ICT Challenges in Cross-Border Trade

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Introduction

EU governments are facing the dilemma of how to increase the security of international trade while at the same time reduce its administrative burden. Two long-term goals of eCustoms development in Europe are crucial to solve this dilemma: enabling Single-Window (SW) and Authorized Economic Operators (AEO). The transformation of paper trade documents to electronic ones and the redesign of customs procedures is a promising approach. While ICT is a key component of the solution, we argue that the redesign of the procedures for international trade is more problematic than traditional business process redesign. Lack of harmonization in the procedural and technical fields is a major obstacle to reach an EU-wide functioning system of paperless customs procedures. The workshop aims to contribute to the e-customs developments in Europe and is relevant for businesses, government officials, researchers on e-Government.

Workshop setting

The workshop includes presentations that show how the eGovernment dilemma is addressed in the ITAIDE project. We will present the results of living labs that show
how we can make steps towards the solution of the e-customs problems. The presentations will be followed by a discussion to reflect on the ICT challenges in cross-border trade and the proposed solutions.

Yao-Hua Tan as a co-chair will open the workshop with an overview presentation of the ITAIDE project. He will discuss the major challenges for development of solutions for cross-border trade along technical, procedure redesign and network collaboration levels.

Yao-Hua Tan will discuss the challenges related to procedure redesign in the Beer Living Lab (BLL). The BLL investigates how to introduce e-Customs for excise goods. Instead of simply introducing electronic versions of existing paper documents, we examine how customs procedures can be reconsidered radically and ultimate reuse of existing business data can be made. Such solutions are aimed to support Authorized Economic Operators. These companies demonstrate a high degree of control on their own supply chain, and will therefore be eligible for reduced administrative procedures and customs inspections.

Kari Korpela will discuss the issues related to SME integration in the Paper Living Lab (PLL). The PLL ecosystem is characterized by a large number of SMEs as suppliers in regional and cross-border environment, even self-employed forest harvesting or maintenance workers that are participating in the supply and value chains of the United Paper Mills. The PLL proposes a solution which will allow SMEs to exchange information electronically along the supply chain. This supply chain integration will create possibilities for SMEs to report data electronically to the Tax and Customs Authorities.

Fred van Ipenburg will focus his presentation on challenges from a government perspective. The goal of the Dutch Customs and Tax Administration (DTA) in ITAIDE is to investigate if and how better use can be made of the available business control measures, with optimal use of new information technology. If a company can prove that it is “in control” concerning all the interests (commercial and non-commercial) the processes can be made more efficient and effective. DTA aims to come up with a “WAKE-UP CALL” to the EU concerning the following aspects: integrated approach on legislation regarding the supply chain, use of modern audit concepts based on risk management and ultimately optimal facilitation for developments such as AEO and Single Window.

Stefan Klein will discuss the challenges from a network perspective. ITAIDE brings together multiple stakeholders from governments, standardization bodies, industry and academia throughout Europe with linkages to the US and Asia. Living Labs have been initiated as vehicles to foster and explore innovation processes in real world settings. In order to recognize the diverse interests, needs and incentives of the respective stakeholders and facilitate a process of negotiation and consensus building, a network perspective is taken. An elaborate understanding of networks as environments or ecosystems of innovation, their dynamics and potential as well as their fragility forms the basis of recommendations for network management.
Niels Bjørn-Andersen as a co-chair will facilitate the discussion. The presenters and the audience will be encouraged to reflect on the ICT challenges in cross-border trade and to express their view on the proposed solutions.

**Relevance of the workshop**

The workshop is relevant for businesses, government officials, researchers on eGovernment, DG Tax & Customs, standardization bodies such as UN/CEFACT, World Customs Organization etc. The intended impact of the workshop is to contribute to the e-customs research and developments in Europe.