

GREETINGS



HON. ANTHONY HYLTON
MINISTER OF INDUSTRY, INVESTMENT
&
COMMERCE

Greetings for ASYCUDA World Implementation Project
launch

JAMAICA PEGASUS HOTEL

WEDNESDAY, AUGUST 13, 2014 at 9 AM

Salutations

- Dr. the Honourable Peter Phillips MP, Minister of Finance and Planning
- Hon. Horrace Dalley MP, Minister without Portfolio with Responsibility for the Public Service, Ministry of Finance and Planning
- Major (Ret'd) Richard Reese CEO/ Commissioner of Jamaica Customs
- Mr. Jamie Mendoza, ASYCUDA Regional Advisor
- Mr. Yannick Goujon, ASYCUDA Regional Coordinator for the Americas
- Mr. Malon lowe, National Project Director, Jamaica Customs Association, ASYCUDA Implementation
- Mr. Victor Cummings, Trade Administrator, Jamaica Trade Board
- Private sector representatives
- Members of the media
- Ladies and gentlemen

Thank you very much for your welcome. It is great to be here this morning for the launch of ASYCUDA World because, like Major Reese, I agree that ASYCUDA World will help to modernize and improve the efficiency and effectiveness of the Jamaica Customs Agency and its work in protecting our borders. However, my sense of pride comes from the contribution that ASYCUDA World will make to facilitate the ease and speed of doing business- an essential component to realizing Jamaica's dream of becoming the fourth node in global logistics.

ASYCUDA World is a concrete example of where Jamaica needs to go in a logistics centered economy, in fact, it is long overdue. This ICT platform with its improved automated support and adaptability to the ever evolving requirements of both the global trading system and customs administrations is a shining example to the public and private sector of improving competitiveness through the use of technology.

The broad principle here is that, it will impact critical stakeholders such as micro, small and medium enterprises (MSMEs), manufacturers, third party logistics providers (3PLs), exporters and even the consumer.

- In any business, time is money but for MSMEs this statement reflects the stark reality because of the time constraints imposed on workers, as each plays multiple roles in the business. A reduction in the time needed to clear goods from customs will give them more time to focus on the goal of improving profits and expanding the business.
- Manufacturers will benefit because their inputs in production will be cleared faster and more efficiently. This will result in better production planning and supply chain management.
- Exporters will be able to receive documentation at a faster rate which increases efficiency in getting goods off the port and into markets faster.

- Third party logistics providers (3PLs) will be better able to meet their customers' needs by providing greater predictability and reliability in service.

In essence, the programme ensures the integrity of our supply and value chain model which is at the core of our economic growth agenda.

Additionally, the launch of Asycuda World will greatly assist Jamaica in meeting its obligations under the recently concluded Trade Facilitation Agreement in the World Trade Organization (WTO).

However, as the “business” minister, it would be remiss of me not to mention the consumer and how they stand to benefit. ASYCUDA World will improve consumer interaction on the port with relevant stakeholders (customs brokers, freight forwarders and customs) and possibly customer satisfaction levels. There is also the likelihood of more competitively priced goods because of the benefits the program will have on production costs and predictability in the supply chain. This is important as any

development towards the logistics centered economy is about benefiting Jamaica and Jamaicans.

Logistics Performance Index

I am reminded of a quote from the Logistics Performance Report 2014, it states: “Improving logistics performance is at the core of the economic growth and competitiveness agenda. Policymakers globally recognize the logistics sector as one of their key pillars for development”.

Jamaica's logistics capability in recent times is best reflected in its ranking of 70 out of 155 countries on the 2014 Logistics Performance Index. This compares with the countries Jamaica is trying to emulate such as the Netherlands (ranked 2nd) and Singapore's (ranked 5th) and the United Arab Emirates (ranked 27th). Jamaica's regional competitors such as Panama are ranked 45th, the Bahamas 66th and the Dominican Republic ranked 69th. In 2012 Jamaica was ranked 124 of 158 countries. Jamaica is on the move and today's launch confirms this!!!

Ladies and Gentlemen, Jamaica faces the very real likelihood that it will not be a preferred location for logistics businesses wishing to exploit the expansion of the Panama Canal or be able to exploit cargo flows to Brazil and elsewhere, UNLESS improvements are made to our logistics capabilities and institutional efficiency. Indeed, countries that are trade powerhouses see seamless sustainable logistics as a vehicle for growth and integration with global value chains. Jamaica needs to achieve this.

I am pleased about the implementation of the ASYCUDA World programme as it is an essential component to further improve our ranking in the Logistics Performance Index and other international indices such as the Doing Business report and the Competitiveness Index.

But let us not rest on our laurels. This is just part of a wide scale reform effort towards a logistics centered economy. These reforms emanating from the modernisation of government institutions and processes, and specific

reforms such as, converting customs to executive agency status, implementing a Port Community system and a single electronic trade window.

Single Trade Electronic Window (STEW)

The establishment of a Single Trade Electronic Window (STEW) eco-system can have a positive impact on Jamaica's competitiveness and improve the ease of doing business and trade facilitation. The STEW fits within overall government strategy to automate Business to Government (B to G) and Government to Government (G to G) processes and will integrate the Port Community System of the Port Authority of Jamaica, the Jamaica Customs Agency management system ASYCUDA World, as well as the trade facilitation systems of the various governmental authorities involved in trade. Work is already on the way. Some of the items underway include:

- Business process review of all trade related agencies completed by a team comprised of the Cabinet Office, eGov Ltd., Jamaica Customs Agency, Trade Board Ltd., and Bureau of Standards.

- eGov upgrading and integrating trade facilitation systems under contract with the cabinet office – priority deliverables will be completed by end of August 2014.
- A draft Memorandum Of Understanding among relevant Ministries has been developed, with feedback from stakeholders currently being incorporated.
- The concept paper and cabinet submission for the Single Trade Electronic Window (STEW) have also been completed.

Special Economic Zones

A major component of our proposed logistics hub, as you know, are Special Economic Zones (SEZs). These will be significant production, distribution and value added centres. It is essential that goods and services flow seamlessly from our ports and airports to these economic zones; between economic zones; and with deep forward and backward linkages to the domestic economy. We

have taken up the Commissioner's suggestion that we hold a scenario workshop to look at some of the situations that will arise as a result of the new SEZs so that the necessary measures can be put in place in advance to facilitate traders. This workshop will take place prior to a major SEZ Policy Forum we will be hosting in October.

Ladies and Gentlemen, we have to get this right, that is, the ICT aspect of the hub. Without a system like ASYCUDA, the infrastructural and investment ambitions of having a global logistics hub will not be fully realized. In essence, ASYCUDA is a critical part of putting in the soft infrastructure for Jamaica to be competitive in the global market.

In closing, I would like to congratulate Major Reese and his team for making this significant step which ensures that Jamaica has a stronger footing in the global trading system. Indeed, steps like these propel us towards the achievement of Vision 2030- making Jamaica a good place to invest, a better place to live and the best place to raise families.

