

Indonesia Custom and Excise to Adopt IBM TradeLens Blockchain

Indonesia Customs and Excise to use IBM's TradeLens platform to improve the speed, accuracy and security of local and international shipping

Jakarta - 18 February 2020 - Today, IBM Indonesia and the Indonesia Customs and Excise Department, which sits under the Ministry of Finance, announced the use of the blockchain-enabled 'TradeLens' platform in Indonesia after months of implementation since the first announcement was made end of last year. The announcement makes the Indonesia Customs and Excise Department the third government agency in Southeast Asia to use the platform.

'TradeLens' is a digital global trade platform that enables more efficient and accurate container tracking and information sharing among platform members. The TradeLens platform, jointly developed by AP Moller – Maersk and IBM, digitalizes formerly paper-based shipping processes, resulting in instantaneous and immutable end-to-end data.

By digitalizing shipping processes – formerly paper-based processes – TradeLens will provide the Indonesia Customs and Excise Department an automatic and immutable tracking tool which will lead to a more secure, transparent, efficient and simpler workflow, with near real-time information sharing from a diverse network of ecosystem members.

The Indonesia Customs and Excise Department is working on expanding the National Logistic Ecosystem (NLE) which will enable both demand and supply sectors of the logistic community to meet and collaborate effectively. Using a system called CEISA 4.0 (Customs Excise Information System and Automation), they plan to expand NLE to bring together importers and exporters to collaborate and share information with logistic providers.

Authorities will now be able to receive shipping data as soon as containers leave the port of origin. This will give the Customs and Excise Department more time to prepare to receive shipments, thereby enabling more efficient and thorough fraud and forgery inspections as well as more consistent and transparent revenue collection processes.

Mr. Deni Sujantoro, Head of Communications and Publications for the Custom and Excise Office said, "The customs and excise department aims to leverage the blockchain solution to simplify the exchange of goods, automate documentation and increase co-operation and communication between counterparties. With the Collaboration Application Programming Interface [API] concept, all logistic activities including trucking, warehousing, shipping and freight forwarding at both domestic and global levels can now be brought together and sharing of information through a single platform – the IBM TradeLens."

"The supply chain is an important factor in managing the logistic costs and Indonesia logistics costs are relatively higher compare to other countries in South East Asia. TradeLens will help bring further visibility, predictability and security to us and will be a real asset for trade and transport facilitation, making Indonesia the preferred logistics and transport gateway in this region. It will also enable us to fulfill our mission to facilitate trade and to promote national logistics systems as well as contribute to the development of the national economy while meeting most up-to-date standards set by the World Customs Organisation (WCO)," added Mr. Deni Sujantoro.

Tan Wijaya, President Director of IBM Indonesia said "We are proud to acknowledge this collaboration with the Indonesia Customs and Excise Department to improve the efficiency and competitiveness of logistic sector both at domestic and international levels. We believe that TradeLens and the implementation of blockchain technology in various forms will benefit all stakeholders in the entire logistics ecosystem and driving the modernization of trade at all levels". "We also hope other industry will soon realize the need of Blockchain adoption which can help businesses to redefine their relationships in the market through increase trust, transparency and newfound collaboration."

More than \$16 trillion USD worth of goods are shipped across international borders each year, with some 80 percent transported by the ocean shipping industry. Paper-based procedures cause a number of pain points felt throughout the global supply chain, including inconsistent and inaccurate information, delays and disruptions (due to manual checking and data input), the inability to provide thorough risk assessments, the promotion of complex, inefficient and costly stakeholder communication, and a lack of transparency.

Custom Dept boilerplate

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