

ne TRADE NSW Newsletter

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SPOTLIGHT ARTICLE



Trade National Single Window: Sri Lanka's Gateway to Competitive Global Market

The Trade National Single Window System (TNSWS) Project is a flagship initiative of the Government of Sri Lanka, operating under the Trade and Investment Policy Department of the Ministry of Finance, Planning, and Economic Development. Its goal is to enhance trade facilitation by creating a centralized digital platform for international trade, allowing businesses to submit standardized information and documents through a single-entry point. This system will streamline processes, reduce redundancy, and improve efficiency by connecting multiple Government Agencies (GAs) responsible for issuing Certificates, Licenses, Permits, and Recommendations (CLPR) for imports, exports, and transshipments.

Project Implementation and Roadmap

The TNSWS Project officially commenced 2024, October 1, establishment of a Project Implementation Unit (PIU). In its initial phase, 18 Government Agencies and 5 Corporate Sector Chambers will be integrated by 2027, as per the Cabinet decision of June 2022. To ensure smooth execution, the PIU developed a comprehensive NSW Development Roadmap, including: Project Plan, Implementation Strateaic Implementation Plan and Monitoring & Evaluation Framework.

This roadmap was submitted to the Ministry of Finance and shared with potential donor agencies to secure Technical Assistance (TA). The blueprint for the project was originally prepared by the World Bank in 2018, with financial support from AusAid. Further research was conducted to incorporate global best practices and lessons learned from similar implementations worldwide.

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What's National Single Window?

"A facility that allows parties involved in trade and transport to lodge standardized information and documents with a single-entry point to fulfill all import, export, and transit-related regulatory requirements. If information is electronic, then individual data elements should only be submitted once."

— United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT)



Message from the Secretary to the Treasury

The need to improve the efficiency and reduce the costs of Sri Lanka's international trade operations is a long-felt requirement by all stakeholders in the country. In the prevailing global trading environment, the competitive edge in trading success needs to be derived through improved trade facilitation. Furthermore, as a signatory to the Trade Facilitation Agreement of the World Trade Organization (WTO - TFA), Sri Lanka is required to establish a Single Window System under the Category C commitment. The Single Window System in itself is a longfelt requirement, which has been in demand by both the private and public sector, as a key tool for enhancing trade facilitation. This concept has been in discussion for over a decade even before becoming party to the WTO - TFA in 2017, and several attempts were made to establish a Single Window System in Sri Lanka. However, there were few concrete outcomes until the Blue Print report, which is a scoping document facilitated by the World Bank Group with the financial support of the Government of Australia in 2018, was submitted to the Ministry of Finance in 2022.

With the approval of the Cabinet of Ministers, the Ministry of Finance, Planning and Economic Development, together with the Department of Trade and Investment Policy, initiated implementation of the Trade National Window System Project by establishing a dedicated Project Implementation Unit. This unit is responsible for the entire implementation on behalf of the Ministry of Finance, Planning and Economic Development. Having considered the urgency of having the Single Window



System in place for the purpose of trade facilitation, implementation of the Project commenced with the Government allocating funds.

A High Level Steering Committee and Project Implementation Committee, approved by the Cabinet of Ministers, were

constituted to ensure expeditious implementation of the Single Window project. These groups have held regular meetings and progress is being made.

With the commitment of the Department of Trade and Investment Policy, together with the support of the established Project Implementation Unit, there is a notable improvement in the implementation of this initiative compared to past efforts.

Building on this encouraging start, I trust the Project Implementation Unit and all related stakeholders will continue these efforts to a successful finalization. This would be a key contribution to Sri Lanka's economic recovery that must be led by the export sector, which depends on an efficient and competitive trade facilitation regime. I wish the project all success.

