THE IMPLEMENTATION OF E-COMMERCE IN THE DIRECTORATE GENERAL OF CUSTOMS AND EXCISE (DGCE)
The purpose of this study was to know how cross border e-commerce is implemented in Indonesian DGCE.

The analysis covers the situation and the impacts that occurred and how the next main plan issues with the scope of the discussion on import activities.

The results:

1. Cross border e-commerce tax regulations in Marketplace scheme included intangible goods and service have not been implemented, but has been drafted.

2. About 93% of e-commerce goods are imported.

3. The e-commerce players can still do splitting despite anti-splitting applications.

4. DGCE has provided trade and industry facilities and online service and payment applications.

5. Public is still unfamiliar with international trade regulations.
INTRODUCTION

METHODS

THE SITUATION & THE CHANGE THAT OCCURRED

THE NEXT MAIN PLAN ISSUES

RECOMMENDATION

CONCLUSION
E-COMMERCE
**WTO**

"The term 'electronic commerce' is understood to mean the production, distribution, marketing, sale or delivery of goods and services by electronic means".

**Cross-border Ecommerce**

**WCO : E-Commerce Package**

“All transactions which are effected digitally through a computer network (e.g., the internet), and result in physical goods flows subject to Customs formalities.”
CROSS BORDER ECOMMERCE

W I T H O U T

CUSTOMS ???
The Main purpose of Regulating of Cross Border Ecommerce by DGCE is not for State Revenue but for the purpose of service (Trade Fasilitator and Industrial Assistance) and to the task of community protector.
• descriptive qualitative research by using:

1. primary data: interview results to the policy makers and Courier Service Entrepreneurs

2. secondary data: obtaining data and information from the Directorate of Regulation and Revenue, Directorate of Customs and Excise Information of DGCE.
Situations and changes that occur

1. Taxation
2. Growth of Ecommerce
3. Document Splitting
4. Industrial & Trade Facilities
5. Education and Human Resources
6. Online Service & Payment
7. Infrastructure Network
5. Scattered Data
E-COMMERCE MILESTONE IN INDONESIA

- **1994**: indonet
- **1996**: Detik.com, Astaga.com, Kompas.com
- **2006**: Facebook, tokobagus.com
- **2015**: FDI Opened
- **2016**: e-Commerce Roadmap
- **2017**: Gov Regulation on e-commerce
- **2018**: E-commerce Tax Regulation

- **Kemenkeu**: Corporate University

Detik.com
Astaga.com
Kompas.com
Kompas.com
E-COMMERCE ROADMAP
2017-2019

PRESREG NO 74/2017

TAXATION
Indonesia was ranked 6th in the Asia Pacific with a value of USD 10.92 in 2018 or equivalent to Rp 147.4 trillion.

However, in terms of growth Indonesia ranks first with an average of over 22% / year or far above the national economic growth.
VOLUME CONSIGNMENT / E-COMMERCE

**Import Value (million USD)**
- 2017: 30 million USD
- 2018: 40 million USD

Trend per month: 7.54%

**Number of Document (million)**
- 2017: 0.5 million
- 2018: 2.0 million

Trend per month: 19.03%

The last year of transaction value USD 448.4 M
The last year of number of document 13.8 M
Based on data from 10 September – 29 October 2018:

5,400 Consignment Notes (CN) suspected as split shipment
WCO Research of Cross Border Ecommerce in The Developing Countries

- Under-declaration
- Misdeclaration
- Incorrect tariff classification and description
- Under-invoicing
- Splitting of Consignment
- Lost of revenue
- Prohibited and restricted
1. its own e-commerce regulation
2. Bonded Logistics Centers Ecommerce
3. National Logistic System
4. Document antisplitting App
5. Intangible goods
6. The Core Application

THE NEXT MAIN PLAN ISSUES
SKEMA DELIVERY DUTY PAID BY MARKETPLACE

MARKETPLACE

SELLER

(Rp)

(NILAI PABEAN) = FOB + FREIGHT + INSURANCE

(TAXATION) = BM & PDRI

BUYER

(Rp)
Transformasi Sistem IT DJBC HISTORY
1990 - 2015

1990 CFRS
- COBOL
- Penerimaan Dok. H/C
- Data Input di BC
- Di 5 Kantor BC

1995 PIB DISKET
- Data Input diganti modul importir + disket

1997 PIB EDI
- Disket diganti EDI
- Beberapa perubahan bisnis proses internal BC

2000 Y2K
- Oracle
- Penyesuaian system tahun 2000

2003 PDE STEP II
- Perubahan bisnis proses
- Rekonsiliasi pembayaran dengan bank

2007 PORTAL INSW
- Integrasi 18 instansi
- Otomasi proses perijinan (Lartas)

2012 CEISA
- Prinsip:
  - Centralized
  - Integrated
  - Inter-Connected
  - Automated

2015 INTEGRASION MN OF FINANCE
- DC (Data Center) di Kementerian Keuangan
- DRC (Disaster Recovery Center) di Balikpapan

INSW Transformasi Sistem IT DJBC HISTORY 1990 - 2015
DGCE Information Systems Portfolio
Integrated all Application and Core Ceisa
PRESIDENT REGULATION NO 74 / 2017
ROADMAP E-COMMERCE 2017-2019: PROGRA

Logistik
Peningkatan efisiensi logistik e-commerce
dengan Sistem Logistik Nasional

Keamanan Siber
Penguatan sistem keamanan siber untuk
meningkatkan keamanan transaksi online

Infrastruktur Komunikasi
Peningkatan infrastruktur
komunikasi sebagai
fordasi e-commerce

Pendidikan dan Sumber Daya Manusia
Edukasi masyarakat dan pengambil
kebijakan mengenai e-commerce

Pendanaan
Optimalisasi pendanaan untuk
UMKM digital dan start-up e-commerce

Perlindungan Konsumen
Perlindungan konsumen dan
pelaku industri dengan regulasi

Perpajakan
Penyederhanaan kewajiban perpajakan
Logistics System Integration:
- Integrate logistics systems that are already available in each sector (maritime and trade) and encourage the development of logistics systems that are not yet available
- One Gate One Billing One System: handling import documents and payment of costs from shipping to the goods arriving at the cargo owner location in one integration system
- Providing ease of information and service access
- Providing certainty of time and cost
Conclusions and recommendations

**Conclusion:**
1. DGCE has a very vital role because it is an institution that keeps the gate of the Republic of Indonesia.
2. PR No. 74 of 2017 has been issued regarding the 2017-2019 ecommerce roadmap, and now has been drafting the tax regulations for Cross Border e-commerce with Marketplace scheme.
3. Tax regulations for e-commerce intangible goods are not available,
4. The public is still unfamiliar with international trade regulations,
5. Scattered database,
6. the network often has problems

**Recommendation :**
1. Immediately compiled government regulations on Cross Border e-commerce with Marketplace scheme,
2. Arrange regulations regarding taxation for e-commerce goods for intangible good and services,
3. Providing training and outreach to the general public regarding e-commerce online at each ministry related to e-commerce,
4. Make accurate and firm antispliting applications,
5. Cross-agency coordination and data integration supported by good ICT for the establishment of The NASIONAL LOGISTIC SYSTEM