Thesis for the Master Degree

Korea as a Model for Cameroon

A Comparative Analysis of Single Window Systems for International Trade Facilitation

by

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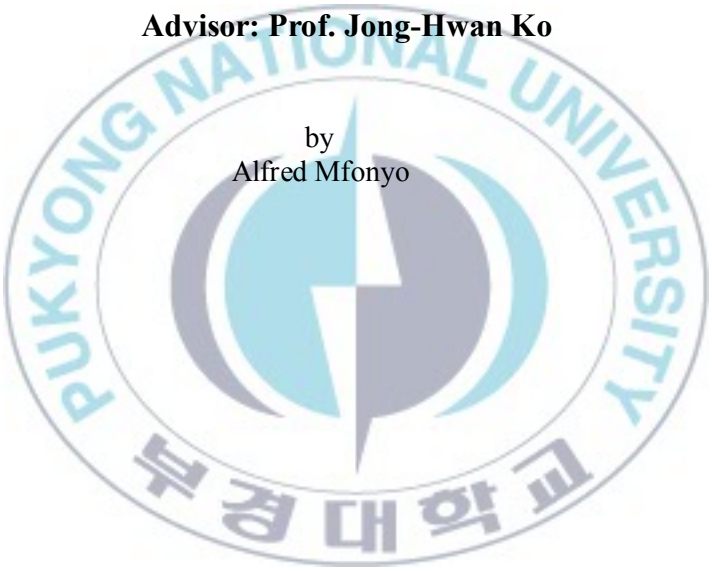
한국과 카메룬의 국제무역원활화를 위한 Single Window System의 비교연구

Advisor: Prof. Jong-Hwan Ko

by
Alfred Mfonyo



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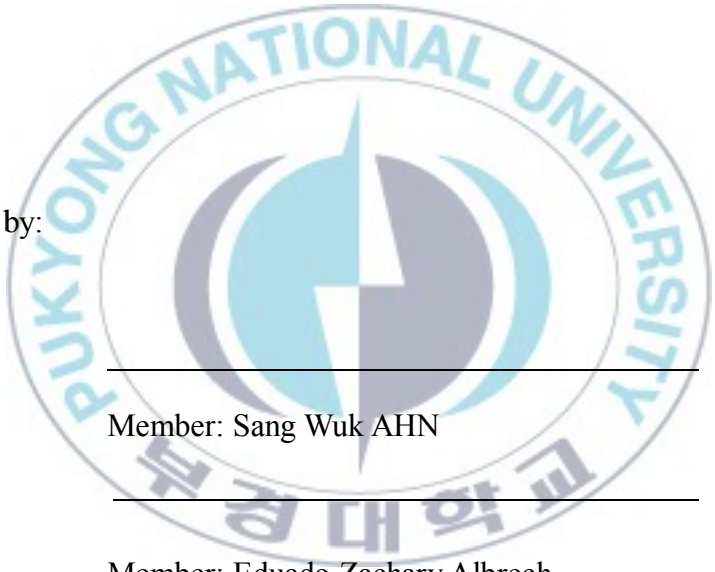

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Abstract

The Single Window (SW) concept has gained popularity amongst states and trade-related organizations as a practical approach to international trade facilitation. A SW is a facility that allows traders to complete import/export clearance requirements at one stop. It is believed to improve the process of fulfilling requirements for cross border trade by enhancing the flow of information between traders and border regulatory agencies, reducing cost for both trade and government.

South Korea is one of the countries that recently adopted the SW system to regulate its international trade. However, its SW has emerged as one of the best in the world. Korea ranked first in competitiveness of exports and imports customs clearance in 2009, succeeded in saving over $2.2 billion annually between 2009 and 2011, and is a new entry amongst the first ten countries in the ease of trading across borders. Cameroon also has a SW system that is still struggling to meet its objectives.

This study explores the variations between the characteristics of the SW systems of Korea and Cameroon, with an aim of bringing to light those lessons that Korea's SW system offers Cameroon. It uses a comparative case study approach, to analyze the pre conditions, strategies and policies used in the development and management of both SWs.

The research suggests from Korean experience, that pre-existing conditions, like ready finances, and widespread IT knowledge/internet access, a strong government support, together with better implementation and management strategies are necessary for implementing a successful SW that would improve Cameroon's business environment.

Key Words: Trade Facilitation, Single Window, South Korea, Cameroon

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ABBREVIATIONS AND ACRONYMS

APEC	Asia-Pacific Economic Cooperation
ASEAN	Association of Southeast Asian Nations
ASP	Application of Service Provider
ASYCUDA	Automated System for Customs Data
AVI	*Attestation de Vérification à l'Importation* (Certificate of Import Verification)
BESC	*Bordereau Electronique du Suivi des Cargaisons* (Electronic Cargo Tracking Note)
CAR	Central African Republic
CG	Cameroon Government
CFAF	CFA Franc
CNCC	*Conseil National des Chargeurs du Cameroun* (National Shipper's Council of Cameroon)
CSW	Cameroon Single Window
EDI	Electronic Data Interchange
e-SW	Electronic Single Window
GDP	Gross Domestic Product
GUCE	*Guichet Unique des Opérations du Commerce Extérieur* (Single Window of Foreign Trade Operations)
ICAO	International Civil Aviation Organization
ICC	International Computing Center

ICT	Information and Communication Technology
IMO	International Maritime Organization
IPA	Investment Promotion Agency
KCS	Korea Customs Service
KITA	Korea International Trade Association
KSW	Korean Single Window
KTFC	Korea Fair Trade Commission
LVI	*Lettre de Voiture Internationale* (International Consignment Note)
MINCOMMERCE	*Ministère du Commerce* (Ministry of Commerce)
MINFI	*Ministère des Finances* (Ministry of Finance)
MOCIE	Ministry of Industry and Energy
NCCB	National Cocoa and Coffee Board
OECD	Organization of Economic Cooperation
OGA	Other Government Agencies
PAD	*Port Autonome de Douala* (Port of Douala)
PCRM	Public Customer Relationship Management
PPP	Public Private Partnership
SGS	*Société Générale de Surveillance* (General Surveillance Society)
SW	Single Window
TF	Task Force
TTS	Temporary Taxation Slip
UN	United Nations
UN/CEFACT	United Nations Center for Trade Facilitation and Electronic Bussiness

UNCTAD	United Nations Conference on Trade and Development
UNECE	United Nations Economic Commission for Europe
UNESCWA	United Nations Economic and Social Commission for Western Asia
UNI-PASS	Unified, Universal and Unique/Fast Clearance Services
UNNEXT	United Nations Network of Experts
US	United States
USD	United States Dollar
WCO	World Customs Organizations
WTO	World Trade Organization

I. INTRODUCTION

It is widely believed that international trade plays a major role in economic development; therefore, reducing any barriers to trade could increase trade, and consequently, promote economic growth and development (World Bank, 2012). Following a considerable fall in global tariff levels, the international trading community turned its attention to reducing other barriers to international trade, notably, excessive document requirements, lengthy customs procedures and inadequate trade infrastructure. Studies have shown that these barriers increase traders' cost burden and limit their ability to compete in international markets (Sohn and Yang, 2003).

International Trade facilitation (ITF) means making 'easy' or 'easier' the process of moving goods to international markets, by further improving procedures and reducing transaction cost. The World Trade Organization (WTO)[1] defines trade facilitation as: "The simplification and harmonization of international trade procedures" where trade procedures are the "activities, practices and formalities involved in collecting, presenting, communicating and processing data required for the movement of goods in international trade" (WTO, 1998).While WTO looks mostly at the rule, there are other institutions that consider the mode of making payments in international transactions. For instance UN/CEFACT[2] defines TF as "the simplification, standardization andharmonization of procedures and associated information

[1] WTO is an organization that intends to supervise and liberalize international trade.
[2] UN/CEFACT is an organization that makes international EDI Electronic Data Interchange standards for electronic trade documents in XML format.

flows required to move goods from seller to buyer and to make payment" (OECD, 2001).

In practice, ITF measures or policies are designed to lower the total cost (price) of moving goods to ports and subsequently to other countries. Usually in this process, traders must fulfill border clearance procedures and pay trade services fees, among many other steps after goods and services are produced. If the procedures are tough, expensive, and time consuming as in many African countries, it further increases the burden of trade, and discourages especially small and medium size enterprises from trading (World Bank, 2012). The aim of TF measures is therefore to identify, reduce or eliminate unnecessary extra costs to trade, thereby increasing trade “without undermining the purpose of legitimate regulations” (Grainger, 2007). It is believed that trade facilitation brings benefit to all parties concerned and provides more economic opportunities for people (OECD, 2002).

In order to facilitate trade, a considerable number of ideas have emerged lately and several measures have already been taken both at national and international levels to ease international trade. For instance, automation of trade processes and customs modernization, introducing simple rules and procedures, improving communication, introducing legislations to ensure transparent and operable rules and procedures, standardization of documents and electronic data requirements, instituting systems to improve performances of regulatory agencies and cutting red taps in the supply chain.One of the measures recommended by the UN is to set

up a ‘Single Window’ facility to regulate international trade procedures.

A Single Window is generally considered as a single entry point where all trade-related information or documents are submitted to fulfill all import, export and transit-related regulatory requirements, saving time and the cost of fulfillingrequirements through interaction with a multiple of border regulatory agencies. Such a facilitycan enhance the availability and handling of information, expedite and simplify information flows between trade and government. It can result in a greater harmonization and sharing of the relevant data across governmental systems. It can also improve efficiency and effectiveness of official controls and can reduce costs for both governments and traders due to better use of resources (UNECE, 2003; UN/CEFACT, 2005).

Considering its potential benefits, a number of countries have established SW facilities to better govern the flow of good beyond their borders. The World Bank estimates that there are currently about 49 countries operating a SW, 20 of which connect all relevant government agencies (World Bank, 2012). Among these countries are notable successful cases, like the Republic of Korea, Singapore, Japan, the United States, Australia, Senegal, and Ghana just to mention a few.This research attempts to study Single Window facilities in Korea and Cameroon.

The Korean Single Window (KSW) is an electronic-based facility that was completed in December 2009. It is now fully operational, connecting 23 trade related regulatory ageneses and provides diverse trade services, for example, inspectionand quarantine services and application for

import/export licenses and declarations just to mention a few. According to the KCS (2012), the system has reduced customs clearance time from 3 days to about 1.5 hours, making it "…the speediest customs clearance systemamongst 177 WCO members". South Korea ranked first in competitiveness of export and import clearance in 2009 (Korea IT Times, 2011). The KSW is considered one of the best models in Asia and the world (UNNExT, 2010).

For its part, Cameroon establishedthe SWof external trade, in 1999. The aim was to streamline trade procedures and reduce import and export clearance time, from 40 day to 7 days and also reduce corruption in trade administration. The facility brought together parties involved in trade under the same roof for easy and transparent services. Unlike the KSW, the Cameroon Single Window (CSW) system is still struggling to meet its objectives as import and export procedures remain tough and corruption still very much present along the supply chain (Global Corruption Barometer, 2010; US State Department, 2012). It still takes about 23 days, to export or import goods in Cameroon. The country ranked low in the 'Ease of Trading Across Borders', dropping from 155th to 56th out of 183 countries (World Bank, 2012). However, the government of Cameroon (GC) remains determined to upgrade the SW facility and improve its trade procedures.

As noted in Recommendation No 33, the success of a SW system depends on good pre-conditions and implementations strategies. This study comparesthe pre-conditions, strategies and policies used in the development and management of both SWs. In other words, it evaluates the initial

conditions necessary for SW establishment, the implementation strategies, progress made so far and the challenges. The aim is to understand the significant differences that make the KSW one of the best models and from this draw lessons that can be used to improve or upgrade the CSW.

The research suggests from Korean experience, that pre-existing conditions, like ready finances, and widespread IT knowledge/internet access, together with strong govern will and better strategies are necessary for implementing a successful SW for international trade and improving a country's business environment. Therefore, Cameroon can learn from this successful experience as they struggle to improve their trade procedures.

The work is divided into six chapters. After a general introduction in chapter one, chapter two examines the concept of SW in international trade. Chapter three explains the employed researchmethod while Four and Five will focus on the KSW and CSW respectively. Finally chapter six highlights the research findings and applicability of Korean experience to improve the CSW.

