without reducing their levels of control and security or altering the functional premise of each one.

That is why, in spite of the fact that an SW is a type of trade facilitation instrument, its design and implementation demand the existence of mechanisms that go well beyond those that are simply procedural, since it is able to affect the organization itself of the State machinery as well as the most traditional formats of public administration.

For CAF, the Latin American Development Bank, the support for the development and implementation of this useful tool turns out to be very important. One of the Bank's objectives is to support the countries in the region in their search for a greater and better participation in the global markets and in the creation of new areas of and instruments for cooperation to strengthen regional integration. In Latin America, major progress is being reported for all the countries that are positioning themselves in the international markets and foreign trade is becoming more and more important as a generator of income and economic growth for them. In any event, the region also faces important challenges to the degree that its share in world trade has been declining in comparison to other regions and the results from export diversification are insufficient. That is why CAF considers it necessary for the countries to complement the process of expanding

international trade by reinforcing productivity and competitiveness strategies including trade facilitation and, of course, supporting the development of instruments such as an SW.

As an example of this, CAF supported the development of the Peru SW directly and indirectly by working with the Port Authority (Port Single Window - VUP in Spanish) and other entities that participated in the process. Recently, CAF provided funds for developing the first phase of a pilot test of the interoperability of an international trade single window in the region done by the Latin American and Caribbean Economic System (SELA in Spanish). This test was initially done on the SW's of Colombia and Panama in preparation for a future consolidation of a regional window for what is called the Pacific Arch (Mexico, Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Panama, Colombia, Ecuador, Peru, and Chile).



# SW and its role in competitiveness

What is an SW and what use does it have in terms of trade competitiveness? Just as recommendation 33 of the United Nations Center for Trade Facilitation and Electronic Business (UN/CEFACT) says, an SW “is defined as a facility that allows parties involved in trade and transport to lodge standardized information and documents with a single entry point to fulfill all import, export, and transit-related regulatory requirements. If information is electronic, then individual data elements should only be submitted once.”<sup>2</sup>

In practical terms, an SW is a single installation (physical or virtual) for the exchange of information between merchants and the government which is oriented towards reducing not only the complexity but also the time and costs that international trade involves. With this understanding, it is recognized today as a central tool for facilitating trade and, therefore, for competitiveness in exporting. The existence of a center where an exporter can deal with and verify all of the administrative requirements in order to export anything is, per se, an enormous gain in competitiveness insofar as it reduces costs related to waiting times, security, and transparency.

Note that the single window model is not exclusive to the process of foreign trade since the development of centers or administrative points of assistance are common in many countries for providing specific services. Some examples of these are single windows for:

- Setting up a business
- Investor protection
- Issuing construction licenses
- Tax payments
- Employment
- Contract compliance control
- Property registry
- Closing a company
- Obtaining a loan

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<sup>2</sup> UN/CEFACT: Recommendation No. 33, Recommendation and Guidelines on Establishing a Single Window. Geneva, July 2005. ECE/TRADE



Nonetheless, the introduction of information technology made it possible to better define a Single Window and today, what really can differentiate an SW from the other windows is the large number of entities and processes that actually get involved, and that reflect the degree of complexity that the process of foreign trade has reached after the persistent tariff deregulation. As a case in point, there are 18 entities integrated in the SW that is currently functioning in Colombia with more than 50 digital transactions and 90 exchanges of information.

In addition to the definitions given, the mechanism offers a series of additional advantages that reaffirm its importance with respect to foreign trade and competitiveness for not only public administration but also businessmen. (See Table 1)

**TABLE 1. ADVANTAGES OF AN SW**

<b>For the government</b>	<b>For merchants</b>
Improvement in the effectiveness and efficiency of resources	Cost associated with delays are reduced
Better yield in tax collection	Faster release of merchandise
Raises user satisfaction	Clearer and more predictable rules
Better security	Improvement in the effectiveness and efficiency of resources
More transparent information from the users	More transparent information from the government

One aspect that has received little attention in the traditional enumeration of the advantages of a single window is the modification in users' behavior, in this case, the exporters and importers, when they benefit from a significant reduction in bureaucratic procedures. The fact is that even though several or all of the entities that participate in the procedures have incorporated modern technology, it continues to be a very tedious job that takes up a lot of time. It also forces the users to incur repetitive tasks due to the constant presentation of the same set of documents and information to the various pertinent organizations and institutions. This reiteration of requirements and information normally leads to unanticipated costs associated with the appearance of errors, problems, and even corruption in one or more stages of the commercial procedure.

Although the conception and orientation of the instrument have an obvious effect on the improvement in the commercial performance of these countries, it is possible to confirm that the actions of several countries with respect to this have produced other positive effects. The Doing Business report for 2012 illustrates the cases of Korea and Singapore. The Korean Customs

Service calculated that their single window system produced about USD18 million in revenue in 2010. For the private sector, companies such as Samsung and LG have been able to get faster and more predictable response times with an SW. These are now an important part of their competitiveness strategies in the world market. In Singapore, in turn, the implementation of an SW has also brought about gains in the productivity of public administration since, according to Customs, their operating cost is only 1 cent for each dollar earned in customs income.

However, with all of the advantages it offers, the building and implementation of an efficient SW represent an enormous effort for countries since it demands a huge investment in suitable technology and human capital that is trained and focused on facilitating processes, optimizing time, and reducing costs for all of the agents involved in foreign trade operations. Nevertheless, the most important requirement is, perhaps, the ability the country has to consolidate a system with reliable inter-institutional and inter-sector coordination. With respect to this, the optimum function of the SW is not related to just administrative, logistical, and technological aspects. Rather, due to the need to operate simultaneously with multiple organizations and entities that are varied in type and hierarchy, the country's institutional capacity and the model of coordination that it develops become very relevant.

