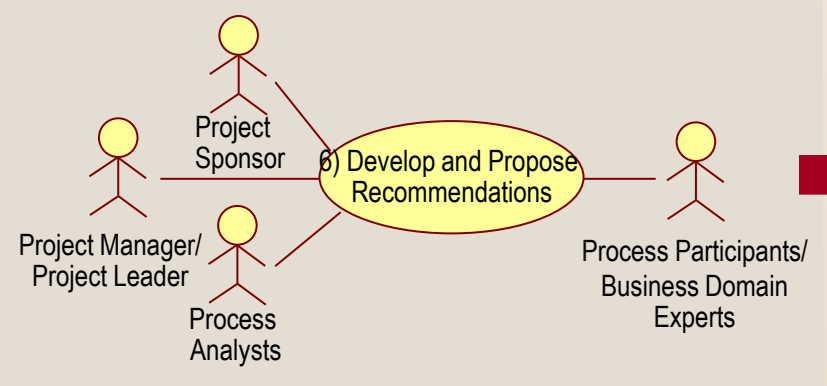
Module 6 – Using BPA to formulate Recommendations for Enhancing Trade Facilitation

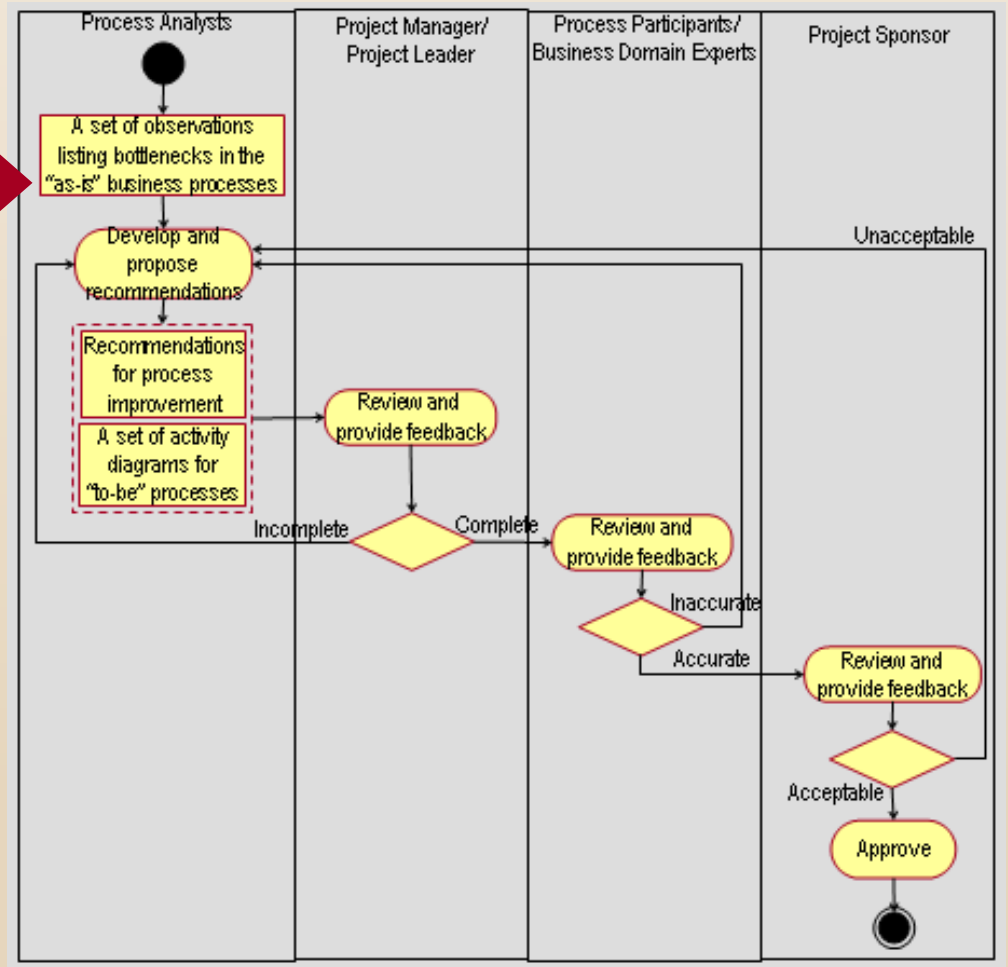
Dr. Somnuk Keretho
Advisory Committee, UNNExT
Director, iNOVA, Kasetsart University
sk@ku-inova.org

