



# **Malaysia's journey towards National Single Window for trade facilitation**

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# Inception of Malaysia NSW

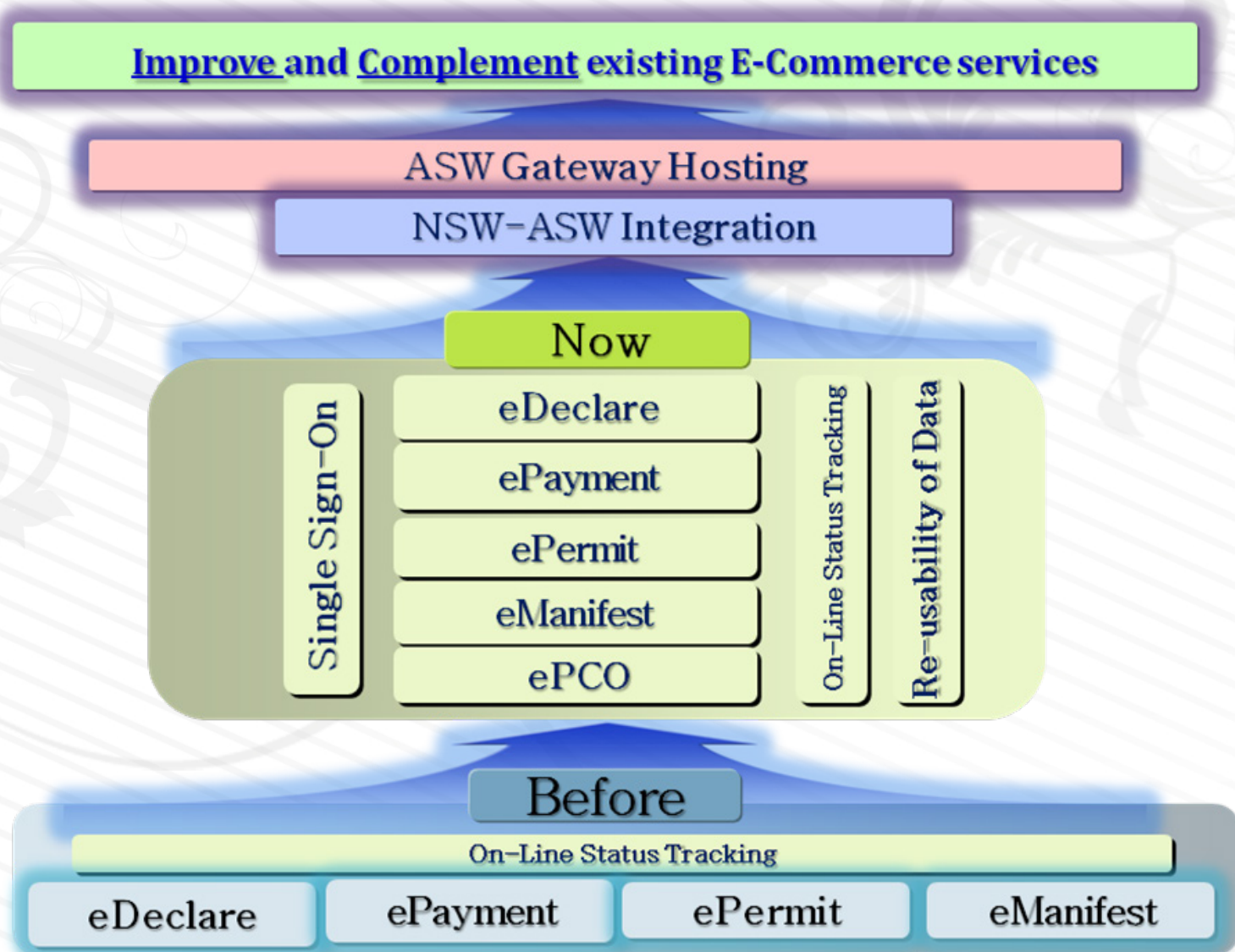
- In 1995, the Malaysian Government adopted a pragmatic approach by identifying a successful local system architecture or home-grown value-added network called SMK\*Dagang Net service that incorporated its formidable EDI systems that deployed the globally-used EDIFACT for electronic customs exchange with the system operated by the Royal Malaysian Customs (SMK - Sistem Maklumat Kastam / Customs Information System ).
- Dagang Net led this pioneering initiative with Royal Malaysian Customs to automate Customs procedures for shippers, carriers and third-party logistics (3PL) companies by linking up its system with the Customs system (SMK) handled by the Royal Malaysian Customs to exclusively handle all matters pertaining to import-export declarations and clearances.
- Ministry of International Trade and Industry (MITI) was appointed as the Lead Agency for SMK\*Dagang Net initiative.