Of course, there are various models of SW organization and functioning that are the result of the public and private institutional peculiarities of each country, of the sector needs, and possibilities and legal requirements that the respective legal frameworks grant. With respect to the financing, for example, this could be public in character as it is in Finland, Sweden, the United States, and Colombia; private in origin such as in the cases of Guatemala and Germany; or be supported by a mixed association (public-private) as it is in China, Costa Rica, Malaysia, Mauritius, Senegal, or Singapore.

There are details about the operation that could be determiners for the role that the instrument plays. For example, there are cases in which the use of the SW system is mandatory (Finland, Guatemala, Mauritius, Senegal) and others where it is voluntary (Germany, China, Malaysia, Sweden, the United States). It is highly probable that in those cases where the use of the SW is mandatory, the operation of this system is much more complete and integrated. The services may cost nothing or be free of charge (Finland, Sweden, the United States) or require some type of payment (Guatemala, Germany, China, Malaysia, Mauritius, Senegal, Singapore).

In addition to all these characteristics, there are a variety of models operating windows based on the institutional and technological arrangements that each country adopts. A general illustration of these will be given later.



## SW in the Region

As was mentioned above, the growth of the policies for facilitating trade that the implementation of an SW is part of, coincides with the global process of trade deregulation and trade liberalization, especially in the developing countries.

**TABLE 2. BEST PRACTICES FOR FACILITATING TRADE**

Practice	N° of Countries	Examples
Electronic exchange of data	130*	Belize, Chile, Estonia, Pakistan, Turkey
SW	49**	Colombia, Ghana; Republic of Korea, Singapore

\* 26 have a complete system, 104 have a partial one.

\*\* 20 have an SW that connects all of the relevant agencies. This does not occur in 29 cases.

Source: Doing Business database

According to the World Bank in its *Doing Business* report for 2012, of the 159 countries surveyed, 130 reported that they use electronic data sharing systems for international trade operations. Of these, 49 are strictly single window systems (see Table 2). There is a lot of variability in the development of this instrument in the region. Currently, only 8 countries have an SW (see Table 3) in operation and there are still differences between them with respect to the scope and coverage the SW has. The rest are making progress through a partial implementation or are at the project stage.

Even if it turns out to be clear that there is a general predisposition to use this instrument in this group of countries, the variability in the progress in implementing the instrument is also related to the differences in the priority that each one of them is giving to foreign trade. In fact, the countries where an SW is now in operation are precisely the ones which, unilaterally and/or through free trade agreements, have opened their economies the most to foreign trade.

The question that naturally emerges from this situation is if it is possible to find a link between the existence of an operating SW or the lack of one and the competitive position of the country in international trade. The results of the 2012 World Bank *Doing Business* survey for a sampling of Latin American countries are presented in Table 4. It specifically includes the total ranking result and the partial ranking results based on Cross-border Trade (CT).

**TABLE 3. SW SITUATION IN LATIN AMERICA**

Country	Situation 2011
Argentina	Partial
Bolivia	Project
Brazil	Operating
Chile	Operating
Colombia	Operating
Costa Rica	Operating
Ecuador	Project
Honduras	Partial
Jamaica	ND

Country	Situation 2011
Mexico	Operating
Panama	Operating
Paraguay	Project
Peru	Operating
Dominican Republic	Operating
Trinidad & Tobago	Project
Uruguay	Project
Venezuela	ND

First of all, a broad spread among the countries of Latin America can also be seen in the general ranking from Chile which is at position 39 to Venezuela at position 177 (of 183 possibilities). This is partly duplicated in the CT ranking in which the first in the region is Panama at position 11 and the last is again Venezuela at 166. Thus, the survey illustrates the proclivity the countries have with respect to foreign trade in their public policies quite precisely.

As regards to the responsiveness of bureaucratic procedures, it can also be seen that with very few exceptions, there is a correspondence between the days required to carry out a step in the bureaucratic procedures for exporting or importing and the cost associated with the operation. This is mainly in those countries where domestic transportation is a relevant variable (Mexico, Colombia, and Brazil).

When what has occurred over the last few years is examined (Table 5) we can emphasize the strong similarity that exists among the countries that are the most active in trade negotiations and have economies that are more open to trade and investment (Chile, Colombia, Mexico, Panama, and Peru). They are precisely the same ones that appear in the top places of the overall scale of the indicator. (See Table 5)

TABLE 4. TOTAL AND CROSS-BORDER TRADE RANKING IN LATIN AMERICA

Country or Region	DB Rank 2012	CT Rank	Documents to export (#)	Time to export (days)	Cost to export (US\$/Cont.)	Documents to import (#)	Time to import (days)	Cost to import (US\$/Cont.)
Eastern Asia and the Pacific			6	22	906	7	23	954
Eastern Europe and Central Asia			7	27	1,774	8	29	1,990
Latin America and the Caribbean			6	18	1,257	7	20	1,546
Middle East and Northern Africa			6	20	1,057	8	24	1,238
High income OECD			4	10	1,032	5	11	1,085
Southern Asia			8	32	1,590	9	33	1,768
Sub-Saharan Africa			8	31	1,960	8	37	2,502
Panama	61	11	3	9	615	4	9	965
Dominican Republic	108	45	6	8	1,040	7	10	1,150
Trinidad and Tobago	68	52	5	14	843	6	19	1,260
Peru	41	56	6	12	860	8	17	880
Mexico	53	59	5	12	1,450	4	12	1,780
Chile	39	62	6	21	795	6	20	795
Costa Rica	121	73	6	13	1,190	7	15	1,190
Colombia	42	87	5	14	2,270	6	13	2,830
Jamaica	88	97	6	21	1,410	6	22	1,420
Argentina	113	102	7	13	1,480	7	16	1,810
Brazil	126	121	7	13	2,215	8	17	2,275
Ecuador	130	123	8	20	1,455	7	25	1,432
Uruguay	90	125	9	17	1,100	9	22	1,330
Bolivia	153	126	8	19	1,425	7	23	1,747
Paraguay	102	154	8	33	1,440	10	33	1,750
Venezuela	177	166	8	49	2,590	9	71	2,886

