


Case Study on E-Commerce

Cooperation between Slovenian Customs and Post “Slovenian Method”	
 Slovenia	General Overview
<input type="checkbox"/> Initiative / Pilot <input checked="" type="checkbox"/> Existing Practice	Simplification of Procedures for E-Commerce ■ Safety & Security ■ Revenue Collection / Business Models □ Cooperation between Customs/Post ■ Data Exchange with E-Commerce Operators □
E-Commerce at Glance (e.g., <i>De Minimis</i> Value)	Stakeholders Involved
Customs Duty Taxes (VAT/GST) Gift Commercial Samples	Customs Administration ■ Postal Operator ■ Express Companies □ E-Vendors/Platforms □ Other governmental authorities □ Final Consumer □ Other:
Date of implementation	
2012	
Brief Description of the Initiative/Existing Practice	
<p>For several years, E-Commerce is increasing and therefore, there is also an increase in shipments by post. In order to effectively address some of the challenges stemming from growing E-Commerce (e.g., safety and security, fair and efficient revenue collection), it is important that the Customs administrations collaborate with postal operators.</p> <p>During past years few years, Slovenia developed a new method of cooperation between the Slovenian Customs and Post.</p> <p>After the arrival of parcels, based on the CN 22/23 description and other risk criteria (in which postal staff has been trained) sorting is done by the postal staff. Customs officers are no more involved with the postal process (24*7) like in the past. However, Customs can supervise all the time over the whole process. It has now multiple control points for Customs (if needed) unlike one in the past. This has led to an improvement in cooperation and trust between Customs and Post.</p> <p>Manual writing of documents have been done away with and the CN23 data is captured electronically and gets directly fed into the postal IT system. Risk analysis is also continuously done by the postal staff starting from the point of sorting to data entry and other related processes.</p> <p>All the relevant documents can be scanned and put into the system (no paper documents). The system has</p>	

a functionality to enable buyers to upload invoices, payment particulars for faster clearance. The customer has also a possibility to add VAT number, where required.

Customs clearance is aligned with the postal logistical procedure. For items below 150 Euro, direct Customs clearance procedure including charging of VAT without a declaration is done in the postal system, where Customs can also carry out its activities and intervene based on risk assessment, as needed. The Post can also do a risk assessment and already inform Customs - but the final decision is of Customs. If the value goes beyond 150Euro, the procedure is changed to the formal procedure; it gets notified in the postal system and the data is transferred to Customs system for further processing.

The project entailed, among others, the following:

- Reallocation of staff.
- Postal IT system also used for Customs clearance.
- Automated risk analysis system.
- Obtaining data from its source and Post and Customs working on the same data.
- Postal system acts like a single window

Post charges for all the services, for example sorting processing and inspection, where data on CN22/23 was not found enough to release the parcel.

Process and Activities associated with the Initiative / Existing Practice

- A MoU was signed between Customs and Post, outlining each other's roles and responsibilities. The MoU between Post and Customs gives a commitment to cooperation between high-level management. It also has guidelines as an integral part to assist its implementation.
- In the new IT-enabled model, Slovenia Post and Customs cooperate based on clearly defined roles
 - Post does all the visible work (for example, sorting, presentation, revenue collection, and delivery) including a public interface whereas Customs focuses on controls and risk management through the whole process.
- The legal framework and MoU provide for the following :
 - authorisation of Slovenian Post to act a declarant,
 - authorisation of Post to issue receipts and collect Customs debt (duties and taxes),
 - authorisation for deferred payment of duty (VAT collected on items valued between 22 to 150 Euro – remitted on a weekly basis and duties and VAT collected on items above 150Euro – remitted on a monthly basis),
 - Customs debt would arise only upon the delivery of a parcel. This avoids the problem of refund, etc, if the parcel is undelivered and returned,
 - authorisation as 'AEO C' as a trusted partner - moving towards AEO S, and
 - authorisation for temporary storage - non-deliverable goods – up to 90 days.
- In the new postal IT system - Application for Postal Manifest (APM), in case of consignment having a value not exceeding EUR 150, Customs declaration is submitted in APM, but if the value of item exceeds this sum, a declaration of standard customs is deposited in the Slovenia Customs Information System (SICIS).
- Customs oversees the entire new procedure and, therefore, has some requirements: the

submission of the data according to the Customs requirements, an appropriate control mechanism, and recorded history of decisions taken by Post.

Value Proposition (benefits) of the Initiative / Existing Practice

- There is a substantial reduction in the delivery time (from several weeks or days to a few hours).
- The system supports the entire process including the electronic risk analysis, detection and elimination of dangerous consignments and enables full paperless business operations.
- It enables the consignees to track their consignments.
- There is a lower risk of corruption.
- It has led to the improvement of the control and the traceability
- With the new procedure, there are greater possibilities of data analysis.
- The new procedure also allows simplification of payment of duties and taxes.
- Customs can focus only on risk management and controls and have a higher efficiency of operations.
- The advantage for the Postal operations: higher performance and greater speed, transparency, additional revenue and finally total control over the process (Location, status, and history).
- With electronic data capturing capability, there is an improved quality of data.

Key Enablers

- Review and update of De Minimis
- Changes on legal framework
- Creation of IT System
- Private Sector (Political Will)
- Exchange of information with stakeholders
- Other:
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WCO Relevant tools and instruments

- The WCO-UPU Post-Customs Guide
- The WCO-UPU EDI messages.
- The WCO-UPU Guidelines for developing MoU between Customs and Post

Additional Information

Relevant links or documents

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