

## A NEW MODEL TO IDENTIFYING THE BENEFITS OF ELECTRONIC CUSTOMS SERVICES ON FACILITATE EXPORTS

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### ABSTRACT

*The sensitivity and importance of the export of goods and services has caused to tools and to identify risk factors and to develop their export efforts. Customs Service of the factors in the development of export of goods and services. In this paper, the role of electronic customs in facilitating the export of goods and services will be discussed. The results show that the deployment of electronic customs, customs affairs related to the export of more transparent and facilitate the export of goods and services, because the e-customs due to routine process to export customs, customs electronic documentation relating to export using shared structure and create a connection between regulatory agencies. It is essential that managers have prepared to handle changes in a dynamic and changing environment. Organizations also need to change things improve, otherwise your existence and survival are threatened and disappearing. This paper examines the role of electronic customs in facilitating the processes are discussed. The results indicate that the deployment of electronic customs, customs formalities relating to exports of greater transparency and facilitate the export of goods and services by Using the electronic customs procedures, electronic document customs formalities relating to export and create the connection between regulatory agencies*

**Keywords:** Electronic Customs Services, Development, E-Customs, Customs affairs, Facilitate export

### INTRODUCTION

Exporting countries form part of international trade. In fact, one way to increase foreign currency and thereby achieve economic development, exports of goods and services. Limited to material and economic benefits for the country, but to interpret the appearance of a cultural and political as well. The sensitivity and importance of exports of goods and services has caused to these countries, tools and identify risk factors and to develop their export efforts [1]. The most important role of customs is improving performance of import and export and provide improved process performance and analysis of data related to foreign countries [2]. That's why today believe, automation of customs, trade facilitation is a vital component of any program. Customs services are the influential factors in the development of exports of goods and services. The international trade in the world without the use of the Customs Service has no meaning [3]. The main task of customs are taxes and government share of imports and protect the economic entity controlled by the passage of goods and people within the borders of the country.

Due to the high volume of trade and the increasing speed of business transactions, Customs also has to be transformed, for visitors to Customs as fast as your commodity buy and carry, expect both operations at the same speed customs clearance systems go. In addition, according to the emergence of e-commerce, business community is now waiting for customs procedures, transparency and predictability, and clearance fast as possible. The government

expects to collect revenue and the effective exercise of its import and export regulations and laws. In order to meet these expectations, many Customs administrations attempted to reload and to support their operations [4].

Indeed, today's customs procedures without the use of ICT is a major obstacle to international trade. This paper attempts to highlight the role of technological progress in the process through customs, economic and customs officials to persuade countries to take advantage of these improvements in the working process [5]. Because electronic customs play an important role in reduction of transaction costs, speed transfers, enhanced communications, easier participation of business partners. Also, it can be used with all operations, calculations with accuracy and ease customs supervision and other problems as there will be inaccuracies or delays the process.

### **E-commerce and its relationship with Customs**

In accordance with the vision of Europe Union, e-commerce means doing business electronically in which the parties rather than the physical exchanges or direct physical contact to interact electronically [6]. It can also be said that e-commerce is the trade without the use of paper in which electronic data interchange as a tool along with e-mail, electronic bulletin boards, electronic transmission, or other network-based technologies are used. In other words, electronic data interchange serves as the backbone of e-commerce [7]. So e-commerce consists of the buying process, sale, and transfer, exchange of goods, services and information via computer networks including the Internet. If you have a physical store, you are limited by the geographical area that you can service. With an ecommerce website, the whole world is your playground. Additionally, the advent of ecommerce, i.e., ecommerce on mobile devices, has dissolved every remaining limitation of geography. Due to the high volume of trade and the increasing speed of business transactions, customs has to be changed because the customs clients to buy and carry your goods as fast as they expect clearance operations in customs system at the same speed [8].

Using the information that a customer provides in the registration form, and by placing cookies on the customer's computer, an ecommerce merchant can access a lot of information about its customers. This, in turn, can be used to communicate relevant messages. An example: If you are searching for a certain product on Amazon.com, you will automatically be shown listings of other similar products [9]. In addition, Amazon.com may also email you about related products. There are limitations to the amount of information that can be displayed in a physical store. It is difficult to equip employees to respond to customers who require information across product lines. Ecommerce websites can make additional information easily available to customers. Most of this information is provided by vendors and does not cost anything to create or maintain [10].

Ecommerce facilitates comparison shopping. There are several online services that allow customers to browse multiple ecommerce merchants and find the best prices. It is not unusual for customers to travel long distances to reach their preferred physical store. Ecommerce allows them to visit the same store virtually, with a few mouse clicks. In a framework, the advantages of electronic commerce are shown:

#### ***Advantages to Organizations***

1. Using E-Commerce, organization can expand their market to national and international markets with minimum capital investment. An organization can easily locate more customers, best suppliers and suitable business partners across the globe.

