APTFF Trade Facilitation Innovation Award 2019

Enhancing Digital Connectivity for China-ASEAN Trade





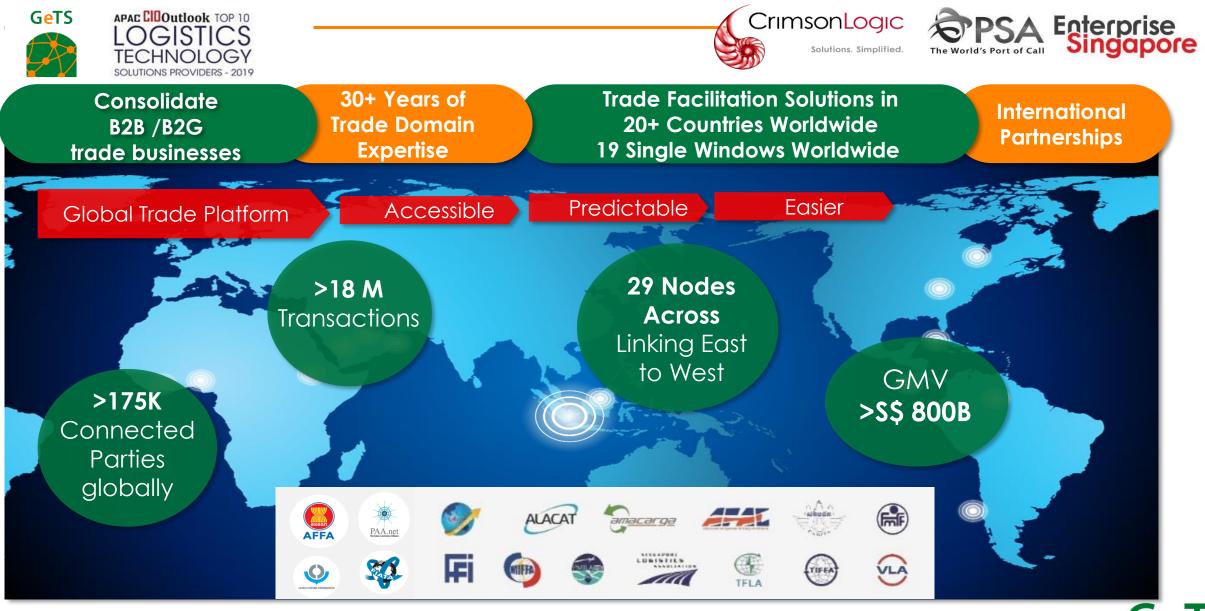
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Introduction of Participating Organisations





Introduction of Participating Organisations



Strong Growth & Challenges

ASEAN-China Free Trade Area (ACFTA) addresses the biggest population:

US588B China-ASEAN trade volume in 2018

Up **14%** Y-O-Y

China has been ASEAN's trading partner for 9 years

Challenges

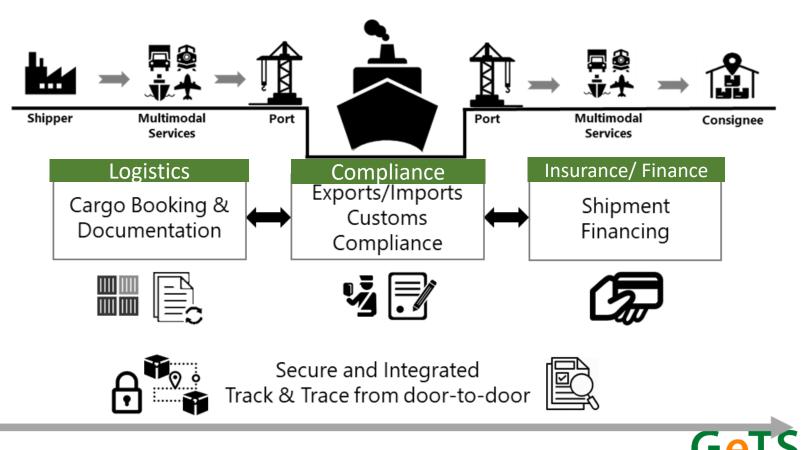
- In complex trade supply chain, inefficiencies are • manifold and the flow of physical goods may be constrained due to lack of transparency in information flow
- Disparate trade rules and regulations across ASEAN
- Disparate IT readiness in ASEAN countries ٠



