

---

# Unlocking Seamless Trade Facilitation using Strategic Logistics



International Institute for  
Trade and Development



Ruth Banomyong (PhD)  
ruth@tbs.tu.ac.th

- ◆ Logistics & Trade Facilitation
- ◆ Status of  
WTO TFA in CLMVT
- ◆ Implementing WTO TFA
- ◆ Monitoring Strategic Logistics

# The importance of Logistics



- **Logistics is basically a management concept** that is implemented and managed at the firm (micro) level
- Governments in the region have now recognised the **importance of logistics in supporting and sustaining competitive advantage**
- **Comprehensive logistics development policies** exist in Indonesia, Malaysia, Thailand and Vietnam (but implementation is still lacking)
- **Other countries in region** have pursued segmented policies with **a heavy emphasis on infrastructure** development policies

# Logistics plays a key role supporting national economic development in two significant ways

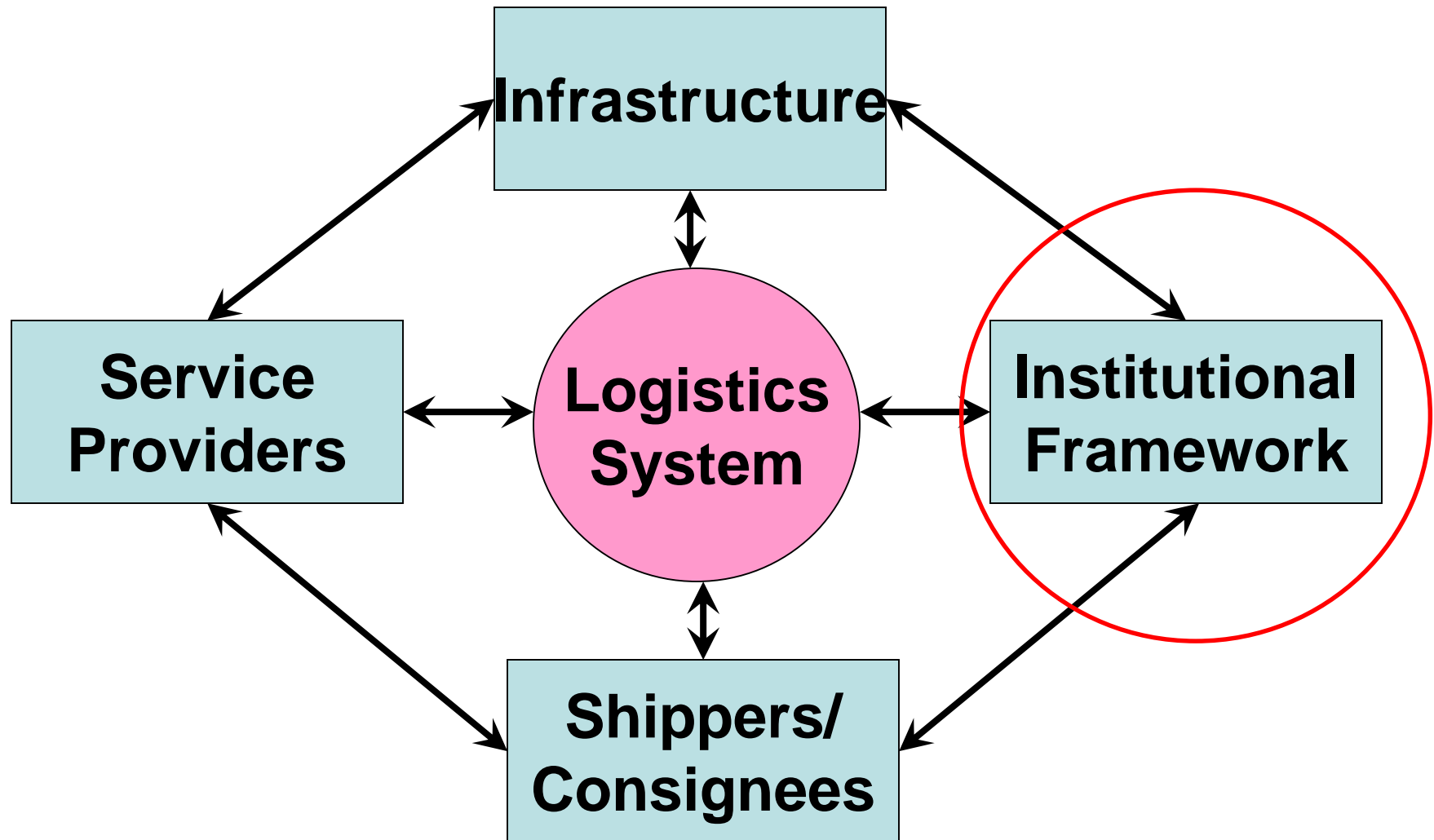
---



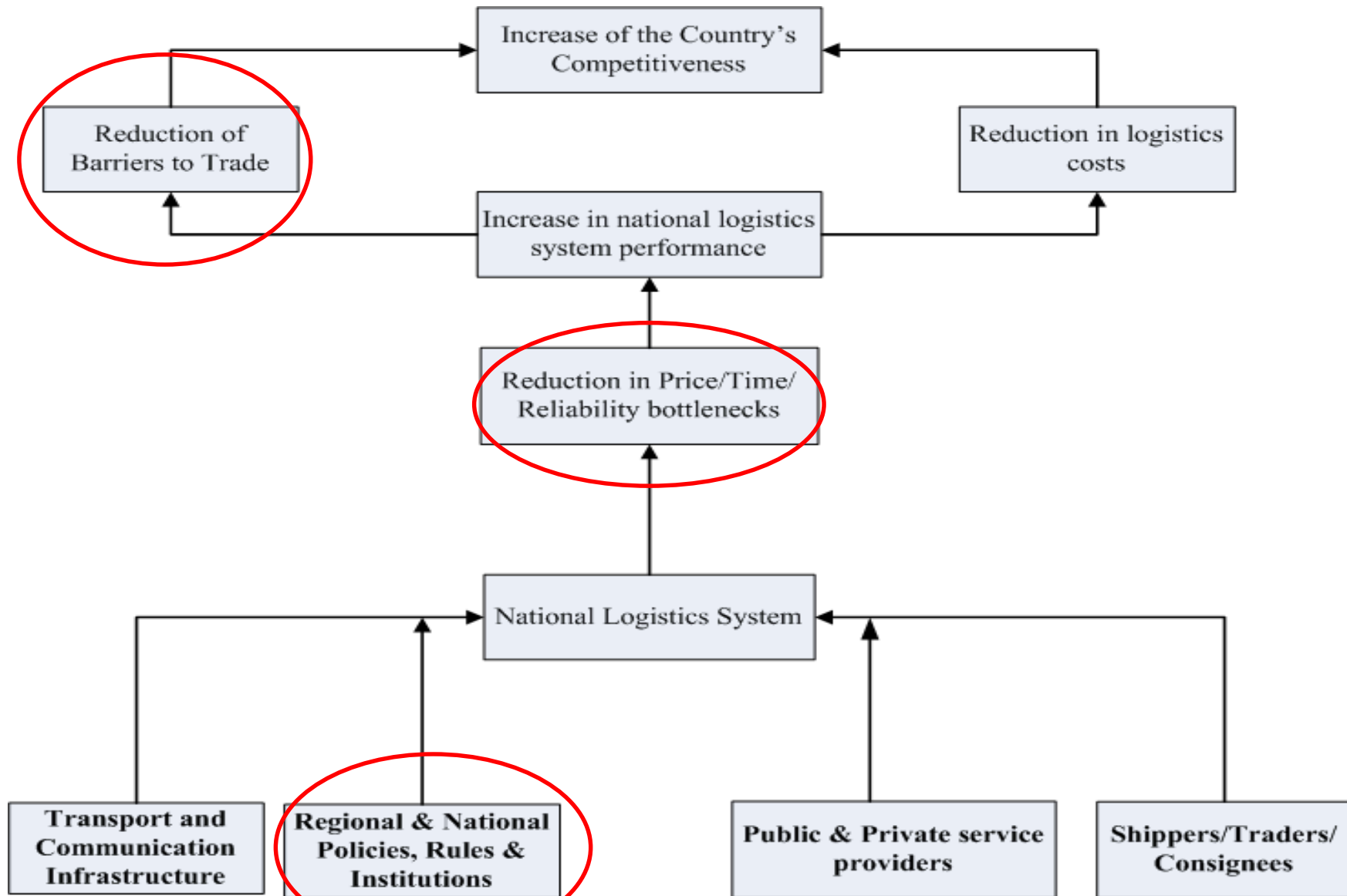
Logistics is one of the major expenditures for businesses.

Logistics is an important aspect of facilitating the sale of all goods and services.

# Macro Logistics Framework



# Rationale for national logistics development plan



A logistics development policy can be conceptualised as:

- A formal national framework (i.e. plan)
- With authority over logistics related agency
- For the purpose of meeting customers' requirements.

