APTFF Trade Facilitation Innovation Award 2019

Enhancing Digital Connectivity for China-ASEAN Trade
Introduction of Participating Organisations

- Corporatised from Port of Singapore Authority
- 50+ coastal, rail and inland terminals in 18 countries
- “The World’s Port of Call”
Introduction of Participating Organisations

Consolidate B2B /B2G trade businesses

30+ Years of Trade Domain Expertise

Trade Facilitation Solutions in 20+ Countries Worldwide
19 Single Windows Worldwide

International Partnerships

Global Trade Platform

Accessible

Predictable

Easier

>18 M Transactions

29 Nodes Across Linking East to West

>175K Connected Parties globally

GMV >S$ 800B
ASEAN–China Free Trade Area (ACFTA) addresses the biggest population: 1.9B

China–ASEAN trade volume in 2018

US$588B

Up 14% Y-o-Y

China has been ASEAN's largest 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
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.

Users without back-end systems
- Upload Declaration Data
- Retrieve Notification, Real-time Status, Response

Users with back-end systems
- Transmit Declaration Data
- Transmit Notification, Real-time Status, Response

Back-end Systems e.g. ERP, FMS, TMS

Single Interface for global operations

Core Engine
- Submit Declaration Message In respective Authority’s format
- Notification, Real-time status, Response

Connectivity Manager
- Why It Is Particularly Innovative and Effective?
  - Users without back-end systems
  - Users with back-end systems
  - Single Interface for global operations
  - Core Engine
  - Connectivity Manager

(29 nodes)
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:
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.

<table>
<thead>
<tr>
<th>Cust ID</th>
<th>Product Desc CN</th>
<th>Product Desc ENG</th>
<th>SG Import HS Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>A395</td>
<td>运动上衣</td>
<td>Sport Shirt</td>
<td>345.233.00</td>
</tr>
</tbody>
</table>

- **eCommerce Platform-xBS Integration**
- **HS Data Lookup & Data Transformation based on optimization rules**
- **Final Lodgment of Trade Declarations**
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
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