ADB

UNITED NATIONS ESCAP
Economic and Social Commission for Asia and the Pacific

Developing and Proposing Recommendations for Improvement





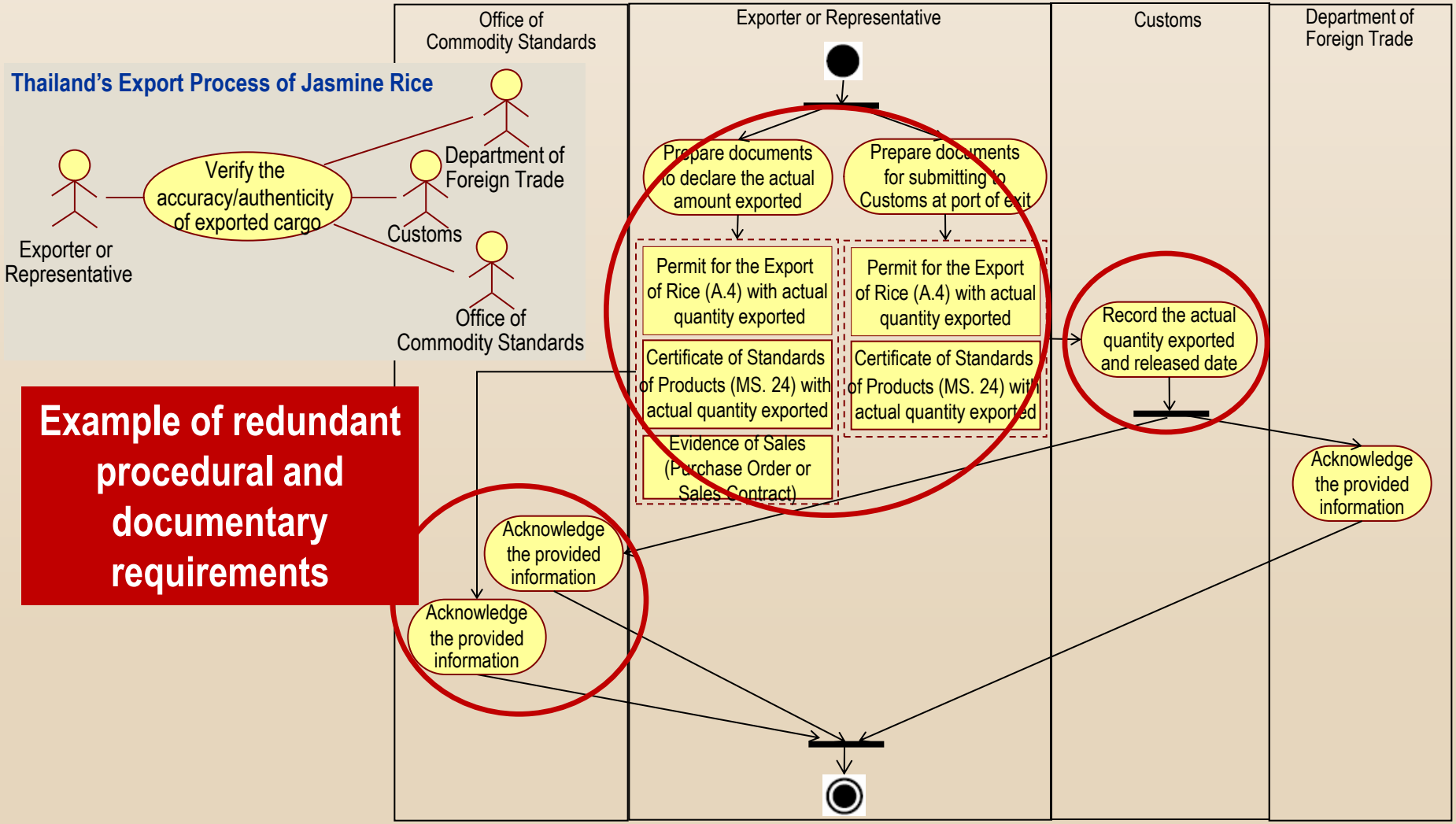
Objective – To develop recommendations that help remove bottlenecks and inefficiencies in procedural and documentary requirements

