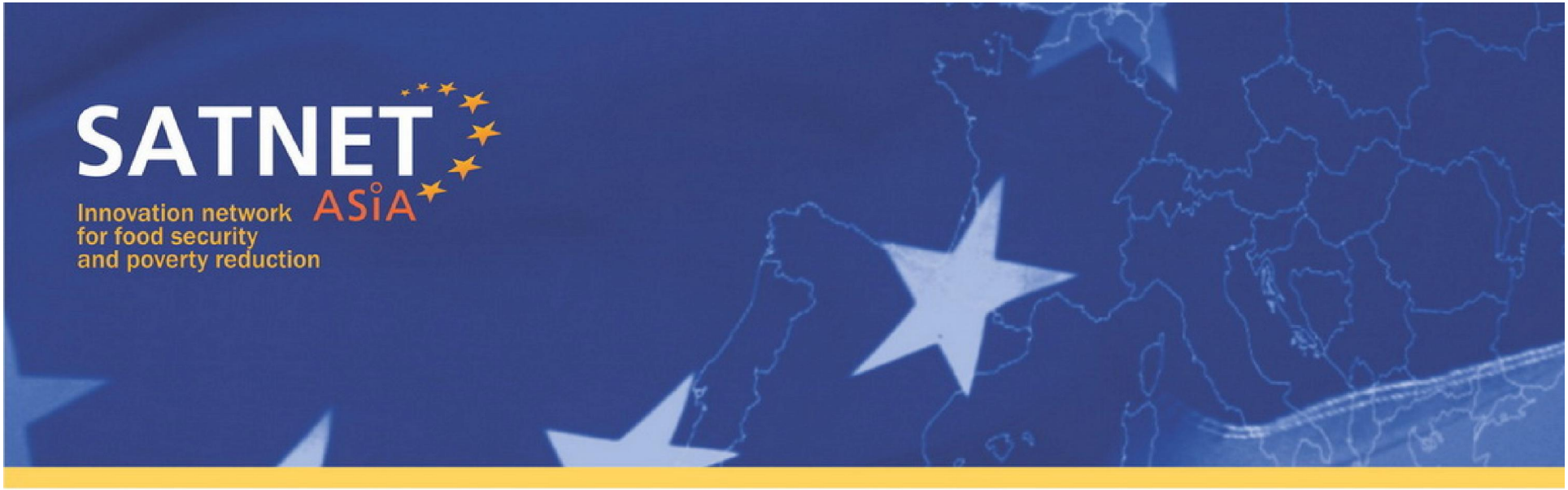

Overview of the SATNET Project and Introduction to Business Process Analysis (BPA) as a tool for Trade Facilitation

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Trade and Investment Division, ESCAP

Don Chan Palace, Vientiane, Lao PDR, 28 February 2013

ESCAP CAPSA APCTT FSC AVRDC The World Vegetable Center

This project is funded by the European Union

Network for Knowledge Transfer on Sustainable Agricultural Technologies and Improved Market Linkages in South and Southeast Asia – SATNET Asia

- **Overall Objective:** *Contribute to improved food security and nutrition of the poorest and most vulnerable people in South and Southeast Asia* by increasing and accelerating the rate of adoption of sustainable and productivity-enhancing agricultural technologies and by improving regional trade in food products.

- **Specific Objective:** *Support innovation by strengthening South–South dialogue and intraregional learning on sustainable agriculture technologies and trade facilitation*.

- **Target Countries:** Bangladesh, Cambodia, India, Lao PDR, Myanmar, Nepal

SATNET Asia Project – Trade Facilitation Activities

Activity	Timeline
Training Workshop on Business Process Analysis (BPA) for Consultants and consultation on selection of sectors/products	September 2012
Business Process Analysis (BPA) Studies on Agricultural Trade Facilitation in 5 countries	September 2012-June 2013
National Stakeholder Consultation for Agricultural Trade Facilitation	February-April 2013
National Technical Training on BPA Studies for Agricultural Trade Facilitation	Early 2014
Regional Exhibition of Trade Facilitation Measures for Agro or Food Products	Mid 2014

BPA Studies for Five Countries in South and Southeast Asia

Bangladesh	Business (Trade) Process Analysis: Export of Jute Bags to India and Import of Wheat from India
Cambodia	BPA for Export of Maize and Cassava from Thailand and China
Lao PDR	BPA for Export of Maize to Thailand and Import of Animal Feed from Thailand
Myanmar	Export of Mango and Rice to China, Import of Palm Oil from Malaysia
Nepal	Export of Cardamom to India and Import of Rice from India

Purpose of Today's Meeting

1. Share and validate BPA study findings for Lao PDR
2. Discuss and identify bottlenecks of the trade procedures or processes for the two products
3. Discuss and IDENTIFY Recommendations for simplification of procedures or any other measures to facilitate trade, particularly for the two products
   - Recommendations : short, medium or long term
4. Identify any training needs related to agricultural trade facilitation

Introduction to Business (Trade) Process Analysis (BPA)

- **What is Business Process?**
- **What is Business Process Analysis?**
- **Why do we need it?**
- **What are its outputs?**

What is a Business (trade) Process?

