

SCOPE OF THE STUDY

- Understanding key regulatory and procedural barriers to trade through the intuitive views of the main actors in the border trade supply chain;
- Establishing a simple/easy to grasp representation of Business Processes and Regulatory activities underpinning supply chain operations in the agro-food sector.

SCOPE OF THE STUDY

Desk research: Review Laws, regulations, and processes related to the import-export of the agriculture goods

Actor interviewers: Interviewers seek to obtain preliminary data and explore issues emerging from the discussions

	Number of interviewees						
Interview actors	PRC	Viet Nam	Total (by actor)				
Traders (Exporters and Importers)	3	4	7				
Border control agencies	1	4	5				
Customs authorities	1	-	1				
Service providers	1	-	1				
Total by country	6	8	14				

INTERVIEWEE PROFILE

Trader's profile

- Company size: SMEs (20 25 employees);
- Import & Export experiences: More than 5 years;
- Trade sector: Fresh fruits, Spices and Coffee
- Import & Export countries: PRC, Viet Nam, Thailand, Netherlands, France
- Operation border: Ping Xiang Lang Son border and others

Border control agencies

- Pingxiang Exit and Entry Quarantine and Inspection Bureau
- Lang Son Sub- Department of Animal Quarantine and Inspection, Viet Nam.
- Agro Processing and Market Development, Viet Nam
- National Agro Forestry Fisheries Quality Assurance Department, Viet Nam
- Plant Protection Department, Viet Nam

Customs authorities

Customs Clearance Management Section, PRC

Service providers:

- Activity: Customs service, Freight forwarding service, and truck operations;
- Service sector: PRC Viet Nam: Apple & Pear;

Viet Nam - PRC: Dragon fruit & Watermelon

Thailand – PRC: Durian

Operation border: Ping Xiang – Lang Son and other

GOVERNMENT AGENCIES INVOLVED IN CONTROL OPERATIONS AT THE PINGXIANG – LANG SON BORDER

P.R. CHINA

- Exit and Entry Frontier
 Inspection, Ministry of Police;
- Quarantine and Inspection, AQSIQ;
- Customs, General Administration of Customs;
- Bureau of industry and commerce, Ministry of Commerce;
- Free Trade Zone Management,
- Provincial government

VIET NAM

- Border Guard, Vietnam Border
 Defense Force
- Quarantine and Inspection, Ministry of Agriculture and Rural Development;
- Customs, Ministry of Finance;
- Ministry of Industry & Trade
- Ministry of Health

CORE BUSINESS PROCESS: IMPORTATION OF FRESH FRUITS FROM VIET NAM TO P.R. CHINA

2. SHIP

1. BUY

1.1. Agree and sign Contract

3. PLAY

3.1. Payment according to the Invoice

Future single window system

2.1. Obtaining certificate of Origin



2.3. Loading the goods to vehicle

2.4. Commodity inspection

2.5. Customs declaration and clearance

2.6. Release

2.7. Import & Customs registration

2.8. Commodity inspection

2.9. Customs declaration

2.10. Documents submission

2.11. Tax levy and exemption

2.12. Release

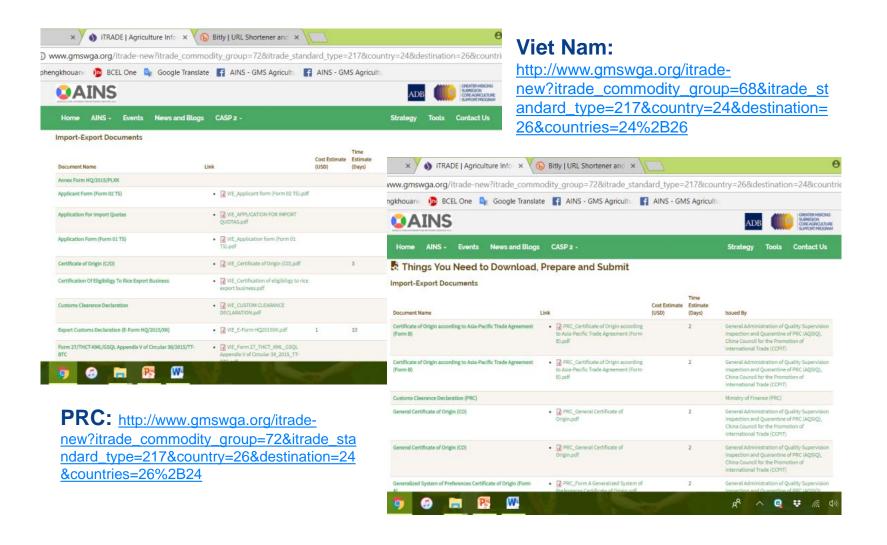
Joint inspection

DOCUMENTARY REQUIREMENTS FOR TRADE: IMPORTATION OF FRESH FRUITS FROM VIET NAM TO P.R. CHINA

Documentary requirements for the importation of fresh fruits from Viet Nam to P.R. China under the current customs regimes are limited to 6 types of documents, except for cases specified in Customs Code:

- Contract: Commercial contract, Invoice, and Packing list
- Import Export declaration: Import & export's registration number,
 Import Permit, etc.
- Transport documents: Bill of Lading (B/L)
- Confirmation of Origin: Certificate of Origin (C/O)
- Technical documents: Phytosanitary Certificate, etc.
- Payment documents: Customs Clearance Declaration, Taxes payment