II. BANKGOUND AND PURPOSE OF A SINGLE WINDOW FOR INTERNATIONAL TRADE FACILITATION

This chapter gives an insight into the Single Window concept in general and its application in international trade facilitation. The chapter isdivided into three parts, 1) the concept and its purposes, 2) common SW models and 3) the potential effects of a SW.

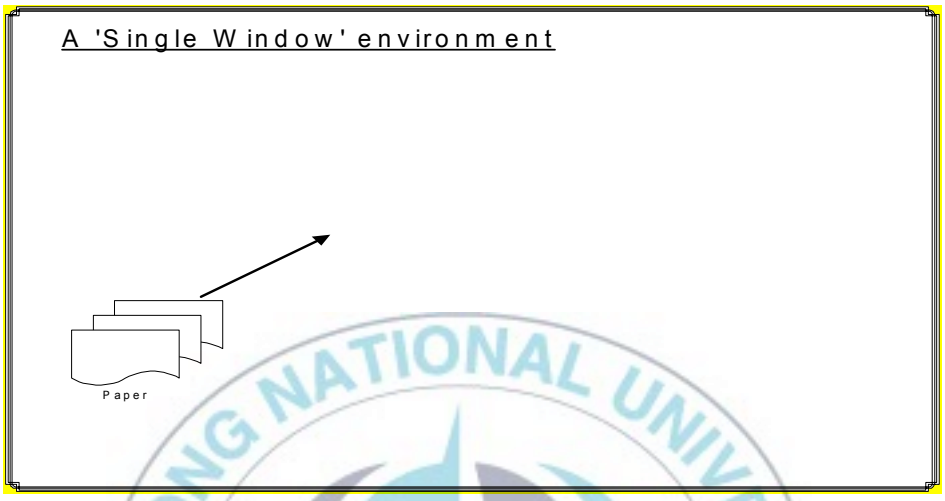
2.1 Definition and Purpose a Single Window for International Trade

The SW concept is one of the biggest single issues in the field of trade facilitation (Grainger, 2007). According to UN/CEFACT Recommendation No 33, which sets forth the guidelines for establishing aSW system, “a Single Window is 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” (UN/CEFACT, 2005). This basically means that instead of separately visiting or contacting border regulatory agencies, traders will have one location or entry point where they can request and fulfill all cross-border trade requirements.

Existing examples, suggest that SW systems are mostly accomplished with the use of Information and Communication Technology facilities. However, Recommendation No. 33 notes that the system can also be accomplished in a manual environment. In this case, the different agencies

are brought together under the same roof or processing center where all relevant trade-related regulatory agenciescan respond to requests simultaneously for example Cameroon's 'One-stop Shop'.

Figure 1: A Representation of a Manual and Electronic SW



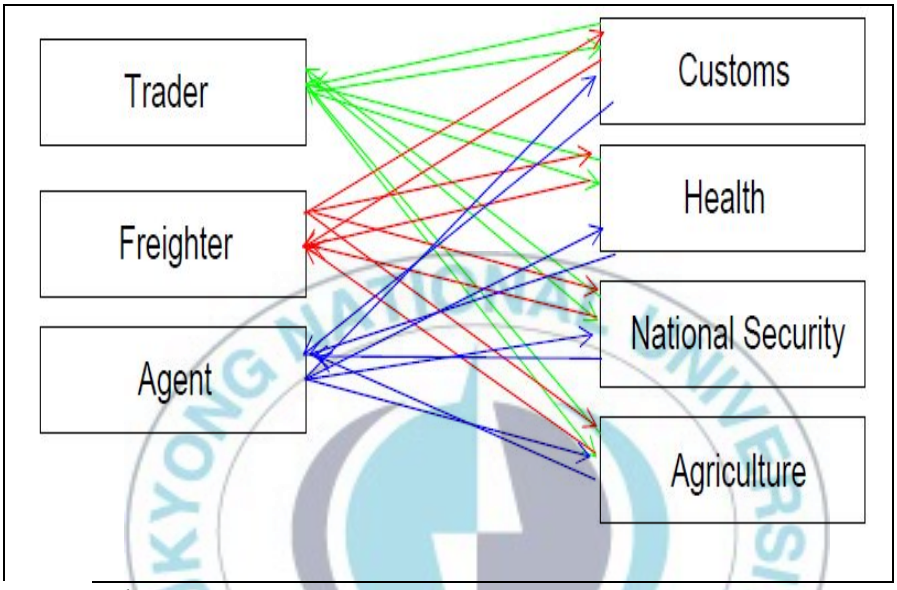
Source: UNECE, 2003

As seen above, in an electronic SW environment traders accomplish procedure through a single electronic lodgment while in the manual SW system procedures are accomplished through paper application, usually in a physical location where relevant agencies are brought together.

The common rational for a SW is to reduce the negative economic impact of pre-SW regulatory processes. Usually, in a pre-SW international trade environment,traders have to comply with regulations through multiple interactions with many border regulatory agencies, which are traditionally located in different parts of the city/country and using different forms and documents, sometimes using procedures that require separate inspections. It is estimates that without a SW, an average customs transaction in Africa, for instance, involves 20-30 different parties, 40 documents 200 data elements

(30 of which are repeated at least 30 times) and the rekeying of 60-70% of all data at least once (Roy, 1998). Figure 2, below, is a representation of the process of fulfilling trade requirements in a pre-SW international trade environment.

Figure 2.Graphical Representation ofPre-SW Administrative Process



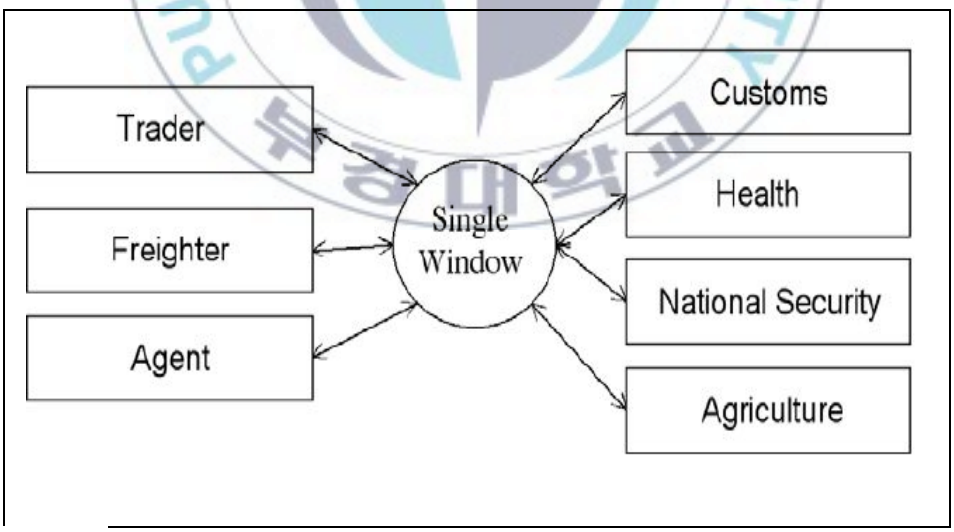
Source: Schermer 2007

As seen on the diagram, traders have to visit or contact concerned agencies separately, to fulfill requirements to move goods beyond territorial boundaries. They might even be required to repeat every step each time they want to move the same product. This process is characterized by repetition, multiple agency involvement and lacks co-ordination etc. Fulfilling these prevailing conditions can be expensive, time consuming, inconvenient and consequently trade discouraging. It is estimated that each additional day of delay (eg due to heavy handed inspection) reduces trade by at least 1% (Djankov, Freund, and Pham, 2007). According to OECD (2003), direct and indirect cost from import/export-related procedures and required documents

is up to 15% of product cost.

The implementation of a SW is an attempt to resolve this complex situation.It comes amid pressure from the business community and trade-related organizations, for simplification, greater coordination and transparency in regulatory procedures. It provides the opportunity for traders to submit all regulatory documents and make any payment at once in a single location or single entity. The purpose is, therefore, to reduce the burden of fulfilling trade-related regulatory requirements through separate and uncoordinated channels by providingan opportunity and means for easy and transparent exchange of trade information between participants in the trade process (ESCWA, 2011). Figure 3, below, shows administrative process in a SW international trade environment.

Figure 3: A representation of SW Administrative Process



Source: Schermer 2007

As seen in the diagram, traders will submit all trade-related information to the SW facility, which disseminates the information to concerned service providers for processing and bringsback the reply to the

reader. This saves time, risk and cost of multiple interactions. In other words, this means fewer complexities, less delays and lower costs of trade that can ultimately lead to improved competitiveness and more trade. The SW is therefore a practical approach to trade facilitation aimed at reducing non tariff barriers associated with meeting trade regulations anddelivering immediate benefit to both government and the trading community.

There are many possible ways of implementing the SW window idea to regulate international trade. Every Country develops its own SW system depending on its needs and resources; some time with its own unique requirements (see Recommendation No 33, p.7). However,there are some common characteristics, as listed below.

- Single submission and Single decision making
- Sharing of information amongst government agencies
- Coordinated controls and inspections of the various governmental authorities
- Allow for payment of duties and other charges
- Source of trade related government information.

2.3 The Potential Benefits of a SW System

Existing examples have proven that SW can simplify and facilitate to a considerable extent the process of providing and sharing the necessary information to fulfill trade-related regulatory requirements for both traders and authorities. The use of such a system can result in improved efficiency and effectiveness of official controls and can reduce costs for both governments and traders due to better use of resources (UN/CEFACT, 2005;

UNECE, 2005).

The Benefits for the Government:

To the government, a SW can lead to a better combination of existing governmental systems and processes while promoting a more open and facilitative approach to the way in which trade-related government agencies operate and communicate with business. For example, as traders will submit all the required information and documents through a single entity, more effective systems can be established for a quicker and more accurate validation and distribution of this information to all relevant government agencies. This will also result in better co-ordination and co-operation between the governmental authorities involved in trade-related activities (Recommendation No 33).

A SW facility can also enhance risk management techniques for control and enforcement purposes. This leads to more secure and efficient trade procedures. In addition, wherepayment systems are implemented withina SW facility, it ensures rapid and accurate payment of duties and charges to governmental authorities (p.10)

The Benefits for Trade:

The main benefit for the trading community is that a SW can provide the trader with a single point for the one-time submission of all required information and documentation to all governmental agencies involved in export, import or transit procedures.

Because the Single Window enables governments to process

submitted information, documents and fees both faster and more accurately, traders should benefit from faster clearance and release times enabling them to speed up the supply chain. In addition, the improved transparency and increased predictability can further reduce the potential for corrupt behavior from both the public and private sector.

If the SW functions as a focal point for the access to updated information on current trade rules, regulations and compliance requirements, it will lower the administrative costs of trade transactions and encourage greater trader compliance (p.11).

2.4 Overview of the Korean Single Window (KSW)

Since Korea launched its remarkable economic policies in the 1960s, International trade has been, and continues to be one of the most important factors in the country's growth and development. Trade has played a critical part in the development of its economy and in recent years Korea's trade volume (exports and imports) reached more than 80% of its GDP. But the increase in trade volume also meant a large amount of data to process and many businesses to be satisfied. Trade process became affected by some irregularities like delays and corruption which increased the burden and challenged many industries with limited resource.

However, considering the importance of trade to the nation's survival, the government has always been interested in ways to make trade easier and faster. One of the measures that the Korean government has taken to facilitate trade is to implement SW system for international trade procedures, to streamline trade processes, speed up the movement of goods across the

border, and reduce trade cost associated with customs clearance (Yang, 2009).

The SW is part of Korea Customs'electronic clearance system, also known as 'UNI-PASS' (unified, universal and unique- PASS) which provides all customs service at one stop. It is estimated that about 23 trade-related government agencies and 110,000 businessesare using the SW system. Included are import/export companies, customs brokers and banks, forwarders, shipping companies, airliners and bonded warehouse operators. By using internet, traders can lodge various clearance-related applications such as a quarantine application along with import/export declaration with a single entry point that links all government and private institutions participating in cross-border trade, allowing easy exchange of data between these authorities(Yang, S., 2011).