Question:

**Who are the Customers??**

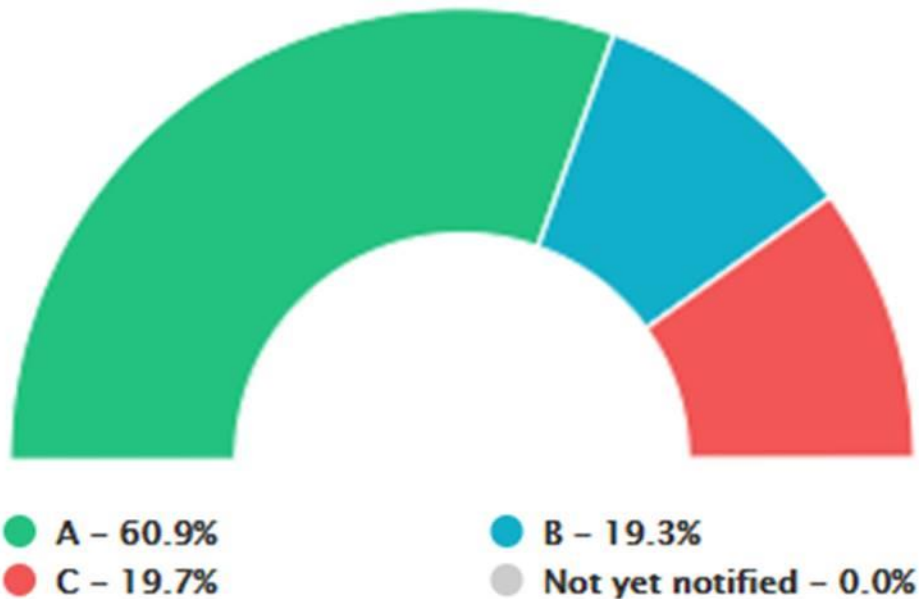
<b>Economy (Rank) 190 Countries</b>	<b>Time to export: Border Compliance (Hours)</b>	<b>Cost to export: Border Compliance (USD)</b>	<b>Time to Export: Documentary Compliance (Hours)</b>	<b>Cost to Export: Documentary Compliance (Hours)</b>	<b>Time to Import: Border Compliance (Hours)</b>	<b>Cost to Import: Border Compliance (USD)</b>	<b>Time to Import: Documentary Compliance (Hours)</b>	<b>Cost to Import: Documentary Compliance (USD)</b>
Cambodia (108)	48	375	132	100	8	240	132	120
Lao PDR (124)	12	73	216	235	14	153	216	115
Myanmar (163)	142	432	144	140	230	457	48	210
Vietnam (94)	55	290	50	139	56	373	76	183
Thailand (57)	51	223	11	97	50	233	4	43

Source: World Bank Doing Business Report, 2018



## Share of Categories A, B, C

Based on % of all notifiable items



- Ratified on the 12 February 2016
- Category B implementation commitments from Dec 2018 to Dec 2020
- Category C implementation commitments from Dec 2018 to Dec 2022 upon receipt of capacity building support
- Category B and C notification of definitive dates for implementation have not yet specified
- Type of technical assistance required has not yet specified

Source : <https://www.tfadatabase.org/members/cambodia>

## Share of Categories A, B, C Based on % of all notifiable items



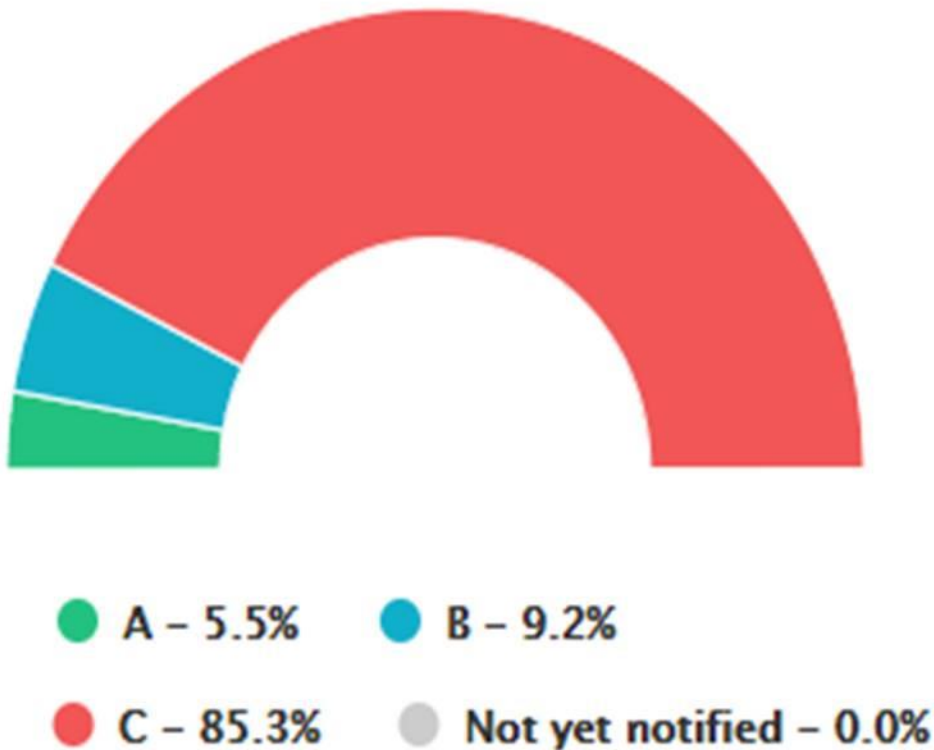
● A – 21.0%  
● C – 67.2%

● B – 11.8%  
● Not yet notified – 0.0%

- Ratified on the 29 September 2015
- Category B implementation commitments by Dec 2020
- Category B and C notification of definitive dates for implementation have not yet specified
- Type of technical assistance required has not yet specified

## Share of Categories A, B, C

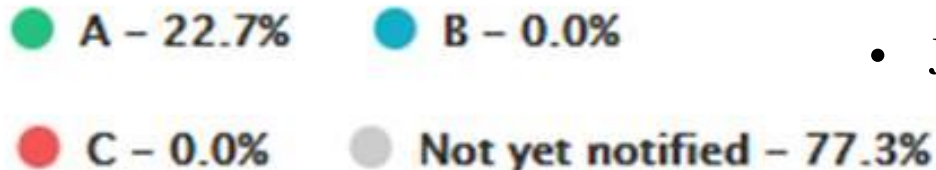
Based on % of all notifiable items



- Ratified on the 16 December 2015
- Category B and C notification of both indicative and definitive dates for implementation have not yet specified
- Type of technical assistance required has not yet specified

## Share of Categories A, B, C

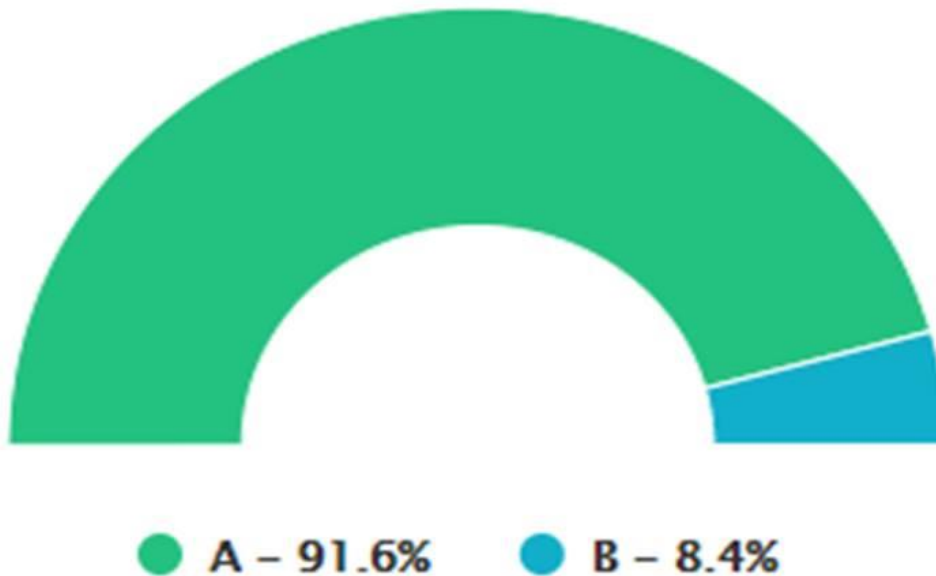
Based on % of all notifiable items



- Ratified on the 15 December 2015
- Only Category A notification to WTO
- Category B and C notification to WTO are in the process
- Category B and C full implementation commitments by 2022 (Draft plan)
- Just notified but not yet in tfadatabase

## Share of Categories A, B, C

Based on % of all notifiable items



- Ratified on the 5 October 2015
- Category B full implementation commitments by 22 Feb 2024
- Most of Category B will be full implementation by 22 Feb 2022
- However, rate of implementation commitments to date is 93.7% (Cat A 91.6% and Cat B 2.1%)