DOCUMENTARY REQUIREMENTS FOR TRADE

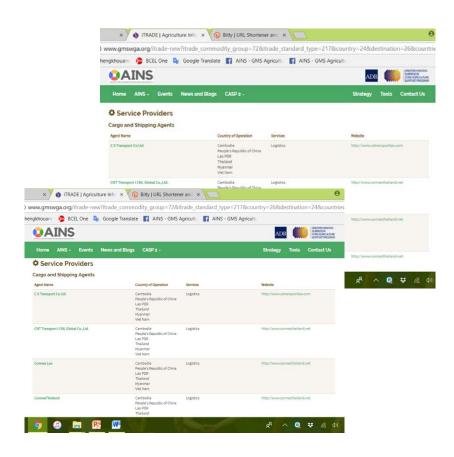


DOCUMENTARY REQUIREMENTS FOR TRADE

The majority of interviewed traders (PRC and Viet Nam) engage the forwarding agents and customs brokers for the paperwork and customs clearance in order to cross the border in a time and cost efficient manner. Only a few of them prepare and submit the paperwork and carry on the customs clearance by themselves.

More details at:

- PRC: http://www.gmswga.org/itrade-new?itrade_commodity_group=72&itrade_sta_ndard_type=217&country=26&destination=24 &countries=26%2B24
- Viet Nam: http://www.gmswga.org/itrade-new?itrade_commodity_group=68&itrade_standard_type=217&country=24&destination=26&countries=24%2B26



BUSINESS PROCESS BOTTLENECKS IN PINGXIANG – LANG SON BORDER



Type of Business Process	Procedures		Documentary Requirements		Regulations		Transport and Logistics Services		Ranking of importance	
	PRC	VIE	PRC	VIE	PRC	VIE	PRC	VIE	PRC	VIE
Obtaining information on trade-related procedures and documentary	0	2	0	2	0	2	0	0	0	6/8
Establishing a commercial sales contract	0	0	0	0	0	0	0	0	0	0
Obtaining import/export license	0	-	0	0	0	0	0	0	0	0
Obtaining documentary requirements	0	0	0	0	0	0	0	0	0	0
Customs clearance	0	0	0	0	0	0	0	0	0	0
Payment of trade taxes	0	0	0	0	0	0	0	0	0	0
Transport of goods	2	0	2	0	2	0	2	2	8/8	2/8

Note: 0=not relevant, 1= somewhat important, 2= very important

BUSINESS PROCESS BOTTLENECKS IN PINGXIANG – LANG SON BORDER



P.R. China

For the P.R. China traders and service providers points of view, the bottleneck of trade in Pingxiang – Lang Son border seems to be:

- A transportation and transportation-related conditions: The large volume of goods are frequently stuck at the freight yard (especially during the festival seasons) due to:
 - The limited capacity of freight yard and border facilities;
 - The Quarantine and Customs officers work on fixed hours. The importexport during the weekend needs an advance request (but not often approved);
 - The electronic equipment at border control sometimes does not work and delays transport;
 - The Customs sheet attached outside of the container sometimes loss and the customs officers sometimes refuses to release the container.
- **Problem in trade financing:** Both national and foreign partners is trading on credit, and can't gain payment in time, which results the losses of profit due to the bad integrity of trading partners;

BUSINESS PROCESS BOTTLENECKS IN PINGXIANG – LANG SON BORDER



Viet Nam

For the Viet Nam traders and government officers points of view, the bottleneck of trade in Pingxiang – Lang Son border seem to be:

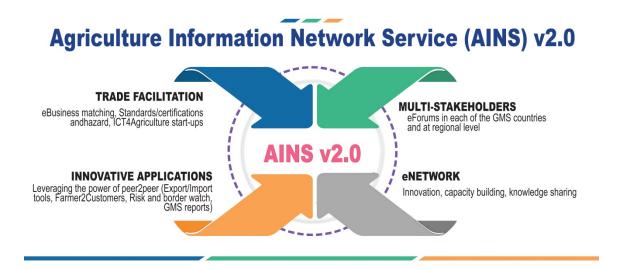
- Obtaining information on trade-related procedures and documentary:
 PRC Trade-related regulation and documentary are unstable and changeable without notice. It delayed the customs clearance and border crossing.
 Sometimes the goods can't cross the border in time. Traders have to abandon their goods (frequently cases of fresh fruits and vegetable);
- Limit capacity and facilities of the transport and logistics services: The
 transport and logistics services have a limited capacity and facilities of cold
 chain storage for perishable products (fresh fruits and vegetable, frozen
 products, etc.);
- **Problem in trade financing**: Small traders have limited financial ability to comply with the PRC's trade regulations, e.g.. the high costs of paperwork that they can not afford.





AGRICULTURE INFORMATION NETWORK SERVICE V 2.0

 Piloted mobile-ready agriculture information network services (AINS) & application of social network (WeChat for PRC & FB for other GMS)



 iTRADE is a digital information sharing platform under the Agriculture Information Network Services (AINS v 2.0) developed in July 2017. This is designed to be a tool for smallholder farmers and SMEs in the GMS who are interested in trade of safe and environment-friendly agriculture products (SEAP)

AGRICULTURE INFORMATION NETWORK SERVICE V 2.0



Repository of Laws and Regulations in trade in the GMS



FIND YOUR SEAP PARTNER & NETWORK

Directory of more than 300 SEAP and services from the GMS



Directory of SEAP Standards and certification agents in the GMS

PRODUCERS



FIND YOUR SERVICE PROVIDERS

Directory of service providers (Food safety laboratory testing agents, freight forwarding agents, custom's broker, etc.) in the GMS

More information available at: http://www.gmswga.org/itrade-new

Implementing Partners: GMS Ministries of Agriculture

THANK YOU!