K.M. Mahinda Siriwardana Secretary to the Treasury

Message from the Deputy Secretary to the Treasury

As Sri Lanka continues on its journey of economic recovery, exports and other non-debt creating forex inflows are a crucial element of this journey. As the economy has successfully stabilized, it is now important that economic expansion builds on an improved qualitative dimension, particularly in the form of export led economic growth. This increase in foreign exchange inflow is important to continue to build up foreign exchange reserve buffers and to create the necessary foreign exchange liquidity to facilitate smooth debt service payments in the future. Sri Lanka must use the space created by the debt restructuring process to put its house in order so as to enable a comfortable, non-disruptive environment for future debt service.

Cross-border trade brings multiple benefits to individuals, organizations and countries. Cross-border trade promotes local industries towards international

markets and rooms to import new technological and innovative products into the country. It creates employment opportunities, earns foreign exchange, attract foreign direct investment, transfers new technologies and



innovation into the country and improves the income level and living standards of the citizens. In a nutshell trade beyond the border creates economic growth and sustainable development in a country. Recent studies reveal that there are delays in the cargo movements due to regulatory processes in export, import and transshipment trade in Sri Lanka and it increase transaction cost. The trade community expects that the regulatory processes should simplified to facilitate the international trade in Sri Lanka. So, it is a prime and

urgent need to eradicate or minimize such barriers to facilitate export, import and transshipment trade to obtain many advantages and benefits to the country.

World Trade Organization (WTO) regularizes and simplifies international trade between member countries ensuring predictable global supply chain. Government of Sri Lanka entered the WTO Trade Facilitation Agreement (TFA) in 2017 and is obliged to comply with the components as per Article 10.4 of TFA. Accordingly, National Single Window is one of the key components to be established for facilitating export, import and transshipment trade before 31st of December 2030. Ministry of Finance, Planning and Economic Development has established the Project Implementation Unit under the Department of Trade and Investment Policy for implementing TNSWS within a timeline of 3 years commencing from 1st October 2024.

The importance of trade competitiveness has become all the more pronounced given the major volatility seen in global trade markets in recent months. In such a context it becomes all the more important that countries like Sri Lanka do everything that is within their control to create a conducive environment to facilitate trade and exports.

I am sure that implementation of TNSWS is a great challenge assigned to the Project Implementation Unit. The success of this project depends on mutual understanding, cooperation and contribution of all stakeholders. Finally, I am very confident that TNSWS will eradicate or minimize the existing bottlenecks in cross-border supply chain and facilitate a smooth cargo flow at the border once it is fully established in Sri Lanka.

Therefore, a collaborative effort amongst the government and private sector will be the cornerstone of this initiative, which is crucial for the continued successful recovery of the Sri Lankan economy.

Good luck!

Dilip de Silva Deputy Secretary to the Treasury

Message from the Director General, Department of Trade & Investment Policy

As a signatory to the Trade Facilitation Agreement of the World Trade Organization (WTO – TFA), Sri Lanka is required to implement a Single Window System to enable single entry point to submit all data and documents required by the traders in their crossborder trade flows (imports, exports, trans-shipments) to



the Border Trade Regulatory Agencies and notification of the result of such process automatically through the system.

Hence, the Ministry of Finance, Planning and Economic Development together with the Department of Trade and Investment Policy has commenced implementation of the Trade National Single Window System Project (TNSWSP) through a dedicated Project Implementation Unit (PIU), comprised of a Project Director and key subject matter experts. It is expected to complete the implementation of the Project within 36 months by integrating 18

Government Agencies and 5 Chambers to the core system with all supportive legal infrastructure in place.

From October 2024 onwards, the PIU has commenced its initial activities by reviewing the Blue Print, a scoping document, prepared by the World Bank to match with the Sri Lankan context. So far, they have come up with the necessary documentations including the Project Implementation Plan. Further they are in the process of selecting best possible option of Single Window System Model for Sri Lankan context with the extensive technical support from the Asian Development Bank.

In this context, I would like to wish them good luck, on behalf of the Department of Trade and Investment Policy for all the success to complete implementation of the TNSWSP within the timeframe, since this would be a great achievement to Sri Lanka in facilitating trade at new heights.