Prov.	Description	Cam.	Lao	Myan.	Viet.	Tha.
Article 1 Publication and Availability of Information						
1.1	Publication	B	A	C	B	A
1.2	Information Available through Internet	C	A	C	B	A
1.3	Enquiry Points	A	A	B	A	A
1.4	Notification	C	A	C	A	A
Article 2 Opportunity to Comment , Information before Entry into Force and Consultation						
2.1	Opportunity to Comment and Information Before Entry into Force	B	B	C	A	A
2.2	Consultation	A	B	C	A	A
Article 3 Advance Rulings						
Article 4 Procedures for Appeal or Review						
Article 5 Other Measures to Enhance Impartiality, Non-discrimination and Transparency						
5.1	Notification for Enhanced Controls or Inspections	A	A	C	B	A
5.2	Detention	A	A	B	B	A
5.3	Test Procedures	B	C	C	C	B
Article 6 Disciplines on Fees and Charges Imposed on or in Connection with Importation and Exportation and Penalties						
6.1	General Disciplines on Fees and Charges Imposed on or in Connection with Importation and Exportation	A	B	B	A	A
6.2	Specific Disciplines on Fees and Charges for Customs Processing Imposed on or in Connection with Importation and Exportation	A	A	A	A	A
6.3	Penalty discipline	A	B	B	B	A

Remark: A\* means most of sub-articles are category A

Vietnam status is from draft implementation plan of Category B and C of Vietnam

Prov.	Description	Cam.	Lao	Myan.	Viet.	Tha.
Article 7 Release and Clearance of Goods						
7.1	Pre-arrival Processing	C	A	C	C	A/B
7.2	Electronic Payment	C	C	C	-	A
7.3	Separation of Release from Final Determination of Customs Duties, Taxes, Fee and Charges	A	B	C	-	A
7.4	Risk Management	B	C	C	-	A
7.5	Post-clearance Audit	A	C	C	-	A
7.6	Establishment and Publication of Average Release Time	A	C	C	-	A
7.7	Trade Facilitation Measures for Authorized Operators	C	C	C	B	A
7.8	Expedited Shipment	B	C	C	A	A
7.9	Perishable Goods	C	B	C	B	A
Article 8 Border Agency Cooperation		A/C	C	C	B	A
Article 9 Movement of Goods intended for Import under Customs Control		A	A	C	A	A
Article 10 Formalities Connected with Importation, Exportation and Transit						
10.1	Formalities and Documentation Requirements	B	C	C	A	A
10.2	Acceptance of Copies	A	C	C	A	A
10.3	Use of International Standards	A	C	C	B	A
10.4	Single Window	C	C	C	-	A
10.5	Pre-shipment Inspection	A	A	A	C	A
10.6	Use of Customs Brokers	A	A	B	A	A
10.7	Common Border procedures and Uniform Documentation Requirement	A	C	C	A	A
10.8	Rejected Goods	A	C	B	B	A
10.9	Temporary Admission of Goods and Inward and Outward Processing	A	A	C	C	A
Article 11 Freedom of Transit		A*	C	C	A*	A/B
Article 12 Customs Cooperation		A	C	C	B	A/B

Remark: A\* means most of sub-articles are category A , A/C and A/B mean there are the A or B or C in the sub-articles

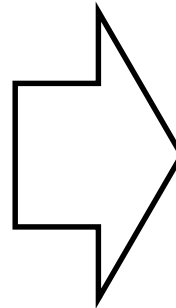
# How to implement the WTO TFA



## WTO TFA

### Section I

- Art. 1 Publication and availability of information
- Art. 2 Consultation
- Art. 3 Advance ruling
- Art. 4 Procedures for appeal or review
- Art. 5 Other measures ...for transparency
- Art. 6 Disciplines on fees and charges..... penalties
- Art. 7 Release and Clearance of Goods
- Art. 8 Border agency cooperation
- Art. 9 Movement of goods intended for import....
- Art. 10 Formalities
- Art. 11 Freedom of transit
- Art. 12 Customs Cooperation



## WCO RKC

### General Annex

- Chapter 1 General Principles
- Chapter 3 Clearance and Other customs Formalities
- Chapter 4 Duties and Taxes
- Chapter 5 Security
- Chapter 6 Customs Control
- Chapter 7 Application of Information Technology
- Chapter 8 Relationship between the Customs and Third Parties
- Chapter 9 Information, Decision and Rulings Supplies by the Customs
- Chapter 10 Appeals in Customs matters

### Special Annexes

- A Chapter 1 (Formalities prior to the lodgement of the goods declaration)
- C Chapter 1 (Outright exportation)
- E Chapter 1, 2 (Customs transit / Transhipment)
- F Chapter 1, 2, 3 (Inward and Outward processing / Drawback)
- G Chapter 1 (Temporary admission)
- H Chapter 1 (Customs offences)

# Article 1: Publication and availability of information

WTO TFA	WCO RKC
<p><b>Publication</b> (to promptly publish information regarding Customs procedures and fees and charges, in a non-discriminatory and easily accessible manner)</p>	<p><b>General Annex (GA)</b>  <u>Chapter 4 Duties and Taxes</u></p> <ul style="list-style-type: none"> <li>• Standard 4.4 The rates of duties and taxes shall be set out in official publications.</li> <li>• <u>Chapter 9 Information, Decision and Rulings Supplied by the Customs</u></li> <li>• Standard 9.1 and 9.2 (Information of general application)</li> <li>• Standard 9.5 (Information of specific nature)</li> <li>• Standard 9.9 (Decisions and rulings)</li> </ul>
<p><b>Information Available Through Internet</b></p>	<p><b>General Annex (GA)</b>  <u>Chapter 7 Application of information Technology</u></p> <ul style="list-style-type: none"> <li>• Standard 7.1-7.4</li> </ul> <p><u>Chapter 9 Information, Decision and Rulings Supplied by the Customs</u></p> <ul style="list-style-type: none"> <li>• Standard 9.1 and 9.2 (Information of general application)</li> <li>• Standard 9.3 (Information of general application)</li> </ul>
<p><b>Enquiry Points</b> (establish or maintain one or more enquiry points to provide answers, forms and document in a reasonable time period)</p>	<p><b>General Annex (GA)</b>  <u>Chapter 7 Application of information Technology</u></p> <ul style="list-style-type: none"> <li>• ICT Guideline</li> </ul> <p><u>Chapter 9 Information, Decision and Rulings Supplied by the Customs</u></p> <ul style="list-style-type: none"> <li>• Standards 9.1 (Information of general application)</li> <li>• Standard 9.4, 9.5, 9.6 and 9.7 (Information of a specific nature)</li> <li>• Standard 9.8 (Decisions and rulings)</li> </ul>
<p><b>Notification</b> (of the official place(s) where information has been published. The URLs of websites publishing information)</p>	<p><b>General Annex (GA)</b>  <u>Chapter 9 Information, Decision and Rulings Supplied by the Customs</u></p> <ul style="list-style-type: none"> <li>• Standards 9.1, 9.2 and 9.3 (Information of general application)</li> <li>• Standard 9.4 (Information of a specific nature)</li> <li>• Standard 9.8 (Decisions and rulings)</li> </ul>

# Performance Indicator

## Article 1: Publication and availability of information

WTO TFA	Performance Indicator
<p><b>Publication</b> (to promptly publish information regarding Customs procedures and fees and charges, in a non-discriminatory and easily accessible manner)</p>	<p><u>Yes/No Question</u></p> <ul style="list-style-type: none"> <li>Do you publish Customs Laws regulations, procedures (including all associated regulatory documents), fee and charges imposed prior to implementation?</li> </ul> <p><u>Quantitative indicators</u></p> <ul style="list-style-type: none"> <li>% of information stipulated in Article 1.1 of TFA publicly available</li> <li>No. of visits to the Webpage</li> </ul>
<p><b>Information Available Through Internet</b></p>	<p><u>Yes/No Question</u></p> <ul style="list-style-type: none"> <li>Do you make available on the internet information on importation, exportation, transit and appeal procedures (including all associated regulatory documents), fees and charges?</li> </ul> <p><u>Quantitative indicators</u></p> <ul style="list-style-type: none"> <li>% of information stipulated in Article 1.1 of the TFA publicly available on the internet</li> <li>No. of visits to the Webpage</li> </ul>
<p><b>Enquiry Points</b> (establish or maintain one or more enquiry points to provide answers, forms and document in a reasonable time period)</p>	<p><u>Yes/No Question</u></p> <ul style="list-style-type: none"> <li>Do you have one or more enquiry points to answer enquiries of interested parties?</li> </ul> <p><u>Quantitative indicators</u></p> <ul style="list-style-type: none"> <li>Average times between receipt of enquires and issuance of answers</li> <li>No. of answers issued per year</li> </ul>
<p><b>Notification</b> (of the official place(s) where information has been published. The URLs of websites publishing information)</p>	<p>-</p>