Source: Doing Business 2012

Furthermore, the five belong to the group that has an operating SW. So, the strong gains that they have experienced in time indicators for the process of commercial operations are not surprising. In this set, the most significant case is that of Colombia where the average number of days required for an export has been reduced to 20. Although the other three countries in the group (Brazil, Costa Rica, and the Dominican Republic) are still in a lower section in the general ranking, they have seen the average time diminish significantly. The average time for the Dominican Republic is only 8 days and Costa Rica has reduced it by 22 days. They need to make other important reforms to move higher up on the Table.

At the other extreme are the countries that hold to a more closed trade policy and put protectionist policies and an orientation towards the domestic market and the protection of local industry ahead of access to foreign markets. This can be seen in the cases of Bolivia, Ecuador, and Venezuela, which are at the lowest end of the general ranking and their requirements for commercial operations are the ones that require a greater number of documents and take the most time.

It is necessary to emphasize the fact that not all of the responsibility for the high classification positions that some countries have rests on the time indicator alone. This is just the result of a set of defined variables in various policies that the indicator follows and that, in some countries, come together as a consequence of which they generate a direct, positive effect on the ranking. In other countries, the convergence of said policies is not complete or, in some cases, they are in conflict because the foreign sector is not the priority for the general policy.

In spite of the above, a statistical exercise done with the same simulation instrument that Doing Business offers makes it possible to establish how much the competitive position of each one of the countries in the region can be improved, if an instrument of responsiveness and efficiency in the trade process such as an SW is adopted. The simulation made consisted of reducing the number of days required for an export in all cases to the lowest one currently seen in the group of countries analyzed (8 days in the Dominican Republic). Of course, it is an extreme exercise if we consider the fact that the indicator can also be affected by the size of the country and the volume of trade as well as the impact of the rest of the factors that are surveyed. Even so, the results are quite eye-opening as is indicated in Table 6.

TABLE 5. RELATIONSHIP BETWEEN BUREAUCRATIC PAPERWORK FOR TRADE AND GENERAL RANKING

Country	DB Rank			Documents to export			Time to export (days)			Time to import (days)		
	2006	2009	2012	2006	2009	2012	2006	2009	2012	2006	2009	2012
Singapore	2	1	1	4	4	4	5	5	5	4	4	4
Hong Kong	7	4	2	6	4	4	13	6	5	17	5	5
New Zealand	1	2	3	7	7	7	10	10	10	9	9	9
United States	3	3	4	4	4	4	6	6	6	5	5	5
Denmark	8	5	5	4	4	4	5	5	5	5	5	5
Chile	25	40	39	6	6	6	21	21	21	21	21	20
Peru	71	62	41	6	6	6	22	22	12	29	25	17
Colombia	66	53	42	5	5	5	34	14	14	48	15	13
Mexico	73	56	53	5	5	5	13	13	12	17	17	12
Panama	57	81	61	3	3	3	9	9	9	9	9	9
Trinidad & Tobago	—	80	68	5	5	5	14	14	14	26	26	19
Jamaica	43	63	88	5	6	6	20	21	21	26	22	22
Uruguay	85	109	90	9	9	9	24	19	17	23	22	22
Paraguay	88	115	102	8	8	8	35	35	33	33	33	33
Dominican Republic	103	97	108	7	6	6	17	9	8	17	10	10
Argentina	77	113	113	7	7	7	16	13	13	20	18	16
Costa Rica	89	117	121	6	6	6	35	17	13	36	19	15
Brazil	119	125	126	7	7	7	18	14	13	24	19	17
Ecuador	107	136	130	9	8	8	22	20	20	44	29	25
Bolivia	111	150	153	8	8	8	24	19	19	36	23	23
Venezuela	120	174	177	8	8	8	34	49	49	42	71	71

The change in color indicates the position in ranking: higher ranking (light), lower ranking (dark).

Source: Doing Business 2012



**TABLE 6. PROBABLE EFFECT OF GREATER AGILITY ON TRADE**

Country	Results 2012		Simulation		
	Time to export (days)	Cross-border Trade Ranking	Time to export (days)	Cross-border Trade Ranking	Positions in CT Ranking
Panama	9	11	8	10	1
Dominican Rep.	8	45	8	42	3
Trinidad y Tobago	14	52	8	39	13
Peru	12	56	8	50	6
Mexico	12	59	8	52	7
Chile	21	62	8	33	29
Costa Rica	13	73	8	58	15
Colombia	14	87	8	85	2
Jamaica	21	97	8	79	18
Argentina	13	102	8	93	9
Brazil	13	121	8	121	0
Ecuador	20	123	8	108	15
Uruguay	17	125	8	118	7
Bolivia	19	126	8	113	13
Paraguay	33	154	8	136	18
Venezuela, RB	49	166	8	146	20

Source: Doing Business. Report 2012 and simulation.

## Essential factors for an SW

There are several approaches to defining the factors that should be pursued to ensure the implementation and the optimal operation of an SW, but there has been a consensus on, at least, the following: (See Figure 1)

- Political will on the part of the government at the highest level
- A clear definition of the SW operating model that is consistent with the other factors that are listed
- A compatible legal and regulatory framework
- The appropriate coordination between the stakeholders and interested parties
- An appropriate technical and technological solution

All these elements are intertwined and their effectiveness both in the aggregate and the operation of the SW is also determined by certain characteristics that are required. In addition, it is necessary to consider the fact that the nature of the instrument and the effects of the public policies in which it is embedded go beyond a strictly local context and are interrelated to similar factors at the international level, whether institutional, legal, technological, etc.

