“Single Window” in the Republic of Azerbaijan
(replies to an UNECE Questionnaire on single window -2011)

Preface

What has motivated the single window (SW) implementation in your country?

Azerbaijan is an important part of the "Silk Road" and north-southern Transport Corridor. This increases the significance of Azerbaijan in international trade. Azerbaijan shares borders with seven countries such as Russia, Kazakhstan, Turkmenistan, Iran, Turkey, Armenia and Georgia. Infrastructure Customs Service of Azerbaijan includes 13 sea ports, five international airports, four international rail points and nine of the main roads of international importance.

Customs policy of the Azerbaijan Republic is aimed at ensuring the most efficient use of tools of customs control and exchange of goods, protection of the domestic market, promotion of national economic development, promotion into life tasks, arising from the state's economic policy of the Republic.

Nowadays, international traders have to deal with the requirements of providing large number of different documents in different authorities, each of these agencies often have their own individual systems and paper documentation. Azerbaijan has decided to resolve this issue through the implementation of a simplified mechanism for the filing requirements for the passage of the export-import procedures - a mechanism of "single window".

When was the single window principle introduced?

To modernize the customs service and provide more favorable conditions for business and international trade, adopted the "State Program on development of the customs system of the Azerbaijan Republic for 2007 to 2011." Under this Programme, 11 November 2008, the President of the Republic of Azerbaijan signed the "Decree on the application of the principle of" single window "for inspecting the goods and vehicles transported across the border checkpoints of the Azerbaijan Republic". Thus, from January 1, 2009 in Azerbaijan in the clearance of goods and cargoes at the customs border the "single window" system was implemented.

What is the present situation?

The principle of single window functions, but at the same time, work continues on upgrading other business processes associated with the single window into the customs area.

establishing SW

Which activities are included in "Electronic Customs", when will be this process done?
How has the single window interface been integrated to the existing (if there were any)?
Prior to implementing the principle of single window the system for registration of papers operated with a local database of each stakeholder: veterinary services, plant quarantine services, sanitation and quarantine service. In this case, it should be noted that among these services do not exist the electronic data exchange. Firstly, a unified, centralized database at the Customs Committee was developed. Further, a system of registration of goods and vehicles at the border and this system was adapted to the business process of each service separately.

**Did the single window model function as a stimulant or a model?**

The existing model of the Single Window was built on the Unified Automated System of Customs Management and e-customs service of Azerbaijan, which has accelerated the implementation of single window.

**How was the process of setting proceeded? Was there a pilot project?**

The system "Single Window" is built on a platform of information technology, customs registration and automated customs management systems and risk management systems. Importers, exporters, freight forwarders, brokers, as well as other governmental bodies, using this system, refer to customs in the "Single Window". After signing the decree "on the application of the principle of" single window "for inspecting the goods and vehicles transported across the border checkpoints of the Azerbaijan Republic" the State Customs Committee of Azerbaijan began to implement the project and took the following steps:

- analyzed the business process at the state border of Azerbaijan inspection of goods and vehicles transported across the checkpoints;

- organized a commission under the Customs Committee to implement the principle of "single window";

- Improved human resource capacity in local customs and learn from best international practices;

- Created a flow chart of the principle of "Single Window";

- The customs authorities have begun to inspect documents for goods and vehicles crossing the state border crossing points of the Azerbaijan Republic, including veterinary, phytosanitary, sanitary and other certificates (certificates) for goods, and veterinary, phytosanitary, sanitary control of these goods on border;

- Set hardware and software;

- Has monitored the results of implementing the pilot project "Single Window" at the state borders.

- in the framework of infrastructure development border customs checkpoints have been constructed and reconstructed, can support a single window system.

- The customs authorities at the border began to veterinary and phytosanitary control through the control of veterinary, phytosanitary and sanitary certificates and other authorizations and issuance of permit forms;
Customs Committee is building new customs checkpoints on the border of the international level. These checkpoints cover all areas of the state border of Azerbaijan. Other customs checkpoints have been reconstructed and provided with new technical equipment for.

**What was the necessary training for staff and how it was organized?**

In implementing the principle of "Single Window" on the part of the Azerbaijan Republic State Customs Committee training sessions for customs officers were held in the direction of the new business process and in ICT.

**Services**

**What services does a Single Window provide? What documents / information / process are covered?**

The principle of single window provides the following features:

- Information regarding the border crossing at entry and exit of goods and vehicles;
- Exchange of electronic certificates of the relevant ministries: the phytosanitary, veterinary and sanitary and quarantine services;
- Inform about the declared goods;
- Preliminary information on vehicles crossing the border;
- Report regarding registered facts of customs offenses;
- Various financial reports;
- A report on foreign exchange savings.