WTO TFA	WCO RKC
<p><b><u>Article 2</u></b> <b>2.1 Opportunity to Comment and Information before Entry into Force</b></p>	<p><b>General Annex (GA)</b> <u>Chapter 1 General Principles</u></p> <ul style="list-style-type: none"> <li>• Standard 1.3 (requires that formal consultative relationships be maintained with the trade)</li> </ul> <p><u>Chapter 9 Information, Decision and Rulings Supplied by the Customs</u></p> <ul style="list-style-type: none"> <li>• Standard 9.2 (requires that revised information be made available sufficiently in advance of the entry into force of the changes)</li> </ul>
<p><b><u>Article 2</u></b> <b>2.2 Consultations</b></p>	<p><b>General Annex (GA)</b> <u>Chapter 1 General Principles</u></p> <ul style="list-style-type: none"> <li>• Standard 1.3 (requires that formal consultative relationships be maintained with the trade)</li> </ul> <p><u>Chapter 6 Customs Control</u> (Guidelines) <u>Chapter 7 Application of information Technology</u> (Guidelines) <u>Chapter 9 Information, Decision and Rulings Supplied by the Customs</u></p> <ul style="list-style-type: none"> <li>• Standard 9.4, 9.5, 9.6 and 9.7 (Information of a specific nature)</li> </ul>
<p><b><u>Article 3</u> : Advance Rulings</b></p>	<p><b>General Annex (GA)</b> <u>Chapter 9 Information, Decision and Rulings Supplied by the Customs</u></p> <ul style="list-style-type: none"> <li>• Standard 9.9 (states that binding rulings shall be issued at the request of the interested person)</li> <li>• The RKC Guidelines to this standard cover many aspects of binding rulings, including their scope, notification, time-limits and use.</li> </ul>
<p><b><u>Article 4</u>: Procedures for appeal or review</b></p>	<p><b>General Annex (GA)</b> <u>Chapter 10 Appeals in Customs Matter</u></p> <ul style="list-style-type: none"> <li>• All standards of Chapter 10 (10.1-10.12 : Right of appeal / Form and grounds of appeal / Consideration of appeal) are about appeals in Customs matters (initial appeals to the Customs and in the final instance to a Judicial authority) .</li> </ul>

# Performance Indicator

## Article 2 to 4 of the WTO TFA

WTO TFA	Performance Indicator
<p><b><u>Article 2</u></b> <b>2.1 Opportunity to Comment and Information before Entry into Force</b></p>	<p><u>Yes/No Question</u></p> <ul style="list-style-type: none"> <li>Do you provide opportunities and reasonable time periods to traders to comment on the introduction or amendment of laws and regulations?</li> </ul> <p><u>Quantitative indicators</u></p> <ul style="list-style-type: none"> <li>Time periods for traders to make comments on laws and regulations</li> <li>No. of cases involving the introduction or amendment of laws and regulations which were subject to prior consultation with traders</li> <li>No. of comments received per year</li> </ul>
<p><b><u>Article 2</u></b> <b>2.2 Consultations</b></p>	<p><u>Yes/No Question</u></p> <ul style="list-style-type: none"> <li>Do you have a formal consultative committee/meeting with business?</li> </ul> <p><u>Quantitative indicators</u></p> <ul style="list-style-type: none"> <li>No. of formal consultative meetings with business per year</li> </ul>
<p><b><u>Article 3</u> : Advance Rulings</b></p>	<p><b>1. Classifications</b></p> <p><u>Yes/No Question</u></p> <ul style="list-style-type: none"> <li>Do you have an advance ruling system on tariff classification?</li> </ul> <p><u>Quantitative indicators</u></p> <ul style="list-style-type: none"> <li>No. of written advance rulings issued per year</li> </ul> <p><b>2. Non-preferential Rules of Origin</b></p> <p><u>Yes/No Question</u></p> <ul style="list-style-type: none"> <li>Do you have an advance ruling system on non-preferential rules of origin?</li> </ul> <p><u>Quantitative indicators</u></p> <ul style="list-style-type: none"> <li>No. of written advance rulings issued per year</li> </ul> <p><b>3. Valuation</b></p> <p><u>Yes/No Question</u></p> <ul style="list-style-type: none"> <li>Do you have an advance ruling system on Customs valuation?</li> </ul> <p><u>Quantitative indicators</u></p> <ul style="list-style-type: none"> <li>No. of written advance rulings issued per year</li> </ul>
<p><b><u>Article 4</u>: Procedures for appeal or review</b></p>	<p><u>Yes/No Question</u></p> <ul style="list-style-type: none"> <li>Do you have administrative appeal or review procedures, before judicial procedures are used?</li> </ul> <p><u>Quantitative indicators</u></p> <ul style="list-style-type: none"> <li>No. of administrative appeals or reviews filed per year</li> </ul>

# Article 5: Other measures to enhance impartiality, non-discrimination and transparency

WTO TFA	WCO RKC
<p><b>Article 5:</b> <b>5.1 notification for enhanced control or inspections</b></p>	<p><b>General Annex (GA)</b> <u>Chapter 6 Customs Control</u></p> <ul style="list-style-type: none"> <li>• Standard 6.3, 6.4 and 6.7</li> <li>• Chapter 6 of the GA to the RKC sets out standards on Customs control, risk management and co-operation with other Customs administrations. These provisions do not relate directly to the notification system, but may help with implementation.</li> </ul>
<p><b>5.2 Detention</b></p>	<p><b>General Annex (GA)</b> <u>Chapter 3 Clearance and Other Customs Formalities</u></p> <ul style="list-style-type: none"> <li>• Standard 3.6 (National legislation shall specify the conditions under which a person is entitled to act as declarant)</li> </ul> <p><u>Chapter 6 Customs Control</u></p> <ul style="list-style-type: none"> <li>• Standard 6.1 (Chapter 6 of the GA to the RKC also sets standards on Customs control)</li> </ul> <p><b>Special Annexes (SA)</b></p> <ul style="list-style-type: none"> <li>• Annex H Chapter 1 (Customs offences) sets standards on the seizure or detention of goods. It includes several recommended practices regarding detention, Customs control, risk management and co-operation with other Customs administrations</li> </ul>
<p><b>5.3 Test Procedures</b></p>	<p><b>General Annex (GA)</b> <u>Chapter 3 Clearance and Other Customs Formalities</u></p> <ul style="list-style-type: none"> <li>• Standard 3.38 (Standard on sampling by customs)</li> </ul> <p><b>Customs Laboratory Guide (WCO Guidelines)</b></p>

## Article 5: Other measures to enhance impartiality, non-discrimination and transparency

WTO TFA	Performance Indicator
<p><b>Article 5:</b> <b>5.1 notification for enhanced control or inspections</b></p>	<p><u>Yes/No Question</u></p> <ul style="list-style-type: none"> <li>• Do you have a system of issuing notifications or guidance for enhancing the level of controls at the border?</li> </ul> <p><u>Quantitative indicators</u></p> <ul style="list-style-type: none"> <li>• No. of notifications or guidance issued per year</li> </ul>
<p><b>5.2 Detention</b></p>	<p><u>Yes/No Question</u></p> <ul style="list-style-type: none"> <li>• Do you inform the carrier or importer of the detention of goods declared for importation?</li> </ul> <p><u>Quantitative indicators</u></p> <ul style="list-style-type: none"> <li>• Average times between detentions and notifications</li> </ul>
<p><b>5.3 Test Procedures</b></p>	<p><u>Yes/No Question</u></p> <ul style="list-style-type: none"> <li>• Do you grant an opportunity for a second test?</li> </ul> <p><u>Quantitative indicators</u></p> <ul style="list-style-type: none"> <li>• No. of second tests conducted per year</li> </ul>

# Article 6: Disciplines on fees and charges imposed on or in connection with importation and exportation and penalties

WTO TFA	WCO RKC
<p><b>Article 6: Disciplines on fees and charges imposed on or in connection with importation and exportation and penalties</b></p> <p><b>6.1 General Disciplines on Fees and Charges imposed on or in connection with importation and Exportation</b></p>	<p><b>General Annex (GA)</b></p> <p><u>Chapter 3 Clearance and Other Customs Formalities</u></p> <ul style="list-style-type: none"> <li>Standard 3.2 (Several RKC standards stipulate that fees and charges shall be limited to the approximate cost of the services rendered)</li> </ul> <p><u>Chapter 9 Information, Decision and Rulings Supplied by the Customs</u></p> <ul style="list-style-type: none"> <li>Standard 9.1 (All relevant information of general application pertaining to Customs law is readily available to any interested person)</li> </ul> <p><b>Special Annexes (SA)</b></p> <p><u>Annex A (Arrival of goods in a customs territory) Chapter 1 (Formalities prior to the lodgement of goods declaration)</u></p> <ul style="list-style-type: none"> <li>Standard 19 (carrying out customs formalities outside designated business hours, unloading goods at a place other than the one approved for unloading, unloading goods outside designated business hours, shall be limited to the approximate cost of the services rendered)</li> </ul>
<p><b>6.2 Specific Disciplines on Fees and Charges imposed on or in connection with importation and Exportation</b></p>	<p><b>General Annex (GA)</b></p> <p><u>Chapter 3 Clearance and Other Customs Formalities</u></p> <ul style="list-style-type: none"> <li>Standard 3.2 (same as WTO TFA Article 6.1)</li> </ul> <p><u>Chapter 9 Information, Decision and Rulings Supplied by the Customs</u></p> <ul style="list-style-type: none"> <li>Standard 9.7 (When the Customs cannot supply information free of charge, any charge shall be limited to the approximate cost of the services rendered)</li> </ul> <p><b>Special Annexes (SA)</b></p> <p><u>Annex A (Arrival of goods in a customs territory) Chapter 1 (Formalities prior to the lodgement of goods declaration)</u></p> <ul style="list-style-type: none"> <li>Standard 19 (same as WTO TFA Article 6.1)</li> </ul>



