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# ANALYZING THE IMPACT OF CUSTOMS ON IMPROVEMENT OF THE LOGISTICS PERFORMANCE INDEX: RESEARCH ON ASEAN MEMBER COUNTRIES

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## Abstract

The article analyses the impact of customs on improving the National Logistics Performance Index (LPI) across 10 ASEAN countries. To ensure that one of the issues of particular concern of governments, international financial institutions and investors is how to improve the national logistics capacity. Research to discover six essential activities of customs: (i) ASEAN Single Window (ASW), National Single Window (NSW); (ii) Administrative procedure reform in the field of customs; (iii) Specialized management; (iv) Risk management and compliance management; (v) Development of customs brokers; (vi) Customs - enterprises have a positive impact on the two criteria of customs clearance and logistics service quality in improving LPI. The article uses a quantitative approach using SPSS 20 software to test Cronbach's alpha coefficient, EFA factor analysis and linear regression between customs clearance criteria, logistics service quality and index. LPI number The study used data set on the international LPI index of 10 ASEAN countries (World Bank overall announced six times in 2007, 2010, 2012, 2014, 2016, 2018). The data consists of 56 observations. Based on selected research objectives and methods, the study found a positive relationship between the two criteria of customs clearance and the quality of logistics services with the LPI index. The study analyzed and pointed out that the critical activities of the customs authorities positively impact the two criteria of customs



clearance and the quality of logistics services to improve the national logistics capacity of 10 member countries. The article has proposed six standard solutions for ASEAN member countries to improve the national competitiveness index in logistics.

Keywords: Logistics performance index; customs broker; customs; ASEAN single window

#### INTRODUCTION

The Association of Southeast Asian Nations (ASEAN) is a regional association established based on the Bangkok Declaration of August 8, 1967, with the participation of five founding countries (Indonesia, Malaysia, the Philippines, Singapore and Indonesia). Thailand). After 43 years of existence and development, ASEAN has 10 member countries (5 more countries are Brunei Darussalam, Laos, Myanmar, Cambodia and Vietnam). ASEAN has become an intergovernmental regional cooperation organization with significant politicaleconomic influence in the Asia-Pacific, a partner of substantial countries and critical economic centres. Economic and political issues worldwide (ASEAN Information and Communication Steering Committee, 2017).

In 2018, ASEAN achieved important economic targets, such as a consumer market with a population of 649.1 million; the average income per capita reached 4,601.3 USD/person/year; is the fifth largest economy in the world with a gross domestic product (GDP) of US\$30.0 billion, a real GDP growth rate of 5.2% (2018) and an average of 5.3% (in the period). 2000-2018); import-export turnover reached 2,816.0 billion USD; trade balance surplus reached 48.0 billion USD; Total FDI investment capital reached 154.7 billion USD, of which intra-regional FDI reached 24.5 billion USD, foreign FDI investment was 130.2 billion USD with some leading partners in total FDI value such as:: EU (\$14.2 billion), Japan (\$13.7 billion), China (\$6.6 billion). The economic structure of ASEAN also has a positive change in the direction of industry and service development. The financial system is grouped by: agriculture, manufacturing and services, which has developed in the order of reducing the proportion of agriculture and manufacturing industry, increasing the service sector, with the ratio of 10.3%: 36.6%: 50.1% (2018) (ASEAN Secretariat, 2019).

ASEAN has adopted the policy of developing logistics services as one of 12 priority areas to accelerate the integration and internal linkage (ASEAN Secretariat, 2008) and reaffirmed in the Protocol to implement the package of commitments. AFAS 9 services in the ASEAN Framework Agreement on Services (ASEAN Secretariat, 2015). Gibson (2017) also points out the importance of logistics by estimating that logistics costs account for about 8% of GDP (for countries with the most developed and efficient logistics industry, such as the United



States and the Netherlands), 13% of GDP (for OECD countries), between 16-18% (China) and about 18-22% (for ASEAN countries), and about 25% of GDP (for countries with inefficient logistics systems).

