



Development of China Customs Administration for Inward and Outward Goods

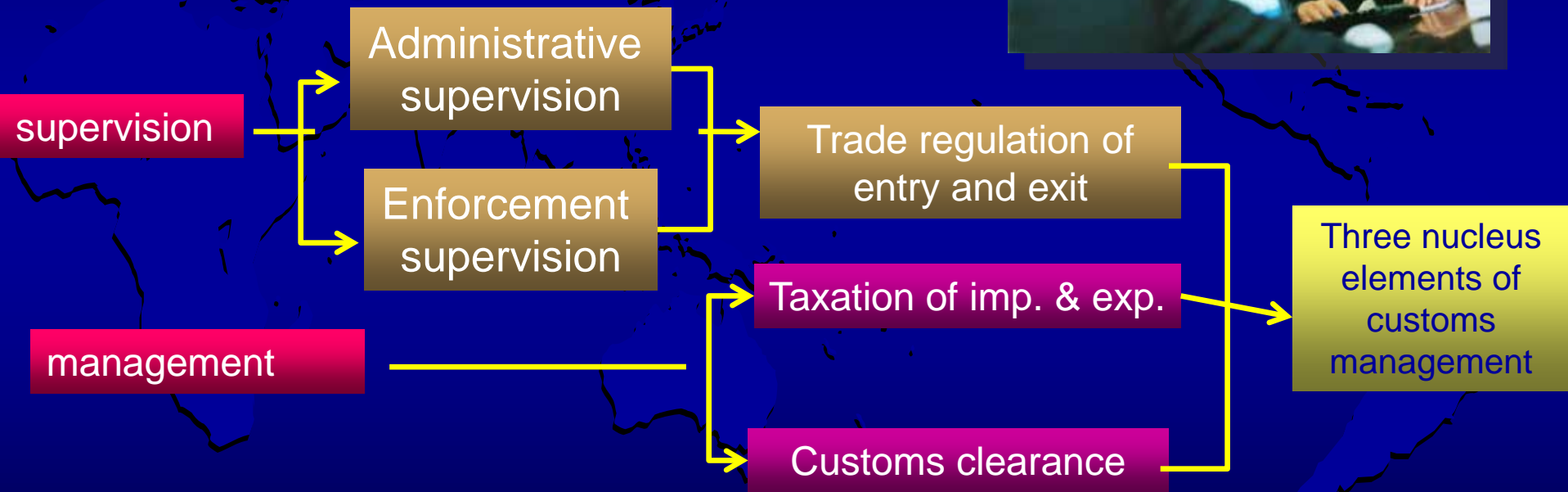


I. Evolution of Customs Administration



(I) Nucleus of Customs administration

—supervision and management of movements across the border





(II) Functions of Customs administratio

1. Basic functions

- economic adjustment and fiscal source
- IPR protection
- control over trade across the border
- safety and environmental protection
- maintaining the order of customs clearance

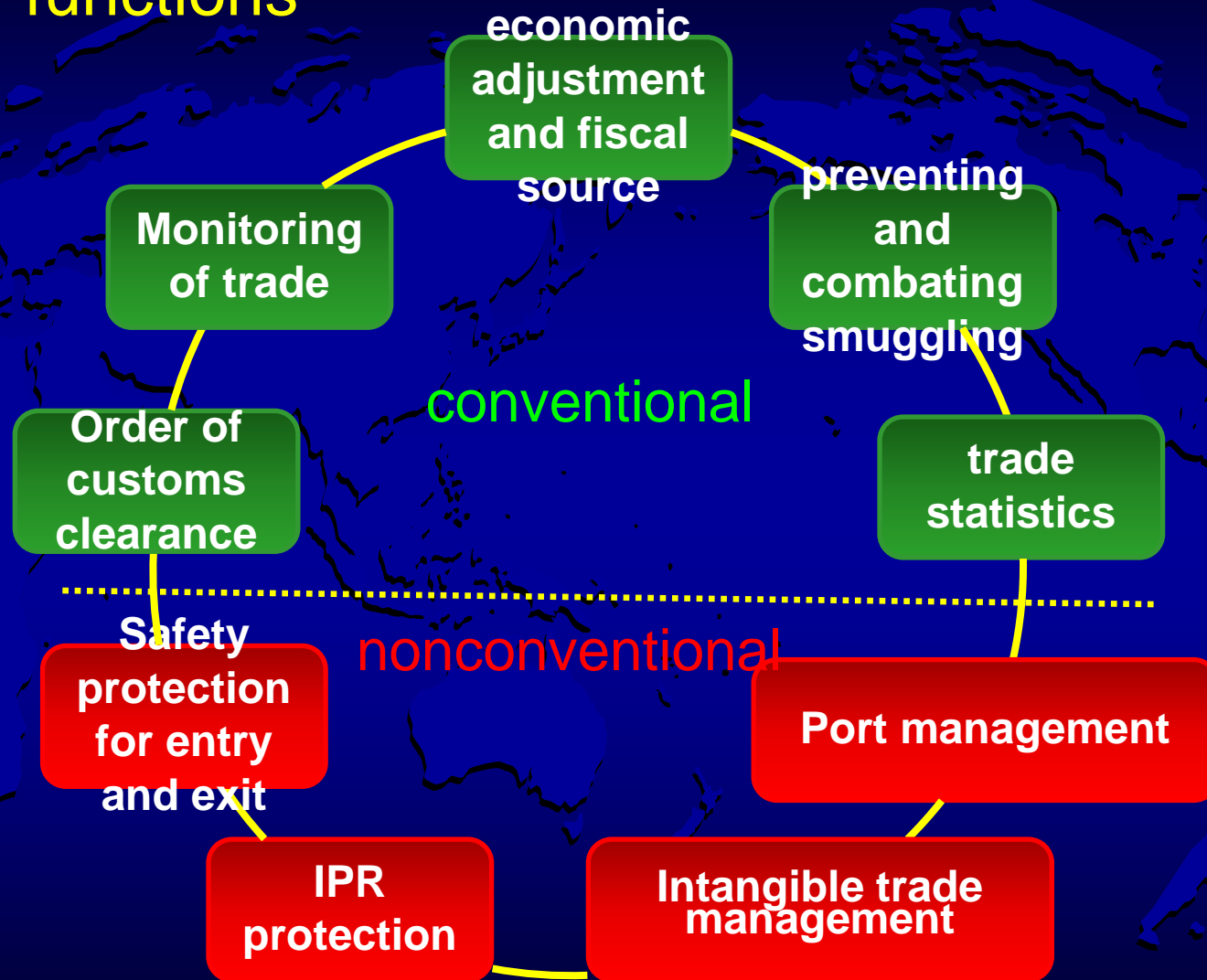


2. Derivative functions

- preventing and combating smuggling
- trade statistics and monitoring and alerting



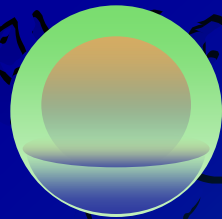
(III) Conventional and nonconventional functions



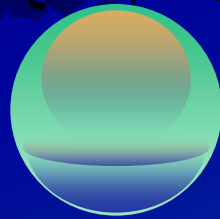


(IV)

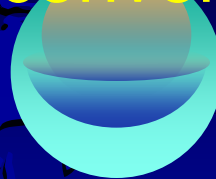
Challenges of nonconventional functions



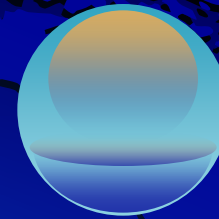
Anti-terrorism
& social stability



Environmental
protection



Service trade



IPR protection



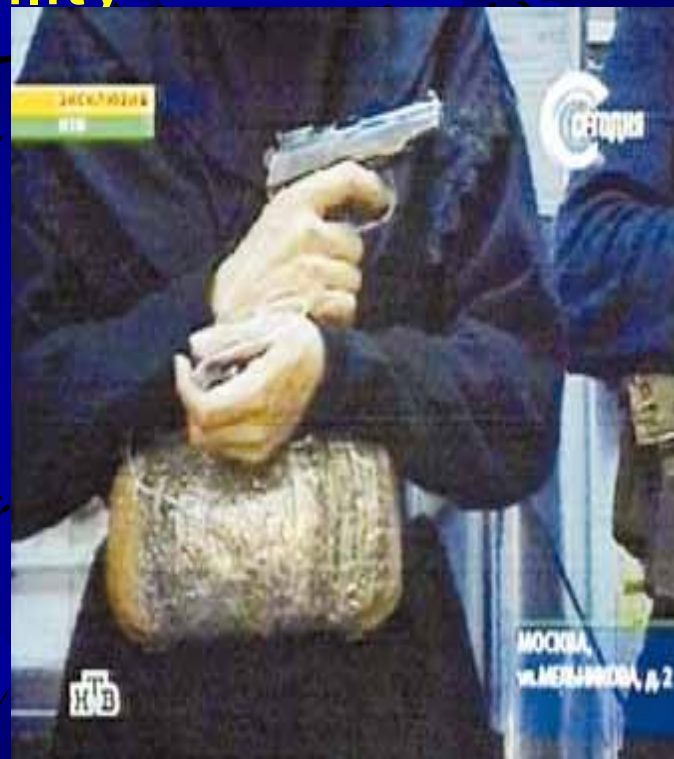
Endangered
species



Nonconventional
functions



1、 anti-terrorism and social stability





Background of Anti-Terrorism

Terrorism, complex international political and economic situation

International cooperation, trade facilitation and social security

Anti-smuggling of nuclear, biochemical, explosive and other dangerous articles

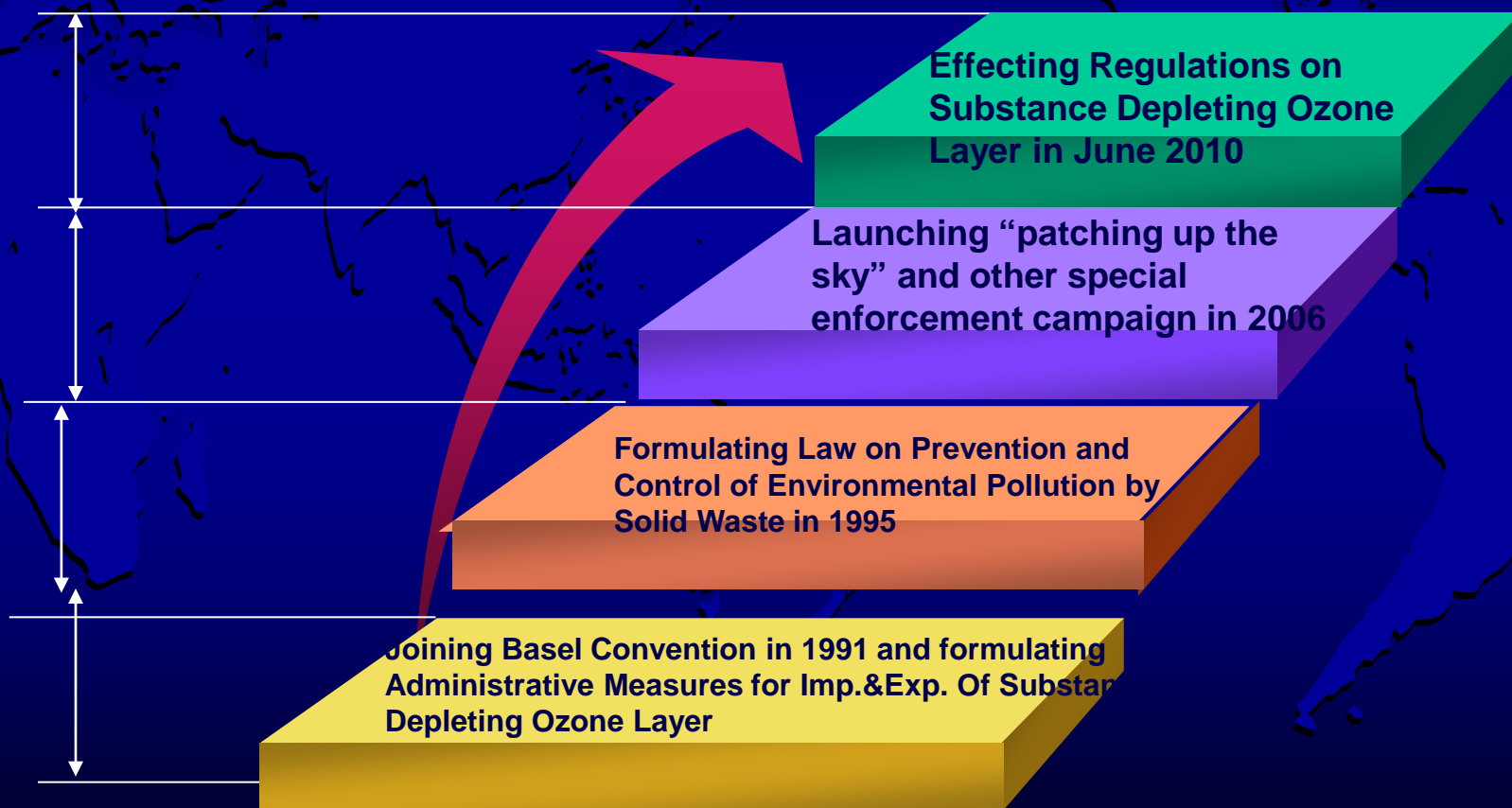
Interweaving of conventional and nonconventional security problems and increasing pressure on border customs

International cooperation in prevention of nuclear proliferation and weapon embargos