We can examine each of the abovementioned factors in more detail in order to appreciate that the implementation of an efficient and successful SW demands a huge effort and the convergence of certain conditions that are not easily available.

FIGURE 1. FACTORS FOR A SUCCESSFUL SW



## Political Will

The political will is at the center of the process of building the SW. In general, this concept can be applied in any context where the participants in a given political environment and scenario choose to modify, significantly, their level of commitment to a particular aspect in order to achieve a specific goal, even when this goal is not fully incorporated into the usefulness function of the participants involved. The economists tend to describe the possibility of exercising political will in terms of the political economy of the reforms as it actually takes place in the process of building and launching an SW. We need to recall that this tool emerges from a specific perspective and understanding of the role of international trade in the production system, but it is also related to a new perspective and understanding of the role of both the government and public and private institutions in the economy, in general, and in foreign trade in particular.

### BOX 1. COLOMBIA: THE INSTITUTIONAL CHARACTER OF THE POLITICAL WILL

In the first few years of the millennium, the advent of negotiating free trade agreements with a number of developed countries, especially the United States, was the primary impetus for a recurring debate about the need for improving competitiveness in Colombia. The traditional problems related to port and transportation infrastructure were compounded by issues that were widely diverse in character such as the educational system, macroeconomic management, the weakness of scientific and technological development and, of course, the role of public administration, etc.

In the process of defining what was called the Domestic Agenda for Productivity and Competitiveness, the implementation of a government policy for the streamlining and automation of foreign trade procedures, along with many other needs and requirements, was included as a priority in order to ensure that the relationship of public administration with citizens and businessmen would be more transparent and efficient. This policy would make it possible to partially offset the obvious disadvantage the country faces in having very poor infrastructure and the production centers so far away from the coast. To accomplish this, it was necessary to undertake a significant adjustment in the institutional structure involved in carrying out foreign trade procedures. This would also facilitate compliance with commitments stemming from international negotiations.

At this point, it is possible to say that Colombia has an instrument that could be classified as the institutional structure of political will at the top level of government: CONPES – the National Council for Economic and Social Policy - which is the highest entity for the coordination of economic policy in Colombia. CONPES does not issue decrees, but it is responsible for establishing the guidelines and direction of the policies at the macro level. It is chaired by the president of the country and the technical division is run by the head of the National Planning Department, who prepares the documents to be discussed in each session. The ministers of Foreign Affairs, Foreign Trade, Industry and Tourism, the Treasury, Agriculture, Development, Labor and Public Works are also members. The other ministers of the Cabinet may attend at the invitation of the President based on the subject to be dealt with. The development plans and programs, the public investment plans and the general budget guidelines submitted to Congress every year depend on the recommendations put forward by CONPES.

The Streamlining and Automation of Procedures policy was defined by this high-level entity and was framed within the Program of Public Administration Reform (CONPES Document 3292/2004) which the SW is part of. The document states that “efficiency is based on normalization, standardization and simplification. Based on this efficiency, the following should be pursued: efficacy in providing all citizens better service, cutbacks in costs for citizens when they save money through their access to services and the reduction in the time required to access the services provided by the government.”

Continues

**Continuation**

Thus, the government at the highest level has taken control of the regulatory and institutional transformation necessary to undertake a large-scale project that includes the facilitation of trade and streamlining of procedures associated with that trade. Based on the policy defined by this means, Decree 4249/2004 was issued “by means of which some foreign trade paperwork and procedures are streamlined, the Foreign Trade Single Window is established, and other provisions are set forth.”

Undoubtedly, the formulation of precise guidelines from the highest levels of government and, in particular from the vice presidency, along with the commitment and collaboration of the entities participating in the Colombian SW process has made it possible to develop a mechanism which is, in and of itself, a large scale institutional transformation. The determining factors for success were precisely the commitment of the high levels of government to move forward with the solution, and the active participation of all the entities involved in the process.

In this case, the political will is associated with the government’s conviction that foreign trade is important to economic performance and their strong commitment to transforming their traditional exercise of oversight, control, and management of trade operations. The latter will be accomplished by introducing significant changes in the regulations as well as in the roles of the different entities and institutions that are relevant to that process in order to both facilitate and expedite it. That political will is also an expression of the public administration’s certainty that the effort that the facilitation of the trade process demands within the institutional setup is itself justified by the gain in competitiveness of the country’s exports.

Thus, it is understood that the implementation of an SW and its subsequent success are mainly based on the resolution on the part of the government to push through the changes required in the institutional, regulatory and technological areas and to assume the eventual economic and political costs that result from any conversion at that level.

It is true that these types of processes, which require a solid political will for their implementation, are always linked to the prior presence of strong opposition to change from the institutions and their staff. Therefore, it is necessary to consolidate the needed political will through a source of high-level leadership. These changes are usually preceded by critical situations in the processes that generate a more favorable environment for these changes with respect to the participants involved.

The person who exercises that leadership will play a critical role in the process of political and administrative adjustment. A functional leadership will facilitate the cooperation and negotiations between the institutions and the participants involved which will improve the quality of the public policy at stake.

When the imbalances typical of the institutional adjustment and the modification of rules and incentives generate significant unrest among the participants, the value of the leadership becomes much more appreciated.

In a developed institutional system, the functional leadership will seldom rest on a single individual. Rather, it will consist of a leadership network or group that will act as a catalyst in the process. One of the challenges that these leaders face is linking the political motivations and management techniques with the participants' demands in order to set up high-quality policies. In the case of the SW's, this can be understood as the challenge of striking a balance between maintaining the regulatory ability of the public administration and achieving efficiency and responsiveness in the trade process at the same time.

