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USAID Regional Trade Program for CAFTA-DR

**Work Plan for the Implementation of a One Stop
Single Window for Imports in Guatemala, Honduras,
and Nicaragua**

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This document has been produced by Chemonics International Inc. for the review of the United States Agency for International Development (USAID).

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Acronyms

CAFTA-DR	Dominican Republic-Central America-United States Free Trade Agreement
CRT	USAID Regional Trade Program for CAFTA-DR
FTA	Free Trade Agreement
IT	Information Technology
SWI	One Stop Single Window for Imports
USAID	United States Agency for International Development
WCO	World Customs Organization

Work Plan

Implementation of a One Stop Single Window for Imports

A. Introduction

On March 11, 2010, USAID and Chemonics signed a contract modification extending the period of performance of the USAID Regional Trade Program for CAFTA-DR (CRT) through September 30, 2010. The purpose of this extension is to provide technical assistance to Guatemala, Honduras and Nicaragua (beneficiary countries) in the implementation of “One Stop Single Windows” (SWI) for the streamlined processing of imports.

The proposed SWI consists of an Internet-based portal which integrates several software modules developed to handle the different steps of the importation process. The result is a robust system that eliminates the flow of physical documents and enables importers to fulfill all the requisites for the importation of goods remotely and conveniently.

To this end, and building on the experience gained in developing a SWI solution for El Salvador, the CRT will work with each beneficiary country in the customization and implementation of the software solution, with the objective of achieving the results outlined in the following section.

CRT’s work will require close interaction with several entities; nonetheless, specific institutions have been identified to lead the SWI initiative in each country. These institutions –the Ministry of Economy in Guatemala, and the Customs Directorates of Nicaragua and Honduras– will act as CRT’s counterparts during the implementation of the SWI.

B. Expected Results

The results expected from the implementation of the SWI solutions in Guatemala, Honduras and Nicaragua are as follows:

- Electronic processing of documentation and payments required for the importation of goods.
- Provision of correct and up-to-date information regarding the requisites, process and costs for the importation of all types of goods.
- Reduction in the time required to clear shipments.
- Elimination of physical processes to request and receive import permits.
- Reduction in the number of errors in customs declarations.
- Increased transparency in the customs release process.

C. Proposed Activities

In order to achieve the expected results, the CRT team will work closely with the beneficiary countries for the execution of the following activities:

1. Drafting a strategy for the successful implementation of the SWI solution, in accordance with each country's current processes, resources available and legal framework.

The goal of this activity is to develop and reach consensus on a comprehensive and viable strategy and action plan to design and implement the SWI to achieve the expected results within the CRT timeframe. To achieve this goal, our team will conduct the following tasks in coordination with our counterparts:

- *Map the current importation process.* Prepare a detailed analysis and mapping of the import process in each country to:
 - Identify all the institutions involved in the importation of goods; define their roles and responsibilities, as well as their relative importance in the importation process.
 - Identify and define the documents, permits, approvals and any other requirements of each institution and their respective procedures, sequencing, and costs (e.g. cost of obtaining import permits).
 - Recommend changes to the national operating rules and processes to facilitate and expedite the issuance of import permits.
- *Conduct a legal assessment.* Analyze the legal and regulatory framework under which each institution operates to identify potential restrictions and impediments to the implementation of the SWI and propose possible solutions.
- *Develop a comprehensive SWI Implementation Strategy document.* The document will include the following:
 - A brief background section and a summary of the results and conclusions of the mapping and legal assessments explained above.
 - Clear objectives and expected results for the implementation of the SWI.
 - A detailed description of the proposed SWI system, the institutions involved and their expected roles and responsibilities, the system's functionality and proposed automated import permit approval process.
 - The expected benefits to the country, its institutions, and the service users in terms of increased transparency, reduction of documents and/or permits required to import goods, reduction on time to process import documentation, etc.
 - The scope of the proposed SWI and a detailed plan of action for the design and implementation of the application, the roles, responsibilities, and required commitments of the institutions involved, and the timeframe for implementation of activities.

- *Initial SWI Strategy Presentation.* Once the SWI Implementation Strategy document has been finalized and agreed upon, our team will work with the relevant authorities in the preparation and delivery of a promotional presentation of the SWI strategy to public and private sector stakeholders. The presentation will highlight the expected benefits of the SWI and its objective will be to generate public and private sector support for the initiative.
2. Develop a SWI Software Toolkit to facilitate implementation in beneficiary countries.