# Article 6: Disciplines on fees and charges imposed on or in connection with importation and exportation and penalties

WTO TFA	WCO RKC
<p><b>6.3 Penalty Disciplines</b></p>	<p><b>General Annex (GA)</b>  <u>Chapter 3 Clearance and Other Customs Formalities</u></p> <ul style="list-style-type: none"> <li>• Standard 3.39</li> <li>• Standard 3.43</li> </ul> <p><b>Special Annexes (SA)</b>  <u>Annex H Chapter 1 (Customs offences)</u></p> <ul style="list-style-type: none"> <li>• Standard and recommended practices 19-25 provide more detail on administrative settlement of customs offences.</li> </ul>

## Article 6: Disciplines on fees and charges imposed on or in connection with importation and exportation and penalties

WTO TFA	Performance Indicator
<p><b>Article 6:</b> <b>6.1 General Disciplines on Fees and Charges imposed on or in connection with importation and Exportation</b></p>	<p><u>Yes/No Question</u></p> <ul style="list-style-type: none"> <li>Do you review fees and charges periodically?</li> </ul> <p><u>Quantitative indicators</u></p> <ul style="list-style-type: none"> <li>Average cycle of the review</li> </ul>
<p><b>6.2 Specific Disciplines on Fees and Charges imposed on or in connection with importation and Exportation</b></p>	<p><u>Yes/No Question</u></p> <ul style="list-style-type: none"> <li>Do you limit fees and charges to the approximate cost of services rendered?</li> </ul> <p><u>Quantitative indicators</u></p> <ul style="list-style-type: none"> <li>No. of kinds of fees and charges limited to the cost of services rendered, which are collected by the Customs administration</li> </ul>
<p><b>6.3 Penalty Disciplines</b></p>	<p><u>Yes/No Question</u></p> <ul style="list-style-type: none"> <li>Does your Customs administration have the legal authority to impose penalties for a breach of Customs laws and regulations?</li> <li>Do you have legislation that encourages voluntary disclosure?</li> </ul> <p><u>Quantitative indicators</u></p> <ul style="list-style-type: none"> <li>No. of cases involving penalties imposed by the Customs administration per year</li> <li>No. of cases involving voluntary disclosure per year</li> </ul>

WTO TFA	WCO RKC
<p><b><u>Article 7: Release and Clearance of Goods</u></b></p> <p><b>7.1 Pre-arrival Processing</b></p>	<p><b>General Annex (GA)</b></p> <p><u>Chapter 3 Clearance and Other Customs Formalities</u></p> <ul style="list-style-type: none"> <li>• Transitional Standard 3.21 (The Customs shall permit the lodging of the Goods declaration by electronic means)</li> <li>• Standard 3.25 (National legislation shall make provision for the lodging and registering or checking of the Goods declaration and supporting documents prior to the arrival of the goods)</li> </ul> <p><u>Chapter 7 Application of information Technology</u></p> <ul style="list-style-type: none"> <li>• ICT Guideline, section 6.4 (Goods declaration processing (import and export) including pre-arrival/pre-departure processing)</li> </ul>
<p><b>7.2 Electronic Payment</b></p>	<p><b>General Annex (GA)</b></p> <p><u>Chapter 7 Application of information Technology</u></p> <ul style="list-style-type: none"> <li>• Standard 7.1 (The Customs shall apply information technology to support Customs operations, where it is cost-effective and efficient for the Customs and for the trade)</li> <li>• ICT Guideline, section 6.10 (Revenue accounting)</li> </ul>
<p><b>7.3 Separation of Release from Final Determination of Customs Duties, Taxes, Fees and Charges</b></p>	<p><b>General Annex (GA)</b></p> <p><u>Chapter 3 Clearance and Other Customs Formalities</u></p> <ul style="list-style-type: none"> <li>• Standard 3.13, 3.14 (Goods declaration format and contents)</li> <li>• Standard 3.17 (document supporting the goods declaration)</li> <li>• Standard 3.40, 3.41, 3.42 and 3.43 (release of goods)</li> </ul> <p><u>Chapter 5 Security</u></p> <ul style="list-style-type: none"> <li>• Standard 5.1-5.7 (all of Chapter 5)</li> </ul> <p><u>Chapter 7 Application of information Technology</u></p> <ul style="list-style-type: none"> <li>• ICT Guideline, section 6.10 (Revenue accounting)</li> </ul>

# Article 7: Release and Clearance of Goods

WTO TFA	WCO RKC
<b>7.4 Risk Management</b>	<b>General Annex (GA)</b> <u>Chapter 6 Customs Control</u> <ul style="list-style-type: none"> <li>• Standard 6.3, 6.4 and 6.5 (Risk management, risk analysis, compliance measurement strategy to support risk management)</li> </ul> <u>Chapter 7 Application of information Technology</u> <ul style="list-style-type: none"> <li>• ICT Guideline, section 6.8 (Selectivity / Risk Management)</li> </ul>
<b>7.5 Post-clearance Audit</b>	<b>General Annex (GA)</b> <u>Chapter 6 Customs Control</u> <ul style="list-style-type: none"> <li>• Standard 6.6 (Audit-based control)</li> </ul> <u>Chapter 7 Application of information Technology</u>
<b>7.6 Establishment and Publication of Average Release Times</b>	<ul style="list-style-type: none"> <li>• Guide to Measure the Time Required for the Release of Goods (TRS Guide)</li> </ul>
<b>7.7 Trade Facilitation Measures for Authorized Operators</b>	<b>General Annex (GA)</b> <u>Chapter 3 Clearance and Other Customs Formalities</u> <ul style="list-style-type: none"> <li>• Transitional Standard 3.32 (Special procedures for authorized persons)</li> </ul>
<b>7.8 Expedited Shipments</b>	<b>General Annex (GA)</b> <u>Chapter 3 Clearance and Other Customs Formalities</u> <ul style="list-style-type: none"> <li>• Transitional Standard 3.32 (Special procedures for authorized persons)</li> </ul> <u>Immediate Release Guidelines</u>
<b>7.9 Perishable Goods</b>	<b>General Annex (GA)</b> <u>Chapter 3 Clearance and Other Customs Formalities</u> <ul style="list-style-type: none"> <li>• Standard 3.34 (Examination of the goods)</li> </ul>

## Article 7: Release and Clearance of Goods

WTO TFA	Performance Indicator
<b>Article 7:</b> <b>7.1 Pre-arrival Processing</b>	<u>Yes/No Question</u> <ul style="list-style-type: none"> <li>Do you allow the submission of Customs import declarations prior to the arrival of goods?</li> </ul> <u>Quantitative indicators</u> <ul style="list-style-type: none"> <li>% of pre-arrival declarations relative to all Customs import declarations</li> </ul>
<b>7.2 Electronic Payment</b>	<u>Yes/No Question</u> <ul style="list-style-type: none"> <li>Do you have a system and procedures to allow the electronic payment of duties?</li> </ul> <u>Quantitative indicators</u> <ul style="list-style-type: none"> <li>% of electronic payment relative to the total amount of duties collected</li> </ul>
<b>7.3 Separation of Release from Final Determination of Customs Duties, Taxes, Fees and Charges</b>	<u>Yes/No Question</u> <ul style="list-style-type: none"> <li>Do you adopt or maintain procedures allowing the release of goods prior to the payment of duties?</li> </ul> <u>Quantitative indicators</u> <ul style="list-style-type: none"> <li>% of Customs import declarations permitted for release of goods prior to the payment of duties, relative to all Customs import declarations</li> </ul>
<b>7.4 Risk Management</b>	<u>Yes/No Question</u> <ul style="list-style-type: none"> <li>Do you adopt or maintain a risk management system for Customs control?</li> </ul> <u>Quantitative indicators</u> <ul style="list-style-type: none"> <li>% of Customs import declarations directed for documentary examination</li> <li>% of Customs import declarations directed for physical inspections</li> </ul>
<b>7.5 Post-clearance Audit</b>	<u>Yes/No Question</u> <ul style="list-style-type: none"> <li>Do you have a post-clearance audit system?</li> </ul> <u>Quantitative indicators</u> <ul style="list-style-type: none"> <li>No. of post-clearance audits conducted per year</li> </ul>

