



2025 Blueprint

Palau electronic single window





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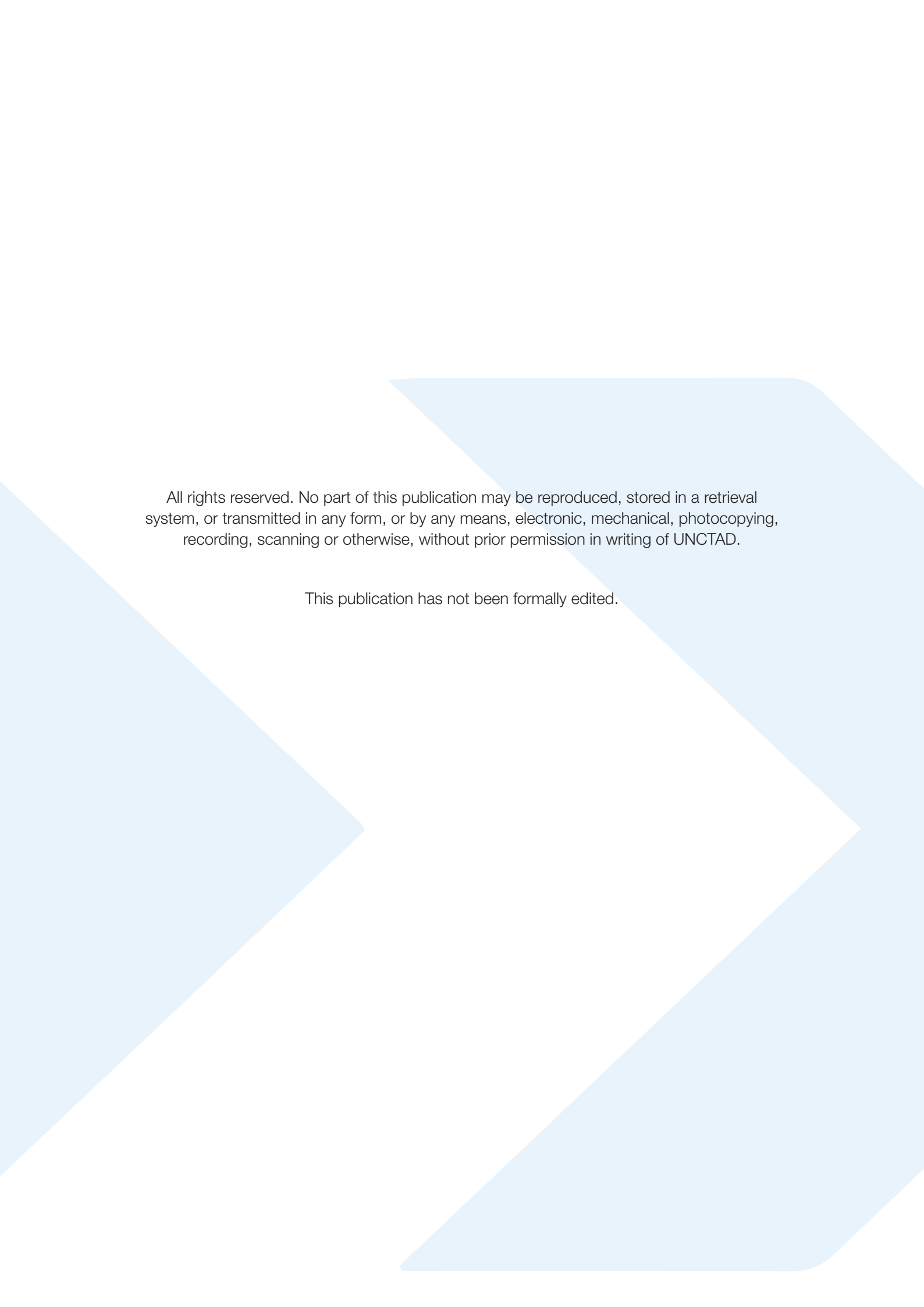
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EUROPEAN UNION





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Abbreviations

API	Application Programming Interface
ASYCUDA	Automated Systems for Customs Data
BCBP	Bureau of Customs and Border Protection
BI	Business Intelligence
BMT	Bureau of Marine Transportation
BPH	Bureau of Public Health
BPS	Bureau of Public Safety
BRT	Bureau of Revenue & Taxation
DFD	Data Flow Diagrams
DR	Disaster Recovery
EDI	Electronic Data Interchange
EDIFACT	Electronic Data Interchange for Administration, Commerce, and Transport
EIS	Environmental Impact Statements
EQPB	Environmental Quality Protection Board
ER	Entity Relationship
ESB	Enterprise Service Bus
GRA	Government Regulatory Agency
IATA	International Air Transport Association
ICT	Information Communication Technology
ISO	International Organization for Standardization
IT	Information Technology
KPI	Key Performance Indicators
MAFE	Ministry of Agriculture, Fisheries, & Environment
MFA	Multi-factor Authentication
ML	Machine Learning
MOS	Ministry of State
ODS	Ozone-Depleting Substances
PNC	Palau National Code
ROPSSA	Republic of Palau Social Security Administration
RPO	Recovery Point Objective
RPPS	Republic of Palau Postal Service
RTO	Recovery Time Objective
SAD	Single Administrative Document
SS	Social Security
SSO	Single Sign-On
TSW	Trade Single Window
TSWC	Trade Single Window Committee
UN/CEFACT	United Nations Centre for Trade Facilitation and Electronic Business
UNCTAD	UN Trade and Development
USPS	United States Postal Service
VIN	Vehicle Identification Number
WCO	World Customs Organization
WTO	World Trade Organization
XML	Extensible Markup Language

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1. Executive Summary

1.1 Overview

The Trade Single Window (TSW) initiative is a strategic reform designed to consolidate and modernize the disparate trade processing systems across Palau's governmental agencies. Currently, these agencies operate with varying levels of automation, from fully digitized systems like ASYCUDA in Customs to predominantly manual, paper-based processes in agencies. This fragmented landscape contributes to inefficiencies, redundant data entry, and communication bottlenecks that hinder swift decision-making.

1.1.1 Context and Rationale

In recent years, global trade facilitation has increasingly relied on seamless electronic data exchanges and integrated systems. For Palau, whose economic growth and international competitiveness depend significantly on efficient trade operations, the TSW is envisioned as a critical infrastructure project. The primary goals of the initiative include:

- **Reducing Administrative Overheads:** By automating manual processes, the TSW will mitigate redundant tasks and minimize the risk of human error.
- **Enhancing Inter-Agency Coordination:** A unified platform fosters real-time data sharing among Customs, Biosecurity, Immigration, and other agencies, leading to synchronized operations.
- **Improving Risk Management:** The integration of advanced analytics and real-time monitoring tools will enable proactive identification and mitigation of trade-related risks and compliance improvement.
- **Boosting Investor Confidence:** Simplified, transparent processes attract both local and international investors by reducing trade transaction cost and times and increasing system reliability.

1.1.2 High-Level System Architecture

TSW is a centralized core engine that interacts with both legacy systems (e.g., ASYCUDA for Customs) and modern web-based modules. The system is designed to support modular growth and scalability while ensuring data integrity and secure inter-agency transactions.

The TSW is envisioned as a transformative digital backbone that replaces siloed systems with an integrated platform capable of dynamically processing trade-related data, automating permit issuance, and facilitating robust inter-agency coordination.



Figure 1. High-level TSW ecosystem diagram



1.2 Key Findings

Comprehensive analysis of the current trade processing environment revealed several critical deficiencies and areas of opportunity, summarized in the table below.

Table 1. Summary of key findings

Findings	Current Impact	Implication for Trade
Fragmented Systems	Multiple isolated systems with little to no integration among Customs, Biosecurity, MAFE, EQPB and others.	Increases processing cost and times, limited coordination among OGAs, duplication of data leading to process redundancies.
Manual Data Entry & Paper-Based Processes	Predominant reliance on manual forms, physical records, and spreadsheets in several agencies.	Elevated risk of human error; delays in trade clearance and increased transaction cost
Lack of Real-Time Communication	Absence of a unified communication framework results in asynchronous data exchange and delayed responses.	Reduces operational agility; limits proactive risk management.
Inconsistent Data Standards	Disparate databases with varying formats hinder smooth data reconciliation and verification.	Impacts data integrity; complicates regulatory compliance.
Limited Risk Management Capabilities	Basic, outdated risk profiling techniques that do not leverage real-time analytics.	Inadequate monitoring of high-risk transactions; vulnerability to security breaches and revenue loss.

These findings underscore the need for a comprehensive digital solution that can unify disparate processes, improve data accuracy, and create a responsive environment for trade operations. The integration of modern ICT solutions such as real-time APIs, centralized databases, and advanced analytics is imperative to address these challenges effectively.

1.3 Strategic Recommendations

Based on the analysis, the following strategic recommendations are proposed to transform Palau's trade infrastructure through the TSW initiative:

Recommendation 1: Digital Transformation

- **Objective:** Migrate from manual, paper-based systems to fully digital workflows.
- **Action Items:**
 - Deploy an integrated electronic data interchange (EDI) platform.
 - Digitize all Licenses, permits and certificates application processes and introduce online approval mechanisms.
 - Implement digital document management and e-signature capabilities.
- **Expected Outcome:** Reduced cost and time of trade, minimized physical interaction and data errors, and streamlined trade operations.

Recommendation 2: Enhanced Interoperability

- **Objective:** Establish robust data-sharing protocols among agencies.
- **Action Items:**
 - Develop a secure Enterprise Service Bus (ESB) that standardizes data exchange formats.
 - Create API gateways for real-time synchronization of legacy systems with the TSW core engine.
 - Adopt international data standards (e.g., XML/JSON) for uniformity.
- **Expected Outcome:** Improved communication, timely data updates, and integrated risk management across agencies.

Recommendation 3: Advanced Risk Management and Analytics

- **Objective:** Enhance the predictive and responsive capabilities of the trade processing system.
- **Action Items:**
 - Integrate advanced analytics and machine learning algorithms to perform dynamic risk assessments.
 - Develop real-time dashboards for continuous monitoring of trade data and anomaly detection.
 - Implement alerting systems for immediate notification of high-risk transactions.
- **Expected Outcome:** Proactive mitigation of risks, faster identification of potential threats, improved overall compliance and security.

Recommendation 4: User-Centric System Design

- **Objective:** Design an intuitive, accessible system that caters to both government agencies and external stakeholders.
- **Action Items:**
 - Develop a single sign-on portal for traders, investors, and agency officers.
 - Incorporate responsive design principles to ensure accessibility across devices.
 - Facilitate continuous user feedback through surveys and iterative design improvements.
- **Expected Outcome:** Higher user adoption rates enhanced operational efficiency, and increased stakeholder satisfaction.

Recommendation 5: Capacity Building and Change Management

- **Objective:** Ensure a smooth transition to the new system through comprehensive training and change management initiatives.
- **Action Items:**
 - Organize extensive training sessions and create detailed user manuals.
 - Set up a dedicated helpdesk for real-time support during the transition period.
 - Initiate regular workshops to facilitate stakeholder engagement and collect iterative feedback.
- **Expected Outcome:** Reduced resistance to change, increased user competency, and a smoother transition to digital operations.



2. Introduction

2.1 Background & Context

Palau, an archipelagic nation in the western Pacific depends significantly on the importation of goods to support its domestic needs, tourism-driven economy, and infrastructural growth. Its remote geography shapes trade dynamics: nearly all essential commodities, ranging from fuels to construction materials, arrive via maritime or air transport. The country's natural resources primarily sustain local consumption rather than large-scale exports.

2.1.1 Summary of Palau's 2024 Trade Environment

Heavy Reliance on Imports

- Palau's economy depends significantly on imported goods across a broad range of sectors.
- Key categories include:
 - **Fuels & Petroleum Products** (e.g., diesel, gasoline, heating oil) for power generation and transport.
 - **Food & Beverages** (including rice, meat, beer, and soft drinks).
 - **Construction Materials** (cement, steel bars, lumber).
 - **Vehicles & Transport Equipment** (passenger cars, trucks, occasional specialized vehicles).
 - **Maritime Vessels** for fishing and tourism.
 - **Machinery & Equipment** (generators, computers, HVAC units).
 - **Medical & Scientific Supplies** (pharmaceuticals, diagnostic devices).
 - **Consumer Goods** (luggage, handbags, household items).

Exports

- Palau's export base is extremely limited.
- Primary outbound items: artisanal goods (tourist souvenirs) and scrap materials (metal/plastic) for recycling.
- Low export volume highlights a high reliance on imports for economic and everyday needs.

Passenger Arrivals & Departures (2024)

- Air travel dominates: 77,754 arrivals vs. 77,507 departures.
- Sea arrivals and departures are much lower: 1,333 arrivals vs. 1,295 departures.
- These figures reflect Palau's tourism-driven economy and reliance on air travel for incoming visitors.



Palau's government agencies operate on isolated systems with significant variations in digital maturity. While some entities, such as Customs, leverage on internationally recognized systems like ASYCUDA, many agencies rely on manual, paper-based processes or outdated digital solutions. This fragmented digital landscape has led to:

- **Inefficient Processes:** Redundant data entry and manual reconciliations increase processing time and errors.
- **Data Silos:** Agencies maintain their own database with differing formats, making cross-agency communication and data sharing cumbersome.
- **Delayed Decision-Making:** Asynchronous data flows hinder timely responses to trade-related risks and market dynamics.

Need for a Unified Trade System

Given Palau's high volume of **imports** relative to its modest **export** capacity, the TSW project aims to streamline inbound clearance processes, particularly for fuels, foodstuffs, construction materials, and vehicles. These commodities undergo multiple regulatory checks (e.g., Customs, Biosecurity, BPS for vehicle inspections, Health for certain consumables) that can create bottlenecks.

Global trends in trade facilitation emphasize the critical role of real-time data exchange and centralized digital platforms. For Palau, the adoption of a TSW is a strategic initiative that aligns with national modernization goals and regional trade facilitation efforts.

The following table summarizes the current state of key trade-related processes and identifies primary challenges:

Table 2. Overview of Current Trade Processing Environment

Aspect	Current State	Primary Challenges
System Integration	Multiple standalone systems (e.g., ASYCUDA, Excel, paper records).	Data silos, manual reconciliation, duplication.
Process Automation	Partial automation in some agencies; predominantly manual elsewhere.	High processing times; increased cost related to papers, error-prone procedures.
Inter-Agency Communication	Limited and asynchronous communication channels (email, phone, paper).	Delayed updates; inconsistent data exchange.
Risk Management	Basic manual risk checks and delayed responses.	Inadequate risk profiling; reactive measures prone to inefficiency.

Contextual Drivers

Several factors have catalyzed the need for a TSW in Palau:

- **Economic Diversification:** Enhancing trade efficiency is vital to attracting both domestic and Foreign Direct Investment (FDI).
- **Regulatory Compliance:** The need for compliance with regional and international standards (e.g., WTO Trade Facilitation Agreement) and WCO guidelines has never been more critical.



- **Technological Advancements:** Modern ICT tools and cloud-based platforms offer opportunities to overcome legacy limitations.
- **Stakeholder Demand:** Traders and investors increasingly demand transparency, speed, and reduced administrative burdens.

Table 3. Summarizes the anticipated benefits across multiple dimensions

Benefit Category	Expected Impact	Key Metrics
Operational Efficiency	Faster processing; reduced administrative overhead.	Processing time reduction (%), cost savings.
Data Integrity & Transparency	Elimination of data silos; improved audit trails and compliance.	Data synchronization rates; audit compliance scores.
Risk Management	Proactive identification and mitigation of high-risk activities.	Incident reduction rates; risk alert response times.
Investor Confidence	Simplified, transparent trade processes attract foreign investment.	Investment growth; trader satisfaction indices.
Regional Competitiveness	Enhanced trade facilitation positions Palau as a regional hub.	Regional trade indices; international benchmarking.
Sustainability	Modular and scalable design supports future growth and upgrades.	System scalability metrics; upgrade frequency.

The high-level diagrams below illustrate the current fragmented environment versus the envisioned integrated TSW model:

Figure 2. Current fragmented environment

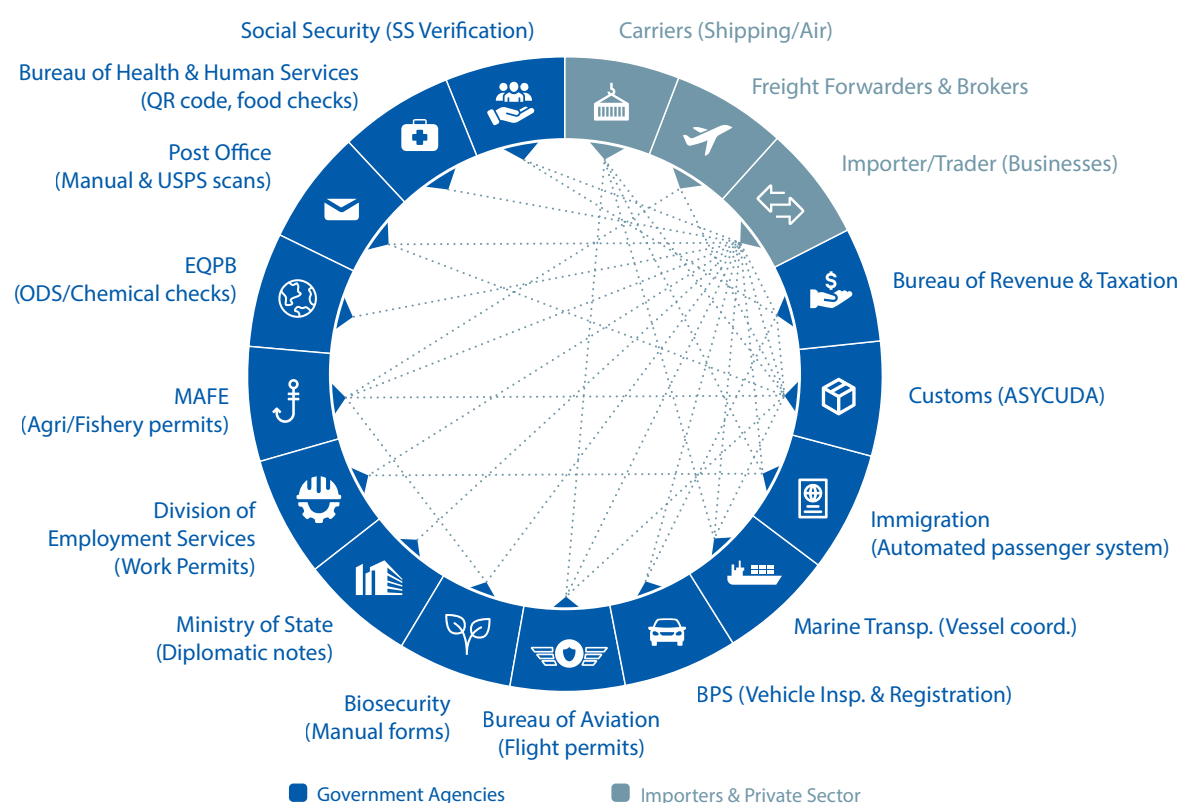
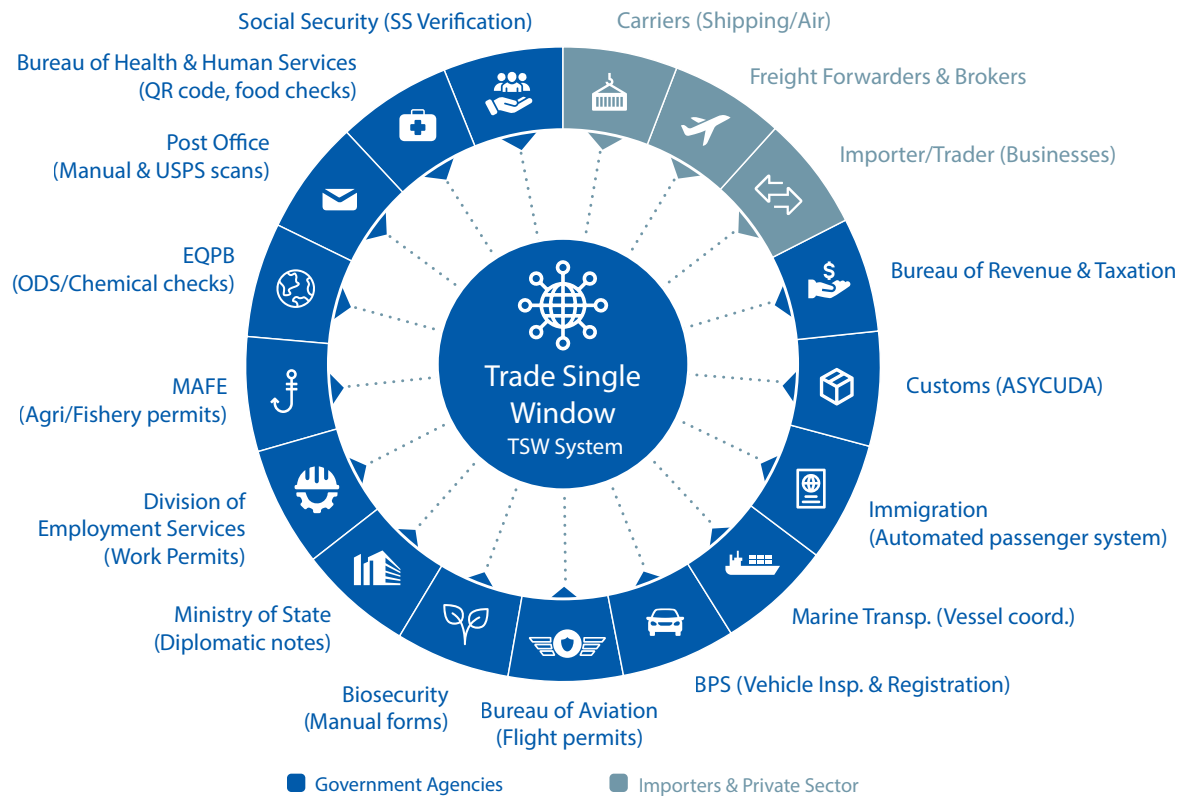


Figure 3. Trade Single Window Vision



2.2 Purpose of the Document

The primary purpose of this blueprint is to provide a detailed, actionable framework for the design, development, and implementation of a TSW system in Palau. It serves as a comprehensive reference for a diverse range of stakeholders including government policymakers, IT system architects, agency managers, and operational teams. Key purposes include:

- **Strategic Guidance:** Outline the strategic imperatives that necessitate the TSW, ensuring alignment with Palau's national development goals and regional trade facilitation efforts.
- **Technical Roadmap:** Detail the technical architecture, including integration with legacy systems.
- **Operational Blueprint:** Provide end-to-end process maps, data flow diagrams, and workflow automation strategies that define how trade transactions will be processed.
- **Implementation Framework:** Present a phased rollout strategy, timelines, budgetary considerations, and change management plans to ensure smooth adoption and long-term sustainability.
- **Risk and Impact Analysis:** Assess potential risks and propose mitigation measures to safeguard the project's success and enhance stakeholder confidence.

This document is a working guide for a multi-year transformation project that will underpin Palau's trade operations for decades to come.