## Operating Model

A review of the various experiences in which the SW has been used as a tool for facilitating trade makes it possible to establish the most common operating models or programs that are closely related and adapted to the specific institutional conditions of each country.

**SW as a single entity:** This is the case in which the window acquires a specific institutional dimension and an entity (or institution) with a high degree of operational autonomy is created. This institution interacts with other entities directly involved in the trade process and brings all the elements in that process together under one umbrella. In many cases, it may take the form of an office that has its own identity but is subordinate to the customs agency or other institution. Note that a single window does not necessarily require the use of a high-level technology platform.

**SW as a system of entities (single site)<sup>3</sup>:** This is the concept that is closest to the original idea of establishing a site (usually virtual in character) where the information is stored and supplied, the procedures of the entities involved are concentrated, and the process in which the entities converge to release the merchandise is started. There are several options, but two of them can be defined: the "network" type, in which the system interconnects all the entities, and the circular type, in which the system manages the sequence of steps and authorizations required in the trade process.

Regardless of the model selected, there is an entity at the head that supports the SW. Of course, it can be inferred that the selected model will be linked to the institutional arrangements in each country and, therefore, the entity chosen to host the window (whatever the model may be) will be determined by the administrative and regulatory structure of the country and by the political conditions existing at the time the tool is created.

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<sup>3</sup> The UN / CEFACT names four models, but in fact, three of them differ in how they operate the virtual site, which also determines how each entity participates. See Recommendation N°33, Recommendation and Guidelines on establishing a Single Window. Geneva, July 2005. ECE/TRADE

The “radial” models, in which one entity leads and brings together the operations done through the SW and that can be classified within the “single entity” model, have a low level of sustainability. This is especially true when other entities of equal or similar institutional status within the public administration structure operate through the SW. In these cases, it seems more efficient to think in terms of a “network” or “sequential” model, which fits well in the context of complex institutional systems as well as for those systems that are the least developed.

Each one of the two general operational models described above has variants determined by the structure and method of funding (public, private or mixed), the basic orientation of the SW (for exports or trade in general), and the level of integration (whether it covers all the steps involved in foreign trade or it only includes a group of processes). Of course, in many cases the variants are due to the fact that the SW is going through a consolidation process and intermediate formulas for financing or operation are considered with respect to the final model desired.

## **BOX 2. COSTA RICA: A GOOD PUBLIC-PRIVATE PARTNERSHIP**

The Costa Rica SW was created by Act 7638 in November 1996. This is the same Act that also established the Ministry of Foreign Trade and the Foreign Trade Advancement Agency of Costa Rica, PROCOMER (in Spanish). The SW operates electronically for both imports and exports. It is characterized by its dual-module operation: the external, in which the exporter, the importer and the customs agencies operate, and the internal, in which the different authorities and public entities interact. This SW was always one of the country’s goals as part of achieving a service environment that was suitable to a modern country and more attractive for investment, production, and exports.

Despite being a small country, the export-and-import process prior to the existence of the SW required the participation of 22 entities with their corresponding 22 different forms and the traditional duplicated information. All procedures were carried out in the capital of the country and, of course, there was no coherent coordination between the public and private sectors.

To date, the different public entities that issue any kind of permit or authorization as well as health certificates, certificates of origin, etc. have already been integrated into the system. However, the most important factor and one that defines the special character of the Costa Rica SW may be the significant role played by the private sector in both the strategic conception and the administration of the instrument. In 2006, the SW Administrative Council, which consists of representatives of the public and private sectors, was established. The management of the system rests on the director of the Foreign Trade Advancement Agency of Costa Rica, PROCOMER (in Spanish).

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The Board of Directors at PROCOMER is presided over by the Minister of Foreign Trade and three other ministers of the cabinet are also members. But the private sector is also represented on the Board by the President or the Vice President of the Chamber of Commerce along with one representative from each of the following: the Chamber of Industries, the Chamber of Agriculture, the Chamber of Exporters, and the small and medium export sector.

This method of administration, with the direct participation of the private sector, determines some basic features of the Costa Rican SW model. On one hand, when the conditions require it, the swift adaptability of the instrument is ensured since the primary stakeholders, the businessmen, are directly involved in the strategic management of the SW. On the other hand, there is a greater guarantee of stability and sustainability in the operation not only from the administrative standpoint but also from the financial one. In addition, the context in which the instrument works is favorable to a model of payment for services that secures resources for its operation and improvement, and at the same time, puts an obligation on the entity hosting the SW to provide quality services.

This has made it possible for the SW to rapidly incorporate technological improvements such as the Integrated Single Window for Foreign Trade System (SIVUCE in Spanish). The costs of the SIVUCE WEB are given in detail on a table that classifies the value ranges of the exports made by the company with the respective amount to be paid. The system is free for the export companies that make less than 50 exports per year and the initial payment for customs agencies is US\$ 500. Currently, a new SIVUCE platform is being implemented which will enable the exporters to significantly reduce their costs and expedite their operations. The intention is to create a simple tool that makes it possible, especially for SME's, to export without having to endure the high cost of intermediation of service providers.



## **Institutional Coordination**

Any single window (not just for foreign trade) is a mechanism that, regardless of the model adopted, requires a corresponding level of interaction between entities. Therefore, it should have a regulatory (or mandatory) backing as well as the prior organization and strategic definition of all the processes involved (budgets, personnel, documents, signatures, etc.) for all the entities that use the single window.

Parallel to the economic theory in which the concurrence of multiple exogenous factors at the different stages of the economic cycle generates the so-called “market failures,” the inter-institutional decision-making in public administration is one of the processes most likely to have “government failures.”<sup>4</sup> This is due to the fact that it is necessary to make the actions of several entities with objectives, specialties, time frames and interests that are different from each other and sometimes even in conflict (such as encouraging trade and controlling smuggling) work together in the same process. A lack of coordination may take place between different entities of the central government, between entities of the central government and other agencies at the regional or local levels, or even between agents that play a role in the decision-making or policy formulation processes.

