UNI-PASS

April 2018

KOREA CUSTOMS SERVICE

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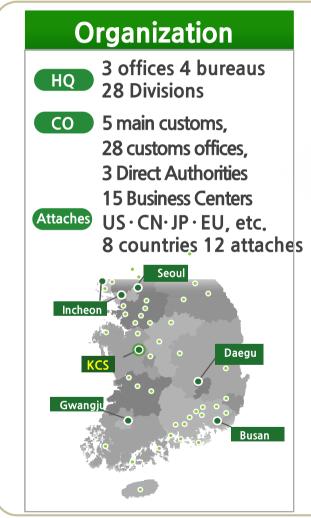


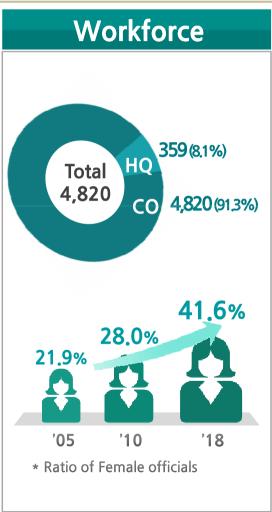
I. Introduction to the Korea Customs Service

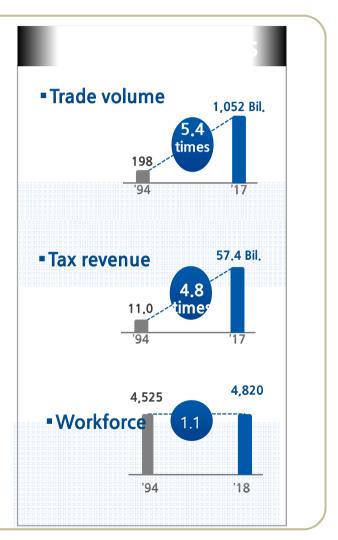


I. Introduction to the Korea Customs Service

□ Organization / Workforce / Major Indicators







I. Introduction to the Korea Customs Service

☐ Value system of the KCS

Missions

Customs Border Management for Sound Economy, Safe Society

- **◆** To protect national finance and economy
- ◆ To prevent inflow of harmful items to social safety and the public
- **◆** To promote movements of legitimate international trade and travelers

Vision

World's Best Customs & A Larger Trading Nation

- ◆ To provide more expeditious services to businesses and the public
- ◆ To safeguard the society against illegal international transactions
- ◆ To realize the world's best customs administration for the convenience of the public

Key Values

Partner -ship Spirit Honor & Pride

Change & Innova -tion

World's Best



□ Concept

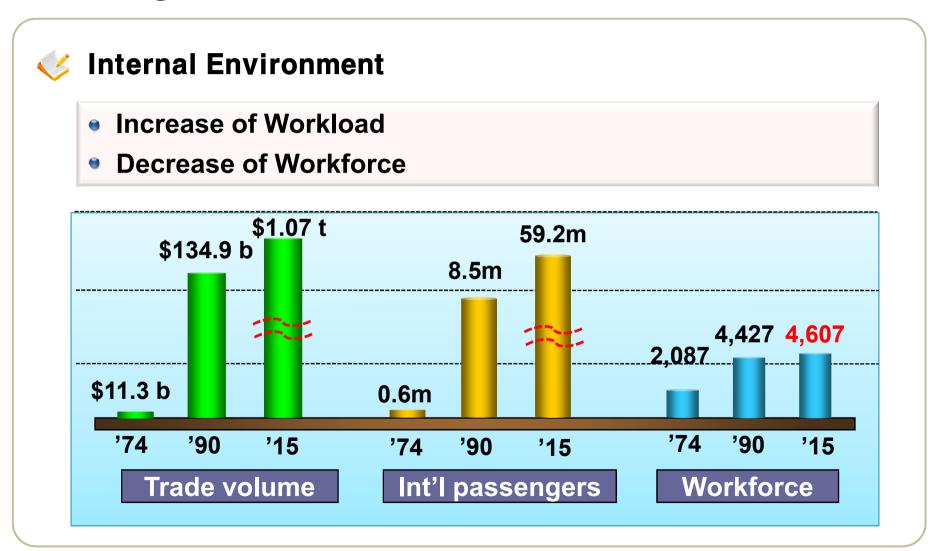
- **&**
- Every electronic system that deals with works of the KCS for Import/export clearance and securing of national revenue
- **W**

Core connection system on trade and logistics information which promotes communication between traders and public agencies