The KSW has helped to improve the process of fulfilling international trade procedures. According to the KCS (2010), "the SW was developed and implemented with a strong focus on the benefits for the trading community and government agencies". The SW streamlined and standardized multiple application procedures so that the users can file necessary applications with just a single visit to the system. It contributed to saving time and cost entailed in customs clearance procedures. "At present, UNI-PASS has been widely recognized as the speediest customs clearance system among the 177 world Customs Organization (WCO) members. Thanks to the state-of-the-art system. We have saved 3.8 trillion won in logistics costs annually" said the Director General of Information and

International Affairs Bureau of KCS, Chung ll-Sok, in an interview withKorea IT Times (2011).

This study focuses on understanding the factors contributing to the success of the KSW. It could be is noticed that the project became a reality because of some pre-existing factors, such as, widespread internet connection in the country, a strong government support for trade facilitation policies, and the availability of ITexperts.In addition, better implementation and management strategy, have all contributed to the success of the KSW.This studies attempts to bring to light those lessons that Korea's SW system offers Cameroon

2.5 Overview of Cameroon Single Window System (CSW)

Since it launched its economic recovery under the structural adjustment program in late 1990s, the government of Cameroon has shown a more positive outlook towards trade. This is evident by a continuous fall in tariffs, the approval of an investment charter in April 2002 aimed at streamlining investment procedures. In addition to this, Cameroonhas demonstrated commitment to improving trade conditions by creating theInvestment Promotion Agency (IPA) in 2005, supporting Free Economic Zones, notably in the city of Douala, to attract more foreign investorsand the signing of trade agreements with some of its major trading partners. All of these things are aimed at economic recovery by creating jobs, reduce poverty and improve living standards.

However, government efforts to improve trade were handicapped by bureaucracy and corruption in public institutions, including also trade

regulatory authorities (Business Anti-Corruption Portal, 2011), which slowed the international trade processes. The country's main port, Douala, is particularly notorious for its corruption, inefficiency, and delays. Apart from the fact that these discouraged trade, it also affected both state revenue and its potential to further obtain loans from donor agencies. Pressure soon increased on the government to find new methods to ensure efficiency, introduce simplicity in public services, identify bottle necks and improve customs reputation and the business environment.

Thus, after due consultations with donors and economic operators, the government announces the creation of a SW (One Stop Shop) for external trade in 1999. It officially started functioning on 25th August 2000, bringing together most of the services involved in cross-border trade, including some banking institutions, in single building at the maritime business centre in Douala where the country's main port is located. The aim is togroup together,in one area public and private actors involved in fulfilling import/export formalities with the view to facilitate the exchange of data between these authorities and reduce time needed to move goods across national borders. The SW is expected to ultimately streamline the process of obtaining import and export licenses and clearing goodsin major ports in the country, notably Douala, to about 7 days and 3 days for import and export respectively.

So far, some progress has been made considering the time needed to complete import and export procedures has been reduced from 40 daysprior to the SW system, to about 19 days. However, the number of documents

continues to increase over time adding to the cost of trade procedures. In addition to this, there are interface problems between the concerned agencies and customs reputationhas not changedsignificantly (Transparency International, 2010, World Bank, 2012

This study focuses on understanding the challenges for the CSW and from this proposes some solutions by recommending that Cameroon apply some of the policies and strategies used in the KSW.

2.6 Research Objectives/Question

2.6.1 Research Objectives

In recent years the SW system has been playing an important role in the growth of Korea's trade by improving and enhancing its competitiveness (World Bank, 2010). The Korean Model is amongst the best in the world. In addition to this the Korean is working on transferring its experience its experience in Customs clearance to other continents, including Africa (Korea IT Times, 2011). The objectives of this study are; to explore the variations between the characteristics of the SW systems of Korea and Cameroon, to bring to light those lessons that Korea's system offers Cameroon and other countries that are still in the process of establishing similar facilities and to contribute to pre-existing literature on trade facilitation and SW development.

2.6.2 Research Questions

The paper focuses on the followingresearchquestion:

What major differences exist between the characteristic of the Single Window systems of Korea and Cameroon?

How does these differences affect the outcome of both systems and what lesson can be drawn from this?

What could be considered to aid in the improvement of the CSW?

III. RESEARCH METHOD

From here this work explores the employed research method. The research uses a comparative case study approach which is one of the best methods for exploratory research (Yin, 1989). This chapter explains the methods used to arrive at the conclusions in this report including the steps taken to collect and analyze relevant data, ensure that results are valid and reliable as well as a look at any research limitations. The chapter is divided into five parts as follows: 1) qualitative research approach; 2) comparative case study; 3) data collection; 4) validity and reliability; and 5) summary of research methodology.

3.1Qualitative Research Method

Throughout this work a qualitative researchmethod is established. The research method is chosen because the study is not intended to test any hypothesis, but rather explores and evaluates two SW initiatives in detail, to understand why and how different outcomes have been achieved. York, 1998 observed that these questions can be more effectively and efficiently answered by using a qualitative approach. Therefore the method is based on the research questions and objectives.

3.2. Comparative Case Study Approach

Case study is a qualitative research method where the researcher's focus is to study a particular issue or object in detail. The approach is usually constructed to answer questions why and how about particular event, issue or objectfor purpose of bringing an increased understanding of it or to add to what is already known through previous research. It provides an

opportunity to explore and understand the context, issues, challenges and lessons learned (Creswell, 1998). In the same light, comparative analysis provides one of the best ways to study and understand the differences between two things, for the purpose of drawing lessons for policy making.

This study compares two SWs in Korea and Cameroon, through reviewing and analyzing their history, nature, strategies used, challenges faced in the course of implementation, and how they were resolved. The Korean case is a SW success story in SW development, while Cameroon is still struggling. The study reveals why and how the Korean SW has been very successful, through highlighting the success factors and its impact on trade. In the same way the study reveal why the CSW is still struggling by highlighting its difficulties. Then we look at how it can be improved by recommending that Cameroon implement some of the policies and strategies used by Korea. To do this, a vast amount of data is collected from different sources and examined with focus on the research questions and purpose.

3.3 Data Collection

The research relies on secondary and primary sources. Secondary sources included publications by international organizations, books, government websites and other opinions published in journals. The only primary source includes open interviews organized to get the views of some participant's experiences.

Interviews provide an opportunity to pursue in-depth information around the topic and constitute an important source of data for qualitative research.

For Cameroon, semi-structured interviews as explained by Corbetta (2003) were directed at the SW management, and also at logistic companies and customs brokers who best understand SW operations and can provide the best answers to help the research. The interviews were conducted by phone, involving Mrs. Giesel Esam, staff of the public relation office of the CSW, Mr. Array Manfred, a custom broker and Mr. Nje Roland of Fako logistics respectively. They were intentionally selected to represent the views of the two main groups participating in the CSW, which are the management, led by customs and trade represented by Customs brokers and logistic companies.

A series of interview guides containing general and particular questions were drafted to ensure that the topic focus was maintained. However we also considered the possibility of new questions arising so long as they shed more light on the topic (Corbetta, 2003). The interviewees were informed of the purpose of the interview but were allowed to decide the day within the month and their desired location. Each interview lasted for at least 15 minutes, within which the topic was discussed generally and a series of open questions were posed to the interviewees to obtain information regarding the policies management techniques, their role, effects, challenges and their general impression of the SW facility. Their responses were written down and transcribed into Microsoft word. The information obtained from the interview helped us understand users' perspective and to support data from other sources.

For the KSW, the customs representative that was contacted for

interview forwarded a link to “Single Window Development Report”, which is an analysis of a questionnaire completed by APEC member countries on SW implementation in 2007. In addition to this, UNECE also provides access to a questionnaire completed by the KCS in 2010, which provides details about the KSW project. There are also responses to questions posed to Chung Il-sok, director general of Information and International Affairs Bureau of KCS, in an interview conducted by Korea IT Times in August 2011.

Considering that the interviews have been conducted by experts, directed at government representative and the responses actually address some of the issues that are the focus of this paper, they were seen as relevant data to answer the research question. Thus, for Korea, we relied on responses of previous interviews and surveys to get the views of participants. Some of the questions and responses in the interviews and survey can be seen in the next page.

Box 1: KCS Interview Excerpt

1) APEC. (2007).“Single Window Development Report”

Question 37: “Please provide any lessons you have learnt that may assist economies in their planning, development or maintenance phases”

Answer (Korea): “Building a SW is fundamentally a process reengineering and innovation project that covers numerous parties involved in the international trade. It must be conducted with strong focus on users of administrative service. Therefore, it cannot be successful without strong will and leadership. Only with unshaken political determination can participating organizations’ different interests be harmonized from a customer-centric point of view.”

2) KCS (2010).“Republic of Korea Single Window Case”

Question 1a:“What motivated the establishment of your Single Window?”

Answer (paragraph 5 of the answer): “The SW system in Korea was developed and implemented with a strong focus on the benefits for trading community and government agencies. The KCSstreamlined and standardized multiple application procedures so that the users can file necessary applications with just a single visit to the system. It contributed to saving time and cost entailed in customs clearance procedures. On the government’s side, the system was designed to achieve optimal information sharing among relevant government agencies, which led to more effective risk management.”

3) Korea IT Times (2011). “KCS to Export UNI-PASS to Latin America and Africa”

Question 2: “Would you comment on the status of UNI-PASS?

Answer: “At present, UNI-PASS of Korea has been widely recognized as the speediest customs clearance system among the 177 World Customs Organization (WCO) member countries. Thanks to the state-of-the-art system, we have saved 3.8 trillion won in logistics costs annually.”

The interviews (Korea and Cameroon) reveal that both SW systems have specific characteristics and operate in different ways. It could be noticed from the interviews that the nature of the SW system (manual or

electronic-based), and its implementation strategy can influence its outcome on trade.

For Cameroon, it was revealed that there are some challenges to the facility particularly because most procedures have not been automated (done manually) making it difficult for information to flow between participants and consequently lead to delays. Talking about port delays, Mrs. Giesel Esam (phone conversation 19th September, 2012), explained that cargo delays are not only because of the complication of customs procedures, but also because some traders cannot meet their financial obligation. "Sometimes importers or their agents do not have the money to pay customs charges in time." she said. The interview also shed more light to the fact that there are some malpractices undermining progress in the system, for instance, centralization of power in favor of superior hierarchies, which limits the authority of the SW representatives.

For KSW, the focus was to understand the success factors. It seems from the interviews and surveys, that the government played a big role by actively participating in implementation, providing finances, standardizing procedures, leading the coordination efforts and providing the legal backing for the system. Regarding the natures of the KSW, it appears that it is100% electronic, which makes its operations faster and easier. (see box 1 above).

A significant amount of data was also obtained from other sources, including books, journals and the websites in general and SW implementation in Korea and Cameroon in particular Books provided a theoretical basis of SW while journals and news paper articles offered

credible up to date information about trade facilitation measures and SW window development. In addition to this, global trade facilitation institutions, like the World Bank, WTO, WCO, UNCTAD, APEC, ASEAN, UN/CEFACT, ESCWA, and the ICC, offer internet access to a lot of articles and publications that were useful for this research

3.4 Validity and Reliability

Validity and reliability are two of the several ways to judge the value of research. Validity in qualitative research refers to whether the research findings are accurate and supported by evidence. On the other hand, reliability is the extent to which results are accurate and consistent over time (Rossman and Ralllis, 1998). Considering the necessity for validity, the information obtained is reviewed and analyzed with knowledge from literature reviews, and special focus on the research questions. The importance of time frame was also considered by basing analysis from the period when both SW initiatives started. Sources of information have also been mention in every case.

Another way to ensure that finding of the research are valid and reliable is by triangulating the data. This means using different sources of information in order to increase the validity of a study. Thus, the research questions were analyze from multiple perspectives; comparing and cross-checking the consistency of information derived from different sources at different times. Data from books, journals, and experts opinions was supported with information from interviews and made sure that the respondents were selected to represent the views of trade and government.

3.5 Summary of Research Method

This chapter is a detailed description of the methodology employed and data sources. A comparative case study approach was used and relied mostly on secondary sources like journals, books and reports as the main source of information. This method is used to analyze the history, characteristics, management strategies, and impact of implementing the SW system in Korea and Cameroon.