2、 environmental protection

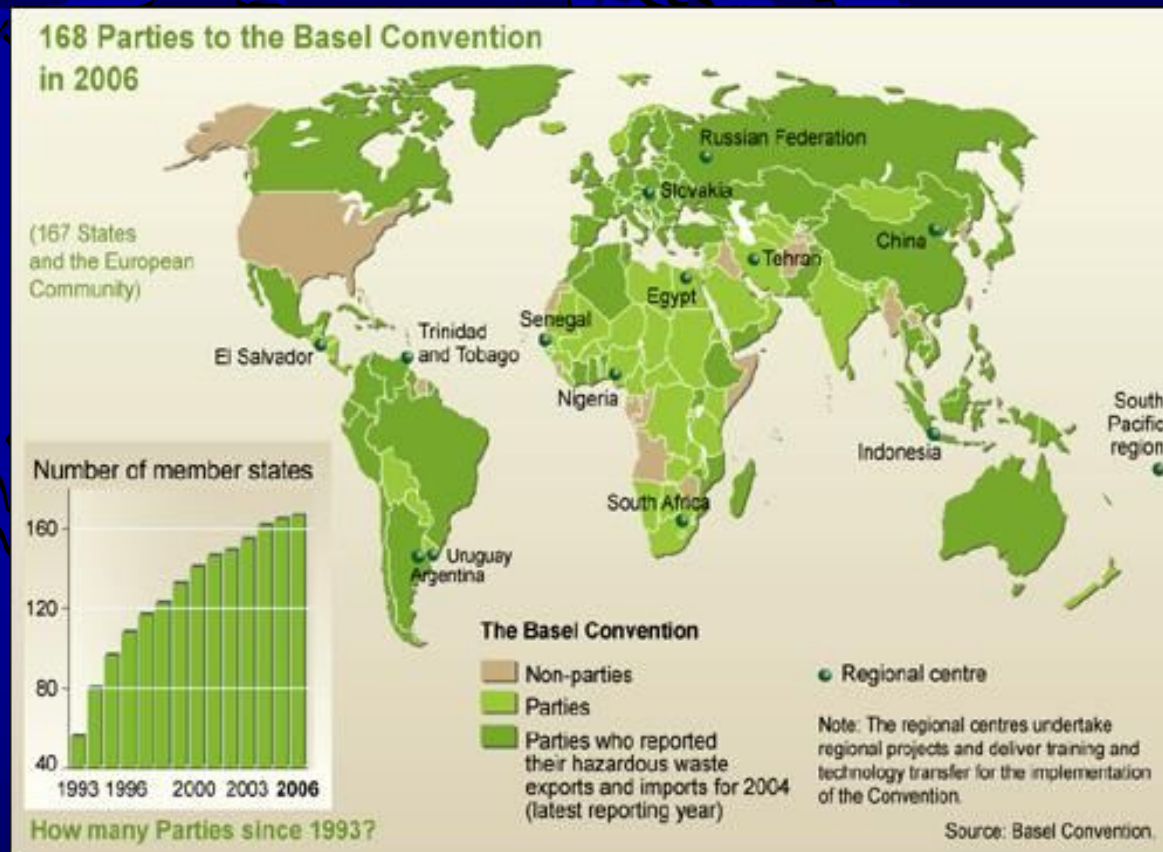
(1) progress of legislation in environmental protection





(2) Control over hazardous waste

Joining the **Basel Convention** on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal in 1991



Basel Convention is a basic international instrument for controlling the illegal spread of hazardous wastes.



(3) Control over ODS

Convention : Montreal Protocol on Substances that Deplete the Ozone Layer

Method : quota permit for import and export

Purpose : efficient control of the production, consumption and ultimate elimination of ODS

competent authorities : Ministry of Commerce and National Bureau of Environmental Protection





(4) Anti-Carbon-Tariff

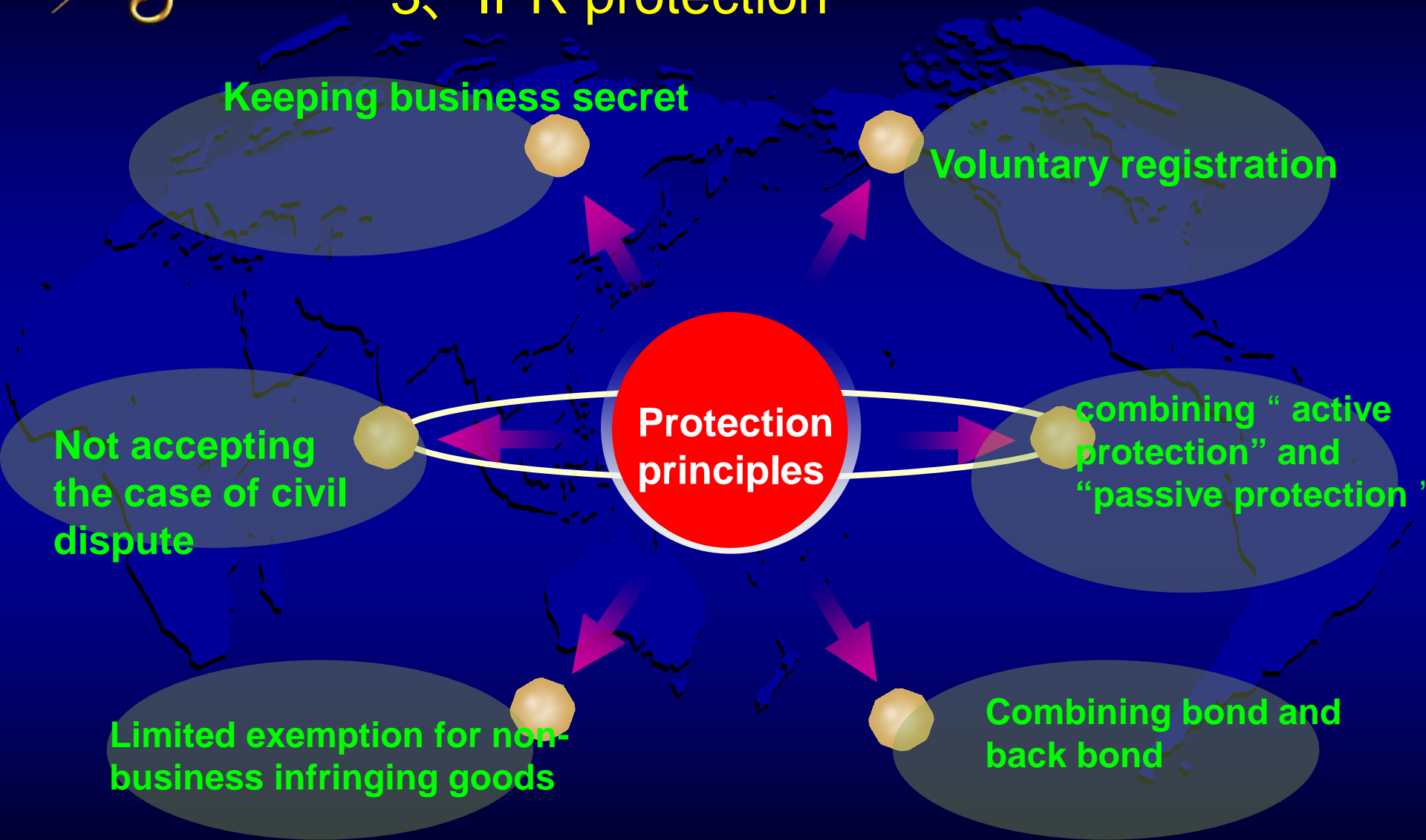


Ads of anti-carbon-tariff

Alert to the rise of new trade protection while advocating environmental protection and low carbon economy



3、 IPR protection

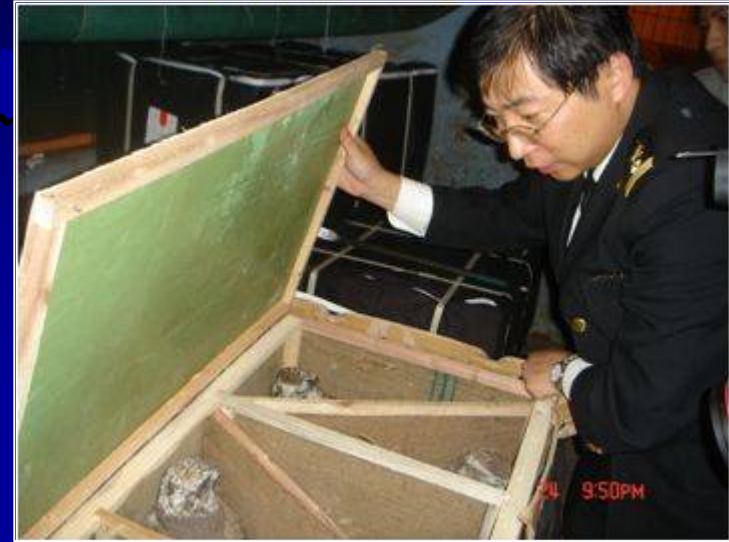




4、 protection of endangered species



seizing the trafficking of
falcons in Pudong Airport
in 2008





5、 Service trade

2005

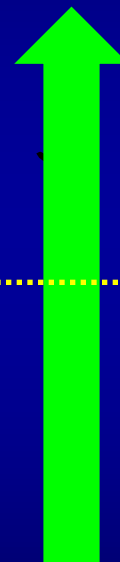
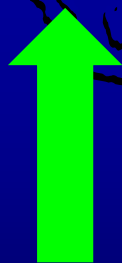
Total imp. & exp.
volume: USD
157.1 billion

Ranking No. 8 of
the exp. in the
world

2009

Total imp. & exp.
volume: USD
286.8 billion

Ranking No. 5 of
the exp. in the
world





(IV) measures for performing derivative functions

Customs

- 1 Strengthening awareness and exploring strategies, methods and courses of functional performance
- 2 Improving legal system and operational mechanism, as well as enforcement basis and procedure
- 3 Facilitating the establishment of the Integrated Supervision, monitoring the functional performance by risk management
- 4 Clarifying the scope of customs duties, building up efficient cooperation with other agencies
- 5 Improving institutional and personnel structure, technical application, training and financial support



(V) Realization of customs functions

1. conventional means :

clearance control, bonded goods control (including duty relief and exemption and temporary admission), statistics, anti-smuggling, collection of imp. And exp. duties and charges, trade regulation

2. nonconventional means (derivative) :

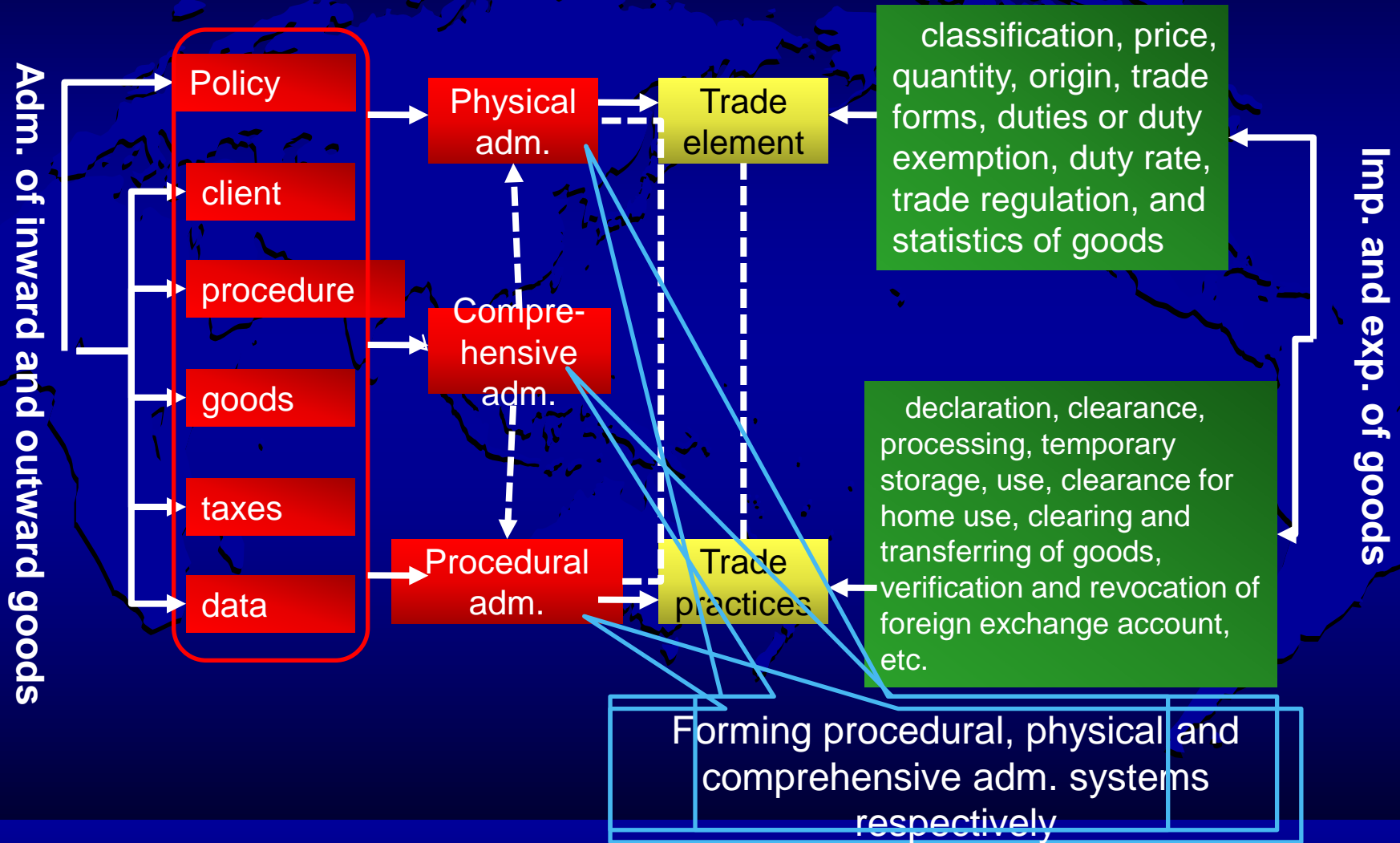
environmental protection, client management, customs auditing, special zone under customs supervision, service trade



