

PROJECT COMPLETION REPORT

ON

PROJECT FOR CAPACITY DEVELOPMENT ON RULE OF ORIGIN

FOR EFFICIENT CUSTOMS PROCEDURES

IN THE KINGDOM OF THAILAND

JUNE, 2018

JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)

IL
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Project Completion Report

I. Basic Information of the Project

1. Country

Thailand

2. Title of the Project

Project for Capacity Development on Rule of Origin for Efficient Customs Procedures
(hereinafter referred to as "Project")

3. Duration of the Project (Planned and Actual)

The actual duration of Project is two (2) years and eight (8) months, starting from 29th October 2015 until 22nd June 2018 as originally planned.

4. Background

Thai Customs Department has significant roles in collecting national revenue from imports and exports, preventing and suppressing illegal activities against Customs Act and other relevant laws. In addition, contributing to trade facilitation has been more recognized than ever as one of the customs roles.

With regard to the collection of national revenue, tariff rate and customs value must be determined properly in terms of calculation of customs duty. Among them, tariff rate is decided based on tariff classification and country of origin in accordance with rules of origin.

In short, tariff classification, customs valuation and rules of origin are major three factors to determine the amount of customs duty. In order to ensure correct revenue and trade facilitation, Thai Customs Department implemented the Project for Enhancing the Transparency and Predictability of Tariff Classification and Customs Valuation from 2012 to 2015.

Turning to the rules of origin, it is well noted that the Kingdom of Thailand (hereinafter referred to as "Thailand") has concluded free trade agreements with other countries. These agreements are to deepen partnerships with preferential tariff system and respective rules of origin to determine the goods subject to preferential duty. Thai Customs Department has made its best effort to incorporate those rules into implementation. In addition to the preferential duty system for free trade agreements, Thailand agreed to provide duty free quota free market access (DFQF) for exemption of tariffs without quota to goods imported to Thailand from 48 Least Developed Countries (LDCs).

However, there are concerns that imported goods produced in those LDCs use raw materials originated in other countries than LDCs and it may have negative impact on the domestic industry in Thailand. Besides the sources, deviation from the conventional trading pattern brought by its diversity in recent years may cause misapplication of preferential tariff treatment unless Thai Customs Department

work on the capacity enhancement of front line officers as well as those who are responsible for post clearance audit.

In this regard, Thai Customs Department is convinced that good practices sharing and hands-on training from Japan Customs can provide efficient knowledge to enhance fully functional checking system on the rules of origin.

In order to further facilitate trading with preferential tariff system under free trade agreement to Thailand as well as to solve the above-mentioned issues, the government of Thailand requested a technical cooperation to the government of Japan to cope with these challenges.

5. Overall Goal and Project Purpose (from Record of Discussions(R/D))

5.1 Overall Goal

Legitimate trade and trade facilitation are enhanced.

5.2 Project Purpose

Capacity* on appropriate and uniform application of Rules of Origin for efficient Customs procedures nationwide are enhanced.

(* "Capacity" means capacity of officials as well as an institutional mechanism on Rules of Origin for efficient Customs procedures.)

6. Implementing Agency

Thai Customs Department

II. Results of the Project

1. Results of the Project

1-1 Input by the Japanese side

(1) Overhead cost from Japan

A total of 49 million JPY was provided by Japanese side.

(2) Dispatch of the JICA experts

In total, three long term experts and two short term experts were dispatched during the Project period as shown in **Table 2-1 and 2-2** below. The two short term experts were dispatched to join the rules of origin workshop held in Thai Customs Department.

Table 2-1: List of Long Term Experts

Name	Area of expertise	Dispatch Period (Planned)	Dispatch Period (Actual)
Mr. Masaru Taniguchi	Chief Advisor	29 Oct. 2015 - 22 Jun. 2016	
Mr. Makoto Uchiyama	Chief Advisor	23 Jul. 2016 - Completion of the Project	23 Jul. 2016 – Dec. 2016
Ms. Mio Hamada	Rules of Origin	29 Oct. 2015 - Completion of the Project	

Table 2-2: List of Short Term Experts

Name	Area of expertise	Dispatch Period (Planned and Actual)
Ms. Rika Tokai	Rules of Origin	18 Sep. 2016 – 23 Sep. 2016
Mr. Shinji Sugimoto	Rules of Origin	18 Sep. 2016 – 23 Sep. 2016

(3) Training course in Japan

In total, three times of training course in Japan were arranged in the Project period and 40 officers from Thai Customs Department learned Japan Customs' practice and trading there through the course. The summary of the three training courses is shown in **Table 2-3**.

Table 2-3: Summary of Training Courses in Japan

Couse Titles	Number of participants	Duration	Place of training in Japan
Study of the operation and management on rules of origin in Japan Customs (Targeting core member of the Project)	11 officers from ROO division in customs tariff bureau	3 Apr. 2016 - 9 Apr. 2016	- Customs Tariff Bureau, Ministry of Finance - Tokyo Customs - Yokohama Customs

Study visit on the operation and management for rules of origin (Targeting Focal Point)	21 officers - 4 officers from ROO division - 17 officers from Focal Point in 11 bureaus	18 Dec. 2016 - 23 Dec. 2016	- Japan Chamber of Commerce and Industry (JCCI) - Tokyo Customs - Yokohama Customs
Study visit on the operation and Management for rules of origin (Targeting new ROO officers)	8 officers from ROO division in customs tariff bureau	31 Aug. 2017 - 7 Sep. 2017	- YKK Snap Fasteners Japan Co., LTD - Tokyo Customs - Yokohama Customs

The objective of first training course was to identify challenges and to find way forward in order to develop strategic action plan. In the second training course, Focal Point which had been set up as one of the action plan, learned how regional customs in Japan collaborate to maintain consistent and uniform customs service in Japan nationwide. In the third training course, officers newly assigned to work in rules of origin division joined the course, aiming to catch up activities so far and take over the Project activities from initial Project members.

(4) Overseas activities cost

A total of 15 million JPY was provided by Japanese side as overseas activities cost. This includes activity cost, translation fee, travel cost, maintenance fee, material development cost and meeting cost and other expenses for the daily activities.

1-2 Input by the Thai side

(1) Appointment of Counterpart

In accordance with Record of Discussion (R/D) signed by JICA and Thai Customs Department, Deputy Director General of the Thai Customs Department who is responsible for Customs Tariff Bureau has played roles of Project Director, and Director of Customs Tariff Bureau (hereinafter referred to as “CTB”) has been assigned as Project Manager. In addition, customs officers working in rules of origin division (hereinafter referred to as “ROO division”) have been assigned as core members of the Project, namely relevant staff in R/D. Furthermore, Customs Academy has supported the Project members as Project Coordination Unit since Project started in October 2015. The list of the counterpart is attached as **Annex 1-1**.

(2) Provision of Facilities for Project Operation

Thai Customs Department secured an office for JICA experts within its territory. Additionally,

necessary equipment for JICA experts, such as desks, telephones, facsimile, desktop PCs, smart card to access the desktop PCs and Wi-Fi network have been provided. The domestic transportation for operation is also provided by Thai side when necessary.

1-3 Input by Japan and Thai side

(1) Training course in Thailand

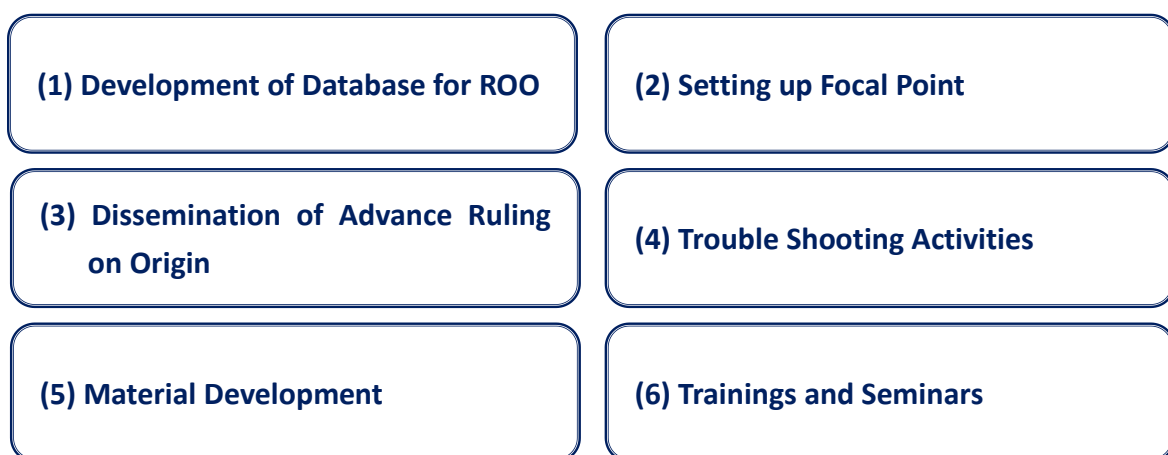
Various trainings for customs officers and outreach seminars for traders were organized during the Project period at the expense of both Japan and Thailand. In consideration of practice by Thai Customs Department in the past and sustainability of the Project activities in the future, possible cost sharing was always kept in mind to the extent possible when organizing trainings and seminars. The trainings and seminars conducted in the Project period are shown in **Annex 1-2**.

1-4 Activities (Planned and Actual)

While activities in Plan of Operation are indicated separately depending on the Output 1 and Output 2, some activities have similarities in some points. In addition, one of the activities for Output 1, which is “Implement related activities based on the framework”, was necessary to be specified more in response to the actual needs and challenges in Thai Customs Department. Therefore, after conducting the baseline survey and the first training course in Japan, the action plan was formulated by the Project to make sure the activities to be done. Subsequently, the action plan was officially adopted at the 2nd Joint Coordinating Committee meeting as activity list to substantiate the activities in Plan of Operation. The adopted action plan was attached as **Annex 1-3**.