2.3 Scope & Objectives

2.3.1 Scope of the Blueprint

The blueprint covers a broad spectrum of topics to ensure a holistic transformation of the trade process, including:

- **System Integration:** Connecting disparate agency systems (e.g., Customs, Biosecurity, Immigration) through a centralized platform.
- **Process Automation:** Replacing manual processes with electronic, real-time workflows.
- **Data Management:** Establishing robust data standards, master data management, and centralized repositories.
- **Security & Compliance:** Implementing multi-layered security protocols and ensuring adherence to international and local regulatory frameworks.
- **Change Management:** Addressing human factors through training, support systems, and stakeholder engagement mechanisms.

2.3.2 Objectives

The key objectives of the TSW initiative, as outlined in this blueprint, are to:

a. Enhance Efficiency:

- **Objective:** Reduce the overall processing time for trade transactions by at least 30%.
- **Outcome:** Faster clearance times and streamlined operations.

b. Improve Data Accuracy and Transparency:

- **Objective:** Integrate data sources to eliminate redundancy and ensure real-time updates.
- **Outcome:** Increased accuracy in trade data, leading to better regulatory compliance and policy decision-making.

c. Strengthen Risk Management:

- **Objective:** Deploy advanced analytics and real-time monitoring tools.
- **Outcome:** Proactive identification of high-risk transactions and improved border security.

d. Foster Inter-Agency Collaboration:

- **Objective:** Create a unified communication framework among all relevant agencies.
- **Outcome:** Enhanced coordination, leading to more synchronized operational responses.

e. Ensure Scalability and Sustainability:

- **Objective:** Design a modular system that accommodates future expansions and evolving trade requirements.
- **Outcome:** A long-term, cost-effective solution that can adapt to changing technological and regulatory landscapes.



3. Project Rationale & Strategic Alignment

3.1 Vision & Goals

3.1.1 Vision Statement

The overarching vision of the TSW initiative is to create an integrated, secure, and user-centric digital platform that revolutionizes the way trade transactions are processed in Palau. This vision is encapsulated in the following statement:

“To establish a seamless, transparent, and efficient digital trade ecosystem that not only simplifies administrative procedures and enhances regulatory oversight but also bolsters Palau’s competitiveness on a global scale.”

3.1.2 Strategic Goals

In pursuit of this vision, the TSW initiative is guided by several strategic goals:

- **Enhance Operational Efficiency:**

- **Goal:** Reduce the average processing time for trade transactions by at least 30% within the first year of full implementation.
- **Rationale:** Automation and real-time data exchange will minimize delays associated with manual data entry and fragmented systems.

- **Improve Data Integrity and Transparency:**

- **Goal:** Achieve 100% real-time data synchronization among all key agencies.
- **Rationale:** Uniform data standards and centralized data repositories will eliminate duplication and ensure data consistency across the board.

- **Strengthen Risk Management:**

- **Goal:** Integrate advanced analytics to proactively identify and flag 90% of high-risk transactions.
- **Rationale:** The use of machine learning and real-time dashboards will facilitate early detection of potential risks, thus safeguarding national security and trade integrity.

- **Boost Stakeholder Confidence:**

- **Goal:** Attain a user satisfaction rating of over 80% among traders, investors, and government agencies.
- **Rationale:** A transparent, accessible, and efficient system enhances trust, thereby encouraging local and international investment.



- **Facilitate Scalability and Sustainability:**

- **Goal:** Develop a modular system architecture that can be expanded and upgraded with minimal disruption over a 10-year horizon.
- **Rationale:** A scalable design ensures the TSW remains relevant as trade volumes grow and regulatory frameworks evolve.

3.2 National & Regional Alignment

3.2.1 National Alignment

The TSW initiative is a key component of Palau's broader national development agenda, particularly as articulated in the Palau 2025 Master Plan. The project aligns with national objectives in several ways:

- **Economic Modernization:** The TSW supports initiatives aimed at modernizing government operations and reducing bureaucratic inefficiencies, thus fostering a more business-friendly environment. The TSW supports initiatives aimed at modernizing government operations and reducing bureaucratic inefficiencies, thus fostering a more business-friendly environment.
- **Digital Transformation:** By digitizing trade processes, the TSW reinforces the government's commitment to e-Government, ensuring that public services are accessible, efficient, and transparent.
- **Regulatory Reform:** The initiative paves the way for harmonized regulatory standards across agencies, aligning local practices with international norms and reducing compliance burdens.

3.2.2 Regional & International Alignment

Palau's commitment to global trade facilitation and regional cooperation is further strengthened by the TSW initiative:

- **Compliance with International Standards:** The TSW is designed in accordance with frameworks established by the World Trade Organization (WTO), World Customs Organization (WCO), and UN/CEFACT. This ensures that Palau's trade practices remain competitive and compliant on a global scale.
- **Regional Trade Facilitation:** Enhanced inter-agency coordination and streamlined trade processes position Palau as a leader in trade facilitation in the Pacific region, potentially attracting increased regional and international investment.
- **Benchmarking with Peer Nations:** By adopting best practices from countries with successful TSW implementations, Palau can effectively address its unique challenges while benefiting from proven methodologies.

3.3 Stakeholder Analysis

The successful design and implementation of Palau's Trade Single Window relies on a clear understanding of the diverse range of stakeholders, both governmental and private-sector who participate in, regulate, or support trade activities. Each entity has unique requirements, legal mandates, and operational processes that must be harmonized to achieve an efficient, seamless digital environment.



3.3.1 Public-Sector Agencies

- Regulatory Bodies (e.g., Bureau of Customs & Border Protection, Biosecurity, Revenue & Taxation)
- Enforce border controls, collect duties, and ensure compliance with relevant regulations. They require robust electronic data exchanges, risk assessment modules, and payment integrations to enhance efficiency and reduce duplication.
- Specialized Ministries/Divisions (e.g., MAFE, Public Health, Bureau of Public Safety, Marine Transportation)
 - Handle niche mandates such as agricultural import permits, health certifications, vehicle inspections, or vessel clearances. In the TSW, these agencies benefit from immediate access to shared databases and automated alerts, avoiding manual re-entry of data.
- Coordinating Authorities (e.g., Ministry of State, Social Security Administration)
 - May not directly manage trade or licenses but facilitate diplomatic and administrative aspects, such as verifying employer compliance or providing diplomatic notes for exemptions. Real-time data integration helps them provide quicker decisions with minimal paper-based processes.

3.3.2 Private-Sector Entities

- Carriers, Freight Forwarders, Customs Brokers
 - Depend on rapid, standardized submission of manifests, declarations, and payments. A one-stop digital platform reduces their overhead and speeds clearance for incoming goods.
- Financial Institutions
 - Offer payment channels (e-banking, credit, etc.) to traders and agencies. They require secure connections to handle fee payments or duty reconciliations in real time.
- Importers/Traders/Businesses
 - The primary beneficiaries of a TSW, seeking simplified, transparent workflows to file declarations, pay duties, and track consignments. Access to consolidated data and prompt notifications significantly lowers time and cost of clearance.

3.3.3 Inter-Agency Synergy

- The TSW blueprint fosters collaboration among stakeholders who previously relied on standalone IT systems or manual processes. By standardizing data formats and creating a single portal for declarations and approvals, agencies gain immediate visibility into shipments, reducing conflicting requirements and duplicated checks.

3.3.4 Alignment with National Goals

- Efficient trade clearance processes align with Palau's economic and developmental objectives particularly vital as the country heavily depends on imported commodities and seeks to optimize the limited volume of exports.



3.4 Stakeholder Analysis: Current State, Roles, Challenges, and TSW Opportunities

Table 4. Current challenges key and potential opportunities with future TSW

Key Stakeholder	Current State	Role	Challenges	Opportunities in TSW
1. Customs (BCBP)	Digitized with ASYCUDA for declarations; limited real-time integration with partner agencies.	Primary authority for import/export declarations, border control and enforcement, and Customs duty and taxes collection.	• Reliance on manual checks for restricted goods. • No data integration with Biosecurity, BRT, Immigration. Repetitive data entry across agencies.	• Automation of all customs procedures through a unified portal. - Shared Risk Profiling with multiple agencies. Streamlined revenue assurance and real-time updates, reducing clearance cost, times and duplication.
2. Division of Immigration (BCBP)	Automated passenger processing system for arrivals/ departures, but not linked with Customs or Labor.	Manages passenger/ crew lists, visa/ work permit processing, entry/ exit monitoring.	• Partial digital system with no real-time link to Customs, Labor, or carriers. • Delays verifying crew/passenger status for vessels/ aircraft.	• Crew/Passenger Data Sharing with carriers, Customs, Labor in real time. • Faster visa checks, reduced manual verifications, strengthened border security.
3. Division of Biosecurity (BCBP)	Primarily manual forms for import permits, offline risk assessments. Sporadic data-sharing via email with Customs.	Issues import permits for regulated plants/ animals; ensures quarantine compliance to protect local agriculture/ environment.	• Paper-based workflows, minimal manual data exchange with Customs. • Delays in verifying permitted commodities, causing potential cargo holdups.	• E-Permit processing and Integration with Customs declarations. • Real-Time Risk Flagging for restricted goods, automated quarantine alerts. • Centralized data on high-risk items, streamlining checks. • Electronic data exchange



Key Stakeholder	Current State	Role	Challenges	Opportunities in TSW
4. Bureau of Revenue & Taxation (BRT)	Offline duty/tax calculations, manual reconciliations with Customs. TIN/EIN issuance partly digitized, no real-time connections.	Collects domestic taxes, fees; issues TIN/EIN; enforces revenue laws.	Inconsistent data flow with Customs and other related agencies, Manual/ delayed reconciliation, limited automation.	- Seamless Tax & Fee Processing with integrated e-payments. - Real-Time Data Sharing with Customs, Immigration, BPS - Enhanced compliance tracking through TSW.
5. Bureau of Marine Transportation (BMT)	Manual approach to vessel arrival/ departure clearance. Schedules multi-agency boarding via phone/email.	Manages vessel arrivals/ departures, coordinating clearance with Customs, Biosecurity, Immigration, Health.	- No centralized digital platform for pre-arrival information and - real-time vessel data exchange. - Reliance on ad hoc communications for multi-agency inspections.	- Arrival/Departure Portal integrated into TSW for vessel manifests - Advance Cargo Manifest - Simplified multi-agency checks, real-time inspection scheduling, improved cargo forecasting.
6. Bureau of Aviation	Predominantly paper-based or softcopy forms for flight permits, minimal data-sharing with Customs/ Immigration.	Manages flight permits, airport operations, flight schedules; coordinates cargo/passenger data with Customs, Immigration.	- Delays in updating flight info; no standard e-manifest submission protocol. - Minimal synergy with Customs for air cargo declarations.	- Electronic Flight Permit Submissions integrated with Customs & Immigration. - Real-Time Data Feeds for passenger/cargo manifests, improved coordination of flight schedules. - Passenger and cargo advance manifest
7. Bureau of Public Safety (BPS) - Vehicle Inspection	Internal database for vehicle registration; re-enters Customs data (declarations, invoice, B/L) for imported vehicles.	Inspects imported vehicles for roadworthiness, registers them; issues a slip that goes to BRT for tax levy assessment.	Manual re-entry of documents, no direct link to Customs or BRT. - Repetitive data capture leads to errors and longer processing times.	Automated Post-Customs Vehicle Data for immediate inspection for vehicle registration, reduced duplication.



Key Stakeholder	Current State	Role	Challenges	Opportunities in TSW
8. Ministry of Agriculture, Fisheries & Environment (MAFE)	Manual or partially digitized records for agricultural import permits, marine species quotas. No integration with Customs system	Regulates agricultural imports, marine species quotas/ licensing, some environmental checks.	- Few to no e-processes, limited synergy with Customs to verify declared commodities or fish catches - Data stored in spreadsheets/ paper forms.	- Unified e-Permit system for regulation of agricultural/marine species imports. - Real-Time Data Checks and control with Customs declaration and Biosecurity to confirm commodity volumes, catch quotas. - More efficient resource management & compliance.
9. Environmental Quality Protection Board (EQPB)	Basic, outdated risk profiling techniques that do not leverage real-time analytics. Infrequent data-sharing with Customs.	Oversees ozone-depleting substances, certain chemical imports. Tracks usage, enforces quotas or restrictions to protect the environment.	- Paper-based permitting, no immediate alerts for suspicious HS codes at Customs. - Potential compliance gaps if data is not shared in real time.	- Digital Permit Module for ODS/chemical imports. - integrated with Customs Declaration for controls - Simplified annual reporting, timely ID of restricted shipments.
10. Division of Employment Services	A standalone ICT system for work permits, not linked to Immigration Manual cross-checks for foreigners.	Issues work permits, ensures labor law compliance. Coordinates with Immigration for provisional work visas.	No real-time data exchange with Immigration or BPS; slow status verification. - Repeated paper-based docs for each permit.	- Linked Worker Status updates with Immigration through TSW. - Fewer manual steps confirming business compliance for foreign workers.
11. Bureau of Health & Human Services	QR code-based traveler health form partially digital; food/ medical import checks remain largely manual.	Handles traveler health screening, sanitary inspections for imported food, pharmaceutical oversight.	- Limited integration with Customs for flagged items (foods, meds). - Paper-based checks for medical supply imports.	- Health Declaration integrated with TSW for incoming goods/ individuals. - Real-Time Notifications if certain food or medical commodities are high-risk.



Key Stakeholder	Current State	Role	Challenges	Opportunities in TSW
12. Republic of Palau Postal Service Office (ROPPS)	Manual sorting of inbound/outbound mail; partial USPS scanning. No direct link to Customs for parcel clearance/e-commerce data.	Facilitates mail & parcel delivery, coordinates with Customs on duty for inbound parcels.	Paper-based or separate USPS systems, lacking real-time Customs integration. - Slower clearance for e-commerce or small parcels.	- E-Parcel Data Feed linking inbound parcels with Customs for pre-arrival duty assessment. - Potential synergy with TSW if e-commerce shipments grow.
13. Social Security Administration (ROPSSA)	Uses offline methods or CSV file exchanges with BRT or other agencies. No direct role in cargo clearance but verifies employer compliance.	Oversees employer registrations, collects SS contributions, offers retirement/disability benefits.	Minimal real-time data; reliant on manual confirmations for employer compliance. - Not integrated with trade processes, though needed for cross-checking.	- Combined Registration/ Compliance checks via TSW to confirm identity prior to Customs clearance - Automatic data exchange with BRT/ Customs.
14. Ministry of State (MOS)	Manual letter/email-based system for diplomatic facilitation requests, no digital tracking.	Acts as focal point for diplomats, embassies, foreign missions. Facilitates exemption requests for import duties/taxes.	- No integrated system for reviewing/ forwarding diplomatic notes; reliant on offline communications. - Hard to track request status or timely updates.	- Automation of Exemption process: electronic application, processing and approval of exemptions for diplomats, - Electronic exchange of approved exemption with Customs to ensure control with Customs declaration - Single-window approach for foreign missions requesting special privileges.



Key Stakeholder	Current State	Role	Challenges	Opportunities in TSW
15. Carriers (Shipping/Airline)	Often face multiple manual submissions (manifests to Customs, Immigration, BMT). Minimal digitization beyond in-house software.	Transport goods/passengers; provide flight/vessel manifests, schedule arrivals/departures, coordinate with border agencies.	• Repetitive paper-based manifests, inconsistent data formats. Delays from multiple agency processes requiring same info.	• Advance Manifest submission • Single Manifest Submission automatically dispersed to relevant border agencies. • Reduced overhead for carriers, faster clearance, standardized data.
16. Freight Forwarders & Customs Brokers	Must handle multiple docs, often physically visiting agencies for stamps/approvals.	Prepare customs declarations, arrange logistics for importers, ensure compliance with regulatory bodies.	• Redundant data entry across agencies, no single portal. - Repetitive visits for approvals or fee payments.	• One-Stop Declaration in TSW for docs (invoices, BL, etc.). • E-Payments for duties/fees, real-time status tracking across agencies.
17. Financial Institutions	Limited direct integration with govt e-systems; payments offline or minimal referencing.	Provide payment channels (bank transfers, credit); handle government fee/duty payments, reconciling with treasury or BRT.	• Fragmented payment flows, manual reconciliation with gov't accounts. - Potential security/integration issues lacking robust e-channels.	• Secure E-Payment Gateway integrated with TSW for real-time Customs duty, taxes and fees collection. • Immediate transaction confirmations to facilitate release of cargo, streamlined treasury reconciliation.



Key Stakeholder	Current State	Role	Challenges	Opportunities in TSW
18. Importers/ Traders/ Businesses	Varying IT usage. Must submit multiple forms to multiple agencies.	Primary users bringing in goods (fuels, food, vehicles, etc.), paying required fees, complying with import regulations.	• High admin overhead, repeated documentation, slow clearance. • In-person visits to each agency for approvals/ payments.	• All-Inclusive TSW Portal for filing declarations, e-payments, tracking consignments. • Real time notifications on clearance process • Online application of Licenses, Permits, Certificates and feedback from the regulatory agencies drastically reducing delays, promotes paperless environment, improves transparency and integrity and enhances overall efficiency.



4. Architectural Overview and Transformation Roadmap for Agencies within Palau's TSW

4.1 Division of Customs

4.1.1 Overview of Current Customs Operations

Customs, as a division of the Bureau of Customs and Border Protection in Palau is responsible for processing international trade through manifest handling, electronic declarations, online payment processing, and risk management via the ASYCUDA system. Although ASYCUDA offers robust functionality for managing trade data, its current implementation operates largely as a standalone system with limited inter-agency integration. The TSW initiative seeks to integrate Customs into a unified, real-time trade facilitation platform, thereby increasing efficiency, data transparency, and responsiveness across the trade ecosystem.

4.1.2 Role and Mandate

Table 5. Summary of core mandate and legal framework underpinning Customs operations in Palau

Component	Description
Mandate	• Border enforcement and safeguarding national security. • Manage import/export declarations (SADs) and cargo manifests. • Enforcement of trade compliance. • Facilitate legitimate trade and streamline clearance processes. • Collection of duties and taxes for the government.
Legal Framework	• Palau National Code (PNC): 40 PNCA § 101 (Revenue and Taxation)¹ • Customs Regulation ² • WCO Guidelines (SAFE Framework). ³ • Palau Goods and Services Tax: RPPL No. 11-11 ⁴ • Presidential/Ministerial Directives on trade & customs procedures.

- 1 <https://www.palau.gov.pw/wp-content/uploads/2022/04/Palau-National-Code-Title-40.pdf>
- 2 <https://bcbp.pw/wp-content/uploads/2023/09/Customs-Regulations-FINAL-VERSION-signed-by-President-on-July-14-2006.pdf>
- 3 <https://www.wcoomd.org/-/media/wco/public/global/pdf/topics/facilitation/instruments-and-tools/tools/safe-package/safe-framework-of-standards.pdf>
- 4 <https://www.palau.gov.pw/wp-content/uploads/2022/04/RPPL-11-11.pdf>



4.1.3 Process and Automation Levels

Table 6. An overview of key customs processes, automation level, processing times, and associated application fees

Key Processes	Sub-Processes	Automation Level	Processing Time	Application Fees
Manifest Processing	Submission by carriers (sea & air). Document verification by Customs.	High (ASYCUDA)	1 day (before/ after arrival)	Included in carrier's operational costs
Declarations Filing (SAD)	Electronic declaration by importers or agents via ASYCUDA. Document cross-checking.	High (ASYCUDA)	1 day (if no holds/inspection)	Embedded in declaration fees
Duty/Tax Collection	Valuation checks, TIN validation, invoicing via electronic system, HS Code compliance.	High (ASYCUDA)	Immediate upon declaration Selectivity	Duties, taxes, penalties
Risk Management & Inspections	Risk profiling via ASYCUDA. Physical/ documentary checks.	High but with manual interventions (ASYCUDA)	1-2 days (depending on risk)	Inspection-related penalties or storage fees
Post-Clearance Audit	Auditing past transactions for compliance.	Semi-Automated (ASYCUDA)	Several weeks/ months	Penalties for discrepancies
Refund	Traders/importers submit manual requests with supporting documents. Customs verifies claims and processes refunds.	Manual	Several weeks/ months	\$25.00

Despite these capabilities, the current environment is characterized by:

- **Isolated Data Silos:** Limited real-time data exchange with partner agencies.
- **Manual Interventions:** Although processes are electronic, manual reconciliations and interventions are still common especially during audits and investigations.
- **Static Risk Analysis:** Risk assessments are based on preconfigured rules with limited dynamic adjustment.



4.1.4 Current Process Overview

Table 7. Summarizes the current state and limitations of critical Customs processes in Palau

Process Component	Current State	Limitations
Manifest & Declaration Processing	ASYCUDA handles electronic data entry for import/export declarations and manifests.	• Data validation and manual reconciliation remain necessary.
Online Payment & Duty Calculation	Integrated electronic payment gateway with duty calculation tied to declared data.	• Not all traders are utilizing the e-payment feature.
Risk Management	Basic risk management based on historical, rule-based criteria.	• Limited dynamic risk scoring; delayed responses to emerging threats.
Reporting & Compliance	Generation of internal reports for audits and compliance monitoring.	• Reports are siloed and not integrated with external agency data.

4.1.5 Proposed TSW-Enabled Transformation for Customs

The TSW initiative will evolve Customs operations from a semi-isolated, batch-driven system to a dynamic, real-time, and fully integrated digital ecosystem. The following components and enhancements are proposed:

Component 1 – Information Exchange and Data Integration

Objective: Establish a harmonized interface for real-time data exchange between ASYCUDA and the TSW core engine.

Key Functions and Enhancements

a. Advance Cargo, Manifest, and Declaration Information:

- **Current Function:** Vessels and aircraft submit advance manifests, bills of lading, and declarations into ASYCUDA.

b. TSW Enhancement:

- Enable real-time pre-arrival and pre-departure notifications.
- Integrate advanced analytics for dynamic, live risk scoring.
- Automatically update the TSW core with manifest data for immediate cross-agency sharing.

c. Permit and Certificate Data Integration:

- **Current Function:** Permit data (e.g., import permits, regulatory clearances) are manually verified during the clearance process.



- **TSW Enhancement:**

- Automate data exchange between Customs and regulatory agencies (Biosecurity, EQPB, MAFE).
- Validate permits/certificates/ Licenses in real time to support clearance decisions.

Component 2 – Enhanced Risk Management and Inspection Triggering

Objective: Upgrade risk management capabilities and trigger automated inspection processes.

Key Functions and Enhancements

a. Enhanced Risk Analysis:

- **Current Function:** Static, rule-based risk profiling in ASYCUDA.
- **TSW Enhancement:**
 - Deploy machine learning algorithms to update risk profiles continuously.
 - Automate the identification of high-risk declarations and flag them for further inspection.

b. Inspection Triggering and Results Recording:

- **Current Function:** Manual intervention to select and inspect flagged consignments.
- **TSW Enhancement:**
 - Automatically trigger inspection workflows when risk thresholds are exceeded.
 - Record inspection outcomes digitally and integrate results into the TSW dashboard.

Component 3 – Online Payment and Financial Integration

Objective: Streamline the financial processes associated with Customs clearance.

Key Functions and Enhancements

a. Enhanced Online Payment Processing:

- **Current Function:** ASYCUDA's e-payment system processes online payments for Import duties and taxes.
- **TSW Enhancement:**
 - Enhance e-payment for all tax and fee types.
 - Integrate ASYCUDA with banks system enabling electronic payment of Import Customs duties, tax and fees and update the declaration status after posting of payments in ASYCUDA

Component 4 – Comprehensive Reporting, Audit Trail, and Dashboard

Objective: Establish a unified, real-time dashboard for operational monitoring and regulatory compliance.