II. System of Customs Administration

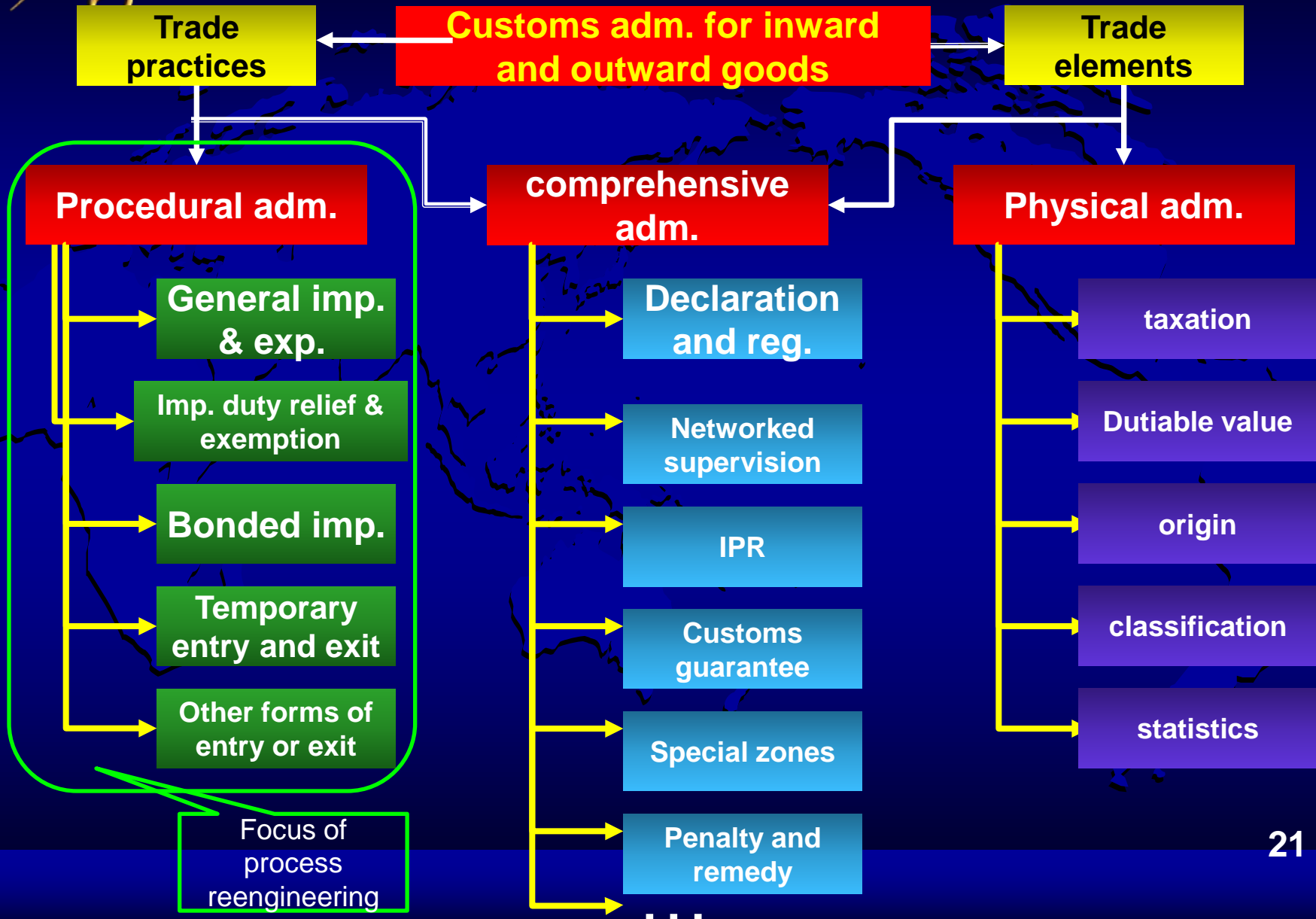


(I) sorting out the system of customs adm.



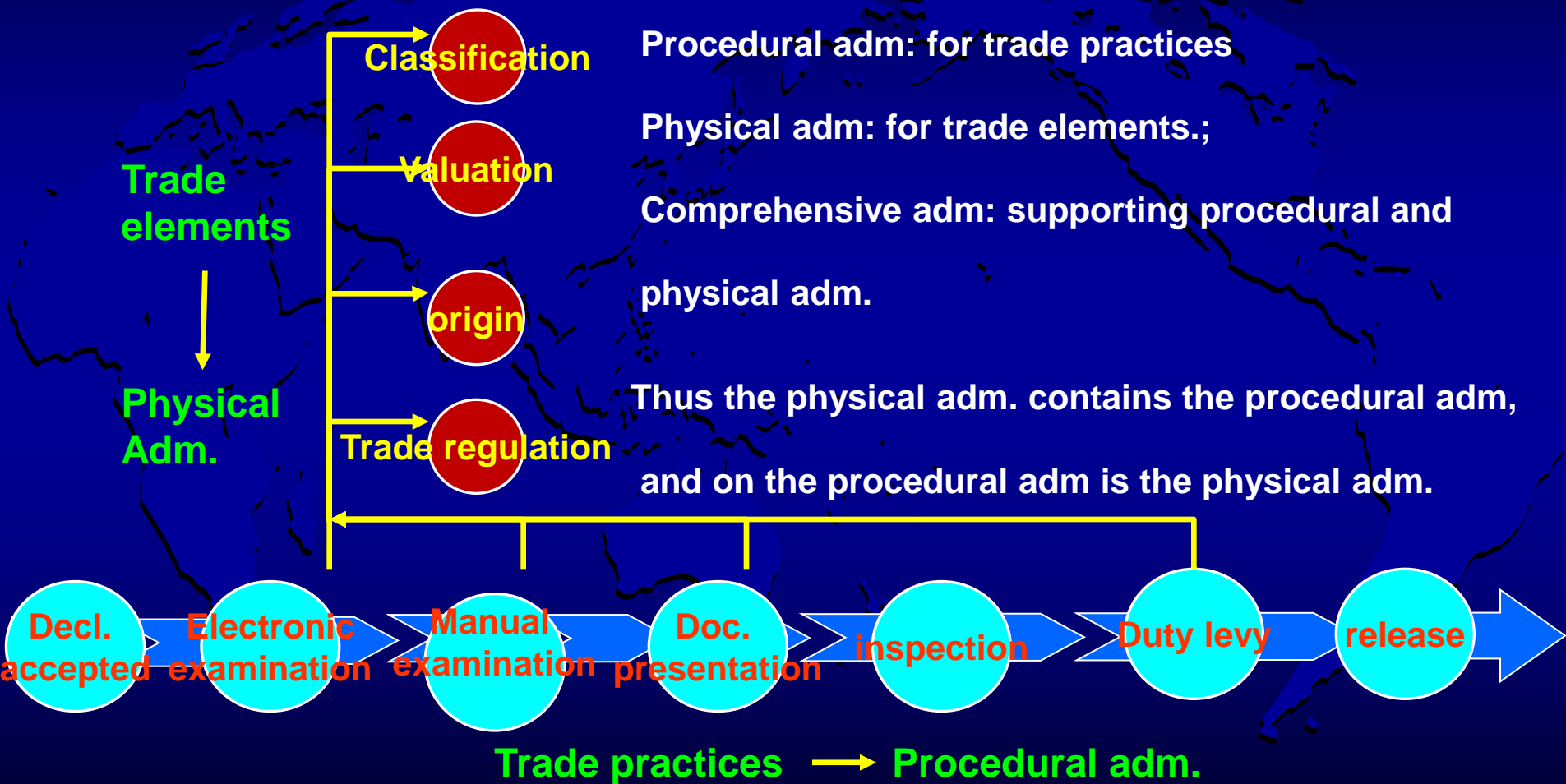


(II) structure of adm. systems



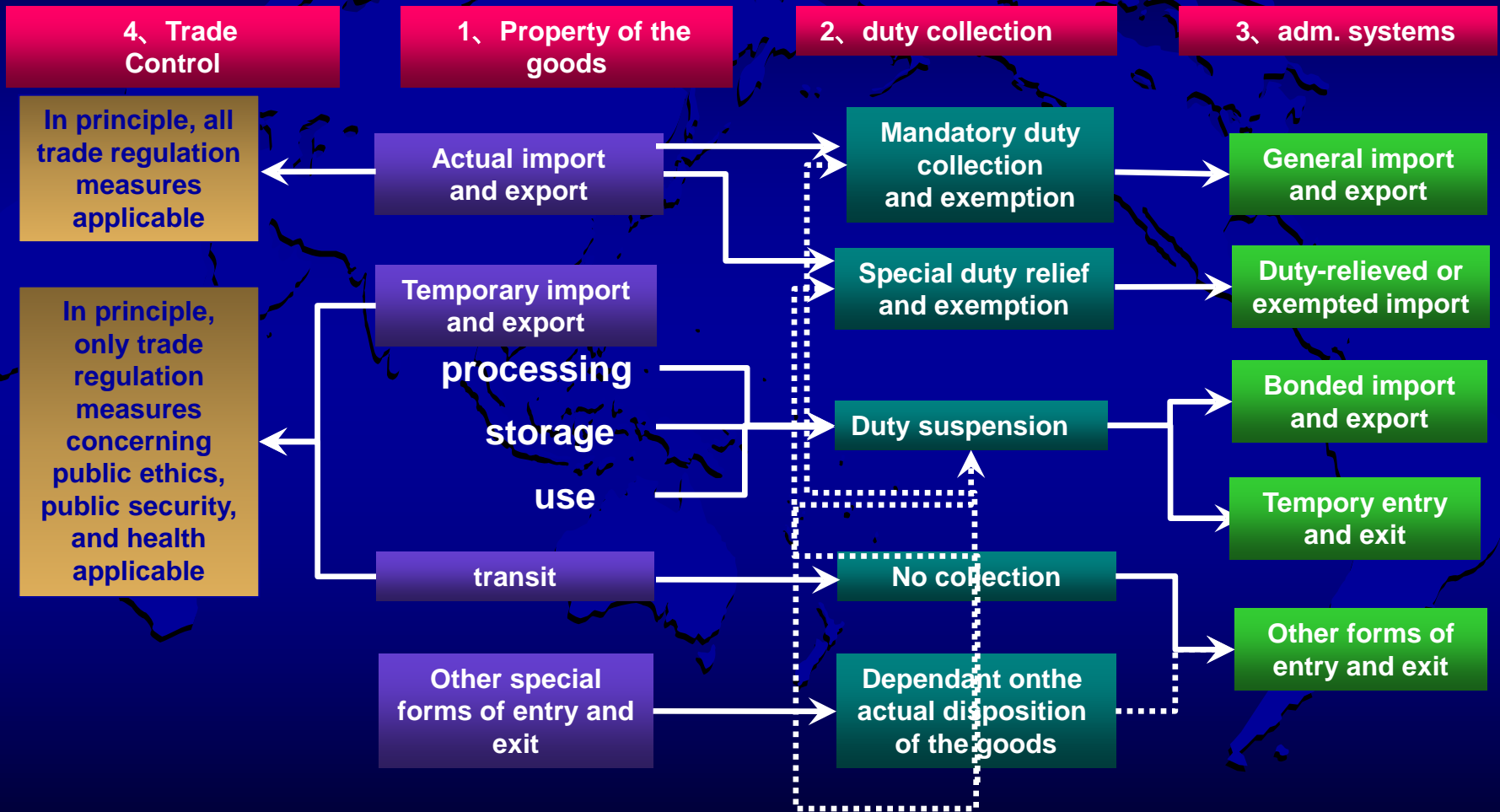


(III) relations between procedural and physical adm.