§ *A Business Process is a collection of related and structured activities or tasks that produce a specific service or product.*

§ Example

- Obtaining a fumigation certificate for rice export
- Applying and Issuing Process for a Certificate of Origin
- Customs Clearance Process at the Border Point

What is Business Process Analysis?

§ ..a Business Process Analysis?

An analysis and modelling of business processes for improvement, simplification and automation

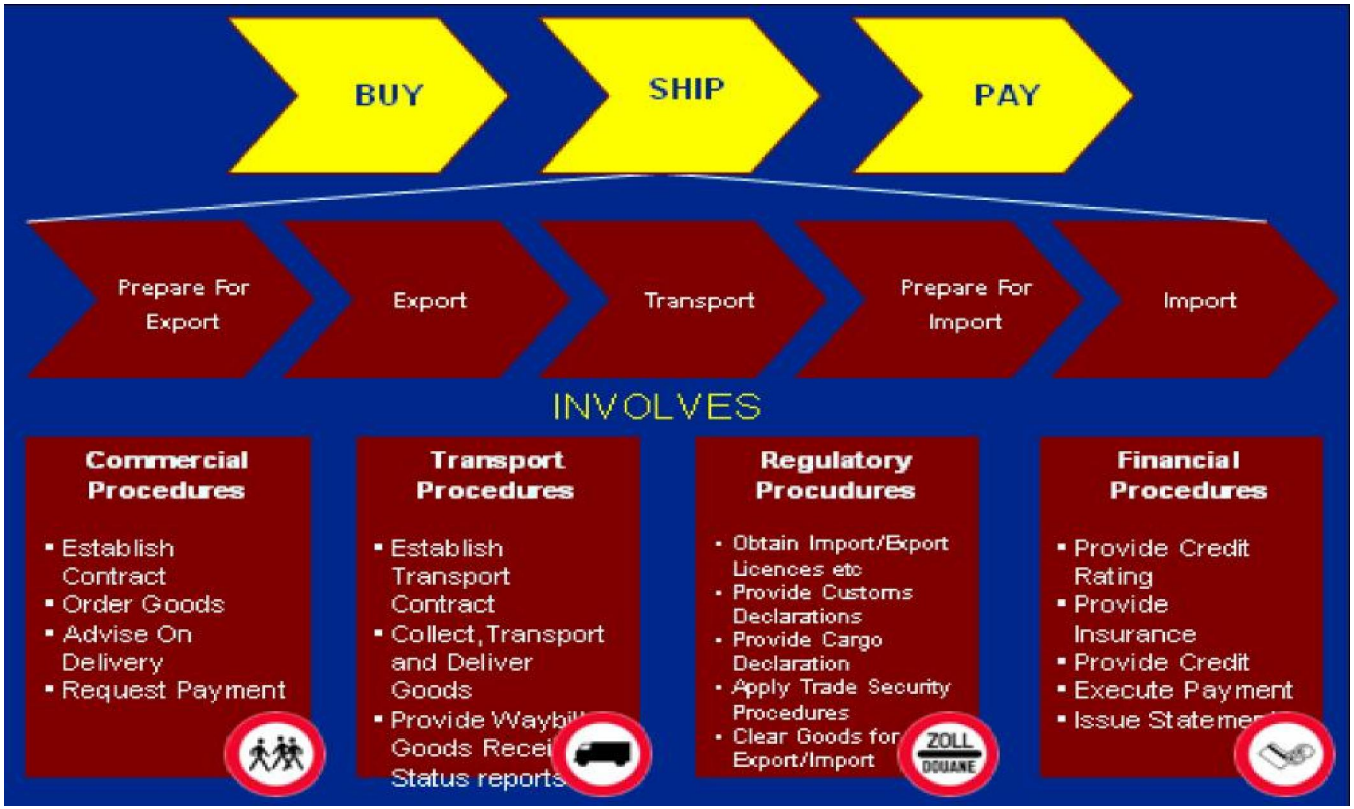
§ Example

- Documenting existing procedure to obtain Certificate of Origin
- Describing a "Standard Procedure"
- Identifying quantitative indicators (time, cost, docs)
- **Recommending 'to-be' situation or Trade Facilitation measures (Most Important)**

What is..

§ ..a Supply Chain?

A supply chain is a system of organizations, people, technology, activities, information and resources involved in moving a product or service from seller to buyer.

