

# PAGE 4: B.1) YOUR CASE STORY: TITLE AND DESCRIPTION

## Q1: TITLE OF CASE STORY

"FACILITATING FOREIGN TRADE IN PERU THROUGH TRADE ONLY EXTERIOR WINDOW-VUCE" (Original Spanish)

## Q2: CASE STORY ABSTRACT

Trade Single Window Outside- VUCE of Peru optimized time invested by foreign trade operators in the procedures required by the various entities that control the restricted goods. The VUCE integrates these procedures through a single system, which enables to perform such operations electronically. The VUCE is available 24 hours a day, 7 days a week, thus better control and management of these processes is obtained.

To date, the VUCE has achieved 260 simplifying administrative procedures related to foreign trade.

## **Q3: LONG DESCRIPTION OF THE CASE STORY**

Peru, in order to make the use of commercial opportunities, has developed strategies to promote and facilitate the process of foreign trade operations. For this reason, the Ministry of foreign trade and tourism-MINCETUR, identified within the National Strategic Plan for export - PENX, the need to make improvements aimed at trade facilitation in order to optimize the conditions for access to the market.

On the other hand, given the complexity representing foreign trade processes, such as excessive procedures regulatory for the obtaining of permits and authorizations necessary for the exchange of goods, and the intervention of numerous public agencies involved in the control of restricted goods for import or export; the MINCETUR decided to provide a solution through the implementation of a single window for foreign trade (VUCE).

Thus it is that, at the beginning of the year 2006, MINCETUR margin to inquire about the advantages of creating a VUCE in the Peru and see the experiences of other countries on the issue. Thus, found that in Latin America they were at the time, the advances in Colombia and Costa Rica. Also, we reviewed what has happened in Asia and found that both Singapore and the Republic of Korea had a system with more than 15 years in operation and constant adaptation to its users, while in Europe and the United States were linked to the port management products. In addition, starting this year, was follow-up to the discussions on the proposals on the introduction of single window mechanisms in the framework of the negotiations of the Doha round of the WTO trade facilitation, as well as the discussions within the Working Group on single window of the Forum of Asia-Pacific economic cooperation (APEC).

During the first months of 2007, it was proposed to develop a baseline on all procedures requiring the user to export or import a product or commodity restricted the Peru and from public entities, and a benchmarking of best shops in the world models and their main features for the user (exporter & importer) both administrator (public entity). This served as the basis for creating a model of VUCE for Peru.

For this task the MINCETUR hired two top professionals, who concluded that the VUCE of Peru should be a

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100% virtual solution, eliminating the role in the management of the process. Also, the VUCE of Peru should be integrated to customs clearance and the system of international transport of goods (ports and airports). Thus began the project to implement the main features of the VUCE.

At the same time, the Special Commission of the VUCE - today composed of 27 institutions was formed: 17 public sector, 9 business associations of trade and 1 port administrator. The Special Commission was established by law No. 28977 and currently plays a fundamental role, because it is the Court which agrees the technical contents of the VUCE and coordinates the solutions with all of its members.

From 2009, the technical leadership of VUCE project, is in charge of an internal team of MINCETUR, Peruvian professionals of high level. In July 2010, the VUCE, was implemented through the operation of its first component, the restricted goods. To date, the VUCE has three components: restricted goods, origin and port:

(i) restricted goods: involves 15 public entities, allow exporters and importers do, via the Internet, procedures for obtaining permits, certifications and authorizations for the entry, transit or exit of restricted goods; as for example food, medicines, animals, vegetables, telecommunications, toys, among others.

(ii) origin: 19 public and private entities involved and allows the issuing and management of the qualification of the preferential origin certificate, as well as the issuance of duplicates, replacements and the cancellation of such a certificate.

(iii) port: involves 7 public entities and allows the management of the administrative procedures associated with the reception, stay and dispatch of ships in the ports of the country, and procedures relating to port services.

Noteworthy is that the VUCE favors the following target audience:

#### • Importers - exporters

• Logistics operators: Persons or corporate entities authorized by the Customs Administration to provide services to third parties, in all sorts of customs formalities for entry and exit of goods.

Below is an example of the improvement in procedures thanks to the VUCE:

Before the VUCE, for authorization of the General Directorate of environmental health - DIGESA (normative technical organ of food hygiene), an exporter of processed foods of Arequipa (South of the Peru town) was: travel to Lima, taking a bus for 15 hours, or a flight of 1.5 hours; the formalities in DIGESA - Lima; make payments in person at the Bank of the nation; and return after a few days to learn the status of your request. During this process the exporter was with problems such as: locating the State of your process and know how long should wait to obtain authorization. Today, after the implementation of the VUCE, exporter or importer, from your town, you can send your request of virtual form, make your payments online (both in the National Bank and private banks), take the traceability of your process and know the time that you will get your permission, not only in DIGESA, but also in any of the 15 entities connected to the different procedures.

Finally, it should be mentioned the main achievements of the VUCE:

- Has saved more than \$30 million to avoid travel.
- More than 23 thousand exporters and importers have used the VUCE.
- 33% of the procedures have been performed at times during which previously not served the State.
- The VUCE has been used by companies in all regions of the country.
- 5% of the procedures have been performed from abroad.

