Thailand Single Window Case Story

National Single Window Conference
"Single Window and the WTO Trade Facilitation Agreement – Key Tools for Trade Development"

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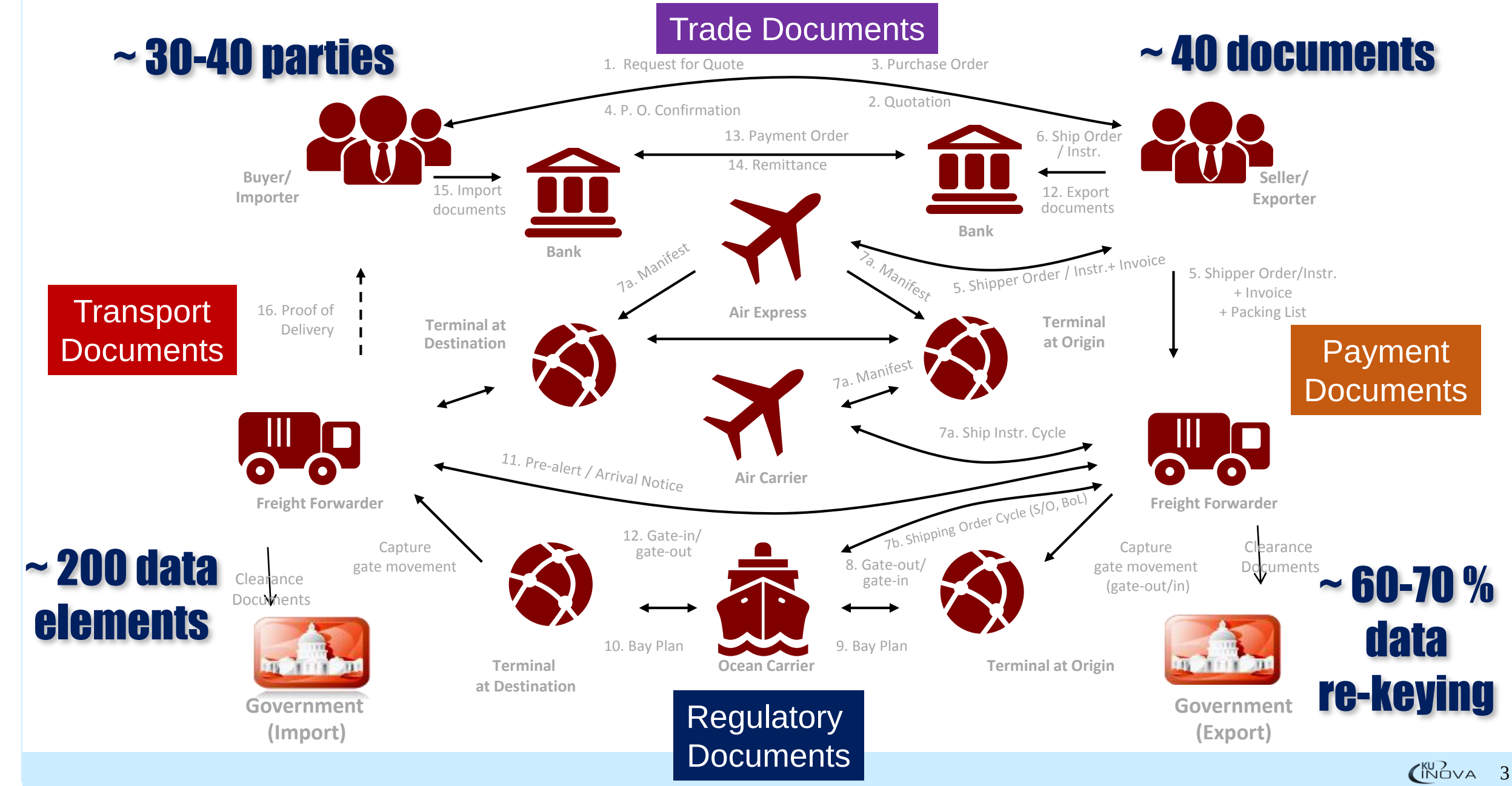
Objective

- **Importance of SW as a trade facilitation tool**
- **Progress made in Thailand**
  - Description of Thai-NSW
  - Indication of the progress
  - Key Factors in achieving this success
  - Potential Impact of Thai-NSW
    - In helping to implement the WTO TF Agreement – its role in achieving the TFA aims related to process simplification, border agency cooperation and transparency
    - Expected impact that Thai-NSW has/will have on trade and economic development in Thailand
- **Recommendations**

Export and Import Procedures are very complicated.