M.K. Pradeep Kumara
Director General
Department of Trade and Investment Policy

Enhancing Trade Efficiency and Integration: Overview of the TNSWSP

The Government of Sri Lanka plans to implement a Trade National Single Window System (TNSWS) to facilitate international trade in order to achieving economic growth of Sri Lanka. Trade National Sinale Window System (TNSWS) is a commitment made as a partial fulfilment of the WTO Trade Facilitation Agreement. World Bank provided with technical assistance for undertaking a base-level study and preparation of a Blueprint for project. The contract this implement the World Bank-funded assignment, "Technical Assistance for Preparation of a National Single Window" was awarded to PM Group, Ireland in 2017. PM Group has prepared the Blueprint including detail technical assistance

reports on specifications for the NSW Product and three reports on specifications for the NSW Program in 2018.



Department of Trade and Investment Policy under the Ministry of Finance established a Project Implementation Unit (PIU) in October 2024 to implement the Trade National Single Window System in Sri Lanka upon the approval of a Cabinet Memorandum in June 2022. The PIU has prepared the Project Implementation Plan (PIP) based on

the contents of the blueprint reports and comprehensive literature review while studying the international experience carefully and conducting a series of sessions with the specialists at the project.

Project Implementation Unit (PIU) has commenced their operations initially with 05 experts on 01st October, 2024. The allocated time duration for the project implementation is 3 years and therefore, PIU is in a position to take up this project within the timelines.

18 Government Agencies (GAs) and 5 Private Sector Agencies are the stakeholders in the TNSWS as per the cabinet approval.

Defining Our Future: Vision and Mission of NSW

Vision

"Be an excellent digitally-integrated, simplified & efficient interface for trade facilitation in the South-Asian region"

<u>Mission</u>

"Re-engineering regulatory process and deploying a
"Single Window" to facilitate cross border trade
efficiently, while ensuring regulatory controls and providing reliable,
secured and user-friendly electronic environment"



Setting the Stage: Goals & Objectives of TNSWSP

GOALS:

- Adopting trade facilitation measures embodied in the World Trade Organization's (WTO) Trade Facilitation Agreement (TFA).
- Establishing "cross border, 'intelligent', facility that allows parties involved in trade and transport to lodge standardized information, mainly electronic, with a single-entry point to fulfil all import, export and transit related regulatory requirements".





- Enhancing efficiency of cross-border formalities and procedures to create a conducive environment for exporters and importers, leading to at least 50% better, faster, cheaper trading across borders at the end of 2030.
- Increasing the ability for manufacturers / exporters / importers to integrate into global production networks / Global Value Chains (GVCs).

OBJECTIVES:

 To re-engineer the business processes related to international trade in 18 government agencies and their separate sites for those agencies and stakeholders at the end of 2027.



 To create physical and technical infrastructure and data communication networks with sophisticated ICT services including new ICT end-user and network equipment at 18 government agencies at the end of 2027.

- To develop a single platform online including a payment gateway and paperless services for importers, exporters. traders and their agents to comply all regulatory requirements in an ebusiness environment at the end of 2027.
 - To integrate 18
 Government Agencies with National Single
 Window System at the end of 2027.
- To establish a Governance and Management Agency for long-term operation, once the project is fully operationalized at the end of 2027.



Expected Outcomes

- Increasing trade and economic growth by aligning and simplifying import and export procedures to reduce the transaction costs.
- Providing fully digitalized interface in import and export trade by allowing electronic submission of information and documents.
- Establishing a facility for traders, agents and logistic service providers involved in international trade to lodge standardized information, digitally in a single-entry point.
- Facilitating legitimate trade by improving compliance, enforcement security, and safety.
- Enhancing the efficiency of crossborder formalities and procedures to create a conducive business environment



 Reengineering of business process in 18 government agencies for streamlining administrative workflows



- Reducing administrative burden of 25,000 traders through single submission of data and documents
- Simplifying of trade documents and regulatory processes in 18 government agencies
- Establishing a digital interface to all import, export and transit administrations
- Creating an online payment gateway for fees and charges



- Harmonizing formalities and trade procedures in 18 government agencies to address duplication of regulatory requirements
- Reforming legal and regulatory environment in 18 government agencies

Driven by Purpose: Core Values of TNSWSP

• Maintaining Good Governance



- Building Collaborations Working together to build strong intra & inter agency relationships with GAs, business community, industry, chambers and sectorial associations.
- Integrity & Accountability Maintaining highest integrity and accountability for all what we do.