2. E-Commerce helps organization to reduce the cost to create process, distribute, retrieve and manage the paper based information by digitizing the information.
3. E-commerce improves the brand image of the company.
4. E-commerce helps organization to provide better customer services.
5. E-Commerce helps to simplify the business processes and make them faster and efficient.
6. E-Commerce reduces paper work a lot.
7. E-Commerce increased the productivity of the organization. It supports "pull" type supply management. In "pull" type supply management, a business process starts when a request comes from a customer and it uses just-in-time manufacturing way [11, 4, and 7].

### ***Advantages to Customers***

1. Customer can do transactions for the product or enquiry about any product/services provided by a company anytime, anywhere from any location. Here 24x7 refers to 24 hours of each seven days of a week.
2. E-Commerce application provides user more options and quicker delivery of products.
3. E-Commerce application provides user more options to compare and select the cheaper and better option.
4. A customer can put review comments about a product and can see what others are buying or see the review comments of other customers before making a final buy.
5. E-Commerce provides option of virtual auctions.
6. Readily available information. A customer can see the relevant detailed information within seconds rather than waiting for days or weeks.
7. E-Commerce increases competition among the organizations and as result organizations provides substantial discounts to customers [11, 4, and 9].

### ***Advantages to Society***

1. Customers need not to travel to shop a product thus less traffic on road and low air pollution.
2. E-Commerce helps reducing cost of products so less affluent people can also afford the products.
3. E-Commerce has enabled access to services and products to rural areas as well which are otherwise not available to them.
4. E-Commerce helps government to deliver public services like health care, education, social services at reduced cost and in improved way [12, 9, and 4].

### ***E-Commerce: Opportunities and Challenges***

With the increased use of electronic commerce tools, Customs and other government agencies that are responsible for controlling import goods, every day more and more people need access to digital information. In addition to the commercial expertise, the Internet provides a valuable source of information, customs duties and executive control assists [13]. In general, modern automatic processes in any organization, stability, transparency, increase productivity and to better assess how to deal with administrative violations will result. Good

opportunities to coordinate such processes provide organizations and governments together [14]. Traditional customs procedures to enter the field of e-commerce opportunities these changes are found. As a result of the increased use of e-Commerce, communications between customs before they even arrive goods to the country's borders, is established. Each party product that may cause problems during registration, can your data before reaching the destination [15].

The destination Customs will be able to process your preparation much earlier started. From another perspective, e-commerce and Internet digital divide between developed and developing countries increases. However, because of the relatively low cost of electronic equipment and access to global markets information, the Internet can be used as a tool capabilities digital differences between countries has the potential to destroy, not to show off.

One interpretation prevents unilateral and independent deployments old car systems (typically network-based multi-systems) that were previously used in international trade transactions, is. Customs should also facilitate the development of electronic control and facilitate trade, especially with the use of information technologies (IT) to ensure that electronic data interchange, and is flexible and prudent. According to customs issues have to use new technologies like the Internet are so useful tool for improving the management of their information in hand.

The amendments by the efficient use of commercially available data to collect and obtaining rights and duties, disk management and use of data will be done by audit and control purposes. Customs have their own abilities in order to protect access to authentic information (valid) expand and increase. This ensures the identification and recognition of the responsibilities of both sides and obtain the necessary information will be required in order to perform tasks. Such operating environment requires appropriate laws be applied equally to both parties, as well as bilateral cooperation appropriate and sufficient resources. The levels of management, customs procedures and adopting decisions that are always being modified and simplified customs procedures will help lubrication [16].

Another reason for the application and will be equipped with electronic customs procedures. Of course, other aspects of e-commerce can enhance the junk mail reduction in revenues and profits name that was customs. While in the past, intermediate goods were imported in high volumes, e-commerce is now possible to order goods directly from the manufacturer may, as a result of shrinking mail volume and lower their value. While each case must be performed customs operations fully from beginning to end, which will lead to additional costs for customs. On the one hand facilitate online sales will be detrimental in some cases to local retailers.

### ***The most important tasks of electronic customs***

One aspect of the realization of e-commerce in Iran has been downgraded, the customs electronically. Today, in many countries throughout the world use electronic customs system to facilitate e-commerce started and some of them 20-year history in these fields. Electronic customs is the implementation of electronic business in the customs offices. Customs duties in their current organization that also consider two objectives go hand in hand. First, the provision of facilities for international trade and, second, rules and regulations [17]. Achieving these two goals simultaneously and balanced of the major challenges facing customs. Using information technology, customs will help to realize the above objectives. The customs formalities and cargo. Implementation of electronic customs infrastructure needed to provide software, systems and human. This technology is the most effective tool

that can bring potential to the actual. And also facilitate customs formalities and increase client satisfaction and effective implementation of e-government.