Export Procedures of an agriculture product

From purchasing time till the vessel leaving the sea port

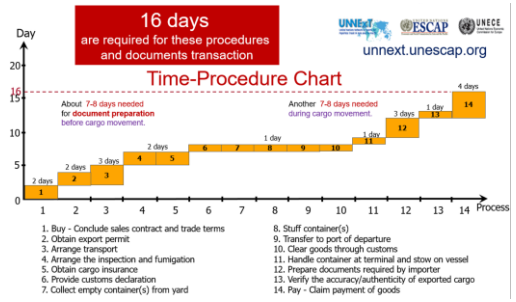
- 36 required documents
- 15 Stakeholders involved
- 14 main procedures (123 detailed steps)
- 16 days needed
  - About 6 days for regulatory procedures
  - About 7 days for transport-related procedures
  - About 12 days for traders, banks and insurance procedures

Poor Trade Competitiveness

Unpredictable/Long Delay

Error Prone

High Cost



Evolution of Thailand National Single Window

Continuous Improvement Journey for Process Simplification and Stakeholder Cooperation

I

Face-to-Face Services

Paper-based Operation

II

Customs EDI Services

UN/EDIFACT and XML (Less paper)

III

Paperless Customs Single Window

ebXML/XML PKI/Digital Signature & other standards

IV

Initial Phase of NSW & Isolated Information Systems

e-Permits and e-Certificates Exchange with few government agencies

V

First Phase of Connected NSW

Connectivity with all 36 Regulatory Authorities

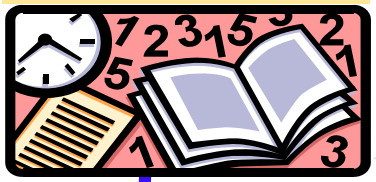
e-Permits and e-Certificates with all government agencies

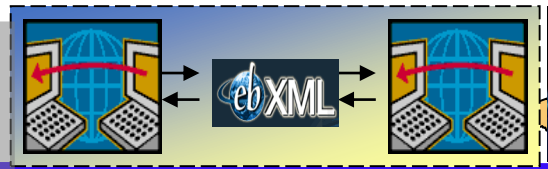
VI

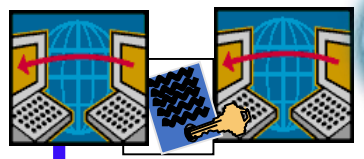
Second Phase of Integrated NSW

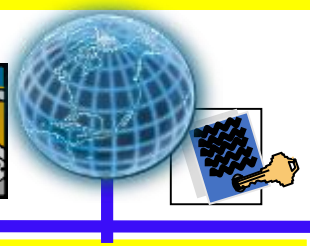
End-to-End Paperless Transactions for Regulation, Trade, Transport and Payment

ASEAN SW, Cross-Border Data Exchange & Single Submission









<----1997 | **1998-2006** | **2007-2008** | **2009-2012** | **2013-2016** | **2017-2021**