Solution – A Digital Ecosystem (CALISTA)

- Brings together key physical and non-physical activities of logistics on a digital eco-system
- Since 2018, CALSITA, together with government and industry partners, has been embarking on a project to tackle the challenges face in China-ASEAN trade.

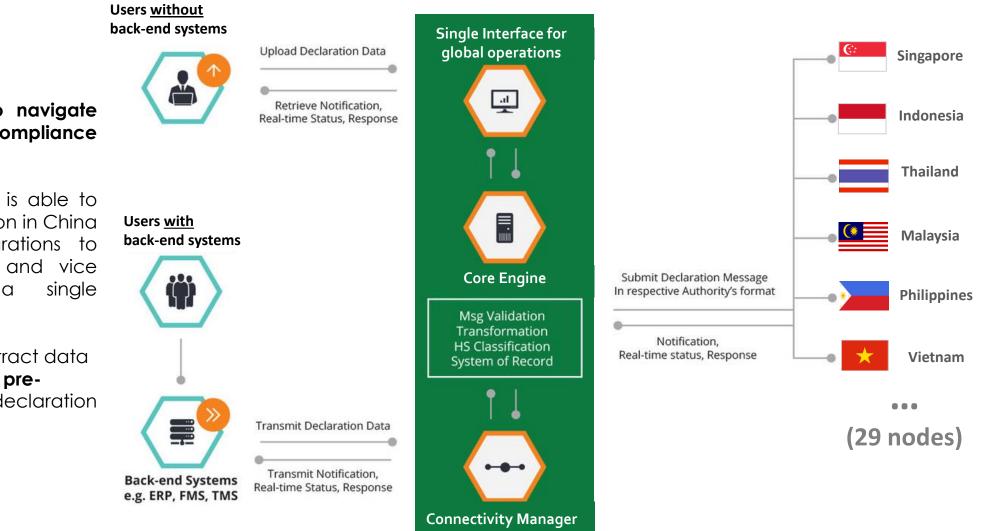




Solution - Compliance Connectivity (29 Nodes)



Why It Is Particularly Innovative and Effective?



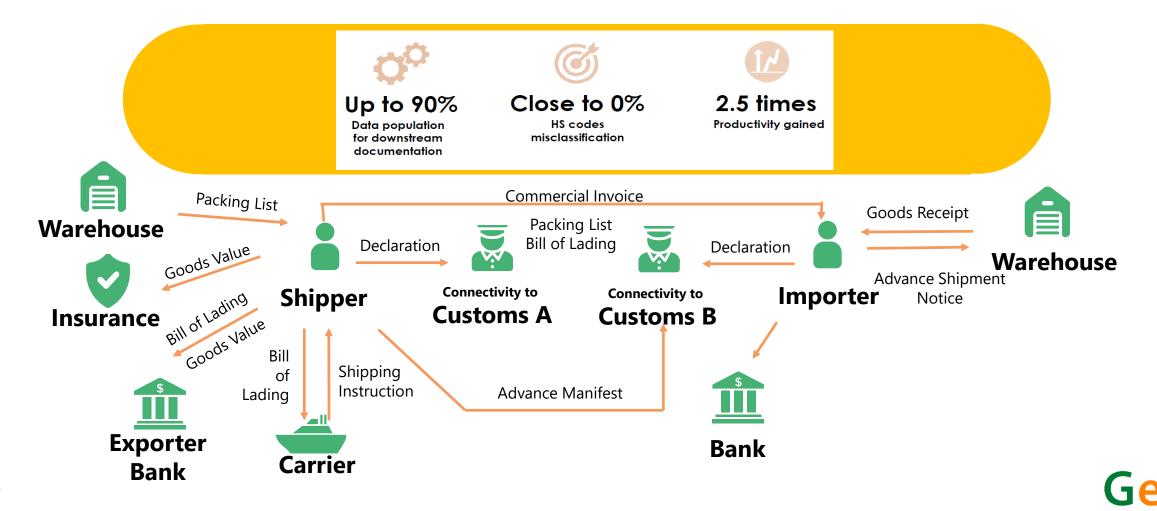
- Traders do not need to navigate through the complex compliance requirements
 - Traders from China is able to file export declaration in China and import declarations to these 7 countries and vice versa through a single platform.
- CALISTA is also able to extract data
 from source document to pre populate the respective declaration
 forms.