According to this action plan, most of the activities for Output 1 and Output 2 could be simplified and summarized as following 6 points.

Major Action Plan



The correspondence between each activity for Output 1 and Output 2 and the action plan is shown in **Table 2-4**.

Table 2-4: Correspondence Table between Activities and Simplified Action Plan

Activities for Output 1 & 2		Action Plan
1.1	Conduct baseline survey and formulate an action plan based on an analysis of the current situation	(Other)
1.2	Consider the framework of uniform application of Rules of Origin nationwide	
1.3	Implement related activities based on the framework	(1) Development of Database for ROO
		(2) Setting up Focal Point
		(3) Dissemination of Advance Ruling on Origin
		(5) Material Development
1.4	Make a draft of manual and/or handbooks regarding uniform application of Rules of Origin.	(5) Material Development
2.1	Formulate a training plan based on an analysis of the current challenges	(6) Trainings and Seminars
2.2	Develop training materials and short test based on the Japanese experience and an analysis of the current challenges	(5) Material Development
2.3	Conduct training courses for relevant officials in Thai Customs for efficient customs procedures	(6) Trainings and Seminars
2.4	Conduct outreach seminars for the private sector	
2.5	Publish materials on efficient Customs clearance procedures for both Customs officials and the private sector	(5) Material Development
2.6	Develop a strategic training plan for future use	(Other)

Overall, the Project has been working on the all the activities as planned in Plan of Operation while several minor updates were observed in the occasion of monitoring in every 6 months due to the delay of schedule or other reasons for rescheduling. For the actual performance of all activities, please refer to the Plan of Operation attached as **Annex 1-4**.

After January 2018, the Project started to place more priority on activities directly related to objectively verifiable indicators for the Project purpose such as encouragement of use of advance ruling or upgrade of consultation database in order to achieve project purpose by the completion of the Project. In consequence, schedule of some activities such as conducting trainings and seminars were shortened.

2. Achievements of the Project

2-1 Outputs and indicators

(Target values and actual values achieved at completion)

Output 1

Capacity of customs administration on verification on rules of origin is enhanced.

Objectively Verifiable Indicators for Output 1:

1. Developed regulations/guidelines and/or handbooks regarding uniform application on rules of origin.
2. Volume of information provided.
3. Number of consultation inside/outside customs.

Output 1 is completely achieved in light of objectively verifiable indicators for Output 1.

With regard to the regulations in the objectively verifiable indicators above, ROO division in Thai Customs Department revised all customs notifications and customs orders related to rules of origin in response to the amendment of Customs Act in 2017 and the launch of e-form D implementation in 2018. List of customs notifications / orders related to rules of origin is described later as an achievement of project purpose.

In addition to those revised regulations, the comparison table of relevant provisions under free trade agreements called “Check list” and the Q &A style guideline were updated in a timely manner in response to the update of free trade agreement and published from customs website (<http://www.customs.go.th>) to make essential provisions on rules of origin publicly known.

The number of consultations from beginning of the project until completion was not available at this moment since the consultation database started to be used only after March 2018 though, ROO division handles a certain number of inquiry every day. On an average, around 10-20 inquiries are sent to ROO division every day. By utilizing those inquiries, the frequently asked questions were reflected to the Q &A style guideline aforementioned,

Output 2

Capacity of Customs officials and understanding of the private sector on Rules of Origin for efficient Customs procedures are enhanced.

Objectively Verifiable Indicators for Output 2

1. Developed training materials for customs officials.
2. Number of training courses for customs officials
3. Increased level of understanding on efficient customs procedures of relevant officials
4. Number of seminars for the private sector
5. Published materials for increasing predictability of customs procedures provided to Customs officials and the private sector.
6. A developed strategic training plan for future use

Output 2 is completely achieved in light of Objectively Verifiable Indicators for Output 2.

With regard to the training for customs officials and seminar for private sectors, the Project conducted series of outreach seminars and trainings during the Project period. Necessary training materials were developed every time, taking account of its target and theme. Those materials were uploaded to the customs website when appropriate so that the attendees of seminar would be able to utilize them in their office later or review the contents. In addition, by making the best use of materials developed for each training or seminar, e-learning mobile application for rules of origin “ROO” was developed in the final stage of the Project.

In addition, as strategic approach, the seminar plan in four consecutive months was formed by the Project and the dates of seminar with specific topic for each time were announced in the customs website in order for traders to join by topics. This plan is expected to continuously use for the plan from now on as well.

It should be also noted that the capacity building activity was extended to the customs officers in CLMV countries. In June 2018, Thai Customs Department, in collaboration with JICA, held the workshop on rules of origin for CLMV countries, Malaysia and Thailand. On that occasion, recent topics concerning rules of origin and good practices including the Project achievements were shared with neighboring countries.

In total, 42 times of seminars and trainings were conducted for rules of origin during the Project period of 2 years and 8 months, and more than five thousand participants joined to learn rules of origin. The list of outreach seminars and trainings are attached as **Annex 1-2**.

2-2 Project Purpose and indicators

(Target values and actual values achieved at completion)

Project Purpose

Capacity* on appropriate and uniform application of Rules of Origin for efficient Customs procedures nationwide are enhanced.

(* "Capacity" means capacity of officials as well as an institutional mechanism on Rules of Origin for efficient Customs procedures.)

Objectively Verifiable Indicators for Project Purpose

1. Number of application of advance ruling on Rules of Origin increases.
2. Number of Origin Verification requested to exporting countries decreases.
3. The customs notification/order is revised to clarify customs procedure for enjoying preferential tariff treatment.
4. Function of Focal Point is officially established.
5. Consultation Database is well utilized among relevant Bureaus.

Project purpose is achieved successfully in light of its objectively verifiable indicators. The level of achievement of each indicator is summarized as follows;

1. Number of application of advance ruling on Rules of Origin increases.

This indicator was mostly achieved.

The advance ruling on origin was neither applied by traders nor issued by Thai Customs Department for years before. After the Project started to implement in 2015, vigorous efforts have been made to disseminate its benefit and to encourage use of advance ruling on origin so that importer can make sure that importing good is eligible for preferential tariff treatment under free trade agreement. Specifically, the leaflet indicating the benefit of advance ruling on origin was developed and thousands of copies were circulated by the Project since 2016, taking the opportunities of seminars and function of Focal Point. Finally, by making the best use of end-line survey, five companies applied for advance ruling on origin in 2018 and four advance rulings on origin were issued until the Project completion. The achievement on advance ruling on origin is shown in **Table 2-5**.

Table 2-5: Number of Application of Advance Ruling on Origin

	Number of Advance Ruling requested	Number of Advance Ruling issued (as of June 2018)
2016	0	0
2017	0	0
2018	5	4

In parallel, following challenges were raised as a result of usability testing survey of Advance ruling on origin conducted as end-line survey, although it was shown that Advance ruling on origin are recognized as beneficial by those who joined the survey.

- In general, it is difficult for applicants in importing country to get the manufacturing information such as manufacturing process, ingredients and materials used for production or cost incurred for production of import goods from exporters, while applicants are required to submit the information with application form to Thai Customs Department when applying for advance ruling on origin. In fact, one applicant couldn't get the written consent from the exporter about the place where the original materials were extracted. Another applicant could successfully obtain the information, but it said it was tough process.
- There are rooms for improvement in the process to issue advance ruling on origin. At this moment, processes of document submission, requesting modification, payment of fee are all done by manually, thus they are troublesome for traders. To increase the convenience, update of progress should be informed to applicants in a timely manner by setting up electronic system.
- Even though applicants get advance ruling on origin from customs administration in the importing country, for the purpose of enjoying preferential tariff treatment, traders need to get certificate of origin issued in the exporting country in most cases in ASEAN countries. In that sense, incentive to get advance ruling from customs administration in the importing country is weak. The real needs of Advance Ruling of Origin may increase only after introduction of self-certification system by traders.

2. Number of Origin Verification requested to exporting countries decreases.

This indicator was completely achieved.

Before the Project started, the number of unfinished origin verification sent to the issuing authority and yet to be answered, increased year by year. While waiting reply from exporting party, hundreds of cases were suspended to enjoy preferential tariff treatments. Given that verification to the exporting party is time consuming process and human resource in ROO division are also limited, the Project was convinced to reduce the unfinished cases.

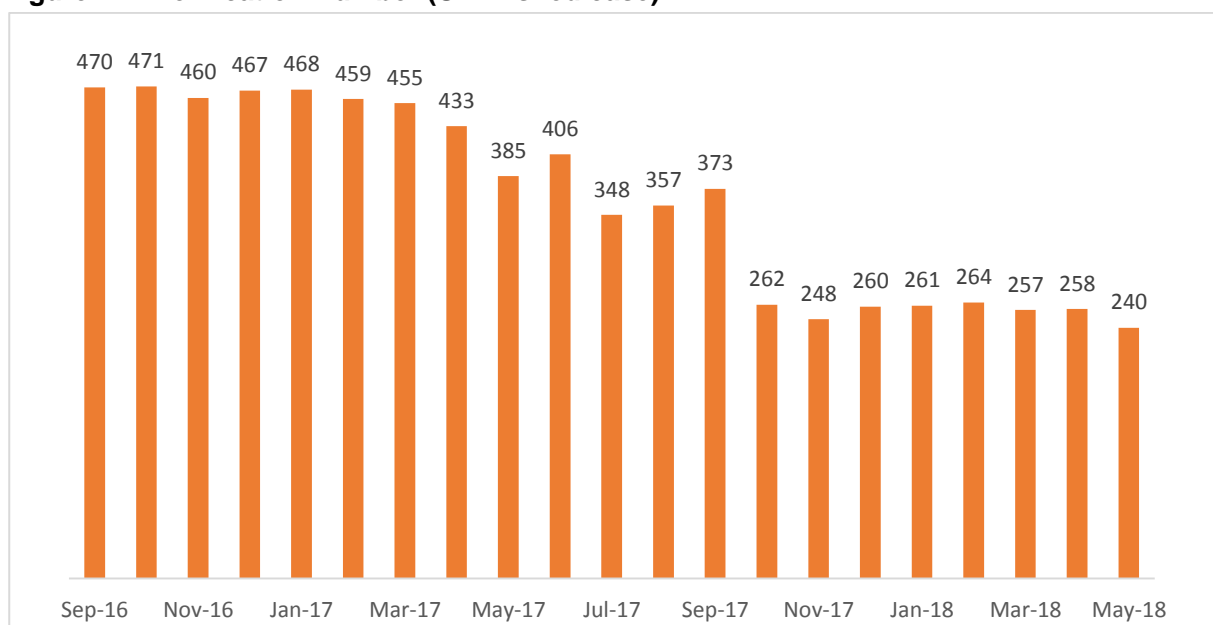
As one of the measures to tackle errors or unconformity on certificates of origin, the Project visited issuing authorities in Japan, Korea and China and mutually deepened the understanding on rules of origin under common free trade agreement. In particular, the Project could share the typical problems with issuing authority in Shenzhen and directly asked them to call for trader's more attention to reduce similar problems. As a result of series of activities, the unfinished verification number has been decreased. The verification number (Carried over from previous month, new entry, reply from issuing authority and unfinished case) and transition of number of unfinished cases are