Business Process Simplification and Business Process Automation

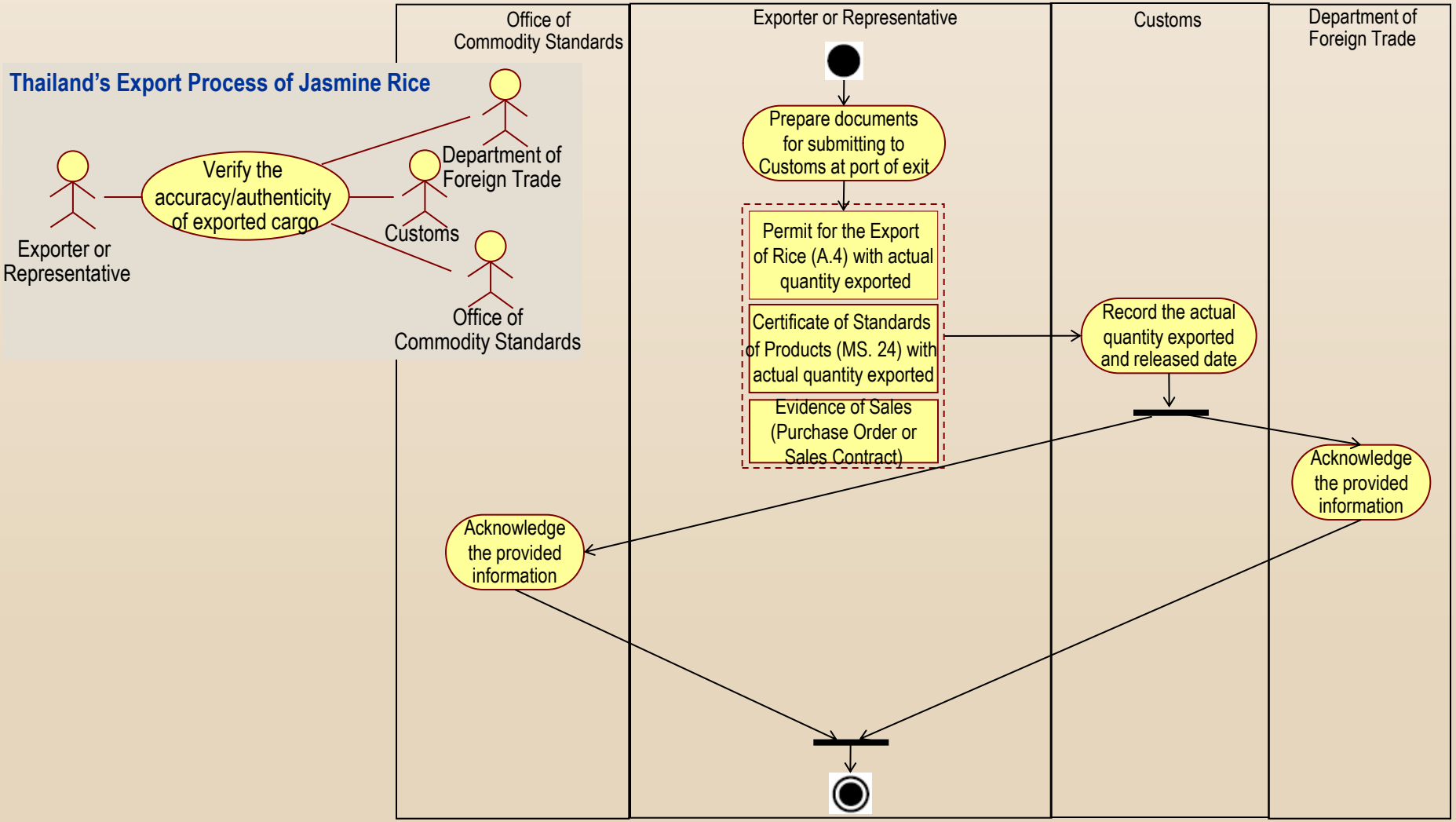
Tips & Techniques

1. Merge some procedures
2. Eliminate redundant procedures and unnecessary documentary requirements
3. Automate procedures and promote the sharing of trade and transport data among relevant stakeholders
4. Modify related laws and regulations to facilitate the operation of the newly designed business processes
5. Reform the regulatory-related organizational structures, etc….

