The Former Yugoslav Republic of Macedonia

Introduction
The project for development of a single window system in the Republic of Macedonia was officially launched by a Government decision on March 27, 2007. Leading agency for the implementation of the project is the Macedonian Customs Administration (MCA). The Government established a SW working group comprised of representatives of MCA, the National Commission for Integrated Border Management (IBM Commission), the Ministry on Information Society, USAID (United States Agency for International Development and representatives of 15 government agencies responsible for various aspects of international trade regulation.

The system’s official name is EXIM and it can be found on www.exim.gov.mk. The modules for export/import licenses and quotas are operative since 1st November 2008. The development of other modules will continue in 2009.

This paper is prepared following the template provided in the UN/CEFACT Repository of Single Window Cases.

Background
The general objective of the project was to facilitate and enhance the access to and exchange of cross border data and information among various government agencies and among the government and the business community. More specifically, the project aims at providing conditions for submission of import/export/transit data only once and on one place and for more efficient coordination of all cross border controls and inspections.

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

What year was it established?
The project was launched in March 2007, and its first modules became fully operative at the beginning of November 2008.

What is the current status of the facility (study, pilot phase, running)?
The system was launched on 1st November 2008.

Establishment

How did the SW interface with already established systems (if any existed)?
Of all the participating institutions, only the Customs Administration had a previously established automated system for processing of customs declarations. During the EXIM development, the Veterinary Administration also developed its own electronic system which is currently being integrated with EXIM. Other institutions still do not have separate systems for management of the licensing process and they will process their respective licenses through EXIM.

Did any other SW model serve as inspiration or model?
Preparing for the implementation of the project, the working group studied many SW concepts and models. However, we cannot say that each of them served as a role model. The Macedonian SW system is mostly based on the current conditions and capacities of the cross-border agencies, as well as the needs of the Macedonian
trading community.

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

The Macedonian working group first carried out a thorough analysis of the trade data required and the trade processes performed by each government agency involved in foreign trade transactions. Based on the information collected, and following the UNECE Recommendation 33 on Establishing a Single Window and Recommendation 34 on Single Window Data Harmonization and Standardization (the latter in draft), the group standardized trade data required by various agencies and harmonized them against the WCO Data Model. At the moment, the set of standardized and harmonized trade data contains around 80 data.

In addition to the process of standardization and harmonization, the working group worked on identifying legal obstacles and improving the legal environment for the implementation of the SW project. The areas reviewed include, but were not limited to: electronic submission and issuance of import/export licenses and other trade documents, electronic signatures, security issues and identification of system users, liability issues, etc.

Concurrently with the two processes mentioned above, software development for the system was taking place.

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

Training was necessary for each of the stages of system development, i.e. understanding of the SW concept, trade data standardization and harmonization and improvement of the legal environment. It was organized, at different levels for both the members of the working group and the representatives of various government institutions.

How long did it take the facility to become operational?

As stated above, the Macedonian SW became operational in November 2008, i.e. 22 months after the launching of the project.

Services

EXIM integrates fifteen government agencies responsible for the issuing of export/import/transit licenses and the Customs Administration. The Veterinary Administration is connected to EXIM through interface. Currently, EXIM includes 66 various licenses, as well as possibility for distribution of tariff quotas. EXIM modules provide the following services:

- Information for the business community on the required licenses (on tariff-line basis), the issuing institutions, the amount of administrative taxes and on the available tariff quota quantities,
- Electronic submission of export/import/transit license applications and following of their processing status,
- Equal treatment of the electronic and paper applications,
- Electronic issuing of licenses,
- Submission of electronic applications for tariff quotas and
Electronic distribution of the quotas,
- Electronic monitoring by the issuing institutions of the status of paid administrative taxes.

EXIM is an open system that enables communication with other system through exchange of XML files. It also provides for centralized management of common reference data, such as data on companies, tariff lines and codes, participating institutions, licenses, etc.

The modules that will be developed in 2009 will enable submission and processing through EXIM of transit customs declarations and TIR documents. Their launch will provide for automated registration of the usage of the issued licenses.

The first statistics on the usage of EXIM will be available by mid 2009.

How many transactions per day are handled? What percentage of total transactions?

See response to the previous question.