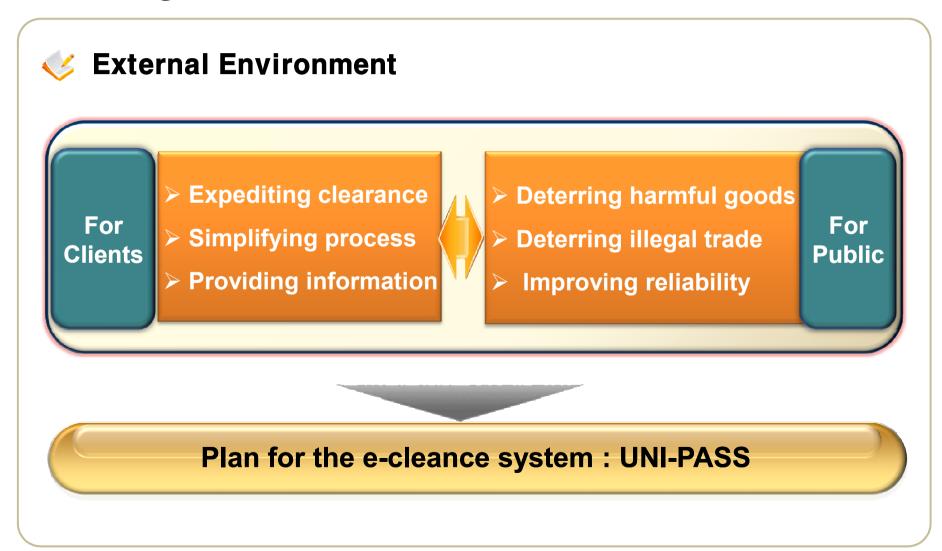


- UNI : 1 Unified,
- 2 Universal,
- 3 Unique Service
- PASS: Fast Clearance Service

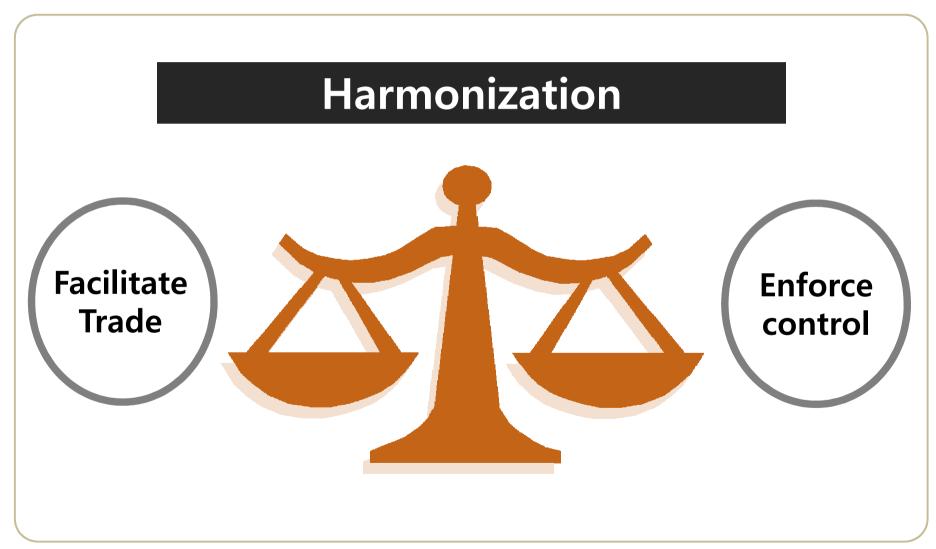
□ Background (1)



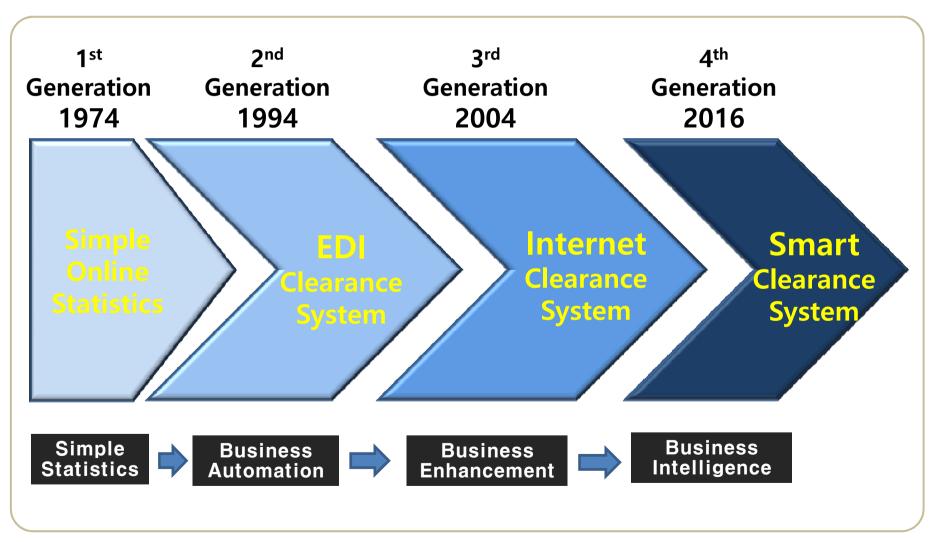
□ Background (2)



□ Background



☐ History of UNI-PASS



Main feature



Fast · Secure system

- world's first 100% electronic clearance system, and it provides the fastest service among WCO 182 members
 - * time required for clearance: Export (1.5min), Import (1.5hours). Promotes trade facilitation through integrated RM sys.