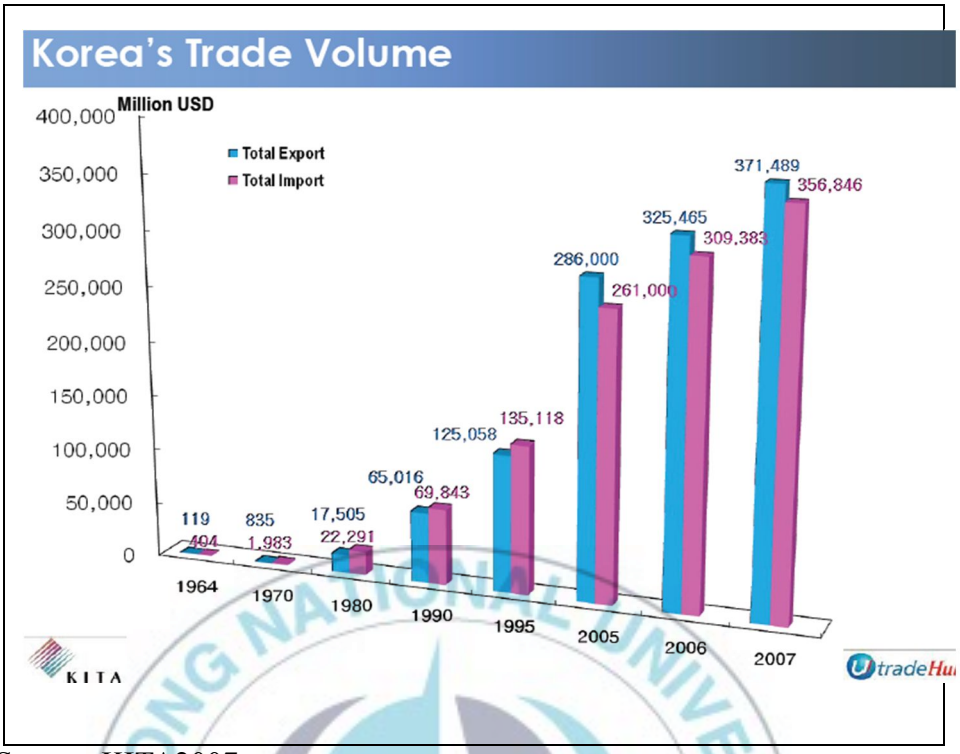
IV. CASE STUDY OF THE KOREAN SINGLE WINDOW(KSW) SYSTEM

4.1 Historical Background of the Korean SW System

In South Korea, the introduction of the electronic-based customs clearance SW in 2004 was part of long-term reforms, motivated by the government's desire to improve its trade environment. It also constituted part of a government plan to make Korea a logistics power house in the continent and the world, as So Young Yang, Deputy Director, Korea Customs Service, puts it "…the SW project was one of the major seven tasks of Roadmap for Logistics Hub of Northeast Asia initiated by the presidency in 2003" (Yang, S., 2011; KCS, 2010).

Korea had been interested in customs modernization and e-trade facilitations reforms since the 1980s. This interest was motivated by several reasons. First, since the country launched its trade-led economic development policies in the 1970,s there has been a remarkable increase in the country's trade volume and trade has always played an important part in South Korean development. Yang J. (2009) explains that since mid-1970s combined trade volume (exports and imports) was consistently greater than 50% of the GDP. Figure 4 below shows the increase in trade volume before the SW became operational.

Figure 4: Increase in Korea's Trade volume



Source: KITA2007

As seen above, the speedy expansion of trade volume meant that more trade related documents needed to be produced and circulated. The mass-produced document increasingly became a burden and a challenge to both the government and small industries with limited

Moreover, the expansion meant that many more government agencies became involved in regulating trade activities and more procedures were introduced which made the situation even more complicated. When the total trade volume reached over 100 billion dollars in the late 1980s, the Republic of Korea predicted that traditional paper-based clearance procedures could have a negative impact on the nation's trade. By this time, the paperwork that accompanied each transaction was almost overwhelming; leading to

high transaction cost, long lead time, error in the process, lack of transparency, and difficult monitoring. After the report, Korea experienced trade deficits from 1990, due in large part to the slowing growth of exports, coupled with a rapid rise in imports. The government realized that a better customs clearance system could reduce costs for producers and exporters and boost the nation's growth. Thus, emphasis was placed on streamlining and reducing costs by further introducing electronic processes in almost every level of trade.

Another factor was to continue to improve the reputation of the Korea Customs Service (KCS). Yang J. (2009) noted that the KCS was "often placed on the list of most corrupt and unfriendly government agency up to early 2000s." In addition, inefficient laws and regulations, as well as corruption amongst trade regulatory agencies, increased Korea's logistics related costs above its international competitors. To improve its position in the international market, the government became more determined to overhaul the system.

In order to do this the Korean government initiated massive reforms from the 1980s, which led to automation of almost every trade processes. By the 2004, when the SW actually started, almost every trade transactions were carried out electronically. According to Sohn and Yoon (2001), as of 2001, 100% of the procedures for customs clearance such as export and import declaration, as well as logistics such as submission of bill of lading, notification of arrival and departure, were automated. The Government saw a remarkable improvement in trade processes and the KCS was awarded the

best practice of anti-corruption in 2001 (KCS, 2012). However trade automation could not reduce delays in obtaining license and approval from related agencies. This was largely due to bureaucracy and the absence of a comprehensive platform for effective exchange of information between them which affected flow of goods and the nation's competitiveness. The government began exploring new ways to push the reforms further and the SW was seen as a possible solution (Yang, S., 2012).

From early 2000s, Korea began pursuing the goal of making Korea a "logistic hub" of North Asia. Presidents Kim Dae Jung and Rho Moo-Hyun expressed their idea that Korea can act as a central base for cargo coming from and to Japan, China and even Russia, by using ports of South Korea and land routes which would start from South Korea, go through North Korea, onward to China, Russia and perhaps even to Europe. The idea of such a logistics hub gave further incentives for Korea to streamline its customs clearance procedures. Also, the growing prominence of Korea as the most networked country in the world also gave incentive for the Korean government and businesses to further incorporate IT into customs clearance. The KCS used this advantage to further improve its IT-based customs clearance system. It began pursuing goal of "World Best Customs in 2012+" (Yang, J., 2009).

In 2003, the government established the National e-Trade Committee. The committee was chaired by the Prime Minister, and included such public agencies as the Ministry of Industry and Energy (MOCIE), KCS and Korea Fair Trade Commission (KTFC) and private organizations such as KITA and

Korean Federation of Banks. Basically the aim of the committee was to look into the necessary details like Platform, Law, Finance, Logistics and Marketing and Global cooperation which eventually became part of the SW System. The work of the committee paved the way for an advanced, web-based custom clearance system in 2004 (UNI-PASS) which today provides a SW as one of its seven modules (Yang, J., 2009).

To establish the SW, the KCS appointed a team comprising of related government agencies and information technology experts to conduct feasibility studies for seven months .The team conducted business process reengineering and an information strategy planning project. It was intended to minimize trial and error during the implementation by formulating a strategy which encompassed the goal and objectives of the SW project, roles and responsibilities of involved parties as well as a timeframe and a roadmap for the project. In additions to this, training was held in various locations around Korea targeting prospective users, customs officers and officials from participating agencies. Feedback and suggestions taken at these training sessions were reflected in the facility. The training also generated greater interest in the system within the trade community. The user manual is made available on the SW website in order to help anyone take full advantage of the facility.

According to KCS (2010), the SW system had been completed through three phases from 2004 to 2007 in which a total of 5.7 billion won (approx. $6 million) was invested fromthe government budget. From 2007 to 2011 the KCS continued innovation of the system, to upgrade its status to

international standard and enhance greater efficiency. As of 2011, 23 government agencies relating to trade requirement verification are connected through the internet-based clearance portal of KCS (http://portal.customs.go.kr). The implementation can be summarized as follows:

Table 1: Phase implementation of the KSW

Phase 1. Building the Single Window System	. Period: AUG. 05 ~ MAR. 06 . Connection with 8 agencies . Cost: 2,600 Mil. KRW
Phase 2. Extending the Single Window System	. Period: AUG. 06 ~ FEB. 07 . Connection with 13 agencies (adding 5 more agencies) . Cost: 1,400 Mil. KRW (1.16 million USD)
Phase 3. Improve the Single Window System	. Period: JAN. 08 ~ JUL. 09 . Improving function and service for user convenience . Connection with 23 agencies . Adopting international standards . Cost: 1,700 Mil. KRW (1.4 million USD)

As seen on the table above, by 2011, 23 relevant agencies have connected to the SW. The system was designed and implemented with considerations of the needs and strength of the different stake holder, which gives it its uniqueness, increased the participations of several agencies and greater benefits to all (KCS, 2010).

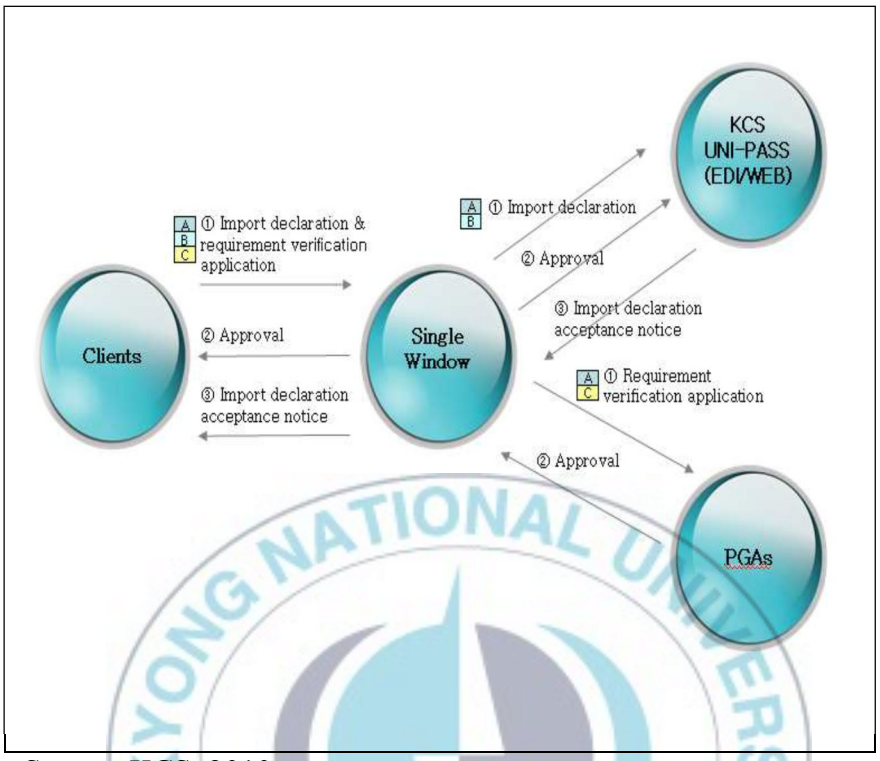
4.2 How the KSW Works

The KSW is internet-based. As mentioned above, it is an essential part of the e-trade system promoted in the country for over two decades now. Accordingly, users and participating agencies are connected to a single system (distribution or relay center), so that applications can be processed seamlessly using Electronic Data Interchange or internet, depending on the user. Clients lodge applications by logging into the SW system from any location, at his convenience and filling in the necessary application for import/export declaration and requirement verification. The application (s) is forwarded to the government agency concerned (service provider) for processing. The result is then sent back to the client.

To ensure participation of all concerned regulatory agencies, the SW is designed to ensure that the agencies have access to the necessary information through their own systems, for those already operating a system, or through the SW service provider for those without their own system. The SW is equipped with application service provider (ASP) functionality so government authorities without its own system can log onto the SW and electronically process applications forwarded by users or clients (APEC, 2007/2010; KCS, 2010).

If the concerned authority or agency has a proprietary system, when a user lodges an application for requirement verification at the SW, it will be automatically sent to the agency for processing. The result will be returned to the applicant and KSC UNI-PASS system through the SW facility respectively (KCS, 2010).

Figure 5: A representation of Administrative Process in KSW



Source: KCS, 2010

As seen above, the clients can send applications for import and export declaration or requirement verification to the SW by longing into the customs website at any time using any computer. The SW disseminates the information to concerned regulatory agencies for review and approval. The result is sent back to the client and to the customs. The result is also automatically saved in the system for future uses. This process brings benefit to both trade and government.