Member countries are well aware of the challenges of market opening, development opportunities and the importance of improving the LPI, so they have continuously taken many actions and policies to improve scores and rankings. On LPI in 2007-2018 (the average LPI score of countries increased from 2.9 to 3.02). In the coming period, the goal of continuing to improve the LPI is the focus of each ASEAN member state. For Vietnam, the government sets a plan: "By 2025, ranked by the national logistics capacity index (LPI) will reach 50th or higher; the contribution of logistics service industry to GDP reaches 8%-10%, service growth rate reaches 15%-20%, outsourcing rate of logistics services reaches 50%-60%, logistics costs decrease equivalent to 16%-20% of GDP" (Prime Minister, 2017, 2).

Customs is an agency of the Government with the function of State management in the field of import and export, performing special functions such as performing customs inspection and supervision for imported and exported goods, means of transport on exit, entry or in transit; anti-smuggling and illegal transportation of goods across borders, collecting taxes related to import and export goods, professional management of customs clearance agents. Customs has made a direct and vital contribution to improving the LPI index by affecting two groups of criteria: customs clearance and quality of logistics services. However, to realize the goal of increasing LPI's scores and rankings soon, customs authorities of member countries need specific and practical solutions, thereby improving the business environment-and national competitiveness.

## **RESEARCH OVERVIEW**

The World Bank (2007) published the LPI (Logistics Performance Index) index in 2007. The LPI index is translated into Vietnamese with several names, such as the logistics efficiency index (Ministry of Industry and Trade, 2019). , the logistics performance index (Nguyen Tuong, 2018), or the national logistics capacity index (Prime Minister, 2017). However, the LPI's essence is the same to provide simple comparative indicators of supply chain efficiency linked to logistics. The World Bank (2018) stated that the LPI index had been used by policymakers, trade experts, and researchers in assessing and comparing logistics developments. Thereby, LPI allows governments, businesses and stakeholders to assess the competitive advantage created by logistics activities and take measures to improve logistics - the lifeblood of the global economy.

For overall assessment, World Bank provides an LPI index, including international and domestic LPI. Logistics is broadly understood as a network of services supporting the



movement of goods, cross-border and domestic trade. In the framework of the research focusing on the international LPI index with 6 component criteria rated on a 5-point scale by the respondents: 1 point (shallow), 2 points (low), 3 points (average), 4 points (high) and 5 points (very high). The six criteria given include:

Firstly, the efficiency criterion of Customs Clearance (C: Customs): The effectiveness of the border control agencies, such as the speed of customs clearance of exported and imported goods; simplicity of customs procedures and predictability of customs clearance procedures (openness, transparency, stability of customs procedure regulations).

Second, the Infrastructure criterion (IN: Infrastructure): The infrastructure quality related to commerce and transport (infrastructure for seaports, airports, railways, roads, seaways, and cargoes). Air, transportation, warehousing, information technology infrastructure and IT services).

Third, logistics service quality criteria (LS: Service quantity): The capacity and quality of logistics service providers, such as enterprises providing road, rail, and air transport services. Air, sea and multimodal transport; warehousing and distribution enterprises; forwarding agent; customs clearance agent; trade and transport-related associations; consignee and consignee.

Fourth, the criterion of Delivery (Sh: International shipment): The ease of arranging transportation of import and export goods at competitive prices, related to costs such as agency fees, port fees, and bridge fees. Roads, storage fees;

Fifth, the criterion of Tracking (TR: Tracking and tracing): The ability to track and trace shipments:

Sixth, the criterion of Delivery Time (Tm: Timeness): The punctuality of the shipments are transported when they arrive at the destination compared to the scheduled time; Import and export shipments are cleared through customs and delivered on time.

Thus, the study modelled the formula for calculating the international LPI (dependent variable) according to 6 component criteria (6 independent variables). The assumed independent variables have a linear relationship with the dependent variable (LPI) through the correlation coefficient ( $\alpha$ i), which is regressed and tested on a sample basis. The regression model has the form:

LPI =  $F(Xi) = \alpha 0 + \alpha 1X1 + \alpha 2X2 + \alpha 3X3 + \alpha 4X4 + \alpha 5X5 + \alpha 6X6 + 0$ 

Expect the values of  $\alpha$  to be non-zero and more significant than zero ( $\alpha$ i>0) and statistically significant when performing the regression. This shows the essence of how.