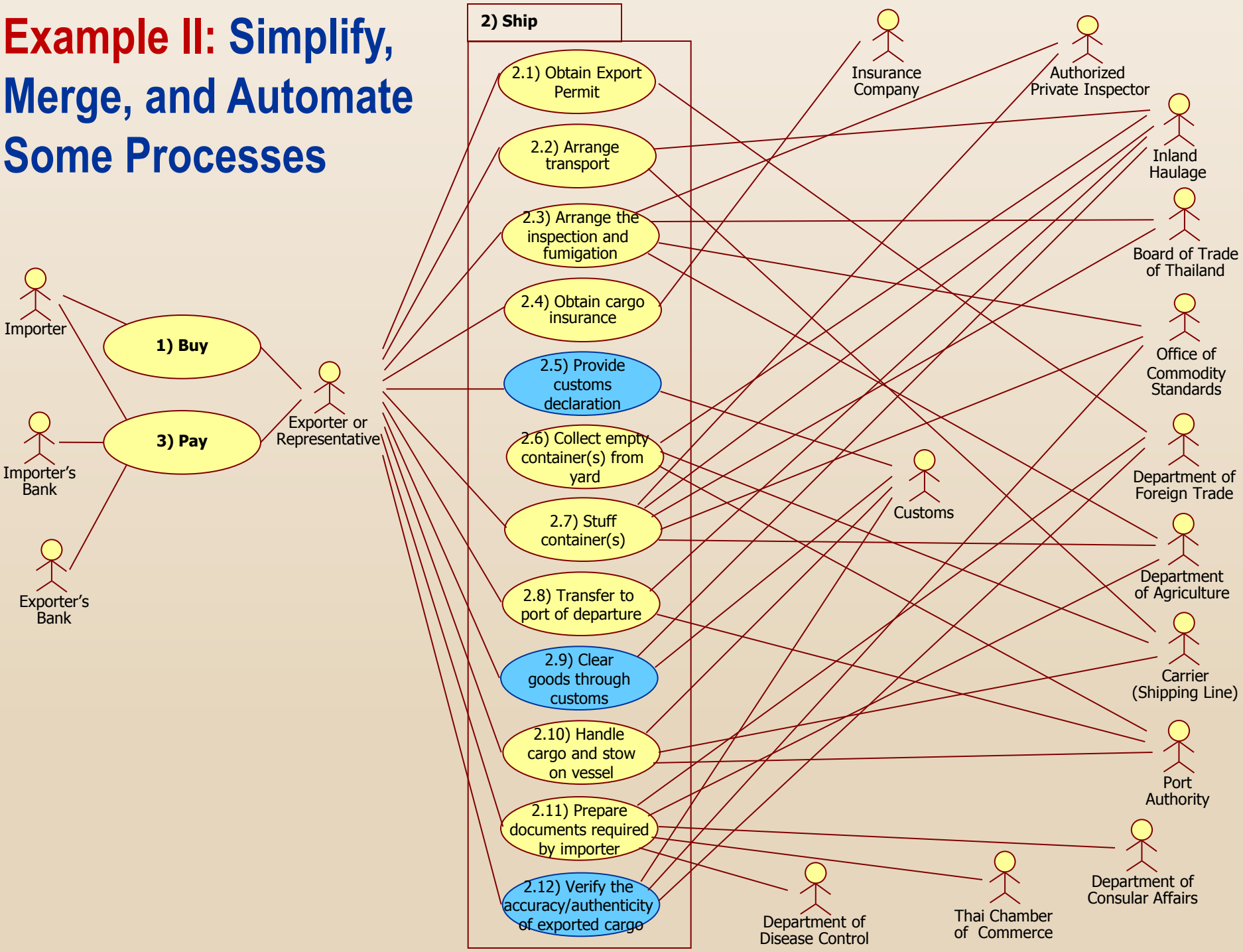
Example: Identify Bottlenecks and Redundancies