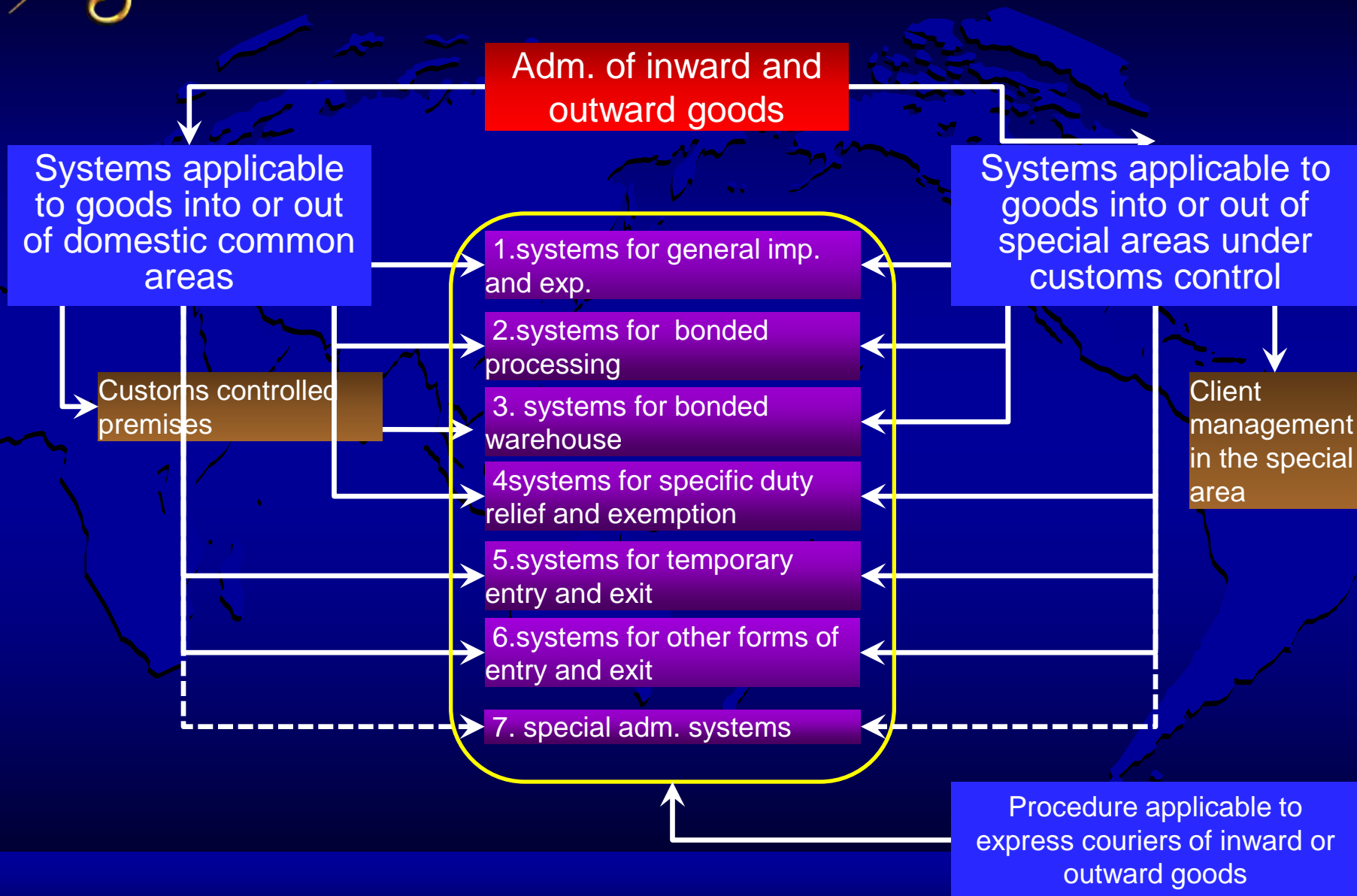


(IV) integration of procedural adm. systems





(V) application of procedural adm. systems

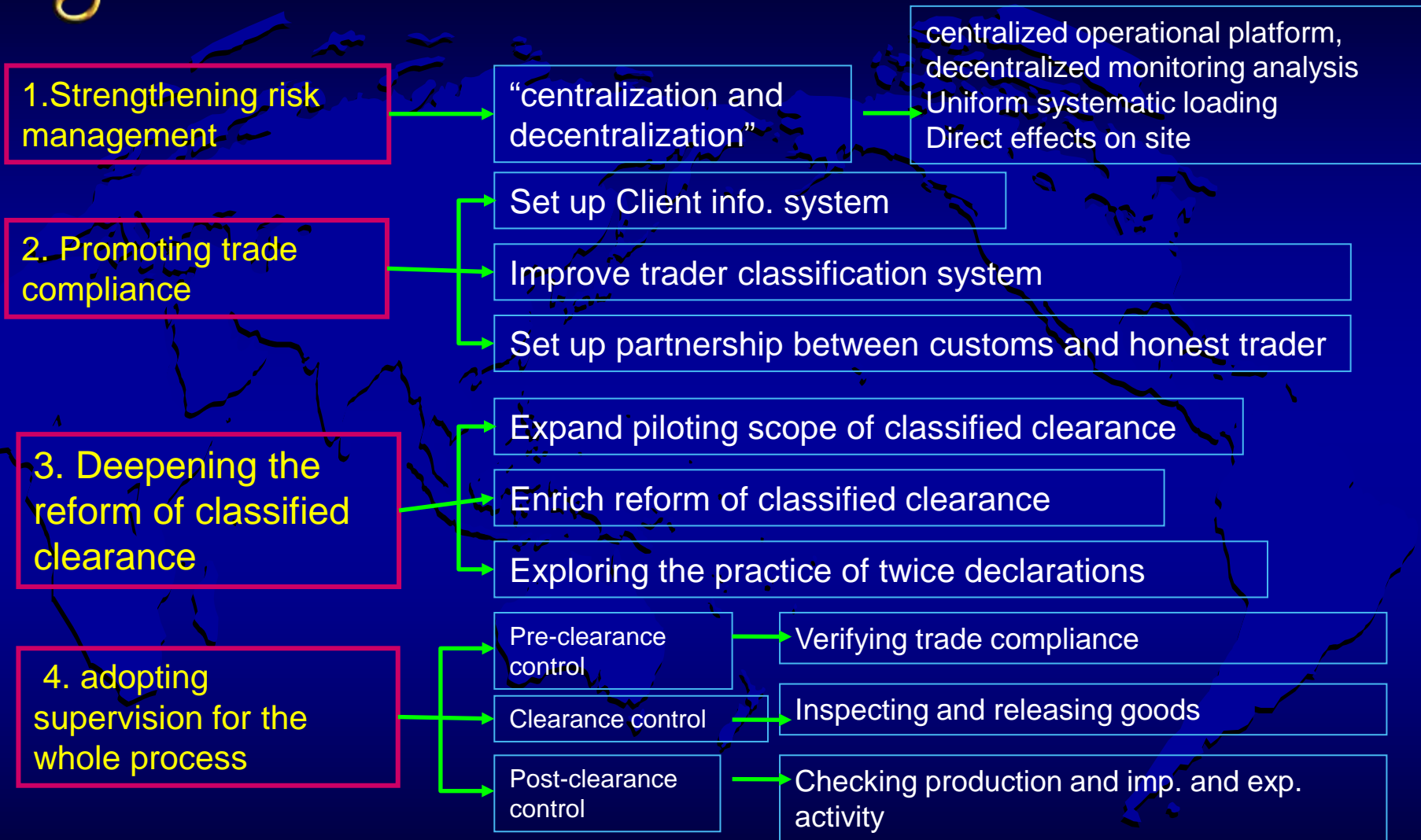




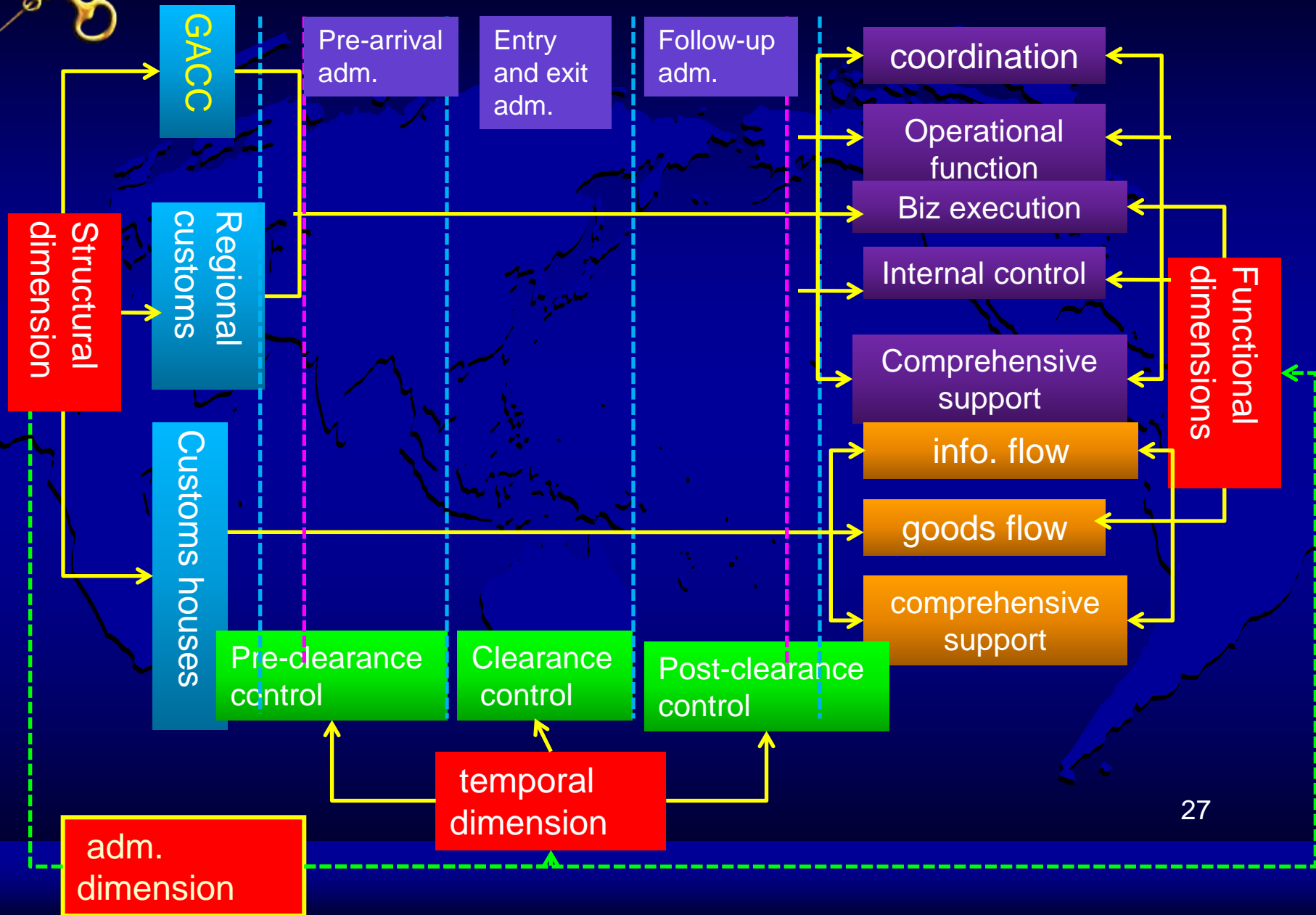
III. Innovation of Customs Adm. Paradigm