Key Functions and Enhancements

a. Centralized Dashboard:

- **Current Function:** Internal reports generated by ASYCUDA are not shared across agencies.



- **TSW Enhancement:**

- Create a customizable dashboard displaying key performance indicators (KPIs) such as processing times, risk alerts, and clearance statuses.
- Allow real-time visualization of data flows and inspection results.

b. Audit Trail and Traceability:

- **Current Function:** Limited logging of system interactions, often maintained in separate databases.
- **TSW Enhancement:**
 - Implement a robust audit trail that logs every action and data exchange.
 - Ensure all inter-agency communications are traceable for compliance audits.

4.1.6 Inter-Agency Integration and Messaging

Table 8. Summarizes Customs' interactions with partner agencies, detailing key data exchanges and process workflows within the Trade Single Window environment

Interaction	Nature of Interaction	Process Description	Data/Documents Exchanged
Customs ↔ Immigration	Share passenger/crew lists and travel data; cross-check entry/exit statuses against trade declarations.	Immigration provides arrivals/departures data for cross-verification with Customs watchlists (e.g., crew with restricted access). Immigration confirms passenger or crew details who may require further screening for trade/visa discrepancies.	• Inbound/outbound passenger/crew manifests • Travel history flags • Risk alerts for potential smuggling or unapproved items
Customs ↔ Division of Biosecurity (BCBP)	Verify shipments containing plant/animal and their products; coordinate inspections for regulated goods.	When a cargo manifest or declaration includes agricultural items, Customs alerts Biosecurity through TSW. Biosecurity inspects or approves, then updates the clearance status so Customs can finalize release or apply holds.	• Cargo manifests with plant/animal HS codes • Phytosanitary certificates • Biosecurity inspection reports/clearances



Interaction	Nature of Interaction	Process Description	Data/Documents Exchanged
Customs ↔ Ministry of Agriculture, Fisheries, & Environment (MAFE)	Enforce agricultural or marine import regulations; confirm quotas and licenses.	Online application of import permit and license through TSW (the permit indicates the quantity and HS Code for quota control purposes). The MAFE verifies and approves the import permit and license. TSW transmits data of approves import permits and licenses to Customs system. ASYCUDA checks and validates declared data against the approved Import permit. ASYCUDA controls quota through quantity write off ASYCUDA sends declaration data to MAFE through TSW	• Marine species license or quota documents • Agricultural import permits • HS codes matching restricted species
Customs ↔ Bureau of Public Safety (BPS)	Exchange information on vehicle imports.	Customs shares data for vehicle imports.	• Customs declarations Invoices • Manifests
Customs ↔ Bureau of Revenue & Taxation (BRT)	Coordinate collection of duties, taxes, and fees; validate taxpayer registration.	Customs calculates duties/taxes within ASYCUDA (or TSW), then passes revenue data to BRT for final accounting. BRT cross-verifies tax identification numbers (TIN) and ensures consistent taxpayer records.	• TIN/EIN data • Payment confirmation and reconciliation logs
Customs ↔ Ministry of State	Handle diplomatic cargo exemptions and special permits.	Diplomatic missions or foreign embassies sometimes import goods under exemption. Customs checks the Ministry of State's diplomatic note via TSW before waiving duties or accelerating clearance.	• Diplomatic Approved exemption data • Clearance letters/notes • Duty exemption certificates



Interaction	Nature of Interaction	Process Description	Data/Documents Exchanged
Customs ↔ Bureau of Marine Transportation (BMT)	Oversee vessel arrivals, coordinate boarding and inspections.	Cargo ships submit manifests pre-arrival. BMT and Customs share schedules for joint inspections (if needed). Customs records any duties or holds. BMT confirms port fees and final departure clearance.	• Vessel manifests • Port arrival/departure electronic schedules • Joint boarding inspection electronic forms
Customs ↔ Bureau of Aviation	Manage cargo arriving by air; align flight schedules and cargo manifests.	Airlines file cargo manifests via the TSW. Customs checks declared goods, flags high-risk items, and schedules inspections. The Bureau of Aviation coordinates slot times and clearance, ensuring minimal cargo offloading delays.	• Air cargo manifests • Flight schedules data • Inspections or hold notices
Customs ↔ Environmental Quality Protection Board (EQPB)	Screen for ozone-depleting substances (ODS), chemicals under regulatory control.	Customs scans cargo declarations for certain HS codes (chemical substances). If required, they send an EQPB clearance request. EQPB verifies compliance with import quotas/permits, then updates Customs in the TSW.	• Chemical/ODS import permits data • EQPB clearance or rejection notifications • Shared hazardous materials data
Customs ↔ Bureau of Health & Human Services	Check imported food, pharmaceuticals, and health-related products.	When declared goods match regulated HS codes (e.g., foodstuffs, medicines), Customs queries the BPH module for health certificates. BPH either clears or flags shipments if there are safety concerns or incomplete documents.	• Health certificates data • Food/drug import permits data • Inspection or sampling reports
Customs ↔ Republic of Palau Postal Service (RPPS)	Coordinate clearance of parcels and e-commerce packages.	RPPS provides a parcel manifest to Customs for inbound international mail. Customs checks declared items for duty calculation or restricted goods, then shares results with RPPS for sorting/final delivery.	• Parcel manifests • electronic Customs declaration forms for packages • Duty/tax assessment information



Interaction	Nature of Interaction	Process Description	Data/Documents Exchanged
Customs ↔ Social Security Administration (SSA)	Validate legitimate businesses (employers) and personal identifiers.	Customs queries SSA for personal info if an importer uses a social security number, ensuring legitimacy of the importer. Helps prevent import fraud and ensures compliance.	• SS numbers/records • Clearance or mismatch notifications
Customs ↔ External Stakeholders (Freight Forwarders, Shipping Lines, Brokers)	Receive cargo manifests, booking confirmations; provide clearance instructions back.	Carriers/Freight forwarders upload cargo/manifest data via TSW. Customs notifies in real time about holds, inspections, or final release. Track duty payments and clearance status, streamlining logistics.	• Cargo manifests (electronic bills of lading) • SAD • Booking references • Hold/release notifications

4.2 Division of Immigration

4.2.1 Overview of Current Immigration Operations

Palau's Immigration is housed within the Bureau of Customs & Border Protection (BCBP) but functions as a distinct division responsible for border control of people (as opposed to goods). Its purview encompasses entry and exit authorization, visa and permit issuance, and enforcement of immigration laws and regulations.

4.2.2 Role and Mandate

Table 9. Summary of mandate and legal framework for Immigration operations in Palau

Component	Description
Mandate	• Regulate the entry, stay, and exit of foreign nationals, ensuring lawful admission and residence in Palau. • Manage visa types (tourist, work, student, diplomatic, etc.) and liaise with relevant agencies (Labor, State). • Coordinate with Customs on passenger/crew data for maritime and aviation arrivals/departures. • Enforce immigration laws to ensure national security and compliance with regulations.



Component	Description
Legal Framework	- Palau National Code (PNC): 13 PNCA § 101 (Citizenship and Immigration)⁵ - Presidential/Ministerial Directives on visa categories and permitted durations. - Immigration Regulation⁶

4.2.3 Process and Automation Levels

Table 10. Summarizes Immigration’s core processes, automation levels, processing times, and associated fees

Key Processes	Sub-Processes	Automation Level	Processing Time	Fees
Passenger & Crew Processing	Arrival/Departure checks, passport scanning, stamping.	High	15 min – 1 hour per arrival	Varies by visa type
Visa Issuance & Management	Applications, approvals, renewals, tracking.	Low/Medium	2–3 days to several weeks	Application fees vary
Work Permit Coordination	Provisional entry, work permit checks (with Labor).	Low (manual interplay)	Manual cross-check	Combined in visa fee
Border Alerts & Watchlists	Checking flagged individuals, Interpol, security data.	Medium	Varies; may delay clearance	N/A
Overstay & Enforcement	Identifying overstays, manual follow-ups, fines.	Low/Manual	Enforcement can take weeks	Fines, penalty fees

4.2.4 Current Process Overview

Table 11. Summarizes the current state and limitations of Immigration processes in Palau

Process Component	Current State	Limitations
Passport & Visa Control	Passport scanning at major ports (air/sea), partial digital checks for visa validity.	- Limited real-time cross-check with watchlists from BPS or flagged data from Customs - Manual visa data entry in the passenger processing system
Crew/Passenger Manifests	Mostly email-based submission of manifests from carriers; partial scanning for final checks.	- Delayed or inconsistent data format - No unified portal for all carriers to submit data in real time

⁵ <https://www.palau.gov.pw/wp-content/uploads/2022/04/Palau-National-Code-Title-40.pdf>

⁶ <https://bcbp.pw/wp-content/uploads/2024/03/Immigration-Regulations-2006.pdf>



Process Component	Current State	Limitations
Visa & Permit Issuance	Mixed paper/digital forms, manual validation with other agencies (Labor, State).	• Slow approval times, requires repeated physical visits • No e-signature or fully online application yet
Overstay Tracking & Enforcement	Manual records flagged on a case-by-case basis, reliant on exit stamping or random audits.	• No automated system to alert officials about potential overstays in real time
Online Services	Basic public-facing portal for visa information, some downloadable forms.	• No end-to-end online submission or immediate status checks

4.2.5 Proposed TSW-Enabled Transformation for Immigration

A TSW-based approach will enable Immigration to become a fully integrated stakeholder in Palau's unified trade and travel ecosystem. By automating paper-based workflows, enabling real-time data exchange, and enhancing risk management, Immigration can streamline passenger and visa processing while maintaining robust border security.

Component 1 – Integration of Arrival/Departure Manifests

Objective: Create a single-entry point for carriers (airlines and shipping lines) to submit manifest data that seamlessly populates Immigration's systems, triggers automated checks, and updates risk profiles in real time.

Key Functions and Enhancements

a. Unified Manifest Submission

- **Current Function:** Carriers submit manifests separately to Customs and Immigration, often via email or manual upload.
- **TSW Enhancement:**
 - Provide one electronic submission interface where carriers upload passenger/crew information once.
 - Automatically route data to Immigration, Customs, Health, and BPS for advanced screening.

b. Real-Time Risk Screening

- **Current Function:** Manual checks against local watchlists.
- **TSW Enhancement:**
 - Integrate advanced screening logic (machine learning or rules-based) that flags passengers/crew with prior infractions, expired visas, or security alerts.
 - Notify Immigration officers immediately for potential detentions or additional screening.

Benefits

- Fewer repetitive data submissions for carriers.
- Faster detection of high-risk travelers, improved border control.
- Eliminates error-prone manual sharing of manifest data.



Component 2 – Online Visa & Permit Management

Objective: Implement a fully digital, centralized visa/permit system that automates application, approval, and renewal processes, integrating with relevant agencies for approvals or validations.

Key Functions and Enhancements

a. Digital Visa Application Portal

- **Current Function:** Applicants download forms, submit in person; staff manually check with other agencies (e.g., Labor).
- **TSW Enhancement:**
 - Allow online submissions with e-signatures, digital document uploads (passport scans, proof of employment).
 - Send automated notifications for missing documents or next steps.

b. Inter-Agency Data Validation

- **Current Function:** Immigration staff manually verify documents with Labor or State for work permits, diplomatic visas, etc.
- **TSW Enhancement:**
 - Immigration “calls” a TSW service to confirm work permit validity from Labor’s system in real time.
 - Diplomatic visas automatically request confirmation from the Ministry of State, capturing approvals in a shared portal.

c. Automated Approval & Renewal

- **Current Function:** Paper-based or partially digitized.
- **TSW Enhancement:**
 - System auto-renews visas within pre-set conditions or notifies staff if further checks are needed (e.g., criminal records, overstays).
 - Applicant can pay visa fees online; system logs payment and updates status immediately.

Benefits

- Reduced application/approval times, fewer in-person visits.
- Real-time cross-checking with other agencies, reducing manual steps and errors.
- Enhanced transparency for applicants, with status updates and notifications.

Component 3 – Overstay Monitoring and Enforcement

Objective: Leverage a centralized data repository and automated alerts to identify visitors nearing or exceeding their authorized stay, enabling proactive enforcement.

Key Functions and Enhancements

a. Stay Duration Tracking

- **Current Function:** Entry stamps are recorded, but no automated countdown or alert.



- **TSW Enhancement:**

- Each traveler's authorized length of stay (e.g., 30 days, 90 days) is automatically tracked from arrival.
- The system generates alerts when a traveler nears the end of their authorized stay or has overstayed.

b. Automated Fines and Notifications

- **Current Function:** Manual detection, issuance of fines or notices.
- **TSW Enhancement:**
 - Immigration can issue digital notices or fines to overstaying individuals via email or text message.
 - Alerts can integrate with BPS if enforcement actions are required (e.g., potential deportation).

Component 4 – Centralized Dashboard, Audit Trail, and Analytics

Objective: Provide Immigration authorities a unified, real-time view of passenger flows, visa applications, risk alerts, and compliance statuses, backed by a comprehensive audit trail.

Key Functions and Enhancements

a. Immigration Dashboard

- **Current Function:** Basic internal systems; no holistic view of real-time inbound/outbound travelers, pending visas, or compliance.
- **TSW Enhancement:**
 - Dynamic dashboard displaying arrivals/departures, visa statuses, overstays, suspicious activity.
 - User-level customization for managerial oversight or front-line officer tasks.

b. Systemic Audit Trails

- **Current Function:** Limited logging in separate systems, lacking robust traceability.
- **TSW Enhancement:**
 - Every action in the TSW i.e. approval, denial, request for more information is timestamped and attributed to a user.
 - Supports full compliance with local and international border control audit requirements.

Benefits

- Better situational awareness at all levels of Immigration management.
- Audit-ready system with high transparency and traceability, crucial for governance.

4.2.6 Inter-Agency Integration and Messaging

The effectiveness of Immigration's transformation hinges on its ability to communicate seamlessly with other government agencies and relevant stakeholders. Below are the key inter-agency integration points and how the TSW will facilitate smooth data exchange.



Immigration & Customs

- **TSW Mechanism:** Real-time data push of passenger lists and risk statuses.
- **Outcome:** Improved border security, consistency in passenger tracking (people) and goods (cargo). Proactive identification of individuals linked to high-risk shipments or restricted commodities.

Immigration & Labor

- **TSW Mechanism:** notification to verify or update work permit statuses in real time.
- **Outcome:** Reduced duplication of checks, accelerated worker visa issuance, and more accurate labor-force data.

Immigration & BPS (Bureau of Public Safety)

- **TSW Mechanism:** Automated alerts for wanted individuals, overstays, or criminal intelligence.
- **Outcome:** Rapid, cross-agency enforcement actions, minimized security gaps, and consistent watchlist updates.

Immigration & Ministry of State

- **TSW Mechanism:** Electronic diplomatic visa approvals with tracked status updates and centralized documentation.
- **Outcome:** Streamlined official/diplomatic entries, reduced paperwork, and clear audit trails for exemptions or special privileges.

Immigration & Carriers (Airlines, Shipping)

- **TSW Mechanism:** Single manifest submission portal (passenger/crew lists).
- **Outcome:** Fewer repetitive submissions, automated advanced passenger screening, and real-time flagging of travelers lacking valid visas or with security alerts.

Immigration & Division of Biosecurity

- **TSW Mechanism:** Data exchange on traveler arrivals from certain regions with known agricultural or quarantine risks; shared alerts if travelers are carrying regulated items (plants, seeds, pets, etc.).
- **Outcome:** Early identification of potential biosecurity threats at the point of entry. Streamlined traveler interactions when both immigration and biosecurity checks are required—reducing bottlenecks while safeguarding Palau's agricultural and ecological health.

Immigration & Palau Visitors Authority (PVA)

- **TSW Mechanism:** Aggregated tourism data from the TSW (arrivals, length of stay, nationality statistics). Officers can push real-time visitor metrics to PVA's analytics dashboard.
- **Outcome:** Enhanced tourism insights. PVA can track visitor numbers, peak arrival seasons, and length-of-stay patterns. This data supports more accurate planning, promotional campaigns, and development of tourist services.



Immigration & Ministry of Health

- **TSW Mechanism:** Health-related declarations or requirements integrated into the traveler arrival/visa workflow (e.g., immunization records, quarantine orders). Automated notifications for travelers arriving from countries with active health advisories.
- **Outcome:** Improved public health preparedness. Faster coordination when health screenings or quarantine measures are needed. Ensures that individuals flagged for health risks are promptly identified at the border and referred to health authorities when necessary.

4.3 Division of Biosecurity

4.3.1 Overview of Current Biosecurity Operations

Palau's Division of Biosecurity, part of the Bureau of Customs and Border Protection, is charged with preventing the entry and spread of pests, diseases, and invasive species that could harm local agriculture, ecology, or public health. Its responsibilities include issuing import permits for regulated biological materials (plants, animals, seeds), conducting quarantine and inspections, and enforcing relevant regulations at points of entry (airports, seaports, and postal facilities).

4.3.2 Role and Mandate

Table 12. Biosecurity mandate and legal framework for safeguarding Palau's environment and agriculture

Component	Description
Mandate	• Prevent entry/spread of pests, diseases, and invasive species. • Issue import permits for regulated biological materials (plants, animals, derivatives). • Conduct quarantine and inspections on inbound consignments. • Coordinate with Customs, MAFE, and others to restrict certain goods or enforce legal measures.
Legal Framework	• Biosecurity Act RPPL No. 9-58.7 • Biosecurity Regulations.8 • Presidential/Ministerial directives on agricultural/environmental protection. • International guidelines (e.g., IPPC), as applicable.

7 <https://bcbp.pw/wp-content/uploads/2023/09/rppl-9-58-biosecurity-act.pdf>

8 <https://bcbp.pw/wp-content/uploads/2023/09/P-A-Quarantines-Regs.pdf>

4.3.3 Process and Automation Levels

Table 13. Biosecurity's core processes, current manual methods, processing timelines, and associated costs

Key Processes	Sub-Processes	Automation Level	Typical Processing Time	Potential Fees
Import Permit Issuance	Review importer applications, assess risks, and grant/deny.	Low (manual)	3–7 working days (if documents are complete)	Nominal permit issuance fee.
Quarantine & Inspection	On-site or lab checks for restricted goods (plants/animals).	Low (manual)	Varies, can be immediate or scheduled	Inspection fees if lab tests or special procedures are required.
Compliance & Enforcement	Seizure, destruction, or quarantine of non-compliant goods.	Low (manual)	Highly variable (case-by-case)	Penalties/fines for misdeclarations or late applications.
Risk Alerts & Coordination	Joint actions with Customs or MAFE on flagged items.	Low (manual)	Real-time responsiveness is limited	No direct cost but uncoordinated steps may incur delays in clearance or inspection.

4.3.4 Current Process Overview

Table 14. Current Biosecurity processes highlighting manual workflows and system limitations

Process Component	Current State	Limitations
Import Permit Application	Mostly paper or email-based, stored in Excel or a local DB.	- No centralized system - Approvals can be delayed due to manual checks and data entry
Quarantine & Inspection	Physical/manual checks at ports, no real-time data exchange with Customs.	- Schedules often rely on phone/email - Risk level determination is not automated
Risk Management	Relies on historical knowledge, internal SOPs.	- No online risk engine or dynamic alerts - No immediate flagging system for newly discovered pests
Compliance & Enforcement	Seizures or destruction if goods are non-compliant, occasionally with BPS.	- High reliance on paper trails - Limited tracking of outcomes or repeat offenders
Reporting & Record-Keeping	Done in spreadsheets or paper logs.	- Data can be inconsistent - Difficult to audit or cross-reference with other agencies' records

4.3.5 Proposed TSW-Enabled Transformation for Biosecurity

The TSW offers Biosecurity a chance to digitize its core processes, permit issuance, risk-based inspections, and enforcement, while ensuring real-time data sharing with Customs, Immigration, and other relevant agencies.

Component 1 – Online Permit Application & Approval

Objective: Establish an electronic permit application platform integrated with TSW, reducing manual processing times and errors.

Key Functions and Enhancements

a. Single Online Portal

- **Current Function:** Importers submit paper/email forms with little to no automation.
- **TSW Enhancement:**
 - Applicants will submit permits digitally, upload supporting documents (e.g., product descriptions, sanitary certificates).
 - Automated checks ensure completeness (HS code, commodity risk, applicant details) before submission.

b. Workflow & Approval

- **Current Function:** Manual review; phone or email for clarifications.
- **TSW Enhancement:**
 - Configurable workflows for commodity types (e.g., seeds vs. live animals).
 - Real-time notifications to officers or supervisors for final sign-off.

Result:

- **Faster processing** and consistent data, visible to Customs for clearance.

Component 2 – Real-Time Quarantine & Inspection Coordination

Objective: Enable real-time scheduling and communication of inspection results through the TSW, particularly with Customs for restricted commodities.

Key Functions and Enhancements

a. Inspection Scheduling

- **Current Function:** Ad hoc phone/email coordination.
- **TSW Enhancement:**
 - Upon cargo arrival notice from Customs, Biosecurity receives an automatic prompt to schedule an inspection if needed.
 - Officers update the TSW with inspection results—pass, quarantine, or destruction.

b. Digital Risk Profiling

- **Current Function:** Manual referencing of pest alerts or watchlists.



- **TSW Enhancement:**

- Implement a rules engine or basic ML to flag shipments from high-risk regions or containing species with known pest/disease concerns.
- Generate real-time alerts for Customs or BPS if contraband or severely restricted items are discovered.

Component 3 – Risk Alerts & Enforcement

Objective: Automate the detection and enforcement actions for non-compliant or high-risk imports.

Key Functions and Enhancements

a. Automated Alerts

- **Current Function:** Often late or missed due to manual steps.
- **TSW Enhancement:**
 - If a permit is invalid or absent, or new pest warnings surface, the system triggers an alert to Biosecurity officers, or Customs.
 - Allows immediate halting of clearance.

b. Enforcement & Penalties

- **Current Function:** Paper-based violation notices, limited tracking of repeat offenses.
- **TSW Enhancement:**
 - Officers enabled to issue digital notices/fines (e.g., for smuggling restricted plants).
 - Enforcement data is logged in TSW, building a historical record for future risk profiles.

Component 4 – Centralized Dashboard, Audit Trail, and Reporting

Objective: Provide Biosecurity with a unified, digital overview of permits, inspection queues, risk alerts, and enforcement outcomes.

Key Functions and Enhancements

a. Biosecurity Dashboard

- **Current Function:** No holistic view. Data resides in disparate Excel files or logs.
- **TSW Enhancement:**
 - Live display of permit applications status, scheduled inspections, flagged shipments, and daily risk summaries.
 - Management can drill down into commodity categories, officer workloads, or repeated offenders.

b. Audit & Compliance Logging

- **Current Function:** Minimal consolidation of who approved what and when.
- **TSW Enhancement:**
 - Every action (permit issuance, inspection result, fine issuance) is timestamped and traced back to the officer.



- Supports compliance with the Biosecurity Act, external audits, and local transparency requirements.