Calculate the LPI index based on 6 component criteria. When improving the criteria, the effect of improving the LPI index will correspond to the correlation coefficient obtained from the regression model.



The study also proposes adding a dummy variable, a group of countries (Group) in ASEAN. Divide 10 countries into two groups based on the average score of LPI over six years, economic development, and countries' participation in ASEAN. Then, Group is a dummy variable with values 0 and 1. When Group=1 (applies to 6 countries: Singapore, Thailand, Malaysia, Indonesia, Vietnam, and the Philippines; Group = 0 (applies to 4 countries, including Myanmar), Lao, Cambodia, and Brunei. The study will test the difference in scores of LPI between two groups of countries and what is the formula for calculating LPI of each Group of countries?

The proposed linear regression model has the form: LPI =  $\alpha 0$  +  $\alpha 1$  C+  $\alpha 2$ IN+  $\alpha 3$ LS+  $\alpha 4$ Sh+  $\alpha 5$ TR+ $\alpha 6$ Tm+  $\alpha 7$ Group + 0 (1)

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Regarding the impact of customs authorities on customs clearance criteria and quality of logistics services, several agreements and studies have been mentioned, such as WTO (2017) recommendations to create favourable conditions for international trade and minimize costs for import and export activities, the customs authority should apply modern measures such as administrative reform and application of information technology. Information and publicize procedures online (articles 7.2, 7.9); apply the form of goods release when there is no decision on customs clearance (Article 7.7); NSW National Single Window (article 7.10); Apply risk management (clause 7.12); Apply post-clearance inspection (article 7.13); Apply the AEO priority enterprise mechanism (Article 7.14) and develop customs clearance agents (Article 7.20).

ASEAN has agreed on a Protocol for creating favourable conditions for international trade-in simplification, harmonization and standardization in trade, process, customs clearance and lines related information to expect for transaction fees lower, enhance export competition and integration of ASEAN in a single market best in goods, services and investments and product platforms export unification (ASEAN Secretariat, 2008; ASEAN Secretariat, 2015).

Intel Jr (2015) shows the current state of action Customs modernization has taken place in most countries ASEAN members such as Customs clearance documents, express shipment,



certificate of origin, payment of customs duties authorities, licenses, certificates of absolute safety and hygiene Products; inspection and release of goods over 50%; other operations such as post-through inspection system customs, a tax refund is improved to less than 50%. Muscle The ASEAN Single Window (ASW) is seen as a tool to improve the administrative way in ASEAN, customs procedures in border in order to improve the time required to clear the border customs, import/export and transparent procedures customs at the border (Basu Das, 2017).

Tongzon & Cheong (2013) indicates delay implementation of the single national window (NSW) plan, ASEAN Single Window in some member countries has causing delays in the implementation of the delivery plan Translating electronic documents. Research suggests that the Inefficient customs clearance is one of the causes The main reason why the logistics industry continues to be poor competitive in most ASEAN member states, it leads to the decline of regional integration.

The Ministry of Industry and Trade (2019) analyzed the need to improve Vietnam's LPI as customs reform because this criterion has the lowest score in the consideration criteria. The study also proposes solutions to improve customs as a critical measure based on controlling the actual inspection time for import and export goods, the time for checking documents, and the channelling rate. Red and yellow channels for customs dossiers, control customs clearance agents, improve the efficiency of the single national window, and reform specialized management at the border. Thus, it is possible to identify the system of impact mechanisms of customs on improving the LPI of the country. ASEAN region according to the research framework (Figure 1).