(I) measures for establishing integrated supervision

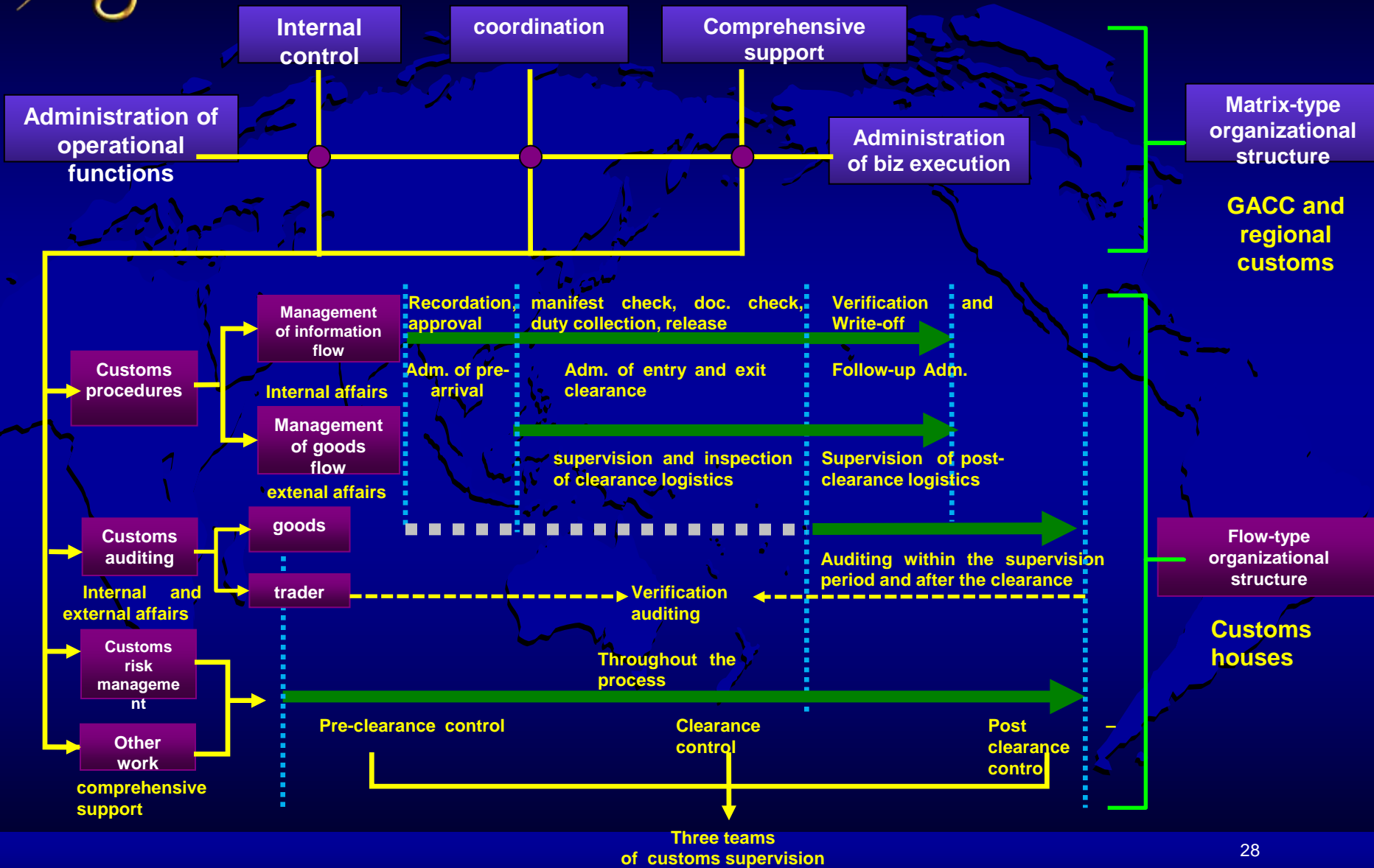


(II) Dimensions of integrated supervision



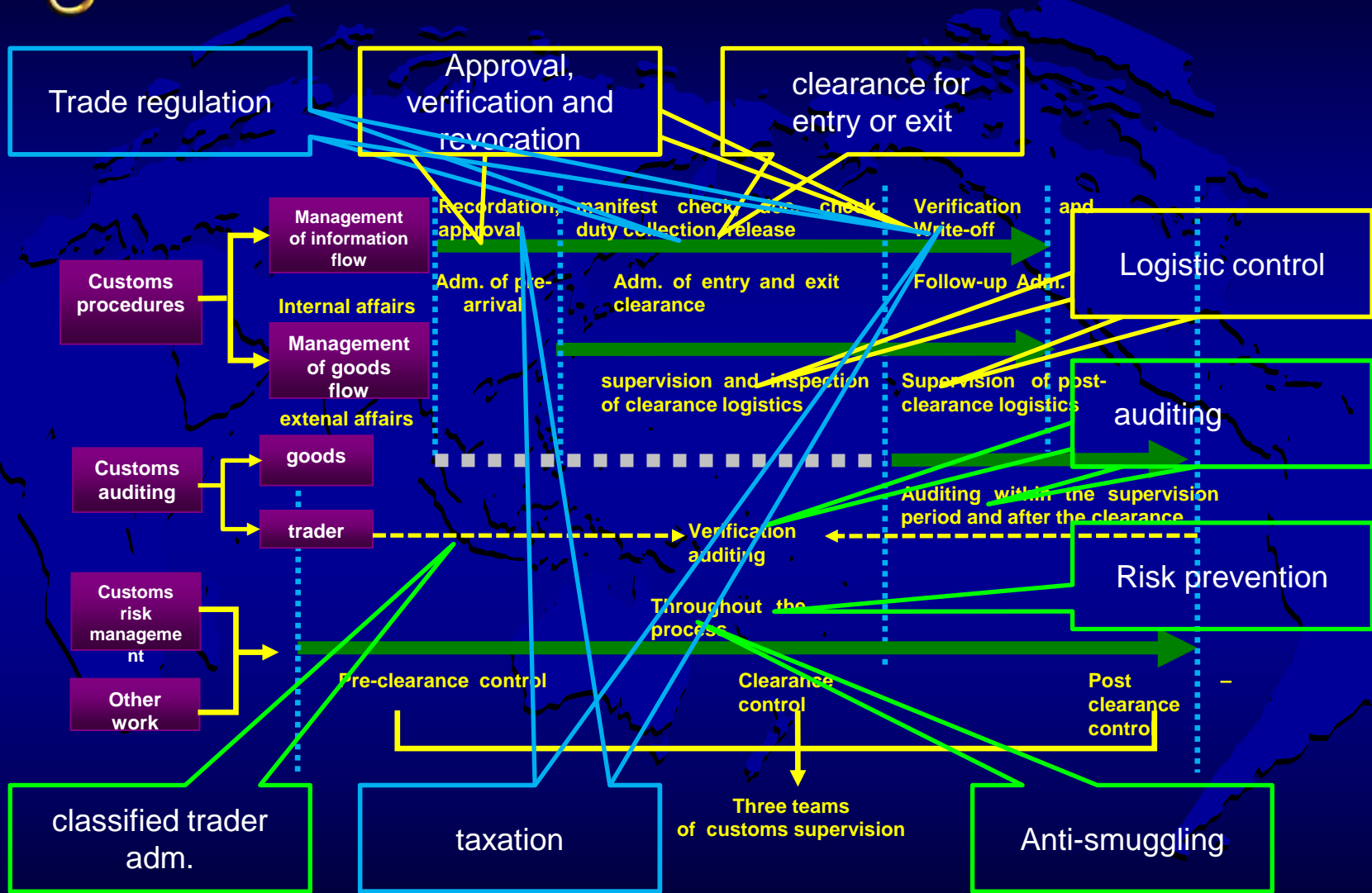


(III). Organizational structure of integrated supervision





(IV). Customs procedure under integrated supervision





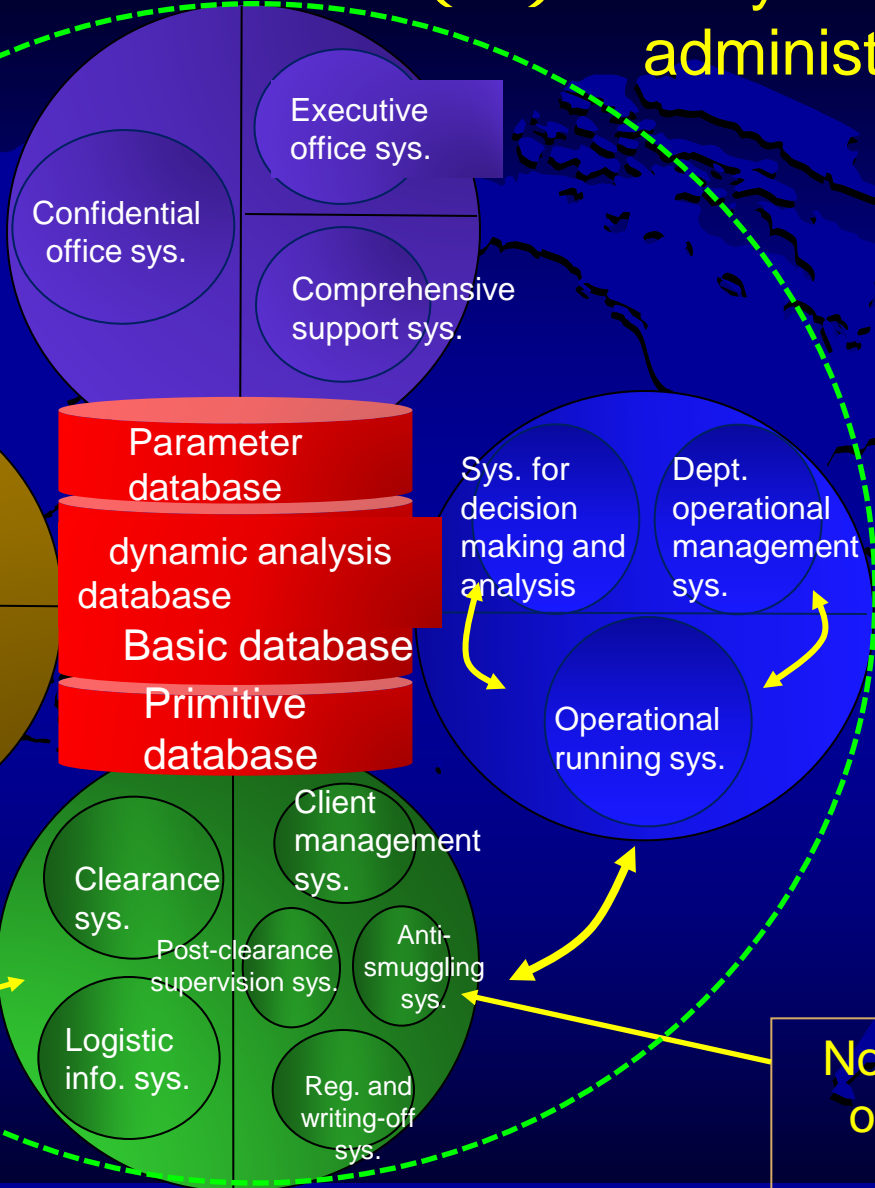
Administrative office system

(V) Info. systems of custom administration

H2010 system

Public information interchange platform

comprehensive administrative platform



Real-time operational system

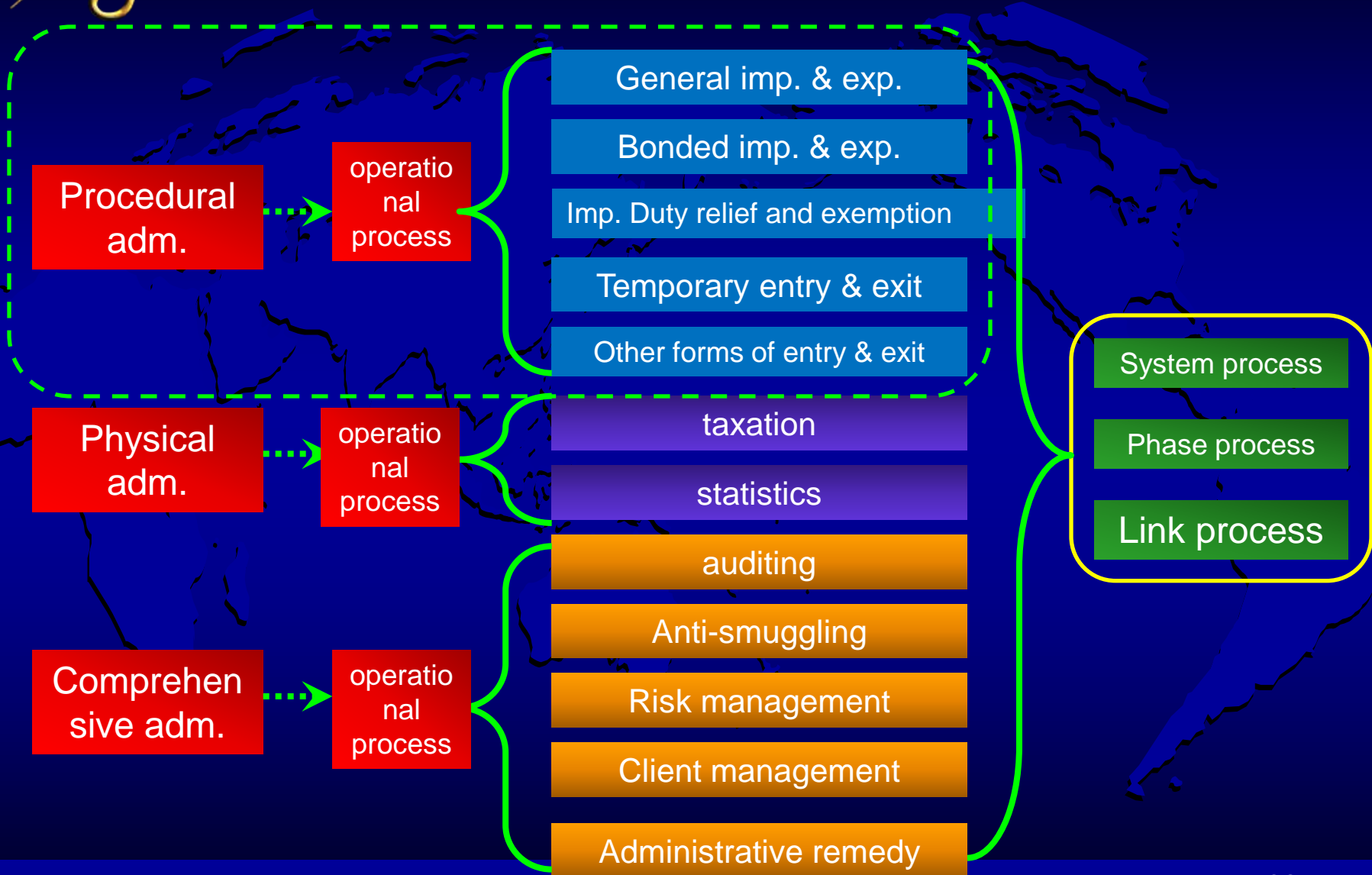
Non-real-time operational system

Operational system



IV. Procedure Reengineering of Customs Adm.

(I) Conventional Customs Procedure





procedural adm.