Connected · Integrated System

- offers one stop service through connection with import/export authorization agencies, and provides trade and logistics information
 - *Connected with 169 government agencies including Ministry of commerce and Ministry Of land, and 260 thousand companies such as traders, shippers, airlines and banks



Adopted international standards

- Int'l standards sys, developed with WCO and UN's e-document standards.
 - * Korea ranked 1st for 6 consecutive years from 2009 to 2014 in the area of Trading Across Borders' in the Doing Business report of the World Bank, and selected as one of the best practices



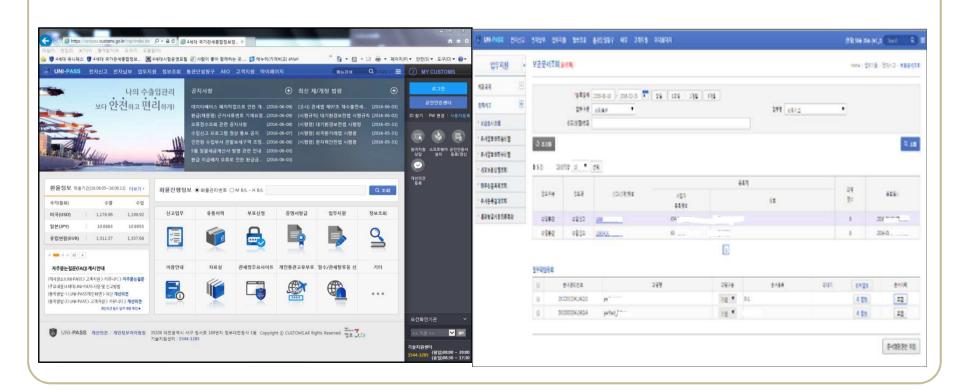
☐ Structure

- Structure of the UNI-PASS
 - Clearance management, Cargo management sys, Information management sys, Single Window sys, and administration management sys.
- Diagram of the UNI-PASS