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

See response to the previous question.

Operational model

The modules being developed during the first stage provide for the following:

The business community can access EXIM through any Web browser. The submitted license application is automatically forwarded to the responsible institution. The applicant can follow the status of the submitted application in EXIM and is being informed through email about every change in status. Every institution has a possibility to communicate with the applicant and to request additional data or corrections.

Licenses issued by the respective institutions are electronically available to the institutions responsible for control of shipments at border-crossings or internal customs terminals. Based on the information contained in EXIM, the latter verify the usage of the respective license. Upon the completion and launch of the modules for transit customs declarations, the usage of licenses will be done automatically by the system.

The system also provides for electronic application for and distribution of tariff-rate quotas.

EXIM users, both from businesses and institutions, can undertake actions within the system upon prior identification with valid digital certificates.

Who are the main clients?

Main clients of the system are the traders (importers and exporters) and the forwarding agents.

Which public and private agencies are involved in the facility?

Customs Administration and 15 other government agencies responsible for regulation of cross-border trade.
### Business model

The development of the software was financed by USAID and the purchase of the necessary hardware was financed by the Macedonian Government.

Since the system is not finalized yet, it is difficult to come up with a specific figure at this point.

See above.

See above.

There will be no extra charge to businesses for the use of EXIM, except for the purchase of digital certificates. They will however continue to pay the administrative taxes set in the applicable legislation for the respective licenses.

It will be financed by the state budget.

See above.

See above.

**Technology**

The whole software application is web based and users will only need browser application to use it. The proposed solution is developed and deployed using standard three tier web architecture. The first tier is the HTTP Server which handles requests from the client browser. The middle tier is Application server which will host the developed application and provide dynamic content generation and processing. The proposed middle tier solution is based on WebSphere Application Server. The third level (persistent level) in this multi tier architecture is the back end relational database which manages and provides access to the application data. The database solution is Oracle Database Server EE. The web application is developed using Java based standard JSF 1.2 technology using Tomahawk, Richfaces and Ajax libraries and deployed on the chosen application server. Web services are used for interoperation with other systems (Veterinary Administration). The users access and use the web application through any modern browser like Firefox, Internet Explorer or Opera.

