

# Customs clearance to be simplified

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Business operators and traders will find it easier to clear their goods through customs with the installation of a new online system at customs offices and border checkpoints around the country.

Customs Department Director General Santiphab Phomvihane yesterday signed an agreement with United Nations Conference for Trade Development (UNCTAD) Representative, Mr Renaud Massenet, to install the ASYCUDA World system.

Deputy Minister of Finance Ms Viengthong Siphadone, senior government officials and UNCTAD representatives attended the project agreement signing ceremony in Vientiane yesterday.

The new system will enable businesses and traders to pay customs duty via the Internet, saving both time and money. The system will also make customs clearance more efficient, one of the requirements for Laos to become a member of the World Trade Organisation.

Under the agreement, the Customs Department will provide about US\$2.2 million to UNCTAD to install and test the ASYCUDA World system at customs offices and border checkpoints around the country over the next 27 months.

Mr Santiphab, who is also the Customs and Trade Facilitation Project Director, said funding to install the new customs clearance system would come from both the government and the World Bank.

In 2008 the World Bank approved a grant of US\$6 million to the Customs Department, Ministry of Finance, to implement the Customs and Trade Facilitation Project. The government will contribute about US\$200,000 to the project.

About US\$4 million will be used to finance the installation and application of the ASYCUDA World system and the rest will be used for the overhaul and modernisation of customs procedures.

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Signing Ceremony of ASYCUDA Agreement between Customs Department and UNCTAD on Conference



Mr Santiphab Phomvihane and Mr Renaud Massenet attend the project signing ceremony.

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Mr Santiphab said the government's decision to install the new system was part of its policy to modernise and industrialise Laos, as a means to leaving least developed country status by 2020.

Customs officials said the new system would not only make revenue collection more efficient but would make it easier for people to do business in Laos. An improved business climate would bring more foreign investment to Laos.

Mr Massenet said the installation of the ASYCUDA World system would provide a special opportunity for traders and businesses to undertake customs clearance more easily through web based technology.

He said the new technology was open and

could be integrated with existing systems in the public and private sectors. Electronic communication with other government agencies, banks and transport agencies could also be facilitated.

The government has embarked on an ambitious programme of reform to support economic growth and poverty reduction by strengthening the way the government functions, he said.

The move involves structural reforms calling for new management and control methodologies such as the centralisation of customs and the modernisation of its procedures and processes, as well as capacity building, increase in revenue, facilitation of trade, and strengthening of budget monitoring, Mr Massenet added.