4.3.6 Inter-Agency Integration and Messaging

Table 15. Biosecurity inter-agency interactions enhanced through the Trade Single Window

Interaction	TSW Mechanism	Outcome
Biosecurity ↔ Customs	• Automatic forward of cargo manifests/ declarations matching Biosecurity triggers (e.g., HS codes). • Real-time approval or hold status updates.	• Faster clearance for compliant goods; immediate quarantine for suspect shipments. • Reduced duplication of data entry.
Biosecurity ↔ MAFE	• Shared data on agricultural/marine imports requiring cross-approval.	• Joint permit checks for certain commodities (e.g., seeds, marine species). • Eliminates confusion over overlapping mandates.
Biosecurity ↔ EQPB	• Coordinated environmental hazard checks.	• Unified approach for shipments that might harm local ecosystems. • Minimizes redundant inspections at the port.
Biosecurity ↔ Immigration	• Traveler-based data exchange if restricted items are carried in personal luggage.	• Early detection of plants, seeds, or pets with high quarantine risk. • Protects local agriculture, reduces on-arrival confusion.
Biosecurity ↔ Public Health	• Health advisories for disease vectors or contaminated products.	• Coordinated quarantine for items posing disease risks to humans or livestock. • Enhanced public health preparedness.

4.4 Republic of Palau Postal Service (RPPS)

4.4.1 Overview of Current Postal Operations

The Republic of Palau Postal Service (RPPS) is a separate statutory organization responsible for managing incoming and outgoing mail in Palau, including parcels, e-commerce packages, and other postal items. Its role intersects with Customs primarily for dutiable mail and controlled goods that require border checks.



4.4.2 Role and Mandate

Table 16. Overview of mandate and legal framework for postal operations in Palau

Component	Description
Mandate	- Facilitate the movement of mail (letters, parcels) into and out of Palau, primarily via air cargo. - Distribute inbound mail to local recipients. - Coordinate with Customs for screening (x-ray, canine checks) of mail items suspected to contain dutiable or restricted goods.
Legal Framework	- Palau National Code 32 PNCA § 102 (Postal Service). 9 - Bilateral postal treaties with USPS. - International standards (e.g., UPU regulations) as applicable.

4.4.3 Process and Automation Levels

Table 17. Overview of mail handling processes, automation levels, processing times, and potential fees

Key Processes	Sub-Processes	Automation Level	Typical Processing Time	Potential Fees
Inbound Mail Receipt	Airport cargo arrival (bulk Bill of Lading).	Low	1 business day for basic sorting	Standard postal fees; no specific "permit fee."
Customs Screening	X-ray, canine checks, declaration for dutiable items.	Low	Variable, depends on Customs hold	Customs assess duties/taxes if items exceed duty-free threshold of USD1000.
Sorting & Distribution	Parcels labeled, scanned (partial USPS system).	Low	Quickly done if no Customs flags	Recipients pay normal shipping or pick-up fees.
Notification	Slip or email notice if parcel requires special action.	Low	Manual issuance of pick-up notices	No extra postal fee for notice but Customs impose duties on flagged items exceeding threshold.

9 https://paclii.org/pw/legis/consol_act/pst32212.pdf



4.4.4 Current Process Overview

Table 18. Current state and identified limitations of postal process components in Palau

Process Component	Current State	Limitations
Mail Arrival & Sorting	Mail arrives via cargo flight (often aggregated under a bulk Bill of Lading).	• Sorting primarily manual • Partial scanning only for USPS track-and-trace • No integration with TSW
Customs Screening	X-ray or canine checks, possible duties for certain parcels.	• No unified digital approach to risk analysis or pre-alerts • Holds/duties identified on the spot • No advance manifest data
Notification & Delivery	Slips left in PO boxes or email notices for pickups.	• Recipients must physically go to the Post Office to retrieve items • Duties paid manually to Customs if required
Record-Keeping	Paper logs or simple spreadsheets for daily volumes.	• Minimal data analytics • Limited cross-agency reporting or real-time data sharing

4.4.5 Proposed TSW-Enabled Transformation for Postal Operations

Integrating the Post Office with the Trade Single Window can modernize how small parcels (especially e-commerce) are screened, tracked, and cleared.

Component 1 – e-Manifest & Pre-Arrival Data Sharing

Objective: Receive digital notice of inbound mail sacks and bulk Bill of Lading data before arrival, enabling advanced risk screening.

Key Functions and Enhancements

a. Electronic Manifest Submission

- **Current Function:** Basic/limited data from carriers, often aggregated.
- **TSW Enhancement:**
 - Carrier (e.g., airline) uploads mail cargo details to TSW.
 - If parcel-level detail is available (from USPS or other postal operators), TSW can run automated checks for restricted items.

b. Real-Time Risk Alerts

- **Current Function:** Screening is purely physical (x-ray).



- **TSW Enhancement:**

- Any item flagged for customs or biosecurity holds is alerted to RPPS in advance.
- Minimizes surprises and speeds up sorting.

Component 2 – Customs Integration & Automated Duty Assessment

Objective: Allow Customs to integrate parcel-level data within TSW, so duty/tax calculations occur seamlessly.

Key Functions and Enhancements

Parcel-Level Declarations

- **Current Function:** Unstructured or incomplete item descriptions, discovered at physical check.
- **TSW Enhancement:**
 - E-commerce senders or operators to transmit declared value.
 - Customs auto-detects if goods exceed duty thresholds, triggers partial or full declaration.

Component 3 – Track-and-Trace Visibility Through TSW

Objective: Provide a unified digital record of each inbound parcel's location and clearance status, shared among agencies.

Key Functions and Enhancements

a. Centralized Dashboard

- **Current Function:** RPPS uses partial USPS data; no TSW platform.
- **TSW Enhancement:**
 - A parcel-tracking module shows inbound flights, sorting status, Customs hold/release, and final delivery.

b. Notifications & Alerts

- **Current Function:** Manual slip in the mailbox; no automated real-time updates.
- **TSW Enhancement:**
 - Email or SMS to recipient about hold or clearance, linking to any needed Customs payment portal.

Component 4 – Digital Record-Keeping & Reporting

Objective: Replace paper logs with consolidated, digital data to facilitate analysis of mail volumes, duty collection, and enforcement.

Key Functions and Enhancements

a. Automated Reports

- **Current Function:** Paper or spreadsheet logs, minimal analytics.
- **TSW Enhancement:**



- RPPS managers can see daily, weekly, monthly parcel volumes, average hold times, duty collection stats.
- Enhanced forecasting for peak mail seasons (e.g., holiday periods).

b. Audit & Traceability

- **Current Function:** Hard to track specific parcel origin or final resolution if a dispute arises.
- **TSW Enhancement:**
 - Every parcel event (arrival, screening, release) is time-stamped in TSW for potential audits or compliance reviews.

4.4.6 Inter-Agency Integration and Messaging

Table 19. Proposed interactions and outcomes utilizing the Trade Single Window (TSW) mechanism for improved postal operations in Palau

Interaction	TSW Mechanism	Outcome
RPPS ↔ Customs	• Real-time e-manifest or parcel-level data upload to TSW • Automated risk alerts for potential dutiable items	• Faster clearance decisions; less manual searching; proper revenue collection
RPPS ↔ BRT	• Shared data on duty/tax if Customs flags a business recipient	• Seamless accounting of assessed taxes • Improved compliance tracking for repeated importers
RPPS ↔ Biosecurity	• Alerts if agricultural or biological goods are found in parcels	• Quick referrals and hold orders if seeds, plants, or animals appear in mail
RPPS ↔ EQPB	• Potential notification if environment-affected items appear	• Minimizes risk of harmful substances moving via mail without environmental oversight
RPPS ↔ USPS (external)	• Continue track-and-trace integration, possibly feed partial data into TSW if feasible	• More comprehensive data on inbound parcels before physical arrival • Enables advanced screening and risk assessment

4.5 Bureau of Marine Transportation (BMT)

4.5.1 Overview of Current BMT Operations

As a governmental bureau, the Bureau of Marine Transportation (BMT) is responsible for vessel arrival and departure clearance at Palau's seaports. It coordinates multi-agency inspections (Customs, Biosecurity, Immigration, Health, etc.) to ensure compliance with maritime regulations, safety requirements, and environmental standards.



4.5.2 Role and Mandate

Table 20. Overview of the mandate and legal framework governing maritime operations and vessel clearance procedures in Palau

Component	Description
Mandate	- Oversee and coordinate the arrival/departure clearance of vessels (cargo, passenger, yachts, fishing boats). - Facilitate multi-agency boarding/inspection (Customs, Immigration, Biosecurity, Health). - Enforce local maritime regulations regarding safety, environment, and port fees.
Legal Framework	- Maritime and Admiralty Act (Palau) - Executive Order 412 - International Conventions (SOLAS 1974, MARPOL, STCW, Load Line conventions.) - Regulations on maritime security (2008), potentially under M&E or Transportation directives.

4.5.3 Process and Automation Levels

Table 21. Overview of key maritime clearance processes, sub-processes, automation levels, typical processing times, and associated fees in Palau

Key Processes	Sub-Processes	Automation Level	Typical Processing Time	Fees
Vessel Arrival Notification	ETA submission, last 10 port details, 72/24 hours prior to arrival.	Low (email)	Coordination can take 1–2 days	Port charges or line-handling fees paid to state/port operators.
Multi-Agency Boarding & Inspection	Customs, Biosecurity, Immigration, Health check vessel/crew documents.	Low (manual)	Several hours to 1 day for full clearance	No direct BMT “permit” fees—other agencies handle duties/fines.
Port Dues & Local Charges	BMT (or Port Authority) may levy certain docking, mooring, or environmental fees.	Low	Payment upon arrival or prior to departure	Line-handling fees, mooring services, or local taxes.
Departure Clearance	Vessel readiness checks, final sign-off by BMT, multi-agency endorsements.	Low (manual)	1 day or less, depending on documentation speed	Similar fees as arrival, if any (administrative overhead).

4.5.4 Current Process Overview

Below is a quick snapshot of how BMT coordinates a vessel's arrival, multi-agency inspection, and departure clearance.

Table 22. Current state and limitations of maritime clearance processes managed by BMT

Process Component	Current State	Limitations
Pre-Arrival Notification	Email or phone from vessel agent, manually logged by BMT staff.	Inconsistent data formats; no real-time distribution to all agencies, leading to repeated forms.
Boarding & Inspection	BMT calls each agency (Customs, Immigration, etc.) to schedule.	Time-consuming, phone-based coordination; changes in ETA can cause confusion if not relayed promptly.
Clearance & Fees	BMT issues paper clearance after each agency signs off.	Potential for lost docs or delays if agencies are out of sync; fees might be paid in multiple offices.
Departure	Vessel requests clearance by phone/email, repeats multi-agency checks.	Again, a primarily manual process with no central digital timeline or single sign-off.

4.5.5 Proposed TSW-Enabled Transformation for Marine Transportation

A TSW approach will allow BMT to digitally capture vessel info (ETA, crew lists, cargo manifests), automate the scheduling of multi-agency inspections, and unify clearance procedures.

Component 1 – Electronic Pre-Arrival & Manifest Submission

Objective: Create a single online channel in TSW for vessel agents to submit pre-arrival data, distributing it immediately to BMT, Customs, Immigration, Biosecurity, and Health.

Key Functions and Enhancements

a. Unified E-Manifest

- **Current Function:** Agents email partial info to BMT, separate forms to Customs.
- **TSW Enhancement:**
 - Agents upload arrival details, last port calls, crew manifests, cargo data once.
 - BMT and partner agencies **instantly** see the same data set.

b. Automated ETA Updates

- **Current Function:** BMT phone calls or emails agencies as changes occur.
- **TSW Enhancement:**
 - The vessel agent can **update ETA** in the TSW; all agencies receive real-time alerts.



- Minimizes confusion over last-minute schedule changes.
- Enhances risk management profiling

Component 2 – Coordinated Boarding Workflow

Objective: Use TSW workflows to schedule and record multi-agency boarding activities digitally.

Key Functions and Enhancements

a. Inspection Scheduling

- **Current Function:** Manual phone calls, no consolidated calendar.
- **TSW Enhancement:**
 - BMT initiates a digital workflow for boarding. Agencies can confirm availability or request more data.
 - The system logs final inspection times, assigned officers, and updates status in real time.

b. Digital Checklists & Sign-Off

- **Current Function:** Physical checklists.
- **TSW Enhancement:**
 - Each agency (Customs, Immigration, Biosecurity, Health) digitally records their findings.
 - Once all checks are complete, TSW auto-generates a “Boarding Clearance” record for BMT to finalize.

Component 3 – Port Fees & Payment Integration

Objective: Streamline the payment of port dues, mooring fees, and any relevant charges by integrating with TSW’s e-payment module or referencing other local systems.

Key Functions and Enhancements

a. Fee Calculation

- **Current Function:** Paper invoices, separate from Customs duty.
- **TSW Enhancement:**
 - BMT or Port Authority enters the fee structure (based on vessel size, tonnage, etc.).
 - The system calculates total port dues, generating an invoice that can be paid online or in person.

b. Real-Time Confirmation

- **Current Function:** Manual receipt checking.
- **TSW Enhancement:**
 - Payment status updates TSW instantly, so BMT can issue or withhold final clearance if fees are unpaid.



Component 4 – Departure Clearance & Analytics

Objective: Digitize the departure process and build a data-driven approach to vessel movement tracking.

Key Functions and Enhancements

a. Online Departure Request

- **Current Function:** Vessel agent emails or calls BMT, repeats forms.
- **TSW Enhancement:**
 - Agent logs into TSW, requests departure, reconfirms crew changes or final cargo.
 - Relevant agencies sign off or request further checks (e.g., last-minute contraband risk, unsettled duties).

b. Analytics & Reporting

- **Current Function:** Paper logs, limited month-end or annual stats.
- **TSW Enhancement:**
 - BMT to track turnaround times, average inspection durations, and number of vessels cleared monthly.
 - Exportable data for policy or infrastructure planning (e.g., port expansions).

4.5.6 Inter-Agency Integration and Messaging

Table 23. Proposed interactions and expected outcomes with TSW for maritime clearance operations in Palau

Interaction	TSW Mechanism	Outcome
BMT ↔ Customs	Vessel arrival data and cargo manifests shared through TSW.	Rapid identification of cargo that requires duties or inspections; unified timeline for boarding.
BMT ↔ Biosecurity	Alerts on potential pest/disease risks for certain vessels, integrated with e-manifest.	Early notification if special quarantines or checks are needed; reduces duplication of arrival forms.
BMT ↔ Immigration	TSW-based crew/passenger lists, real-time updates for changes or last-minute additions.	Simplified immigration clearance; bridging passenger data with cargo data where needed (e.g., if travelers also import).
BMT ↔ Health	TSW flags if vessel from high-risk health regions, or if specific health checks are mandated.	Quicker response to potential outbreaks or maritime health hazards; consolidated inspection scheduling.
BMT ↔ Port Authority / Local Gov	Fee calculation for mooring, line handling. Payment statuses displayed in TSW.	Faster clearance once fees are paid; reduced confusion over multiple forms or separate receipts.



4.6 Ministry of Agriculture, Fisheries and the Environment (MAFE)

4.6.1 Overview of Current MAFE Operations

Ministry of Agriculture, Fisheries, and the Environment (MAFE) oversees agricultural imports (plants, seeds, livestock), marine species licensing and quotas, as well as certain environmental protection measures related to resource extraction and commodity flow. Its decisions directly impact trade clearance for commodities that require special permits or are subject to quotas and sustainability requirements.

4.6.2 Role and Mandate

Table 24. Overview of the mandate and legal framework governing agricultural imports, marine species management, and environmental regulations for MAFE

Component	Description
Mandate	- Oversee agricultural imports (plants, seeds, livestock) to prevent pests/diseases. - Manage marine species quotas and licensing for sustainable fishing practices. - Regulate environmental aspects of certain commodities or resource projects.
Legal Framework	- Palau National Code Title 27 Fishing¹⁰ - Palau National Code 24 PNCA § 102.11 - International Commitments (CITES, UN Fish Stocks, Convention on Biological Diversity, etc.)

4.6.3 Process and Automation Levels

Table 25. Overview of key agricultural, marine species, and environmental regulatory processes, their automation levels, typical processing times, and associated fees

Key Processes	Sub-Processes	Automation Level	Typical Processing Time	Potential Fees
Agricultural Import Oversight	Approvals for seeds, plants, livestock, sometimes with Biosecurity	Low (manual)	5–10 working days if docs complete	Permit fees vary by commodity/volume
Fisheries Quota & Licensing	Issuing fishing licenses, quotas, CITES checks	Low (manual)	1–2 weeks, or seasonal deadlines	License fees, resource usage fees may apply
Export Declarations	Certain marine or agricultural exports need MAFE sign-off	Low (manual)	~1 day for single-use permits	Fees differ (e.g., \$5 personal, \$25 commercial)

10 <https://paulii.org/pw/indices/legis/palau-national-code-index.html>

11 https://paulii.org/pw/legis/consol_act/ept24335.pdf

Key Processes	Sub-Processes	Automation Level	Typical Processing Time	Potential Fees
Resource/ Environmental Monitoring	Checking compliance with local/international standards	Low	Ongoing or case-by-case	N/A (monitoring is mostly oversight)

4.6.4 Current Process Overview

Table 26. Current state and limitations of key regulatory processes managed by MAFE in Palau

Process Component	Current State	Limitations
Permit/License Issuance	Applicants submit paper forms	High potential for lost or incomplete data.
Quota Management	Fisheries or research permits are recorded in separate local DB or paper files.	Manual tallying of quotas, possible duplicates if multiple agencies track data differently.
Enforcement & Monitoring	Rarely real-time; depends on inspectors physically verifying shipments or exports.	No integrated risk alerts, limited synergy with Customs or Biosecurity watchlists.
Export/Import Clearance	MAFE staff might sign or stamp forms that are later taken to Customs.	No single window approach; repeated data entry and uncertainty about commodity status across agencies.

4.6.5 Proposed TSW-Enabled Transformation for MAFE

By integrating into the Trade Single Window, MAFE can digitize its permit and license workflows, automate cross-checks with Customs and Biosecurity, and track quotas in real time.

Component 1 – E-Permit & License Issuance

Objective: Create a digital application system for agricultural imports, fisheries licenses, and environmental approvals, allowing MAFE to process requests online and share decisions instantly.

Key Functions and Enhancements

a. Online Forms

- **Current Function:** Paper-based, offline.
- **TSW Enhancement:**
 - Applicants (importers, exporters, fishing vessels) will apply for MAFE permits/licenses through TSW.
 - MAFE officers review data (commodity type, quantity, species) and either approve or reject.



b. Real-Time Agency Linkages

- **Current Function:** Manual or no direct cross-check with Customs.
- **TSW Enhancement:**
 - Once MAFE **approves** a permit, TSW automatically updates **Customs, Biosecurity**, or others that “MAFE Permit #XYZ is valid.”

Component 2 – Quota & Resource Management

Objective: Ensure fisheries quotas, research permits, and other resource-based controls are updated and enforced in real time.

Key Functions and Enhancements

a. Quota Database

- **Current Function:** Excel or local DB, prone to manual errors.
- **TSW Enhancement:**
 - A centralized digital register where MAFE staff input quota allocations
 - Customs through a declaration automatically checks if the declared fish catch or commodity shipment exceeds MAFE’s allocated quota.

b. Alert Triggers

- **Current Function:** Rarely automated.
- **TSW Enhancement:**
 - If the shipment’s declared volume surpasses the authorized quota, TSW flags it for additional review or enforcement.

Component 3 – Environmental/Resource Monitoring

Objective: Track and manage environmentally sensitive commodities or projects through TSW, ensuring compliance with local/international commitments (CITES, etc.).

Key Functions and Enhancements

a. CITES/Phytosanitary Integration

- **Current Function:** Paper-based documentation, no real-time inter-agency visibility.
- **TSW Enhancement:**
 - MAFE to issue or verify CITES permits or phytosanitary certificates in the system.
 - Customs receives “CITES Permit data (#123 valid until X date, species A,B,C)” in real time.

b. Inspection Scheduling

- **Current Function:** Ad hoc coordination with Biosecurity or EQPB.
- **TSW Enhancement:**
 - Trigger inspection requests automatically if certain species or substances appear in the commodity declaration.
 - Inspection report /findings feeding



Component 4 – Data Analytics & Reporting

Objective: Provide MAFE leadership with real-time insights into import/export volumes, compliance rates, and resource usage.

Key Functions and Enhancements

a. Dashboards

- **Current Function:** Manual creation of monthly/annual reports from spreadsheets.
- **TSW Enhancement:**
 - MAFE management will see up-to-date permit volumes, quota usage, and enforcement actions.

b. Historical Trends & Forecasting

- **Current Function:** Limited or manual.
- **TSW Enhancement:**
 - Data on past seasons or years can be pulled for trend analysis, identifying areas needing policy adjustments (e.g., stricter fish catch limits).

4.6.6 Inter-Agency Integration and Messaging

Table 27. Proposed interactions and anticipated outcomes using the Trade Single Window (TSW) mechanism to improve agricultural, marine species, and environmental compliance operations managed by MAFE

Interaction	TSW Mechanism	Outcome
MAFE ↔ Customs	• Automated validation of MAFE permits/quotas when customs declarations are filed.	• Faster clearance for legit shipments; immediate holds if no valid MAFE approval. Control of quota and HS code compliance
MAFE ↔ Biosecurity	• Real-time check of agricultural or biological import approvals, integrated with TSW.	• Minimizes duplicate paperwork; ensures seeds/plants/livestock meet both MAFE & Bio regs.
MAFE ↔ EQPB	• Potential synergy on environmental risk or pesticide usage data via TSW.	• Joint flags or inspection triggers for environmentally sensitive goods.
MAFE ↔ Fisheries / Maritime	• License or vessel days info shared digitally for fishery compliance.	• Enhanced tracking of catch volumes, less chance of exceeding quotas or unauthorized landings.
MAFE ↔ Enforcement (MOJ)	• Digital alerts if shipments exceed quotas or if repeated violations occur.	• Quicker follow-up on suspected fraud or illegal imports/exports.



4.7 Environmental Quality Protection Board (EQPB)

4.7.1 Overview of Current EQPB Operations

The Palau Environmental Quality Protection Board (EQPB) is a government regulatory board that controls the importation and usage of certain ozone-depleting substances (ODS) (as mandated by the Montreal Protocol) and select chemicals/pesticides. Although EQPB's direct scope of "trade-related" permits is narrower than Customs or Biosecurity, its role is crucial for ensuring Palau meets environmental and international obligations.