Declaration procedure

Customs procedure

Pre-arrival
(procedure before entry or exit)

Recordation and registration
(paper or electronic)

processing recordation and registration
(paper or electronic)

Import or export
(actual procedure before entry or exit)

Declaration for materials to be imported

Processing clearance of bonded materials

Cooperating in customs inspection during processing

Inspection during processing

Post clearance
(follow-up procedure after entry or exit)

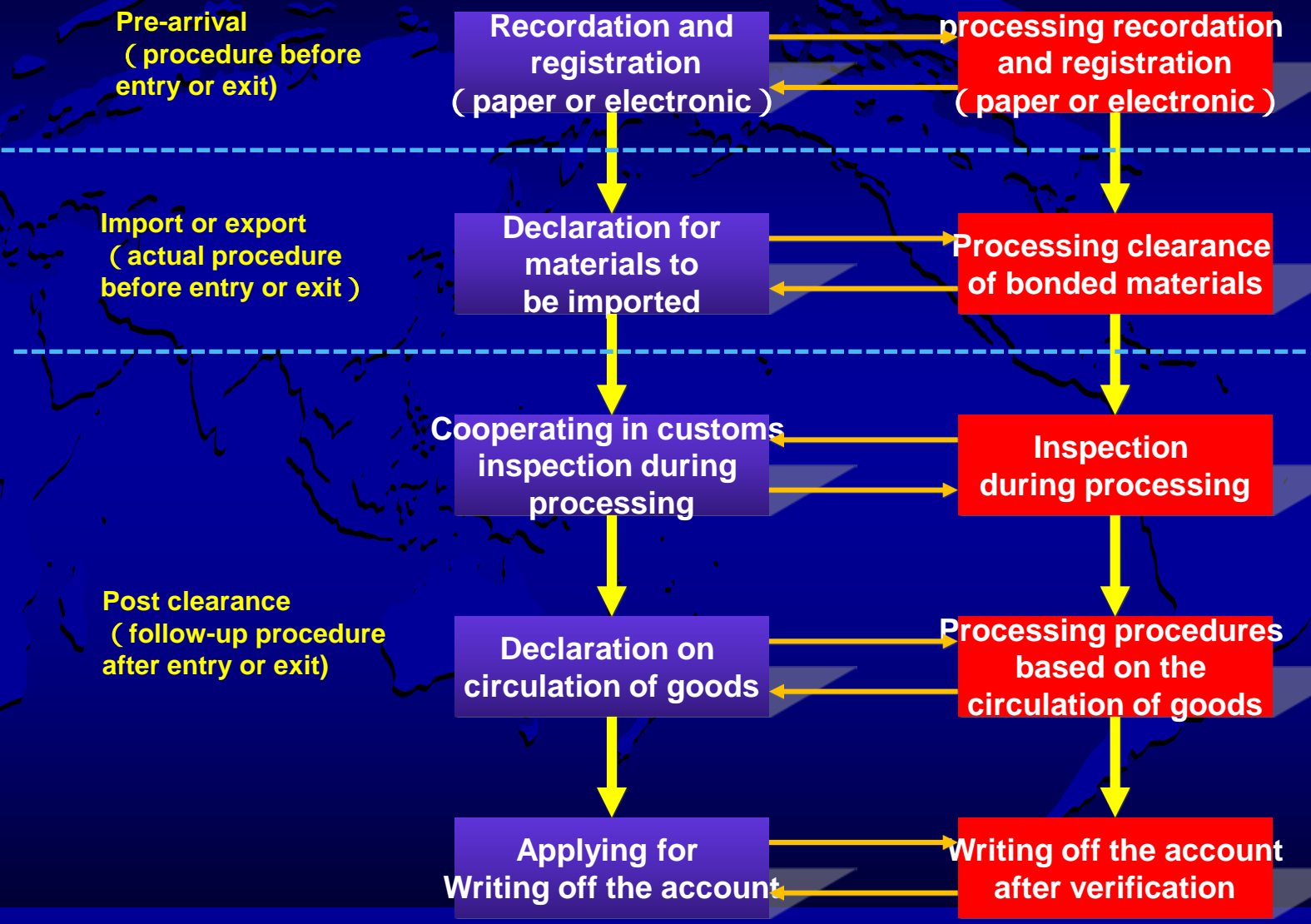
Declaration on circulation of goods

Processing procedures based on the circulation of goods

Applying for Writing off the account

Writing off the account after verification

Example 1: customs procedure for bonded processing

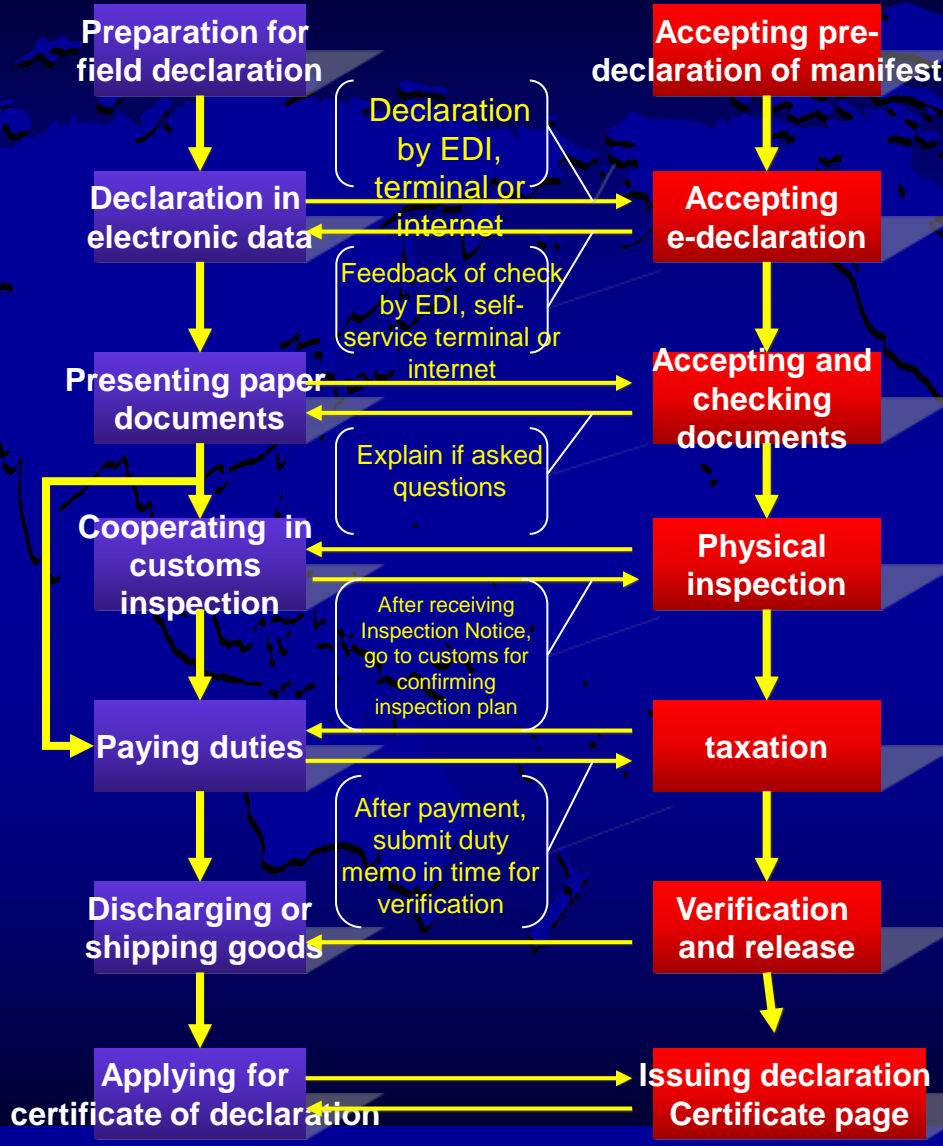


Declaration procedure

Customs procedure



Example 2: procedure of Customs clearance



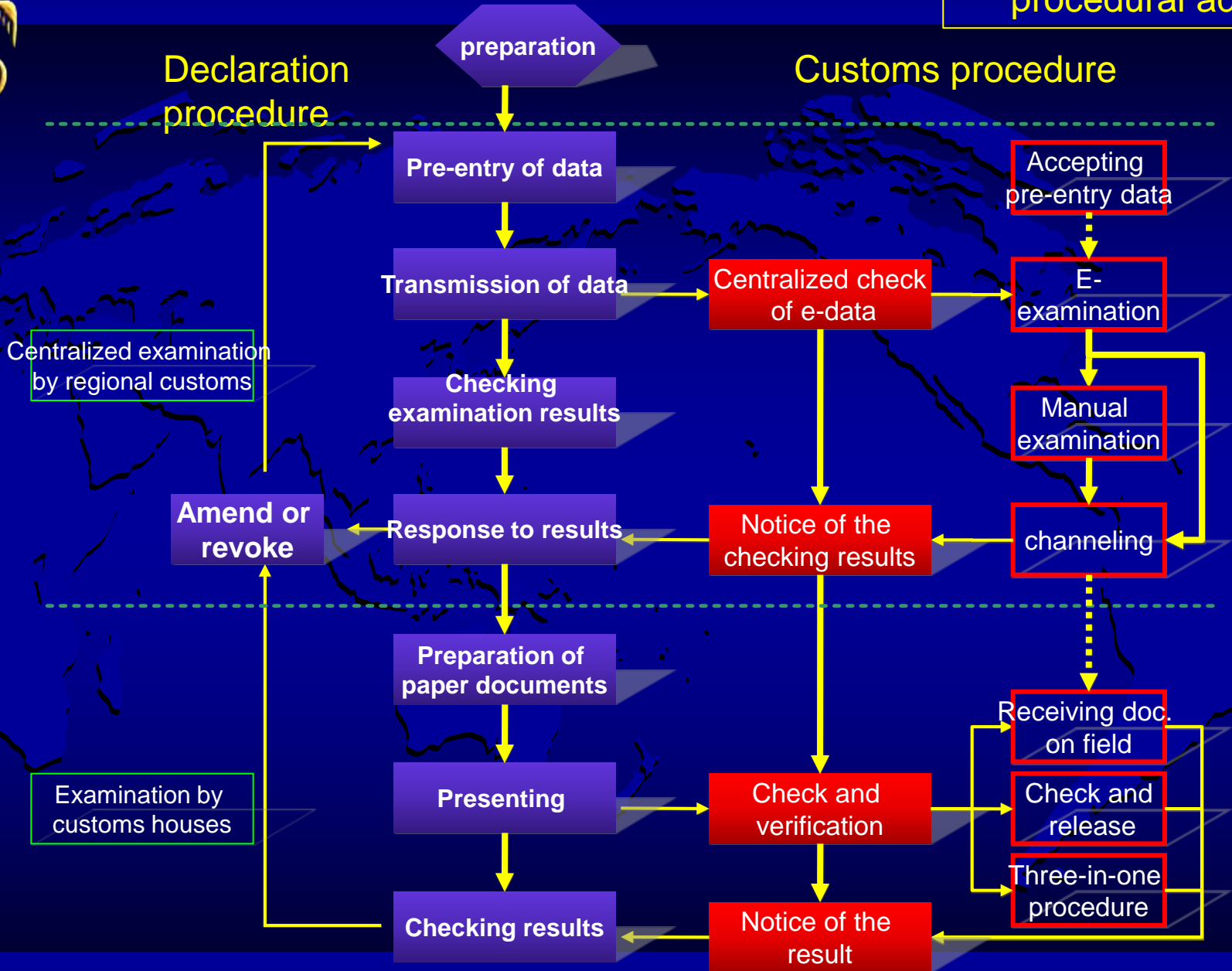


procedural adm.

Declaration procedure

Customs procedure

Example 3: Procedure of Document examination





(II) procedure reengineering of classified clearance

Classified clearance

Risk identification

- n Proper trader classification
- n Centralized management and dynamic maintenance of risk parameters
- n Pre-arrival Risk analysis of manifest

risk identifying

Risk analysis system

classified processing

Release against guarantee/paperless declaration:

Low

risk

Facilitated release :

Facilitated doc. examination :

High risk

Examination focus



Declaration procedure

Customs procedure

Classified clearance

(1): clearance for low-risk shipment

E-declaration

E-check

Checking the customs advice of presenting doc.

Manual check

Submission of paper doc.

Doc. examination /taxation

Cooperation in inspection

inspection

Check customs advice of release

Release against guarantee (import clearance)

Release or deliver goods

Receiving release advice

Delivering or loading goods

Applying for certificate page of imp. & exp.

Exp. Clearance Issuing imp. Certificate page

Providing exp. clean manifest

Submit or deposit paper doc.