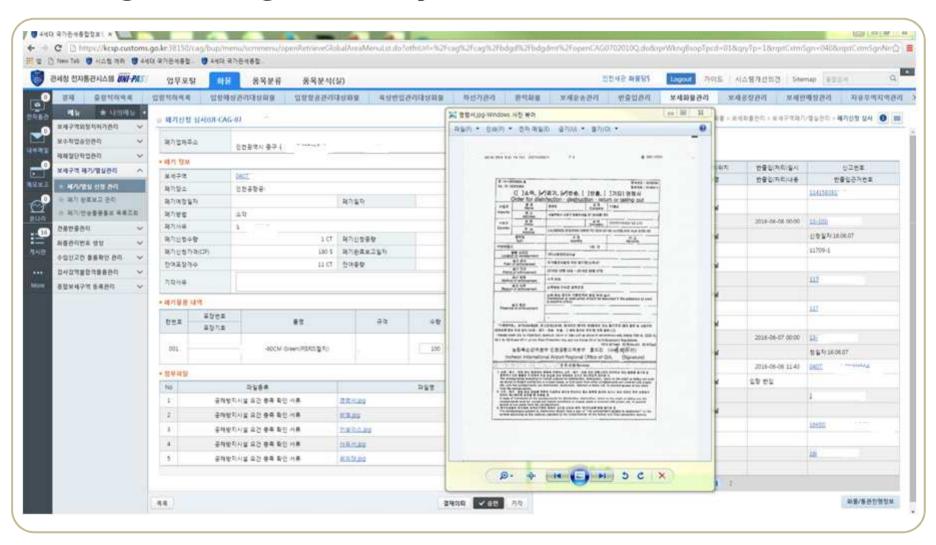


□ Cargo Management System

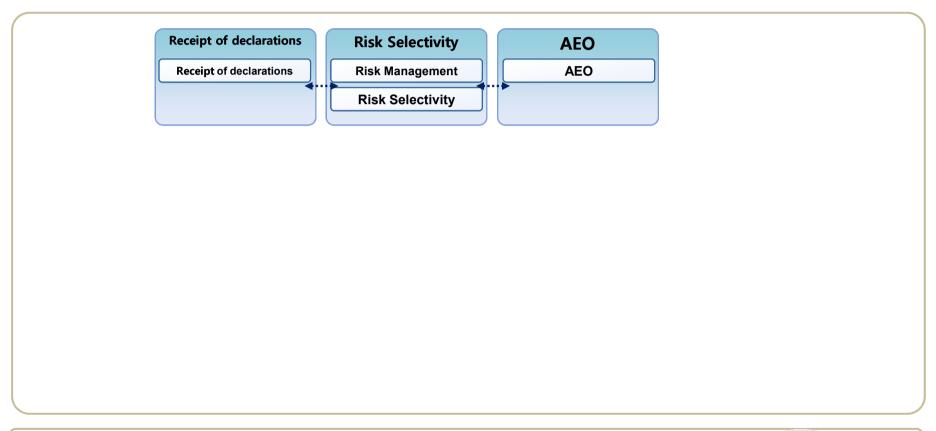
- > Submit all customs declaration forms via WEB page
 - Attached files can also be submitted via WEB page