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Why It Is Particularly Innovative and Effective?

• Reduces inefficiencies due to 'digital islands' by

on-boarding/integrating with various platforms through bringing value to various stakeholders



Use-case 1: Orchestrating for Multi-Modal Transport (CN-SG-MY)

Pain Point:

For cargo shipped from Chengdu to Malaysia (via Qinzhou port in Guangxi, China and Singapore port), it involved the booking of container spaces in both **rail and ocean carriers**.

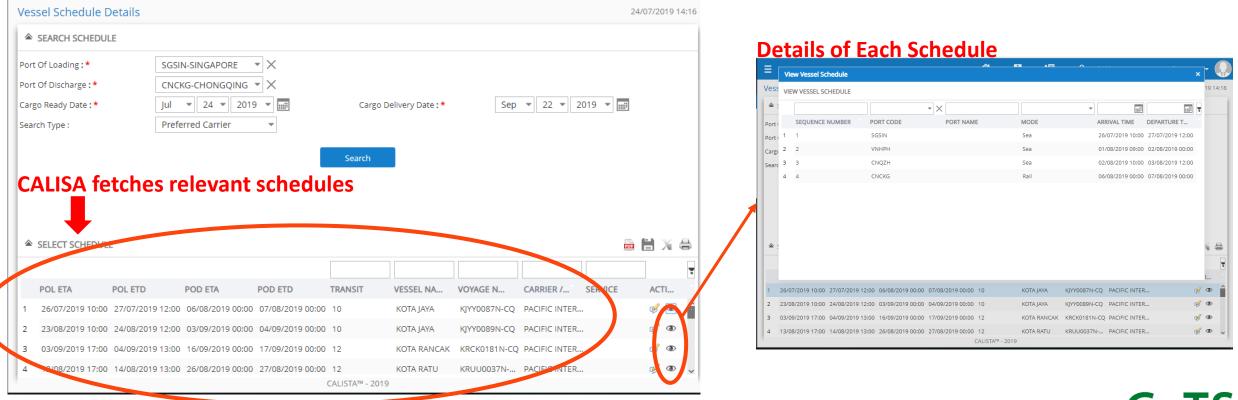
Beneficiary Cargo Owners (BCOs) had to **interface with multiple systems** to navigate through different schedules and manually orchestrate the booking of different vessels (sea and rail).



Use-case 1: Orchestrating for Multi-Modal Transport (CN-SG-MY)

Solution:

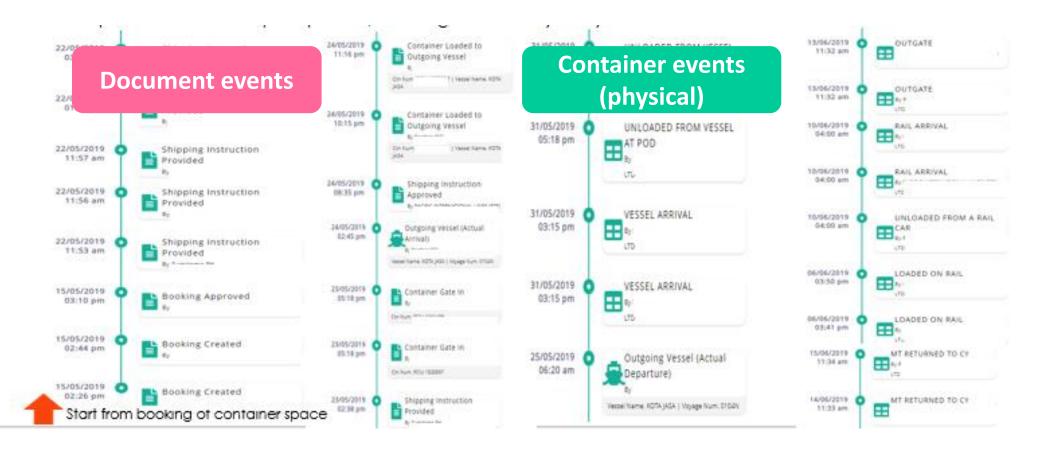
- Through CALISTA platform, BCOs only need to key in **cargo-ready date** and **cargo delivery data**, CALISTA will fetch the **options for the complete route** (automatically matched the suitable carrier and rail schedule).
- Booking confirmation from liners can also be viewed from CALISTA.



Use-case 1: Orchestrating for Multi-Modal Transport (CN-SG-MY)

Benefits:

- Much easier for BCOs to decide the suitable route, as all the relevant routes/ schedules are visible on one interface,
- Shipping Instructions (SI) are automatically generated
- Users also have full transparency of events:

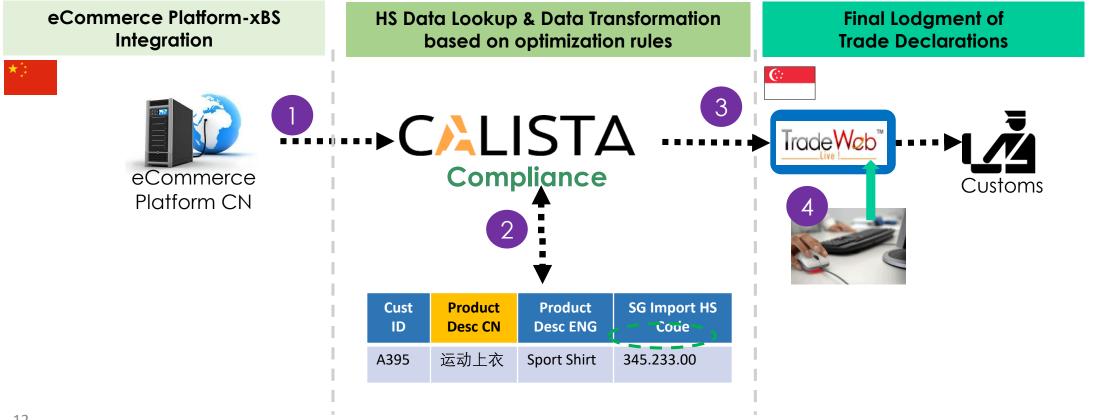


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Use-case 2: Ease of Meeting Compliance Requirements for eCommerce

Pain Point: Each eCommerce shipment has **a wide variety of product categories** and the categories varies from one shipment to the other.

Solution: CALISTA compliance solution helps eCommerce shippers to 'cut and dice' product info (data) received directly from source (their suppliers), assign the right HS code, apply the relevant business rules (i.e.: language translation, HS code mapping, permit segregation by competent agencies, product) for permit declaration.