4.7.2 Role and Mandate

Table 28. Overview of the mandate and legal framework governing chemical and pesticide import regulations in Palau

Component	Description
Mandate	- Regulate ODS/pesticide imports under local environmental laws and the Montreal Protocol. - Monitor chemical imports and usage, ensuring compliance with any emerging chemical policies. - Collect usage data from importers, track overall quotas, and enforce penalties if limits are exceeded.
Legal Framework	- Palau National Code 24 PNCA § 102 (Environmental Quality Protection Act) - Montreal Protocol compliance on ODS

4.7.3 Process and Automation Levels

Table 29. Overview of key processes, sub-processes, automation levels, typical processing times, and potential fees for chemical and pesticide import management by EQPB in Palau

Key Processes	Sub-Processes	Automation Level	Typical Processing Time	Potential Fees
Annual ODS/Pesticide Import Permit	Applicants submit forms, pay fee; EQPB reviews and issues permit if within quota.	Low (manual)	1–2 weeks (assuming docs complete)	\$100 per importer (annual), plus penalty fees if out of quota
Quota & Renewal Management	Collect usage reports, decide on renewal/penalties if usage is exceeded.	Low (manual)	Case-by-case, depends on compliance checks	Renewal can be denied or restricted if quotas are overshot



Key Processes	Sub-Processes	Automation Level	Typical Processing Time	Potential Fees
Chemical Monitoring (future)	Oversee broader chemicals, possibly new policies.	Low or N/A	Not fully implemented yet	Fees not confirmed; expansions in plan
Reporting to Protocols (Montreal etc.)	Summarize total imports, usage data, for international obligations.	Low	Periodic—annual or semi-annual	N/A (reporting overhead, no direct fee)

4.7.4 Current Process Overview

Table 30. Current state and identified limitations of key chemical and pesticide import management processes by EQPB in Palau

Process Component	Current State	Limitations
Annual ODS/Pesticide Permit	Manual form, \$100 fee, validity for 1 year. Logged in a spreadsheet or local paper file.	No digital link to Customs: shipments can slip by if not flagged.
Quota & Renewal	Importers must submit usage reports to renew next year's permit.	No automated system to cross-check actual import volumes with stated usage, reliant on importer honesty.
Data Sharing with Customs	Largely ad hoc: Customs calls EQPB if an HS code looks suspicious or restricted.	Potential for missed shipments if no phone call is made or if data is incomplete.
Reporting to Montreal Protocol	Paper logs aggregated into annual submissions.	Time-consuming, error-prone compilation from manual records.

4.7.5 Proposed TSW-Enabled Transformation for EQPB

A TSW integration will enable EQPB to digitally issue and track ODS/pesticide permits, receive real-time HS code alerts from Customs, and better enforce annual quotas or usage restrictions.

Component 1 – Online Permit Issuance & Renewal

Objective: Move from paper-based annual permits to a digital permit management system within TSW.

Key Functions and Enhancements

a. E-Permit Application

- **Current Function:** Manual forms.



- **TSW Enhancement:**

- Importers apply online, upload prior usage reports, pay fees electronically.
- EQPB staff sees pending requests, checks previous year's usage, and approves or denies.

b. Renewal Workflow

- **Current Function:** Paper usage reports, slow cross-check.

- **TSW Enhancement:**

- After usage data is uploaded, TSW automatically prompts EQPB to renew or question the permit.
- Automated notifications if usage is near or exceeding allocated quotas.

Component 2 – Real-Time Customs Coordination

Objective: Allow Customs to instantly confirm whether an importer has a valid ODS/chemical permit when a shipment arrives.

Key Functions and Enhancements

a. HS Code Flags

- **Current Function:** Customs manually identifies potential ODS.
- **TSW Enhancement:**
 - TSW's risk engine checks declarations for certain HS codes.
 - If recognized as ODS/pesticides, TSW queries EQPB permit status.

b. Automatic Hold

- **Current Function:** Dependent on a phone call or email.
- **TSW Enhancement:**
 - If no valid permit is found, TSW triggers a hold in Customs' system.
 - EQPB is alerted electronically to intervene or block clearance.

Component 3 – Quota & Usage Monitoring

Objective: Track ODS/pesticide imports continuously, ensuring compliance with Montreal Protocol or other chemical policies.

Key Functions and Enhancements

a. Digital Quota Tracking

- **Current Function:** Ad hoc Excel sheets or manual logs.
- **TSW Enhancement:**
 - Each importer's annual allotment and usage are updated as shipments are cleared.
 - TSW triggers alerts if an importer attempts to exceed the assigned quota.



b. Reporting & Analytics

- **Current Function:** End-of-year manual tally.
- **TSW Enhancement:**
 - EQPB can generate usage reports quickly for annual Montreal Protocol submissions.
 - Summaries show total ODS imported under each permit holder, improving oversight.

Component 4 – Future Chemical Regulations

Objective: Prepare for the expansion of EQPB’s authority to broader chemical imports.

Key Functions and Enhancements

a. Modular Permits

- **Current Function:** Limited to ODS/pesticides.
- **TSW Enhancement:**
 - System can be configured to add new chemical categories or additional fees/requirements as policy evolves.

b. Inter-Agency Data Sharing

- **Current Function:** Not robust.
- **TSW Enhancement:**
 - If certain chemicals also overlap with Biosecurity or Health concerns, TSW can coordinate multi-agency checks in real time.

4.7.6 Inter-Agency Integration and Messaging

Table 31. Proposed interactions and outcomes utilizing TSW to enhance chemical and pesticide import regulatory processes managed by EQPB

Interaction	TSW Mechanism	Outcome
EQPB ↔ Customs	• Automated query if an HS code matches ODS/pesticides. • Digital permit checks.	• Prevent unauthorized chemical imports. • Real-time “hold” if no valid permit is found.
EQPB ↔ Biosecurity	• Overlapping pesticide or chemical concerns.	• Joint enforcement if a pesticide is both an agriculture/biosecurity threat and an ODS, avoiding duplicate forms.
EQPB ↔ BRT (Tax)	• Potential check on business legitimacy or importer registration.	• Ensures only properly registered businesses can acquire ODS/pesticide permits.
EQPB ↔ Future (Chem. Policy)	• TSW-based triggers for new chemical categories once the policy is formalized.	• Seamless expansion of permit categories or usage data demands without re-building entire workflows.

4.8 Division of Employment Services

4.8.1 Overview of Current Division of Employment Services Operations

Palau's Division of Employment Services manages work permits for foreign nationals, including provisional work visas (coordinated with Immigration). While not directly involved in cargo processing, Labor's decisions can influence businesses engaged in trade e.g., ensuring foreign workers are legally employed in import/export firms. Integrating Labor data into a single window can simplify compliance checks for businesses operating in Palau.

4.8.2 Role and Mandate

Table 32. Overview of the mandate and legal framework governing labor and work permit regulations in Palau

Component	Description
Mandate	• Issue and regulate work permit for foreign workers. • Coordinate with Immigration on provisional work visas. • Enforce labor regulations (advertisement of jobs, facility inspections).
Legal Framework	• Palau National Code 13 PNCA § 1301 (Citizenship and Immigration) 12 • Division of Employment Services Rules & Regulations (2019) • Executive Orders mandating synergy with Immigration.

4.8.3 Process and Automation Levels

Table 33. Overview of key labor permit processes, sub-processes, automation levels, typical processing times, and associated fees managed by the Division of Employment Services in Palau

Key Processes	Sub-Processes	Automation Level	Typical Processing Time	Fees
Work Permit Application & Issuance	• Employer advertising 30 days, candidate documents, final approval.	• Medium (partial DB)	• 2–3 weeks if all documents are in order	• - Application fee: \$25 - Work Permit: \$150/year (up to \$300 for 2 yrs)
Provisional Work Visa Coordination	• Tourist → Employment status check with Immigration.	• Low (manual interplay)	• 5–15 days, depends on Immigration confirmation	• - \$500 change-of-status fee if tourist becomes worker

12 <https://paelii.org/pw/indices/legis/palau-national-code-index.html>

Key Processes	Sub-Processes	Automation Level	Typical Processing Time	Fees
Renewal & Overstay Enforcement	Worker must renew prior to permit expiry, else face fines.	Medium (manual + DB)	1–2 weeks if documents, usage, and inspections are clear	- Renewal fee same or additional bonds/ fines if overdue
Employer Compliance Checks	Confirm job advertisement, safe living quarters, etc.	Low (manual inspections)	Could add extra days for on-site inspections	N/A (no direct fee, but non-compliance can incur fines)

4.8.4 Current Process Overview

Table 34. Current state and limitations in labor and immigration-related regulatory processes in Division of Employment Services

Process Component	Current State	Limitations
Work Permit Application	Employer collects forms, pays fees, data stored in a local DB.	No direct link to Immigration for instant verification requires phone calls or email to confirm tourist status.
Provisional Work Visa	Manual synergy with Immigration if a candidate is changing from tourist to worker.	Slow cross-check, potential for overstay if forms are delayed.
Renewal & Overstay Enforcement	Applicants must start renewal 7 days before expiry or risk fines.	No real-time notification system. Some foreign workers might slip into overstay status.
Compliance Checks (inspections etc.)	On-site visits by Labor officials, separate from any TSW or Customs processes.	Paper-based inspection results; no integrated platform for reporting or cross-agency referencing.

4.8.5 Proposed TSW-Enabled Transformation for Division of Employment Services

While the Division of Employment Services is not central to import/export clearance, hooking it into the TSW could provide a one-stop environment for business compliance checks, particularly beneficial if a trade-related business hires foreign staff.

Component 1 – E-Work Permit Application & DB Integration

Objective: Digitize the entire work permit application process and store all data in a central or TSW-linked database.

Key Functions and Enhancements



a. Online Application Portal

- **Current Function:** Paper or partial digital.
- **TSW Enhancement:**
 - Employers can upload job advertisement proof, candidate passport details, etc.
 - Labor staff can review documents in real-time, track missing items.

b. Unified Fee Payment

- **Current Function:** In-person or separate DB logging.
- **TSW Enhancement:**
 - E-payment for \$25 application fee, plus \$150 annual or \$300 for 2-year permit.
 - Automated receipts, status updates to the employer's TSW account.

Component 2 – Real-Time Immigration Coordination

Objective: Enable two-way data exchange between Labor and Immigration to expedite provisional visa issuance and confirm arrival/departure statuses.

Key Functions and Enhancements

a. API/Direct Link

- **Current Function:** Phone or email; no system integration.
- **TSW Enhancement:**
 - If an applicant is changing from tourist to worker, TSW calls Immigration's database to confirm the traveler's original entry date and remaining stay.
 - Automated "Provisional Work Visa" issuance once Labor approves the work permit (or vice versa).

b. Overstay Alerts

- **Current Function:** No automatic synergy, staff must manually check.
- **TSW Enhancement:**
 - If a provisional visa is about to expire (30 days) and no final work permit is granted, TSW notifies both Labor and Immigration in real time.

Component 3 – Employer Compliance Checks

Objective: Provide a partial business compliance check within TSW, referencing BRT data (tax ID) and other agencies as needed.

Key Functions and Enhancements

a. Linked Employer Data

- **Current Function:** Labor must manually confirm an employer's tax or business license.
- **TSW Enhancement:**



- Upon work permit application, TSW automatically checks if the employer is registered with BRT, or if Health or other approvals are required.

b. Inspection Scheduling

- **Current Function:** On-site checks happen but not recorded in a shared platform.
- **TSW Enhancement:**
 - If needed, Labor can schedule facility inspections and store results digitally, accessible for relevant compliance or licensing audits.

Component 4 – Renewal & Status Tracking

Objective: Provide a centralized solution for foreign workers to track their permit expiry and renewal, reducing overstay penalties.

Key Functions and Enhancements

a. Automated Reminders

- **Current Function:** Workers or employers must track on their own.
- **TSW Enhancement:**
 - 7 days before expiry, TSW sends an email or SMS prompting renewal to avoid fines.

b. Overstay Enforcement

- **Current Function:** Manual detection, frequently tardy.
- **TSW Enhancement:**
 - If the permit expires and no renewal is processed, TSW flags Immigration or triggers an overstay notice.

4.8.6 Inter-Agency Integration and Messaging

Table 35. Proposed interactions and outcomes with TSW mechanism for labor and immigration coordination

Interaction	TSW Mechanism	Outcome
Labor ↔ Immigration	Real-time check on tourist → worker transitions, Provisional Work Visa statuses.	Quicker status changes, fewer manual steps, immediate overstay alerts if no final permit is issued.
Labor ↔ BRT (Tax)	Validate employer's legitimacy, confirm updated business license or tax compliance.	Prevent issuing work permits to non-compliant or unregistered businesses.
Labor ↔ Health	On-demand check of medical certificates for foreign applicants.	Minimizes paper-based verifications, ensures up-to-date health clearance.
Labor ↔ Customs (rare)	Possibly confirm if a business involved in trade is properly licensed with foreign staff.	If a business importing goods has foreign staff, TSW can quickly confirm they have valid work permits.



4.9 Bureau of Bureau of Health & Human Services

4.9.1 Overview of Current BPH Operations

Palau's Bureau of Health & Human Services is primarily responsible for traveler health screening, vessel sanitation inspections, and regulating certain health-related imports (e.g., prescription drugs, medical supplies, some food safety oversight). While BPH does not directly process cargo customs declarations, its role intersects with border management whenever health risks or regulated commodities (like pharmaceuticals) are involved.

4.9.2 Role and Mandate

Table 36. Mandate and legal framework governing public health and safety regulatory responsibilities

Component	Description
Mandate	• Protect population health by screening inbound/outbound travelers. • Conduct vessel sanitation inspections at ports, ensuring cleanliness. • Oversee prescription drug importation/licensing. • Monitor imported food safety standards (packaging, labeling, temperature).
Legal Framework	• Palau National Code 34 PNCA § 102 (Public Health, Safety and Welfare). 13 • Additional ministerial directives or MOUs for disease prevention, vessel sanitation. 13 PNCA 13 § 1109.

4.9.3 Process and Automation Levels

Table 37. Overview of key public health processes, sub-processes, automation levels, typical processing times, and potential fees managed by Bureau of Health & Human Services

Key Processes	Sub-Processes	Automation Level	Typical Processing Time	Potential Fees
Travel Health Screening	Collecting traveler data (QR code form), checking disease flags.	Medium (QR-based forms)	Immediate upon arrival	N/A for basic screening, though quarantines or additional checks might incur costs
Vessel Sanitation Inspection	Checking incoming ships for cleanliness, potential disease vectors.	Low (paper-based)	Could be same day or next day	Possible sanitation inspection fees

13 https://paclii.org/pw/legis/consol_act/phsawt34315/

Key Processes	Sub-Processes	Automation Level	Typical Processing Time	Potential Fees
Prescription Drug Import Oversight	Licensing for clinics/hospitals to import narcotics or controlled meds.	Low (manual or partial)	1–2 weeks if docs are complete	License fees (varies)
Food Safety Monitoring	Inspecting imported foods for labeling, expiration, temperature, etc.	Low (manual)	Ongoing or spot checks at arrival	No formal “permit” fee, but noncompliance can lead to fines

4.9.4 Current Process Overview

Table 38. Current state and limitations of public health and safety regulatory processes of the Bureau of Health & Human Services

Process Component	Current State	Limitations
Travel health screening (Palau entry form)	Basic digital approach, but data is not fully shared with other agencies.	Lacks robust integration—manual or incomplete data sharing with Customs/Biosecurity/Immigration.
Vessel sanitation inspection	Paper-based checklists; no real-time link with other agencies.	Potential delays if a vessel must wait for multiple agencies; no central data for streamlined clearance.
Prescription drug import license	Clinics/hospitals apply via paper forms, BPH logs them in a basic DB or Excel.	Customs must rely on phone/email to confirm license validity for certain shipments.
Food safety monitoring	Inspectors do on-site checks (ship arrival, markets); rely on manual forms.	No automated triggers or real-time synergy with Customs declarations for pre-arrival alerts.

4.9.5 Proposed TSW-Enabled Transformation for BPH

Integrating BPH into the TSW ensures that health-related imports and traveler data are handled seamlessly alongside other border processes, reducing duplication and bolstering public health safeguards.

Component 1 – Enhanced Traveler Health Screening Integration

Objective: Link BPH’s Palau entry form data directly into TSW so Immigration and Customs can reference health flags in real time.

Key Functions and Enhancements



a. Palau Entry Form System

- **Current Function:** BPH partially digitizes traveler information; however, data sharing is still ad hoc. The system relies on Cognito Forms to capture passenger arrival data, but it lacks robust supporting business processes.
- **TSW Enhancement:**
 - A Unified API or Interface. Implement a single, standardized interface through which traveler health information can be consistently pushed to relevant agencies. This eliminates the need for manual, piecemeal exchanges and significantly improves both data accuracy and timeliness.
 - Automated alerts if certain high-risk conditions are declared.

b. Quarantine Coordination

- **Current Function:** If BPH flags a traveler, they manually notify Immigration or other agencies.
- **TSW Enhancement:**
 - One-click or automated “Quarantine Required” statuses that instantly inform Immigration/Biosecurity to hold or direct travelers.

Component 2 – Vessel Sanitation & Food Safety Checks

Objective: Digitize the vessel health inspection process and enable real-time synergy with Marine Transportation, Customs, and Biosecurity.

Key Functions and Enhancements

a. Online Sanitation Inspection Scheduling

- **Current Function:** Entirely phone/email-based.
- **TSW Enhancement:**
 - BPH can see vessel arrival data from TSW, schedule a sanitation inspection if needed, update the result (pass/fail) in TSW.

b. Food Safety Alerts

- **Current Function:** On-site checks, no integrated system.
- **TSW Enhancement:**
 - If a cargo manifest includes food items, TSW notifies BPH.
 - BPH logs inspection outcomes (temperature check, labeling compliance) digitally; Customs sees clearance or hold status.

Component 3 – Prescription Drug Licensing Integration

Objective: Create or expand an e-Licensing module for prescription drug imports, enabling real-time validation by Customs.

Key Functions and Enhancements



a. License Application & Approval

- **Current Function:** Paper forms for clinics/hospitals to import controlled substances.
- **TSW Enhancement:**
 - Clinics apply online, attach relevant documents (proof of hospital usage, authorized prescriber details).
 - BPH processes and updates TSW with “valid license #XYZ for these substances.”

b. Customs Validation

- **Current Function:** Customs calls BPH if uncertain.
- **TSW Enhancement:**
 - If a shipment’s HS code indicates a controlled drug, TSW checks BPH license validity.
 - Automatic hold if no valid license is found.

Component 4 – Data Analytics & Reporting

Objective: Provide BPH with dashboards and reports on traveler health data, food safety checks, vessel sanitation compliance, and drug imports.

Key Functions and Enhancements

c. Real-Time Dashboards

- **Current Function:** Manual or partial for QR code data.
- **TSW Enhancement:**
 - BPH can see inbound traveler volumes, flagged health conditions, the number of vessel inspections performed, etc.

d. Long-Term Health Trend Analysis

- **Current Function:** Paper logs collated monthly or annually.
- **TSW Enhancement:**
 - Automated reports on prescription drug import volumes, frequent food safety violations, or recurrent vessel health infractions.

4.9.6 Inter-Agency Integration and Messaging

Table 39. Proposed interactions and outcomes using TSW to streamline public health and safety regulatory processes

Interaction	TSW Mechanism	Outcome
BPH ↔ Customs	• Real-time check of prescription drug licenses, food safety inspections.	• Faster clearance or immediate “hold” for unlicensed shipments; minimal phone calls.
BPH ↔ Immigration	• Automated sharing of traveler health forms (QR code) for potential quarantine actions.	• Quick isolation or monitoring of at-risk travelers; decreased disease spread risk.

Interaction	TSW Mechanism	Outcome
BPH ↔ Biosecurity	Overlapping sanitary or quarantine measures for certain food/animal products.	Joint decision on cargo (food-borne illnesses, agricultural pests).
BPH ↔ Marine Transportation	Vessel arrival data so BPH can schedule sanitation checks.	One-stop scheduling; fewer delays if vessel must undergo multi-agency inspection.
BPH ↔ Labor	Health certificates for foreign workers.	TSW could automatically confirm an applicant's valid health clearance prior to permit issuance.

4.10 Bureau of Revenue and Taxation

4.10.1 Overview of Current BRT Operations

The Bureau of Revenue & Taxation (BRT) is charged with collecting taxes, and other government revenues. While it does not issue import/export permits, BRT is critical to trade facilitation because it calculates and collects duties/taxes on goods arriving in Palau. Close, real-time collaboration with Customs is essential to ensure accurate and timely revenue collection.

4.10.2 Role and Mandate

Table 40. Overview of the mandate and legal framework governing revenue and taxation responsibilities in Palau

Component	Description
Mandate	- Register taxpayers (individuals/businesses) by issuing TIN/EIN. - Assess and collect taxes (e.g., PGST, GRT), and other revenues. - Audit and enforce compliance, levying penalties for evasion or late payments.
Legal Framework	- Palau National Code (PNC): 40 PNCA § 101 (Revenue and Taxation).¹⁴ - Palau Goods and Services Tax: RPPL No. 11-11. ¹⁵ - Business Licensing & Compliance Laws. ¹⁶

14 <https://www.palau.gov.pw/wp-content/uploads/2022/04/Palau-National-Code-Title-40.pdf>

15 <https://www.palau.gov.pw/wp-content/uploads/2022/04/RPPL-11-11.pdf>

16 <https://www.palau.gov.pw/taxreform/>

4.10.3 Process and Automation Levels

Table 41. Key revenue and taxation processes, sub-processes, automation levels, typical processing times, and associated fees managed by the Bureau of Revenue and Taxation (BRT)

Key Processes	Sub-Processes	Automation Level	Typical Processing Time	Potential Fees
Tax Registration (TIN/EIN)	Businesses/individuals apply; BRT logs them in a local DB.	Medium	3–5 days (once paperwork is complete)	Registration fee may or may not apply, depending on policy
Duty Revenue Collection	Harmonizing import duty data from Customs, verifying payments.	Low/Medium	Reconciled monthly/quarterly	Penalties for late or incorrect duty payments
Tax Assessment & Audits	Spot checks, in-depth audits if underreporting is suspected.	Low/Medium	Weeks to months, case-by-case	Additional fines, interest, or penalties for non-compliance
Enforcement & Penalties	If a taxpayer/business fails to pay or commits fraud.	Low	Ongoing, triggered by audit results	Fines, interest, potential legal action

4.10.4 Current Process Overview

Table 42. Current state and limitations of key revenue and taxation processes

Process Component	Current State	Limitations
TIN/EIN Registration	Businesses fill forms, BRT manually processes in local DB (Web Plus System).	Not integrated with a central portal; no immediate cross-check with other agencies (e.g., Labor, Immigration).
Duty & Tax Collection	Customs provides a summary of import declarations; BRT matches them with reported revenues.	Delayed or incomplete data can cause reconciliation issues or lost revenue.
Audits & Enforcement	Triggered if BRT suspects underreporting or if a random spot check is scheduled.	Mostly manual, reliant on paper trails from multiple agencies.
Revenue Reporting	Summaries produced monthly/quarterly, partly in spreadsheets.	Minimal real-time insight into daily import flows or real-time duty payments.

4.10.5 Proposed TSW-Enabled Transformation for BRT

A TSW integration can modernize BRT's duty/tax collection by ensuring instant synchronization with Customs data, as well as providing a shared environment for verifying TIN/EIN status across agencies.



Component 1 – Real-Time Customs-BRT Data Exchange

Objective: Replace manual reconciliation with immediate digital sharing of import declarations and duty calculations.

Key Functions and Enhancements

a. Live Import Declaration Feed

- **Current Function:** BRT uses ASYCUDA reporting system to extract payment data.
- **TSW Enhancement:**
 - As soon as Customs finalizes a declaration, TSW pushes the declaration data to BRT in real time.
 - BRT can instantly monitor or cross-check payments.

b. Automatic Reconciliation

- **Current Function:** BRT staff manually compares duty totals with Customs reports.
- **TSW Enhancement:**
 - System auto-reconciles declared duties vs. actual payments.
 - Flags any discrepancies for BRT audits.

Component 2 – Unified TIN/EIN Registration Portal

Objective: Enable businesses to apply for TIN/EIN digitally, with cross-checks from other agencies (e.g., FIB for foreign investors).