#### **RESEARCH METHODS**

Research used quantitative approach. The facility uses SPSS 20 software to verify the system Cronbach's alpha number, EFA factor analysis and regression linearity between customs clearance criteria, quality logistics services and the LPI index. Research use Qualitative method for root cause analysis and propose some solutions based on model results Linear regression models and practical proofs in the activities of customs authorities. Research using data set on national LPI the economy of 10 ASEAN countries (World Bank announced the total maybe six times in the year: 2007, 2010, 2012, 2014, 2016, 2018). The data consists of 56 observations (Brunei has only 2 observed in 2016, 2018); data on delivery criteria cross-border trade in the Doing Index. The business was announced by World Bank in 2020, and data Report of the ASEAN Secretariat.

## **RESULTS AND DISCUSSION**

Unit: point on 5. scale

## Descriptive statistics of variables in the regression model

The overall score of the ASEAN LPI index reached an average of 3.0/out of 5. Meanwhile, the average value of the clearance criteria (C) and infrastructure criteria (IN) reached level 2.8/out of 5, the lowest among the six criteria. The quality of logistics services reached an average of 2.9/out of 5, the third lowest out of 6 considered criteria. The most significant value of the LPI index (4.19) and the six criteria is the case of Singapore (Table 1).

Variable	Number of	Average	Moon	Standard	Minimum	Maximum
	observations	value	Wean	Deviation	value	value
LPI	56	3,00	2,98	0,55	1,86	4,19
С	56	2,80	2,68	0,56	1,85	4,18
IN	56	2,80	2,66	0,67	1,69	4,28
SH	56	3,01	3,04	0,51	1,73	4,04
LS	56	2,93	2,89	0,57	2,00	4,22
TR	56	3,02	3,10	0,59	1,57	4,25
ТМ	56	3,41	3,45	0,52	2,08	4,53

## The results of Cronbach's Alpha analysis and EFA factor analysis

The results of Cronbach's Alpha analysis of 6 components of the LPI index reached 0.985. This value is more significant than 0.7, ensures the scale's reliability for six criteria, and represents the degree of association of 6 observed variables (measures) forming the LPI index.



Factor loading factor KMO (Kaiser-Meyer-Olkin) reached 0.922>0.75 and sig value. 0.00 < 5%. This represents six closely related criteria in factor formation.

The results of Table 2 show that six observed variables form 1 composite factor FT1. The Eigenvalues=5.6>1 and Variance=93.478% represent the factor developed from 6 criteria that explain 93.478% of the variation of the combined factor.

Model analysis results in the matrix of component scores of the composite factor FT1 as follows:

FT1 = 0,172 C+0,175 IN+ 0,170 Sh+ 0,175 LS+ 0,174TR+0,168 Tm (2)

## Results of model regression and hypothesis testing

The linear regression model is based on the proposed theoretical model (1). The dependent variable LPI represents the scores of experts on the LPI index of member countries/scale 5. The independent variables included in the model include: factor FT1 is a composite factor of 6 criteria. Components that form the LPI; The Group dummy variable takes the value 0, and the value 1 corresponds to the division into two groups of countries.

The sample linear regression model is LPI =  $\beta 0+\beta$  1FT1+  $\beta$  2 Group. In which the expected value of  $\beta i > 0$  is statistically significant.

				Extra	Extraction Sums of Squared			Rotation Sums of Squared		
ment	Initial Eigenvalues			Loadings			Loadings			
odmo		% of	Cumulative		% of	Cumulative		% of	Cumulative	
0	Total	Variance	%	Total	Variance	%	Total	Variance	%	
1	5.609	93,478	93,478	5.609	93,478	93,478	5.609	93,478	93,478	
2	.269	21.145	43.856							
3	.920	15.340	59.197							
4	.880	14.659	73.856							
5	.849	14.150	88.006							
6	.720	11.994	100.000							

Table 2: Total Variance Explained

According to Table 3, the model has no self-variance phenomenon (Durbin-Watson value = 2,364 relative value 2), and the independent variables participating in the model explain 100% of the variation of the LPI dependent variable (value of LPI = 2,364). Adjusted R-squared value = 100%).