**How many transactions are carried out daily? What is the percentage of the total number of transactions?**

Because of the variety of information to determine the exact number of ongoing transactions is not possible, but approximately 6,000 transactions daily, representing 60% of the total.

**How many customers are using today a Single Window?**

Every day and at the same time enjoy the single window system about 500 customers.

**Functioning model**
How does the system work? What is the operational model of the Single Window (describe the model business process)?

The system of "single window" means that the declaration at the customs clearance is carried out under the simplified system - declaring person submits documents in one body, and after clearance by the representative of the organ from the same authority, which filed the documents, receives ready-formed documents. Almost a "single window" is a "single channel", either physical or electronic, for submission and processing of all data and documents required to obtain permission to release and clearance of goods moving in international trade.

Major clients

What public and private agencies are involved in the system?

Customs authorities, the participants of foreign economic activity, Ministry of Agriculture, Ministry of Health, Ministry of Transport, Ministry of Taxes.

Business Model

What does the business model represent? How is (government, private sector partnership between them) funded?

The business model is approved by the Chairman of the State Customs Committee of Azerbaijan Republic the above flow chart of the principle of single window. The project was financed by the state.

Expenses incurred in connection with the establishment

Funding for the system created the Single Window was made budgetary funds allocated by the State Customs Committee.

What are the costs of users and annual fees? Method of payment (a certain amount per year, the price for each transaction, a combination other way)?

This system is provided to users free of charge.

How will the single window be maintained over the coming years?

A single window is maintained by the state budget and self-supporting budget of the State Customs Committee of Azerbaijan Republic.

Technology

What technology is used?
The technology consists of the following components:

- HP Compaq hardware system UAMS
- CISCO communication server system
- Unique Automation Management System (UAMS) on the base of ORACLE database
- Software developed by local company

**How is the data directed (electronically, in what format, language, unless the paper, which form the combination of which form a combination)?**

The data are sent electronically through UAMS Protocol


**Where is the data transmitted and stored (the government or private sector)?**

Data is stored in a central database at the State Customs Committee of Azerbaijan Republic, which provided through UAMS. Information resources of the State Customs Committee of Azerbaijan are used both by the Government and the private sector through the channels of VPN.

**Who can submit data (importer, exporter, agent, customs broker)?**

Importer, exporter, broker, traders, international cargo carrier.

**Promotion and communication**

**How have the system been promoted?**

Develop and implement a "principle of the Single Window" is carried out on a model developed by specialists of the Azerbaijan Republic State Customs Committee, "Development through ICT", which essentially consists of the following:

(see picture)

Model description: Under the scheme, initially the existing business model must be examined. The next step is to create an automated control system on the basis of the existing business model. Then starts the application system for staff training carried out with respect to newly created system of Unique Automation Management System (UAMS) and the system is transferred into operation. The next is that the system begins to affect the existing business model and lead to improvement, that is, users who understand the possibilities UAMS, provide their suggestions for the development of business models. Carried out certain changes in
business models, that is, she improved and after the match starts UAMS new component business model. Thus, after a certain period of time comes the next proposal for improving the business model and periodically there is a development of a business process, UAMS adapting to this business process and end result is a new business model and the new UAMS no particular phase of the project to conduct training for users Customs officers.

**How do you support the information carried on the progress of the interested parties?**

Information support for the principle of single window is provided by using the Internet site www.customs.gov.az and corporate portal of the State Customs Committee of Azerbaijan Republic. Also on the site identified the heading on the Single Window, which hosts the presentation of staff of the State Customs Committee at various international events.

**Do you have any inquiry or service?**

The system has a special unit UAMS HELP Desk, through which provided reference services to users.

**Legal Aspects**

**Is the system using voluntary or mandatory?**

Use of the system is necessarily under the Presidential Decree number 12 dated November 11, 2008

**Should the parties sign a contract with the provider / agent to attend?**

The project participants are given single window system on the basis of bilateral contracts and respective powers and ways of sharing information are set for them.

**Was the specific legislation necessary (or change of existing)?**

Undoubtedly, the introduction of "single window" requires review of all legal and regulatory framework, development of new instruments aimed at simplifying and expediting customs procedures, as stipulated by the Presidential Decree number 12 dated November 11, 2008 "on the application of the principle of" Single Window "inspecting the goods and vehicles transported across the border checkpoints of the Azerbaijan Republic".

**How privacy is protected?**

Each user of this system has a nominal ID card with a certain level of access to shared information resources of the State Customs Committee of Azerbaijan Republic.