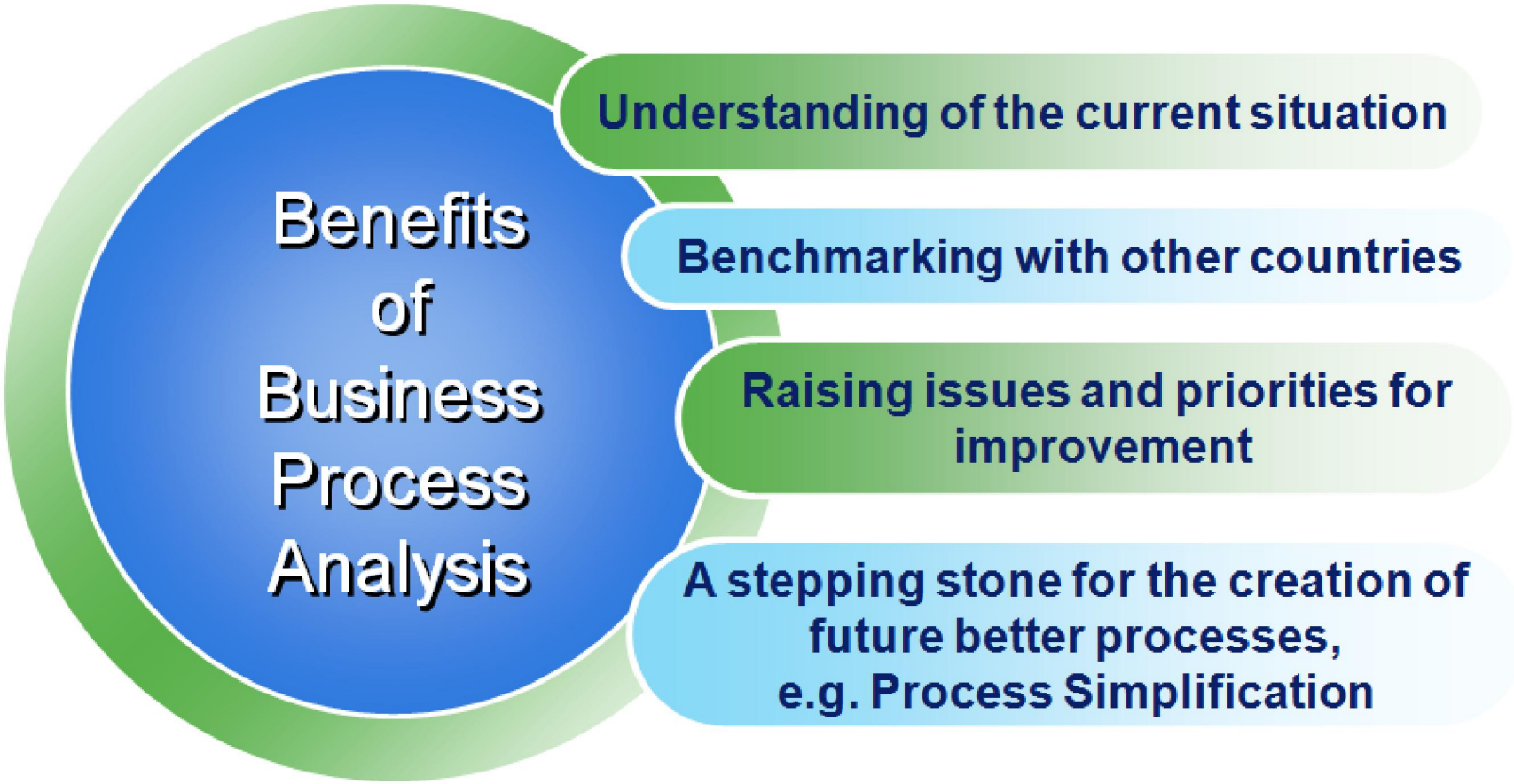


Why conduct a Business Process Analysis?

Business Process Analysis is a practical study

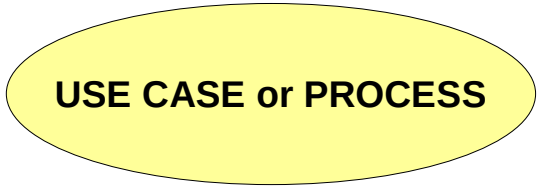
- to understand attributes of business processes, and their relationships

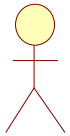
What are benefits of Business Process Analysis?