Model						Change	Statis	tics		
				Std. Error of	$R^2$	F			Sig. F	Durbin-
	R	$R^2$	Adjusted R <sup>2</sup>	the Estimate	Change	Change	df1	df2	Change	Watson
1	.715	.511	.458	.632	.511	9.768	11	103	.000	2,364

Table 3: Model Summarv<sup>b</sup>

a. Predictors: (Constant), FT1, Group b. Dependent Variable: LPI

The obtained model is suitable because of Sig. =0.00 < 5% reject hypothesis H0: correlation coefficients between variables the independent and dependent variable is 0 (Table 4). Like So, is there a coefficient  $\beta$  other than 0, or is there a relationship a linear relationship between the LPI variable and the independent variables of model.

The obtained model is suitable because of Sig. = 0.00 < 5% rejects hypothesis H0: the correlation coefficients between the independent and dependent variables are zero (Table 4). Thus, there exists a coefficient  $\beta$  other than 0, or there is a linear relationship between the LPI variable and the model's independent variables.

Model		Sum of Squares	Df	Mean Square	F	Sig.
	Regression	16,562	2	8,281	204326,237	,000 <sup>b</sup>
1	Residual	,002	53	,000		
	Total	16,564	55			

Table 4: Indicators ANOVA

a. Dependent Variable: LPI b. Predictors: (Constant), FT1, Group

The regression model concluded that there is no multicollinearity phenomenon (VIF values are all < 10) and Sig value. The independent variables included in the model are statistically significant (Table 5). The regression model has the form:

LPI = 0.032+0.99FT1+0.003 Group + $\epsilon i$  (3)

Model	Non-normalization coefficient		Normalization coefficient	Т	Sig.	Linear multi-plus statistics	
	В	Std. Error	Beta			Tolerance	VIF
(Constant)	,032	,006		5,38	,000		
1 Group	,005 <sup>*</sup>	,003	,005	1,92	,060	,44	2,25
FT1	,990	,002	,997	424,03	,000	,44	2,25

Table 5: Coefficients

a. Dependent Variable: LPI

<sup>\*\*\*</sup> Corresponding to the Sig. value less than 1%; \* corresponds to the Sig. value from 5% to 10%



With  $\alpha$ 2=0.03, it means that the LPI score between group 1 and group 2 has a difference of 0.03 points assuming other factors are the same.  $\alpha 1 = 0.99$ , which means that when FT1 changes by 1 unit point, the LPI score will be improved by 0.99 points/scale of 5, assuming other factors remain unchanged. Combined with the component score matrix equation (1), the observed variable Customs clearance (C) and the quality of Logistics service (LS) have a positive impact on FT1 with coefficients 0.172 and 0.175, respectively.

Performed a test to see if there is a difference in the LPI index value between Group 1 and Group 2. Hypothesis pair test: H0: no difference and hypothesis H1: there is a difference in LPI scores. Through the Sig value. =0.031<5% should reject hypothesis H0; there is a difference in the value of LPI scores of two groups of countries in ASEAN.

## Challenges for customs in improving ASEAN's LPI

Nguyen et al. (2014) pointed out that customs clearance is a barrier to trade facilitation. International trade is favourable for logistics in the countries of ASEAN members. Meanwhile, studies and Reports from the latest 2017 surveys of 246 European companies found 67% pay worries about the burden of customs formalities in ASEAN hindering the development of supply chains in the region. 2015 survey of 5,545 Japanese companies operating in ASEAN. As a result, customs clearance procedures are simplified and recognized as the AEC's most demanding trade facilitation measures. American companies about 50% of the 451 companies from ASEAN were asked to reduce delivery costs translate more, and have high expectations for the show ASEAN trade facilitation and maritime development quan (Basu Das, 2017).

Statistics describing the overall mean score of the LPI index, Customs clearance criteria and translation quality logistics services (Table 6) show: Firstly, the score index, the overall average of the three indexes, is lower than 3 points/ scale 5 (average scale level) represents the score. The LPI of the ASEAN region is only the average of the world; Second, two criteria for customs clearance and logistics service quality are two out of three criteria has the lowest average score of the six structural criteria for the region's LPI; Third, two states on the uneven ground among member states ASEAN.