Key Functions and Enhancements

a. Online Registration

- **Current Function:** Paper-based forms, partial data in Webplus system.
- **TSW Enhancement:**
 - Single e-form to register a business for TIN/EIN, linking to FIB or BRT requirements.
 - BRT validates the data, issues TIN/EIN, and stores it in TSW for reference by Customs, Labor, etc.

b. Instant Agency Notification

- **Current Function:** Other agencies only learn of a new TIN/EIN if BRT or the business notifies them.
- **TSW Enhancement:**
 - Once a TIN/EIN is issued, TSW updates relevant agencies (Labor, Immigration, ROPSSA) for potential compliance checks.

Component 3 – Automated Duty & Tax Payment Tracking

Objective: Implement an e-payment module within TSW so that importers/brokers can settle duties or fees online, with immediate reflection in BRT records.

Key Functions and Enhancements



a. Online Payment Gateway

- **Current Function:** Payment at Customs or BRT counters, logged separately.
- **TSW Enhancement:**
 - Traders pay duties/taxes electronically via online payment gateway integrated with TSW.
 - BRT sees **real-time** confirmation of payments, merges it with daily revenue records.

b. Audit Trail & Receipt Generation

- **Current Function:** Paper receipts, potential for errors or lost documentation.
- **TSW Enhancement:**
 - TSW automatically generates e-receipts with time stamps.
 - BRT's system keeps a secure digital log for audits or compliance checks.

Component 4 – Advanced Analytics & Enforcement

Objective: Improve BRT's ability to detect underreporting and conduct targeted audits by cross-referencing trade data in TSW.

Key Functions and Enhancements

a. Risk-Based Audits

- **Current Function:** Random or manual selection.
- **TSW Enhancement:**
 - If an importer frequently undervalues cargo or shows suspicious patterns, TSW can help BRT trigger an **automated** risk alert.
 - BRT focuses audits on high-risk accounts.

b. Integrated Enforcement

- **Current Function:** BRT sends penalty notices, but there's little synergy with Customs or Immigration if a business tries to circumvent compliance.
- **TSW Enhancement:**
 - If BRT deems a business non-compliant, TSW can notify Customs, Immigration, or Labor to withhold certain services (e.g., license renewals, work permits).

4.10.6 Inter-Agency Integration and Messaging

Table 43. Proposed interactions and outcomes of integrating the Bureau of Revenue and Taxation (BRT) processes into TSW

Interaction	TSW Mechanism	Outcome
BRT ↔ Customs	• Real-time import declaration data, duty calculations. • Automated reconciliation of payments.	• Lower risk of uncollected revenue • Less manual overhead, fewer data mismatches.

Interaction	TSW Mechanism	Outcome
BRT ↔ Labor	Validation of employer TIN/EIN for work permit issuance.	Ensures only registered, tax-compliant businesses can hire foreign workers.
BRT ↔ Foreign Investment Board (FIB)	Cross-share new business registration data, ensuring TIN/EIN is issued promptly.	Seamless start-up process for foreign investors, better compliance from day one.
BRT ↔ ROPSSA	Exchange employer data for payroll taxes vs. social security contributions.	Minimizes reporting discrepancies, identifies potential tax/SS fraud.
BRT ↔ TSW Portal (General)	E-payment for duties/taxes, TIN/EIN issuance portal, advanced analytics from combined trade data.	Real-time transaction logs, integrated compliance across all trade-related government agencies.

4.11 Bureau of Aviation

4.11.1 Overview of Current Aviation Operations

The Bureau of Aviation in Palau administers airport certification, flight scheduling, and the issuance of landing permits for both scheduled and charter flights. Its mandate intersects with trade insofar as inbound/outbound cargo flights bring goods, and inbound passenger flights can affect Customs/Immigration workloads.

4.11.2 Role and Mandate

Table 44. Mandate and legal framework for the Bureau of Aviation

Component	Description
Mandate	- Issue landing permits for scheduled and charter flights (excluding certain exempt flights). - Coordinate flight schedules (winter/summer, charters). - Maintain airport certification and ensure compliance with aviation safety standards.
Legal Framework	- Palau National Code 8 PNCA § 101 (Aeronautics).¹⁷ - RPPL-590 National Civil Aviation Safety Act - Ministerial Directives for final permit approvals

¹⁷ https://paclii.org/pw/legis/consol_act/at8176.pdf



4.11.3 Process and Automation Levels

Table 45. Key processes, sub-processes, automation level, typical processing time, and potential fees for the Bureau of Aviation

Key Processes	Sub-Processes	Automation Level	Typical Processing Time	Potential Fees
Landing Permit Issuance	Airlines apply 7 days in advance for scheduled/charter flights.	Low (paper/email)	2–3 days if no complications, plus minister's sign-off	Landing/permit fees (varies by flight type/frequency)
Airport Certification & Maintenance	Operational checks of runways, compliance with safety rules.	Low (internal logs)	Ongoing, separate from flight scheduling	Possibly none related to direct flight permits
Flight Schedule Coordination	Winter/summer seasons for scheduled carriers, monthly charters.	Low (manual spreadsheets)	Seasonal planning cycles	Additional fees/charges not clearly specified
Ministerial Approval	Final sign-off on flight permits.	Low (paper-based)	Dependent on minister's availability	N/A for a direct fee, but time delays can occur

4.11.4 Current Process Overview

Table 46. Current process components within the Bureau of Aviation, existing operational states and limitations, primarily driven by manual processes and limited integration

Process Component	Current State	Limitations
Landing Permit Applications	Airlines/agents email or drop off forms 7 days prior.	Paper-based or simple PDF; no integrated system for real-time tracking or multi-agency visibility.
Ministerial Approval	Paper forms physically signed, then scanned/emailed back.	Delays if the minister is unavailable; status not automatically updated for Customs/Immigration.
Flight Schedule Management	Typically stored in manual spreadsheets or softcopies with limited cross-agency access.	No single digital repository that Customs or Immigration can check.
Notification of Arrival	Aviation emails Customs/Immigration about flight plans, passenger numbers, cargo.	Time lags or missing details can hamper efficient border control operations.



4.11.5 Proposed TSW-Enabled Transformation for Aviation

A TSW integration can help the Bureau of Aviation digitize landing permits, streamline flight scheduling, and automatically share arrival data with border agencies, reducing manual steps and ensuring real-time visibility.

Component 1 – Online Landing Permit Application

Objective: Replace the email/hardcopy process with a web-based permit application accessible through TSW or a connected Aviation portal.

Key Functions and Enhancements

a. Digital Forms & E-Payment

- **Current Function:** 7 days prior notice via email or paper.
- **TSW Enhancement:**
 - Airlines submit flight details 7 days prior (aircraft type, schedule, cargo, passenger capacity) online.
 - Potential integration with e-payment for landing fees.

b. Workflow for Ministerial Approval

- **Current Function:** Paper forms physically signed.
- **TSW Enhancement:**
 - Digital routing of the application to the Minister's office for e-signature, automatically updating status.

Component 2 – Real-Time Flight Schedule & Notification

Objective: Share flight schedules dynamically with Customs, Immigration, and other agencies for improved resource planning.

Key Functions and Enhancements

a. Centralized Flight Database

- **Current Function:** Manual spreadsheets or softcopies.
- **TSW Enhancement:**
 - A **single** database or API feed where changes to flight times, additions, or cancellations are updated in real time.

b. Automated Notifications

- **Current Function:** Email or phone calls.
- **TSW Enhancement:**
 - If a flight is rescheduled or cancelled, TSW triggers alerts to Customs, Immigration, Biosecurity.



Component 3 – Integration with Cargo & Passenger Data

Objective: Ensure that if a flight carries cargo, TSW can automatically reference the inbound cargo manifest for Customs.

Key Functions and Enhancements

a. Cargo Declaration Link

- **Current Function:** Airlines separately send cargo manifests to Customs.
- **TSW Enhancement:**
 - If the flight type is cargo or includes cargo capacity, TSW enables the airline to upload a cargo manifest.
 - Customs receives cargo manifest in real time, cross-checking any restricted items or duties.

b. Passenger-Related

- **Current Function:** Immigration partially automates passenger checks but not integrated with Aviation.
- **TSW Enhancement:**
 - If a flight is a charter with large tourist groups, TSW will share passenger manifests with Immigration for pre-arrival screening.

Component 4 – Airport Certification & Safety Data Logging

Objective: Extend TSW-based approaches or a connected Aviation platform to track airport readiness and runway usage logs.

Key Functions and Enhancements

a. Digital Checklists & Audits

- **Current Function:** Paper logs for runway inspections, safety compliance.
- **TSW Enhancement** (optional or parallel system):
 - Bureaus can maintain an electronic record of runway checks, daily safety logs, tying them to flight schedules if relevant.

b. Analytics & Reporting

- **Current Function:** Periodic manual compilation.
- **TSW Enhancement:**
 - If integrated, top-level data on flight frequency, landing permits, safety checks can be displayed for managers/minister.



4.11.6 Inter-Agency Integration and Messaging

Table 47. Proposed interactions between the Bureau of Aviation and other agencies TSW

Interaction	TSW Mechanism	Outcome
Aviation ↔ Customs	Real-time flight schedules, cargo flight data.	Customs can plan staff for arrival, pre-check cargo if manifests are integrated.
Aviation ↔ Immigration	Flight rosters or passenger capacity for large arrivals.	Faster immigration clearance for big tourist groups, reducing bottlenecks.
Aviation ↔ Biosecurity	Notification if a flight might carry items needing agricultural or quarantine checks.	Quicker quarantine if suspicious cargo is declared; synergy with Customs/Bio.
Aviation ↔ Minister's Office	Digital or e-signature for final landing permit approvals.	Minimizes paper-based sign-off delays, immediate status updates to the TSW system.

4.12 Ministry of State (MoS)

4.12.1 Overview of Current Ministry of State Operations

The Ministry of State (MoS) serves as the focal point for foreign diplomats, embassies, and missions operating in Palau. While it does not directly issue trade licenses or clear goods, it facilitates requests, often in the form of diplomatic notes that may lead to Customs duty exemptions or immigration privileges for foreign missions.

4.12.2 Role and Mandate

Table 48. Mandate and legal framework outlining the Ministry of State's role in diplomatic facilitation, exemption requests, and coordination with Immigration

Component	Description
Mandate	- Receive and process diplomatic notes from embassies/foreign missions. - Facilitate trade- or duty-related exemptions on behalf of foreign missions by forwarding requests to Customs or relevant agencies. - Coordinate with Immigration for special visa/status facilitation if needed.
Legal Framework	Ministerial directives or internal policies on diplomatic relations.

4.12.3 Process and Automation Levels

Table 49. Current key processes at the Ministry of State involving diplomatic note handling, inter-agency information sharing, and embassy liaison, highlighting low automation levels and varying processing times

Key Processes	Sub-Processes	Automation Level	Typical Processing Time	Potential Fees
Diplomatic Note Handling	Foreign missions submit notes requesting duty exemptions or special facilitation.	Low (manual)	Varies greatly; depends on complexity, signatories	No direct fee from Ministry of State
Information Sharing w/ Agencies	Ministry reviews requests and shares with relevant agencies (Customs, Immigration)	Low (manual)	Potentially days/weeks if multiple clarifications	N/A—Ministry just routes requests
Embassy Liaison	Coordinating or clarifying local regulations for foreign missions.	Low (manual)	Ongoing, ad hoc basis	N/A

4.12.4 Current Process Overview

Table 50. Current limitations of Ministry of State processes, highlighting manual handling, lack of centralized tracking, and potential communication delays in diplomatic note management

Process Component	Current State	Limitations
Diplomatic Note Intake	Missions physically deliver or email notes to the Ministry.	No tracking system; staff rely on email or a simple spreadsheet (if at all) to keep track of requests.
Assessment/Forwarding	Ministry reads request, clarifies details, then forwards to Customs or relevant agency.	Entirely manual; no single repository to see the status or track how many requests are pending.
Outcome Communication	The receiving agency decides; MoS relays the final result back to the foreign mission.	Additional delays if the agency's response is slow or if communication breakdown occurs.

4.12.5 Proposed TSW-Enabled Transformation for Ministry of State

Although the Ministry of State's role in trade is minimal in terms of direct issuance, incorporating them into the TSW framework can standardize and digitize the diplomatic request flows. This fosters transparency and speeds up exemption or facilitation processes.



Component 1 – Digital Diplomatic Request Portal

Objective: Provide a simple e-form or interface (via TSW or a separate government portal) for foreign missions to submit diplomatic notes requesting exemptions or facilitation.

Key Functions and Enhancements

a. Online Submission

- **Current Function:** Paper or email.
- **TSW Enhancement:**
 - Missions upload their note digitally, attach supporting documents (e.g., justification for duty exemption).
 - Ministry staff can review in an internal dashboard, then forward or attach remarks for Customs.

b. Central Record

- **Current Function:** Possibly a shared drive or local email folder.
- **TSW Enhancement:**
 - A central repository for all requests, storing status (pending, sent to Customs, final outcome).

Component 2 – Automated Forwarding & Tracking

Objective: Implement a basic workflow so the Ministry can forward requests to the relevant agencies through TSW, with time-stamped updates.

Key Functions and Enhancements

a. Workflow Routing

- **Current Function:** Manual.
- **TSW Enhancement:**
 - The Ministry selects the receiving agency (e.g., Customs for duty exemption).
 - TSW logs the request, notifies the receiving agency automatically.

b. Tracking & Notifications

- **Current Function:** Ministry might rely on phone or emails to check status.
- **TSW Enhancement:**
 - Once Customs responds, TSW updates the request record and notifies the Ministry staff, who then informs the foreign mission.

Component 3 – Data Integration for Reporting

Objective: Allow the Ministry to see aggregate stats on how many diplomatic requests are processed, how many are approved/denied, the time stamp etc.

Key Functions and Enhancements



a. Analytics

- **Current Function:** Possibly none or manual counting.
- **TSW Enhancement:**
 - The system will generate periodic reports: e.g., “Number of duty exemption requests from foreign missions,” average response times, foregone revenue, etc.

b. Coordination with Other Agencies

- **Current Function:** Ad hoc.
- **TSW Enhancement:**
 - The Ministry can see if the duty exemption or special facilitation is being used repeatedly or if missions are following up on multiple pending requests.

Component 4 – Minimal Expandability

Objective: Keep the Ministry’s module simple—they do not need a full-blown licensing system, just a request tracking solution integrated with TSW.

Key Functions and Enhancements

a. Lean Approach

- **Current Function:** Paper-based.
- **TSW Enhancement:**
 - A minimal, **user-friendly** interface so staff can quickly forward requests.
 - Embassies can also track the **status** (sent to Customs, waiting for response, final outcome).

b. Optional Communication Tools

- **Current Function:** In-person, phone, email.
- **TSW Enhancement:**
 - Basic messaging or comment threads in the system to clarify details with Customs or the mission directly.

4.12.6 Inter-Agency Integration and Messaging

Table 51. Proposed TSW mechanisms for the Ministry of State, streamlining diplomatic communications

Interaction	TSW Mechanism	Outcome
Ministry of State ↔ Customs	• Diplomatic requests for duty/tax exemptions are digitally forwarded, Customs responds in TSW.	• Faster determination of exemption eligibility, easy tracking for the Ministry and the foreign mission.
Ministry of State ↔ Immigration	• If a note requests special visa privileges, TSW workflow routes it to Immigration.	• Quick synergy for diplomatic staff needing extended stays or special statuses.



Interaction	TSW Mechanism	Outcome
Ministry of State ↔ Other Agencies	Rare requests for Biosecurity/Health waivers or specialized facilitation.	Single platform ensures a consistent process, minimal lost requests.
Ministry of State ↔ Missions	Mission tracks status updates in TSW or a connected portal.	Eliminates repeated calls/emails, fosters transparency, integrity and timely communication.

4.13 Social Security Administration (ROPSSA)

4.13.1 Overview of Current Social Security Operations (Trade-Relevant Angle)

The Social Security Administration manages Social Security Number (SSN) issuance for individuals, which is directly relevant to Customs whenever a private individual imports goods (personal consignments). Customs requires a valid SSN to identify the individual, check compliance, and process potential duties or taxes.

4.13.2 Role and Mandate

Table 52. Social Security Administration mandate and legal framework for SSN issuance and compliance verification

Component	Description
Mandate	- Issue SSNs to residents, track their contributions to the Social Security fund. - Share SSN data with Customs (and Tax) for verification. - Ensure compliance for employer/employee contributions but primarily beyond trade scope.
Legal Framework	- Palau National Code 41 PNCA § 628 (Social Security Act). 18 - Internal MOUs with Customs & BRT for SSN verification.

4.13.3 Process and Automation Levels

Table 53. Key processes for SSN issuance and inter-agency data sharing (Customs and BRT)

Key Processes	Sub-Processes	Automation Level	Typical Processing Time	Potential Fees
SSN Issuance	Individuals apply for an SSN at ROPSSA.	Low/Medium (local system)	1–2 days if docs complete	No direct fees for issuing an SSN

18 https://paclii.org/pw/legis/consol_act/sst41226.pdf

Key Processes	Sub-Processes	Automation Level	Typical Processing Time	Potential Fees
SSN Sharing with Customs	Customs must verify SSN for personal import clearance.	Low (manual monthly CSV)	Delayed or monthly data	N/A (just data exchange overhead)
SSN Sharing with Tax (BRT)	BRT also checks SSN for TIN/EIN issuance or compliance checks.	Low (monthly CSV)	Monthly or ad hoc merges	N/A

4.13.4 Current Process Overview (Personal Import Context)

Table 54. Current state and limitations of SSN issuance and data-sharing processes between SSD, Customs, and BRT

Process Component	Current State	Limitations
SSN Issuance	Individuals apply with personal info; ROPSSA logs it in a local system (DB).	No immediate push to Customs, so new SSNs not recognized if the person tries to clear personal goods quickly.
Monthly CSV Sharing	ROPSSA sends CSV listing new/updated SSNs to Customs, BRT.	Potential 30-day delay; Customs might have incomplete data in the interim.
Customs SSN Check	Customs sees if the declared SSN is in their ASYCUDA system; if not, incurs clearance delays.	Individuals might be forced to prove they have a new SSN, or Customs calls SSA manually.

4.13.5 Proposed TSW-Enabled Transformation for Social Security

A real-time integration or API feed from SSD to Customs (through TSW) ensures that new SSNs or updates are immediately recognized, enabling smooth personal consignment clearance.

Component 1 – Real-Time SSN Data Sharing

Objective: Eliminate the monthly CSV lag so Customs can instantly confirm an individual's SSN (especially for personal imports).

Key Functions and Enhancements

a. API Integration

- **Current Function:** Manual CSV monthly.
- **TSW Enhancement:**
 - Whenever ROPSSA adds or updates an SSN in its local system, a secure push or API call is made to TSW.
 - Customs can query TSW for SSN validity in real time.



b. Immediate Availability

- **Current Function:** 30-day or indefinite delay.
- **TSW Enhancement:**
 - If an individual is newly assigned an SSN, Customs sees it instantly.
 - No more confusion or phone calls to verify brand-new SSNs.

Component 2 – Minimal TSW Footprint for ROPSSA

Objective: Keep the ROPSSA integration lightweight: a simple database-to-TSW feed or partial “SSN verification” microservice, not a full licensing module.

Key Functions and Enhancements

a. One-Way Sync or Bidirectional

- **Current Function:** Manual, offline.
- **TSW Enhancement:**
 - Likely a one-way feed from ROPSSA → TSW so TSW can store “valid SSNs.”
 - If TSW needs more info (e.g., date of issuance), it can store minimal data.

b. Privacy & Security

- **Current Function:** Potentially unencrypted CSV.
- **TSW Enhancement:**
 - Encrypted channel (SSL or SFTP).
 - Strict access controls so that only Customs sees SSN validity, not personal info like wages.

Component 3 – SSN Validation at Customs Clearance

Objective: Enable Customs to query or confirm an SSN's existence/validity in real time to process personal shipments.

Key Functions and Enhancements

a. Real-Time Query

- **Current Function:** Customs references a static CSV file.
- **TSW Enhancement:**
 - When a personal consignment arrives, Customs checks TSW: “Is SSN #1234 valid?”
 - TSW responds with a simple “Yes/No” or a short reason (e.g., “SSN not found”).

b. Reduced Clearance Delays

- **Current Function:** If SSN not in the monthly file, the person must prove it or wait.
- **TSW Enhancement:**
 - Smooth clearance if TSW shows the SSN is valid.



Component 4 – Additional Synergy with TIN/EIN (Optional)

Objective: If relevant, unify the real-time SSN feed with the TIN/EIN issuance process, so BRT also sees updates instantly.

Key Functions and Enhancements

Parallel BRT Integration

- **Current Function:** BRT also uses monthly CSV, calls SSD to confirm new SSNs.
- **TSW Enhancement:**
 - BRT sees new SSNs in TSW, eliminating separate monthly merges.
 - Streamlines individuals or employers registering for TIN/EIN.

4.13.6 Inter-Agency Integration and Messaging

Table 55. Proposed real-time SSN data integration between SSD, Customs, Tax (BRT), and Labor through TSW

Interaction	TSW Mechanism	Outcome
ROPSSA ↔ Customs	Real-time push or API for SSN updates, TSW-based SSN validity checks for personal imports.	Customs sees instantly if an SSN is new/valid, no wait for monthly CSV.
ROPSSA ↔ Tax (BRT)	Possibly the same TSW feed helps BRT confirm new SSNs.	BRT no longer relies on separate monthly merges for TIN/EIN compliance checks.
ROPSSA ↔ Labor (less direct)	Potentially also see SSN compliance if needed.	Not strictly relevant to personal consignments, but unified data can help broader compliance.

4.14 Bureau of Public Safety (BPS) – Vehicle Inspection & Registration

4.14.1 Overview of Current BPS Operations (Vehicle Registration)

When imported vehicles finish Customs clearance, BPS must inspect them to ensure roadworthiness and properly register them in a local database before they can be driven on Palau's roads. BPS issues an inspection slip or certificate that the Bureau of Tax then uses to calculate and collect vehicle levies or road taxes.



4.14.2 Role and Mandate

Table 56. Mandate and legal framework for the Bureau of Public Safety, detailing responsibilities in vehicle inspections, registration, and compliance enforcement

Component	Description
Mandate (Vehicle registration)	- Inspect imported vehicles for safety and compliance (VIN, physical checks). - Register vehicles in a local database, capturing ownership details, vehicle specs, etc. - Issue an inspection slip, which the importer takes to Bureau of Tax for final levy or registration fee.
Legal Framework	- Palau National Code 42 PNCA § 101 (Vehicles). 19 - BPS has authority to withhold registration if the vehicle fails inspection or lacks Customs clearance.

4.14.3 Process and Automation Levels

Table 57. Automation levels, time and fees for vehicle inspection, registration by Bureau of Public Safety (BPS)

Key Processes	Sub-Processes	Automation Level	Typical Processing Time	Potential Fees
Vehicle Inspection	Post-Customs clearance check (roadworthiness, VIN match).	Low/Medium (local DB)	~Same day if docs & vehicle ready	Possible inspection fees, if mandated by local regs
Vehicle Registration	BPS enters data (make/model, VIN, owner info) in local DB.	Low/Medium	Usually on same visit, after pass	Registration fees or separate licensing cost
Inspection Slip Issuance	Paper slip referencing vehicle details, used by Tax.	Low (paper-based)	Immediate upon successful inspection	Possibly no direct BPS fee, but used for Tax's levy calculation

19 https://paclii.org/pw/legis/consol_act/vt42136.pdf



4.14.4 Current Process Overview

Table 58. Current limitations in Bureau of Public Safety processes, emphasizing manual data entry, data silos, and potential errors between BPS, Customs, and Tax systems

Process Component	Current State	Limitations
Vehicle Inspection	BPS uses partial digital logs of the inspection. Data from Customs documents are re-entered.	Potential for typo or mismatch. No real-time retrieval of Customs information.
Vehicle Registration	If the vehicle passes inspection, BPS logs it in a local DB.	Data remains siloed in BPS DB. No automated feed to Tax.
Inspection Slip Issuance	BPS prints a slip for the importer to take to Tax.	Manual paper slip. Tax re-enters data to compute levy or finalize registration fees.