shown in **Table 2-6** and **Figure 2-7**.

Table 2-6: Transition of verification numbers

Number of verification	2016				2017												2018				
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Carried over	455	470	471	460	467	468	459	455	433	385	406	348	357	373	262	248	260	261	264	257	258
New entry	66	40	46	29	36	49	27	22	74	47	37	49	41	25	48	35	29	25	23	29	25
Reply	51	39	57	22	35	58	31	44	122	26	95	40	25	136	62	23	28	22	30	28	43
Unfinished cases	470	471	460	467	468	459	455	433	385	406	348	357	373	262	248	260	261	264	257	258	240

Figure 2-7: Verification Number (Unfinished case)



In addition, the number of new verification requests to issuing authority has started to decrease in 2018 thanks to effective targeting. The consistent tendency of decrease was not observed, however, when taking a look at the average number of new verification request a month which is shown in **Table 2-8**, it is obvious that the number of it in 2018 is much less than that of 2016 and 2017.

Table 2-8: Verification Number (New request)

Year	2016	2017	2018	2016 - 2018
Average number of verification a month (New request)	45.3 cases	40.8 cases	26.2 cases	38.19 cases

3. The customs notification/customs order is revised to clarify customs procedures for enjoying preferential tariff treatment

This indicator was completely achieved.

In response to the amendment of Customs Act, all the customs notifications and customs orders related to rules of origin were revised. In the process of this revision, not only legal wordings were rephrased, but also inconsistencies between ministerial notifications on preferential tariff and customs notifications on rules of origin were eliminated to clarify customs procedures. These customs notifications and customs orders on rules of origin were compiled into books and circulated to those who are involved in assignments on rules of origin in order to ensure the uniform application of rules of origin. The compilation of customs notification and customs orders are shown **Photo 1** and **Photo 2**.

Photo 1: Compilation of customs notification

Photo 2: Compilation of customs orders and data CD



During the Project periods, several times of updates were made on both customs notification and customs orders. The latest customs notifications and customs orders with updated date are shown in **Table 2-9**.

Table 2-9: The Latest Customs Notifications and Customs Orders on Rules of Origin

Contents	Customs Notification	Date of Issue	Customs Order	Date of Issue
ATIGA	187/2561	27 Dec.2017	15/2560	1 Jan. 2018
ASEAN China FTA	159/2560	10 Nov. 2017	14/2560	22 Nov. 2017
EHP* for China	150/2560	10 Nov. 2017		
EHP* for Singapore	149/2560	10 Nov. 2017		
ASEAN Korea FTA	161/2560	10 Nov. 2017		
ASEAN Japan CEP	160/2560	10 Nov. 2017		
ASEAN India FTA	163/2560	10 Nov. 2017		
AANZ FTA	162/2560	10 Nov. 2017		
Thai Australia FTA	151/2560	10 Nov. 2017		
Thai NZ FTA	152/2560	10 Nov. 2017		
Japan Thailand EPA	155/2560	10 Nov. 2017		
Thai Peru FTA	156/2560	10 Nov. 2017		
Thai India FTA	153/2560	10 Nov. 2017		
Thai Chile FTA	157/2560	10 Nov. 2017		
DFQF	166/2560	10 Nov. 2017		
Advance Ruling System	17/2561	23 Jan. 2018		

*EHP means Early Harvest Program under ASEAN China FTA

4. Function of Focal Point is officially established

This indicator was completely achieved.

The Focal Point mechanism was designed as the Project action plan with reference to Japan Customs' organizational structure for management on rules of origin after the study visit to Japan.

In Thai Customs Department, there are 20 bureaus depending on its responsibilities as shown in **Figure 2-10**. Among them, rules of origin matters are mainly handled by ROO division in Customs Tariff Bureau. In comparison, the actual customs clearances are processed in the frontline office such as major port or Regional Customs Bureaus (CTB). Therefore, the project realized that strong network between ROO division and frontline offices are necessary to ensure the uniform application of rules of origin. Thanks to the cooperation from each bureau, Focal Point for rules of origin was established in 2015 in 10 bureaus and it was expanded to the 11 bureaus in early 2016. As of May 2018, around 5 persons are registered as Focal Point in each bureau.

Figure 2-10: Structure of Thai Customs Department

Central Administration Bureau	Customs Standard Procedures and Valuation Bureau	Bangkok Customs Bureau *	Regional Customs Bureau 1 *
Human Resource Management Bureau (Incl. Customs Academy)	Information and Communication Technology Bureau	Bangkok Port Customs Bureau *	Regional Customs Bureau 2 *
Legal Affairs Bureau	Tax and Duty Incentives Bureau	Ladkrabang Cargo Control Customs Bureau *	Regional Customs Bureau 3 *
<u>Customs Tariff Bureau (incl. ROO division)</u>	Post-Clearance Audit Bureau *	Laem Chabang Port Customs Bureau *	Regional Customs Bureau 4 *
Planning and International Affairs Bureau	Investigation and Suppression Bureau *	Suvarnabhumi Airport Cargo Clearance Customs Bureau *	Suvarnabhumi Airport Passenger Control Customs Bureau

(*) The bureaus which were subject to set up of Focal Point for rules of origin matters

Taking the opportunity of the Project activities, Focal Point was often invited to the headquarters to strengthen the relationship with ROO divisions and to share the current update on rules of origin. Furthermore, knowledge sharing activities in each bureau were conducted by those Focal Point based on their initiative. That is to say, the Project efforts to disseminate rules of origin were extended not only to Focal Point but also to frontline officers in regional bureau successfully by making the best of Focal Point mechanism.

In some bureau, Focal Point members are involved in the committee to discuss tariff issues including rules of origin as officially join the discussion of the rules of origin issues.

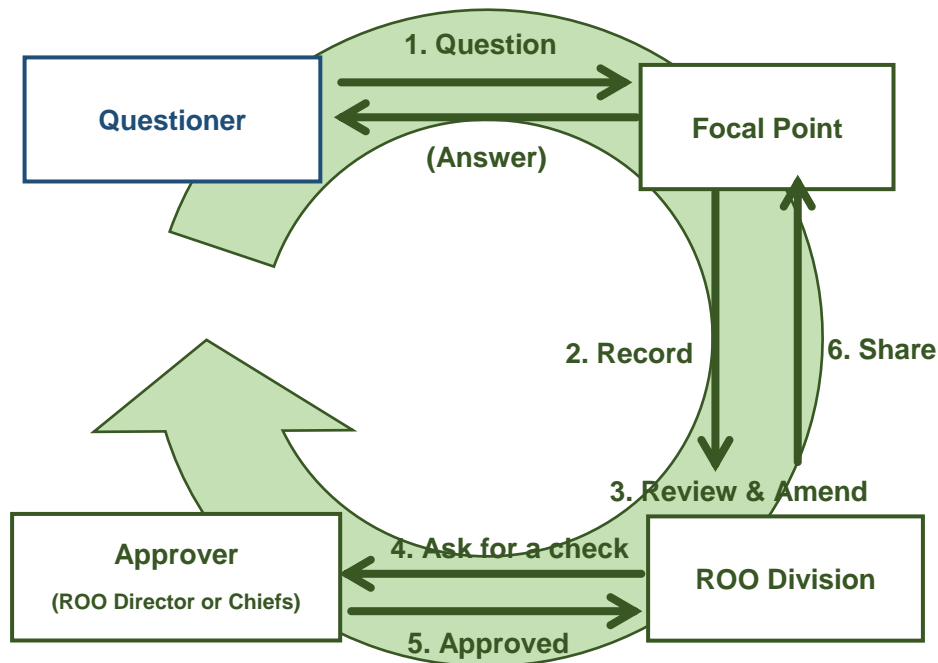
5. Consultation Database is well utilized among relevant bureaus

This indicator was mostly achieved. It is highly anticipated to be fully achieved soon.

The development of consultation database was one of the activities proposed as the action plan. The Project decided to develop the database system after joining the study visit to Japan. In cooperation with ICT bureau of Thai Customs Department and the vender (Yip In Tsoi & Co., Ltd), the platform of the database was developed by utilizing image of Japan Customs' database system for ROO consultation and it completed on October 2017. After due process such as issuance of user licenses, ROO division and Focal Point started to use the system from end of March 2018 to share the frequently asked questions with ROO division and Focal Point. The operation flow with the database is shown in **Figure 2-11**.