□ Cargo Management System

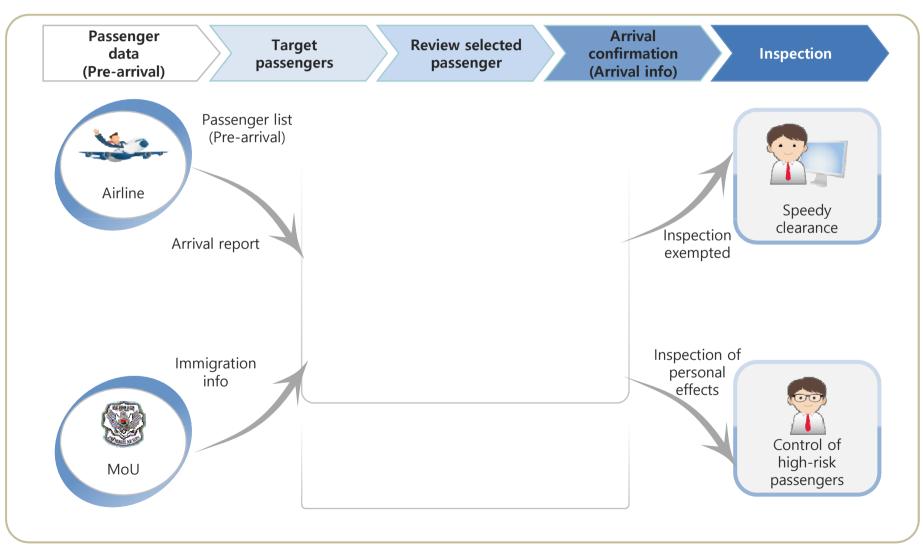


□ Clearance Management System

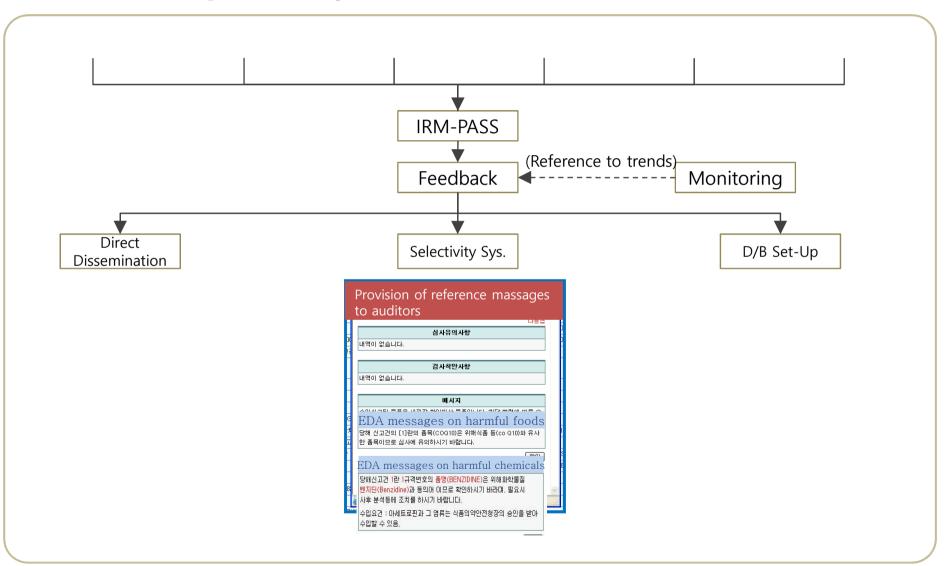


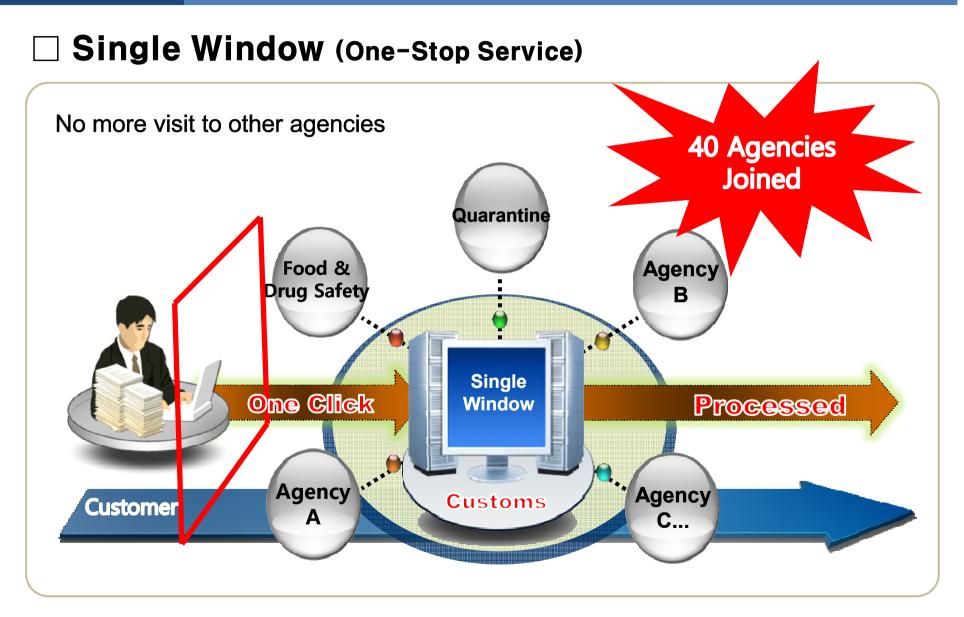


☐ Advanced Passenger Information System

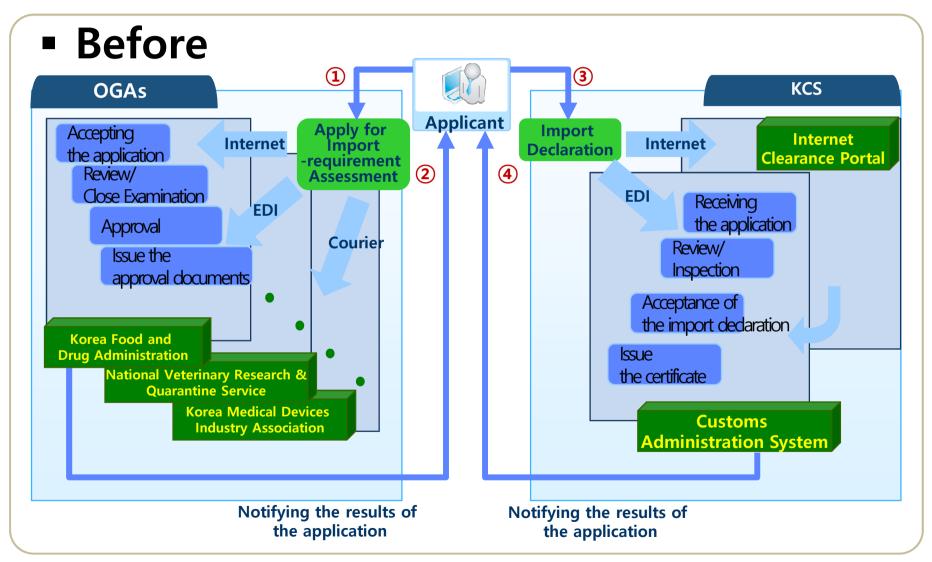


□ Risk Management System (IRM-PASS)