Advantages and benefits of utilizing electronic customs is described below. The resulting bond between business and IT and e-commerce is rapidly spreading phenomenon. In this connection, Electronic customs as one of the important pillars of e-commerce in different ways bottleneck customs can reduce or even eliminate in some cases. The first approach, the electronic clearance.

The Import subsystem implements core import procedures used by Customs Administrations around the globe and covers all major importation areas. As well as the standard import procedure, it can also carry out:

- Inward processing of goods to be re-exported
- processing under Customs control
- Temporary importation
- Inward processing of goods to be re-imported

DMS core provides facilities to Customs Officers for approval of import requests, close follow upon the approved imports while they are being processed and completion of the import procedures. In addition, the subsystem supports queries of categorization, assessment of duties, calculation and registration of income paid or due to be paid. Moreover, it provides physical and/or document examination suggestions based on risk assessment created by an external risk management subsystem. The import subsystem can be easily adapted to different national needs and is flexible in terms of interfaces to other systems.

The Export Process Flow implements core export procedures used by Customs Administrations around the globe and covers all major exportation areas:

- Export procedures based on typical export and exit summary declarations
- Outward processing, simplified procedures for the exportation of goods

The system allows Customs Officers to approve export requests and closely follow up approved export procedures until completion. It supports the application of exit formalities and commercial policy measures and, where appropriate, the calculation of export duties.

Therefore, the main electronic customs duties include:

- 1) Ensure the accuracy of the amount and payment of customs duties and taxes related to export and import.
- 2) Monitoring and evaluation of imported goods and products and Sadat.

Statistical community of this study is including the experts in the field Electronic Customs and ERP systems such as: managers in organizations, employees, and manufacturing, service and trade, book authors, researchers, professors and masters and university faculty members, who have expertise in this area. As well as the data collection method is using the questionnaires. Also one sample T-Student test is used to test the hypothesis. In this study, researcher has set the alpha level a priori at .05, plans to use a proportional variable, has set the level of acceptable error at 5%, and has estimated the standard deviation of the scale as .5. Cochran's sample size formula for categorical data and an example of its use is presented here along with explanations as to how these decisions were made. According to the formula at least 97 samples are needed. Therefore, 100 questionnaires were sent between experts and were collected.

### CONCEPTUAL MODEL

In this model, the internal and external variables influencing on Efficiency of electronic customs are shown. Since these factors have been selected according to the opinions of experts and professors, if the managers of electronic customs pay attention to these factors, this can lead to organizational effectiveness. And finally will lead to efficiency in the chain stores.