Currently, 4 cases have been recorded as of May 2018. Furthermore, the system is going to be upgraded soon in response to the requests from the Project to increase user's convenience. Therefore, it is expected to be well utilized among relevant bureaus when those upgrades complete.

Figure 2-11: Overview of the ROO Consultation Database



3. History of PDM Modification

< Modification from version 1.0 to 2.0 >

On the occasion of 2nd JCC meeting on 17 May 2016, the new objectively verifiable indicators for project purpose “the number of origin verification”, was set as an alternative of original objectively verifiable indicators “the number of irregularity”, taking account of difficulties in counting number of irregularities. Therefore, PDM was updated to version 2.0 with other minor modifications.

< Modification from 2.0 to 3.0 >

On the occasion of 4th Joint Coordinating Committee meeting on 6th October 2017, the following three new objectively verifiable indicators were added because outcomes brought by activities scheduled to be done based on Project Design Matrix (PDM) were not likely to be consolidated into the original objectively verifiable indicators. Therefore, taking account of progress of activities so far, new objectively verifiable indicators correlated to activities for output 1 and 2 were added as newly indicators in order to measure the achievement level of project purpose.

- (1) The customs notification/order is revised to clarify customs procedure for enjoying preferential tariff treatment.
- (2) Function of Focal Point is officially established.
- (3) Consultation Database is well utilized among relevant Bureaus.

Furthermore, the expression on the following two objectively verifiable indicators were modified to clarify the expected change in response to the efforts and adopted at the 4th JCC meeting on 6th October.

- (4) Number of application of advance ruling on Rules of Origin increases.
- (5) Number of origin verification requested to exporting countries decreases.

Therefore, PDM was updated to version 3.0 with other minor modification.

4. Others

4-1 Results of Environmental and Social Considerations (if applicable)

Not applicable in this Project

4-2 Results of Considerations on Gender/Peace Building/Poverty Reduction (if applicable)

Not applicable in this Project

III. Results of Joint Review

1. Results of Review based on DAC Evaluation Criteria

(1) Relevance

The relevance of the Project remains high for the following reasons.

- Given that free trade agreements are to promote trade aiming at the economic development in the region, ensuring consistent and predictable customs procedures for trading is essential in order to maximize the benefit of free trade agreements. Rules of origin are one of the key factors in enjoying tariff reduction under those free trade agreements and customs is the foremost authority to decide the eligibility of tariff reduction for import good in accordance with rules of origin under each free trade agreement, hence, the Project on the rules of origin was essential to bring positive results in economy of the related parties.
- The Project design was also in line with “Thailand 4.0” which is the policy vision of Thailand or a model of the government’s economic development, aimed at pulling Thailand out of the middle-income trap and developing it as a high-income country. Particularly, the development of database system was consistent with “e-Government” policy which has been promoted to the general public over the past few year and considered as measures push forward “Thailand 4.0”.

(2) Effectiveness

The effectiveness of the Project is high for the following reasons.

- Output 1 (establishment of institutional mechanism for uniform application and providing regulations) and Output 2 (trainings for customs officers and seminars for private sectors) are considered to have resulted in achieving Project Purpose, which is “Capacity on appropriate and uniform application of Rules of Origin for efficient customs procedures nationwide are enhanced”
- Specifically, revision of customs notifications and customs orders, which are basis for customs officer’s duty, was completed and ROO consultation database was developed as one of mechanism for ensuring uniform and appropriate application of rules of origin. Besides, unfinished verification cases have remarkably decreased by nearly 50% compared to the beginning of the project, while accelerating process.
- Issued advance ruling on origin, which is one of the essential scheme to ensure smooth and appropriate operation of rules of origin, were limited to only 4 cases so far. The reason why the cases are still limited is considered as the needs of advance ruling on origin itself is not high at this moment especially under the environment that certificate of origin issued in exporting party is used for enjoying preferential tariff. Because most traders tend to rely on the certificate of origin issued

in the exporting party to enjoy preference without getting advance ruling from customs administration of importing party. On the contrary, once the self-certification system, which is one of the certification system of origin prescribed in the recent popular free trade agreement such as CPTPP, is introduced in the near future, the needs of advance ruling on origin are expected to increase drastically since trader cannot rely on the issuing authority of exporting party in that certification scheme. Therefore, these efforts made by the Project on advance ruling were considered valuable on a long-term basis.

(3) Efficiency

The efficiency of the Project is considered to be high for the following reasons.

- Prior to the commencement of the Project, the two long-term JICA experts for this Project had already been in the JICA Project office in Thai Customs Department to engage in the previous Project on tariff classification and customs valuation. Accordingly, advance communications between JICA and Thai Customs Department toward smooth start of the Project were conducted in an efficient manner.
- One long-term JICA expert was continuously assigned from the beginning of the Project until the completion of the Project to push forward the activities. This enabled the Project to continue working on the activities in an efficient manner.
- Not only carrying out domestic activities, but also several visits to the related agencies and traders in foreign countries, namely Japan, Korea and China, were conducted to strengthen mutual understanding on trading with preferential scheme. When organizing these visits, the Project made best use of the conventional customs cooperation scheme with foreign custom administrations in a timely and efficient manner.
- With a role of Thai Customs Department in Greater Mekong Sub-region in mind, the Project also extended the opportunity to share the good practices with CLMV countries through the workshop. By doing this, the Project succeeded in not only achieving the project purpose, but also executing the mission in Greater Mekong Sub-region.
- The total input is described in II. Result of the Project.

(4) Impact

The impact of the Project is high for the following reasons.

- In terms of the impact on the overall goal “Legitimate Trade and Trade Facilitation are Enhanced”, which is expected to be achieved within three to five years after the Project completion, it is obvious that the project largely contributed to achieving it because enhanced customs capacity on rules of origin enable smooth customs clearance with preferential scheme. Needless to say, there are

several other factors which are supposed to bring positive impact to the legitimate trade or trade facilitation, given that the trade with preferential scheme doesn't cover all trade or other agencies are involved trading practice. Therefore, various efforts to trade facilitation are being made by other agencies as well.

- As other impact by the Project to be mentioned, the relationship with other bureaus and dialog partners of free trade agreements has been strengthened through the Project activities. For instance, the Project had several discussions with ICT bureau in Thai Customs Department to develop the database system. The Project also exchanged views with customs administrations in foreign countries or issuing authorities for certificates of origin in export countries over the visit. The trust relationship developed through the Project activities lead to facilitate communication in daily operation.

(5) Sustainability

The prospect of sustainability of the Project is high for the following reasons.

Policy Aspect

- Thailand has 12 free trade agreements. In addition, further new free trade agreements are under negotiation or on the process of ratification. Since each free trade agreement always includes rules of origin, results of the Project are inevitably required to be sustained in response to the actual needs.

Organizational Aspect

- Through the project, the capacity of appropriate and uniform application of rules of origin has been enhanced at not only the individual level, but also at the institutional level by establishing institutional mechanism such as i) set up of Focal Point in related bureaus and ii) development of database system as common platform among ROO division and Focal Point. It should be noted that Focal Point need to be updated periodically, taking account of potential personnel rotation, though, the enhanced capacity is more likely to be sustained by making the best use of these mechanism.
- With regard to the trainings and outreach seminars, necessary arrangement was made not only by the division in charge of rules of origin, but also Customs Academy, which is responsible for human resource development in Thai Customs Department as a result of cooperation beyond the bureau for effective training.

Technical Aspect

- The Project developed the compilation of the customs notifications and the customs orders in the early 2018. Subsequently, they were circulated to ROO division, Focal Point and other related division with CD data in order to enable related officers to refer to necessary regulation easily.

Those materials are to be kept in each bureau for administrative use.

- For consistency of application of rules of origin, consultation database was developed and in operation among ROO division and Focal Point now. This system enables related officers to search consultation in the past and share the authorized answer to the inquiry to other officers.
- Aiming at further continued knowledge enhancement, the Project also developed e-learning mobile application on rules of origin which anyone can download and utilize for trainings.

2. Key Factors Affecting Implementation and Outcomes

Not applicable in this Project

3. Evaluation on the results of the Project Risk Management

Not applicable in this Project

4. Lessons Learnt

- Thai Customs Department has periodical personnel rotation which may cause the change of members who are involved in the Project. In fact, throughout the Project, change of the core members of the Project including Focal Point was frequently observed. This is pre-conceived environment in the customs administration. Therefore, it is essential to make sure the smooth handoff from the predecessor to replacement in order to maintain Project efficiency and sustainability.
- JICA Project is to push forward the self-supporting efforts in the implementing agency. For the sustainable improvements in the implementing agency, official documents in the administration, consensus among the relevant officers there, and follow up arrangement in an appropriate manner in that administration are essential to call for the internal unity and support. Therefore, ownership of the implementing agency is considered as key success factor to bring the tangible result as outcome of the Project.
- Customs clearance requires a wide range of knowledge from both perspective of collection of customs duty and securing safe and reliable society. In that sense, effect of capacity development on specific area is less likely to have improvement on the trading practice. Given that clearance procedure require various knowledges, Project scheme enabling to handle broader areas from a comprehensive perspective will be more effective in order to bring visible improvement in trading in this semi-developed country.

IV. For the Achievement of Overall Goals after the Project Completion

1. Prospects to achieve Overall Goal

Whether overall goal “Legitimate Trade and Trade Facilitation are Enhanced.” is achieved or not is more appropriate to be measured from volume of trade with both preferential tariff scheme and non-preferential tariff scheme, however, as far as trade with preferential scheme goes as the objectively verifiable indicators¹, we believed the goal will be achieved because there is high possibility that the volume of trade transaction of free trade agreement in Thailand will increase.

In terms of legitimate trade or trade facilitation, there are several other factors which are supposed to bring positive impact, while the outcome of this Project is also considered to contribute largely to trade facilitation and legitimate trade. Given that, not only Thai Customs Department, but also other related government agency are pushing forward the trade facilitation for economy in Thailand, this overall goal is expected to be achieved in several years as a the multiplier effect of various efforts by all related agencies.