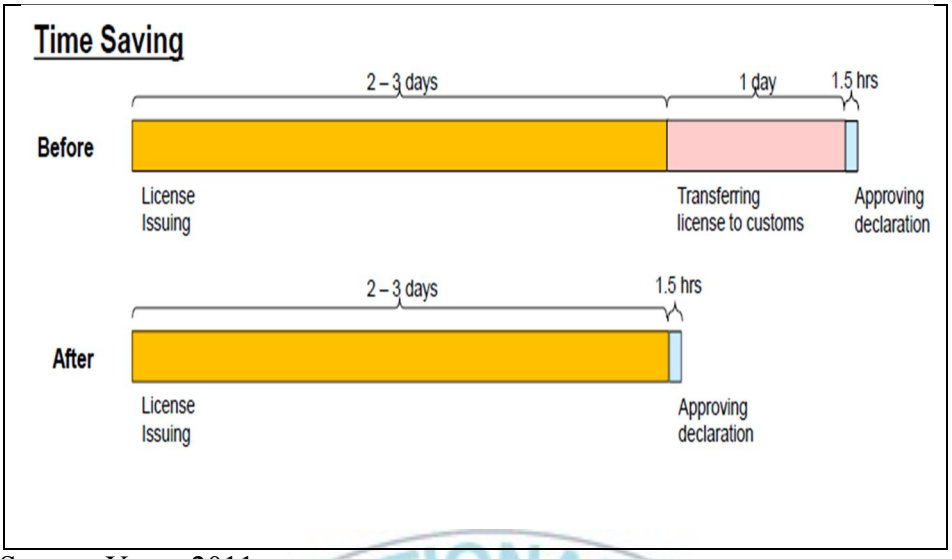
4.3 Benefits of the KSW

The benefit of the KSW is measured by how much the system meets or is meeting it original objective which is mainly to further streamline trade

procedures and reduce cost for both trade and government. From the point of view of trade, government and trade-related organizations, the SW system has changed the way trade is conducted by facilitating business processes, bringing benefits to both government and trade (World Bank, 2012).

First, with the SW, traders can now fulfill requirements with ease and at a lesser cost given that clearance and release time is remarkably reduced. Before SW implementation, it took approximately one day between requirement confirmation by related agencies and import declaration to Customs. After SW system has been launched, at the same time as requirement confirmation number is reported to the SW system, the number is automatically input to the import declaration form to avoid any duplication. This resulted in significant savings in time and cost for trade and transport procedure. According to Director Chung, "….the time required for export customs clearance shortened from one day to two minutes and the time for import customs clearance reduced from two days to 1.5 hours" Korea IT Times, 2011; Yang, S. 2011; KCS,2012; World Bank, 2012).

Figure 6: Time saving effect of the KSW



Source: Yang, 2011

In addition, it led to greater co-ordination and harmonization or data requirement by border regulatory agencies. After reviewing and comparing import clearance declaration and requirements confirmation documents, 10 forms and 542 items were reduced to 185 eliminating 255 items. This reduced the number of documents and data elements needed to do declarations and eventually further simplified regulatory processes.

Table 2: Data Harmonization in the KSW

Data Harmonization in 10 declaration forms

Num. of laws	Num. of documents	Total elements	Common elements	Unique elements	Elimination
7	10	542	185 (34%)	102 (19%)	255 (47%)

Source: KCS 2012

The reduction in time (one day reduction) and number of documents

led to a substantial fall in industry cost, which increase profits and encouraged business. The KCS ranked fist in competitiveness of customs clearance in 2009which was appraised by the World Customs Organization. In Doing Business 2010 the World Bank said "Korea succeeded in saving 2.1billion dollarsannually by using the single window system."

Figure 7: Annual cost savings of Firms

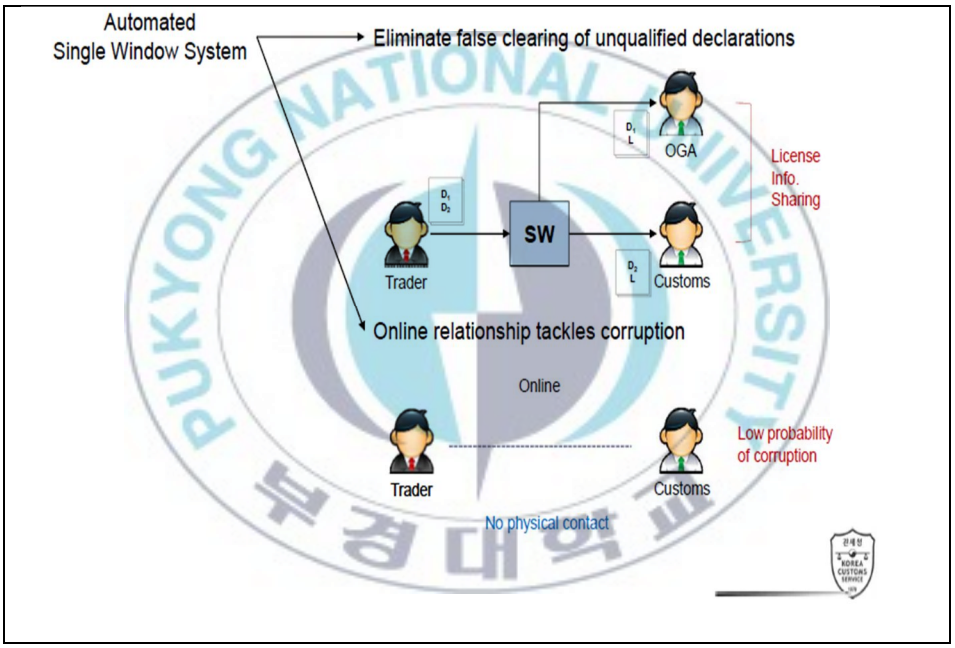
Source: World Bank 2010

Furthermore, the introduction of a SW led to a fall in logistic costespecially because electronic documents for processing results are transmitted among participating agencies through the internet and not EDI. This led to cost reduction of about KRW250 million or over USD 260 thousand annually in EDI transmission fees. In addition, electronic processes enhance information sharing amongst participating agencies and increaseintegrity and risk management (KCS, 2010).

The SW has also improved integrity and the security of businesses and people by enhancing risk managementtechniques. Since the US 9/11 attacks, new security conditions have emerged. In the area of business, the

emphasis is on avoiding physical contact as much as possible to minimize risk from business. Also, the financial crisis has heightened the need for better financial security and protection of businesses. Because the trade procedures in the KSW are done without physical contact, risk of terror and financial related risk like fraud are reduced. In addition, the fact that procedures are done without paper and cash prevents any potential financial troubles in advance (Ahn and Han 2007).

Figure 8: Improvement in Integrity and Risk Management



Source: KCS 2012

Finally, the SW has contributed in improving Korea's competitiveness in an increasingly challenging global market especially after the 2008 financial crisis. Korea ranked first in terms of competitiveness of export and import customs clearance in 2009, and ranked10 and 4 in the ease of trading across borders in 2011 and 2012 respectively (World Bank , 2009, 2011, 2012). The number of days, documents and the cost of trade regulations have reduced considerably. The changes can be seen in table 2,

below.

Table 3:

Indicator	2007	2008	2009	2010	2011	2012
Rank	..na.	.. na	.. na	.. na	10	4
Documents toexport(no)	5	4	4	3	3	3
Time to export (days)	12	11	8	8	7	7
Cost to export(US$ per container	780	745	767	742	790	680
Documents to import(no)	8	6	6	3	3	3
Time to import(days	12	10	8	8	7	7
Cost to import(US$ per container	1,040	745	747	742	790	695

Source:Doing Business database, 2007, 2008, 2008,2009, 2010, 2011, 2012

4.4 Challenges Faced and Resolutions

According to the KCS (2010), there weresome challenges to the SW program, notably to coordinate the different government agencies, and the low use rate, especially after the first phase of implementation and the beginning of the second phase.

The main challenge was to coordinate concerned agencies. Coordination is very important for effective SW, but having the different and seemingly independent agencies to work together entails amongst other things, harmonization of data and effectively supervising their interaction to ensure that they work together for a common goal, while performing different functions (UN/CEFACT, 2005). Like in many cases, it was not an

easy task for the government of Korea. However, to resolve the issue, government formed a Task Force team in Phase 1 and assigned it to harmonize existing rules. The TF team consisted of KCS and 8 import/export related government agencies including the Korea Food and Drug Administration (22 officials).

They reviewed analyzes and harmonized 10 forms related to 8 relevant agencies, and also revised 7 Acts including the Food Sanitation Act. Every stage of the process benefited from strong political and financial support and this is seen as a success factor (Yang, J., 2009; KCS, 2010, Yang, S., 2011).

Concerning the use rate, So Young Yang, Deputy Director of KCS wrote that at the end of Phase 1, the use rate of KSW by general declarants was only 1.0%. He blames the low rate on what he calls “incompleteness of some system functions (e.g. electronic fee payment), adjusting period of small businesses or need for training for SW use.” He explains that the KCS tried to improve the use rateby using different approaches.

First, they collected both user’s and non-user’s opinions through a survey by PCRM (Public Customer Relationship Management) and organizing meetings. Based on the opinions collected, the Single Window system was upgraded step by step. (e.g. loading the e-payment function, lump sum transfer of EDI declaration to internet SW portal, etc) Training was also continued through various means such as information sessions for companies and distribution of SW user’s guide. In addition, focusing on key stakeholders such as customs brokers was very important to increase the use

rate. Both strategies of persuasion and incentive (e.g. exemption of inspection) were used to promote key people inthe logistics chain to use SW (Yang S., 2011).

Furthermore, technical issues also posed some challenges, especially because some of the agencies that verify requirements did not have their own computerized verification system. In order to encompass these agencies in the SW, KCS developed a verification system of the Application Service Provider (ASP) format to allow these agencies to do verification through the SW. This means that the number of connected agencies can be extended more easily without having to develop a new individual system. Now, 10 agencies have their own verification systems, which are directly linked to the SW, and 13 agencies are using the (ASP) requirement verification system developed by KCS (KCS, 2010).

The success of these approaches was evident in the annual increase in the use rate and the number of connected agencies. It should be noted that the goal of a SW is to provide all trade-related services at one stop. Thus, having many users and agencies in the system is very necessary for effective implementation of a SW because many services will be provide at a single point and the volume of transaction that goes through the system will also increase, saving more money for both trade and government. The table below shows the extension of the KSW, in terms of use rate and number of connected agencies.

Table 4: Yearly use rate from 2006 to 2010

- Yearly use rate

	2006	2007	2008	2009	2010
Number of Single Window uses	24,320	50,115	132,418	488,934	864,366
Total Number of requirement confirmation	567,211	729,909	685,419	728,000	943,747
Yearly use rate	4.3%	6.9%	19.3%	67.2%	91.6%

- Connection with related government agencies

	2006	2007	2008	2009	2010	2011
Accumulated number of connected agencies	8	12	15	17	20	23

Source: Yang, S. 2011

As seen above, the use rate and the number of concerned agencieshas continued to increase which consequently increase the volume of trade covered by the SW system and also the possibility to reduce or eliminate unnecessary trade-related cost.

4.3 Success Factors in the KSW

The success factors are every policy, strategy or pre-existing condition that led to a successful implementation and usage of the KSW. This includeslegal readiness, a strong and explicitgovernment will, sound public/private partnershipand cooperation, budget availability, well planned IT infrastructure, readiness ofthe home country's related industries, system integration ability and experienceas well as a willingness to adopt and comply with international norms and trends (Yang, J., 2009; Yang, S., 2011; KCS, 2010, APEC, 2007).

One of the most important factors has been the strong political will. The KSW has the specific character of strong leadership from government, from its conception to its present status. Government provided the necessary funds for building the infrastructure andensured that the money was well allocated and used for the purpose. It alsoled the launch and sensitization campaigns, coordinating participating agencies, and initiating laws needed to enhance SW operations. Strong political support and sufficient allocation of government budget have been identified as one of major success factors (KCS, 2010).