Unit: point on 5. scale									
TT	Country	LPI	С	LS					
1	Brunei Darussalam	2,79	2,70	2,64					
2	Cambodia	2,59	2,40	2,49					
3	Indonesia	2,99	2,65	2,92					

Table 6: Average scores of LPI index and C and LS criteria of 10 ASEAN countries



	Average	2,99	2,79	2,90	
10	Vietnam	3,04	2,79	2,96	
9	Thailand	3,31	3,08	3,21	
8	Singapore	4,09	4,02	4,09	
7	Philippines	2,94	2,68	2,86	
6	Myanmar	2,26	2,13	2,19	
5	Malaysia	3,44	3,20	3,38	
4	Laos PDR	2,40	2,26	2,33	Table 6.

Source: Report on the LPI index of the World Bank in 6 publications (2007 to 2018).

On the other hand, the time and cost of customs clearance relative to imports and exports in the index. The national business environment (DB) is still less competitive paintings, in which detailed analysis: (i) Time and cost cross-border trade fees between countries in the region are still at the highest level in the world, and I disagree (there is a big difference between the three countries Singapore, Thailand and Malaysia with the rest). (ii) Time and financial fees for customs clearance at higher borders than preparing customs clearance documents. (iii) Time and economic costs for imported goods exports are higher than for exports.

# Solutions to enhance customs reform aimed at improving the national logistics capacity index for ASEAN member countries

First, effectively implement the ASEAN (ASW) and National Single Window (NSW) OSS mechanisms. The essence of ASW is to carry out electronic customs based on the application of information technology, the internet and modern management methods to establish the system Unified electronic customs clearance system among members ASEAN members, enhancing connectivity and information sharing electronics related to intra-regional trade transactions and between ASEAN and partner countries, reform and reduce the time and financial costs of customs clearance for the cross-border transactions based on electronic approval automatic (Steering Committee on ASEAN Single Window) (2017). However, although ASW has the central commitment treatment, delayed implementation caused by NSW implementation in countries faces many obstacles. However, many countries need help to connect Ministries electronically, and many companies still make customs declarations in paper form (Tongzon and Cheong, 2013).

Essential solutions to be implemented in the ASEAN region, such as Internalization and document system legislation and implementation master plan on ASW and NSW consistent with the committed Protocol; There is a need for technical assistance on ASW and NSW from WCO,



Customs Asian; There is periodic monitoring and evaluation and the support and sanctioning plans of the Commission ASEAN Customs-Related Technical Committee for with member countries that are slow to implement

Cross-border trade									
	Export	Export	Export	Export	Import	Import	Import	Import	
Economy	time:	time:	Cost:	Cost:	time:	time:	Cost:	Cost:	
	Prepare	Comply	Comply	Comply	Prepare	Comply	Comply	Comply	
	documents	with border	Prepare	with border	documents	with border	Prepare	with border	
	(hours)	crossing	documents	crossing	(hours)	crossing	documents	crossing	
		procedures	(USD)	procedures		procedures	(USD	procedures	
		(hours)		(USD)		(hours)		(USD)	
Brunei									
Darussalam	155	117	90	340	132	48	50	395	
Cambodia	132	48	100	375	132	8	120	240	
Indonesia	61	53	139	254	106	99	164	383	
Lao PDR	60	9	235	140	60	11	115	224	
Malaysia	10	28	35	213	7	36	60	213	
Myanmarr	144	142	140	432	48	230	210	457	
Philippines	36	42	53	456	96	120	50	580	
Singapore	2	10	37	335	3	33	40	220	
Thailand	11	44	97	223	4	50	43	233	
Vietnam	50	55	139	290	76	56	183	373	

Table 7: Statistics on cross-border trade of 10 ASEAN countries in 2019

Source: World Bank (2020)

Second, strengthen the application of information technology information and reform administrative procedures in the field of Customs Mandarin. Solutions are essential in the progress simplification, harmonization, publicity, and transparency of customs procedures combined with modernization customs in electronic customs declaration, self-monitoring operation at seaports and airports, which Reduces the time and financial costs of preparing customs documents in Mandarin; Customs clearance and release of goods at the border gate border. Critical solutions include reviewing regulations system of customs administrative procedures on the customs authority level to cut down on formalities, paper permission to conform to international standards; middle and high plan long-term investment in information technology infrastructure Modern information for declaration, customs clearance, and customs



supervision is essential, such as upgrading the server system, capacity data transmission line, data storage system; generation Customs management software system, data mining about goods, value, code, export tax.; system software to connect with commercial banks and State Treasury through the one-stop portal country (NSW) in payment of taxes, fees, charges or tax refund; significantly upgrade the security system; Adequate information against hackers and criminals data theft.