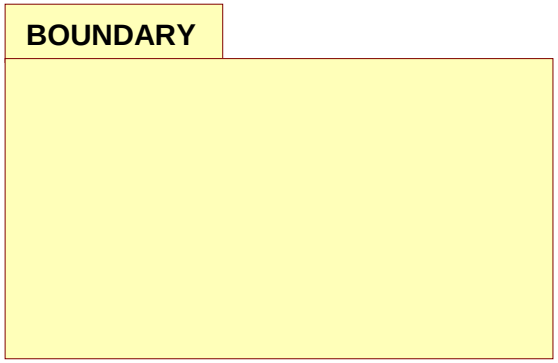
Basic Notation to understand BPA (UML) diagrams

USE CASE DIAGRAMS

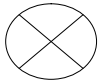




Process Participant or Actor



RELATIONSHIP ASSOCIATION



FINAL FLOW OF STATE

Basic Notation to understand BPA (UML) diagrams

ACTIVITY DIAGRAMS

SPECIFIC ACTIVITY

INFORMATION OR DOCUMENT

INITIAL ACTIVITY STATE

FINAL ACTIVITY STATE

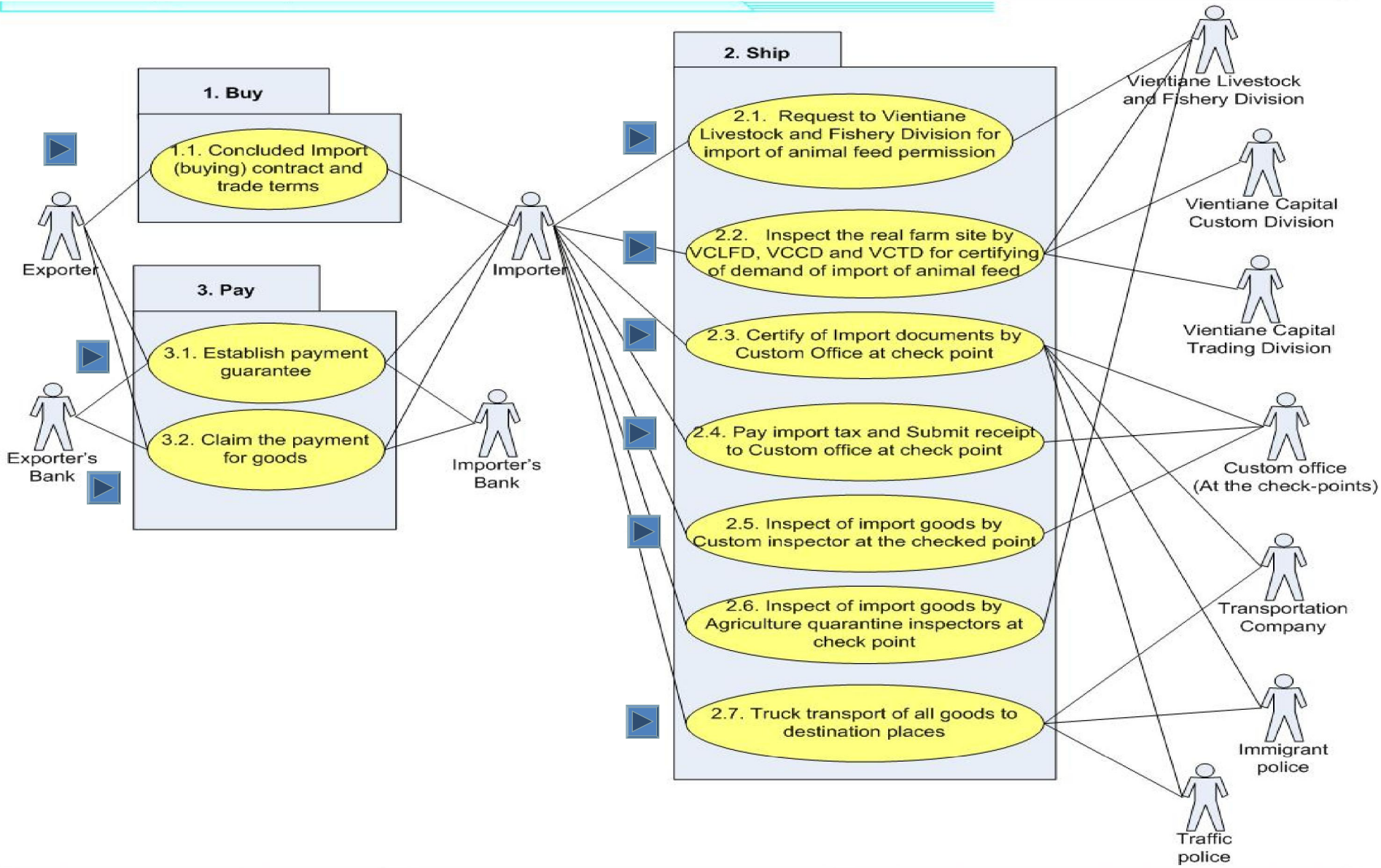