In order to use the CRT's limited lifespan and resources effectively, the program will work in developing a generic SWI Software Toolkit that integrates the application modules, routines, and database accesses originally developed for the SWI of El Salvador. This will provide our team of IT professionals with a reasonable amount of flexibility to adapt and integrate the SWI solution to individual country needs and IT infrastructure, without having to spend time on the development of individually tailored modules.

The generic SWI Software Toolkit will have the following functions and characteristics:

- An easy and dynamic-access channel, including a web-portal;
- An engine framework to integrate the catalog of products and services;
- An interface for the implementation of a generic electronic payment module to accept credit-card payments and/or direct debit from bank accounts;
- An institutional interface for: 1) transactional module for products, and/or 2) integrated technical interfaces with web service for institutions with high degree of automation;
- Dynamic and automated solution for messaging services (SMS/email); and
- An interface to send the import permits to any automated customs system for subsequent reconciliation of permits and custom declarations.

3. Assess country-specific technical requirements for the SWI solution implementation.

Once the SWI Software Toolkit has been developed CRT will work with IT staff in customs directorates and other relevant institutions to conduct a rapid assessment of the country-specific technical and information technology system requirements and will address any system connectivity issues in each of the three countries. In addition, our team will identify and assess the specific adjustments and adaptations for each of the different components of the toolkit (e.g., specific adjustments and requirements that each institution will request for their approval and payment interface, changes to the format of the Customs Declaration form, etc.). This work is important to ensure that the SWI system is properly adapted to the specific needs and importation processes of each country.

4. Integrating the customized solution with the information systems used by customs and other institutions involved in the importation process.

Taking into consideration the technical infrastructure and requirements of each of the beneficiary countries, CRT will work closely with the IT teams of the involved local institutions in the installation and integration of the SWI Software Toolkit. At this stage, the SWI solution will be tested, fine-tuned and piloted to ensure it is working as planned.

5. Training users and administrators in the use, maintenance and management of the solution.

To ensure the sustainability and scalability of the solution, once the SWI pilot is successfully completed, CRT will train IT staff at the institution in charge managing the system in the necessary tasks to maintain, troubleshoot and administer the system. At this stage, CRT will also provide the managing institution with all the system's documentation –analysis document, detailed design, database structure, administration manual, and user manual– and source code.

6. Training end users in the use of the SWI and dissemination of the SWI benefits.

CRT will hold public events in the beneficiary countries with the purpose of disseminating the benefits of the SWI solution and training private sector representatives in the use of the solution.

An activity timetable is presented on the following page. It is important to emphasize that the proposed timing for the implementation of activities is contingent on having the commitment and political support from the relevant authorities to move forward with the process. The CRT will work closely with our counterparts to try to ensure the adherence to this time frame.

D. Resources

Resources needed to carry out the proposed activities include the following:

- The software modules that make up the SWI solution developed for El Salvador during CRT's base period;
- Contracting the services of a senior consultant with extensive experience in the design and development of similar information technology solutions, to provide leadership to a team of software developers; and
- Contracting the services of three software developers to develop the SWI software toolkit from which the SWI solution will be deployed in the beneficiary countries;

E. Timetable

Country/Activity	March 2010		April 2010		May 2010		June 2010		July 2010		August 2010		September 2010	
<i>Nicaragua</i>														
Drafting SWI Strategy														
Developing SWI Software Toolkit														
Assessment of Technical Requirements														
Installation and Integration of Customized Solution														
Training on SWI Maintenance and Administration														
Training of End Users and Dissemination														
<i>Guatemala</i>														
Drafting SWI Strategy														
Developing SWI Software Toolkit														
Assessment of Technical Requirements														
Installation and Integration of Customized Solution														
Training on SWI Maintenance and Administration														
Training of End Users and Dissemination														
<i>Honduras</i>														
Drafting SWI Strategy														
Developing SWI Software Toolkit														
Assessment of Technical Requirements														
Installation and Integration of Customized Solution														
Training on SWI Maintenance and Administration														
Training of End Users and Dissemination														