## Article 7: Release and Clearance of Goods

WTO TFA	Performance Indicator
<b>7.6 Establishment and Publication of Average Release Times</b>	<u>Yes/No Question</u> <ul style="list-style-type: none"> <li>Do you conduct a Time Release Study (TRS)?</li> </ul> <u>Quantitative indicators</u> <ul style="list-style-type: none"> <li>Average Customs clearance time for import/export/transit</li> </ul>
<b>7.7 Trade Facilitation Measures for Authorized Operators</b>	<u>Yes/No Question</u> <ul style="list-style-type: none"> <li>Do you adopt or maintain an AEO programme/compliance programmes?</li> </ul> <u>Quantitative indicators</u> <ul style="list-style-type: none"> <li>No. of companies joining your AEO programme/compliance programme</li> </ul>
<b>7.8 Expedited Shipments</b>	<u>Yes/No Question</u> <ul style="list-style-type: none"> <li>Do you adopt or maintain procedures allowing for expedited release of goods under Article 8.2 of the ATF?</li> </ul> <u>Quantitative indicators</u> <ul style="list-style-type: none"> <li>No. of Customs import declarations subject to respective procedures under Article 8.2 of the ATF per year</li> </ul>
<b>7.9 Perishable Goods</b>	<u>Yes/No Question</u> <ul style="list-style-type: none"> <li>Do you give priority to perishable goods when scheduling examinations?</li> </ul> <u>Quantitative indicators</u> <ul style="list-style-type: none"> <li>No. of Customs import declarations of perishable goods prioritized in examinations</li> </ul>

## Article 8: Border agency cooperation

## Article 9: Movement of goods intended for import under customs control

WTO TFA	WCO RKC
<b><u>Article 8: Border agency cooperation</u></b>	<b>General Annex (GA)</b> <u>Chapter 3 Clearance and Other Customs Formalities</u> <ul style="list-style-type: none"> <li>Standard 3.35 of the RKC lays down the principle that the Customs inspection of goods should take place in coordination with other competent authorities.</li> </ul>
<b><u>Article 9: Movement of goods intended for import under customs control</u></b>	<ul style="list-style-type: none"> <li>The movement of goods stipulated in the ATF can be categorized as national transit procedure under the Revised Kyoto Convention (RKC).</li> </ul> <b>Special Annexes (SA)</b> <u>Annex E (Transit)</u> <ul style="list-style-type: none"> <li>Chapter 1 (Customs transit) and Chapter 2 (Transshipment)</li> </ul>

## Performance Indicator

WTO TFA	Performance indicator
<b><u>Article 8: Border agency cooperation</u></b>	<u>Yes/No Question</u> <ul style="list-style-type: none"> <li>Do you have regular meetings with CBRAs (Cross-Border Regulatory Agencies) to coordinate their activities to facilitate trade?</li> </ul> <u>Quantitative indicators</u> <ul style="list-style-type: none"> <li>% of CBRAs involved in the joint meetings</li> </ul>
<b><u>Article 9: Movement of goods intended for import under customs control</u></b>	<u>Yes/No Question</u> <ul style="list-style-type: none"> <li>Do you allow goods intended for import to be moved under Customs control from a Customs office of entry to another Customs office?</li> </ul> <u>Quantitative indicators</u> <ul style="list-style-type: none"> <li>No. of cases involving the movement of goods under Customs control intended for import, per year</li> </ul>

WTO TFA	WCO RKC
<p><b>Article 10:</b> <b>10.1 Formalities and Documentation Requirements</b></p>	<p><b>General Annex (GA)</b> <u>Chapter 3 Clearance and Other Customs Formalities</u></p> <ul style="list-style-type: none"> <li>• Standard 3.11, 3.12, 3.13, 3.14 and 3.15 (Goods declaration format and contents)</li> <li>• Standard 3.16 , 3.17, 3.18 and 3.19 (Documents supporting the Goods declaration)</li> </ul>
<p><b>10.2 Acceptance of Copies</b></p>	<p><b>General Annex (GA)</b> <u>Chapter 3 Clearance and Other Customs Formalities</u></p> <ul style="list-style-type: none"> <li>• Standard 3.11, 3.12, 3.13, 3.14 and 3.15 (Goods declaration format and contents)</li> <li>• Standard 3.16 , 3.17, 3.18 and 3.19 (Documents supporting the Goods declaration)</li> </ul> <p><u>Chapter 7 Application of information Technology</u></p> <ul style="list-style-type: none"> <li>• Standard 7.1 and 7.2</li> </ul>
<p><b>10.3 Use of International Standards</b></p>	<p><b>General Annex (GA)</b> <u>Chapter 3 Clearance and Other Customs Formalities</u></p> <ul style="list-style-type: none"> <li>• Standard 3.11 (Goods declaration format and contents)</li> </ul> <p><u>Chapter 7 Application of information Technology</u></p> <ul style="list-style-type: none"> <li>• Standard 7.2 (The customs shall use relevant internationally accepted standards)</li> </ul>
<p><b>10.4 Single Window</b></p>	<p><b>General Annex (GA)</b> <u>Chapter 3 Clearance and Other Customs Formalities</u></p> <ul style="list-style-type: none"> <li>• Standard 3.25 (National legislation shall make provision for the lodging and registering or checking of the Goods declaration and supporting documents prior to the arrival of the goods)</li> <li>• Transition Standard 3.35 (If the goods must be inspected by other competent authorities and the Customs also schedules an examination, the Customs shall ensure that the inspections are co-ordinated and, if possible, carried out at the same time)</li> </ul>
<p><b>10.5 Pre-shipment Inspection</b></p>	<ul style="list-style-type: none"> <li>• RKC does not cover such provision</li> <li>• Practical Guidelines for Valuation Control</li> </ul>



WTO TFA	WCO RKC
<b>10.6 Use of Customs Brokers</b>	<p><b>General Annex (GA)</b>  <u>Chapter 3 Clearance and Other Customs Formalities</u></p> <ul style="list-style-type: none"> <li>• Standard 3.6 (National legislation shall specify the conditions under which a person is entitled to act as declarant)</li> <li>• Standard 3.7 (Any person having the right to dispose of the goods shall be entitled to act as declarant)</li> </ul> <p><u>Chapter 8 Relationship between the Customs and Third Parties</u></p> <ul style="list-style-type: none"> <li>• Standard 8.1-8.7 (all of Chapter 8)</li> </ul>
<b>10.7 Common Border Procedures and Uniform Documentation Requirements</b>	<p><b>General Annex (GA)</b>  <u>Chapter 3 Clearance and Other Customs Formalities</u></p> <ul style="list-style-type: none"> <li>• Standard 3.11 (Goods declaration format and contents)</li> <li>• Standard 3.20 (Lodgement, registration and checking of the Goods declaration)</li> </ul>
<b>10.8 Rejected Goods</b>	<p><b>General Annex (GA)</b>  <u>Chapter 3 Clearance and Other Customs Formalities</u></p> <ul style="list-style-type: none"> <li>• Standard 3.26 (When the Customs cannot register the Goods declaration, they shall state the reasons to the declarant)</li> </ul> <p><u>Chapter 4 Duties and Taxes</u></p> <ul style="list-style-type: none"> <li>• Standard 4.19 (Repayment of duties and taxes)</li> </ul> <p><b>Special Annexes (SA)</b>  <u>Annex C (Exportation)</u></p> <ul style="list-style-type: none"> <li>• Chapter 1 Outright exportation means the Customs procedure applicable to goods which, being in free circulation, leave the Customs territory and are intended to remain permanently outside it.</li> </ul>

# Article 10: Formalities connected with importation, exportation and transit

WTO TFA	WCO RKC
<b>10.9 Temporary Admission of Goods and Inward and Outward Processing</b>	
<b>10.9.1 Temporary Admission of Goods</b>	<p><b>Special Annexes (SA)</b>  <u>Annex G (Temporary admission)</u></p> <ul style="list-style-type: none"> <li>Chapter 1 provide definition of temporary admission, basic principle and field of application, information on formalities prior to the granting and conditions for temporary admission, identification measures, time limit for re-exportation, transfer of temporary admission, prohibitions and restrictions, termination of temporary admission, cases for temporary admission etc..</li> </ul>
<b>10.9.2 Inward and Outward Processing</b>	<p><b>Special Annexes (SA)</b>  <u>Annex F (Processing)</u></p> <ul style="list-style-type: none"> <li>Chapters 1, 2 and 3, provide abundant guidance on basic principles, field of application, authorization procedures, identification measures, stay of goods inside/outside of territory, termination of procedures, etc. Chapter 3 deals specifically with drawback which is not mentioned under the WTO text, but can nevertheless be applied</li> </ul>