DECISION POINT

FLOW OF ACTIVITIES

SWIMLANES

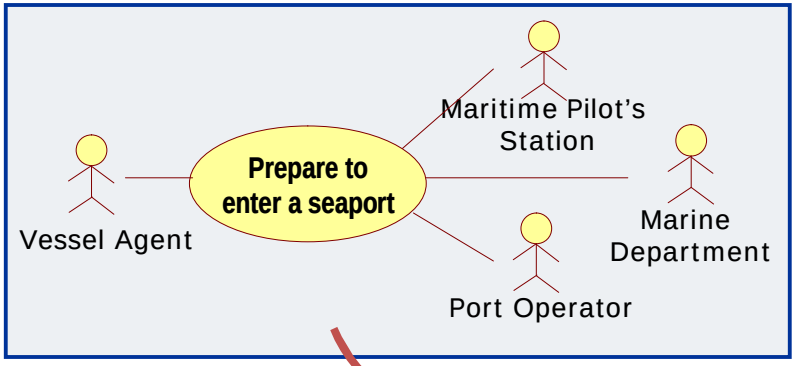
Process Participant 1	Process Participant 2	Process Participant 3

Integrated Use Case Diagram for import of animal feed

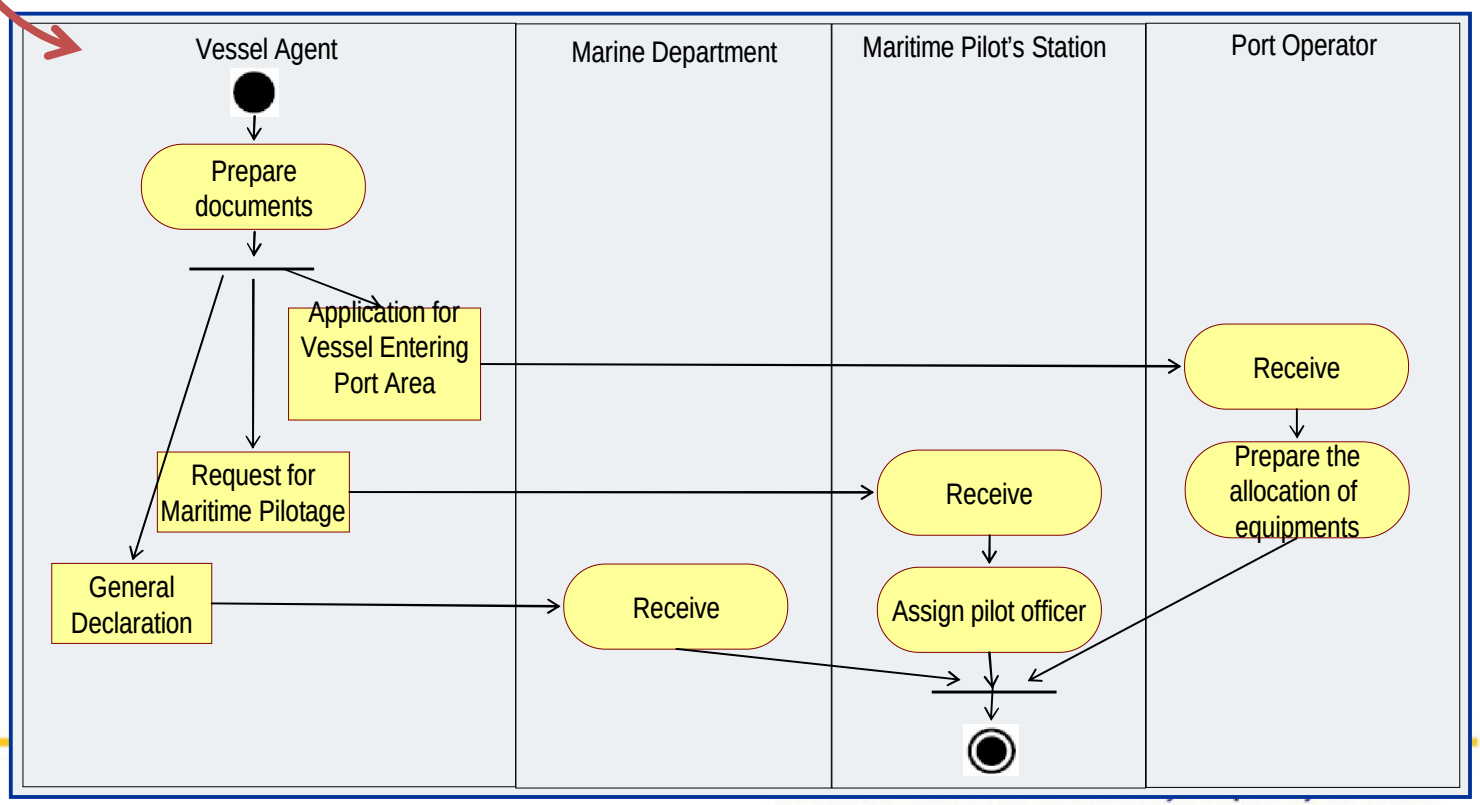


Interpreting Activity Diagrams

Example: Prepare to Enter a Seaport Process



For each process, draw an **activity diagram** that describes activities and associated documentary requirements

