

3 – 4 February 2025 Presented by : Louise Wiggett



Overview

- The need for Digitization & Interconnectivity
 - Case Studies

Digitization Benefits

Interconnectivity Benefits

Recommendations



Need for Digitization

- Global trade is becoming increasingly complex
- The volume of international flows has increased exponentially and continue to grow
- Risks involved in manual processes: delays, errors, fraud
- Cost of manual processes continues to increase
- Digitization provides efficiency and transparency
- Digital transformation trends
- Interconnectivity is the desired "End State"





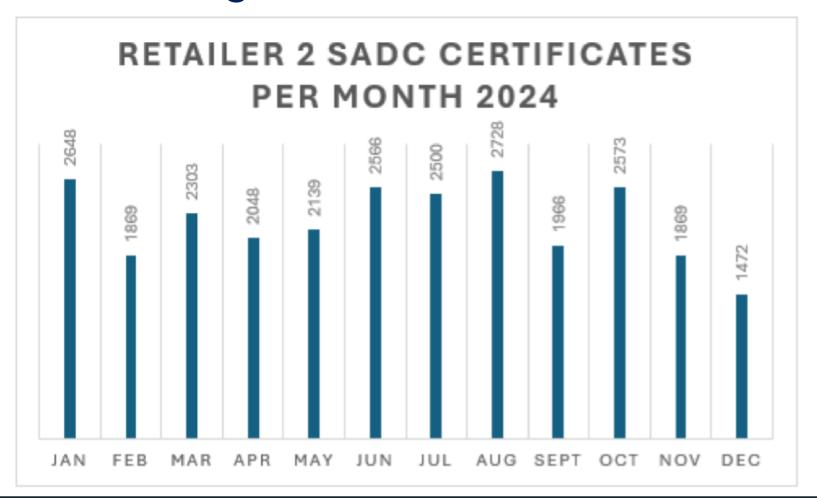


Outcome of the Process



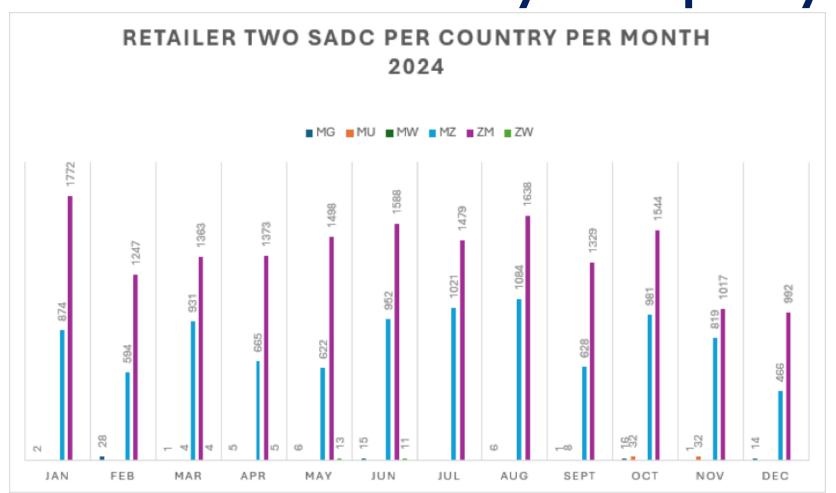


Need for Digitization – Volumes / Growth





Need for Interconnectivity – Complexity





Digitization Benefits Benefits identified from trade for ECO implementation

Driver and Petrol Cost

- No Customs processing center in the vicinity, we had to rely on HQ and the borders for processing of our hard copies
- 2 round trips for processing, drop for the processing and then collection come and sometimes we had to go to remote office to process or amend certificate
- Post implementation a huge reduction in our movements and we do it in the in the comfort of our offices
- SZI 600 000.00 to which is now a save on petrol and environmental impact reduced