• More than 8 thousand exporters and importers have been trained at the national level on the use of the VUCE.

• Has saved more than 9 million pages, contributing to ecology to avoid printing the documents.

• Have saved \$70 for each transaction made. Exporters and importers who do not reside in Lima (37% of total beneficiaries) are to get greater benefits.

## Q4: Please add here web links to project/programme materials.

https://www.vuce.gob.pe

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Q5: YOUR CONTACT DETAILS	
Name:	Liliana Honorio Malásquez
Ministry/Institution/Organization:	Ministry of Foreign Trade and Tourism
Country:	Perú
Email Address:	Ihonorio@mincetur.gob.pe
Q6: FUNCTION	Public sector
Q7: FUNDING PARTNER Tick the appropriate box(es)	Other (please specify) The main sources cooperating in the development of own resources were VUCE Ministry of Foreign Trade and Tourism and grants from the European Union, the CAF - Development Bank of Latin America and the Inter-American Development Bank.
Q8: Additional information	Respondent skipped this question
Q9: START DATE OF PROJECT/PROGRAMME	The program began in July 2010
Q10: STATUS OF PROJECT/PROGRAMME	On-going
Q11: DURATION OR, IF ON-GOING, EXPECTED DURATION OF PROJECT/PROGRAMME	3-5 years
Q12: COST OF PROJECT/PROGRAMME	Between US\$5 million and US\$10 million
Q13: Additional information	Respondent skipped this question
Q14: TYPE OF FUNDING FOR PROJECT/PROGRAMME	Grant
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Q15: PROJECT/PROGRAMME TYPE	Single country / customs territory
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Q16: SINGLE COUNTRY/CUSTOMS TERRITORY	PERU

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Q17: REGION(If the region does not appear in the drop down menu, please enter manually.)	Respondent skipped this question
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Q18: MULTI-COUNTRY(Enter all countries or customs territories)	Respondent skipped this question
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Q19: CASE STORY FOCUSTick the appropriate box(es)	Other border agency reforms, Support for compliance with non-tariff measures (including standards)

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Upgrading network infrastructure (ICT, power, telecoms)

REDUCING TRADE COSTS FOR SERVICES

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Q21: WHAT WERE THE OUTPUTS OF THE PROJECT/PROGRAMME Tick the appropriate box(es)	Other border agency law updated,
	New other border agency procedure,
	New or updated electronic single window,
	New conformity assessment procedures or processes
	,
	New animal health measures or processes,
	New plant health measures or processes,
	New food safety measures or processes

### Q22: Additional information(maximum 300 words)

The main results for the public sector are the following:

- Elimination of unnecessary steps and optimization procedures for resolution of the proceedings.
- Improved productivity of public officials. With the same amount of staff resolves 15% annually over records.
- Improved technological infrastructure entities.
- More than 450 officers trained to use the system.
- Improvement in the process of raising rates procedures.

Indirect results may indicate the following:

- Improved competitiveness, especially in foreign trade.
- Improvement in the timely delivery of products exported Peruvians.
- Lower prices for imported products.

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Q23: WHAT WERE THE OUTCOMES OF YOUR PROJECT/PROGRAMMETick the appropriate box(es)	Reduction in other border agency clearance time ,
	Reduction in cost of other border agency clearance
	, Increase in customs rejections

## Q24: Additional information(maximum 300 words)

Una de las principales consecuencias de la implementación de la VUCE es el ahorro de recursos físicos y financieros. Por ejemplo, anteriormente se incurría en traslados hacia la entidad para el asesoramiento respecto a un trámite, luego se debía presentar el expediente, conocer el estado del expediente, conversar y agilizar el expediente, para finalmente recibir la notificación de la resolución. Actualmente, estas solicitudes no requieren ser presentadas ante las entidades públicas y se ha reducido el tiempo.

Q25: WHAT WERE THE IMPACTS OF THE PROJECT/PROGRAMMETick the appropriate box(es)	Export market diversification,
	Increase in consumer welfare
Q26: Additional information(maximum 300 words)	Respondent skipped this question

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Q27: LESSONS LEARNT Tick the appropriate box(es)	Importance of good project design, Importance of engagement by private sector,
	Importance of agreeing clear project implementation responsibilities
	Importance of political will and commitment by project partner

## Q28: Additional information(maximum 300 words)

- The agency projects as VUCE require committed leadership of appropriate industry, as it has exercised the MINCETUR.

- The private sector should be actively involved-from conceptualization to implementation-validation tool that will finally put at your service. Its inclusion should be formal and representative.

- The progressive incorporation of entities helps to focus initial efforts focused on a set of cases that can then be presented as case studies.

- The regulatory framework is the product of a prior definition of processes, and not the other.

- The exercise of control by public bodies is not an impediment to the implementation of trade facilitation mechanisms.

- Sharing experiences with the leading countries in trade facilitation (eg with APEC economies) and the adoption of international best practices facilitates the implementation of instruments like VUCE.

- The establishment of a period of adjustment in the case of the VUCE, 6 months helps the transition between the traditional mechanism and electronic media.

### Q29: PROJECT OR PROGRAMME MONITORING AND EVALUATION FRAMEWORK Tick the appropriate box(es)

Project baselines set