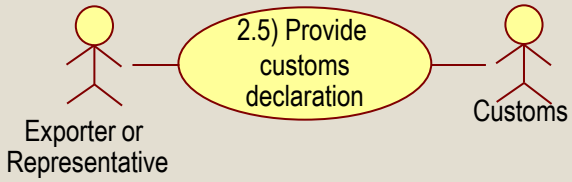
Example I: Remove Redundancies

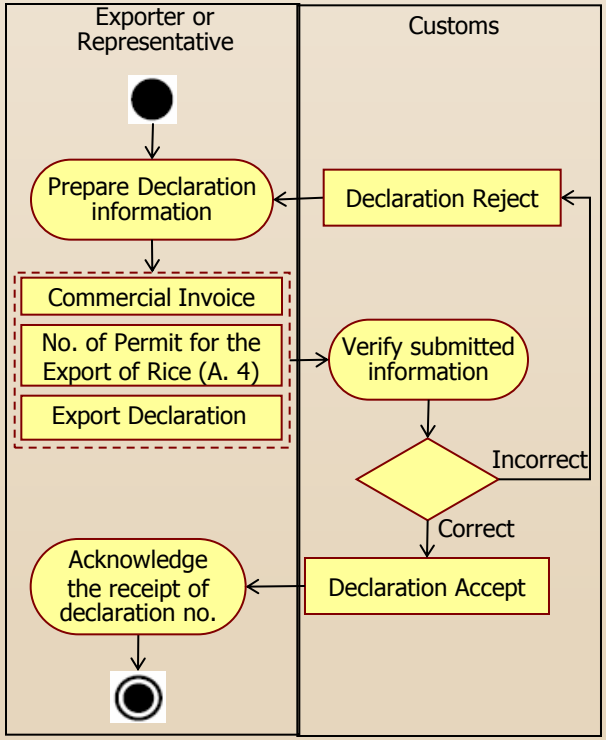


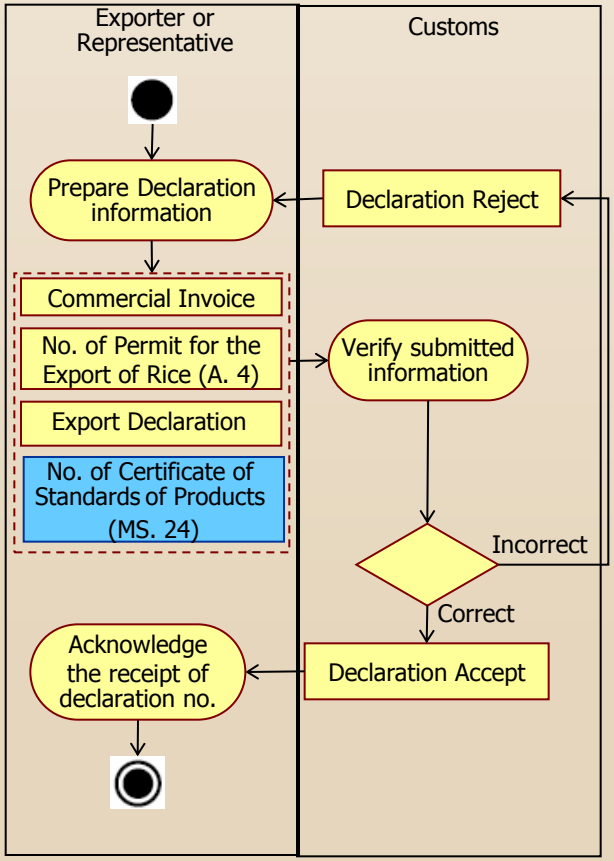
Example II: Simplify, Merge, and Automate Some Processes



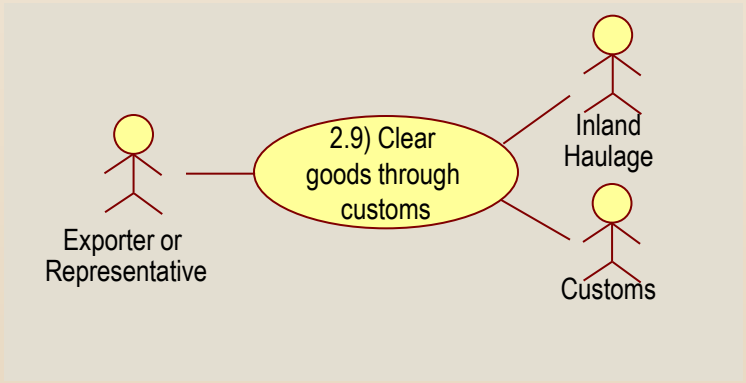
Example II: Simplify, Merge, and Automate Some Processes