**Standards**

**What is the role of international standards in your single window? (UN / EDIFACT, UNLK, UN LOCODE, UN / CE FACT, SW recommendations) ?**

In developing the system "Single Window" were applied international standards such as UN / CEFACI and WCO recommendations and WTO. The system of "single window" is being
implemented in various countries, including Azerbaijan, on the basis of standards and guidelines established by the International Convention on Simplification and Harmonization of Customs Procedures ("Kyoto Convention"), concluded under the World Customs Organization. Kyoto Convention implements the principle of coordination with regard to customs inspections of goods which are subject to inspection and other competent bodies. Computer systems and software have been developed within the national system "Single Window". Each party serving on the borders is equipped with modern computers with access to the underlying database licenses and certificates issued by the Ministries of Health, Agriculture and Transport. As a result of this system of foreign economic activity participants had the opportunity to clearance within 15-20 minutes.

"Single Window covers all sectors: Customs – Business, Business-Business, Business - Customs, Customs - Customs (domestically), Customs, Customs (international).

**Benefits**

**What are the benefits for clients and organizations involved?**

Experience in other countries shows that the introduction of "single window" for customs to simplify and streamline procedures for customs control and customs clearance of goods. Azerbaijan Customs Work on the system of "single window" allows you to greatly simplify the process of customs clearance, reduce time of customs procedures by reducing the number of customs officials who are involved in these procedures, and at the same time - to avoid duplication of functions. This system also helps reduce the number of documents submitted by the declaring person for customs clearance. By their nature, legal advantage of the "single window" is easy to use, transparency of work, availability of information about the requirements for export-import operations, forming a database of previous operations and performance monitoring.

With the introduction of this system of entrepreneurs engaged in import-export operations, now held customs registration, turning in only one state agency. Powers of a single state authority on the principle of "single window" in the inspection of goods and vehicles at checkpoints of state borders of Azerbaijan assigned to the State Customs Committee. Introduction of a new "single window" has also led to empowerment of the Customs Committee, as were eliminated border crossings government agencies involved in issuing permits, carrying out veterinary, phytosanitary and, sanitary control. By the President’s Decree, some functions of the Ministry of Health, Transportation, Agriculture and Veterinary Services have been transferred to the State Customs Committee. Under the Customs Committee departments to manage the system had been set up, which had been provided with adequate expertise and other resources. As you can see, the advantages of such a system for business and government are obvious.

Introduction of a "single window" for the state is very significant and it is as follows: (i) timeliness of-date information on tariff rates and on other legal and procedural requirements; (ii) elimination of lost revenue, (iii) increasing the amount of foreign trade; (iv) saving human and financial resources; (v) the efficient and rational allocation of resources; (vi) greater transparency and integrity, and (vii) the possibility to use advanced methods of "risk management" for
monitoring and enforcement purposes. For entrepreneurs, the system is advantageous as follows:
i) savings in time to process documents; (ii) lower costs by reducing delays; (iv) administrative transparency of trade procedures and (v) lack of corruption. Thus, the conclusion is that a "single window" provides a practical application of concepts of trade facilitation, reducing non-tariff trade barriers and providing immediate benefits to all members of the trading community.

**Lessons learned**

- Purpose of the State Customs Committee of the single executive body as a central body carrying out the functions of some other agencies in some countries may yield results
- Other agencies are interested in cooperation with the Executive Body
- Implementation of the EO is to bring benefits both traders and public bodies
- Use of ICT speeds up the process of implementing the principle of single window clearance, reduction of time and the number of documents employers provide real savings

**Success factors:**

- Strong political will and perseverance in implementing this approach will, "top down", Presidential Decree of 11 November 2008. Conducted, data harmonization and analysis processes, study best international practice
- Customs procedures can consolidate into a single system—Establishment of appropriate services, government support for appropriate and advanced technology

**How were the obstacles and challenges overcame?**

- A strong influence of political will, perseverance.
- The systematic process of change management, and promote adequate public education, training internal staff
- Integration of Customs staff in other government-private sector partnerships

The future of the Azerbaijan Single Window

- Transition to E-Customs-Filing Services,
- data filing by declaring persons in fully electronic form,
- electronic funds transfer for payment of customs duties and taxes—rule,
- system for the storage of criteria and rules of authorization (approval)

in order to reach the automated issuance of permits, and to ensure uniformity.
- Permitting further integration with other departments, such as the Ministry of Taxes, State Statistical Committee, railways, port and airport

- Expanding the range of services, B2B, G2B, G2G (at the regional and international level)

**Sources for more information:**

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