Use-case 2: Ease of Meeting Compliance Requirements for eCommerce

Benefits: Data preparation reduced from 3 days to 0.5 day

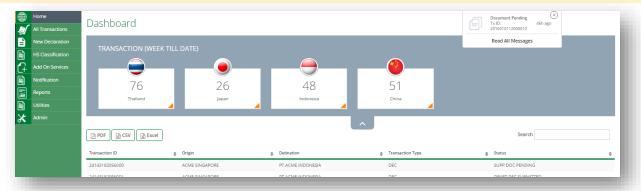
- Significant time-saving from coordination and data processing. To the eCommerce shipper, they only need to upload the product info from their supplier to CALISTA and the declaration form for importing into Singapore is automatically populated
- Do not need to navigate through the complex compliance requirements. CALISTA can help them pre-populate declaration forms in most ASEAN countries (Singapore, Malaysia, Indonesia, Thailand, Vietnam, Philippines, Brunei and key trade hubs in China (Shanghai, Suzhou, Tianjin, Wuhan and Fuzhou)

HS Data Lookup & Smart Classification

- Product description (Chinese) will be translated into English
- Lookup for recommended HS Code through Smart HS Classification engine

Data Transformation based on optimization rules

- Generation of trade declarations based on control or non control items
- Consolidation of items quantity, invoice amount and gross weight based on HS code
- Calculation of freight cost & insurance charges



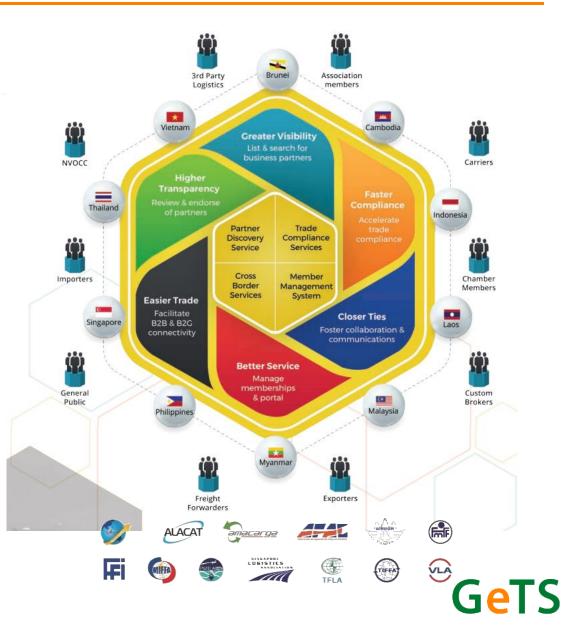


Possibilities to Scale and Expand – More Communities

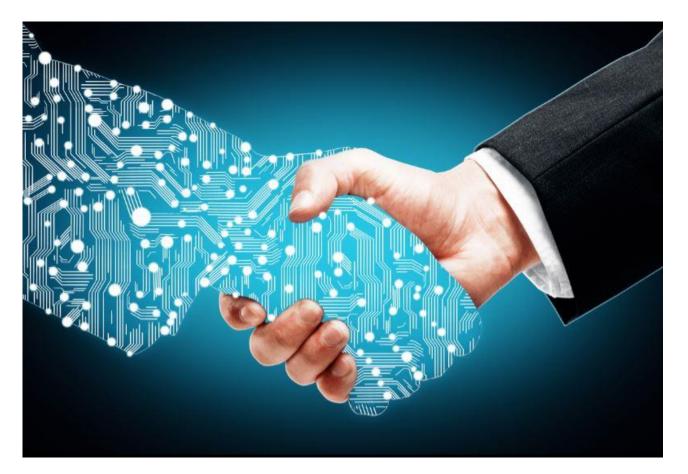
1. Integrating with hive to facilitate businesses among SMEs in China and ASEAN.

Hive currently has close to **3,000+ member companies** across 11 countries (ASEAN countries: Cambodia, Indonesia, Malaysia, Myanmar, Philippines, Singapore, Thailand, Vietnam)

2. Onboarding Feeders in ASEAN, Aerospace, Rail, Truckers, Air, Marine/ Aquaculture, Education, Ports, Custom Brokers, Marketplaces



Possibilities to Scale and Expand - More Intelligent



3. Intelligent Agent (AI-powered FTA analyzer, route optimization, cargo delivery risk, partner discovery)

4. Blockchain enabled with potential to execute smart contracts