Courier costs

- Most of the countries we have been dealing with are still dealing with outdated systems always wanting a hard copy of the certificate, with the delays in processing you may find that we load truck it departs without the certificates then we had to send it via courier to be able to start preclearance
- +-SZL 350 000.00 in courier costs

Time saving

 Overall processing time from the manual to ECO has reduced significantly allowing the employee's more time to attend to compliance and other activities



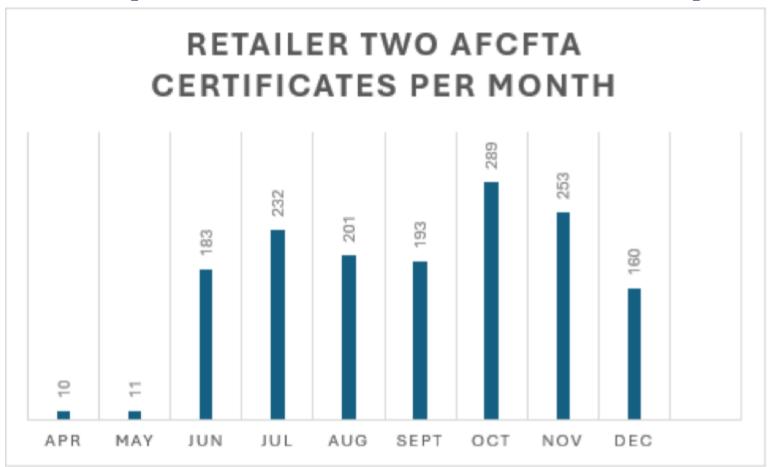
Digitization Benefits Benefits identified from trade for ECO implementation

- During the manual phase, the application for registration as an exporter took +/- 2 weeks, now the process takes 30 minutes or less.
- During the manual phase, the application/request for a SADC certificate could take 2-8
 hours, now once an exporter or trader is registered on the e-CoO platform, the certificate
 can be issued within 2 minutes of submission.
- The trading community has expressed their satisfaction with the platform and the bbenefits for Eexporters have been highlighted:
 - Easy access to historical transaction.
 - Reduction in time and cost of processing
 - Access to Download eCoO copies
 - Reduction in Data errors
 - Online platform allows accessibility from anywhere
 - Guaranteed preferential treatment where origin is proven
 - Reduces shipment delays due to incomplete certificates

The platform attained the objective easy movement of goods, reduction in cost & time promotion of a paperless environment as well as to improve intra-regional trade



Need for Interconnectivity – Regional Development – Volumes and Complexity





Interconnectivity Framework Benefits

- Technology has the ability to simplify and enhance the origin determination & verification substantially
- Solutions based on blockchain can significantly improve the capacity for risk analysis and targeting thereby contributing to greater trade facilitation
- Can equip Customs with the necessary tools to tackle problems of compliance as it provides and unbiased tool essentially designed for uploading and sharing of information between unrelated parties
- Assist with the end-to-end integrated supply chain management in a transparent & trusted manner
- Can also assist with the following :-
 - Inter- agency cooperation & exchange of information
 - Electronic certification and verification good example is digitization of the certificate of origin declarations
 - Compliance management and improvement in the overall quality of the data



Private Sector Success Already Achieved

Walmart - IBM Foodtrust

- Collaboration with IBM to secure food supply and monitor condition of food across large supply chain
- Enables efficient tracking of food provenance & origin
- Connects participants across the food supply to increase food safety, reduce supply chain efficiencies, minimize waste and enhance consumer trust



LVMH, Cartier and Prada – Aura Blockchain Consortium

- First global luxury blockchain
- Each product has a unique digital identifier
- Customers can access the history of the product
 - Origin
 - Components & composition
 - Environmental & ethical information
 - Proof of ownership, warranty & care instructions



Recommendations

- Strong Government and Private Sector collaboration
 - Framework Development
 - Data Exchange Specification
 - Data Exchange Technology requirements
- Focus on Regional integration vs bilateral
- Capacity building & change management
 - Customs
 - Trade
- Policy / Regulatory support