- Trust Building mutual trust by sharing and recording experience
- Open Communication & Transparency -Maintaining open communication with all stakeholders



 Mutual Respect - Encouraging mutual respect for each stakeholder working norms, their systems & procedures to enhance a safe and secure trade facilitation environment.

Selected GA's for Piloting

Department of Customs



Department of Animal Health and Production



Department of Animal Health Sri Lanka Standard Institution



National Plant Quarantine Service



Department of Import and Export Control





Securing Technical Assistance

Recognizing the importance of Technical Assistance, the PIU engaged with key donor agencies, including the EU Delegation, ADB, AusAid, World Bank, and ITC. As a result, the ADB deployed a consultant to conduct a scoping study and design TA packages for implementation. Discussions with other donor agencies are ongoing to secure additional expertise.

Stakeholder Engagement

To ensure collaboration and validation, the PIU conducted two workshops with 18 Government Agencies, involving heads of organizations, project focal points, and private sector representatives. Additional focus group discussions and meetings with trade associations helped identify business process improvements, data management needs, and document simplification strategies. A Memorandum of Understanding (MoU) was drafted and approved by the Project Implementation Committee (PIC), with plans to secure formal agreements with participating agencies.

Public Awareness and Branding

To enhance visibility and stakeholder engagement, the PIU is developing a dedicated website for the NSW system. Additionally, social media accounts on LinkedIn, X (Twitter), Instagram, YouTube, and Facebook were launched in November 2024 and are actively updated to reach the trading community.



Implementation Strategy and Next Steps

The PIU aims at awarding the software development contract by the end of 2025 for the first pilot agencies, following a phased approach (prototype development, piloting, and rollout). The six pilot agencies selected include: Sri Lanka Customs (Lead Agency), Sri Lanka Standards Institution (SLSI), Import and Export Control Department (IECD), Department of Animal Quarantine (DAQ), National Plant Quarantine Services (NPQS), and



Food Control Administration (FCA) unit under the Ministry of Health.

The first Technical Assistance package, focused on appraising and recommending a suitable NSW system, has commenced based on the ADB scoping study. The next steps include:

- Developing technical and operational specifications
- Preparing bid documents for software and hardware procurement
- Completing the Request for Proposal (RFP) by August 2025

Expected Impact

The NSW Project is expected to:

- Enhance trade facilitation environment and attract Foreign Direct Investment (FDI)
- Improve the regulatory environment and reduce transaction costs
- Increase efficiency, transparency, and competitiveness
- Link Local Value Chains (LVCs) with Global Value Chains (GVCs)
- Promote sustainability by reducing the carbon footprint through a paperless environment, aligning with the UN Sustainable Development Agenda

Call for Support

The PIU seeks continuous support from political authorities, ministry secretaries, government agencies, and private sector stakeholders to ensure the successful implementation of the NSW Project and transform Sri Lanka's trade landscape.

Neelakanth Wanninayake Project Director Trade National Single Window System Project

Our Partners: Driving progress through collaboration

As per the PIP, National Single Window will be integrated to 18 Government Agencies and 05 Corporate Sector Chambers. The following Government Agencies (GAs) and Private Sector Agencies are the stakeholders in the TNSWS project as per the approval of the Cabinet of Ministers in June 2022.

