Mechanisms for an effective inter-agency coordination and collaboration: Thailand SW

Mt. Suriyon Thunkijjanukij
Office of National Economic and Social Development Board (NESDB)

ESCAP/UNECE National Workshop on Establishing a Single Window in Mongolia

29 September - 1 October 2009, Ulaanbaatar, Mongolia
Agendas

1. Context and Mandates
2. Knowledge and Vision
3. Platform and Interplay
4. Players and Drivers
5. Way Forward
From Competitiveness to logistics strategy to NSW

Cabinet Brain Storming
(20 January 2003)

7 Visions

1. Stable Economic Development Platform
2. Active International Player
3. World Leader in Niche Market
4. Innovative Nation with Wisdom and Learning base
5. Entrepreneurial Society
6. Society of Cultural Pride with Global Sense
7. Country of Decent Environment for Living

Thailand Competitiveness Strategy
(September 2004)

Logistics Development Strategies
(May 2005 to February 2007)
We are climbing up the long ladder…

Physical distribution
- Focus on distributing goods to customers

Internally integrated logistics
- Integrating logistics activities with other intra-firm managerial functions from procurement to delivering goods to consumers

Externally integrated logistics
- Logistics activities are integrated across firms along the supply chains

Global logistics management
- Logistics activities are integrated across national boundaries, and the supply chain is globally reached, Global sourcing is a norm

- Thailand
- Australia
- Singapore
- Hong Kong
- EU
- USA

Trade Facilitation is one of our Logistics Development Strategies (2007-2011)…

Vision

Objectives

Strategic Agendas

1. Urgent logistics Development AP 2007

2. Manufacturing logistics Action Plan

3. Trade logistics Action Plan

1. Cost Efficiency / Responsiveness / Reliability and Security

2. Business value creation

3. Infrastructure and logistics network optimization

4. Logistics service internationalization

4. Single Window e-Logistics Development Plan (SWeL)

5. Logistics data system Action Plan

6. Logistics human resource development Action Plan

World Class Logistics System to support Thai Business and Industries

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We are exposed to international Experiences via consultant and forums

- DTTN-TradeLink Case Study, Hongkong.
- UNESCAP/ UNCEFACT/ UNECE/ Etc.
We began with simple vision and Incremental-Build Approach

1st Stage: Customs Clearance + e-Certificates
2nd Stage: Transportation & Financial Settlement
3rd Stage: Cross-border Paperless Trading

GDX: Government Data Exchange

All will be aligned with
• GMS Cross-Border Agreement, and
• ASEAN Single Window Initiative.

1 March 2004
Single Window Entry Network for Trade Facilitation

Information Network

- Web-based
- Importers and Exporters
- Single-Window Entry
- Government Data Exchange
- E-tracking
- E-certificate
- E-licensing
- Browser
- OGAs
- MO Commerce
- MO Agriculture
- Customs Dept
- DATA of goods
- Manifest
- ROQ

1 March 2004
Thailand Single Window e-Logistics in 2007...

- Exporter and Importer: Submit documents only once via internet or web service (ebXML)
  - Online Tracking

- Process Simplification
  - Web based Single Window Entry
  - Data Cross-Checking
    - e-Port
    - PAT

- Data Harmonization
  - Carriers & LSP
  - MOT
  - Air Transport
  - Land Transport
  - Waterway Transport

- Single Window Gateway
  - Liknage
  - ebXML

- Process Simplification
  - Certificates and permits
    - e-Manifest
    - e-Ports
    - PAT
    - Web based Single Window Entry and approval

- Data Harmonization
  - ebXML
  - Foreign Trade Dpt
  - T Chamber of Commerce
  - Livestock
  - Fishery
  - Permits and Certificates (e)

- Paperless customs
  - e-Declaration
  - e-Manifest
  - e-Container
  - e-Payment

- MOICT conducting a study on National Single Window Gateway Business Model
Comprehensive framework of Thailand Single Window e-Logistics

Supply Chains
- Suppliers
- Customers
- ERP/SCM Software
- Manufacturers
- Distributors

Regulatory/Trade Compliance
- Permit Application
- Certificate/Licenses Issuing Agencies
- Customs Clearance
- Permit Approval
- Apply Certificate of Origin

Logistics Service Providers
- Port Authorities
- Port Operators
- Shipping Agents
- Freight Forwarders
- Carriers
- Hauliers/Transportors
- Warehouse/Depot
- Warehousing

Request for Transport
- Prepare for Payment
- Issuing Insurance Policies & Certificate
- Request Payment
- Execute Payment

Payment and Insurances
- Banks
- Insurers

Request for Transport
- Gate Pass to Port
- Space Booking

Intelligent
- Channel assembly
- Continuous replenishment
- Market Managed Inventory (VMI)
- Integrated make-to-stock
- Build-to-order
- Demand-Supply

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Status as of 2006

Trader

Internet Licensing

Single Window Facilities

Licensing Agency Window

Document Standardization & Process Redesign

Border Customs

- ASEAN Single Window Taskforce

Customs Clearance

Customs Enforcement

Customs Dept

FDA

Dept of Agri.