# Milestone of SMK\*Dagang Net project

- Based on study conducted in 1996
  - Reduction of documentation error rates from about 40% down to 5%
  - Cost savings of almost USD29 million per year
  - Another significant achievement of the service in Port Klang was the reduction of cargo turn-around times from an average of four days down to two days
- In 2004 (completed nationwide roll-out), further improvements were recorded when the SMK-Dagang\*Net achieved the 'same-day cargo turn-around' which was a significant milestone charted by the SMK-Dagang\*Net.
- In 2009, all OGAs are linked to SMK\*Dagang Net and called NSW. Royal Malaysian Customs (MOF) tasked as NSW Lead Agency and MITI continued as the ASW Lead Agency for Malaysia.



# NSW Components



# Critical Success Factor for MY NSW

- A Government that champions NSW initiatives at national level
  - Since 1990, the creation of NSW was fully supported and championed by the Malaysia Cabinet and Ministry of International Trade and Industry was tasked to set up the Trade Facilitation Action Council (TFAC) to prepare the strategic directions, goals, vision and mission.
- Active involvement of Agencies
  - The spirit of high responsibility, active involvement and continuous inter-agency collaboration was demonstrated by 30 participating permit-issuing agencies have led to the full implementation of ePermit in NSW.
- Private-Public-Partnership
  - Whilst the Government took a leading role, the private sector, on the other hand, was given an important consultative role to play in devising and implementing this paperless initiative to achieve a more transparent and more efficient public delivery system that enhances productivity and reduces the cost of doing business.

# Key Performance Indicator (KPIs)

- The Government has also introduced a series of Key Performance Indicators (KPIs) to measure and improve the efficiency and delivery quality of government services.
- As such the NSW service availability performance is also being monitored periodically since 2008 to provide the Government with detailed information of its service performances and its key indicators which amongst them include service availability and disruption and also causes of failures, all of which are aimed at ensuring that NSW Operator offers optimal service delivery above its target KPI of 99.8%.

# Existing NSW Pricing Model

National Single Window is a private finance initiative (PFI) and the price is governed by the Agreement:

Type of Charges	Previous Charges	Current Charges	
		First Two years	Subsequent years
EDI-volume-based charges	RM1.20/kb	RM0.88/kb	RM0.80/kb
Document-based charges	RM10.00 for each approved document	RM5.00 for each approved document	
User registration	RM1,400.00 for all users	RM500 for corporate customers and RM200 for *Small Medium Enterprise (SME). This is a one time charge only	
Mailbox charges	RM180.00 per month per mailbox	RM160.00 per month for corporate customers and RM90.00 per month for SMEs	
		Subsequent mailbox at RM90.00 per month for corporate customers and SMEs	

*Note: USD1 = approx. RM3.3*





# uCustoms

## **New Customs & NSW Project**

(In Progress)



## JKKMKPK DECISION

- *Meeting by Special Cabinet Committee of Government Management Integrity (JKKMKPK) on 27 July 2011 agreed that MAMPU undertaking a comprehensive review system requirements and equipment before replacing the existing Customs Information System (SMK) with the new systems.*

*MAMPU (Malaysia Administrative Modernization and Management Planning Unit) is an Agency under Prime Minister Department that tasked to reform and modernize public administration.*

## WHAT IS uCUSTOMS ?

- A comprehensive electronic system and sustainable known as 'Ubiquitous Customs' or uCustoms, to replace the current Customs Information System (SMK)

## CONCEPT

- Fingertips, anytime, anywhere, any device

## TRANSFORMATION

- Single window multiple channel
- Simplified the access through a single sign-on
- Integrated application systems
- End-to-end solution
- Comply with international standards
- Use of PKI (Public Key Infrastructure) Digital Certificates
- Access through integrated government secured network - 1Gov\*Net

# uCustoms Project

- Project timeline – 24 months (project kick-off in Jan 2014)
- Project deliverables
  - uCustoms solution
    - Customs information system (including valuation and risk management)
    - NSW services
    - Document Management System
    - Traffic Management System
  - Consulting services
    - Business process reengineering (BPR)
    - Data harmonization and standardization
    - Change management
    - Project management
    - Subject Matter Expertise
    - Business Continuity Plan (BCP)
    - Security posture assessment
    - Training and Transfer of Technology
    - Call Center Services
  - Infrastructure and Non-Intrusive Inspection Technologies equipment (NIIT)



*Thank  
you*

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