<table>
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<tr>
<th>Question</th>
<th>Answer</th>
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<tr>
<td><strong>What is the business model?</strong></td>
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<td><strong>How is it financed</strong></td>
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<td>(government, private sector, Private-Public partnership)?</td>
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<td><strong>What were the costs of establishment of the facility?</strong></td>
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<td><strong>What was the difference between estimated costs and real costs?</strong></td>
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<td><strong>What are the ongoing operational costs (annual)?</strong></td>
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<td><strong>What are the user fees (if any) and annual revenue? Model of payment (fixed price per year, price per transaction, combination, other model)?</strong></td>
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<td><strong>How will the SW be sustained over the coming years?</strong></td>
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<td><strong>Do the revenues generated cover operational costs or do they make a profit?</strong></td>
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<td><strong>Are the revenues (if any) reinvested in the SW?</strong></td>
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<td><strong>What technology is used?</strong></td>
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<td>How are data submitted (electronically – what type of format/language, paper – what forms, combination – what kind of combination)?</td>
<td>Web-based form designer allows administrators from the respective institutions to create new forms and to modify existing forms. The forms are used for electronic submission of the applications for import, export and transit licenses and quotas and for issuance of certain types of licenses for which the form (template) is prescribed by law. Users of EXIM system use this web forms to input and validate form data, after that XML file is created on the client side and is digitally signed using user's digital certificate. This XML file is then sent to EXIM system, signature is validated and the data is entered in EXIM database. Once completed, the modules for transit customs declaration and TIR will enable electronic import of data from the customs brokers using a standardized XML format.</td>
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<td>Where are data sent and lodged (government or private entity)?</td>
<td>Data from the business community is sent into EXIM system and then disseminated to the relevant authorities.</td>
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<td>Who can submit data (importer, exporter, agent, customs broker)?</td>
<td>Data can be submitted by the actual traders (importers and exporters) and by entities that act on their behalf and in accordance with the applicable Macedonian legislation, such as customs brokers.</td>
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<td>Promotion and communication</td>
<td>First promotional activities started long before EXIM launch. On several occasions, the Government of Macedonia and USAID organized public presentations aimed at informing the public and the business community about the concept of the system. In July 2008, a pilot-project started that included three institutions and ten companies. After the official full-scale launch of EXIM on 1st November 2008, a high-level promotional event was organized in December 2008. In addition, EXIM is being promoted through distribution of a promotional brochure that contains brief information on system’s functionalities.</td>
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<td>How were all stakeholders kept informed about the facility’s progress?</td>
<td>See above.</td>
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<td>What kind of training was provided for users?</td>
<td>During the first half of 2009 a series of trainings will be delivered for the members of the business community. Trainings will be organized for targeted EXIM users throughout the country.</td>
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<td>Do you provide any helpdesk or customer service?</td>
<td>EXIM Help Desk is available consisting of representatives of the Customs Administration and the participating institutions.</td>
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<td>Is use of the facility obligatory or voluntary?</td>
<td>The use of the system is voluntary for the business community and mandatory for government institutions, i.e. the latter are obligated to enter in EXIM also license applications received in paper.</td>
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<td>Do participants need to sign a contract with provider/agency in order to participate?</td>
<td>Users have to sign contracts/agreements in order to get access to the system.</td>
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<td>Was specific legislation (or change of old legislation) necessary?</td>
<td>In order to introduce the system, Macedonia changed a large number of laws and regulations that regulate areas such as administrative procedures, administrative taxes, electronic signatures, etc. In addition, the Government adopted a separate regulation establishing EXIM.</td>
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<td>How is the privacy of information protected?</td>
<td>This issue is treated under the applicable Macedonian legislation on privacy of data.</td>
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<td>What is the role of international standards (UN/EDIFACT, UNLOCODE, UN/CEFACT Single Window Recommendation, etc) in your SW?</td>
<td>The UN/CEFACT Recommendation 33 on Establishing and Single Window and draft Recommendation 34 on Single Window Data Harmonization and Standardization were seriously consulted and followed to a great extent in the course of conceptualization and implementation of the project.</td>
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| What are the benefits to clients and to participating agencies?          | • Speeding up of the procedure and flow of information and goods across the border.  
• Result in smaller number of documents and reduce the need for double typing of information, due to the process of harmonization and standardization.  
• Electronic application and control of licenses and data.  
• Savings in money and time for issuing licenses and for developing and maintenance of separate agencies systems. |
| How did it benefit trading community and the Government?                 | Please refer to the answer to previous question.                                                                                                                                                      |
| What was the impact on Customs revenues?                                | First statistics on the impact of EXIM on the customs revenue will be available at the end of 2009.                                                                                                      |
| What problems did it solve?                                             | Please refer to the answer to the first question in this section.                                                                                                                                    |
| Lessons learned                                                         | • Support and commitment from the highest political level.  
• Dedicated team of experts who worked on developing the system.  
• Expected benefits for the government institutions and the trading community. |
| What were the greatest obstacles?                                       | • Implementation of necessary procedural, organizational and legal changes.  
• Harmonization of data. |
- Reluctance to changes by some lower level officials.

**What are the main lessons learned?**

Macedonia will be able to draw a list of lessons learned after the full completion of the system.

**Future plans**

As already stated before, the future plans include development of modules for electronic submission and processing of the transit customs declarations and TIR documents, as well as inclusion of other licensing procedures. The future plans also include integration of EXIM with the System for Integrated Border Management and the Customs Declaration Processing System - CDPS.

**What are the plans for further development of the SW?**

Macedonia does not envisage obstacles in addition to the ones already faced during the implementation of the first phase activities.

**What are the biggest obstacles to further development of the SW?**

Macedonia pays significant attention to all initiatives and events regarding regional single window. Data that have already been standardized are also harmonized according to the WCO Data Model. However, future regional developments in this area will depend on the willingness and readiness of other countries in the region to pursue such initiatives.

**Do you intend to make agreements concerning SW cooperation on the regional level?**

Macedonia values the importance of regional exchange of data and it is willing to enter into such agreements as soon as all legal and technical conditions are met.

**Are you planning to have agreements for exchange of data with SW running in other countries?**

Source for further information

**Website:**


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