This lack of coordination either in the development of the strategy implementation, the management of processes, or just the simple flow of information is due, in general, to three basic factors that are quite common to all public administrations:

- Congestion
- Conflict of interest/objectives
- Interpretation errors

Nevertheless, as result of their ordinary daily work, public administration has produced practical solutions to these problems of coordination between institutions, which may be classified into two general models:

- The institutional subordination
- The coordination through delegation

The fact is that all public policy entails greater or lesser degrees of interaction between public administration entities or institutions that provide support for or carry out that policy. It is possible to verify that the process of foreign trade gives an example of how rigorous the requirements of

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<sup>4</sup> Lerda, J; Aquatella, J. and Gomez, J (2003): *Integración, coherencia y coordinación de Políticas Públicas Sectoriales (reflexiones para el caso de las políticas fiscal y ambiental)*. Environment and Development Series N° 76. CEPAL, Nov. 2003

participating entities may be, especially when it involves products with features associated with health and safety. As an illustration of the above, the following is a rough listing of public and/or private entities that either take part or come together in the export of an agricultural product for human consumption:

- Political entity for foreign trade (Ministry or Department of Commerce / Ministry or Department of Industry / Ministry of Foreign Affairs, whatever the case may be)
- Ministry or Department of Agriculture
- Ministry or Department of the Environment (it may be an entity at a lower level such as an institute, an agency or a division)
- Ministry or Department of Health
- Central Bank
- Customs Agency
- Tax Agency
- Advertising entity
- Entity with agricultural oversight – plant safety and inspection service
- Entity with oversight of agricultural products – food safety inspection service
- Association or organization of producers
- Customs operators
- Port operators

It is expected that a large number of entities or units for formulating and implementing policies, which may also hold political and administrative jurisdiction over sectors unrelated to trade, may restrict the transactions of foreign trade as an administrative process in itself. Thus, the risk an exporter faces with regard to obstacles or impediments to his exports is highly and directly proportional to the number of entities involved.

In terms of structure, this proliferation of units and administrative entities is a significant challenge for the creation and consolidation of the SW since the latter requires that the actions of all the

entities involved be coordinated and flexible in order to ensure that certain trading operations are carried out permanently and within an institutional setting other than that of the individual entities. The high number of entities and stakeholders involved indicates that delegation is the most favorable model of coordination for the SW. This is because it is difficult to implement a process of institutional subordination, especially with respect to those entities whose primary jurisdiction is not foreign trade and which often hold the same position as the trade entity in the hierarchy at the highest level (ministry or department).

From another perspective, the SW's may be understood as an appropriate way to bring about administrative consistency. This solution is derived from the frequent use of discretionary power on the part of entities (or officials) that act on the trade process from a perspective and with objectives unrelated to those of the process itself. The fact that the administrative load of the whole process is concentrated at one physical or virtual site automatically creates a specific and visible agency with enough delegated operative power to allow the users and participating agents to obtain greater transparency and uniformity in their interaction with public administration.

In the transition process towards coordination between various institutions, those who have developed windows in several Latin American countries argue that the presence of multiple cases of institutional resistance to the functional change required by the SW was the primary obstacle they had to face.

Although, in many cases, this resistance to change is more personal than institutional, the absence of formal support is its main catalyst. Thus, it is essential that the new coordinated structure has a sound regulatory foundation that contains all the operating conditions, the level, as well as the extent of all delegated functions, and the mechanisms or information channels between the participating institutions.

## **The Legal Framework**

As could be expected from the discussion in the previous sections, a fundamental prerequisite for building the SW is the development or consolidation of a legal framework that provides the basis on which the institutions clearly define the scope and nature of what they do with the instrument for all the agents. Considering the institutional complexity, the number of entities, and the various levels of institutional hierarchy that characterize the members of an SW, it is not normal for the legal framework to be limited to a single regulation. Rather, it should consist of a substantial number of regulatory provisions and rules that are interrelated.

The SW, like any other multi-institutional arrangement, requires a legal framework that empowers a given authority (individual or collective) to carry out the administrative work in accordance with the structure and organization as detailed within the provisions. In many countries, this legal framework is indeed a complex combination of statutes and legal regulations, court rulings, etc.

The above is compounded by an important fact that we have been emphasizing: an institutional change, such as the one that the implementation of a Single Window entails, is a gradual process that requires great effort on the part of entities and agents. Although the formal rules that support the process may be implemented within short periods of time through the efforts of political will and the existence of functional leadership, the “informal” rules associated with the customs, traditions, and codes of conduct are more difficult to change. Many public organizations are highly permeated by these types of rules and, as a result, they prevent or limit any automatic adjustment to the new formal standard. Therefore, the implementation of measures to achieve a better integration of the informal rules with the definition of the formal legal framework is highly recommended.

### **BOX 3. PERU: A COMPREHENSIVE INSTITUTIONAL FRAMEWORK FOR AN SW**

The Peruvian case is an explicit example of how a large scale discussion process with a very clear direction and purpose makes it possible to create and set up complex instruments such as the Single Window in which many public entities participate. It also exemplifies how, even during periods of different governments, the intrinsic validation of said process facilitates the establishment of appropriate legal frameworks. Indeed, in an unprecedented institutional exercise in Peru during 2002, the government summoned the private sector, the regions, and other economic agents to be part of a process of strategic planning in order to define a policy framework for launching the export sector. This intense, concerted effort led to the establishment of the National Strategic Export Plan 2003-2013 (PENX in Spanish). Its mission was to “steadily increase exports of goods and services and raise the image of Peru as an exporting country.”