4.14.5 Proposed TSW-Enabled Transformation for BPS (Vehicle Registration)

Integrating BPS into a Trade Single Window can automate the flow of vehicle data from Customs, eliminating re-entry and let Tax see BPS inspection results in real time, skipping the need for paper slips.

Component 1 – Automated Data Retrieval from Customs

Objective: Pull vehicle information (VIN, importer, invoice) directly from Customs' clearance records once the vehicle is released.

Key Functions and Enhancements

a. TSW Linking

- **Current Function:** BPS staff manually re-enters Customs docs.
- **TSW Enhancement:**
 - As soon as Customs clears a vehicle, TSW notifies BPS with the relevant data (VIN, make, model, importer).
 - BPS retrieves data in their system, readies for inspection.

Component 2 – Digital Inspection & Registration Workflow

Objective: Digitize the entire inspection process, store results in TSW, and let BPS finalize registration electronically.

Key Functions and Enhancements

a. E-Inspection Form

- **Current Function:** Paper form or local DB.
- **TSW Enhancement:**



- BPS staff completes a digital checklist (roadworthiness, VIN confirmation) within TSW.
- The system updates the vehicle record to “Inspection Passed” or “Failed.”

b. Automatic Registration

- **Current Function:** BPS staff enters data in a siloed DB.
- **TSW Enhancement:**
 - TSW can store the final “registered” status or push that status to a local BPS system.
 - The importer’s vehicle record is seamlessly updated across all relevant modules.

Component 3 – Integration with Bureau of Tax (Tax) for Levy Calculation

Objective: Remove the physical slip. Let Tax see BPS’ inspection pass in real time via TSW.

Key Functions and Enhancements

a. Digital “Slip” or Confirmation

- **Current Function:** Paper slips that importer physically carries.
- **TSW Enhancement:**
 - Once BPS marks a vehicle as “Inspected & Registered,” Tax notified by TSW.
 - The vehicle’s details are auto-populated for levy/tax calculation.

b. Real-Time Levy Payment

- **Current Function:** manual payment of road Tax.
- **TSW Enhancement:**
 - The importer is able to pay the levy online, and TSW logs the payment.
 - No duplicate data entry for the Bureau of Tax.

Component 4 – Data Analytics & Audit

Objective: Enable BPS management to see how many vehicles are inspected daily, track failure rates, produce monthly stats.

Key Functions and Enhancements

Vehicle Registration Dashboard

- **Current Function:** Possibly done in local DB or spreadsheets.
- **TSW Enhancement:**
 - BPS can filter by inspection date, see pass/fail counts, top issues.
 - Could feed into bigger analytics across Customs & Tax data (e.g., total vehicles imported monthly, total levy collected).



4.14.6 Inter-Agency Integration and Messaging

Table 59. Enhanced interactions through TSW, providing automated data sharing and improved process visibility among BPS, Customs, Tax, and importers

Interaction	TSW Mechanism	Outcome
BPS ↔ Customs	TSW automatically passes vehicle data after Customs clearance.	No manual re-entry; BPS receives VIN, importer, invoice in real time.
BPS ↔ Tax (Bureau of Tax)	TSW shares BPS inspection pass/fail data.	No paper slip; tax quickly calculates levy, updates the vehicle record.
BPS ↔ Importer	The importer sees steps in TSW (Customs → BPS → Tax).	They don't physically carry docs from station to station; TSW provides status updates.



5. System Architecture & Design

5.1 Overall TSW Architecture

5.1.1 Core TSW Platform

Central Integration Hub

- The TSW platform will function as a central “hub” for data exchange and process orchestration across all agencies:
 - Customs (ASYCUDA) declarations feed into TSW for other agencies to see relevant data (e.g., Biosecurity can see commodity details, BPS sees vehicle imports, MoS receives approved duty exemption references).
 - MAFE and EQPB can share e-permits or inspection approvals in TSW, visible to Customs or other agencies needing that info.
 - Immigration can feed passenger/crew information for synergy with Aviation, Public Health, or Ministry of State (diplomatic privileges).
 - BRT (Tax) monitors duty/tax calculations, pulling from Customs data or BPS vehicle inspection results.
 - Public Health manages traveler health forms and prescription import checks through TSW.
 - RPPS (Post Office) can integrate e-parcel data for small shipments or e-commerce.
 - ROPSSA (Social Security) can share real-time SSN data for personal import clearance and TIN/EIN compliance checks.
 - Ministry of State uses TSW to route diplomatic requests (e.g., duty exemption endorsements) to Customs or relevant agencies.

Microservices vs. Modular Approach

- Microservices ensure each function (e.g., e-permit issuance, risk management, e-payment, cargo tracking) is an independent service that can be developed or updated separately.
- Alternatively, a more modular monolithic system can suffice if resources are limited, provided it is well-structured for future expansion.

5.1.2 Module & Microservices Structure

User Management & Single Sign-On (SSO)

- A central authentication service for all agencies: Customs officers, Biosecurity inspectors, MAFE permit managers, BPS staff, Immigration, etc.
- Role-based access ensuring each agency only sees relevant data (Biosecurity sees HS codes for agricultural goods, BPS sees vehicles, etc.).



Integration & Communication Module

- An API gateway or Enterprise Service Bus (ESB) to standardize data exchange with each agency's legacy database:
 - ASYCUDA for Customs
 - Legacy system (DB) for BRT, BPS, MAFE, Labor, Immigration, RPPS, ROPSSA, Health.
- Real-time or batch adapters for agencies still reliant on partial or manual processes (e.g., RPPS or Public Health).

Document & Data Repository

- A TSW-based repository storing or referencing e-documents (declarations, permits, inspection certificates, memos, diplomatic notes).
- Agencies can upload scanned forms or digitally fill e-forms for cross-agency visibility.

5.2 Data Management & Security

5.2.1 Data Flow & Storage

Centralized TSW DB

- Stores core transaction data (declarations, permits, inspection outcomes).
- Agencies can have “shadow tables” or partial local copies as needed.

Real-Time vs. Batch

- Customs and other agencies might use real-time or periodic sync.
- Some manual agencies (Biosecurity, MAFE, EQPB in early phases) can do daily or weekly batch until full automation is feasible.

5.2.2 Security Protocols & Encryption

- TLS/SSL ensures data is encrypted in transit.
- Role-Based Access with fine-grained permissions example Biosecurity staff see only agriculture/animal permit data, BPS sees only vehicle data, etc.
- Comprehensive Logging (who accessed or changed a record, when, from where).

5.2.3 Privacy & Confidentiality

Minimal Data Exposure

- E.g., ROPSSA shares only a “valid SSN” status, not personal health or wage data.



Legal Requirements

- Must align with any local data protection laws or broader privacy principles, especially regarding personal data for Social Security or Public Health.

5.3 Workflow & BPM Engine

5.3.1 Process Automation

- E-Workflows replace manual steps:
 - Customs declarations → triggers Biosecurity checks (HS code matches), or MAFE if marine product, or EQPB for ODS.
 - BPS vehicle checks automatically flagged once Customs releases a vehicle.
 - BRT sees real-time duty data for revenue collection.

5.3.2 e-Signatures & Approvals

- Ministerial / Agency sign-offs for:
 - MAFE fishery quotas, EQPB ODS permits, Aviation landing permits, Diplomatic notes from Ministry of State.
- In-system e-signing ensures immediate updates, cutting out paper-based sign-offs.

5.3.3 Policy Decision on User Identification

- A formal policy decision is required regarding the method of uniquely identifying individuals within the system. Options include:
 - Taxpayer Identification Number (TIN)
 - National ID Number
 - Application-specific identifiers
 - Social security number (currently used by Customs to clear personal consignment)
- Coordinated Border Management (CBM) working group to look into this for approval and implementation.

5.4 Payment & Revenue Integration

5.4.1 E-Payment Gateway

- **Duty & Fee Collection**
 - Importers or their brokers pay duties/fees online, bridging to local banks or credit card processors.
- **Real-Time Confirmation**
 - National Treasury views the transaction in TSW.



5.4.2 Duty/Tax Calculation Engine

- Commodity & Tariff data from Customs (HS codes, declared value).
- TSW automatically calculates relevant surcharges, or fees, referencing agencies rate tables.
- E-invoices are generated in TSW for payment, stored in the system's repository.

5.5 Risk Management & Analytics

5.5.1 Risk Profiling Tools

Shared Risk Data across agencies:

- Customs uses a rules-based or ML approach to highlight suspicious shipments.
- Biosecurity might set triggers for certain plant/animal codes.
- BPS sees if certain vehicle importers have a history of non-compliance, etc.
- Immigration can profile, target and flag black listed passengers

5.5.2 Dashboards & Reporting

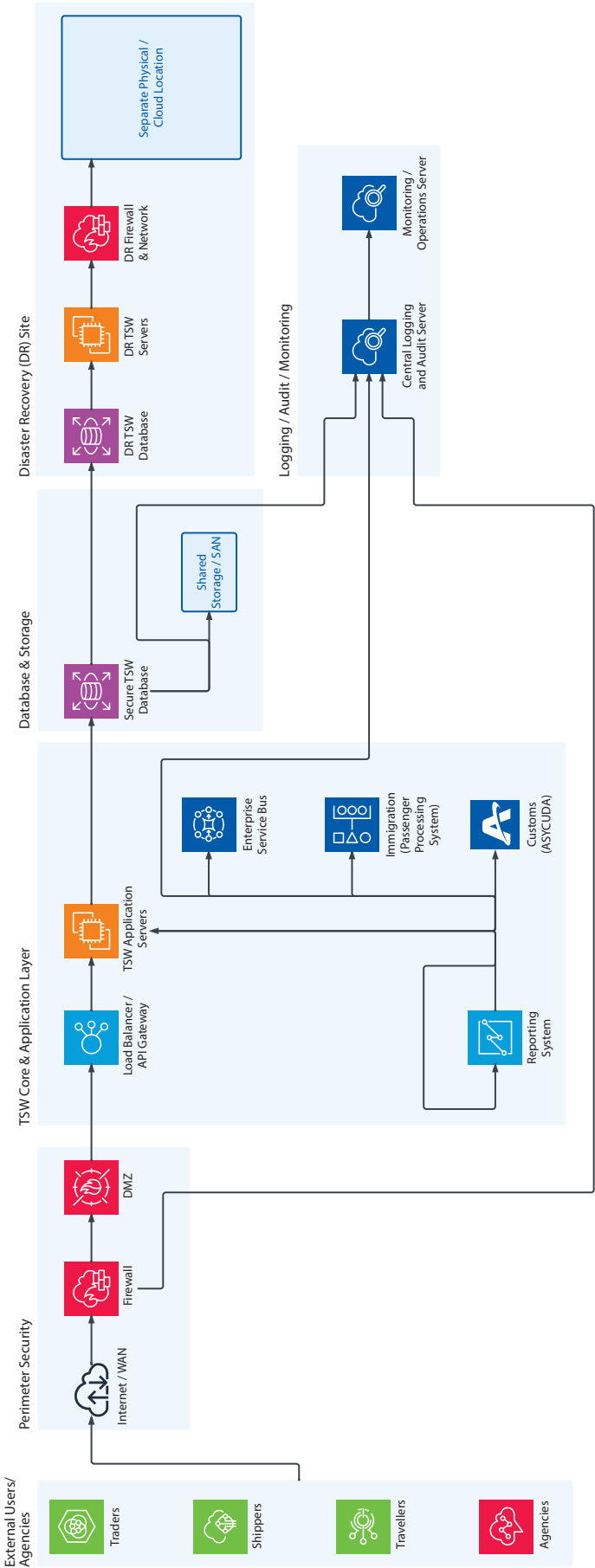
- Agency-Specific Dashboards:
 - Customs: daily declaration count, top commodities, flagged shipments.
 - Biosecurity: permitted vs. quarantined goods.
 - Aviation: flight arrivals, landing permit statuses.
 - BPS: vehicles inspected, pass/fail stats.
 - BRT: daily revenue from duties/levies.
- Cross-Agency Summaries for leadership to see overall TSW performance.
- **TSW Core:**
 - Houses the main DB, e-form services, risk engine, e-payment gateway if needed.
 - Provides ESB or API to unify data from advanced systems (Customs' ASYCUDA) or partial DB agencies (Biosecurity, MAFE, etc.).
 - **Phase A** integration lines (Customs, Biosecurity, MAFE/EQPB, Post Office) appear first.
 - **Phase B** connect Immigration's new e-visa portal, the Palau Entry Form for Health, Marine scheduling, Social Security's real-time SSN feed, Labor checks.
 - **Phase C** includes synergy with BRT for advanced tax usage, Aviation for flight permits, Ministry of State for diplomatic requests, and BPS for vehicle registration.

Security & Authentication: All connections pass through the API gateway or ESB with SSL/TLS encryption. Agencies must authenticate via SSO with role-based privileges.



Figure 4. Palau Trade Single Window Technical Architecture

Comprehensive process map illustrating integrated digital workflows across multiple agencies within the TSW environment, supported by a robust server infrastructure and optimized network architecture.



6. Implementation Strategy & Roadmap

6.1 Phased Rollout Approach

6.1.1 Phase A – Foundational Agencies

- **Customs (ASYCUDA)**

- Core integration between TSW and ASYCUDA for declarations.
- Lays the fundamental data flow for import/export cargo, enabling advanced risk checks and synergy for other agencies.

- a. **Biosecurity**

- Uses TSW to issue/import permits (plants, animals) triggered by HS codes from Customs.
- The Palau Entry Form aspect (health/biosecurity declarations) is partially relevant here, but the main synergy with that form is in Phase B (Public Health & Immigration). For now, Biosecurity can begin digital permit issuance for cargo.

- b. **MAFE (Agriculture, Fisheries & Environment)**

- E-licensing for marine species quotas, agricultural imports, and environmental checks (some synergy with Biosecurity).
- TSW notifies MAFE when certain commodity codes appear, enabling quick approval or denial.

- c. **EQPB (Environmental Quality Protection Board)**

- ODS/pesticide import checks integrated with TSW.
- Observes Customs declarations for restricted chemicals or environment-sensitive cargo.

- d. **Post Office (RPPS)**

- E-parcel data integration for small shipments or e-commerce, allowing Customs (and Biosecurity/EQPB if needed) to screen parcels in advance.
- Minimizes manual screening, fosters faster clearance for inbound mail.

Key Deliverables: Phase A

- TSW Core: Setup of the central hub, user management, baseline microservices, partial BPM or ESB for data routing.
- Customs–TSW Integration: Real-time declarations validation flow.



- e-Permits for Biosecurity, MAFE, EQPB.
- Pilot e-parcel data from RPPS.

Timeline: ~1–12 months from project start.

6.1.2 Phase B – Immigration, Public Health, Marine Transportation, Social Security, Labor

a. Immigration

- Online Visa Application system integrated into TSW, letting applicants (tourists, business travelers, etc.) apply for various visa types digitally.
- The Palau Entry Form synergy: TSW can incorporate inbound passenger data from flights or vessels, so Immigration can reference health/biosecurity flags in real time.

b. Public Health (MoH)

- Palau Entry Form integration (covering health declarations that also feed Customs, Biosecurity, Immigration).
- Possibly e-approvals for certain food/drug imports if not handled in Phase A (Biosecurity for certain items, Health for others).

c. Marine Transportation

- Vessel scheduling and clearance synergy with Customs, Immigration, Biosecurity (especially for passenger manifests or cargo ships).
- Minimizes phone/email scheduling, letting TSW unify port arrival/departure data.

d. Social Security (ROPSSA)

- Real-time “valid SSN” verification feed, removing monthly CSV approach.
- Customs can confirm personal importer SSN instantly for private shipments; BRT uses the same feed for TIN/EIN compliance.

e. Labor

- E-verification of employer compliance with SS, TIN.
- Coordination with Immigration’s online work visa or provisional work permit processes (particularly if a foreign worker changes from tourist to worker status).

Key Deliverables: Phase B

- Online Visa platform for Immigration.
- Palau Entry Form synergy for inbound travelers (health/bio/border checks).
- Marine port scheduling.
- Real-time SSN feed (ROPSSA).
- Labor compliance checks integrated with TSW.

Timeline: ~13–24 months from project start.



6.1.3 Phase C – Taxation (BRT), Aviation, Ministry of State, Bureau of Public Safety (BPS)

- **Taxation (BRT)**

- E-payment for Customs duties already exists, so BRT's main new synergy is real-time duty/tax data usage and reference to newly integrated data (vehicle info from BPS, advanced analytics).
- Advanced forecasting or compliance checks if needed.

- **Aviation**

- Digital landing permits, flight schedules integrated with TSW.
- Seamless synergy with Immigration if relevant (though Immigration's main system is Phase B, the advanced tie with flight schedules is in Phase C to reduce initial complexity).

- **Ministry of State**

- Diplomatic request facilitation: TSW routes foreign mission requests for exemptions or special entries to Customs or Immigration, tracking final outcomes.

- **Bureau of Public Safety (BPS)**

- Post-Customs clearance vehicle data flows automatically to BPS.
- BPS logs inspection pass/fail digitally, so BRT sees the final registration data.
- Eliminates physical slip from BPS to Tax.

Key Deliverables: Phase C

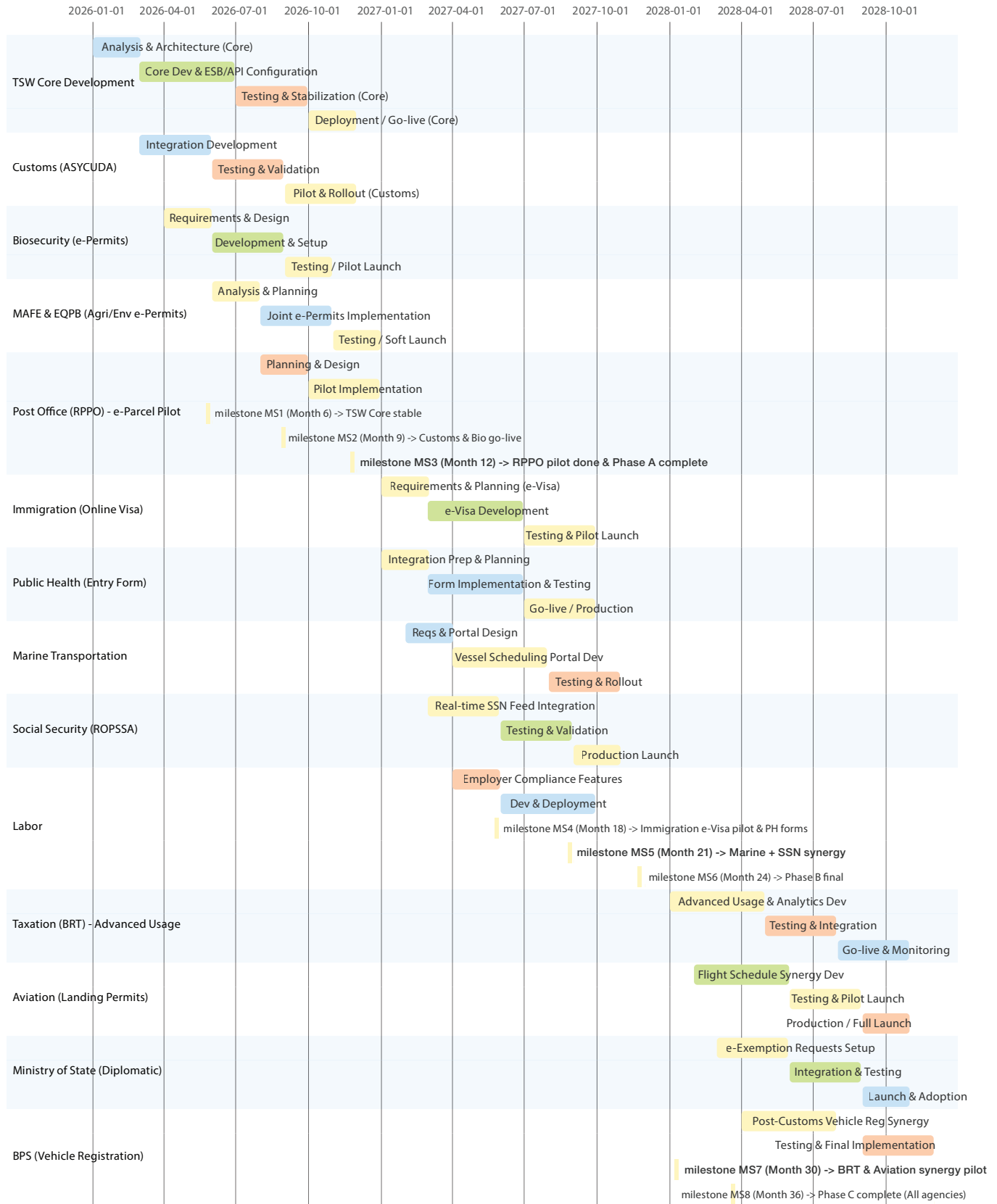
- BRT sees integrated trade data.
- Aviation flight scheduling synergy with TSW (digital landing permits).
- Diplomatic facilitation from Ministry of State.
- Vehicle inspection synergy for BPS–Tax final levy.

Timeline: ~25–36+ months from project start.



Figure 5. Palau Trade Single Window Implementation Timeline

Detailed project implementation Gantt chart, highlighting tasks, timelines, and critical milestones across infrastructure, software development, agency onboarding, training, and system rollout phases.



6.2 Project Products – Implementation Phase

6.2.1 Concept Building

This initial phase lays the foundation for the Palau TSW:

- **Palau TSW Project Governance and Project Management**

- Key deliverables include forming the Project Steering Committee, which steers overall strategy and policy decisions, and setting up a Technical Advisory Group to address technological complexities. A Legal Working Group clarifies legal frameworks and ensures compliance. The government designates a Project Management Office and location, eventually establishing a Palau TSW Operator (public or private entity) to manage day-to-day operations.

- **Formation of Project Teams**

- Three main teams come together: the Project Management Team (overseeing schedules, budgets, deliverables), the Change Management Team (driving stakeholder engagement, communications), and the Test/Quality Assurance Management Team (ensuring system integrity through continuous testing).

- **Governance Model**

- An organizational structure is created for the Office of the Palau TSW. It clarifies roles (e.g., TSW Director, technical leads) and how this office fits within existing government departments.

- **Acquisition/Allocation of Financial Resources**

- Confirming the Project Budget and Funding Disbursement schedule ensures the entire TSW initiative has stable financing, whether from the national treasury, donors, or user fees.