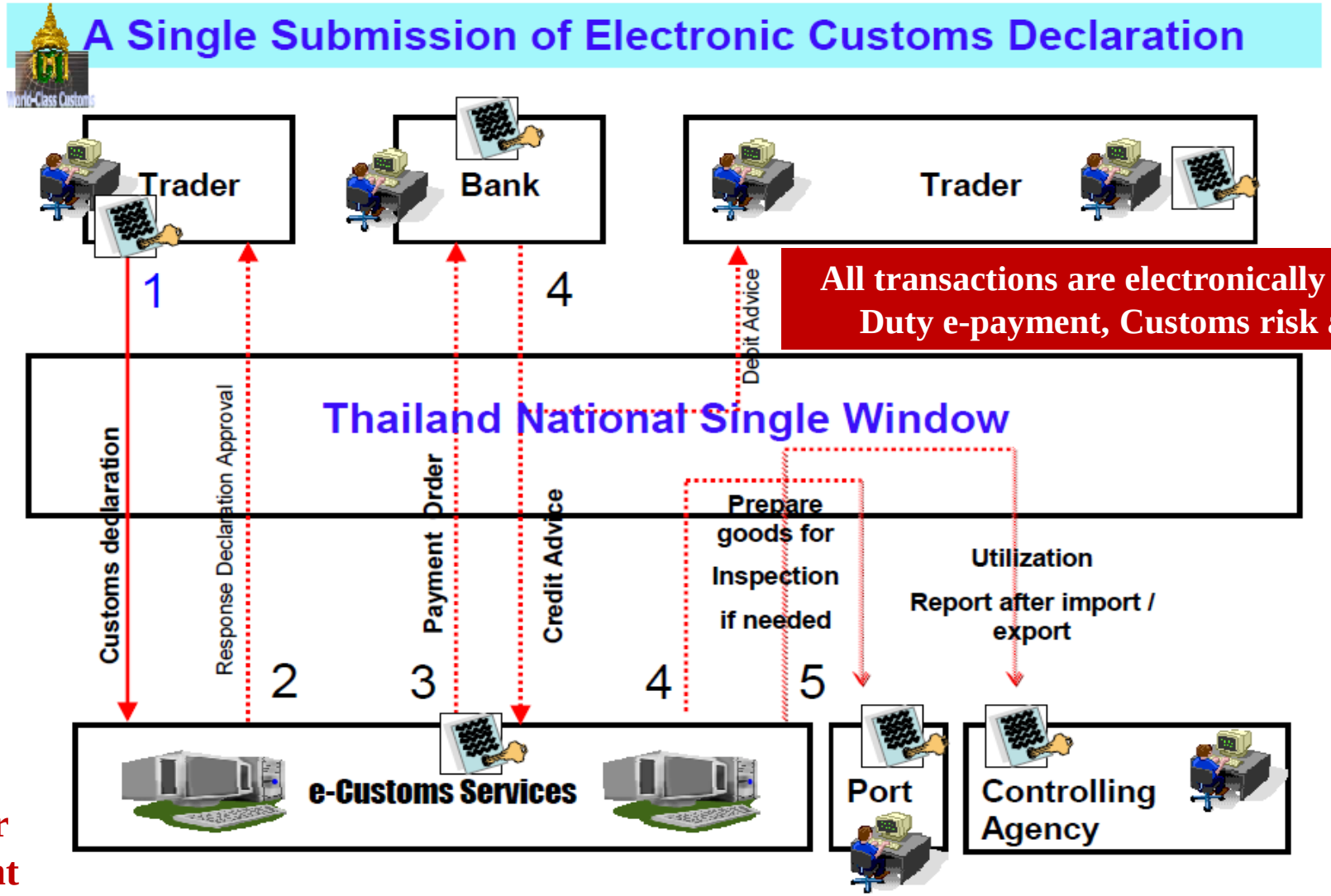
Key Milestones

Establishing Electronic Platforms for Facilitating Trade (by simplifying and automating import/export/transit procedures)

- December 2005 – The Cabinet mandated **Thai Customs Department** to lead the collaboration among participating government agencies to establish national data linkage system for facilitating import/export/transit procedures
- February 2007 – The Cabinet endorsed a holistic National Logistics Plan (Phase 1) including the **National Single Window Development Plan Phase 1 (2007-2011) for enhancing trade facilitation**
- Mid Year 2007 – **Paperless Customs Single Window** established and in operation
- As of December 2016 – 31 regulatory agencies (government and business) establishing connectivity and having electronic e-Permits/e-Certificate exchange with Thai Customs Department through the **Thai NSW Platform Phase 1**

Paperless Customs Single Window (operational since 2007)

[streamlining all key operations within Customs Department with electronic platform]



Electronic Customs Declaration Submission with Digital Signature

All transactions are electronically processed e.g. Customs Duty e-payment, Customs risk analysis, and reporting.

Import/Export Declarations and Approval are conducted online with better Risk Management

Faster Customs Clearance with less than 5% physical inspection

Referring to – 'Thailand NSW" presentation by
Mr. SINMAHAT Kiatjanon, Thai Customs Department - February 2010., Nepal.

Thailand National Single Window 2016

Border Agency Cooperation

Better Transparency

VAN / VAS

International Single Window Connectivity

Global Trade

AEC 2015 (ASEAN Single Window)

Web Browser

Secure Networks

Certification Authorities

Secure Networks

NSW Portal

Web Self Registration
Web e-Form (Trader and Agency)
Single Window Entry
Community e-Tracking
National Standard Data Set

NSW Primary Site

ASW / International Gateway
Community Gateway and Partner Management
Message Process Orchestration
& Transformation
Business Activity Monitoring

NSW
Thailand National Single Window

NSW Portal

Web Self Registration
Web e-Form (Trader and Agency)
Single Window Entry
Community e-Tracking
National Standard Data Set

NSW Secondary Site

ASW / International Gateway
Community Gateway and Partner Management
Message Process Orchestration
& Transformation
Business Activity Monitoring