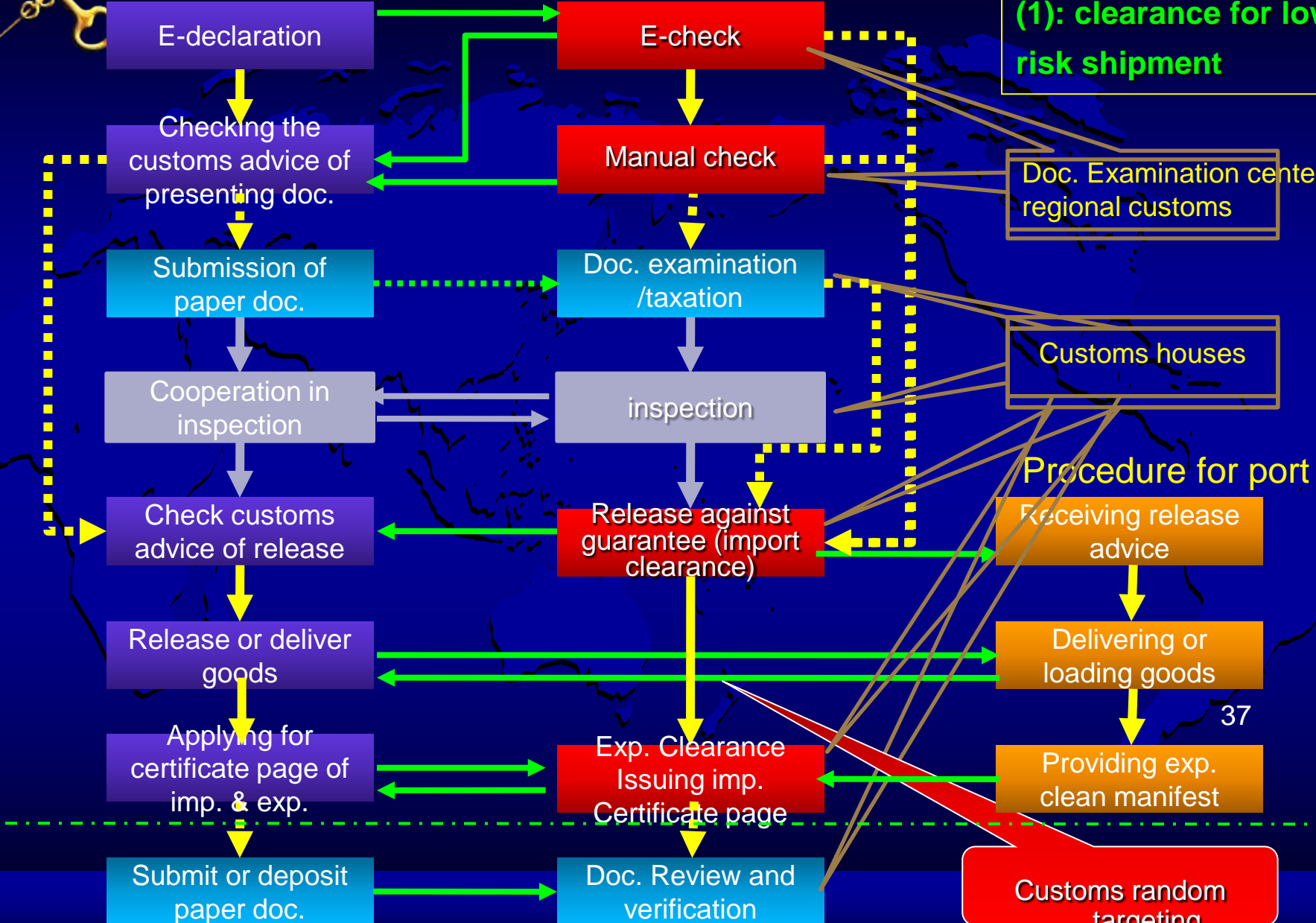
Doc. Review and verification

Customs random targeting

Doc. Examination center of regional customs

Customs houses

Procedure for port



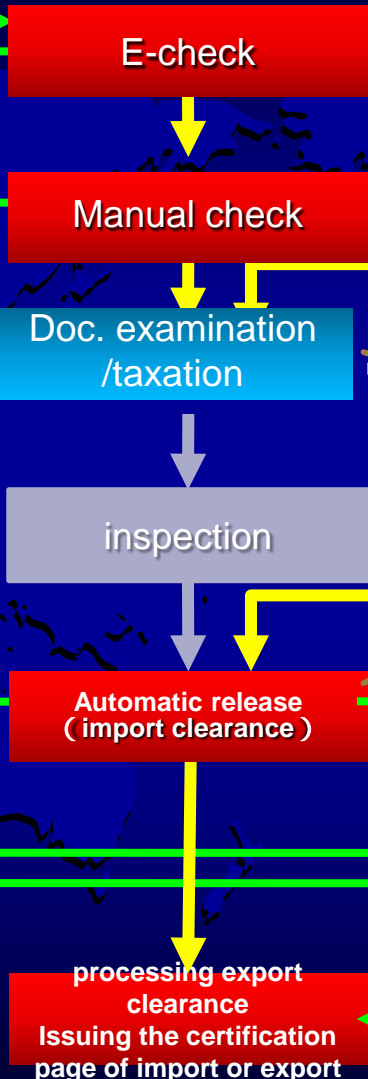
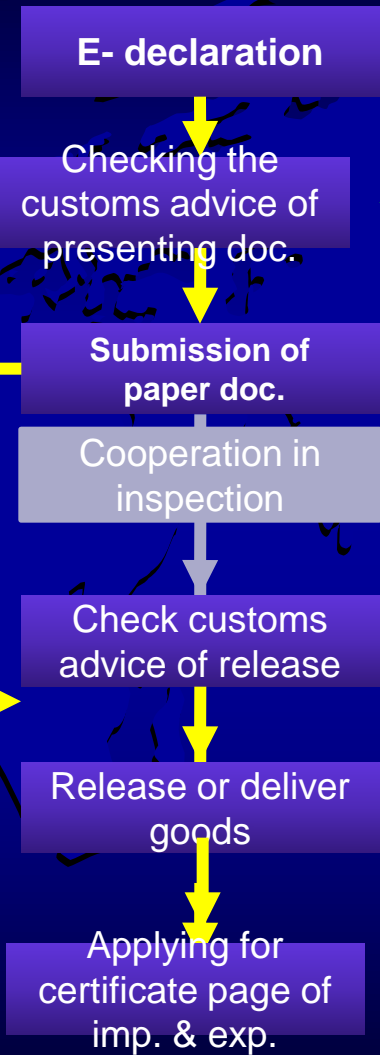


Classified clearance

(2) document procedure for low-risk shipment

Declaration Procedure

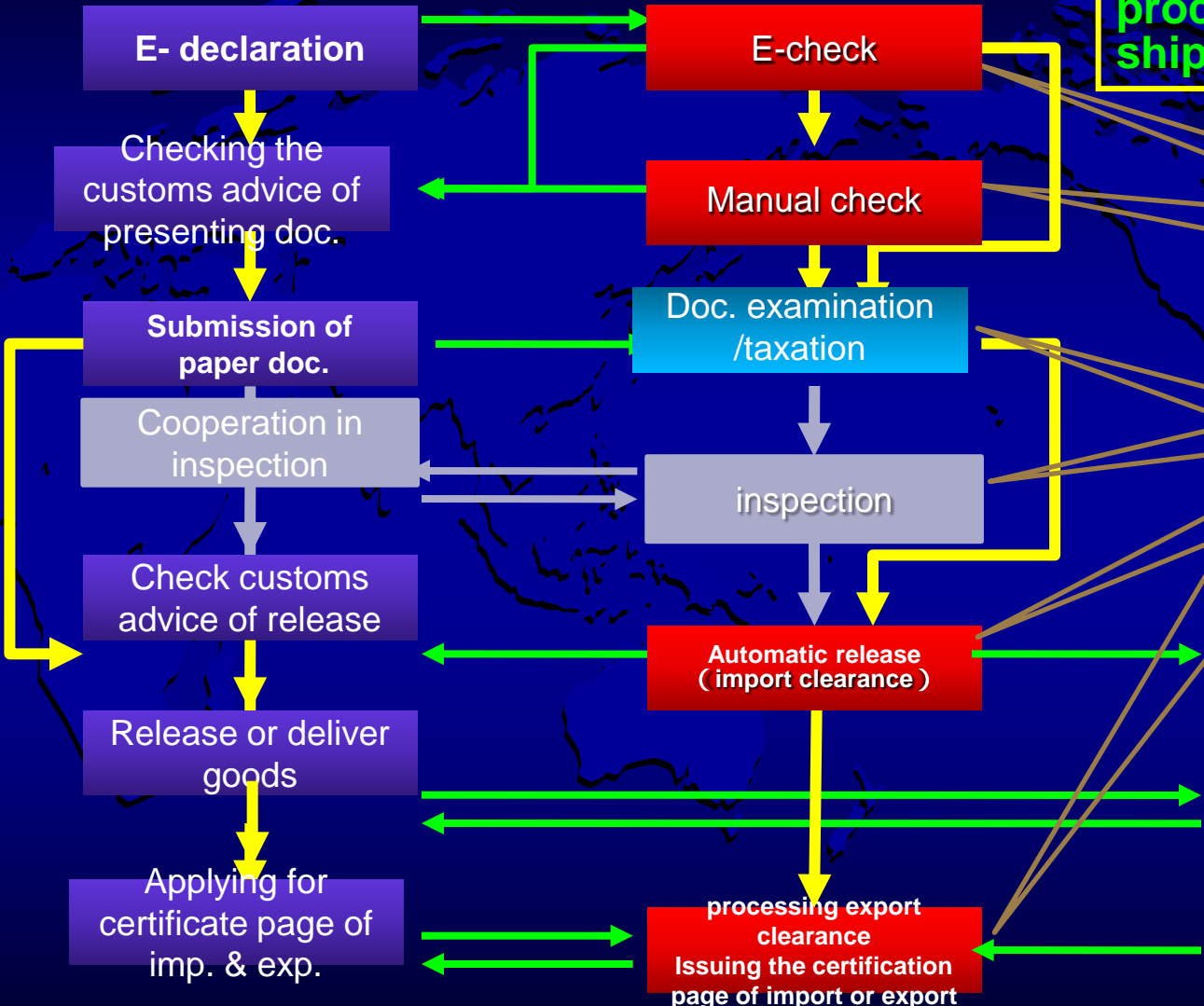
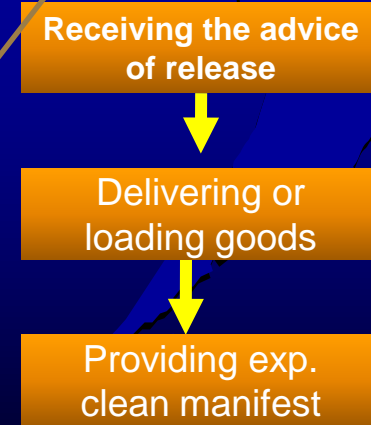
Customs procedure