Third, implement effective specialized management for import and export goods. Solution Focused on: Building a technical test model to unify the structure of the customs authority to Currently checking at border gates, ministries and agencies post-inspection and application of management methods compliance, risk management in determining control shipments investigation; connect ministries and sectors in NSW to implement licensing, electronic certification serving information mandarin; Reviewing and perfecting the legal document system laws relating to specialized examinations.

Fourth, strengthen the effective use of risk management methods, compliance management in auditing, Customs supervision and control of goods import and export, means of transport on exit and entry scene, and transit. Modern management methods are recommended in the 1999 Kyoto Convention as amended by the World Customs Organization and the United Nations Trade Facilitation Agreement (TFA, 2017) and the ASEAN Customs Agreement signed in 1997 and effective in 2012 (chapter 2) to encourage member countries. Apply method law; customs can mobilize limited resources to focus on necessary inspection, supervision and control of the entry point for yellow and red channel shipments, raising the rate of green channel declaration for automatic customs clearance and applying additional measures such as releasing the goods and customs guarantee. Besides assessing the level of compliance of import and export enterprises, a basis Customs Department develops a priority business system (AEO), enhancing the owner's voluntary compliance row. The recommended core solution: reviewing regulations system of legal documents providing for the application methods of risk management, compliance management; volume integrated risk management software system, compliance management enter the automatic electronic customs clearance system on the engine Department of risk analysis and customs clearance; build Build an accurate and timely data system for the import and export business.

Fifth, develop a system of agents for procedures Professional and regional customs ASEAN. Producing customs clearance agents to help improve legal compliance, reduce the risk of import and export shipments and reduce illegality laws, handle administrative violations, reduce the inspection rate fact and check records, and increase the rate of exemption from inspection at the border. Some key solutions Export: Review and complete legal documents on



the mechanism activities and responsibilities of the parties related to the agent carrying out customs procedures according to international and regional standards; strengthen the government's management of this type encourages, support development, type abandon informal services that are personal and self- broadcast; develop types of AEO businesses for with the dealer and have a lot of agency technical support customs for customs clearance agents in operation.

Sixth, developing a customs-business partnership in customs clearance of goods. This is important content. It is essential to build connections and mutual support between Hai authorities and import-export enterprises to improve High compliance with customs laws. Problem solution export target: strengthen propaganda about regulation Laws and interests related to maritime partners' official enterprise; increase the number of businesses AEO, especially in customs clearance agents Customs and freight forwarding and transportation enterprises provide customs declaration services.

#### CONCLUSION

In the context of regional economic integration and the world, gender is shared, creating favourable conditions for Trade and investment is inevitable for the region ASEAN region and most countries. To ensure that one of the topics of particular interest to governments, organizations, international financial institutions, and leading investors is How to improve national capacity in logistics? Based on the research objectives and methods selected, the study found a co-relation variable between two criteria of customs clearance and quality logistics service volume with the LPI index. The study analyzed and specified the critical activities of Customs authorities have a positive impact on two criteria, Customs clearance and service quality logistics aims to improve the national logistics capacity of 10 countries ASEAN member states, including (i) Single Window ASEAN (ASW), National Single Window (NSW); (ii) Improves administrative way in the field of customs; (iii) Administration specialized management; (iv) Risk management and compliance management prime minister; (v) Development of customs clearance agents; (Because) Customs partners - enterprises. Research also proposed six groups of standard solutions for ASEAN member countries. However, due to a wide range of research, the in-depth analysis of with limited LPI of each country.

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