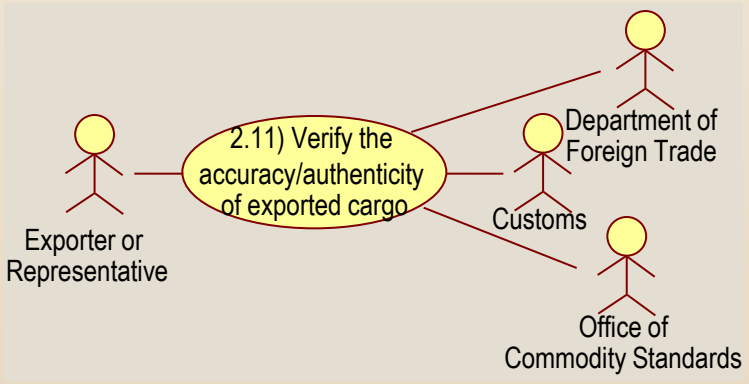


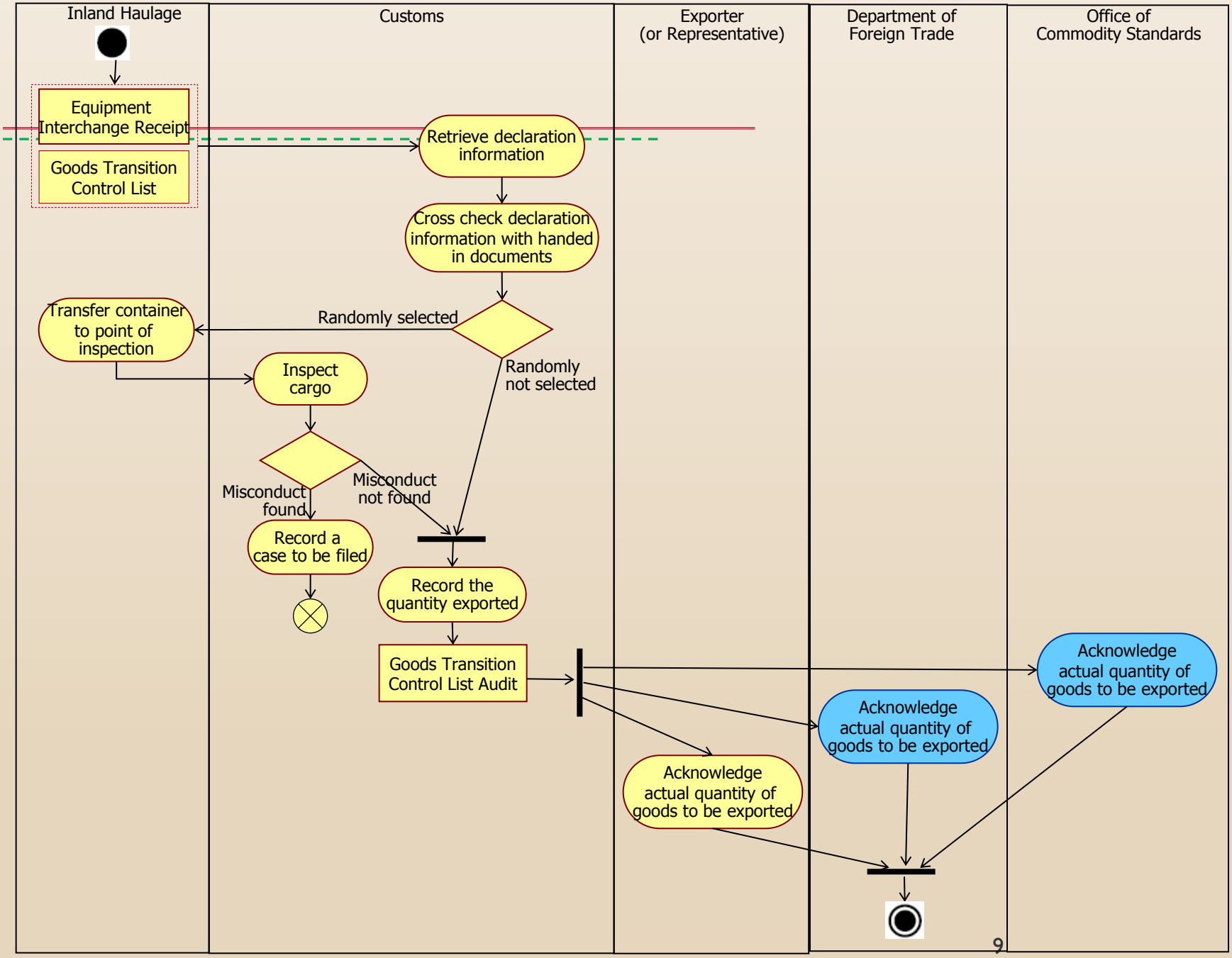




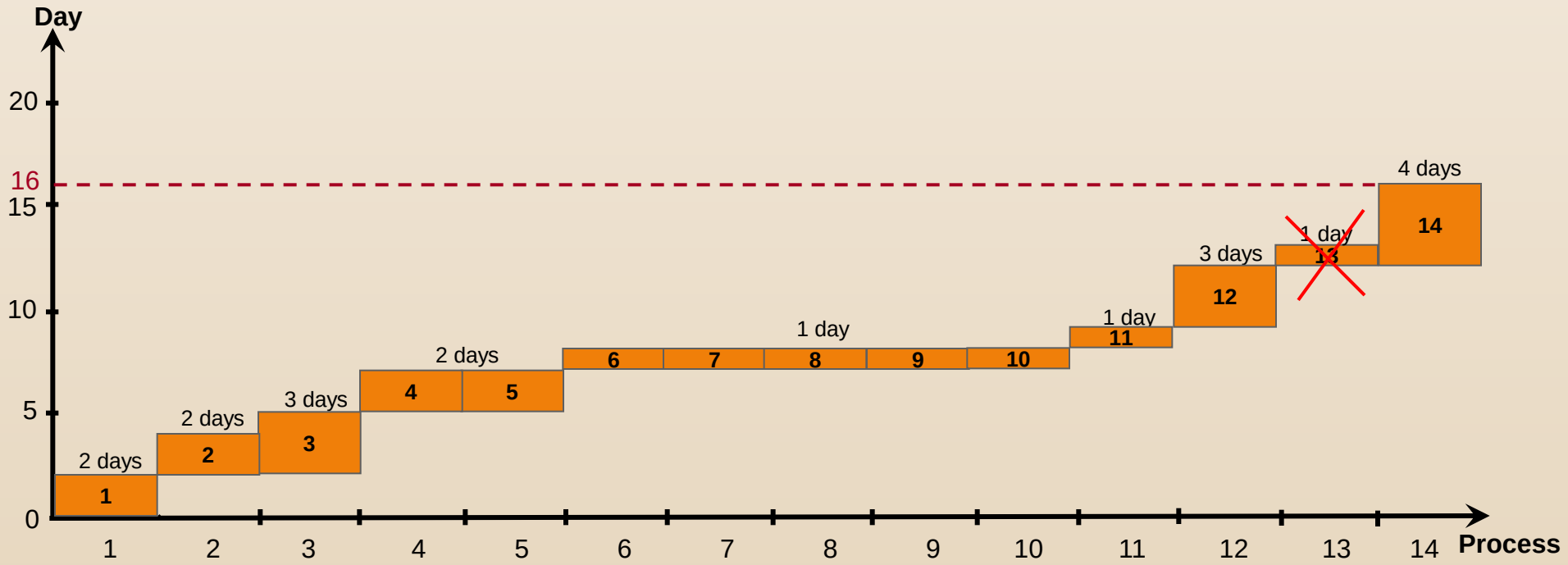
Example: Simplify, Merge, and Automate Some Processes






Inland Haulage
Customs
Exporter (or Representative)
Department of Foreign Trade
Office of Commodity Standards
Equipment Interchange Receipt
Goods Transition Control List
Retrieve declaration information
Cross check declaration information with handed in documents
Randomly selected
Randomly not selected
Transfer container to point of inspection
Inspect cargo
Misconduct found
Misconduct not found
Record a case to be filed
Record the quantity exported
Goods Transition Control List Audit
Acknowledge actual quantity of goods to be exported
Acknowledge actual quantity of goods to be exported
Acknowledge actual quantity of goods to be exported
9

Example: Simplify, Merge, and Automate Some Processes



1. Buy - Conclude sales contract and trade terms
2. Obtain export permit
3. Arrange transport
4. Arrange the inspection and fumigation
5. Obtain cargo insurance
6. Provide customs declaration
7. Collect empty container(s) from yard
8. Stuff container(s)
9. Transfer to port of departure
10. Clear goods through customs
11. Handle container at terminal and stow on vessel
12. Prepare documents required by importer
13. ~~Verify the accuracy/authenticity of exported cargo~~
14. Pay - Claim payment of goods

