Ghana

Background

What motivated the establishment of your Single Window (SW)?

The SW (GCNet) was established following stakeholders concerns with slow and cumbersome port clearance procedures that were expensive and restrictive. The SW concept was established to enhance the competitiveness of Ghanaian business by removing constraints to legitimate trade development and facilitation while ensuring that collection of trade-related government revenue was not compromised.

What year was it established?

The Joint Venture Company that managed the deployment of the system was formed in November 2000. The first production Customs declaration was processed in November 2002.

What is the current status of the facility (study, pilot phase, running)?

The system is today fully operational as per the initial project blue print. However, development of the system is continuously being undertaken to improve the service and to add new features.

Establishment

How did the SW interface with already established systems (if any existed)?

At the centre of the GCNet project was the issue of interfacing legacy systems. These systems were interfaced in various ways but mostly using the concept of an EDI messaging being sent from one system to another.

Did any other SW model serve as inspiration or model?

Yes, the Ghana system is based on an adaptation primarily of the Mauritian model which itself was developed based on the Singaporean model.

What process was followed in setting it up? Was there a pilot project?

After having decided which system to adopt, a lengthy process of review and modification of the Mauritian system was undertaken. In parallel, a full review of processes and procedures was undertaken in order to avoid computerising inefficient processes. The system was then customised and deployed in phases, starting with a pilot site that was used for testing. Each site was then rolled-out in sequence.

What kind of training for the staff was required in the establishment and how was it organized?

Training was performed at various levels and was always a central element of the project.

- Customs officials were trained using the "train-the-trainer" methodology over a period of 12 months; a total of 600 Customs officers were trained

- Other users, who included Customs Brokers, Shipping Agents, Commercial Banks, Freight Stations, Port Authority, and Regulatory agencies were trained in batches in the form of one week training sessions (free of charge) for every entity run back-to-back over 18 months. Total of 1,500 users trained.

How long did it take the facility to become operational?	From "decision to go ahead" to first production process, it took 2 years. It then took an additional year to deploy 95% of sites. The remaining 5% (interconnecting remote land border sites) was completed one year later.

Services

What services does the SW provide? What documents/ information/process are covered?	The SW processes Master Manifest submission and distribution, House Manifest submission and distribution, Customs Declaration submission and distribution, Customs Release distribution, Delivery Order distribution, ship and aircraft movement information over web-portal, access to statistics by various stakeholders using data-mining, and issuance and distribution of licences, permits and exemptions by regulatory agencies.
How many transactions per day are handled? What percentage of total transactions?	GCNet processes approximately 350,000 Customs declarations per annum (1,000 to 1,500 per day representing 98% of total number of declarations – balance being some minor land borders) and 6,000 manifests per annum (representing 100% of manifests).

How many clients does the SW have at the present time?

In 2005, client usage was as follows:

- 400 Clearing Agents in 625 locations
- 65 Shipping Agents
- 6 private freight terminals
- 10 Government ministries and agencies

System Operational in:

- Both of Ghana's Seaports
- Single international airport
- 3 Land border posts

Operational model

How does it work? What is the operational model for the SW (describe the business process model)?	Two main components form part of the Ghana Single Window system:

(a) A Customs Management Software called GCMS (Ghana Customs Management System)
(b) An electronic data inter-change platform called TradeNet.

GCMS enables Customs to perform all necessary Customs-related processing. TradeNet interfaces GCMS to all stakeholders by exchanging EDI files. In addition to Customs, TradeNet also interfaces stakeholders among themselves.

Who are the main clients?	The main client (i.e. the entity that provided the mandate for the system) is the Ministry of Trade and Industry of Ghana. The main clients in terms of system users are:

- Customs
- Port Authority

- Customs Brokers

- Freight Forwarders

- Commercial Banks

- Freight Terminals

- Airport Freight Handling operator

- Ministry of Trade

- Ministry Of Finance & Economic Planning

- Revenue Agencies Governing Board

- Central Bank

- Statistical Service

- Narcotics Control Board

- Driver and Vehicle Licensing Authority

- Shippers' Council

- Free Zone Board

- Standards Board

- Environmental Protection Agency

- Minerals Commission

Which public and private agencies are involved in the facility?

GCNet is a Public-Private Joint Venture Company formed by the following entities:

- SGS S. A. (Private)

- Ghana Customs (Government)

- Ecobank Ghana Limited (Private)

- Ghana Commercial Bank (Government Majority)

- Ghana Shippers' Council (Government)

Business model

What is the business model? How is it financed (government, private sector, Private-Public partnership)?

GCNet operates as a private company making profit and distributing dividends. The system is financed by a Network Charge levied on all Customs declarations processed by the system. This charge is only applicable on Imports.

Exports, Transit, Warehousing, Free Zone and Data Mining are all free of charge.

What were the costs of establishment of the facility?

Initial investment cost for the set up was USD 6 Mio.

What was the difference between estimated costs and real costs?

The difference between estimated and actual cost was approximately USD 700,000, arising mainly from higher than anticipated costs in infrastructure and communications links.