## Article 10: Formalities connected with importation, exportation and transit

WTO TFA	Performance Indicator
<b>Article 10:</b> <b>10.1 Formalities and Documentation Requirements</b>	<u>Yes/No Question</u> <ul style="list-style-type: none"> <li>Do you review formalities and documentation requirements regularly?</li> </ul> <u>Quantitative indicators</u> <ul style="list-style-type: none"> <li>Average cycle of the review</li> <li>No. of formalities and documentation requirements</li> </ul>
<b>10.2 Acceptance of Copies</b>	<u>Yes/No Question</u> <ul style="list-style-type: none"> <li>Do you accept electronic copies of supporting documents?</li> </ul> <u>Quantitative indicators</u> <ul style="list-style-type: none"> <li>% of kinds of supporting documents that can be submitted by electronic means in terms of total kinds of supporting documents</li> </ul>
<b>10.3 Use of International Standards</b>	<u>Yes/No Question</u> <ul style="list-style-type: none"> <li>Do you use the WCO Data Model for identifying and describing information required in Customs import/export/transit declarations?</li> </ul> <u>Quantitative indicators</u> <ul style="list-style-type: none"> <li>% of data elements in Customs import/export/transit declarations conforming to the WCO Data Model</li> </ul>
<b>10.4 Single Window</b>	<u>Yes/No Question</u> <ul style="list-style-type: none"> <li>Do you have a Single Window system?</li> </ul> <u>Quantitative indicators</u> <ul style="list-style-type: none"> <li>No. of business processes or services involved in your Single Window system</li> </ul>
<b>10.5 Pre-shipment Inspection</b>	<u>Yes/No Question</u> <ul style="list-style-type: none"> <li>Do you require the use of pre-shipment inspection in relation to tariff classification and customs valuation?</li> </ul> <u>Quantitative indicators</u> <ul style="list-style-type: none"> <li>No. of Customs import declarations subject to pre-shipment inspection per year</li> </ul>

## Article 10: Formalities connected with importation, exportation and transit

WTO TFA	Performance Indicator
<b>10.6 Use of Customs Brokers</b>	<p><u>Yes/No Question</u></p> <ul style="list-style-type: none"> <li>Does your Customs legislation allow any persons having the right to dispose of the goods to lodge Customs declarations?</li> </ul> <p><u>Quantitative indicators</u></p> <ul style="list-style-type: none"> <li>% of Customs import declarations lodged by persons other than Customs brokers</li> </ul>
<b>10.7 Common Border Procedures and Uniform Documentation Requirements</b>	<p><u>Yes/No Question</u></p> <ul style="list-style-type: none"> <li>Do you apply common Customs procedures and uniform documentation requirements throughout your Customs territory?</li> </ul>
<b>10.8 Rejected Goods</b>	<p><u>Yes/No Question</u></p> <ul style="list-style-type: none"> <li>Do you allow the importer to return the rejected goods to the exporter or another person designated by the exporter?</li> </ul> <p><u>Quantitative indicators</u></p> <ul style="list-style-type: none"> <li>No. of cases involving returns to the exporter or another person designated by the exporter per year</li> </ul>
<b>10.9.1 Temporary Admission of Goods</b>	<p><u>Yes/No Question</u></p> <ul style="list-style-type: none"> <li>Do you allow goods which are intended for re-exportation within a specific period to be brought into your Customs territory without requiring the payment of duties?</li> </ul> <p><u>Quantitative indicators</u></p> <ul style="list-style-type: none"> <li>No. of temporary admission procedures per year</li> </ul>
<b>10.9.2 Inward and Outward Processing</b>	<p><u>Yes/No Question</u></p> <ul style="list-style-type: none"> <li>Do you allow inward and outward processing?</li> </ul> <p><u>Quantitative indicators</u></p> <ul style="list-style-type: none"> <li>No. of cases involving inward and outward processing per year</li> </ul>

# Article 11: Freedom of Transit

## Article 12: Customs cooperation

WTO TFA	WCO RKC
<p><b>Article 11: Freedom of transit</b></p>	<ul style="list-style-type: none"> <li>WTO TFA includes several measures that facilitate transit procedure (pre-arrival declaration, prohibit restrictive measures in relation to customs charges, formalities, and inspections other than at the offices of departure and destination). It contains several provisions relating to guarantees</li> </ul> <p><b>General Annex (GA)</b></p> <p><u>Chapter 5 Security</u></p> <p><b>Special Annexes (SA)</b></p> <p><u>Annex E (Transit)</u></p> <ul style="list-style-type: none"> <li>Chapter 1 (Customs transit) RKC sets out principles concerning Customs transit. It covers procedures such as formalities at the office of departure, Customs seals, formalities en route and termination of Customs transit.</li> <li>Chapter 2 (Transshipment)</li> </ul>
<p><b>Article 12: Customs Cooperation</b></p>	<p><b>General Annex (GA)</b></p> <p><u>Chapter 1 General Principles</u></p> <ul style="list-style-type: none"> <li>Standard 1.3 The Customs shall institute and maintain formal consultative relationships with the trade to increase co-operation and facilitate participation in establishing the most effective methods of working commensurate with national provisions and international agreements.</li> </ul> <p><u>Chapter 3 Clearance and Other Customs Formalities</u></p> <ul style="list-style-type: none"> <li>Standard 3.27, 3.28, 3.29, 3.31 ,3.32 , 3.39</li> </ul> <p><u>Chapter 6 Customs Control</u></p> <ul style="list-style-type: none"> <li>Standard 6.2, 6.3, 6.4, 6.5, 6.6, 6.7, 6.8, 6.9, 6.10</li> </ul> <p><u>Chapter 7 Application of information Technology</u></p> <ul style="list-style-type: none"> <li>Standard 7.1</li> </ul> <p><u>Chapter 9 Information, Decision and Rulings Supplied by the Customs</u></p> <ul style="list-style-type: none"> <li>Standard 9.1, 9.2, 9.3, 9.4, 9.5</li> </ul> <p><b>Special Annexes (SA)</b></p> <p><u>Annex H (Offences)</u></p> <ul style="list-style-type: none"> <li>Standard 20, 23, 24 and 25</li> </ul>

## Article 11: Freedom of Transit Article 12: Customs cooperation

WTO TFA	Performance Indicator
<b>Article 11: Freedom of transit</b>	<p><u>Yes/No Question</u></p> <ul style="list-style-type: none"> <li>Do you have transit procedures which allow the movement of goods within your Customs territory without requiring the payment of duties?</li> </ul> <p><u>Quantitative indicators</u></p> <ul style="list-style-type: none"> <li>No. of transit entry declarations per year</li> </ul>
<b>Article 12: Customs Cooperation</b>	<p><u>Yes/No Question</u></p> <ul style="list-style-type: none"> <li>Do you have legislation to allow your Customs administration to provide information on import or export declarations to foreign Customs administrations?</li> <li>Do you have legislation to protect information provided by foreign Customs administrations?</li> </ul> <p><u>Quantitative indicators</u></p> <ul style="list-style-type: none"> <li>No. of cases involving provision of information on request from foreign Customs administrations per year</li> <li>No. of cases involving the use of information provided by foreign Customs administrations at judicial or criminal proceedings per year</li> </ul>

# Strategic Logistics: The Context

- CLMVT countries has successfully leveraged integration into the global marketplace
- Logistics sector has facilitated, linked and supported the country's socio-economic development
- However:
  - Data on logistics system are not readily available to monitor region's performance
- There is need for a proper monitoring and evaluation system to support:
  - Evidence-based policy making
  - Strategic planning
  - And general monitoring of the implementation of policies and projects related to logistics.

# Defining Appropriate Indicators

- Indicators can be defined at three levels
  - **Strategic** and country level
    - the products traded
    - the markets served by those products, and
    - incentives for defined levels of performance standards for those products
  - **Sector** or facility level
    - Road, rail, maritime, air, etc.
  - **Firm** level indicators
    - Warehousing, inventory management, etc.