Fishery / Husbandry

Dept of Foreign Trade

Port Window and Cargo Community

Release And Clearance

12
National Single Window : 2008

Govt. agencies responsible for Import-export procedures

Users (Govt Agencies)

Traders

Internet

Import & export Documents
Licensing/certificate documents
Trade Documents

Banks

Border Customs

• ASEAN Single Window Taskforce

Customs Clearance

Customs Enforcement

Customs Dept

Sea Port
Airport Port

Document Standardization & Process Redesign

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Thailand National Single Window Framework...2007-2009

1. e-Document Exchange Hub for Cross-boarder Trade and Transport

2. Governance Mechanism – policy decision, service charge regulation, SLA etc

3. 30 Government and Facilitation Agencies

4. ICT National Infrastructure and related Laws

5. Value-Added Service Providers

6. Private Sector & Transport Agencies

- Importer/Exporter
- Carrier
- Custom Broker/Freight Forwarder
- Ship Agent, Airlines Agent
- Other Logistics Service Providers
- Bank and Insurance

Other business parties

Other agencies

Value-Added Services for Single Window Entry and Business Process Management

Data Harmonization

National Single Window (NSW) By Customs Department

ICT National Infrastructure and related Laws
Our vision: from multiple windows to SWeL...

- Single entry process
- Data Harmonization
- Government Agencies
- ~350 data items and no travel needed

 Exporter And Importer

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- One day delay costs 1% reduction in export value (World Bank, 2006)
- Direct and indirect costs incurred in documentary process account for 1-15% of finished goods (OECD, 2003)

~ 24 days *(World Bank 2006)

To reduce time used on document procedures

15 days

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We created a Network of partnership...

Cabinet

National Committee on Thailand Logistics Development (NCTLD)

JCP

Public Sector

Private Sector

MOE
MOAC
MOT
MOHE
MOC
MOI
MOICT
MOF
MOL
NESDB

• Regulators
• Service provider
• Supporter and Policy maker

Academics

Thai Researchers Consortium of Value Chain Management and Logistics

• Manufacturer
• Exporters
• LSPs

Logistics JCP

Thai National Shipper Council

Logistics Associations

Industry Associations

Experts and Practitioners

Academics from Universities

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### Profile of cooperation

<table>
<thead>
<tr>
<th>Levels/Drivers</th>
<th>Platform</th>
<th>Interplay</th>
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| **Political will** | • National Committee on Competitiveness  
• Cabinet Decree  
• NCTLD and NSW Subcommittee | • Source of legitimacy and budget  
• Source of authority for NESDB, MCT, Customs Dpt  
• NSW Master Plan comprising multi-ministry projects |
| **Strategic** | • Subcommittee on NSW  
• Flagship status under Logistics and Trade Facilitation issues  
• Designating Lead Agencies (MCT, NESDB, Customs Dpt) | • Regular meetings drive progress  
• Informal meetings and dialogue create mutual trust and understanding  
• Lead consultant helped draw out overall architecture and model |
| **Operational** | • MICT Task Force allocating budget to 12 Dpt  
• Customs' two Subworking groups on streamlining BP + aligning data required and technical communication protocol | • MICT enforced cooperation via budgeting and procurement process  
• Customs procedure reform implemented by Customs Dpt forced some CGAs to come along |

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Monitoring process helped create a sense of being held accountable for one own's performance…

- Executives in Government Agencies
- Thai National Shipper Council (TNSC)
- Federation of Thai Industries (FTI)
- Thai Chamber of Commerce (TCC)
- Other Business Associations
- General Business Community
- Relevant Academic and Research community
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Key Players and Drivers...help strengthening effective inter-agency coordination and collaboration

Awareness raising Events

NESDB’s regular monitoring / reporting

Policy Manager

A number of platforms for interaction

OGAs Middle Managements

Formal commitments in terms of budget/ investment

Perceived needs for inter-agencies partnership

Shared goals and Vision

A sense of being held accountable have been established among key stakeholders

Awareness raising Events

Diplomatic and interpersonal skills Of lead consultants

Experts/ consultants

Personnel

Perceived needs for inter-agencies partnership

Shared goals and Vision

A sense of being held accountable have been established among key stakeholders


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In spite of fruitful collaboration, We still have had a hard time...

Key Challenges

- It’s highly technical
- Policy makers get lost easily
- So many agencies involved
- Total Budget was not guaranteed
- Messengers’ ignorance
- Policy intervention delayed projects

What we did…and intend to do...

- Key personnel get a clear picture fast
- Establish Strong Core team
- Communication has always been every thing
- Partnership with private sector helped
- Good presentation helped (vision, result, process)

- Lack of knowledge as to what and how
- Long term commitment is highly demanded
- Fragmentation demands virtual integration
- Lack of momentum due to competitive commitments

- Capacity building for middle level officials needed, If possible budget for capacity building should be embedded in each project
- Partnership forums helped keep the implementation teams accountable
- Very persistent Core team keep on monitoring

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More coordination and collaboration are required in the next future…

Key Challenges…

1. Mutual agreement required on key issues like: Business model (pricing, SLA, operating mech.), Regulatory framework, etc.
2. Rationalization and standardization among agencies
3. Efficiency, security, responsiveness, and fairness of the system

…Recommendations

1. Establish policy level platform for debating and making decision on the issues
2. Key players help articulate clear vision for business model and regulatory framework and communicate it to others
3. Establish counterpart team in private sector to keep NSW process in check
Thank You

www.nesdb.go.th
suriyon@nesdb.go.th