Moreover, the widespread use of information technology in the country made easier the implementation and usage of electronic based SW. Korea was one of the first countries to utilize information technology (IT) for trade procedures. By the late 1990s, Korea was one of the most “wired” countries in the world (Yang, 2009). Given the rapid pace of IT adoption, it made sense for Korea to utilize IT for customs procedure and trade facilitation.By 2003 when feasibility studies for a SW infrastructure started, about 100% of procedures forcustoms clearance was already automated (Sohn and Yoon, 2001). The SW itself was a connection of the available software and hardware andfocus on the legal aspects of e-trade. With a wealth of experience in IT, their experts were able to put together as SW system that has improves Korean Customs clearance procedures, making it “…the speediest customs clearance system amongst the 177 world customs organization members…” (Korea IT Times, 2011).

Another important factor that the government was ready and willing to allocate sufficient funds for an electronic-based SW. Korea had made remarkable economic progress following its export oriented policies. By 2003 when the SW project was initiated the country was financially ready and willing to finance its trade facilitation project. The government invested about 5.7 billion won during the three phase implementation. In addition to this, the country had invested in IT education which produced a wealth of knowledge and the expats that they needed to connect and subsequently maintain the different networks.

Furthermore, prepared legal framework played a very important role in the success the KSW. The Korean government passed new laws and revised some already existing ones to meet its electronic trade facilitation agenda and to accommodate the changing business environment. For instance its Trade Automation Act (1992) has been revised to become the e-Trade Facilitation Act'. Also, the Foreign Trade Act, Electronic Transactions Act, Customs Law, Trade Transaction Facilitation Act, Digital Signature Act, etc have been enacted, reform or reviewed, to ensure transparency and security in business transactions (Yang, J., 2009). The laws played a very important role in the success of the Korean SW by clarifying and defining transactions and also guaranteeing its operations. It should be noted that a good judicial system is very crucial for the survival of businesses. In Recommendations 33, a legally-enabling environment is listedamongst the key factors in establishing a successful single window (UN/CEFACT, 2005).

Moreover, Public Private Partnership (PPP) throughout the implementation of the program also helped a great deal. The governmental committee that was charged with e-trade development included members from the private sector. Accordingly, the lead agency (KCS) in the SW worked in collaboration with private organization promoting trade in Korea, notably the Korean International Trade association (KITA) and Korean Trade Net who played a major role in designing the facility and also encouraging its use by the private sector(Yang, J., 2009; KCS, 2011).

Another factor is that the SW is part of UNI-PASS, which provides other services like smart cargo tracking and a risk-based management system, all of which greatly enhance SW operations. In addition to this pre-shipment and post clearance strategies are being used to reduce delays (KCS, 2012).

Other contributing factors have been the user friendliness of the KSW, and willingness to standardize. Talking about standardization, though the KSW is unique, it was developed with the consideration of international standards and recommendations. In regard to phase of the implementation, government made efforts to streamline, simplify and align its international trade data set to international standards. The government worked with international organizations like UN/CEFACT, APEC, WCO, and also looked at existing examples in the US, Australia Japan and Singapore, which gave it credibility and international recognition. Even when the government faced challenges, it continued to work hard to resolve them and to achieve its objectives (APEC, 2007; KCS, 2010).

Table 5: Success factors in the KSW

Implementation strategies	Pre-existing factors/ initial conditions
1. Strong and explicit government leadership and a strongly lead-agency (KCS). 2. Better coordination amongst relevant agencies. 3. Public private partnership through inclusive committees and taskforce teams. 4. Passed new laws and revise existing ones to enhance SW operations. 5. Huge publicity and education targeting users and potential users. 6. Manage on business basis with focus on clients. 7. Gave incentives to attract clients (eg no inspection). 8. Bought high quality equipment. 9. Using international standards.	1. Existing wealth of knowledge in IT and widespread internet connection in Korea. 2. Government support for trade facilitation projects. 3. Familiarity with electronic trade processes. 4. Good governance policies initiated by a vibrant democracy. 5. Legal readiness, for instance, Trade Automation Act 1991.

V.CASE STUDY OF THE CAMEROON SINGLE WINDOW (CSW) SYSTEM

5.1 Historical Analysis/Background of CSW

For its part, Cameroon has been working with the IMF and other donor agencies since the 1990s to improve its trade environment.The establishment of a SW system in 1999 was one the measures taken during this period to encourage trade. It was motivate by the following reasons:

Firstly, the SW was setup to reduce the time and cost of obtaining the necessary documents to import or export goods to other countries. In Cameroon, most of these documents (tax certificate, phytosanitry certificate and import/export licenses) can be obtained in provincial offices or from the ministries concern depending on the category of goods to be imported or exported. Usually, the applicants will have to spend time and money to visit the different agencies located in different parts of the provincial capital to apply for the papers, pay separately and wait for them to be processed. In addition to this, the exchange of information needed for verification between customs and other agencies was done manually. These conditions led to delays and consequently increased the cost and the time to complete requirements to move goods across the border, making it one ofthe highest in sub-Saharan Africa. The government set up a SW to bring together trade related service under the same roof to speed up the flow of information between stake holders and reduce the cost of fulfilling regulation.

Secondly, before the SW Cameroon suffered from a decade of severe economic crisis which started in 1986. In order to obtain financial support

from IMF and the World Bank, the country was subjected to structural adjustment conditions initiated by donors. One of the conditions was for the government to liberalize trade and introduce measures to reduce procedures. They urged the government to consider trade as part of its effort to promote growth and reduce poverty. Thus, the government changed its inward looking attitude and took steps to improve its trade environment.

In addition to this, Cameroon is a contracting party to the Convention on Facilitation of International Maritime Traffic of the International Maritime Organization (IMO) and the International Convention on the Simplification and Harmonization of Customs Procedures (Kyoto Convention). These organizations have laid down standard for effective customs administration and recommends members use these standards to promote professionalism and transparency. One of the measures taken by the Cameroon government to meet this international pressurewas to set up a SWto improve trade governance.

Furthermore, the establishment of a SW was and remains part of efforts to fight corruptionin the country's international trade institutions. The civil service was noted for widespread corruption, particularly the customs. Based on a poll of private companies, Transparency International rated Cameroon the world's most corrupt country for 2 consecutive years in 1998 and 1999. Corruption led to a loss of state revenue anddiscouraged trade and foreign direct investment which consequently undermined the countries growth. The government set up a SW for external tradeto enhance efficiency and accountability amongst trade regulatory agencies, boost trade

and promote the nation's development (World Bank, 2012).

Following discussions with the IMF, the government organized a seminar in 1997 to discuss its plan to introduce trade facilitation measures at the Douala main port. In the course of the seminar held in Limbe business operators and Cameroonian authorities reviewed and examined the formalities to be fulfilled at the Douala Port for both importation and exportation of goods. Their deliberations revealed lengthy delays and attendant costs that did not only undermine the local economy but diverted traffic towards other seaports. This observation was equally confirmed at the November 1997 roundtable conference on the National Ports Authority of Cameroon.

In agreement with donor agencies, theCameroonian authorities decided to set up a SW. Theyassigned the International Sea Traffic Facilitation Committee to brainstorm and provide institutional, organizational and regulatory solutions aimed at cutting down costs and time in the fulfillment of import and export formalities. After due examination, thecommittee set two deadlines which were to become the ultimate aims of the CSW, namely,

- Two (02) days for exportation;
- Seven (07) days for importation.

Considering the fact that procedures were done manually, government decided to start its SW for external trade ("Guichet Unique des opérations du Commerce Extérieur" GUCE), by bringing together some trade-related agenciesin a single building at the maritime business centre in

Douala. The SW became operational in 2000, bringing together, the representative office of Douala autonomous port (PAD), Société générale de surveillance (SGS), Customs, the Treasury, Exchange offices, the office of National Cocoa and Coffee Board (NCCB), the Phytosanitary services and Banks.

The initial two fold objectives of the government were:“Grouping together, in one same area, public and private actors involved in fulfilling import/export formalities at the Douala Port”and in what seems to be a futureobjective“linking together the various information networks with a view to speeding up data transmission.” In other words ensure that documents and forms are phased out, transactions are certified by electronic media and files are processed exclusively by electronic channels.Therefore, instead of moving from place to place and incurring the attendant costs, import/export operators now have only one destination, the One-Stop Shop, where they can deposit their documents for processing, withdraw approved files and pay taxes, duties, fees and other duesto the various banks operating in the premises (GUCE, 2012).

The facility is intended to ultimately speed up the processing of documents by ensuring the rapid movement of files from one unit to the other and cutting out the time lost due to the movements with files from one part of the town to the other.This should lead to an improvement in the conditions to fulfill formalities by the users or their representatives.

5.2 How the CSW Works

The automation of trade processes in Cameroon is ongoing, notably,with the introduction of ASYCUDA system in 2007 and automatic cargo scanners in 2010. However, an electronic SW is yet to be implemented (World Bank, 2012*)*. Unlike the KSW, the CSW is still paper-based.Users have to be physically present and all information is exchange through paper filling and forwarding within the facility.

However, in this case only Authorized Customs Brokers are allowed into the One-Stop Shop. Licensed forwarding companies which employ these operators, ought to have a customs broker accreditation issued by the National Customs Director. This requires professional competence and the deposit of a bank guarantee as surety to the administrative authorities (given that the customs agents participate in establishing and collecting taxes and duties). It is by means of an explicit authorization that economic operators designate the customs brokers to represent them in transactions conducted at the SW facility(One-Stop Shop). Such authorization may be in the form of a routine order or an instruction slip (GUCE, 2012).

Upon arrival at the building, the reception and information service ascertains the user's capacity to conduct formalities by examination of files and issuance of attestations confirming that approved documents shall be followed up within the SW(One-Stop Shop). In the process, the licensed customs agents are required to show the badge issued to allow them entry into the SW facility(One-Stop Shop). With access granted, the user(s) then submit his application, tofulfill formalities to import or export

goods.When all formalities are fulfilled, the importer or exporter can then obtain a clearance note.

Presently, there are eight agencies providing trade related service, including the Customs, DPA, SGS, Treasury, Phytosanitary, NCCB, Banks and Exchange services.Generally, the following formalities can be accomplished at the SW (One-Stop Shop);

- Submitting the Temporary Taxation Slip (TTS) request to SGS,
- Submitting the customs declaration and obtaining the Delivery Order,
- Settling the TTS at the bank,
- Paying the import duties and taxes less than CFAF 2 million to the Treasury,
- Obtaining the phytosanitary certificate (exportation) or the phytosanitary inspection report,
- Paying the port charges to the bank,
- Domiciliating transactions to banks and exchange service,
- Paying coffee – cocoa charges and duties.

The SW brought relevant trade related agenciestogether in one building where users and or potential users can visit to get any information they need or to fulfill formalities without having to go to several offices located in different parts of the province or city. This has some significant effect on trade given that the time spend and cost of moving goods beyond borders also determines the trader's ability to compete in the global market.

5.3 Effect of the CSW

Not much has been documented on the impact of the CSW. However there is some evidence that it has helped toreduce the time and money spent compared to when traders had to visit the agencies separately to fulfill formalities. Depending on the goods to be exported, they can now obtain a clearance note at a single stop (SW), which savesmoney for transportationand the time spent waiting for applications to be processed. In addition to this, it has significantly reduced the number of public offices and officers that have direct physical contact with businesses which helps to minimize corruption, given that direct physical contact allows for parties to negotiate for favor (Common Wealth Business Environment, 2009).

Positive effects are evidentin the reduction in time to clear goods at the country's main port in Douala.Speaking during a trade facilitation conference dobbed 'Doing Business in a Simplified Environment'held in Douala in May 2012, the Director General of Customs Mrs. Minette Libom Li Likeng, confirmed that the SW has reduced both the time to start a business and the time to import from 40 days to 19.5 days.She added that there are plans to further reduce the time to about 7 days. In Doing Business 2012 the World Bank confirmed the reduction in time caused by reforms in trade procedures, notably the SW. The tablebelow shows the changes in time and the cost to complete import and export procedures, from 2007 to 2012.