2. Plan of Operation and Implementation Structure of the Thai side to achieve Overall Goal

In order to achieve the trade facilitation and legitimate trade as Thai Customs Department, efforts to provide excellent customs service not only in the area of rules of origin but also in all customs clearance areas are required. Thai Customs Department is launching various customs services for trade facilitation these days, while pursuing the most efficient way of risk management and trade control. Followings are acknowledged as major trade facilitation measures by Thai Customs Department. By continuing these efforts, the overall goal is expected to be achieved.

- Promotion of Mutual Recognition Arrangement of Authorized Economic Operators with customs administration in foreign countries
- Customs Alliance Project for communication channel with traders
- Effective use of IT system such as development of mobile application, online service and NSW/ASW
- Close cooperation with trade related association
- Establishment of Customs Intelligence Center (CIC) for effective and strategic targeting and risk management

¹ Objectively verifiable indicators for the overall goal is “Volume of trade transaction of EPA and DFQF utilization in Thailand”

3. Recommendations for the Thai side

The followings are recommended in order to maximize the outcomes of the Project and to bring continuous improvements.

(1) Active use of ROO consultation database

Since the ROO consultation database has started actual operation in 2018, a few cases were recorded as approved cases until the Project completion. Guidance was provided by ICT bureau and recommendations to use the system was made by ROO division by means of official letter to Focal Point so far, but the number of records seems stable for a while. It is understandable that it takes time to get used to the new system though, considering usability for trend analysis and consistent answer to inquiry, the use of IT system must bring further advantage. Therefore, continuous encouragement of its use and active recording of consultation data into the database are strongly recommended.

(2) Consideration of further streamlined process to issue advance ruling on origin

The rooms for improvement of procedures to issue advance ruling was observed in the usability survey. In the process of advance ruling, the traders were requested to come to customs several times to submit documents, to make payment of application fee and sometime to add modifications to the application format in response to instruction by Thai Customs Department. These processes may be able to be streamlined more by making best use of electronic system including email. Therefore, it is recommended that Thai Customs Department create further streamlined process of advance ruling on origin to reduce the burden of traders and minimize the lead time. Allowing traders to use email to submit original application format or expanding the online system for advance ruling on classification to the advance ruling on origin may increase usability.

(3) Development of criteria to check validity of certificate of origin

The number of verification has been decreasing recently as shown in achievement, however, more than two hundred of verifications are still processing. In order to reduce the cases suspended to enjoy preferential tariff, it is also important to carefully judge whether new verification request is well worth sending to exporting party or not.

The number of certificate of origin submitted to customs authority is numerous and if Thai Customs Department sends a verification request to the issuing authority in the exporting party every time it finds discrepancy or inappropriate formality of the certificate of origin issued by exporting party, the case suspended also increase. Besides, official verification to the exporting party is time consuming process.

In that sense, measures to balance both potential fraud risk and trade facilitation while keeping consistency of customs decision needs to be considered. To that end, it is strongly recommended that internal criteria to allow customs officer to judge the validity of certificate of origin by itself without sending verification request to exporting party be developed by making the best use of strategic targeting, especially to judge the validity of certificate of origin when there is no doubt on originating status of goods but formal errors on certificate of origin are observed.

(4) Periodical update of Focal Point members

Given that Thai Customs Department has periodical personal rotation throughout the year, Focal Point list should be updated by ROO division in a timely manner once or twice a year to maintain updated list. In addition, having a periodical communication or meeting with Focal Point is also recommended to maintain this mechanism.

(5) Development of annual training plan

The Project organized series of trainings and seminars in cooperation with Customs Academy. From the perspective of efficient and effective training planning, it is recommended that annual or mid-term training plan be developed every year by continuously collaborating with Customs Academy after the Project completion. It helps to secure certain number of training or seminar both for customs officers and traders every year, while dealing with other daily assignments.

(6) Efforts to make simplified and organized customs notification

Current customs notification on rules of origin includes plenty of attachments which make total volume of the notification huge. Given that frontline officers have to refer to the notification not only for rules of origin, but also other areas as well, ease of reference is important to ensure uniform application of rules of origin. Therefore, it is desirable that those attachments be well designed and organized to increase ease of reference when they are updated.

4. Monitoring Plan from the end of the Project to Ex-post Evaluation

JICA will conduct the follow-up surveys on necessity basis to verify sustainability and impact of the Project and draw lessons. The Thai Customs Department is required to provide necessary support for them.

ANNEX 1: Results of the Project

- Annex 1-1 List of Counterparts
- Annex 1-2 List of Seminars and Trainings
- Annex 1-3 Action Plan
- Annex 1-4 Plan of Operation (including Actual)

ANNEX 2: List of Products Produced by the Project

ANNEX 3: PDM (All versions of PDM)

ANNEX 4: R/D, M/M, Minutes of JCC (copy)

ANNEX 5: Monitoring Sheet (copy)

(Remarks: ANNEX 4 and 5 are internal reference only.)

Annex 1-1 List of counterparts

Annex 1-2 List of Seminars and Trainings

Annex 1-3 Action Plan

Annex 1-4 Plan of Operation including Actual

List of Counterparts

1. Project Director (DDG in charge of Customs Tariff Bureau)

	Name	Title	From	To
1	Mr. Chamroen Phothiyod	Deputy Director General	Dec 2015	Apr 2016
2	Mr. Chutiwat Watanaphol	Deputy Director General	May 2016	Dec 2017
3	Mr. Chaiyut Kamkun	Deputy Director General	Feb 2017	Sep 2017
4	Mr. Sorasak Meenatoree	Deputy Director General	Oct 2017	Present

2. Project Manager (Director of Customs Tariff Bureau)

	Name	Title	From	To
1	Mr. Chutiwat Watanaphol	Director of customs tariff bureau	Oct 2015	Apr 2016
2	Ms. Kitjaluck Srinuchart	Director of customs tariff bureau	May 2016	Oct 2017
3	Mr. Ake Sarawatra	Director of customs tariff bureau	Nov 2017	Present

3. Rules of Origin Division

	Name	Title	From	To
1	Ms. Suchaya Chinwongse	Director of ROO	Oct 2015	May 2017
2	Ms. Somchit Tameeyawanich		Oct 2015	Sep 2016
3	Ms. Lawan Maythiyanon	Chief of Sub-Division 1	Oct 2015	May 2016
4	Mrs. Suprani Panyaisomboon		Oct 2015	Sep 2017
5	Mr. Wattana Sangthong		Oct 2015	Jan 2018
6	Ms. Phutthachat Wongsuvanich		Oct 2015	Present
7	Ms. Siriporn U-lao		Oct 2015	Present
8	Ms. Siriporn Bangtamai		Oct 2015	Jan 2018
9	Ms. Kanungwan Raksataya		Oct 2015	Jun 2016
10	Ms. Ratanaporn Suppharoj		Oct 2015	Present
11	Ms. Sasikarn Sattarat		Oct 2015	Present
12	Mr. Phuwanat Nithiporndecha		Oct 2015	Sep 2016
13	Mr. Ukode Maolanod		Oct 2015	Sep 2016
14	Ms. Pensiri Suwan		Oct 2015	Jan 2018
15	Ms. Tiplai Limapirak		Oct 2015	Present
16	Ms. Parichart Srisamer		Oct 2015	Present
17	Ms. Pattama Thunyapong		Jun 2016	Present
18	Ms. Thipsuda Srisupornphan		Jun 2016	Present
19	Mrs. Siriporn Sittichobtum	Director of ROO	Jun 2017	Present
20	Ms. Baralee Ratanapinda	Chief of Sub-Division 1	Jun 2017	Apr 2018
21	Mr. Reungyot Tokamoltham	Chief of Sub-Division 2	Jun 2017	Present
22	Ms. Savitree Chatasirikul		Feb 2017	Present
23	Mr. Kritsana Waiyarpap		Jan 2017	Present
24	Mr. Nattawut Boonritchaisri		Oct 2017	May 2018
25	Ms. Sasikanya Ponien		Oct 2017	Present
26	Ms. Chadapa Ruengreung		Oct 2017	Mar 2018

List of Seminars and Trainings

ANNEX 1-2

Date	Purpose of the Seminar and Training	Target	Number of Participants	Remarks
06-Nov-2015	Seminar for newly implemented Thai-Chile FTA	Private Sector and Customs Officers	220	
20-Jan-2016	Seminar on third protocol to amend the ASEAN Korea FTA	Private Sector and Customs Officers	240	
04-Feb-2016	Seminar for Self-certification system in customs view	Private Sector (registered by DFT)	10	Organized by DFT
05-Feb-2016	Preferential tariff treatment under FTA	Investor Club Assosiation	50	Organized by DFT
10-Feb-2016	FTA & Customs Planning : Maximize Profits Minimize (Customs) Audit	The management and staff of various enterprises (UMS Semiconductor Field & Training conference)	10	
16-19 Feb 2016	Benefits of the Asean Community such as ROOs Economic cooperation and trade facilitation	Private Sector (registered by TISI) *TISI = Thai industrial standards institute)	130	
2-5 Mar 2016	Benefits of the Asean Community such as ROOs Economic cooperation and trade facilitation	Private Sector (registered by TISI) *TISI = Thai industrial standards institute)	130	
2-5 Mar 2016	Benefits of the Asean Community such as ROOs Economic cooperation and trade facilitation	Private Sector (registered by TISI) *TISI = Thai industrial standards institute)	130	
01-Mar-2016	JETRO Seminar	Japanese companies	350	JICA Experts only
03-Nov-2016	Preferential tariff treatment under FTAs	Private Sector	100	Investor Club Association's request
09-Nov-2016	Enhancing utilization of Asean-China FTAs	Private Sector	100	Company's request
14-16 Nov 2016	Training for Licensed Customs Broker	Licensed Custom Broker	136	Thai Customs' Initiative