What are the ongoing operational costs (annual)?	Ongoing costs relate to maintaining the network and systems, Call Centre operation, support and maintenance staff; training.
What are the user fees (if any) and annual revenue? Model of payment (fixed price per year, price per transaction, combination, other model)?	User fees are based on the value of the consignment, for which the transaction is being processed. The rate is based on the FOB value of the consignment. The charge is payable at the time of payment of duties and taxes. The charge is only applicable to goods being imported into home consumption.
How will the SW be sustained over the coming years?	Revenue collected through the Network Charge is to a large extent used to maintain the system, finance its continuous development, and finance the replacement or upgrade of equipment and parts, as and when necessary.
What are the user fees (if any) and annual revenue? Model of payment (fixed price per year, price per transaction, combination, other model)?	The revenues generated are to cover operational costs, and also make a profit to ensure the sustainability of GCNet, without any reliance on subsidies or grants.
How will the SW be sustained over the coming years?	A large amount of revenues are re-invested into maintaining the system and financing continuous development.

Technology

What technology is used?	AIX operating system, Oracle database. Network through Fibre optic, leased lines, DSL and radio.
How are data submitted (electronically – what type of format/language, paper – what forms, combination – what kind of combination)?	Data is submitted to TradeNet electronically in EDI format.
Where are data sent and lodged (government or private entity)?	All data is saved on the Customs system (GCMS), which is hosted at Customs Headquarters and maintained by Customs staff.
Who can submit data (importer, exporter, agent, customs broker)?	▪ Customs Brokers ▪ Self Importers ▪ Shipping Lines or their Agent ▪ Airlines ▪ Freight Forwarders ▪ Commercial Banks

Promotion and communication

How did you promote the facility?	The potential benefits of the deployment of the system were outlined to all stakeholders, who were all encouraged to take equity stakehold in this "community network" that would ultimately link all trade operators, especially those who transact business with Customs for a start.

How were all stakeholders kept informed about the facility's progress?	All stakeholders were sensitized before start-up and during the implementation stage as to how the system would be operated, the phased roll-out, key benchmarks that would be attained, and what would also be expected of them, including changes in workflow and management processes, and building their capacities to handle these changes.
What kind of training was provided for users?	Training was performed at various levels and was always a central element of the project.

- Customs officials were trained using the 'train-the-trainer' methodology over a period of 12 months,
- Other users who included Customs Brokers, Shipping Agents, Commercial Banks, Freight Stations, and Port Authority were trained in batches in the form of one week training sessions for every entity run back-to-back over 18 months.

Do you provide any helpdesk or customer service?	GCNet operates a Call Centre for taking first level enquiries. The Call Centre is then either able to solve the enquiry or problem or refers it to the on-site support engineers.

Judicial aspects

Is use of the facility obligatory or voluntary?	The use of the system is mandatory.
Do participants need to sign a contract with provider/agency in order to participate?	Users need to be approved by Customs and follow the appropriate training provided by GCNet. A Network User Service Agreement is then signed.
Was specific legislation (or change of old legislation) necessary?	In the absence of any e-legislation at the time of inception, a Legislative Instrument was enacted to allow for electronic Customs declarations and its related processes.
How is the privacy of information protected?	The privacy of information is assured by restricted user access rights, passwords and confidentiality obligations enshrined in the User Service Agreement.

Standards

What is the role of international standards in your SW?	GCNet follows all relevant international standards.

Benefits

What are the benefits to clients and to participating agencies? How did it benefit trading community and the	Benefits of the system are multiple. The major benefits are as follows:

- For the Importer/Exporter: faster clearance time, more transparent process, more predictable process, less

Government?	bureaucracy

- For Customs: vastly improved staff working through upgraded infrastructure, substantial increase in Customs revenue, more structured and controlled working environment, more professionalism

- Commercial Banks: Increase in number of customers, increase in amount of funds passing through banking operations, collection of dividends from GCNet (being shareholders)

- Government: substantial increase in Government revenue, example of best practice for the region, recognition by donors

- Economy: Improved transparency and governance in Customs

What was the impact on Customs revenues?	First year, increase of 35% year-on-year; subsequent years increase of 20%.
What problems did it solve?	It helped increase Government revenue collection and the achievement of set revenue targets. Clearances through the ports were also expedited so that Ghana was able to cope with an influx of transit goods and also overcome the problem of congestion that had previously characterized clearances during peak periods.

Lessons learned

What were the crucial success factors?	- Strong support from Government - Private sector involvement for project management - A balanced selection of complementary partners with unique strengths - Absolute conviction by key players that project could work - A financing model that is self-sustainable
What were the greatest obstacles?	- Human factor, managing change - Overcoming reticence by certain stakeholders
What are the main lessons learned?	It is possible to roll-out a complex system with the right capabilities and approaches being adopted. The public-private sector partnership that was adopted has become a model for e-governance projects in Ghana.

Future plans

What are the plans for further development of the SW?	To expand interfaces with other applications for optimal benefits of SW to be realized.

What are the biggest obstacles to further development of the SW?	Changing organizational mind-sets about possibilities to be derived from enhanced SW.
How best can UN/CEFACT help with the development of the SW facility (standards, capacity building etc.)?	Further establishing of standards and helping to develop capacity in resource constrained environments.
Do you intend to make agreements concerning SW cooperation on the regional level?	There are on-going regional discussions for possible SW cooperation at the regional level. However, in view of slow SW development in other countries, cooperation at an operational stage has been slow.
Are you planning to have agreements for exchange of data with SW running in other countries?	Yes. Already cooperating with Côte d'Ivoire in exchange of information on their trade operators transiting through Ghana.

Source for further information

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