Table 6: Changes in time and the cost to complete import and export procedures

Indicator	2007	2008	2009	2010	2011	2012
Rank	.na	na	na	na	155	156
Documents to export(no)	9	9	9	10	11	11
Time to export (days)	27	27	27	23	23	23
Cost to export(US$ per container	1,032	1,032	1,120	1,250	1,379	1,379
Documents to import(no)	10	10	11	12	12	12
Time to import(days	33	33	33	26	26	25
Cost to import(US$ per container	1,918	1,928	2,061	2,191	2,167	2,167

Source:Doing Business database (2007, 2008, 2008, 2009, 2010, 2011, 2012)

As seen on the table, the time to complete procedureshas reduced. This helped speed up the movement of goods to and from other countries. However, the number of documents and the cost to import or export has increased over time, making it difficult to reach the initial objectives of the SW (2 days for export and 7 days for import), and undermining the improvement of the overall business environment. It still takes about 23 days to export and about 25 days to import which is not good even for developing countries. The country ranked low in the ease of trading across borders, dropping from the 155th position in 2011, to 156th out of 183 countries (World Bank, 2011/2012).This reveals that there some challenges to the effective implementation of trade facilitation measures in general and the SW in particular.

5.4 Challenges Facing the CSW

There are a number of challenges to the effective implementation of the CSW.One, and perhaps the most obvious,challengeis to ensure timely exchange of information between the concerned government agenciesand also between the government and traders. This is because most processes are characterized by paperwork (manual) including also the dissemination of applications to concerned agencies for review and approval. Apart from the inconvenience caused by the fact that traders are required to be physically present to make declarations,mounting paperworkalsoleads todelays and some time lost of documents and data submittedto fulfill trade procedures. Also some customs brokers make errors in the course of doing import/export declarations, which ends up slowing the process (Refas S. and Cantens T. 2011).

Moreover, despite the fact that some relevant agencies have been brought together, not much has been done to streamline and harmonize their procedures and functioning principles. The number of documents has increased over timeadding to the cost of processing files. In addition to this, though a 7 day time target to complete import procedures was officially defined in 1997, it has not been adopted by all port stakeholders to date, notably, because it did not take into account shippers,customs brokers and forwarders behaviors. This limits SW operations, making it difficult to further reduce the time and cost of completing trade procedures (Refas S. and Cantens T. 2011).

Furthermore, bureaucracy, conflict of interests amongst agencies and centralization of decision making still affects the smooth functioning of the SW. The Cameroonian administrative system is characterized by centralization of power in the hands of superior authorities. Though there are representative offices of some key trade regulatory ministries within the SW facility, they are not allowed to process someapplications. For this reason customs procedures, for instance,which could have been handled inDouala, still need to get approval from the Ministry of Finance and General Customs Administration sitting in the political capital, Yaoundé (Common Wealth Business Environment, 2009).

Inan interview with a Customs broker, Mr. Manfred Arey, concerned with his overall impression of the CSW he said,"It is good we have the GUCE…..but there are some documents for which we need to see the chief personally."This suggests that you cannot obtain clearance for somecategoriesof goods at the SW.The website of the CWS clearly acknowledges that there are some categories of import and export that are beyond the scope of the SW. To import or export these goods you need express permission from the concerned ministry. This places a limitation to the full application of the SW concept, preventing clients from fully enjoying its benefits. Conflict of interests encourages rent seeking amongst the agencies which undermines the effectiveness of the SW.

Moreover, corruption is still very much present in Cameroon's trade administration. In 2010, Transparency International's Global Corruption Barometer revealed that almost two-thirds of the surveyed households who had contact with Cameroonian customs in 2009 reported to have paid a bribe. According to the World Economic Forum Global Enabling Trade Report 2010,surveyed business executives rate the transparency of the border administration, in relation to irregular payments in export and imports, as low (Business Anti-Corruption Portal, 2012).

More recently, the US Department of State (2012) said endemic corruption still plagues thegovernment of Cameroon, making it one of the "world's most challenging business climates."The government has also spoken out about corruption. While launching a toll free number to combat customs corruption in June 2012, the director of customs said it is time to put an end to corruption in the customs department.Apart from the fact that corruption increases the cost of trade,it also encourages smuggling and undermines the nation's ability to obtain or to efficiently use loans aimed at improving trade infrastructure (Business Anti-Corruption Portal, 2011).

Another challenge is that sometimes traders do not have the money to pay their tax bills on time. Thus they have to spend hours trying to raise the amount demanded or negotiating for a reduction or avoidancewhichencourages corruption and increases the time that cargo stays inthe port.This is partly blamed on inconsistent and opaque custom procedures,the culture of negotiation,and also the fact that some traders have

financial difficulty and limited access to loans (Common Wealth Business Environment, 2009).

There are also challenges to progress to the second phase of implementation of the CSW; "linking together the various information networks with a view to speeding up data transmission."In other words,a complete automation of the SW, where all procedures can be accomplish electronically, including the exchange of secured data between concerned agencies and potential users. This was scheduled to begin in 2012 as seen on the table below.

Table 7: Schedule for e-SW Implementation in Cameroon

Procedure	Expected reduction	Actors	Deadline
Integration of the BESC	½ day	CNCC	April 2012
Registration (importers / exporters)	2 days	MINCOMMERC	April 2012
Electronic payment	2 days	DGD-DGTCM du MINFI	May 2012
Improvement of the CIVIO	½ day	DGD-PAD	June 2012
Exchange of the Manifeste	1,5 days	DGD-PAD	June 2012
Taxes PAD	1 day	PAD	Sept. 2012
Attestation de Vérification des Importations (AVI)*	1 day	DGD	December 2012
Lettre de Voiture Internationale (LVI)	1 day	BGFT	December 2012

Source: Cameroon Economic Update 2012

However, there is so far no electronic exchange of information betweentrade regulatory agencies (World Bank, 2012). The implementation process is facing a number challenges:

Firstly, unlike Korea, electronic trade processes are still pretty new in Cameroon'strade administrative system. There are still some trade-related agencies without computers or internet access. Even those that have are facing operational problems due to technical challenges. Such agencies might not bewilling or are reluctant to participate in an electronic SW. In addition, there are also some users or potential users who do not have internet access or have limited access. This might discourage them from using an e-SW.

Secondly, there is not legal provisionfor electronic trade. Electronic trade requires legal provisions to maintain its security and dignity. The absence of legal provision is posing a challenge to progress to an electronic SW (GUCE, 2012).

Thirdly,a lack of national experts to develop the system and also limited knowledge for electronic trade poses a challenge to further progress to e-SW. In the same interview with Mr. Array, it was asked whether he would like to start doing transactions via internet. He said he is willing to use internet, but it might take some time to understand the processand that will undoubtedlyslowhis business.

Finally, the high cost of implementing an e-SW is also preventing its progress. Existing examples have shown that much money is needed to develop and maintain an e-trade platform. This might weigh a lot on

finances of a developing country, considering that the budgets are relatively small. Listed below are the evident challenges for SW implementation in Cameroon.

Table 8: Challenges to the Cameroon SW Initiative

Manual/paper- based SW	**Progress to electronic SW**
1 Delays in flow of data between the concerned parties.	1 IT usage and Internet connection is still limited
2 Mounting paperwork and lost of documents.	2 Limited IT knowledge and a lack of IT expats
3 Bureaucracy and Centralization of decision making	3 Lack of necessary legal provisions
4 Conflict of interest and rent seeking amongst agencies.	4 Limited finances for e-trade development
5 Corruption and a lack of strong leadership due to conflict of interest.	5 Corruption and mismanagement of public funds
6 Inadequate coordination of concerned agencies.	
7 Some relevant agencies do not participate in the SW.	

VI. RESEARCH FINDINGS AND APPLICABILITY OF KOREAN EXPERIENCE IN CAMEROON

This chapter highlights the lessonslearned from the studyand the applicabilityof some of the lessons from the KSW to improve the CSW and consequently Cameroon's entire business environment. The lessons learned might also be of interest to other developing countries that want to use the SW concept to facilitate trade.

6.1 Research Findings

The study offered some interesting insides on the SW concept in general and particularly the cases of Korea and Cameroon.This part of the chapter puts together the main issues found in the study of both SW systems.

Firstly, it could be noticed that the SW concept is an interesting trade facilitation approach that,if properly implemented, can change a country's trade environment for the better. The two cases, Cameroon and Korea, are respectively example of a manual and electronic SW (e-SW) contained in recommendation 33, which sets forth the guidelines on establishing a SW. However, unlike Korea, it was found in the case of Cameroon that though it is possible to setup a SW in a manual environment, it is more challenging to effectively implement it to gain maximum benefits. This is because it is difficult to enhance a rapid flowor exchange of information between the concerned agenciesas documents are physically transferred from one agent to another for verification, confirmation, or processing. This can lead to

delays and inefficiency, which undermines the effectiveness of a SW (UNECE, 2003; UN/CEFACT, 2005 Yang, 200; KCS, 2012).

The study also shows that the CSW is still being constrained by the general problems of governance in the country; for instance, lack of infrastructures, corruption, centralization of power, inadequate legislations, lack of strong leadership and coordination. (Common Wealth Business Environment, 2009, Business Anti-Corruption portal 2011, US Department of State, 2012).

Moreover, it was noticedthat coordination of the concerned agencies, or Service Providers, is necessaryto develop and successfully implement a SW. This is because as interagency facility, the SW can only be implemented through effective coordinationof parties concerned for a common goal, which is to speed up trade processes. It's not easy to have different agencies working together given that they operate in different ways and some are not willing to change traditional rules.However, in the KSW, the agencies are coordinated through taskforceteams (TF) that include representatives from concerned agencies. They are given the assignment to review and harmonize the existing rules in the different agencies and also to sensitize concerned parties on the necessity to have a SW. The work of the TF team leads to an increase in the number of connected agencies, which also increase the number of SPs (KCS, 2010; World Bank, 2012; Yang, J., 2009). This is a strategy that the government of Cameroon needs to consider while working to upgrade its SWsystem.

It was found that having many trade-related agencies and many clients (traders) who use the SW, determines the volume of business that goes through the systemwhich consequently saves more money for administrative cost and has a greater impact on business. Thus, if the project is successful, it becomes clear how much the business environment has improved. This happens progressively during the implementation. However, this has to come through better solutions to the challenges faced during the implementation especially in the beginning where many stakeholders are reluctant to participate (KCS, 2010).

In the KSW,besides coordinating the project, the lead agency (KCS) worked hard to create awareness amongststakeholders of the necessity and existence of as SW system (see question 37 completed by KCS in box 1 chapter 3). The KCS marketed the SW with a special focus on the clients, notably Customs brokers and logistics companies, organizing training and even offering incentives to encourage them to use the services. This increased the number of service providers (SPs), clients, and hence the volume of trade that goes through the system (APEC, 2007; KCS, 2010; Yang, 2011). It is not clear how many agencies and clients use the Cameroon SW (CSW), but became apparent that some stakeholders do not understand its advantage and for that reason it is not appealing enough for them to support its objectives (Refas and Cantens, 2011).

Moreover, it could be learned that an effective SW needs a strong public and private partnership (PPP). The government has to work in

collaboration with the private sector (trade) to develop a business friendly facility. The KSW has also been very successful because of public private partnership. The governmental committee that was charged with e-trade development worked in collaboration with private organization promoting trade in Korea, for instance, the Korean Trade association (KITA) and Korean Trade Net who played a major role in designing the facility and encouraging its use by the private sector (Yang, S., 2011). For its part, the CSW is jointly managed by private and public stakeholders but the relationship is undermined by a lack of trust and centralization of power by government agencies (see Common Wealth Business Environment, 2009).

Another thing that is outstanding in the studies is the role of government and lead agencies in SW development and implementation.It was noticed thatstrong leadership is very important for the success of a SW project. The reason is that, apart from coordination, every SW needs money for development, maintenance and for maintenance, regulation and international standards alignment for global credibility. These are better done by the government considering the fact that trade regulation is mostly a public domain.

Throughout the research it became apparentthata strong and explicit government will and leadership plays a big role in the development and successful implementation of the KSW. The government considered the SW system an important part of its e-trade facilitation strategy.The president directed vitalization of clearance SW in 2007 and Prime Minister's office

accordingly prioritized this as special national project in 2008. The National e-Trade Committee was chaired by the Prime Minister and included 10 ministers; the commissioner of KCS and the chairs and presidents of leading private industry associations including those for small and medium-size businesses. This strong politicalinitiative made availablethe budget and under its direction customs was the lead coordinator in the implementation. The participation of the highest authority in the country was enough motivation for other authorities to line up to the program (Yang, S., 2011; KCS, 2010).