23-Nov-2016	Customs Training for Newly Assigned Chief	Customs Officer (Newly assigned chief)	80	Thai Customs' Initiative
14-Dec-2016	JETRO Seminar (FTA utilization Seminar)	Private Sector (Japanese company)	350	JICA expert presented on behalf of the project
23-24 Jan 2017	Workshop for Technical Update of Preferential Rules of Origin	Customs Officer and Ministry of Commerce	20	Project's Initiative
20 and 21 Feb 2017	Seminar for HS 2017 @ BKK	Customs Officer and Private sector	150	Thai Customs' Initiative
1-Mar-2017	Seminar for HS 2017 @ Leam chabang	Customs Officer and Private sector	150	Thai Customs' Initiative
2-3 Mar 2017	2nd ROO Workshop for Focal Point	Focal Point	69	Project's Initiative
17-Mar-2017	ROO Seminar for Private Sector @ Pattaya	Private Sector	132	Project's Initiative
18-Mar-2017	ROO Seminar for Private Sector @ Bangkok	Private Sector	170	Project's Initiative
24-Mar-2017	Seminar for HS 2017 @ Mukdahan	Customs officer and Private sector	150	Thai Customs' Initiative
27-28 Mar 2017	Enhance customs control effectiveness on ROO inspection	Customs Officer	60	Thai Customs' Initiative
28-Mar-2017	Seminar for HS 2017 @ Map Ta Phut	Customs officer and Private sector	150	Thai Customs' Initiative
31-Mar-2017	Seminar for HS 2017 @ Songkhla	Customs officers and Private sector	150	Thai Customs' Initiative
24-Apr-2017	Joint Workshop for Focal Point and Private Sector @ Pattaya	Focal Point and Private Sector	77	Project's Initiative
25-Apr-2017	Joint Workshop for Focal Point and Private Sector @ Bangkok	Focal Point and Private Sector	137	Project's Initiative

22-23 May 2017	Enhance customs control effectiveness on ROO inspection	Customs Officers	60	Thai Customs' Initiative
25-May-2017	Use of Customs privilege under FTAs	Private Sector	120	AEO's request
16-Jun-2017	Training by Focal Point @ PCA	Customs Officers	20	Focal point's Initiative
13-Jul-2017	Prevent Circumvention on Rules of Origin Guideline	Customs Officers	120	F.T.I. request
19-Jul-2017	Customs Training for Newly officer	Customs Officers	120	Thai Customs' Initiative
03-Aug-2017	Training by Focal Point @ Suvarnabhumi Cargo Clearance Bureau	Customs Officers	50	Focal point's Initiative
16-Aug-2017	Training by Focal Point @ Bangkok port	Customs Officers	50	Focal point's Initiative
17-Aug-2017	Training for new Customs Officers	Customs Officers	100	Thai Customs' Initiative
24-Aug-2017	Series of ROO Seminar (1st)	Private sector & Customs officers	161	Project's Initiative
21-Sep-2017	Series of ROO Seminar (2nd)	Private sector & Customs officers	130	Project's Initiative
6-11 Oct 2017	Customs Training for private secotr (professional level)	Private Sector	200	Thai Customs' Initiative
23-Oct-2017	Series of ROO Seminar (3rd)	Private sector & Customs officers	184	Project's Initiative
23-Nov-2017	Series of ROO Seminar (4th)	Private sector & Customs officers	198	Project's Initiative
26-27 Feb 2018	Training for new notification that modification following new customs Act.	Private sector & Customs officers	200	Thai Customs' Initiative

21-May-2018	Training for new Customs Officer	Customs Officers	50	Thai Customs' Initiative
12-14 June 2018	Workshop on Rules of Origin for CLMV countries, Malaysia and Thailand	Customs officers in CLMC countries, Malaysia and Thailand	28	Collaboration by Thai customs and JICA Project
Total number of Seminars and Trainings		42 times	Total Participants	5214 persons

Activities		Action Plan	Time Frame
1.1	Conduct baseline survey and formulate an action plan based on an analysis of the current situation.	<ul style="list-style-type: none"> • Questionnaire Survey • Statistical Survey 	From Oct. 2015 Until May. 2016
1.2	Consider the framework of uniform application of Rules of Origin nationwide.	<ul style="list-style-type: none"> • Approach to set up Focal Point in the major port • Consider the condition of candidate for Focal Point 	From Feb. 2016 Until Jun. 2016
1.3	Implement related activities based on the framework.	<p><u>Development of Database for ROO</u></p> <ul style="list-style-type: none"> • Consult with IT bureau • Store related data • Share the database among the ROO Div. and Focal Point 	From Jul. 2016 Until the end of 2017
		<p><u>Setting up Focal Point</u></p> <ul style="list-style-type: none"> • Decide member • Hold a meeting • Conduct training • Consider possible job sharing 	From Jun. 2016 Until the end of 2017
		<p><u>Dissemination of Advance Ruling</u></p> <ul style="list-style-type: none"> • Consider benefits of Advance Ruling of Origin • Encourage traders to use Advance Ruling of Origin with Focal Point and leaflet 	From Jul. 2016 Until Jun. 2018
		<p><u>Trouble Shooting</u></p> <ul style="list-style-type: none"> • Visit some issuing authorities in foreign countries • Submit requests to the issuing authorities if any • Visit foreign Customs to study practice in FTA partners 	From Jan. 2017 Until the end of 2017
1.4	Make a draft of manual and/or handbooks regarding uniform application of Rules of Origin.	<ul style="list-style-type: none"> • Compilation of Notification • Sample Certificate of Origin • Booklet of Basics for Rules of Origin • Enrichment of FAQ • Leaflet to encourage usage of Advance Ruling of Origin • Verification Manual 	From Mar. 2016 Until the end of 2017
2.1	Formulate a training plan based on an analysis of the current challenges.	<ul style="list-style-type: none"> • Continue trainings in the same manner as before • Conduct training to Focal Point • Conduct periodical training by Focal Point 	From Jul. 2016 Until the end of 2016
2.2	Develop training materials and short test based on the Japanese experience and an analysis of the current challenges.	<ul style="list-style-type: none"> • Refer to Action Plan for 1.4 • Develop other useful materials for training such as short test in addition to the materials developed though activity 1.4 	From Apr. 2016 Until end of 2017
2.3	Conduct training courses for relevant officials in Thai Customs for efficient customs procedures.	<ul style="list-style-type: none"> • Continue trainings in the same manner as before • Record the performance • Upload materials for training to the Customs Intranet • Conduct intensive training for Focal Point • Conduct periodical training for frontline officer in Major Port and PCA by Focal Point 	From Nov. 2015 Until Jun. 2018
2.4	Conduct outreach seminars for the private sector.	<ul style="list-style-type: none"> • Continue the seminar in the same manner as before • Record the performance • Upload materials for seminar to the Custom Website 	From Nov. 2015 Until Jun. 2018
2.5	Publish materials on efficient Customs clearance procedures for both Customs officials and the private sector.	<ul style="list-style-type: none"> • Publish the materials developed through activity 1.4 or 2.2 	From Oct. 2016 Until the end of 2017
2.6	Develop a strategic training plan	<ul style="list-style-type: none"> • Regulate the training schedule conducted by Focal Point for frontline officers in each major Port (e.g. 30 min every month) • Re-confirm the role-sharing of other possible training such as training for newly implemented FTA and other newly introduced system (e.g. ROO Div. in a timely manner) • Consider introducing Instructor System • Consider training plan for new recruits (Duration, Contents, Implementation body) • Consider strategic training plan to foster experts of ROO 	From Jan. 2017 Until Jun. 2018

Plan of Operation (including Actual)

ANNEX 1-4

Dated 17 June, 2018

Project Title: Project for Capacity Development on Rules of Origin for Efficient Customs Procedures

Inputs	Year	2015												2016												2017												2018						Remarks						
		Month	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6															
Expert																																																		
Long Term Expert : Chief Advisor	Plan																																																	
	Actual																																																	
Long Term Expert : Rules of Origin	Plan																																																	
	Actual																																																	
Short Term Experts	Plan																																																	
	Actual																																																	1 week x 2 times per year
Training in Japan																																																		
Rules of Origin and other topics	Plan																																																	
	Actual																																																	1 week x 3 times
Third Country Trip																																																		
Rules of Origin	Plan																																																	
	Actual																																																	as necessary

Activities	Year	2015												2016												2017												2018						Responsible Organization								
		Month	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	Japan	GOT															
Output 1: Capacity of Customs administration on Verification on Rules of Origin is enhanced.																																																				
1.1 Conduct baseline survey and formulate an action plan based on an analysis of the current situation.	○	Plan																															JICA	Thai Customs Department																		
		Actual																															JICA	Thai Customs Department																		
1.2 Consider the framework of uniform application of Rules of Origin nationwide.	○	Plan																															JICA	Thai Customs Department																		
		Actual																															JICA	Thai Customs Department																		
1.3 Implement related activities based on the framework.	○	Plan																																																	JICA	Thai Customs Department
		Actual																																																	JICA	Thai Customs Department
1.4 Make a draft of manual and/or handbooks regarding uniform application of Rules of Origin.	○	Plan																																																	JICA	Thai Customs Department
		Actual																																																	JICA	Thai Customs Department
Output 2: Capacity of Customs officials and understanding of the private sector on Rules of Origin for efficient Customs procedures are enhanced.																																																				
2.1 Formulate a training plan based on an analysis of the current challenges.	○	Plan																															JICA	Thai Customs Department																		
		Actual																															JICA	Thai Customs Department																		
2.2 Develop training materials and short test based on the Japanese experience and an analysis of the current challenges.	○	Plan																															JICA	Thai Customs Department																		
		Actual																															JICA	Thai Customs Department																		
2.3 Conduct training courses for relevant officials in Thai Customs for efficient customs procedures.	○	Plan																																																	JICA	Thai Customs Department
		Actual																																																	JICA	Thai Customs Department
2.4 Conduct outreach seminars for the private sector.	○	Plan																																																	JICA	Thai Customs Department
		Actual																																																	JICA	Thai Customs Department
2.5 Publish materials on efficient Customs clearance procedures for both Customs officials and the private sector.	○	Plan																															JICA	Thai Customs Department																		
		Actual																															JICA	Thai Customs Department																		
2.6 Develop a strategic training plan for future use.	○	Plan																															JICA	Thai Customs Department																		
		Actual																															JICA	Thai Customs Department																		