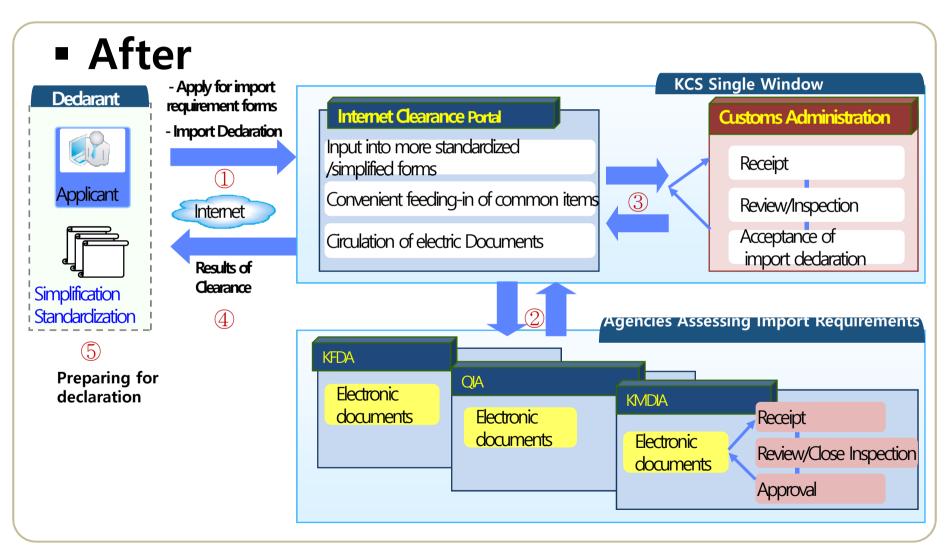




☐ Single Window (One-Stop Service)



☐ Single Window (One-Stop Service)





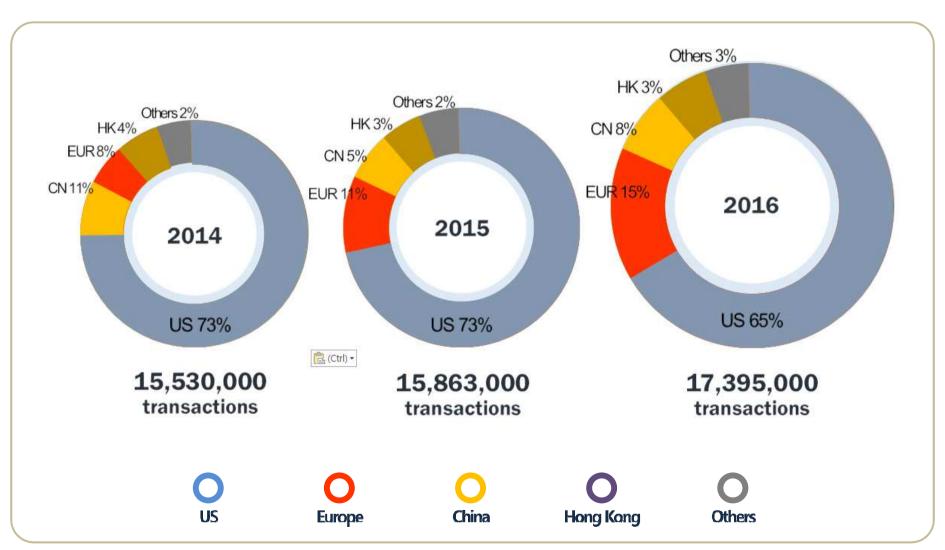
□ Challenges: Customs Perspective

- High volumes of packages VS Limited Customs resources
 - In the past 5 years express cargo volume increased
 by 2.6 times(8,960,000 cases in 2010 → 23,080,000 cases in 2015)

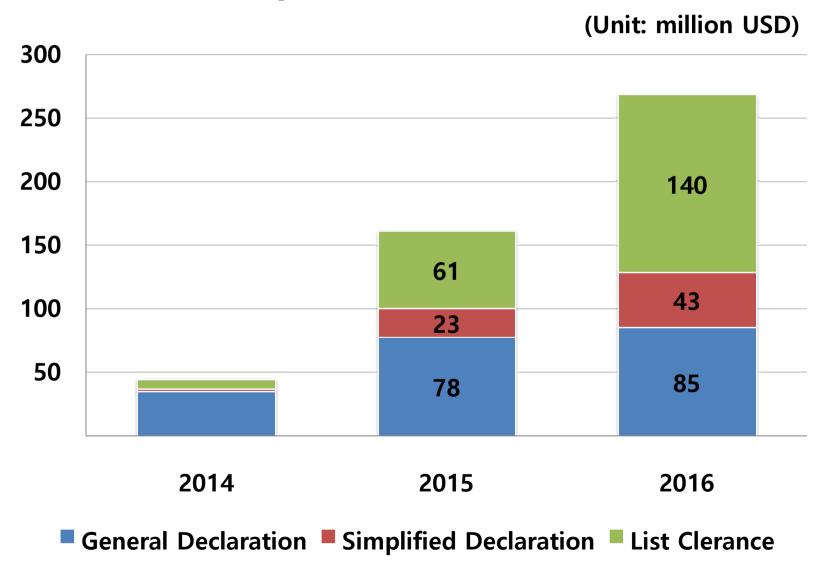
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- Dark Side of E-commerce: Risk Management
 - Recurrent inflow of illegal goods such as drugs, misusing the simplified procedure for express shipments