Moreover,that intensive project planning and phase implementation is very important for SW projects, especially for internet-based systems. The reason is that in a SW, planners have to be able to indentify obstacles to trade, do impact studies of the potential effects of the project and prepare a report on how to accomplish it. At this stage, it's easy to indentify some challenges and lay down plans to overcome them (UN/CEFACT, 2005). It could beseen that Korea followed this essential steps to implement its SW. Korea used these essential steps to effectively implement its SW system.

In the example of Korea it is obvious that it is easier to implement aninternet-based SW if the concerned agencies have been using IT in their transaction. The Korean government has been promoting electronic trade for more than a decade before the SW project. In addition to this there was already a widespread use of internet in the country and most trade transactions were done electronically. This was a favorable condition for the implementation of an electronic SW (Yang, J., 2009).

The study also shows that the implementation of an e-SW entails the deployment and judicious use of a lot finances as well .A lack of finance is partly the reason why many poor countries like Cameroon find it difficult and challenging to implement an e-SW. Korea's, remarkable economic development makes it easy to finance projects in addition to IT knowledge, determination (Yang, J., 2009).

Last but not the least it could be learned that particularly for e-SWsit helps tostandardize procedures andhave legal provisions to regulate its activities.Korea passed different laws to regulate electronic trade in general and the SW in particular(APEC, 2007; Yang, J, 2009; KCS, 2010). So far Cameroon has not legislated on electronic documents or e-SW data exchange. The website of the CSW explains that further progress in the SW is still awaiting legal provisions. Thus, the government needs to consider speeding up legislationsto facilitate trade. The tables (9 and 10) below,summarizes the major differencesdiscerned from the study of both SWs.

Table 9: Major differences in both SW initiatives

KSW	CSW
1. All processes are accomplished electronically, for example data exchange and fees payment.	1. Predominantly manual. Data is exchanged and processed through paper filling and fees paid through cash transfer.
2. Strong and explicit government support for e-trade and the SW program.	2. Lacksa strong government support and leadership.
3. Adequate legal framework to support e-trade in general and the SW operations in particular.	3. Lack the necessary laws to support e-trade and SW operations.
4.Strong public and private partnership for trade facilitation programs.	4.No strong public and private partnership due to centralization of power, a weak private sector and lack of trust.
5. Huge publicity and education	5. Has not received sufficientpublicity.
6.Effective coordination of trade-related agencies.	6. Ineffective coordination amongst trade-related agencies.
7. Use of international standards.	7. Processes have not yet been standardized.

Table 10:

Items compared	KSW	CSW
Participating Agencies	23	8
Working hours	24	7
Number of SW uses (annually)	864,366	106,000
Reduction in data items	255 (47%)	0
Documents to export	3	11
Cost to export (USD per container)	680	1,379
Time needed for customs clearance	1.5 hours	3 days

As seen above, traders in Cameroon needs more documents to exports a products, than those in Korea. This consequently increases the cost and time for customs clearance.

6.2 Applicability of the KSW Experience to CSW

Like Korea and many emerging economies, Cameroon believes that trade plays a big role in economic development, growth, and poverty reduction. The government is interested in improving its import/exportproceduresto facilitate trade, increase national competitiveness and further integrate the country into the global economy. Also, though international trade practices may vary amongst countries, the goal of trade facilitation policies in general and the SW system in particular are pretty much the same in almost every country. That is, to make trade easy or easier by removing or reducing obstacles that increases trade burden. Interestingly, policy implementation in

this area is more rewarding if designed to meet global standards and recommendations. One of the ways to do this is by learning from leading models and successfulexamples (World Bank, 2012).

Like Korea, Cameroon views the single window as part of its effort to facilitate trade and improve customs reputation.It recently announced plans to transform its physical SW to an e-based SWaimed at further reducing import process to seven days for imports and two days for exports. This system will allow data to be transmitted entirely via electronic media. Korea has used this model to detect and eliminate trade bottlenecks, increase trader's compliance and reduce trade logistics costs. Learning from the Korean experience would help Cameroon in its struggle to improve its SW and its trade environment.

Cameroon is ideally positioned to take advantages of the economic opportunities offered by greater trade. Due to its strategic location neighboring Nigeria and Gabon, and potential crossing point to the landlocked countries of Central Africa (Chad and the CAR), Cameroon is a natural hub for the region with the port of Douala serving as the main entrance.In addition to this, the country is blessed with plenty of natural resources and a natural environment favorable for agriculture. But, this natural advantage has been undermined by trade bottlenecks; like corruption, bureaucracy, mounting paperwork, tough customs procedures that are preventing, particularly, small companies from taking the opportunity. It should be noted that it still takes about 12 documents to import, 11 to export and about 23 days to complete the process (compared to 3 documents and 7

days to complete the process in Korea and between 6 to 8 days in most emerging economies), as seen on table 4 above.

Establishing a SW facility to facilitate trade is an indication that the government understands that substantial effort is needed to put an end to trade bottlenecks. However, the Korean experience indicates that to achieve these goals with a SW a carefully planned business oriented standardized policies are necessary. Box 2, below,summarizes the similarities in both SW projects in terms of characteristics and motivating factors and purposes.

Box 2. Similarities in both SW

1.Both countries are members of major trade-related organization that have set standards for trade facilitation, for example, the WTO, WCO and UN, OECD.

2. Both Korea and Cameroon view trade as a means of economic development and poverty reduction.

3. Both countries view trade facilitation as a means to increase trade and the SW system as an important practical approach to facilitate trade.

4. Both SWs are customs-led and are considered as an important part of customs modernization.

5. Cameroon is also working on implementing electronic SW.

6.3 Recommendations for Cameroon

By drawing lessons from the Korean experience, the last part of this chapter recommends major changes in CSW governance to enhance its efficiencyand improve its trade environment.

In the first place, to implement a SW that would have any significant impact on trade, the Cameroonian government (CG) has to show stronger leadership and political will. This is beyond considering trade as a poverty reduction strategy or a signature by a designated government ministerpermitting the operation of a SW. It entails the involvement of top government officials at almost every level of implementation providing the leadership needed to identify and seek possible solutions to any challenges. The Korean government demonstrated strong political will by creatingcommittees under the direction of the presidency and chaired by the Prime minister and ministers of other government agencies. Thishelps a great deal in mobilizingstakeholders andto build trust between them. It also makes available the finances and established the necessary judicial reforms (see chapter 4 and 5, above). This was a huge success factor to the KSW. The Cameroon government should consider being directly involved in trade facilitation programs. This will motivate other stake holders and make the program successful.

The CG should also speed up the implementation of an e-SW to better enhance the rapid flow of information between concerned agencies. The ultimate objective of every SW is to reduce time and associated cost of

delays in fulfilling trade procedures by facilitating the flow of information between trade-related agencies. This can best be achieved if information is exchanged electronically. It requires putting in place the necessary facilities and promoting the use of internet by concerned agencies and the business community. This will reduce problems associated with mounting paperwork, loss of documents, data security and the time that traders and agencies need to physically move papers from one office to another. An e-SW can reduce the entire time of moving goods across borders generating greater benefits to both trade and government.

The CG should ensure that the program is effectively coordinated. A SW system brings together many trade related agencies that normally perform differentfunctions using different rules. Effective coordination will help to simplify and unify these rules, bringing all the agencies on board for the purpose of facilitating trade. In the KSW implementation a TF team of experts from trade-related agencies and the private sectors was mandated to identify, review and harmonize operational rules of concerned agencies (Yang, J., 2009; KCS, 2010; World Bank, 2012). The government of Cameroon should consider using TF teams with a clear mandate to lead the coordination process. This will reduce collusion and rent seeking amongst the agencies and increase their participation and commitment to the SW project and eventually reduce trade cost and delays.

Moreover, the CG should pass laws to regulate SW operationsfor effective implementation.The Korean experience shows that a sound legal infrastructure is needed to ensure transparency and reliability in SW

operations. There are alwayslegal issues that need to be addressed to make sure theSW operates fairly and safely. Essential to all SW operations is the transparency and security of data exchange (UNECE, 2003; UN/CEFACT, 2005). Therefore, a sound legal regime which regulates the data collection, access and distribution and clarifies the privacy and liability regimes, makes it possible to create a solid basis for the operation of the facility and to build a relationship of trust between all stakeholders (Recommendation 33 and 35). For the effective implementation of the KSW, parliament passed laws to regulate e-trade and SW operations. Cameroon should consider introducing legislations to regulate its SW operations. This will help resolve problems related to data protection and anti-trust and protection concerns, and also clarify the issue of electronic documentations and liability.

Again, the CG should strengthen Public Private Partnership (PPP) in the management of it SW. A SW facility connects private (trade) and public authorities; each having an interest to protect and at the same time needing each other's trust and collaboration to protect that interest. PPP entails both Private and Public actors working together through consultation ora joined decision making process for the purpose of the facilitatingof trade. One of the reasons for the success of the KSW is that the government worked in collaboration with private organizations promoting trade in Korea. The high level steering committee that was charged with e-trade development included representativeof private organization, for instance, the KITA and Korean Trade Net (See chapters 4 and 6). Strengthening PPP will helpto build trust between participants in the CSW and increase traders'compliance.

It can also raise funds for further development and maintenance of the system.

Moreover, the efficiency of a SW will increase with the application of internationally accepted standards. Relevant standards have been developed by intergovernmental agencies and international organizations such as the United Nations Economic Commission for Europe (UNECE), United Nations Conference on Trade and Development (UNCTAD), World Customs Organization (WCO), International Maritime Organization (IMO), International Civil Aviation Organization (ICAO) and the International Computing Centre (ICC). Korea developed its SW system considering international standards and also looked at existing examples, notably in the US and Singapore (APEC, 2007; KCS, 2010). The CG should consider using international standards and available tools as this will help ensure that the systems developed to implement the SW are more likely to be compatible with similar developments in other countries. This and could also help in the exchange of information between them in future.

Furthermore, consideringcost, speed, reliability, and accessibility of payment systems have a major impact on transactions costs, the GC should establishor increase access to non-physical, faster and secured systems through which SW users can fulfill payment without physical contact or cash transfer. In the KSW, users can make payments online or through automatic cash machines. This saves time and the inconvenience of dealing with large amounts of cash associated with international transactions. In Cameroon, the system of payment is still predominantly by cash. Apart from

the fact that this can be inconvenient, it can encourage corruption and other financial problems. Therefore, electronic payment should be encouraged to ease transactions and reducetrade cost and potential financial malpractices.

The GC should also embark on publicity to create or increase awareness of the existence of a SW, its services and the advantages of using the system. That is letting the business community know how much money they can save or the risk they can possibly avoid if they fulfill trade requirements through a SW. The research shows that the business community can gain this awareness through widespread publicity.The KCS provided TV and Radio interviews, organized seminars, training workshops and distributedusers' guidesto potential users, especially logistics companies. They also gave the incentive of no inspections to persuade businesses to use the KSW (Yang, S., 2011). The website (www.unipass.or.kr) is upgraded almost every day with the latest information about its services. Publicity can increase the number of clients and volume of business that goes through the system, which consequently reduces the cost for all parties.

However, it might be challenging to effectively implement an e-SW in Cameron, considering much money and many expertsare needed to develop and maintainsuch facilities. For Korea, rapid economic growth makes it easier for the government to finance trade facilitation projects. In addition to this, Korea had already invested in IT educationin the course of its economic developmentand had been promoting e-trade before the SW project (see chapters 4 and 6.1 above).

The study shows that a SW alone cannot bring maximum benefits for trade facilitation. It is necessary to implement other good governance and economic development policieswhich will help improve other sectors that directly or indirectly influencethe performance or the SW system. For example, fighting corruption in the country as a whole, overhauling the judicial system, improving transport and port systems, increasing access to finance, just to mention a few, will help to enhance the performance of the SW system and consequently improve the trade environment. It can also help to resolve cultural issues that affect trade administration. It takes time and much money to promote these programs. With budgetary constrains in Cameroon, the government might be reluctant. But the Korean case shows the potentialbenefits are more than the cost. Thus, it will be good for the CG and its partners to dedicate more time and money promoting them.

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