Duration / Phasing	Plan																																																
	Actual																																																

Monitoring Plan	Year	2015												2016												2017												2018						Remarks						
		Month	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6															
Monitoring																																																		
Joint Coordinating Committee (JCC) Meeting	Plan																																																	
	Actual																																																	
Baseline and endline surveys	Plan																																																	
	Actual																																																	
Set-up the Detailed Plan of Operation	Plan																																																	
	Actual																																																	
Submission of Monitoring Sheet	Plan																																																	
	Actual																																																	
Monitoring Mission from Japan	Plan																																																	
	Actual																																																	as necessary
Joint Monitoring	Plan																																																	
	Actual																																																	
Post Monitoring	Plan																																																	
	Actual																																																	
Reports/Documents																																																		
Training Materials	Plan																																																	
	Actual																																																	
Project Completion Report	Plan																																																	
	Actual																																																	
Public Relations																																																		
Rules of Origin	Plan																																																	
	Actual																																																	as necessary

■ Black bar indicates: Original plan

■ Yellow bar indicates: Actual achievement

Annex 2 List of Products Produced by the Project

List of Products Produced by the Project

	Product
(1)	Compilation of Customs Notification on ROO (Bilateral and Advance Ruling) 2016
(2)	Compilation of Customs Notification on ROO (Multilateral) 2016
(3)	Compilation of Customs Notification on ROO (Multilateral) 2018
(4)	Compilation of Customs Notification on ROO (Bilateral and Advance Ruling) 2018
(5)	Supplement to Customs Notification on ATIGA (E-form D) 2018
(6)	Compilation of Customs Order on ROO and Advance Ruling 2018
(7)	(CD) Customs Notification and Customs Order on ROO and Advance Ruling 2018
(8)	Mobile Application “ROO”

(1)



(2)

(3)



(4)

(5)

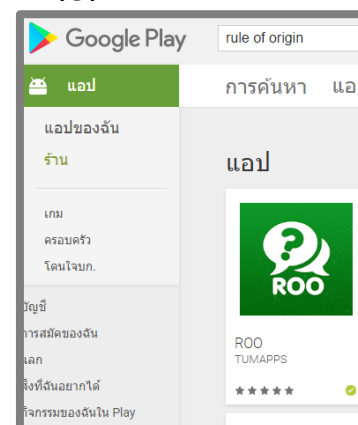


(7)



(6)

(8)



Annex 3 Project Design Matrix (PDM)

- Version 1.0
- Version 2.0
- Version 3.0
- Completion

Project Design Matrix

Version 1.0

Date: August 2015


Project Title: Project for Capacity Development on Rules of Origin for Efficient Customs Procedures

Implementing Agency: Thai Customs Department

Target Group: Thai Customs Department

Period of Project: Approximately 2 years and 8 months (From 29 Oct 2015 to 22 June 2018)

Project Site: Bangkok

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumption
Overall Goal Legitimate trade and trade facilitation are enhanced.	- Volume of trade transaction of EPA and DFQF utilization in Thailand. (tentative)	- Statistics of Thai Customs Department(tentative)	
Project Purpose Capacity on appropriate and uniform application of Rules of Origin for efficient Customs procedures nationwide are enhanced.	- Number of application of advance ruling on Rules of Origin is increased. - Number of irregularity* regarding Rules of Origin. * Definition of "Irregularity" will be discussed later.	- Statistics of Thai Customs Department - Project progress report - Endline survey (Tentative)	- Thai Customs Department continues to apply Rules of Origin. - Thai Customs Department continues to make efforts in staff's capacity building on the use of rules of origin and advance ruling. - Guidelines on rules of origin drafted by the Project are officially approved by Thai Customs Department.
Outputs 1. Capacity of Customs administration on Verification on Rules of Origin is enhanced.	1.1 Developed regulations/guidelines and/or handbooks regarding uniform application on rules of origin. 1.2 Volume of information provided. 1.3 Number of consultation inside/outside Customs.	- Guidelines and handbooks	
2. Capacity of Customs officials and understanding of the private sector on Rules of Origin for efficient Customs procedures are enhanced.	2.1 Developed training materials for Customs officials. 2.2 Number of training courses for Customs officials 2.3 Increased level of understanding on efficient Customs procedures of relevant officials 2.4 Number of seminars for the private sector 2.5 Information and knowledge for increasing predictability of Customs procedures provided to Customs officials and the private sector. 2.6 A developed strategic training plan for future use	- Project progress report - Questionnaire/short test and endline survey (Tentative)	
Activities	Inputs		Pre-Conditions
	The Japanese Side	The Thai Side	
1.1 Conduct baseline survey and formulate an action plan based on an analysis of the current situation. 1.2 Consider the framework of uniform application of Rules of Origin nationwide. 1.3 Implement related activities based on the framework. 1.4 Make a draft of manual and/or handbooks regarding uniform application of Rules of Origin.	<Personnel for the Project> Dispatch of long-term experts Dispatch of short-term experts as needed <Training Courses in Japan > Necessary training courses are provided based on the framework and the action plan of the project. < Equipment> Provision of equipment as needed <Supporting costs> Cost for activities of the project including developing guidelines and handbooks, training materials, seminars and training courses	<Personnel for the Project> Necessary administrative staff for smooth implementation of the project. Project Director Project Manager Counterpart personnel <Buildings and Facilities > Office rooms for Japanese experts Conference rooms for workshops and seminars as needed <Administrative and operational cost > • Running costs for electricity, water, communication, etc. • Expenses related to seminars/trainings • Others	- Personnel change of counterparts does not take place frequently.  <Issues and countermeasures>
2.1 Formulate a training plan based on an analysis of the current challenges. 2.2 Develop training materials and short test based on the Japanese experience and an analysis of the current challenges. 2.3 Conduct training courses for relevant officials in Thai Customs for efficient customs procedures. 2.4 Conduct outreach seminars for the private sector. 2.5 Develop and publish materials on efficient Customs clearance procedures for both Customs officials and the private sector. 2.6 Develop a strategic training plan for future use			

Project Design Matrix

Project Title: Project for Capacity Development on Rules of Origin for Efficient Customs Procedures

Implementing Agency: Thai Customs Department


Version 2.0

Date: 17 May 2016

Target Group: Thai Customs Department

Period of Project: Approximately 2 years and 8 months (From 29 Oct 2015 to 22 June 2018)

Project Site: Bangkok

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumption
Overall Goal Legitimate trade and trade facilitation are enhanced.	- Volume of trade transaction of EPA and DFQF utilization in Thailand.	- Statistics of Thai Customs Department	
Project Purpose Capacity on appropriate and uniform application of Rules of Origin for efficient Customs procedures nationwide are enhanced.	- Number of application of advance ruling on Rules of Origin - Number of Origin Verification	- Statistics of Thai Customs Department - Project Record - Endline survey	- Thai Customs Department continues to apply Rules of Origin. - Thai Customs Department continues to make efforts in staff's capacity building on the rules of origin and use of advance ruling. - Guidelines on rules of origin drafted by the Project are officially approved by Thai Customs Department.
Outputs 1. Capacity of Customs administration on Verification on Rules of Origin is enhanced.	1.1 Developed regulations/guidelines and/or handbooks regarding uniform application on rules of origin. 1.2 Volume of information provided. 1.3 Number of consultation inside/outside Customs.	- Project Record - Guidelines and handbooks	
2. Capacity of Customs officials and understanding of the private sector on Rules of Origin for efficient Customs procedures are enhanced.	2.1 Developed training materials for Customs officials. 2.2 Number of training courses for Customs officials 2.3 Increased level of understanding on efficient Customs procedures of relevant officials 2.4 Number of seminars for the private sector 2.5 Published materials for increasing predictability of Customs procedures provided to Customs officials and the private sector. 2.6 A developed strategic training plan for future use	- Project Record - Questionnaire/short test and endline survey (Tentative)	
Activities	Inputs		Pre-Conditions
	The Japanese Side	The Thai Side	
1.1 Conduct baseline survey and formulate an action plan based on an analysis of the current situation. 1.2 Consider the framework of uniform application of Rules of Origin nationwide. 1.3 Implement related activities based on the framework. 1.4 Make a draft of manual and/or handbooks regarding uniform application of Rules of Origin.	<Personnel for the Project> Dispatch of long-term experts Dispatch of short-term experts as needed <Training Courses in Japan > Necessary training courses are provided based on the framework and the action plan of the project. < Equipment> Provision of equipment as needed <Supporting costs> Cost for activities of the project including developing guidelines and handbooks, training materials, seminars and training courses	<Personnel for the Project> Necessary administrative staff for smooth implementation of the project. Project Director Project Manager Counterpart personnel <Buildings and Facilities > Office rooms for Japanese experts Conference rooms for workshops and seminars as needed <Administrative and operational cost > • Running costs for electricity, water, communication, etc. • Expenses related to seminars/trainings • Others	- Personnel change of counterparts does not take place frequently. <div style="text-align: center;">  </div> <Issues and countermeasures>
2.1 Formulate a training plan based on an analysis of the current challenges. 2.2 Develop training materials and short test based on the Japanese experience and an analysis of the current challenges. 2.3 Conduct training courses for relevant officials in Thai Customs for efficient customs procedures. 2.4 Conduct outreach seminars for the private sector. 2.5 Publish materials on efficient Customs clearance procedures for both Customs officials and the private sector. 2.6 Develop a strategic training plan for future use.			