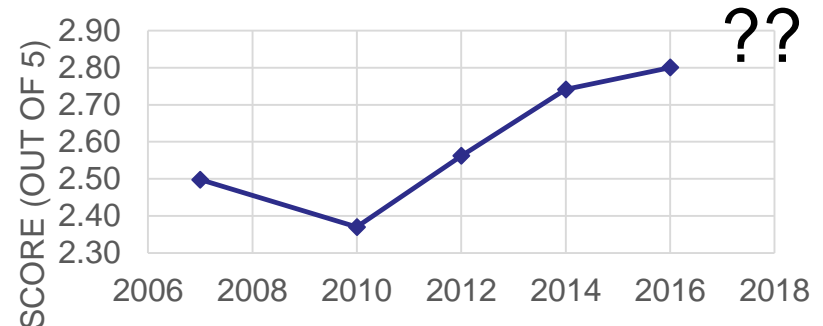
# Macro-level Indicators

- Statistics based approaches – based on published macro-economic data
- Global indicators (e.g. WEF - Global Competitiveness Report; IMD - World Competitiveness Yearbook; World Bank – Doing Business (Trading Across Borders) and LPI)
- The approaches offer
  - benefit of cross-country comparability
- Though
  - International comparisons are not straightforward
  - Changes in global rankings may be due to developments in other countries

But ... they are

- too coarse grained for specific projects (e.g. trade gateways or corridor development)
- Not suited to projects which need finer monitoring tools to allow assessment of changes in performance

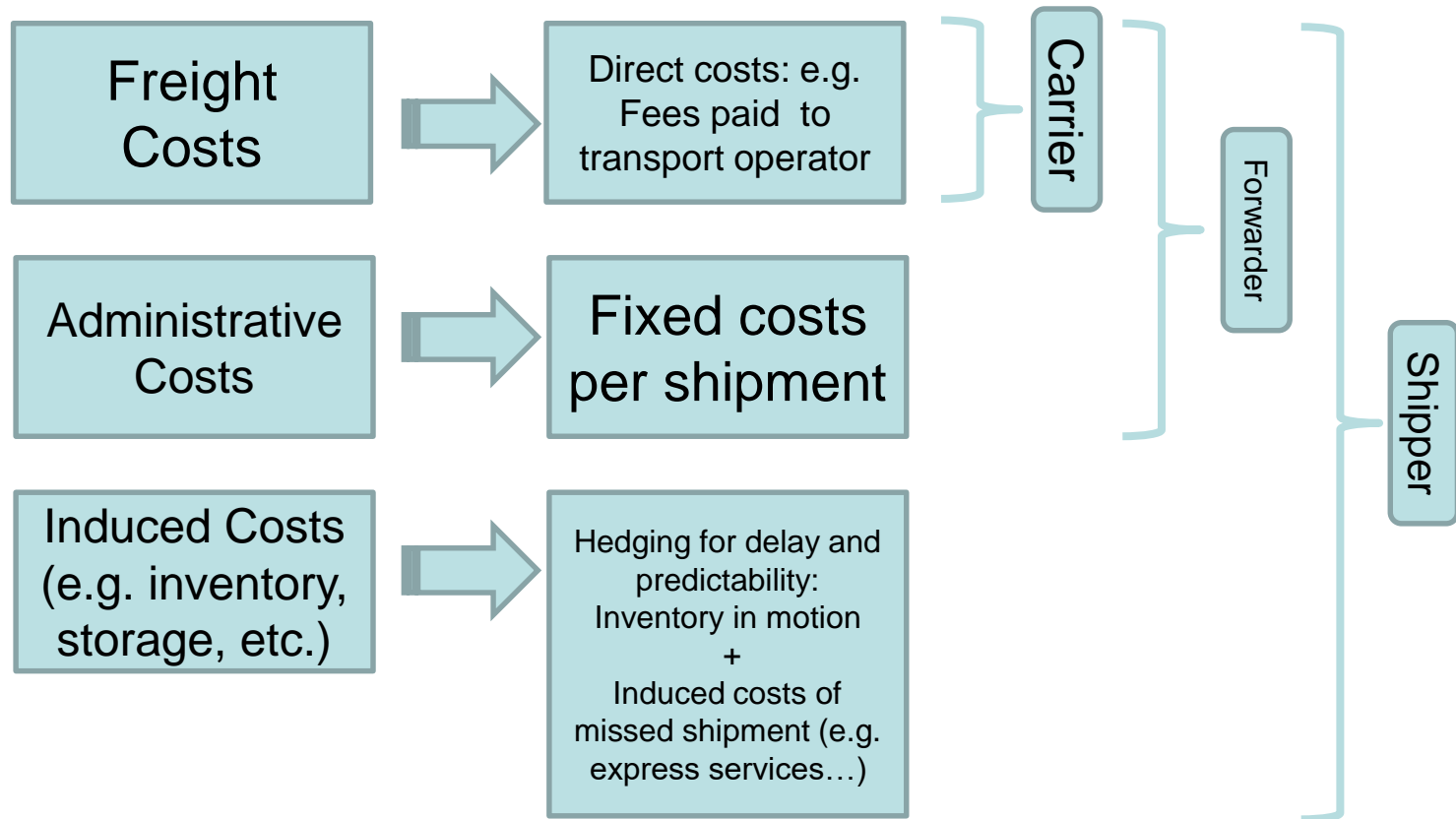
## LPI SCORES, 2007 – 2016, 2018



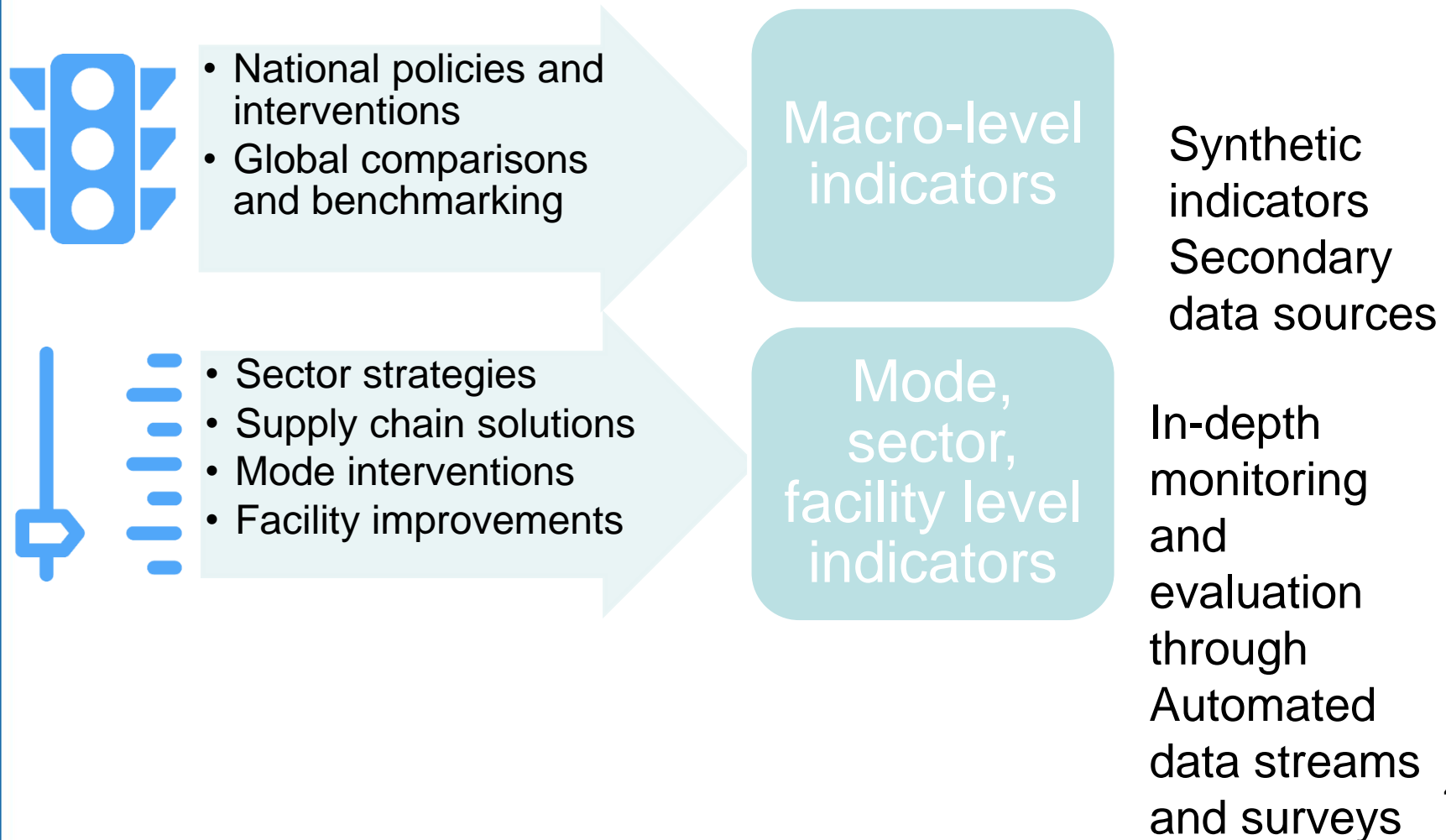
# Firm Level Logistics Costs Estimates

- Typically based on surveys
- Can reflect experience of specific supply chains
- Useful for measuring practical effects of policies
- But face several challenges:
  - Internal vs. external supply chain costs up/downstream?
  - Firms' domestic vs. international costs, where's the line??
  - Self-reported costs often subjective – potential for "double counting"
  - Cross-country comparisons can be difficult

# Components of Logistics Costs for Firms



# Proposed M&E System Design



# Summary

- Indicators have to be tailored to different classes of **users**, both public and private
- **Collection, management** and timely **processing** of data on logistics is important to the success of the strategy
- Need a regional logistics data system – to allow continuous monitoring and in depth analysis that will support the development of more targeted logistics policies
- Important to automate data management – including **big data** techniques
- Need to identify lead agency and focal point for the logistics sector, including the planning and development of the logistics-related policies

# Q&A