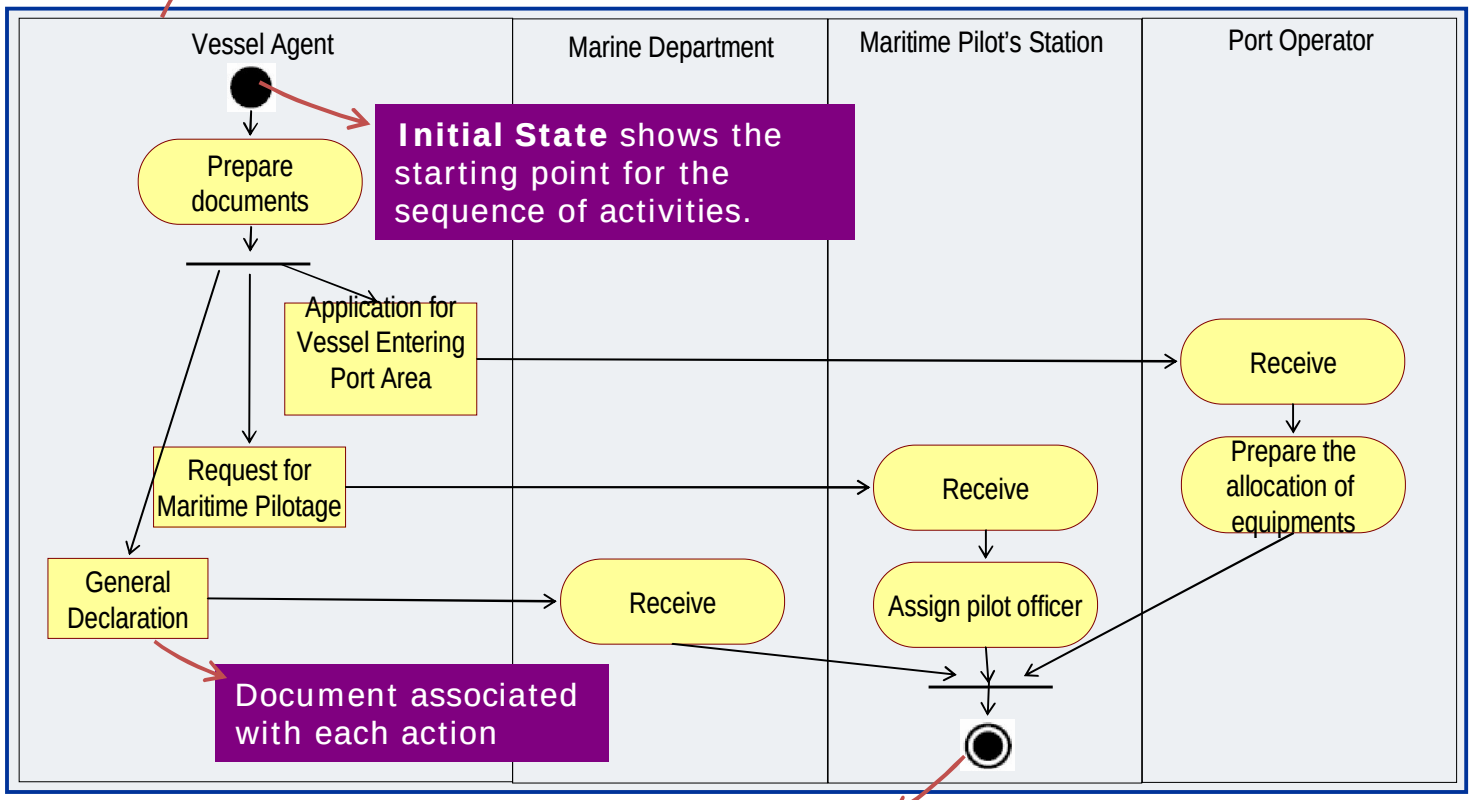


Interpreting Activity Diagrams (Continued)

Example: Activity Diagram of Prepare to Enter a Seaport Process

Swimlane shows a boundary of activities to be carried out by a responsible actor.