Project Design Matrix

Project Title: Project for Capacity Development on Rules of Origin for Efficient Customs Procedures

Implementing Agency: Thai Customs Department


Target Group: Thai Customs Department

Period of Project: Approximately 2 years and 8 months (From 29 Oct 2015 to 22 June 2018)

Project Site: Bangkok

Version 3.0

Date: 6 October 2017

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumption
Overall Goal Legitimate trade and trade facilitation are enhanced.	- Volume of trade transaction of EPA and DFQF utilization in Thailand.	- Statistics of Thai Customs Department	
Project Purpose Capacity on appropriate and uniform application of Rules of Origin for efficient Customs procedures nationwide are enhanced.	- Number of application of advance ruling on Rules of Origin <u>increases.</u> - Number of Origin Verification <u>requested to exporting countries decreases.</u> - <u>The customs notification/order is revised to clarify customs procedure for enjoying preferential tariff treatment.</u> - <u>Function of Focal Point is officially established.</u> - <u>Consultation Database is well utilized among relevant Bureaus.</u>	- Statistics of Thai Customs Department - Project Record - Endline survey - <u>Revised notification/order related to ROO</u> - <u>Bureau's order/Division's order to assign Focal Point for Rules of Origin matters</u> - <u>Consultation Record</u>	- Thai Customs Department continues to apply Rules of Origin. - Thai Customs Department continues to make efforts in staff's capacity building on the rules of origin and use of advance ruling. - Guidelines on rules of origin drafted by the Project are officially approved by Thai Customs Department.
Outputs 1. Capacity of Customs administration on Verification on Rules of Origin is enhanced.	1.1 Developed regulations/guidelines and/or handbooks regarding uniform application on rules of origin. 1.2 Volume of information provided. 1.3 Number of consultation inside/outside Customs.	- Project Record - Guidelines and handbooks	
2. Capacity of Customs officials and understanding of the private sector on Rules of Origin for efficient Customs procedures are enhanced.	2.1 Developed training materials for Customs officials. 2.2 Number of training courses for Customs officials 2.3 Increased level of understanding on efficient Customs procedures of relevant officials 2.4 Number of seminars for the private sector 2.5 Published materials for increasing predictability of Customs procedures provided to Customs officials and the private sector. 2.6 A developed strategic training plan for future use	- Project Record - Questionnaire/short test and endline survey (Tentative)	
Activities	Inputs		Pre-Conditions
	The Japanese Side	The Thai Side	
1.1 Conduct baseline survey and formulate an action plan based on an analysis of the current situation. 1.2 Consider the framework of uniform application of Rules of Origin nationwide. 1.3 Implement related activities based on the framework. 1.4 Make a draft of manual and/or handbooks regarding uniform application of Rules of Origin.	<Personnel for the Project> Dispatch of long-term experts Dispatch of short-term experts as needed <Training Courses in Japan > Necessary training courses are provided based on the framework and the action plan of the project. < Equipment> Provision of equipment as needed <Supporting costs> Cost for activities of the project including developing guidelines and handbooks, training materials, seminars and training courses	<Personnel for the Project> Necessary administrative staff for smooth implementation of the project. Project Director Project Manager Counterpart personnel <Buildings and Facilities > Office rooms for Japanese experts Conference rooms for workshops and seminars as needed <Administrative and operational cost > • Running costs for electricity, water, communication, etc. • Expenses related to seminars/trainings • Others	- Personnel change of counterparts does not take place frequently. <div style="text-align: center;">  </div> <Issues and countermeasures>
2.1 Formulate a training plan based on an analysis of the current challenges. 2.2 Develop training materials and short test based on the Japanese experience and an analysis of the current challenges. 2.3 Conduct training courses for relevant officials in Thai Customs for efficient customs procedures. 2.4 Conduct outreach seminars for the private sector. 2.5 Publish materials on efficient Customs clearance procedures for both Customs officials and the private sector. 2.6 Develop a strategic training plan for future use.			

Modification from PDM version 2.0 to version 3.0

- Change of Objectively Verifiable Indicators

Item	Before	After	Reason of modification
Project Purpose (No modification)			
Capacity on appropriate and uniform application of Rules of Origin for efficient Customs procedures nationwide are enhanced.			
Objectively Verifiable Indicators			
1	Number of application of advance ruling on Rules of Origin	1. Number of application of advance ruling on Rules of Origin <u>increases.</u>	To clearly indicate that achievement will be measured by increase of application number.
2	Number of Origin Verification	2. Number of Origin Verification <u>requested to exporting countries decreases.</u>	To clearly indicate that achievement will be measured by decrease of verification number to the issuing authority of certificate of origin in the exporting party.
3	—	3. The customs <u>notification/order is revised to clarify customs procedure for enjoying preferential tariff treatment.</u>	By clarifying customs procedures for enjoying preferential tariff treatment, efficiency of procedures relating to rules of origin is expected to improve. The achievement will be measured by official launch of the revised customs notification and customs order which prescribe customs procedures.
4	—	4. Function of Focal Point is <u>officially established.</u>	Aiming at effective implementation of the project and establishment of sustainable mechanism, achievement level will be measured by whether the Focal Point role is officially recognized or not.
5	—	5. Consultation Database is well <u>utilized among relevant Bureaus.</u>	Now that the database is completing soon, achievement level will be measured by usage performance of the database.

Project Design Matrix

Project Title: Project for Capacity Development on Rules of Origin for Efficient Customs Procedures

Version 3.0 (Completion)


Implementing Agency: Thai Customs Department

Date: 21 June 2018

Target Group: Thai Customs Department

Period of Project: Approximately 2 years and 8 months (From 29 Oct 2015 to 22 June 2018)

Project Site: Bangkok

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumption	Achievement
Overall Goal Legitimate trade and trade facilitation are enhanced.	- Volume of trade transaction of EPA and DFQF utilization in Thailand.	- Statistics of Thai Customs Department		
Project Purpose Capacity on appropriate and uniform application of Rules of Origin for efficient Customs procedures nationwide are enhanced.	- Number of application of advance ruling on Rules of Origin increases. - Number of Origin Verification requested to exporting countries decreases. - The customs notification/order is revised to clarify customs procedure for enjoying preferential tariff treatment. - Function of Focal Point is officially established. - Consultation Database is well utilized among relevant Bureaus.	- Statistics of Thai Customs Department - Project Record - Endline survey - Revised notification/order related to ROO - Bureau's order/Division's order to assign Focal Point for Rules of Origin matters - Consultation Record	- Thai Customs Department continues to apply Rules of Origin. - Thai Customs Department continues to make efforts in staff's capacity building on the rules of origin and use of advance ruling. - Guidelines on rules of origin drafted by the Project are officially approved by Thai Customs Department.	Project Purpose was achieved successfully. - Number of application of advance ruling on origin increased (Achieved). - Number of Origin Verification decreased (Achieved). - All customs notification/order on ROO were revised (Achieved). - Function of Focal Point was officially established (Achieved). - Consultation Database started to be well used among relevant Bureaus (Mostly achieved).
Outputs 1. Capacity of Customs administration on Verification on Rules of Origin is enhanced. 2. Capacity of Customs officials and understanding of the private sector on Rules of Origin for efficient Customs procedures are enhanced.	1.1 Developed regulations/guidelines and/or handbooks regarding uniform application on rules of origin. 1.2 Volume of information provided. 1.3 Number of consultation inside/outside Customs. 2.1 Developed training materials for Customs officials. 2.2 Number of training courses for Customs officials 2.3 Increased level of understanding on efficient Customs procedures of relevant officials 2.4 Number of seminars for the private sector 2.5 Published materials for increasing predictability of Customs procedures provided to Customs officials and the private sector. 2.6 A developed strategic training plan for future use.	- Project Record - Guidelines and handbooks - Project Record - Questionnaire/short test and endline survey (Tentative)		- Output 1 is completely achieved in light of objectively verifiable indicators for Output 1. - Output 2 is completely achieved in light of Objectively Verifiable Indicators for Output 2.
Activities	Inputs		Pre-Conditions	
	The Japanese Side	The Thai Side		
1.1 Conduct baseline survey and formulate an action plan based on an analysis of the current situation. 1.2 Consider the framework of uniform application of Rules of Origin nationwide. 1.3 Implement related activities based on the framework. 1.4 Make a draft of manual and/or handbooks regarding uniform application of Rules of Origin.	<Personnel for the Project> Dispatch of long-term experts Dispatch of short-term experts as needed <Training Courses in Japan > Necessary training courses are provided based on the framework and the action plan of the project. < Equipment> Provision of equipment as needed <Supporting costs> Cost for activities of the project including developing guidelines and handbooks, training materials,	<Personnel for the Project> Necessary administrative staff for smooth implementation of the project. Project Director Project Manager Counterpart personnel <Buildings and Facilities > Office rooms for Japanese experts Conference rooms for workshops and seminars as needed <Administrative and operational cost > • Running costs for electricity, water, communication, etc. • Expenses related to seminars/trainings • Others	- Personnel change of counterparts does not take place frequently.  <Issues and countermeasures>	
2.1 Formulate a training plan based on an analysis of the current challenges. 2.2 Develop training materials and short test based on the Japanese experience and an analysis of the current challenges. 2.3 Conduct training courses for relevant officials in Thai Customs for efficient customs procedures. 2.4 Conduct outreach seminars for the private sector. 2.5 Publish materials on efficient Customs clearance procedures for both Customs officials and the private sector. 2.6 Develop a strategic training plan for future use.				