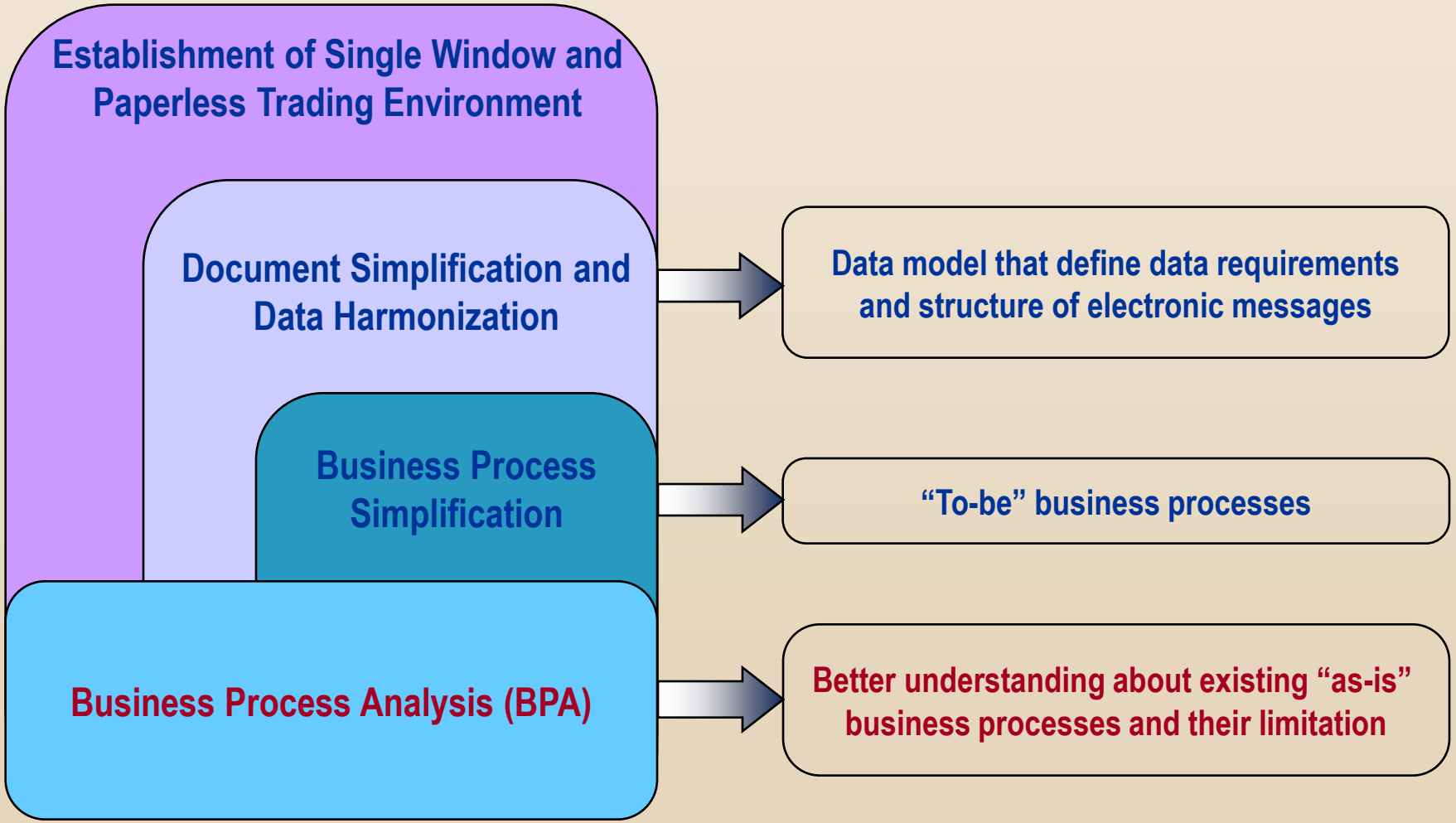
Business Process Analysis & Data Harmonization

- **Step 1:** Capture business processes to identify documents in the information flow
  - UN/CEFACT Modeling Methodology (UMM)
  - Unified Modeling Language (UML)

BPA

- **Step 2:** Define each data element extracted from each document in terms of definition, data type, data format, and data constraints in actual operation
  - United Nations Trade Data Elements Directory
  - WCO Data Set
  - UN/CEFACT Core Component Library
- **Step 3:** Analyze data elements across various documents and organize them in a comparable manner
  - United Nations Layout Key (UNLK) Document Family
  - Single Consignment V.S. Multiple Consignments V.S. Transport Equipment
- **Step 4:** Map the data elements to the reference data model
  - Complies with UN/CEFACT Core Component Specification
  - Covers data requirements of the international supply chain

Business Process Analysis and Single Window Development



Group Exercise: Identify bottlenecks and recommend improvement

Discuss in your small groups, and be prepared to present your findings & recommendations

- Identify and analyze one or two bottlenecks in your activity diagram(s)
- Identify improvement opportunities

- Propose your improvement recommendations and new "To-Be" Activity Diagram for improvement (check also for political, technical, and financial feasibility, …..)