A striking feature of the PENX focus, in addition to its medium term vision, is the presence of the traditional components of systemic competitiveness, which is not surprising when the origin of PENX and the highly participatory nature of its construction are taken into account. Thus, a number of responsibilities in matters that go far beyond the direct jurisdiction of the foreign trade authorities rest on the plan. These make it mandatory to renew the plan’s legitimacy as the work of the state apparatus as a whole and not only of the Ministry of Trade and Tourism.

The exhaustive appropriation of the policies for export competitiveness on the part of all the entities that directly or indirectly have an impact on the process provided an institutional and administrative mirror for how comprehensive the PENX focus was. In the case of Peru, this appropriation reached beyond government entities since the role of private institutions such as associations in the development of the plan also allowed them to have a legitimate, active part in the implementation and evaluation of that plan.

The plan was divided into segments or pillars that were defined based on focus and context: Regional Strategic Plans (PERX in Spanish), sector and product plans, market plans for an export mindset and trade facilitation.

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The strategic objective of “having a legal framework that allows for the application of effective mechanisms to facilitate foreign trade, fosters the development of infrastructure, and makes access to and provision of financial and physical distribution services possible under better quality and price conditions” is specifically included in the Master Plan on Trade Facilitation.

Meanwhile, the corresponding strategy defines the measures required to have “easy-to-use and widely disseminated administrative procedures and paperwork.”

1. Simplify and standardize administrative procedures.
2. Set up single windows for all procedures required from a foreign trade user.
3. Restructure the fees charged for public services based on the characteristics of each export sector.
4. Disseminate existing facilitation mechanisms as well as their eventual modifications and impact.

This entire effective framework for institutional coordination led to the establishment of the legal framework referred to in the Peruvian SW Plan through the enactment of Act 28977/ 2007. The Trade Facilitation Act includes, among other mechanisms, the creation of the International Trade Single Window under the Ministry of Foreign Trade and Tourism – MINCETUR (in Spanish). The Ministry, along with other entities responsible for this, will also appoint the Special Committee for the standardization and simplification of export procedures done through the International Trade Single Window by electronic means.

The legal structures that support the SW’s may concentrate around a particular rule or law. However, the truth is this rule or law is linked to a body of complementary laws that acquire full meaning when the laws and rules are interpreted in light of the whole law. The primary rule is usually an instrumental provision that invariably establishes the structure and functions of the entities and institutions involved. However, it is, without exception, modified and interpreted in light of the laws and more general policies related to both foreign trade and the entities engaged in that field.

In general, the reference or primary rule for the SW contains the basic elements that shape the operation of the instrument with provisions that refer to:

- a) Definitions and principles
- b) Functions, powers, and scope
- c) Organization of procedures
- d) Financing and sustainability methods
- e) Sanctions (to users and entities)
- f) Effective date
- g) Other

The most relevant sections are, in any case, b) Functions, powers, and scope, and c) Organization of procedures. These are the ones that support the system of coordination and mutual cooperation between administrations or entities belonging to different fields, territories (national, state, regional, or local administrations), and authorities.

In addition to the above, the need to incorporate the precepts and conditions of the international standards applicable to many foreign trade processes should be considered in the development and implementation of the SW legal framework. Furthermore, the existing instruments and rules that intergovernmental entities and international organizations (such as UNECE, UNCTAD, WTO and WCO, etc.) have developed to support the SW should be considered as well.

Due to its complexity, this legal or regulatory framework for the SW often requires doing an exhaustive study of the series of steps that normally takes place in the foreign trade of the respective country as well as of the way in which different institutions and agents intervene in the regulation or implementation of such steps.

## **The decision about Technology Support**

The technologies used to exchange data and information between stakeholders are a no less important part of the general requirements for optimal operation of an SW that incorporates everything that was mentioned in the preceding sections. The effective generation and transfer of data between customs administrations and other monitoring and control offices require a common infrastructure for information technology that supports a secure and reliable transmission of the import and export declarations and their attached documents. Along with

that security, this infrastructure must also ensure the integrity and confidentiality of the data in the process of verifying the certificates.

There is no doubt that information and documentation are both essential parts of the monitoring and management of cross-border trade. A great deal of progress has been made in this area since we have had an environment that is continually becoming more electronically and digitally interconnected. This feature has become the key to the efforts for trade facilitation in many countries.

Notwithstanding the above, and although the technological or technical compatibility limitations have been progressively reduced, the decisions concerning the type of service that the public administration wants to offer still face constraints associated with either the budget amount or method used in acquiring and maintaining the technological support. This restriction takes on more significance when being able to ensure complete safety and compatibility among all participating institutions will depend on the option of technology adopted. Any possible failure would lead to the need to change part or all of the technological support in one or more entities, and this would entail serious consequences for organizations and individuals.

The selection of the initial groups interested in becoming operators or users of the SW system is important to determine the technological option. But it is necessary to consider the fact that, currently, the possibility of extending the scope of the participants into the international arena has been opening up very rapidly. This is known as SW interoperability (between two or more countries) and is the next big step in the automation of the monitoring and control process of foreign trade.

Interoperability, in turn, gives rise to another major challenge related to the growing volume of transactions made through the SW's. Connecting two or more windows multiplies the number of digital transactions that run on the system very rapidly. This should be taken into account in any plans for expansion.

Of course, given the number of entities and stakeholders involved in the operation of an SW, the decision regarding the technological support and the concurrent process of creating data compatibility are expected to work as a two-way mechanism. Although it is necessary to choose a system that incorporates all the processes for all entities involved, it is highly likely that some of those entities will have to adjust some of their processes in order to guarantee compatibility.

## Conclusions and Recommendations

The International Trade Single Window is a tool that is gaining ground as the tool of choice when governments want to have fast impact on what is called Trade Facilitation. Although the single window model was born as a physical entity, the development of information technologies has made it possible for the SW to be consolidated as a virtual instrument par excellence.