- **Preliminary Design Activities**

- Stakeholder Engagement outlines the Palau TSW scope across each government agency, capturing updated regulations and SOPs.
- Data Harmonization defines consistent data models for each regulatory body, guaranteeing a uniform approach to commodity codes, licensing info, and traveler data.
- Legislation Framework identifies any new laws or amendments needed (e.g., e-signature acceptance, data privacy).
- Risk Management introduces an integrated risk model spanning all agencies.
- Change Management Initiative leads to new SOP agreements, ensuring staff readiness for digital workflows.
- System Visibility addresses branding—Palau TSW's vision, mission, and logos.
- Functions and Technical Infrastructure define the technical specs required by each agency, while Service Specifications clarify what the TSW Operator, government agencies, and private operators (carriers, brokers) must deliver.
- Process Redesign transitions old processes to “to-be” digital workflows.
- Fees and Charges Model decides if any TSW user fees apply.
- Service Level Agreements (SLA) define performance commitments across agencies.
- Contract between the government and the TSW Operator cements the Single Window's operation, specifying deliverables, frameworks, and terms.



- **Procurement Plan and Execution**

- Identifies which Implementer, consultants, equipment, and infrastructure are required. A dedicated Project Office is established for coordinating these resources.

6.2.2 Design and Build

In this phase, the TSW shifts from concept to **tangible development**:

- **Stakeholders**

- Engagement of Implementing Agencies ensures each agency's readiness for TSW modules.
- Risk Types are identified and agreed upon for inclusion (e.g., contraband, high-duty goods, restricted travelers).
- Interface with Existing Systems means identifying how TSW will integrate with current GRA (Government Regulatory Agency) applications.

- **Build Palau TSW**

- Palau TSW Core: The system's backbone is built and tested—technical infrastructure, data centers, message protocols, security schemes, and consumer-facing functions. The government issues a User Acceptance Test certificate once satisfied.
- Government Agency Permit Processing Workflows: Each agency's specialized workflows are mapped, tested, and refined, ensuring they can handle e-permits and real-time data exchange.
- TSW Risk Management Engine: A consolidated approach to detecting high-risk shipments or travelers.
- Palau TSW Dashboards & Monitoring: Graphical views for each agency to track performance, risk flags, or transaction volumes.
- System Design Documentation is finalized, reflecting all technical and functional decisions.

- **Training**

- User Guides / Training Materials / Publicity Materials finalize essential guidance for operators, agencies, and the public.
- Training Plans define the schedule and approach for each agency's user base, ensuring staff are fully prepared.

6.2.3 Pre-Implementation

Pre-Implementation readies stakeholders, policies, and systems for live deployment:

- **Standard Operating Procedures (SOPs) for Palau TSW Services and Government Border Agencies**

- Final SOP documents detail how daily operations will run in the new environment, bridging digital workflows and any remaining manual steps.

- **Help Desk**

- A Palau TSW Help Desk is built, tested, and ultimately receives a user acceptance certificate. This help desk supports agencies and users with technical or procedural questions.



- **Change Management Plan**

- TSW's integrator (Palau TSWC and Palau TSWSec) finalizes how staff across all agencies will transition to new processes, with assistance from the TSW Operator.

- **Service Level Agreements**

- Between the TSW Operator, the Ministry of Trade/Investment, and Traders to formalize performance expectations. Government Agencies also align their service response times and user requirements.

- **Palau TSW Governance Entity / Regulator**

- Officially forming the "Office of the Palau TSW," which ensures future oversight and compliance, continuing beyond the initial project lifecycle.

6.2.4 Pilot, Implement, Deploy, and Roll-out

During this stage, the TSW goes from prototype to full operational use:

- **Help Desk**

- Now installed and fully operational 24/7, supporting government staff, carriers, and traders. Performance metrics (tickets closed, response times) are monitored.

- **Install and Rollout Data Centers**

- Data center(s) come online, ensuring robust hosting for TSW modules with failover and backup strategies in place.

- **Procure Operational Support**

- Around-the-clock support ensures continuous system uptime, essential for cargo arrivals or global transactions outside local office hours.

- **Pilot Run Palau TSW**

- A pilot environment is tested live with select transactions, allowing final adjustments before widespread adoption.

- **Live Implementation**

- The TSW is declared fully operational across all agencies, receiving actual cargo manifests, e-permit requests, and traveler data.

- **Implement Remaining Modules / Sites**

- Some agencies or regional offices might come on board after the main go-live; they are added in phases until all are covered.

- **Training and Education**

- Additional or refresher training for agencies and traders occurs, with Monitoring & Evaluation of how well staff adapt.

- **Support and Maintenance**

- Third-party or in-house teams handle day-to-day fixes, updates, and expansions, measuring performance through user feedback and ongoing KPI tracking.



6.2.5 Post-Implementation Review and Monitoring

After going live, the TSW's success hinges on **continuous oversight**:

- **Post-Implementation Review (per release)**

- Each release cycle or system update is followed by a Review Report capturing user feedback, system performance, and recommended improvements.

- **SLA Monitoring**

- The TSW Operator and Steering Committee measure compliance against established SLAs, producing Performance Reports to maintain accountability.

- **SLA Administration**

- Annual SLA Review refines or redrafts terms to keep pace with evolving agency needs, technology shifts, and user expectations.

- **Evolving Workflows / BPR**

- Business process reengineering (BPR) continues post-launch if additional streamlining or expansions are identified—ensuring the TSW remains adaptive and cutting-edge.

6.3 Resource Planning

6.3.1 Resource Breakdown

- **Key Personnel**

- Analyst-Programmer: Develop TSW microservices, connect with ASYCUDA, e-visa, e-permit modules.
- Governance Expert: Ensures inter-agency MOUs, legal frameworks, stakeholder alignment.
- Trade Facilitation/Customs Expert: Advises on risk, customs process, ensures synergy with Biosecurity/MAFE/EQPB.
- e-Visa Specialist: Focus on Immigration's online visa platform.
- ASYCUDA Programmer: Dedicated bridging for real-time data exchange.
- Costs are higher in the early years (Phases A/B) for development/integration, dropping in Phase C but still supporting advanced modules.

- **Travel**

- Covers international or inter-state flights, lodging for external experts, plus local staff missions to outlying offices or reference visits.
- Greatest in Phase A as the team sets up core TSW, but also needed in Phase B for e-visa synergy, possibly site visits to smaller ports or Post Office expansions.

- **Equipment & Furniture**

- Physical servers or networking gear if partly on-premises, plus additional furniture for a TSW "control center."
- The outlay is largest in Phase A, diminishing in B/C.



- **Operating & Other Costs**

- Ongoing hosting, office supplies, minor utility expansions, or data lines.
- Rises slightly in Phase B when more agencies come online, then stabilizes in Phase C.

- **Maintenance & Support**

- Lighter in Phase A (build phase).
- In Phase B/C, grows significantly as the TSW is operational and more agencies require day-to-day help and incremental enhancements.

6.4 Change Management & Training

6.4.1 Stakeholder Engagement

- **Steering Committee:** Directors from Customs, Biosecurity, Immigration, MAFE, EQPB, BPS, Aviation, BRT, Health, RPPS, ROPSSA, Ministry of State.
- **Workshops:** Each phase includes multi-agency sessions to finalize user requirements, pilot results, and operational transitions.

6.4.2 Capacity Building

- **Technical Training**

- TSW usage for advanced modules (online visa, e-permits), event-driven risk checks, real-time synergy with maritime scheduling.

- **End-User Documentation**

- Step-by-step guides for trade and public users (online visa app, entry forms, e-parcel, etc.).

- **Helpdesk**

- A TSW central helpdesk or call center to handle queries from agencies or the public.

6.4.3 Communication & Outreach

- **Public & Trader Communication**

- Outline new procedures for visa applications, e-parcel shipments, or e-permits.

- **Feedback Loop**

- Engage stakeholders in user acceptance testing.



6.5 Governance & Steering Mechanisms

6.5.1 Project Governance Structure

- **High-Level Oversight**

- Potentially under the Ministry of Finance or a designated TSW champion, ensuring cross-agency cooperation.

- **Agency Technical Working Groups**

- Sub-committees for eVisa design (Immigration), e-parcel pilot (RPPS, Customs).

6.5.2 Inter-Agency Collaboration

- **Formal MOUs**

- Agency roles, data-sharing obligations for each phase.

- **Decision Escalation**

- Steering committee resolves major bottlenecks or funding concerns swiftly.



7. Risk Management & Sustainability

7.1 Risk Identification & Mitigation

Effective TSW deployment requires proactive risk management covering technical, organizational, legal/regulatory, and financial aspects. The table below summarizes top risks, impact, likelihood, and proposed mitigation actions.

7.1.1 Risk Matrix

Table 60. Risk Management Framework detailing specific risks, potential impacts, likelihood, and proposed mitigations across technical, organizational, legal, financial, and sustainability categories

Risk Category	Specific Risk	Potential Impact	Likelihood	Proposed Mitigation
Technical	Integration Complexity: Varying digital maturity among agencies (e.g., Customs is advanced, Biosecurity is mostly paper, SS monthly CSV).	Delays in real-time data exchange; partial adoption if some agencies fail to integrate.	Medium	• Phased approach ensures early success with more “digitally ready” agencies (Customs, MAFE) • Provide “light” integration (CSV or batch) for less digitized agencies, bridging to real-time as they modernize.
Technical	System Downtime or Cyberattacks: TSW being a central hub is a prime target.	Major disruptions to trade operations if TSW is offline; data breaches risk credibility.	Medium	• Implement redundant servers, robust cybersecurity frameworks (firewalls, intrusion detection). • Regular penetration testing and backups.
Organizational	Resistance to Change: Agency staff may prefer existing manual processes.	Low adoption; reversion to paper-based forms; incomplete usage of TSW features.	High	• Change Management plan with user workshops, success stories. - Steering committee sets accountability for each agency’s transition.



Risk Category	Specific Risk	Potential Impact	Likelihood	Proposed Mitigation
Organizational	Inter-Agency Conflicts: Each bureau's priorities or data-sharing policies vary.	Slowdowns in finalizing data-sharing MOUs or conflicting workflow rules hamper TSW usage.	Medium	• Formal MOUs ensuring data-sharing obligations. • A strong governance body (steering committee) resolves policy disputes swiftly.
Legal	Lack of Specific e-Government or e-Sign Legislation: Some processes may require original signatures in law.	Invalidation of e-approvals or e-signatures; incomplete digital shift.	Low-Medium	• Adopt or update legal frameworks allowing digital signatures. • Clarify e-document acceptance in relevant acts (Customs Act, Vehicle Act, Immigration Act, etc.).
Financial	Uncertain Funding: Phase B or C expansions might face budget constraints.	Partial rollout or indefinite postponement of advanced modules (Immigration e-visa, advanced ML).	Medium	• Secure multi-year budget allocations. Explore external donors for e-Government modernization.
Sustainability	Maintenance Overload: Once TSW is live, agencies need consistent tech support.	System may degrade if insufficient resources for updates, bug fixes, user queries.	Medium	• Establish dedicated TSW maintenance team. • Fund continuous training, possibly via a small user fee or permanent gov't budget line.

7.2 Sustainability & Scalability

7.2.1 Ongoing Maintenance & Upgrades

• Dedicated TSW Maintenance Team

- A specialized unit under a central authority (e.g., Ministry of Finance or designated e-Gov department) to handle day-to-day operations, minor enhancements, user support.

• Regular System Upgrades

- As agencies evolve, TSW must adapt with new data fields, updated e-forms, or expanded workflow steps.
- Include a DevOps pipeline for continuous integration and testing, ensuring minimal downtime.



7.2.2 Future Expansions

• E-Commerce Growth

- As Palau's e-commerce imports rise, RPPS synergy becomes more crucial. TSW can incorporate advanced tracking or pre-clearance for small parcels.

• Advanced Analytics

- Over time, machine learning risk engines can fine-tune detection for contraband or suspicious trade patterns.

• Regional Integration

- Potential data exchange with other Pacific neighbors or Regional Single Window protocols if Palau seeks broader regional trade facilitation alignment.

7.2.3 Funding & Sustainability

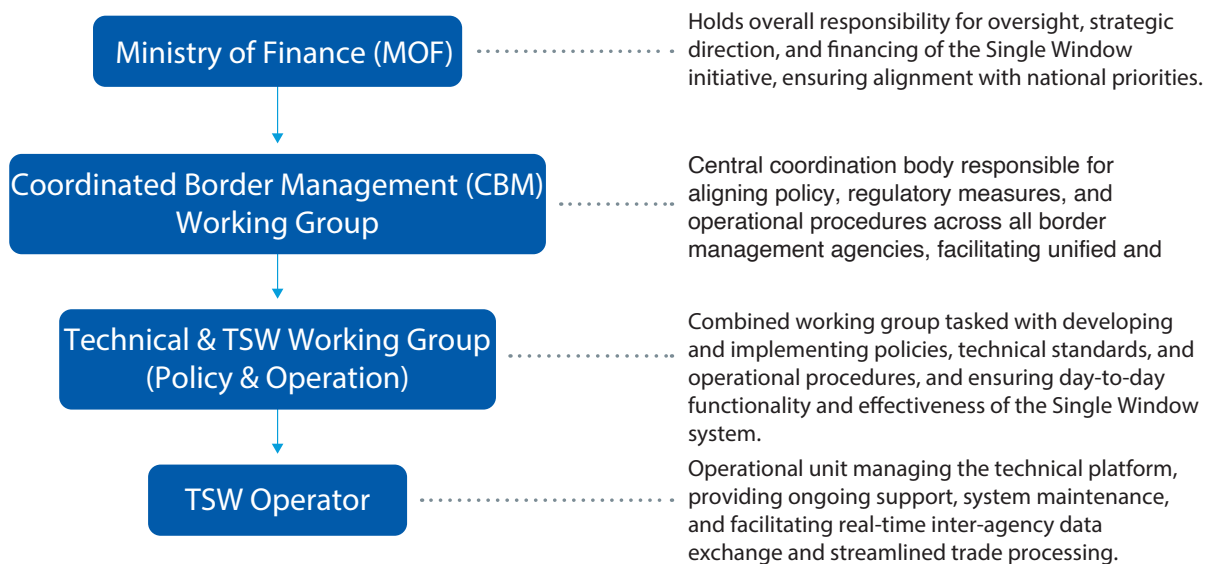
• Permanent Budget Line

- TSW cannot rely on ephemeral donor grants alone; a stable line in the national budget is critical.

• User Fees or Recovery

- Minimal system usage fees or convenience fees for e-permits might be introduced to offset operational costs, ensuring continued enhancements and support.

Figure 6. Governance structure outlining Steering Committee oversight, TSW working group, and TSW Operator



7.3 Monitoring & Adaptation

7.3.1 Dynamic Risk & Policy Updates

- **Agencies** can update restricted item lists, risk rules, or new permit categories as legislation changes.

- TSW must accommodate **agile** modifications to e-forms or workflows without requiring a full system overhaul.

7.3.2 Periodic Audits & Reviews

- **Technical Audits**

- Evaluate security posture, code vulnerabilities.
- Validate performance under peak loads (e.g., large cargo shipments or high tourist seasons).

- **Operational Reviews**

- Assess user satisfaction among traders, shipping lines, foreign missions (Ministry of State requests).
- Identify bottlenecks or agency modules needing further refinement.

7.3.3 Business Continuity Plan

In the event of a system failure due to power outages, network disruption, or other technical issues, the following fallback plans ensure critical services continue with minimal interruption:

- **Manual Submission Protocols**

- Agencies and users should switch to pre-approved paper forms or Excel-based templates for declarations, permits, and approvals. Once the system is restored, this data will be entered into the TSW.

- **Offline Data Capture Tools**

- Provide simplified offline versions of essential e-forms. These allow users to fill in required information during downtime and upload it automatically when the system is back online.

- **Standby Power Supply**

- Install UPS units and backup generators at key sites such as the TSW data center, Customs, and frontline agencies to keep critical systems running during power outages.

- **Secondary Communication Channels**

- Use alternative communication methods like email, secure messaging apps (e.g., WhatsApp Business or Signal), or dedicated phone lines to coordinate actions and share updates while the system is down.

- **Redundant Hosting or Failover Server**

- Maintain a backup server or cloud-based instance of the TSW to take over if the primary system becomes unavailable. This minimizes downtime and data loss.

- **Printed Contingency Kits**

- Distribute printed contingency kits with paper forms, procedural guides, and key contact lists to all relevant agencies to ensure smooth handling of manual operations.

- **Predefined Emergency Contacts & Escalation Paths**

- Keep a regularly updated list of contacts and a clear escalation path so issues are quickly reported, assessed, and resolved.

- **Regular Training & Simulation Exercises**

- Schedule periodic drills to ensure all agency personnel and key users are familiar with backup procedures and can operate confidently in a manual or offline mode.



8. Monitoring & Evaluation

The Monitoring & Evaluation (M&E) framework is pivotal for maintaining accountability, transparency, and continuous improvement of the TSW. By defining Key Performance Indicators, scheduling regular reviews, and enabling data-driven adjustments, Palau can ensure the TSW delivers sustained benefits to all agencies—Customs, Biosecurity, MAFE, EQPB, Immigration, Post Office, Health, Marine Transportation, Labor, Social Security, Taxation, Aviation, Ministry of State, and BPS.

8.1 Key Performance Indicators (KPIs)

8.1.1 Operational Efficiency

- **Average Clearance Time (ACT)**

- Definition: Time from import declaration submission to final release.
- Targets: Reduce by 30–50% over baseline within first year post-implementation.
- Applies to: Phase A (Customs, Biosecurity, MAFE, EQPB) primarily, expanding to others as they go live.

- **Number of Paper-Based Steps Eliminated**

- Definition: Count how many previous manual forms or paper slip processes are replaced by e-forms or real-time e-approval.
- Targets: Phase A: Replace at least 5 key forms (Customs declarations, Biosecurity permits, etc.). Phase B: Add Immigration e-visa forms, etc.

- **System Uptime**

- Definition: Percentage of TSW operational hours vs. total potential hours in a month.
- Targets: Aim for 99.5% uptime or higher, with scheduled maintenance windows minimized.

8.1.2 Compliance & Risk Management

- **Rate of Risk Flags & Follow-Through**

- Definition: Percentage of shipments flagged by TSW's risk engine that lead to verified non-compliance or infractions.
- Targets: Achieve at least a 75% "accuracy" ratio of flagged shipments being legitimate concerns, ensuring the engine is well-tuned.

- **Inspection/Permit Violation Incidents**

- Definition: Number of cargo or parcel entries that bypass required permits (Biosecurity, MAFE, EQPB).
- Targets: Reduce missed permit checks by 80% once e-forms and risk triggers are fully integrated.

- **Vehicle Registration Compliance**



- Definition: Proportion of newly imported vehicles that complete BPS inspection & registration within X days of Customs clearance.
- Targets: 90% compliance within 7 days of clearance, measured post-Phase C.

8.1.3 Stakeholder Satisfaction

• User Feedback (Agencies)

- Definition: Periodic agency surveys measuring ease-of-use, time saved, clarity of data, etc.
- Targets: 80% of agency staff report “significant improvement” in daily tasks by the end of Phase B.

• Trader/Broker Satisfaction

- Definition: Survey importers, brokers, shipping lines on system usability, processing speed, e-payment convenience.
- Targets: 70% positive rating after Phase A, aiming for 85% after Phase C.

• Foreign Missions & Diplomatic Requests

- Definition: Time taken to process diplomatic exemption requests via TSW in Phase C.
- Targets: 50% reduction in average wait time for responses, improved clarity.

8.1.4 Revenue & Financial Impact

• Duties/Taxes Collected

- Definition: Growth in customs revenue or duty compliance as a result of TSW oversight.
- Targets: 10% increase in revenue capture vs. baseline if under-declaration or missed duties are significantly reduced.

• E-Payment Adoption

- Definition: Percentage of total duties/fees paid electronically.
- Targets: 80% e-payment usage by major importers within 12 months of TSW launch.



9. Conclusion & Way Forward

9.1 Summary of Key Takeaways

- **Holistic Agency Coverage**

- This blueprint captures all major Palauan agencies connected to trade and border operations including Customs, Biosecurity, MAFE, EQPB, Immigration, Post Office, Public Health, Marine Transportation, Labor, Social Security, Taxation, Aviation, the Ministry of State, and BPS (for vehicle registration).
- By integrating each entity's workflows into a single digital platform, Palau can achieve unprecedented synergy, minimizing manual steps and delays.

- **Phased Implementation**

- A three-phase roadmap (A, B, C) ensures a manageable rollout. Phase A focuses on Customs, Biosecurity, MAFE, EQPB, and the Post Office; Phase B introduces Immigration (with e-visa), Public Health (Palau Entry Form), Marine Transportation, Social Security, and Labor; Phase C concludes with Taxation (BRT), Aviation, Ministry of State, and BPS.
- Each phase delivers incremental benefits without overloading resources.

- **Robust System Architecture & Workflows**

- A central TSW hub (with an ESB/API layer) will connect legacy systems like ASYCUDA for Customs, local DBs, or new e-form modules for agencies like MAFE, EQPB, Immigration's e-visa, etc.
- Real-time data sharing and e-approvals replace paper-based processes.

- **Risk Management & Sustainability**

- The blueprint addresses technical, organizational, legal, and financial risks.
- A dedicated maintenance team, stable funding model, and legal enablers (e-sign laws, data-sharing MOUs) ensure the TSW remains scalable and up-to-date.

- **Monitoring & Evaluation**

- A structured KPI framework (clearance times, user satisfaction, e-payment adoption) provides continuous feedback.
- Periodic audits and stakeholder reviews drive ongoing improvements.

9.2 Next Steps

- **Single Window Blueprint Submission**

- Submission of Single Window Blueprint to the President's Office for endorsement, funding and NTFC redefinition.



- **Finalize Legal & Policy Foundations**

- Confirm e-signature validity, data privacy norms, and formal MOUs between agencies, especially for high-volume data.

- **Form the TSW Steering Committee & Technical Team**

- Establish a multi-agency governance group to spearhead detailed design, oversee procurement, and manage the phased rollout.
- Appoint technical leads or “TSW champions” in each agency.

- **Secure Multi-Year Funding**

- Present the budget plan to the government, clarifying short-term vs. long-term costs (development, training, maintenance).
- Explore external donors or public-private partnerships if needed.

- **Initiate Phase A Implementation**

- Stand up the TSW core integration layer, link to Customs (ASYCUDA), pilot e-forms for Biosecurity, MAFE, EQPB, incorporate RPPS for small shipments.
- Provide user training sessions to staff in these priority agencies.

- **Plan Phase B Preparations**

- Begin requirements gathering for Immigration's e-Visa, Public Health (Palau Entry Form synergy), Marine Transportation scheduling, SSN feed from ROPSSA, and Labor compliance checks.
- Engage any external IT vendors or local dev teams to ensure readiness.

- **Engage Stakeholders & Communicate**

- Update industry associations, shipping lines, foreign missions, broker groups about upcoming digital processes.
- Encourage feedback for finalizing design details.

9.3 Closing Remarks

The Palau Trade Single Window is more than a technical upgrade. It is a nationwide modernization initiative that will revolutionize how agencies collaborate and how traders, carriers, foreign missions, and everyday citizens interact with government. By carefully phasing the rollout, managing risks, and monitoring performance, Palau can achieve:

- Seamless data sharing across Customs, Biosecurity, Immigration, and beyond;
- Faster clearance times and improved compliance;
- Enhanced user experience for both government staff and importers/exporters;
- A flexible digital platform that can adapt to future needs (new regulations, e-commerce growth, regional integration).

The government's commitment to sustaining TSW efforts through adequate funding, strong governance, and continuous improvements will ensure that these benefits endure, driving Palau's economic competitiveness and border efficiency for years to come.



