

MEMORANDUM

To: Therese Turner-Jones
General Manager, CCB and Country Representative in Jamaica, CCB/CJA

From: Krista Lucenti
Sector Sr. Specialist, INT/TIN

Subject: JAMAICA. Knowledge exchange in Electronic Single Windows: The case of the Mexican Trade Electronic Single Window (VUCEM). (JA-T1174)

Date: June 20, 2019

I. Background

The Jamaica Customs Agency (JCA) has over the past five (5) years made significant strides in its reform and modernization programme. JCA has committed to move away from traditional procedures, where physical and pre-release controls are the norm, to the incorporation of greater use of ICT, risk management and post-release controls in the execution of its functions. JCA's main mandates are trade facilitation, the protection of society and borders, and revenue maximization. JCA has within the past five (5) years implemented various operational changes towards ensuring its mandates are seamlessly executed. Some of the main reform programmes and activities include:

- Implementation of the ASYCUDA World customs management system, which allows for the paperless submission and processing of declarations;
- Implementation of a new organisation structure and performance-based contracts for key positions within the JCA;
- Development of Standard Operating Procedures across the JCA; and
- Implementation of the Authorised Economic Operator programme and Express Cargo Clearance Process.

While these reforms have mostly contributed to reducing the time to prepare trade documentation, Jamaica's overall competitiveness of trade processes, as measured by international indices, remains sub-optimal. For example, Jamaica's 2019 Trading Across Borders ranking in the World Bank's Doing Business Report is 134 out of 190 economies, with a score of 61.54 out of 100. This is below the regional average score of 69.15 for Latin America and the Caribbean. In addition, there has been no change in the score and ranking from 2018, signaling a lapse in the implementation or impact of reforms. Furthermore, Jamaica's performance on the 2018 Logistics Performance Index with a ranking of 113 out of 160 countries and a score that is also below the regional average, illustrates that there is still significant room for improvement. Finally, Jamaica's ranking of 101 out of 140 economies in the efficiency of the clearance process component of the Global Competitiveness Index highlights the deficiency in the border compliance component of trade, which continues to suppress their rankings on these international indices. Considering this, several priority areas

have been identified to increase trade facilitation and assist the JCA in effectively achieving its mandates. These include the implementation of an Electronic Single Window (ESW), further enhancement of Risk Management tools and techniques, Post Clearance Audit and the use of Non-Intrusive technologies in the clearance process.

II. Objective

The objective of the technical cooperation is to support Jamaica Customs Agency JCA and other stakeholders to conduct a study tour to Mexico in order to meet with officials and leaders of the Mexican Electronic Single Window (VUCEM) to observe the deployment of this trade facilitation platform in Mexico and exchange knowledge, lessons learned and best practices..

This objective is consistent with the objectives and standards of the Ordinary Capital Strategic Development Program for Countries whose objectives include: to "strengthen the technical and managerial capacity of national and/or subnational governments (...)" and to "expand access to intraregional experiences and advance the exchange of cooperative know-how among all borrowing member countries". (GN-2819-1, section II, paragraph 2.1).

III. Concordance with the Country's Development Policies and Strategies

This technical cooperation aligns with the Country Strategy of Jamaica 2016-2021 (JA-P1111), which supports the Government's development agenda through addressing constraints to economic growth. This TC will further support Customs activities initiated under JA-L1039 (FAMP) – those related to trade clearance processes and not to fiscal revenue collection – with a view to providing an opportunity for the Jamaica Customs Agency and other border agencies, to observe the deployment of trade facilitation platforms and processes in Mexico, and exchange knowledge, lessons learned and best practices in order to improve the quality and efficiency of trade services offered in Jamaica.

The programme aligns with the IDB Update to the Institutional Strategy (UIS) 2010 2020 (AB-3008) and with the development challenges of: economic integration, by facilitating trade and integration into regional and global markets. The TC is also aligned with the priorities defined in the Integration and Trade Sector Document (GN-2715-6).

IV. Conformity with the Bank's Norms and Conditions

The Bank has received official communications of no objection required from the authorities of the Jamaica Customs Agency, through the Bank's official liaison, the Planning Institute of Jamaica.

The financing request is consistent with the objectives and standards of the Ordinary Capital Strategic Development Program for Countries (GN-2819-1, section II). The proposed activities are consistent with the eligible activities of the Program, which include "Knowledge sharing and dissemination activities (...) or activities to enhance dialogue and cooperation, with the participation of representatives of the public and/or private sector representatives." (GN-2819-1, section II, paragraph 2.29, subsection 6).

V. Participants

The participants selected who would travel to **Mexico City, Mexico** for **3 days** and **Queretaro, Mexico** for **1 day** to take part in the activity program attached to the present memorandum. The trip is scheduled for July 9-11, 2019, with a day of travel on either side.

List of Participants			
No.	Name	Title	Institution
1.	Marlon Lowe	Deputy Commissioner	Jamaica Customs Agency
2.	Alwyn Nicely	Deputy Commissioner	Jamaica Customs Agency
3.	Kingsley Henry	Director	Jamaica Customs Agency
4.	Andre Williams	Project Manager	Jamaica Customs Agency
5.	Maurice Coke	Project Manager, SW Project	Jamaica Customs Agency
6.	Michelle Bryan	Acting Senior Director	Jamaica Customs Agency

VI. Budget

The Bank would contribute to the costs of the operation, pursuant to the following budget.

Budget in US\$					
Description	City/Country	Rate	Days	Quantity	Total
Travel airfare in economic class	From Kingston, Jamaica to Mexico City, Mexico; From Queretaro, Mexico to Kingston, Jamaica	1,600	-	6	9,600
Per Diem (Hotel, Meals & Incidentals)	Mexico City, Mexico	362	3	6	6,516
Per Diem (Hotel, Meals & Incidentals)	Queretaro, Mexico	179	1	6	1,074
Internal Transportation	Mexico City to Queretaro (ground transportation - one way)	1,500	-	1	1,500
TOTAL					US\$ 18,690.00

VII. Disbursement and Execution

The total number of activities considered in this technical cooperation shall be carried out within a period of 6 months from the date of approval. This operation will be executed by the Bank.

VIII. Reports

The achievements of the operation, focused on lessons learned and knowledge transfer to the Bank's operating program, must be reported in the Bank's system within 120 days from the financial closure of the operation.

IX. Approval

Pursuant to Resolution DE-103/14 dated July 30, 2014 and Memorandum dated December 16, 2014, the President has delegated to the Country Representatives of the Bank, the authority to approve individual nonreimbursable technical cooperation operations financed with resources from the net income of the Ordinary Capital of the Bank up to the amount of US\$750,000; consequently, taking into consideration that the amount proposed for this operation does not exceed the amount of US\$750,000, the Country Representative in Jamaica approves this technical cooperation operation up to the amount of US\$18,690.