In Latin America, the instrument has gone through a substantial evolution in the countries that have granted a leading role to trade policies in their development strategies. Meanwhile, in those countries that have opted for a model based on protecting the domestic market, the instrument is barely incipient or simply does not exist. These facts are in line with the main objectives of the SW which are to streamline the foreign trade process and reduce the costs and time associated with the procedures. These objectives are intended to strengthen the competitive position of exports even if that also involves the facilitation of imports.

### BOX 4. INTEROPERABILITY OR REGIONAL SW: THE NEXT STEP

The dynamics of international trade continues to exert strong pressure on the countries' customs agencies due to the intensive use of new information and communication technologies (ICT). Over time, it has been necessary to streamline the trade flow through the check points in ports of entry even more, and this has also been driving the continued development of ICT tools to promote and ensure trade facilitation such as in the case of the digital SW's. These single windows require the adoption of harmonized and standardized systems to allow interoperability between agencies and national entities that are involved in the process of managing and controlling foreign trade. That is why the use of international standards with regard to data needed for exporting, transit, and importing is one of the core elements in the SW concept. The Data Model of the World Customs Organization (WCO) ensures compatibility and interoperability between agencies and many countries are incorporating it into the daily operation of their SW's. The most interesting feature of this situation is that it is creating a favorable context for the connectivity of single windows between two or more countries.

The "I Workshop: International Trade Single Windows framework. Considerations and Proposals for Regional Action in the Framework of the Latin American Pacific ARCH Forum" of the Working Group on Trade Facilitation, Infrastructure and Logistics of the Latin American Pacific ARCH Forum, which was held in Valparaiso, Chile, from November 30 to December 1, 2010, came to the conclusion that the need to work on a procedural, technical, and operational design for the SW's had become urgent to ensure that these would be able to operate in an integrated

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and interrelated regional environment. Therefore, the Latin American and the Caribbean Economic System (SELA in Spanish) was requested to proceed with the analytical efforts and the regional coordination to carry this out.

In order to put that recommendation into effect, the "Pilot Project for Interoperability and Harmonization of the SW's within the framework of the Latin American Pacific ARCH" was implemented through a technical cooperation agreement between SELA and CAF. The experiences that Colombia and Panama have had were included in this. The project made it possible to develop a methodological basis adjusted to the reality of the participating countries that included the design and adaptation of instruments related to the analysis of SW's. These include such examples as the Approach to Event Description. Based on a systemic perspective, this instrument defines the guidelines for the planning, development and implementation of an SW, the weaknesses that require attention, and the opportunities for the advancement and consolidation of the SW.

As has been verified, this instrument offers truly significant advantages in terms of the time and cost of the export process since the countries that have implemented it have achieved very good results in the reduction of the number of days required for an operation. They have also confirmed substantial progress with respect to safety and reliability in the management of information. This, in turn, results in financial and operational benefits for the public administration.

However, the design, creation, and implementation of an SW go far beyond an interest in improving the conditions under which users carry out foreign trade operations. Due to its complexity, the instrument covers innumerable variables that should be considered at the time it is applied and, therefore, it requires the existence or creation of a set of conditions in order to ensure that its operation is ideal.

With an SW, the single window model achieves an extremely important development since it involves a large number of governmental entities and public and private institutions. Many of these have fundamental interests and objectives that may differ from trade facilitation and may even oppose it with respect to their control and oversight. In that scenario of functional and operative complexity, the basic key is the existence of the component of political will. This may be exercised through a specific person, through several people, or a governmental institution that has enough authority to mobilize the rest of the stakeholders in the process.

The axis of the institutional pillars of this innovative model for operating public administration will be this political will. These pillars were revealed in detail in the document: a proper coordination of the institutions, an adjusted legal framework, an operational model consistent with the current public administration and the objectives of the instrument, and finally, technological support that

takes into account both the current conditions and the anticipated requirements for commercial expansion such as transmission of data and domestic and international information.

The prior existence of these conditions implies, of course, the presence of significant institutional development within the economy, and these will be the keys to the sustainability of the instrument.

Finally, the complexity inherent to the operation of the Single Window at the operational, functional, and technological levels strengthens the objective of simplifying and streamlining procedures and that leads to new adjustments in the entities and processes. There is a basic process of simplifying procedures associated with the reduction of duplication and eliminating unnecessary steps when they are all concentrated in one single virtual site. However, when the SW begins to operate, it could force the incorporation of new changes to ensure greater and more effective participation on the part of the users. Thus, the SW also becomes a tool for institutional modernization.

The countries that want to take part in an intensive use of an SW or that want to upgrade an already existing mechanism should avoid the simplistic view of minimizing the instrument to the level of a computer program managed and administered by a small group of people in order to prevent huge budget expenditures. On the contrary, it should be understood as a powerful tool for export competitiveness as well as a core mechanism for institutional modernization in relation to the administration of foreign trade.



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The International Trade Single Window, known as SW, is a highly useful tool for the Latin American countries that are making systematic efforts to improve both the conditions of entry into the international market and the competitiveness of their products. In addition to facilitating the administrative processes of foreign trade, the SW's have significant implications for every country's institutional interoperability.

When the SW goes into operation, it could force the incorporation of new and important administrative and institutional changes to ensure greater and more effective participation on the part of the users and, thus, the SW also becomes a tool for institutional modernization.

## Public Policy and Productive Transformation Series

"Public Policy and Productive Transformation" for Latin America consists of a series of policy documents whose purpose is to disseminate these experiences and successful cases in Latin America as a tool to spread knowledge for the implementation of better practices in the field of business development and productive transformation. The series is aimed at policy-makers, public sector agencies, business chambers, political leaders and concerned agents who participate in the process of designing and executing public policies linked to productive development in the countries of the region.