Doc. Examination centers of regional customs

customs houses

Procedure for the port



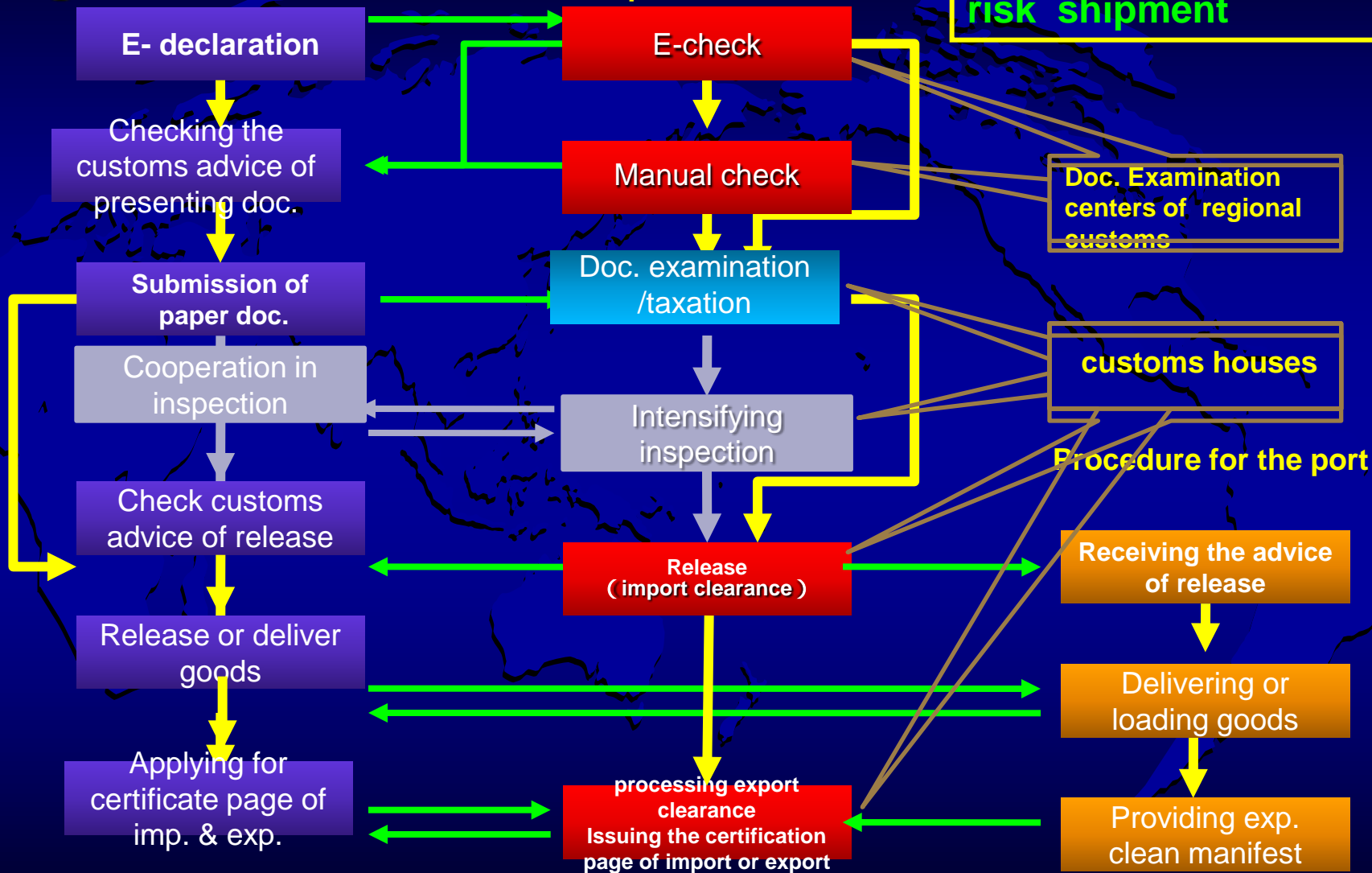


Classified clearance

(3) clearance for high-risk shipment

Declaration Procedure

Customs procedure

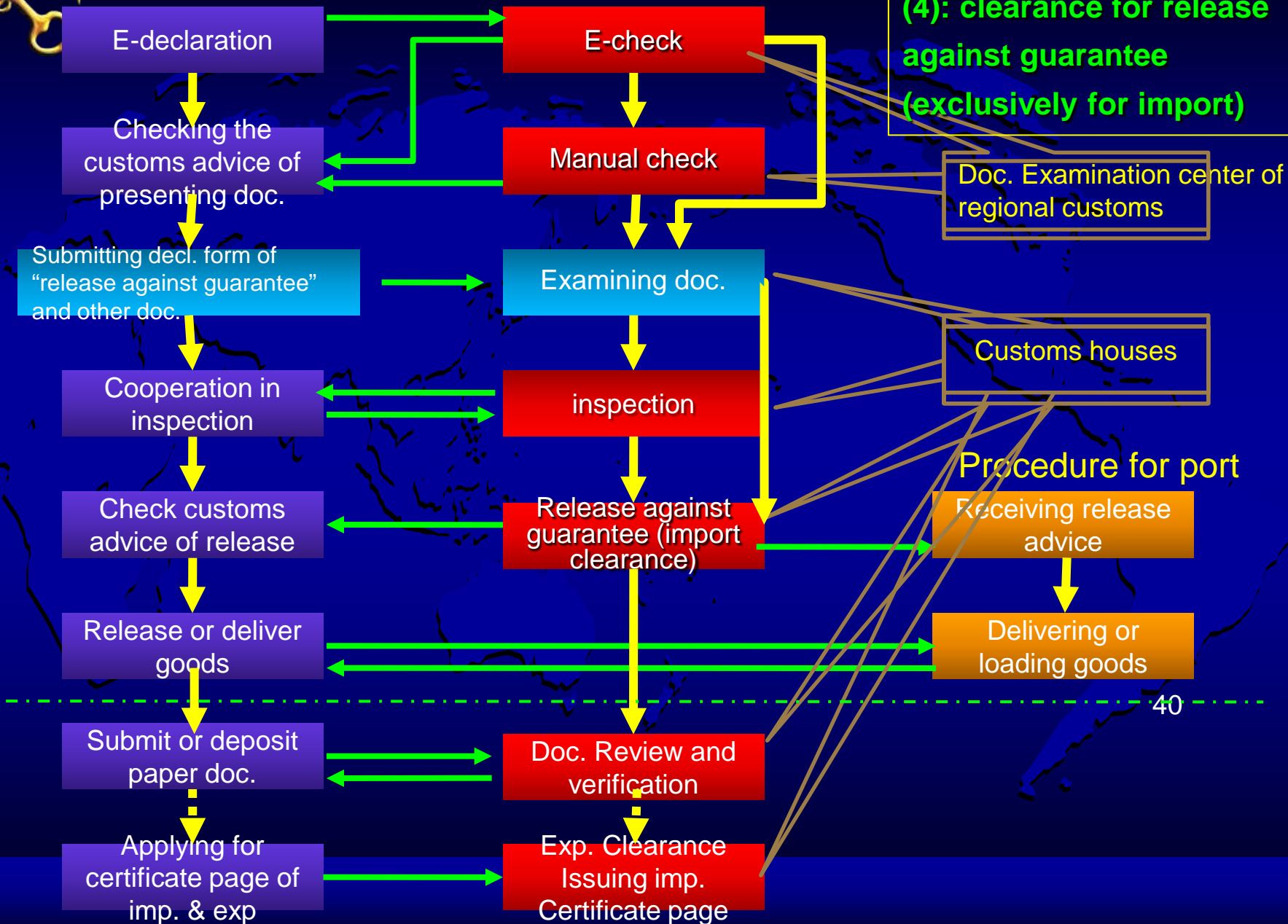




Declaration procedure

Customs procedure

Classified clearance

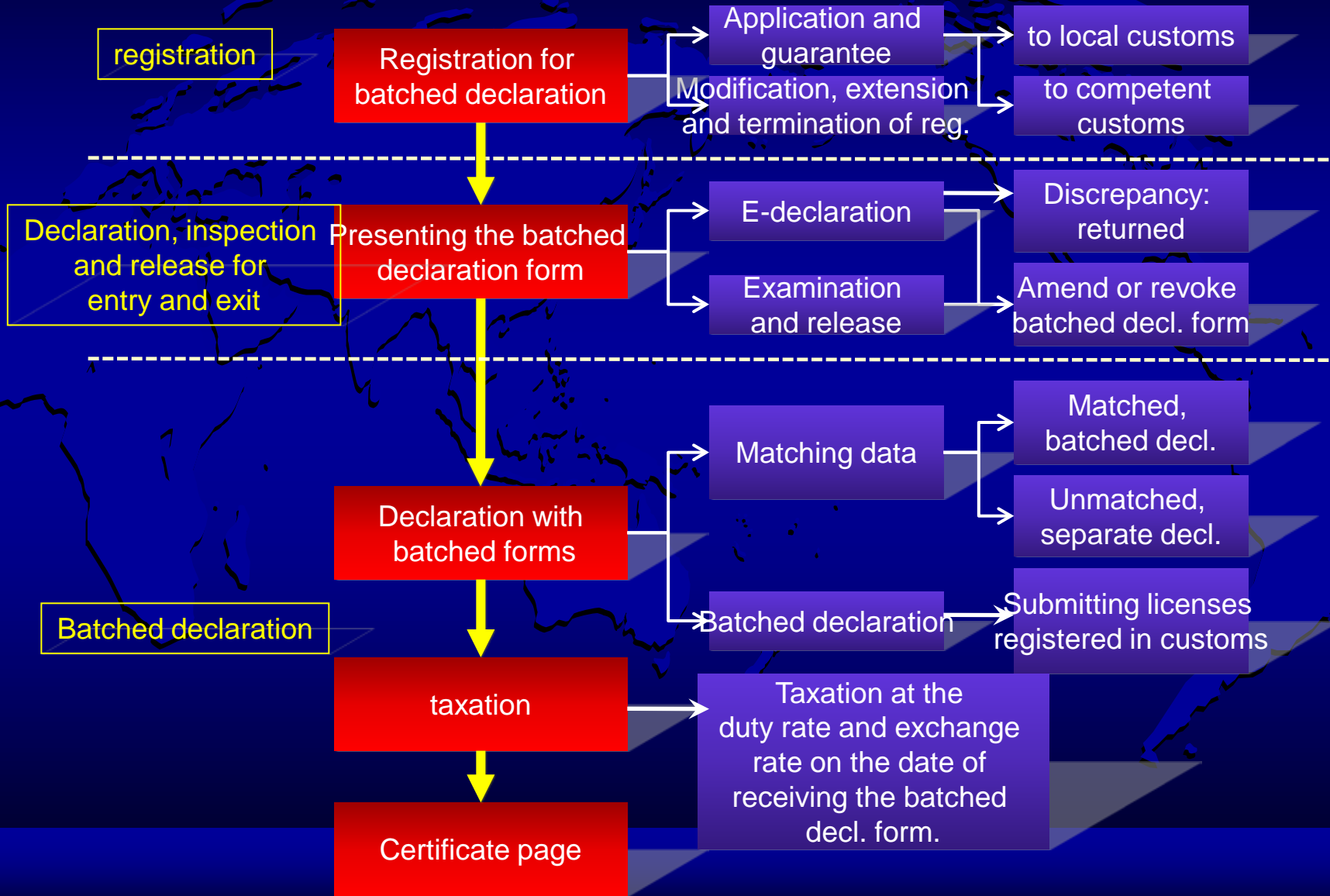




(IV) other procedure reengineering

Other procedures

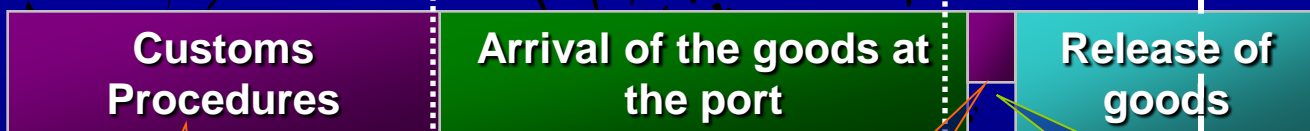
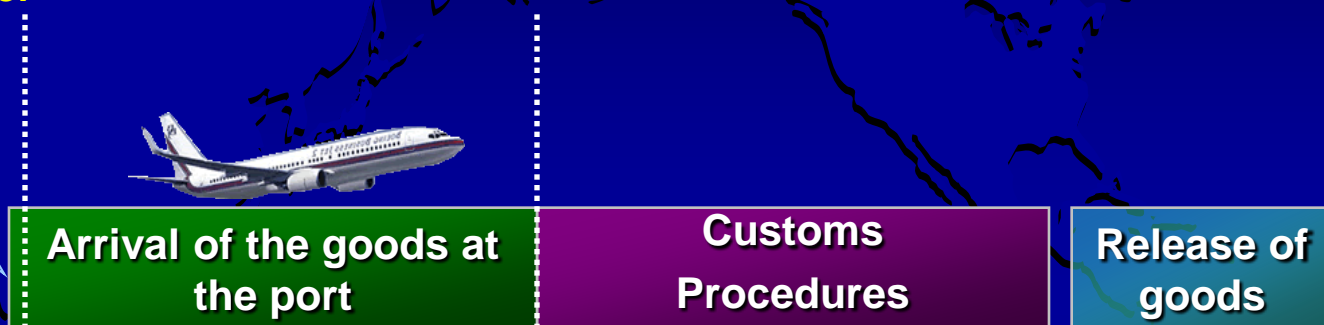
Example 1: batched declaration procedure





Example 2 : procedure for “pre-arrival declaration, release upon arrival” in import

Customs procedure under the original mode takes 0.9 day



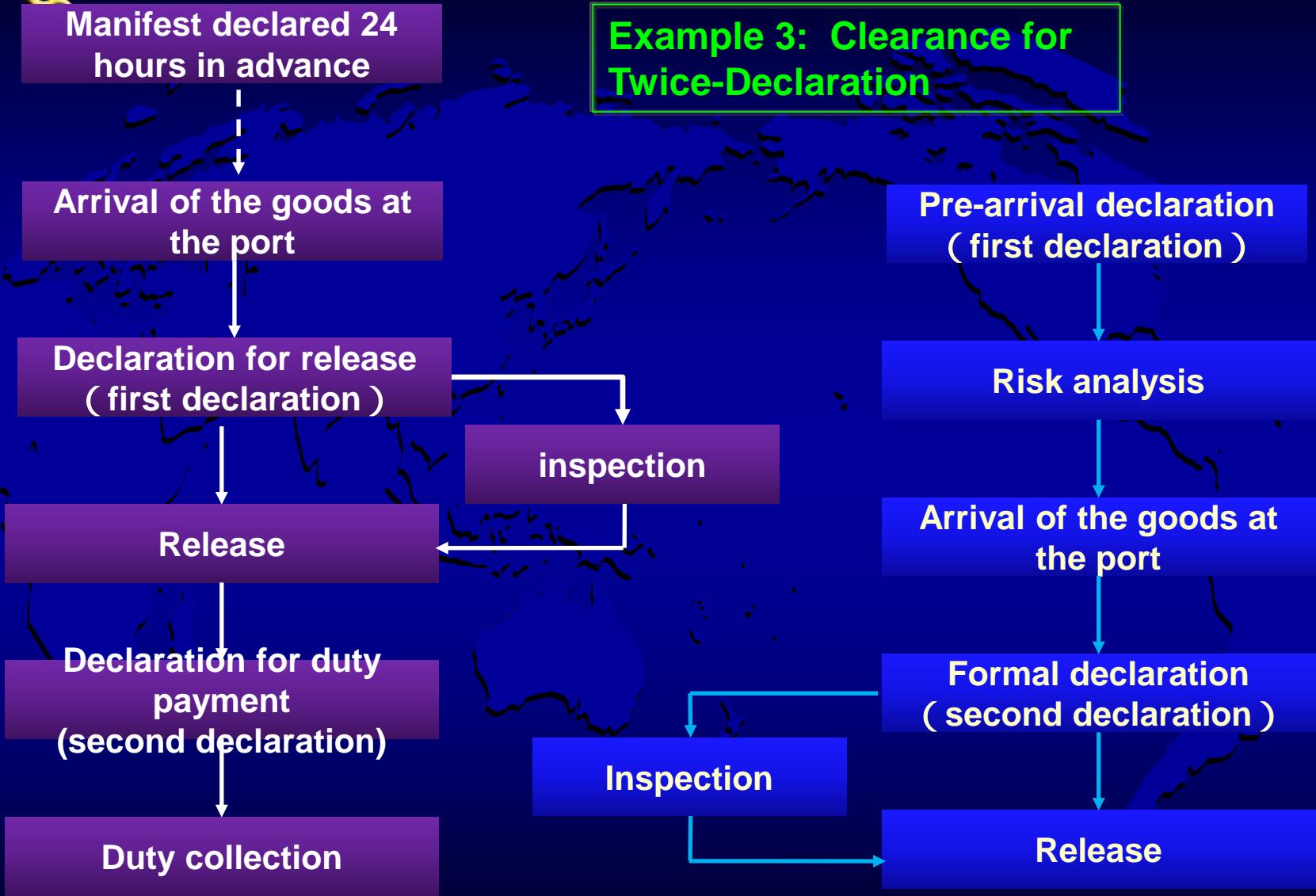
Pre-posed customs procedure

Clearance for real goods

New mode Customs procedure takes 0.12 day , Saves 86%



Example 3: Clearance for Twice-Declaration



Example 4: Procedure for Sino-EU SSTL