Government Sector Agencies → 18

Government Agencies	Website
1. Department of Customs (as the Lead Agency)	https://www.customs.gov.lk/
2. Department of Commerce	https://www.doc.gov.lk/
 Animal Quarantine Office (Department of Animal Health and Production) 	https://daph.gov.lk/
4. National Plant Quarantine Service	https://doa.gov.lk/
5. Food Control Administrative Unit	https://eohfs.health.gov.lk/food/
6. Sri Lanka Standard Institution	https://www.slsi.lk/
7. Telecommunication Regulatory Commission	https://www.trc.gov.lk/
8. National Medicine Regulatory Authority	https://www.nmra.gov.lk/
9. Department of Import and Export Control	https://eservices.imexport.gov.lk/
 Department of Fisheries and Aquatic Resources (Ministry of Fisheries) 	https://fisheriesdept.gov.lk/
11. Sri Lanka Gem and Jewelry Authority	https://ngja.gov.lk/
12. Department of Export Agriculture	<u>https://dea.gov.lk/</u>
13. Department of Fiscal Policy	https://www.treasury.gov.lk/web/department- of-fiscal-policy/section/department-of-fiscal- policy
14. Department of Trade and Investment Policy	https://treasury.gov.lk/web/department-of- trade-and-investment- policies/section/department-of-trade-and- investment-policies
15. Department of Inland Revenue	https://www.ird.gov.lk/
16. Department of Excise	https://www.excise.gov.lk/
17. Sri Lanka Ports Authority (Terminal Operators)	https://www.slpa.lk/
18. Air Cargo Terminals	https://www.srilankancargo.com/

Private Sector Agencies → 05

	Private Sector Agencies	Website
1.	The Ceylon Chamber of Commerce	https://www.chamber.lk/
2.	The National Chamber of Commerce of Sri Lanka	https://nationalchamber.lk/
3.	National Chamber of Exporters	https://nce.lk
4.	Federation of Chambers of Commerce and Industries	https://www.fccisl.lk/
5.	International Chamber of Commerce	https://iccwbo.org

Empowering Stakeholders Through Awareness

Familiarization Workshop

establish stakeholders of the project leading to successful implementation of the activities and familiarize with proposed the project interventions, inaugural familiarization workshop



Mr. Dillip De Silva, Deputy Secretary to the Treasury, Addressing the audience

Boarder Process Specialist, Dr.Issadeen
Bawa addressing the audience

held on Friday 29th November 2024 at Central Bank Center, Training Rajagiriya. Mr. Dillip De Silva, Deputy Secretary to the Treasury attended as the chief guest of the event.

All GAs and officials attached to the trade facilitation in the relevant organizations, officials from Trade and

Investment Policy
Dept. and
representatives
from few donor
agencies attended
for the session.

During the above workshop the project implementation approach and methodology with the draft Project



Mr. Neelakanth Wanninayake, Project
Director addressing the audience

Implementation Plan (PIP) were presented by Mr.Neelakanth Wanninayake, the Project Director. Further, panel discussion conducted to obtain comments for the draft PIP, Vision, Mission statements and Goals, Objectives, Outcomes and Outputs of the project.

Similarly, Dr. Issadeen Adam Bawa, Border Process Management Specialist presented the GA selection criteria and for piloting, and the way forward of the TNSWS project.





Workshop to Validate the NSW Development Roadmap

with the objective to present and validate the Project Implementation Plan, Strategic Implementation Plan and Results Framework with presence of the entire stakeholders of the project, a validation workshop was conducted on 14th March 2025



Mr. Udaya Liyanage, External Consultant (Trade Facilitation), ADB addressing the gathering

at the Sri Lanka Institute of Administration Development (SLIDA). Further to the above opportunity was given to Mr. Jonathan Koh, an NSW expert, deployed by ADB as the external Consultant for a scoping study to design the Technical Assistance required for the project implementation. Similarly, he made a presentation to the audience taking international experience and lessons learnt while working in many countries for the benefit of entire stakeholders. Project Director made presentation "NSW on Development Roadmap" to get it validated from the entire stakeholders followed by a way forward plan for the coming months.



Mr. Jonathan Koh, ADB Consultant addressing the audience



Dr. Issadeen Adam Bawa, Border Process Management Expert making the welcome remarks

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