□ E-commerce Import Volume



□ E-commerce Export Volume



□ Clearance Procedure for Inbound

Express Cargo			
List Clearance	Simplified Declaration	General Declaration	
Exempt from declaration (Goods can be cleared by submitting the list of goods)	Simplified declaration form (69→57)	General import declaration	
Goods for personal use (Less than \$150)	All goods (\$150~\$2000)	① All goods over \$2,000② Goods not eligible for list clearance	
Exempt from all taxes	Tax exemption for low-value goods available	Tax exemption for low-value goods available	
[As of 2015]			
57.2%	0.03%	42.8%	

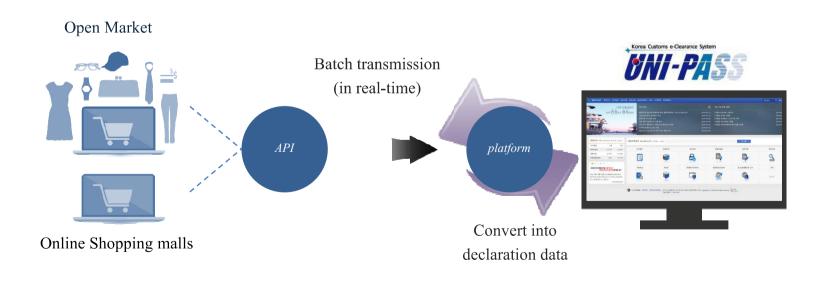
^{*} Goods relevant to public health such as food and medicines are not eligible for list clearance. General declaration is required to clear these items.

☐ Simplified Declaration

- Newly established <u>the simplified export declaration system</u> for e-commerce with greatly reduced number of fields in the export declaration (57→33 fields)
- Introduced the function for batch registration of the simplified export declarations in the KCS clearance portal in order to expedite the completion of export declarations for small amount and multiple declarations
 - * (Before) Directly enter export declarations on the web site
 - → (Improvement) Convert the Excel file data into the form of export declarations in a batch
- Due to the nature e-commerce which has multiple non-fixed buyers, at the time of the export declaration the buyer's code which is required to be registered each time is omitted

□ E-commerce Export Declaration Platform

Platform for E-Commerce Export Declaration: Automatically convert details of orders and sales on online shopping malls into export declarations



□ Express Cargo Logistics Center

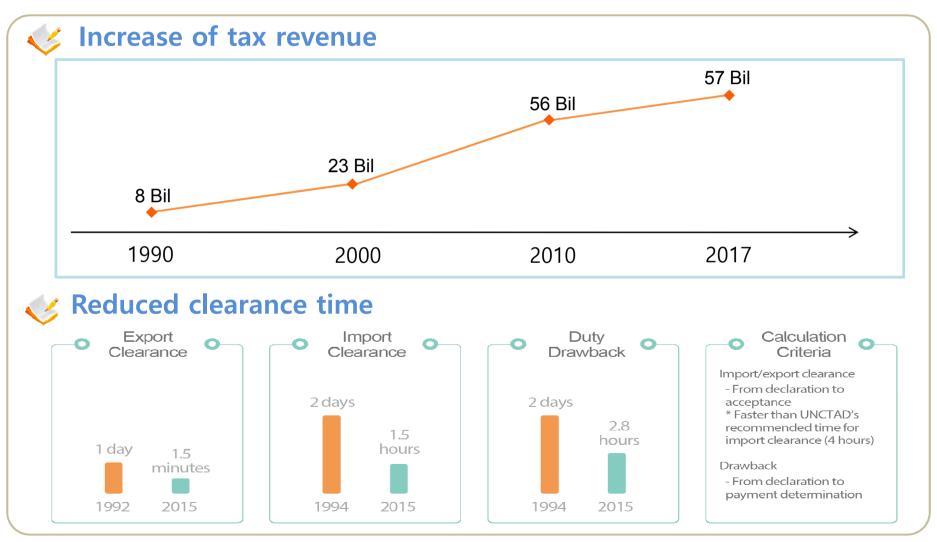
Key facilities of the Express Cargo Clearance Center



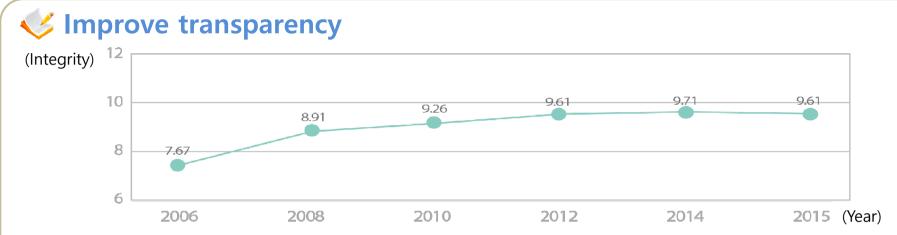




□ Increase of tax revenue & Reduced clearance time



Improve transparency & Cut logistics cost



Results of survey on improvements on integrity in administrative services in the Customs by Hyundai Research Institute(2006-2015)

Cut logistics cost

Details In year 2006	Logistics	Cargo Storage	Reducing Expenses in personnel	Inducing production	Infrastructure	Total
Benefits (Savings)	1,100	750	657	750	281	3,538

Final report on accomplishment measurement of customs modernization by National Computerization Agency(September 15 of 2006)

☐ Global Recognitions





Doing Business 2010

Recognized the UNI-PASS single window system as Best Practice.