Sequence of actions carried out to achieve a specific goal



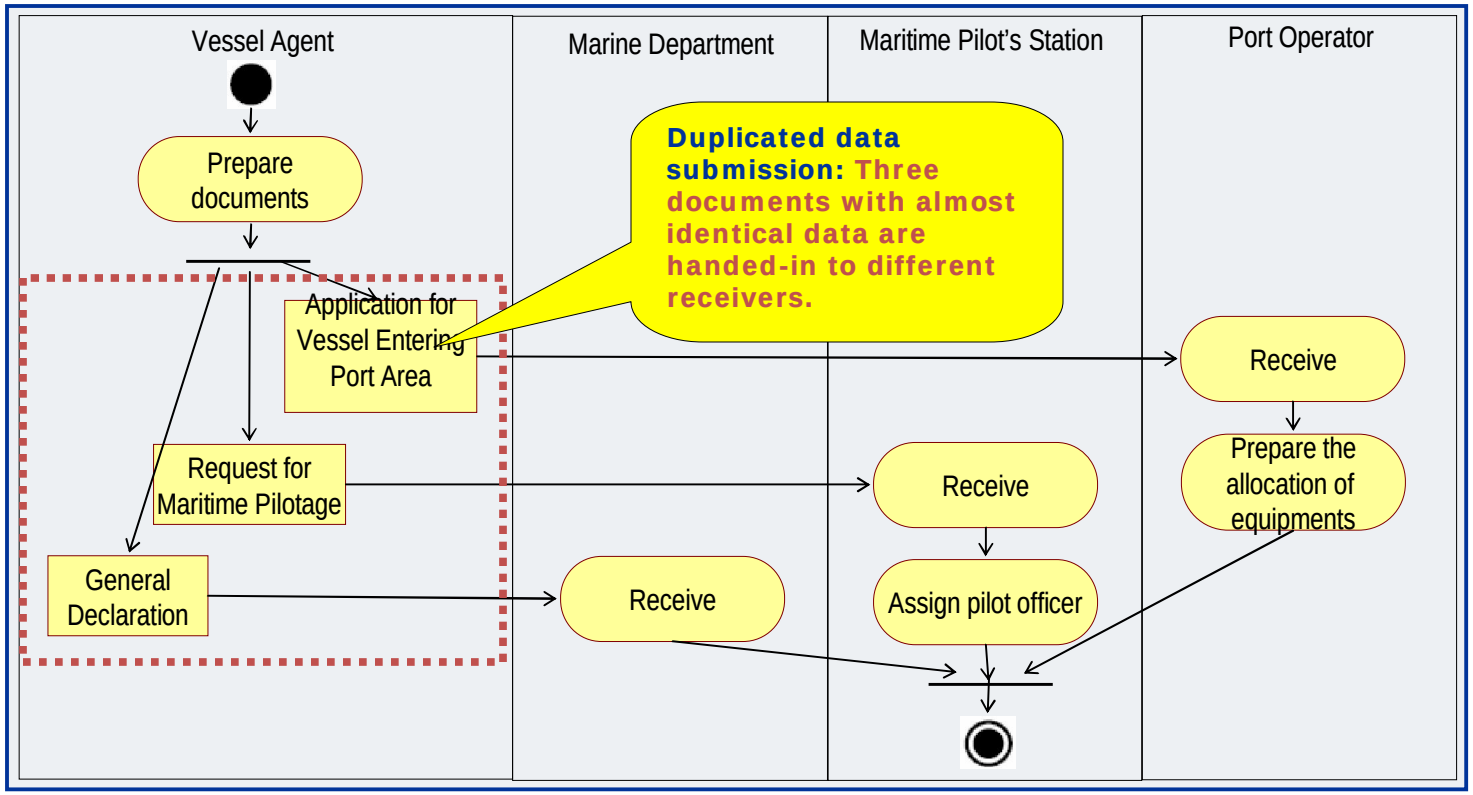
Initial State shows the starting point for the sequence of activities.

Document associated with each action

Final State shows where the sequence of activities reaches its end.

Interpreting Activity Diagrams (Continued)

Example: Prepare to Enter a Seaport Process (Existing Process)