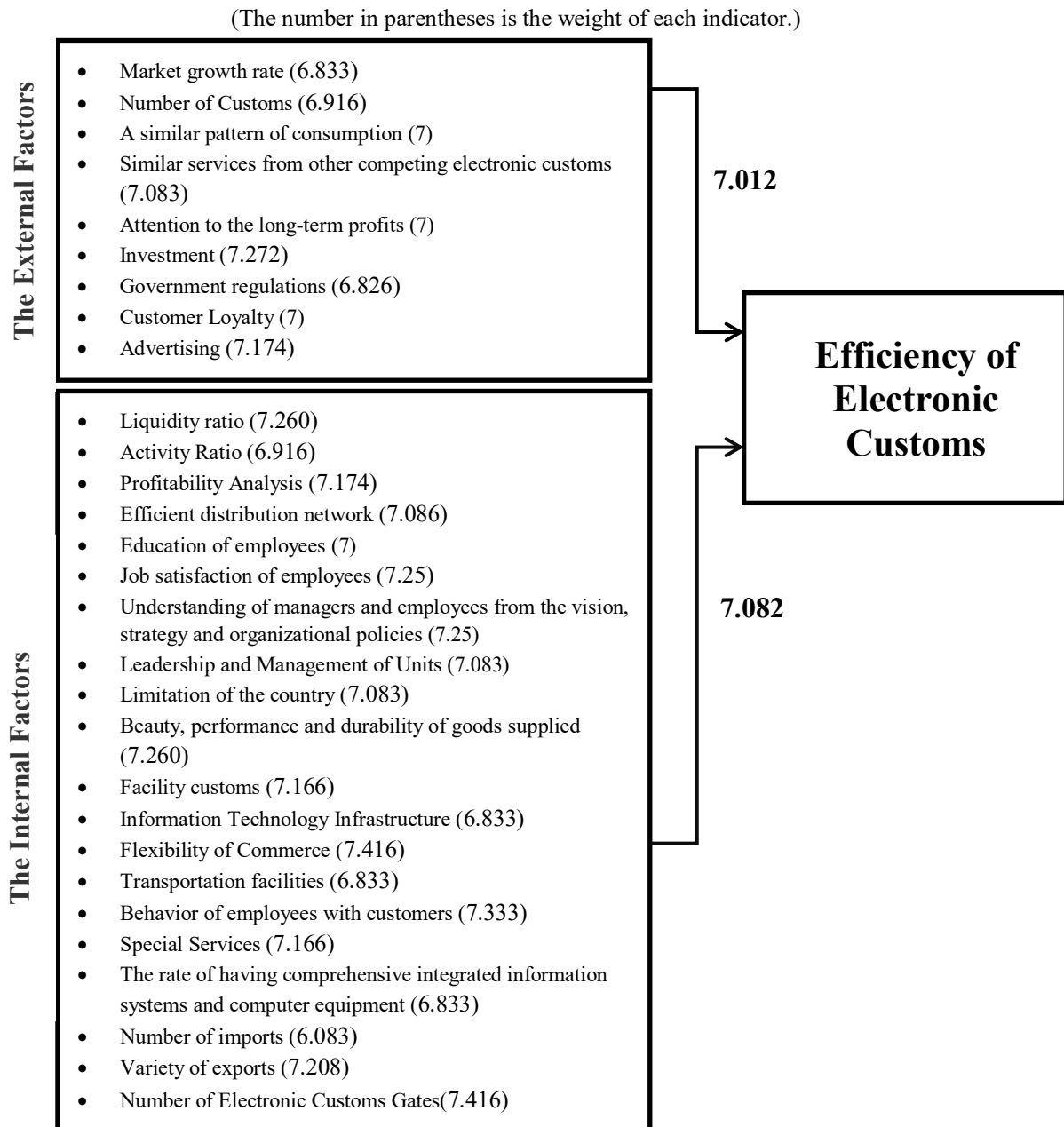


Fig. 1: The conceptual model: The internal and external variables influencing on Efficiency of electronic customs

### METHOD RESEARCH

According to experts and professors and Masters, validity has been reviewed and approved. Questions extracted for the questionnaire are based on the Mukherjee's theory and largely are related with research topic. The Cronbach's Alpha to calculate the reliability. The value of



this factor has calculated 86.6 percent. The results indicate a high correlation between the results of questionnaire survey.

Questionnaires were distributed among experts, managers, book authors, researchers, professors and masters and university faculty members, who have expertise in this area. Results of the descriptive tests indicate that applying E-Customs have good effect to achieve successful implementation based on proposed model in Iran. 47% of these experts have a master's degree, 34% have Ph.D. degrees and 19% have a bachelor's degree. 81% of these experts are male and 19% are female. Also academic field of these experts is Industrial Engineering, Management, IT, Computer Engineering, and few experts have other academic fields. According to research findings, based on the above description in the previous section, the proposed model is offered.

## **DISCUSSION AND CONCLUSION**

One of the main sectors of e-government, e-commerce is naturally Customs is one of the main roles in this area. So that without the benefit of technology, performing different tasks will be faced with serious problems. The mission of World Customs has changed in the past five decades. In the 1980s, the central mission of customs revenue collection, customs and most important mission is expected in 2010, flexibility, interoperability with other revenue agencies, business entities and border management in virtual Border Agency will become the primary mission of Customs in 2020. Customs will go to the extent of using technology in the mobile communications operations through satellite technology will be common. Implementation of an electronic customs in the country's most important programs in order to serve the people. With the implementation of electronic customs, rules and regulations and collection of such rights, customs duties and taxes is facilitated customs.

Provision of distance declaration for cargo owners, the evaluation of absentia for cargo owners provided, in other words, doing customs procedures in electronic form, the end result reduces the time consuming customs formalities, in practice imports and exports. E-commerce challenges in order to provide with a customs foot. These challenges prompted to review and revise the questions in the first place, and fundamental changes in its business strategies. And then have to acquire hardware and software and communication tools in order to make the online services. For this purpose, the customs had to execute the obligations are as follows:

1. Simplification of customs processes and procedures in addition to access to higher levels of security, which in turn reduces the pressure and lowering costs will be imposed by electronic attacks.
2. Train for confidence in the use of business information electronically at international level in order to meet the information requirements of customs
3. Access and access to reliable software systems that also have a high ability to work and process data, with graphical interfaces are user friendly.
4. Development of cooperation between customs and other organizations involved in international trade in order to facilitate the transmission of integrated international trade information. As well as targeting concepts such as risk and risk-taking in the national and international levels
5. Preparing personnel and employees at all levels with the necessary training to acquire the skills needed to apply all necessary activities in a fully electronic environment is automatic.

In conclusion, it may be noted that the World Customs Organization substantial activities required to define and implement e-commerce strategies.

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