Doing Business 2011

Recognized the UNI-PASS cargo management system as Best Practice.

Doing Business 2012

Introduces UNI-PASS as a 100% electronic clearance system reducing exports from 11 days to 8 days and imports from 10 days to 8 days.

•Reform by Numbers 2012

Published the "Measuring the Effects of the Republic of Korea's Single Window System" as Best Practice.

Trading Across Borders

5 years ranked 1 in trading across borders among largest nations (Overall ranked 3rd)





•WCO News 2011

Published an article about the cargo management system of UNI-PASS resulting in 2.7 billion USD in economic effect.

•WCO Customs Risk Management Compendium Volume 1 2011

Published the Integrated Risk Management System of UNI-PASS as best practice.

•WCO Single Window Compendium 2017

Introduced The Republic of Korea's Single Window System as Best Practice





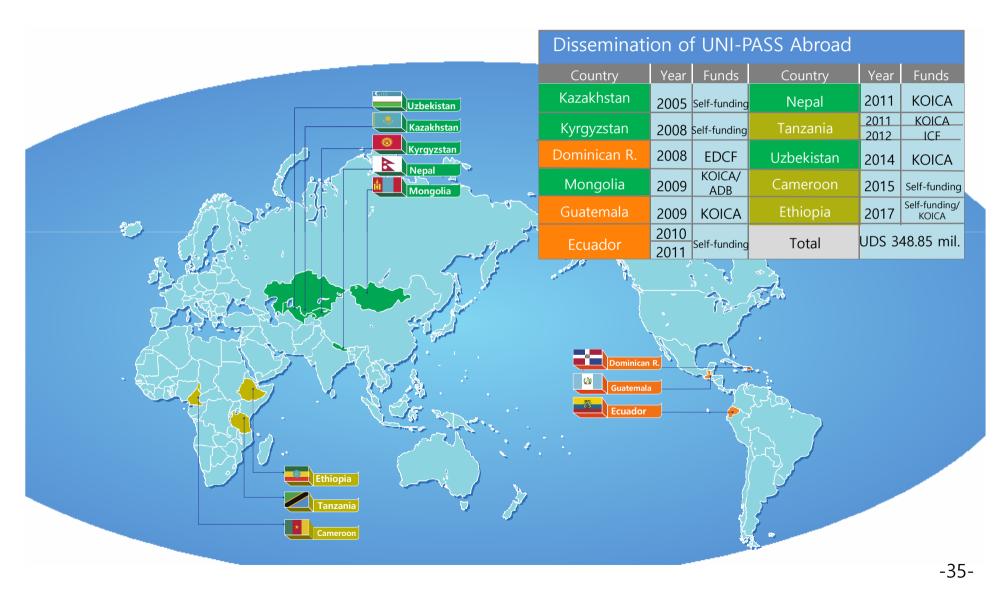
• The WTO Doha Development Agenda reflected practices of the Korean Single Window of the UNI-PASS system into the Agreement on December 7, 2013.

VI. Experience Sharing and Dissemination



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□ Countries with UNI-PASS around the World



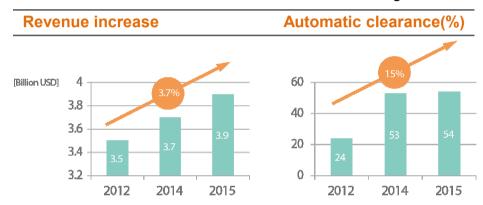
VI. Experience Sharing and Dissemination

■ Benefits after UNI-PASS implementation



The e-Customs system (ECUAPASS) won WCO Innovation Award.

Won WCO Innovation Award at the WCO IT forum in Argentina, 15 Nov 2013

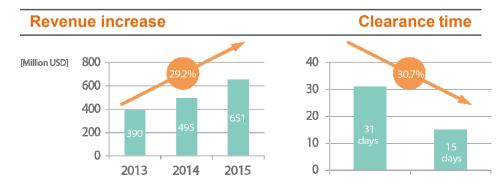






Self-evaluation after implementation of the e-Customs system (TANCIS)

Increased user friendliness due to revenue increase and reduced clearance time, since the implementation of the system in December 2013





THANK YOU

More Information

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