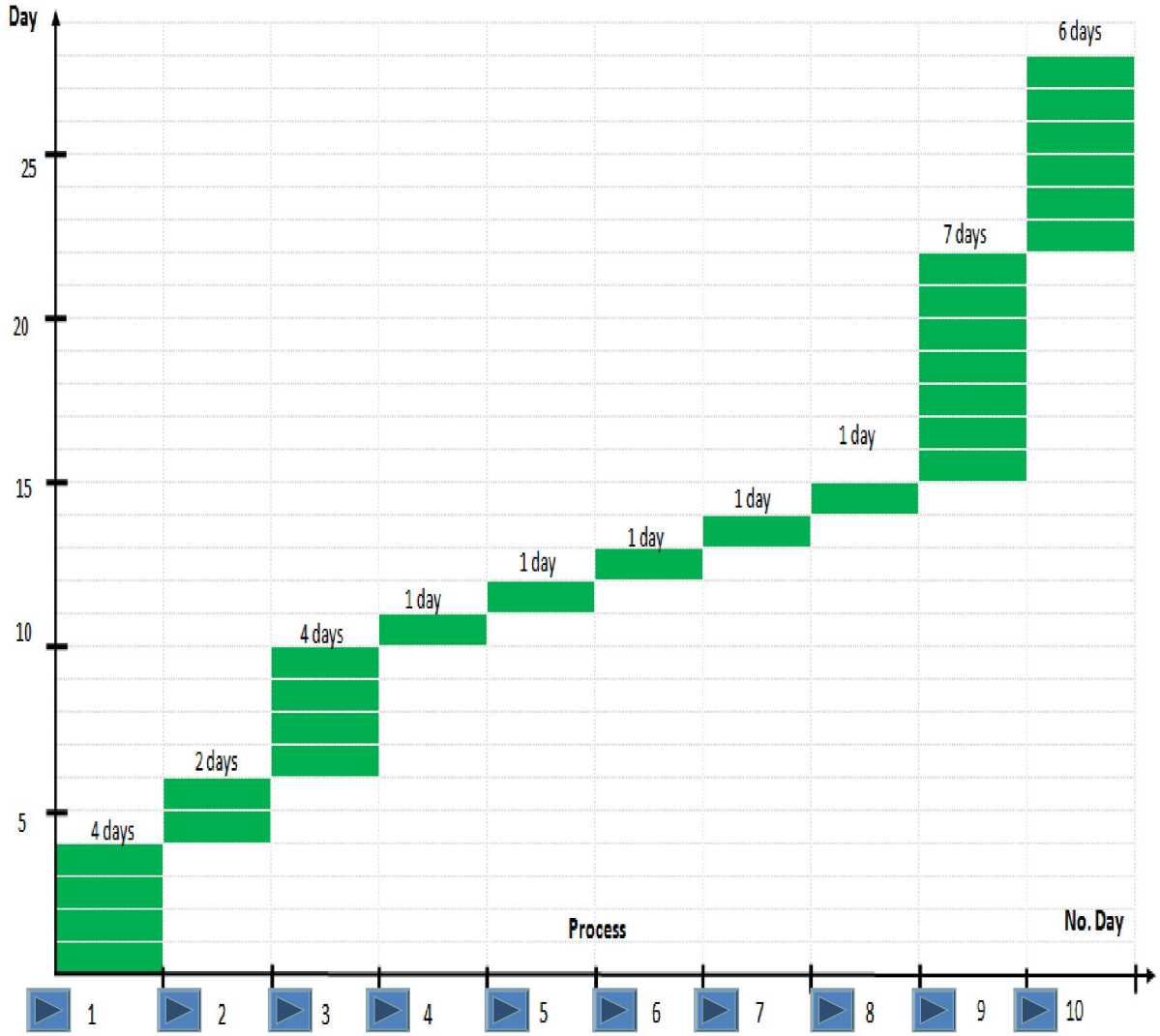
Problems :

- Duplicated Information
- High Cost and Time for sending and receiving documents
- Data Inconsistency

U1

Time Procedure Chart for import of Animal Feed

Drawing a Time-Procedure Chart for import of animal feed into Laos



1. Concluded Import (buying) contract and trade terms
2. Request to Vientiane Livestock and Fishery Division for import of animal feed permission
3. Inspect the real farm site by VCLFD, VCCD and VCTD for certifying of demand of import of animal feed
4. Certify of Import documents by head of Custom Office at check point
5. Pay import tax and Submit receipt to Custom office at check point
6. Inspect of import goods by Custom inspector at the checked point
7. Inspect of import goods by Agriculture quarantine inspectors at check point
8. Truck transport of all goods to destination places
9. Establish payment guarantee
10. Claim the payment for goods

Slide 18

U1 For 'current' chart, this slide shows : 28 days, Slide 33 - 25 days, slide 34 - 29 days. please follow one number.
UNESCAP, 26/02/2013

ESCAP Resolution 68/3 – Enabling Paperless Trade and Cross Border Recognition of Electronic Data and Documents for Inclusive and Sustainable Intraregional Trade Facilitation

Adopted by Member States in 68th Commission Session in May 2012

THANK YOU!

- salehin@un.org

GROUP WORK

Make 4 Groups

Discuss among group members and:

1. ***Identify the Actors in the Activity Diagrams***
2. ***Identify the Documents being exchanged between actors***
3. ***Identify if any duplicated information is being exchanged between actors***
4. ***Identify if any activity is unnecessary***
5. ***Briefly describe the Activity Diagram***
6. ***One volunteer from each group can report***