Secure Networks

Help Desk & Call Center

BANK

Insurance

Better Risk Analysis by Customs and PGAs

Better Cooperation for Joint Inspection

e-Application Submission & e-Permit/e-Certificate Issuance of 36 regulatory agencies

Government Information Network (GIN) and Private Networks

e-Permit/e-Certificate Information Exchange & Matching with Corresponding Customs e-Declaration

The Customs Department
Department of Foreign
Industrial Estate Authority
Department of industrial works
Department of Livestock Development
The Revenue Department
The Board of Investment
Department of Fisheries
The National Bureau of Agricultural Commodity and Food Standards
The Fine Arts Department
Department of Energy Business
Office of the Cane and Sugar Board
Department of Primary Industries and Mines
Department of Mineral Fuels
Department of Land Transport
Office of Atoms for Peace
Defence Industrial Department
Department of Provincial Administration
Department of Agriculture
Department of Medical Sciences
Department of Forestry
Department of Internal Trade
Electrical and Electronics Institute
Department of National Parks, Wildlife and Plant Conservation
Office of the Rubber Replanting Aid Fund
Airports of Thailand Public Company Limited
Marine Department
Department of Civil Aviation
Department of Mineral Resources
Office of The National Broadcasting and Telecommunications Commission
Thai Industrial Standards Institute
Department of Disease Control
Port Authority
Food and Drug Administration
The Federation of Thai Industries
The Thai Chamber of Commerce and Board of Trade

Impact - Trade Efficiency Improvement through Thai-NSW

Trading across border	2007	2008	2009	2010	2011
Export					
No. of Documents to Export (number)	9	7	4	4	4
Time to Export (days)	24 →	17	14	14	14
Cost to Export (US$ per container)	848 →	615	625	625	625
Import					
No. of Documents to Import (number)	12	9	3	3	3
Time to Import (days)	22	14	13	13	13
Cost to Import (US$ per container)	1042	786	795	795	795

(Source: Doing Business, World Bank).

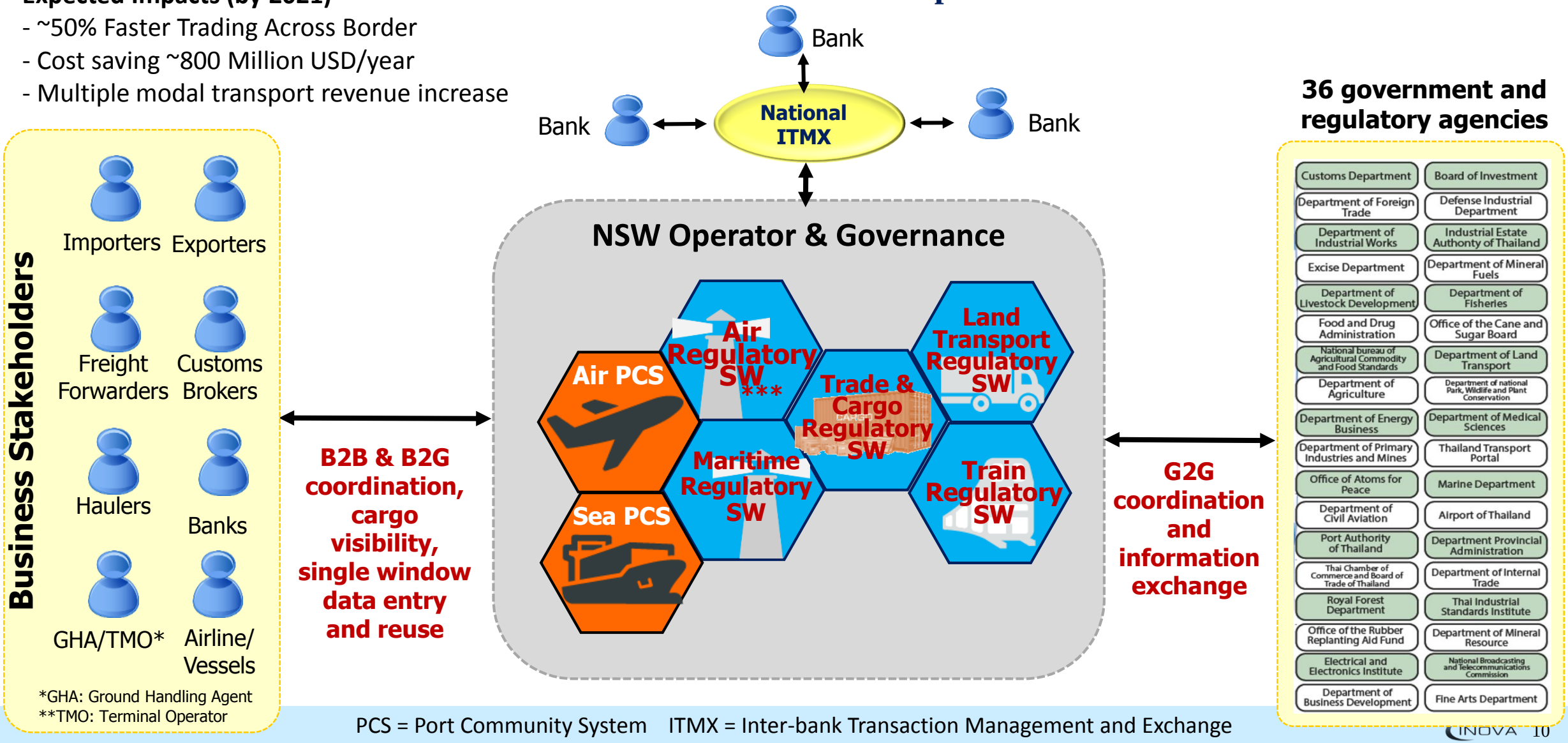
→ Transaction Cost Reduction: ~233 USD per container (less cost)

Transaction Time Reduction: ~7 days (faster)

A Way Forward – Thai NSW the next generation

Integrating "trade/transport/regulation and payment" transactions within the current G2G NSW platform

Expected Impacts (by 2021)
- ~50% Faster Trading Across Border
- Cost saving ~800 Million USD/year
- Multiple modal transport revenue increase



PCS = Port Community System ITMX = Inter-bank Transaction Management and Exchange

Key Success Factors/Recommendation

- Continuous High-Level Political Support
- Strong Lead Agency and Supporting Team
- Active Collaboration among Participating Government Agencies and Business Sector
- Simplifying and streamlining business processes
- Harmonizing of trading data/international standards
- Revising relevant laws and regulations
- Integrating among different ICT platforms, e.g. connecting the regulatory SW and PCS (Port Community System)

Better integrating/coordinating among B2B freight stakeholders and also among government agencies are needed to further improve trade facilitation.

- Example: Sea Cargo Import Process -

Manifest | House Manifest | Discharged | Delivery Order | Hauler Details | Customs Declaration | Scan/Exam | Clearance | Release | Gate Out

Sea PCS

Gate Out: The container is out from the gate.

Release: TMO updates release status.

Clearance: Customs clearance

Scan/Exam: With collaboration with related agencies, the hauler takes the container for scan/exam accordingly.

Customs Declaration: Customs Broker submits e-declaration and also pay duty online.

Hauler Details: Assign hauler(s)

Delivery Order: FF pays for the sea freight, and Shipping line issues e-D/O.

Discharged: TMO discharges containers

House Manifest: FF submits e0House Manifest to Customs

Manifest: Shipping line submits e-Manifest to Customs

DATA EXCHANGE, NOTIFICATIONS & ALERTS are generated at each stage and accessible by respective stakeholders.

Thank you for your kind attention

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Speaker - Dr. Somnuk Keretho

Somnuk Keretho is an assistant professor of Computer Engineering Department, and the founding Director of Institute for IT Innovation (INOVA), a research and development institute of Kasetsart University, Thailand. He is specializing in ICT-enabled innovation, trade facilitation and e-logistics initiatives including National Single Window strategic planning and implementation, enterprise information architecture for e-government and e-business, business process analysis and improvement, data harmonization and modeling, ICT-related standards and interoperability, and process-oriented software engineering.

He led several ICT strategic projects at organizational, national and regional levels. For the past ten years, he has assisted Ministry of Digital Economy, National Economic and Social Development Board, Ministry of Transport, Port Authority of Thailand, and Ministry of Agriculture in architecting "Thailand National Single Window" related projects including its national e-logistics strategy, implementation plans, interoperability and standards, harmonization and simplification of trade and transport-related documents and procedures, automatic electronic-gate systems development for the Bangkok Port and the Leamchabang Sea Port, and related software development projects.

Several of those projects are extended with regional and international collaborations, in which Dr. Keretho has actively engaged mostly related to trade facilitation, single window and paperless trading initiatives through UNESCAP, UNECE, APEC, ASEAN and GMS. He has played several roles in catalyzing the creation of and actively contributing to the United Nations Network of Experts for Paperless Trade in Asia and the Pacific (www.unescap.org/unnext). He is the main author of the UNNExT Business Process Analysis Guide, the UNNExT Data Harmonization Guide and the UNNExT Guide for Single Window Planning and Implementation.