

When a shipment arrives or leaves Thailand, importers or exporters are required to file a goods Declaration with supporting documents to the Customs for cargo clearance. To speed up and facilitate the flow and movement of legitimate cargo, the Customs Department provides two clearance systems: manual and Electronic Data Interchange (EDI).

1. Documentation

1.1 Legal Persons: A legal person involving in import/export related business is required to apply for appropriate types of smart cards that are categorized into:

- (1) Gold Card for importers and exporters ;
- (2) Licensed Customs Broker Card (Silver);
- (3) Owner or Manager Card (Yellow);
- (4) Attorney-In-Fact Card (Green); and
- (5) Customs Clearance Card (Pink).

The Customs Department has authorized a private company to issue smart cards to importers/exporters and relevant parties. For further information about smart cards, please contact the company at the Ground Floor, 120-Year Building, Customs Department, Tel. 0-22402773-6 and 0-22402779.

1.2 Natural Persons: A natural person is required to submit any of the following relevant identification cards (ID) to the Customs during the clearance procedures:

- (1) Identification Card (ID);
- (2) Government ID Card for government officials;
- (3) State Enterprise ID Card for state enterprise officials; and
- (4) Passport for non-Thai residents.

2. Import Clearance Procedures

2.1 File an Import Declaration: The first stage of import clearance procedure is to submit an import Declaration (Customs Form 99 or 99/1) manually or through the EDI system.

2.2 Prepare Supporting Documents: The second stage is to prepare the following supporting documents(as prescribed in the Customs Notification No. 38/2543) :

- (1) Bill of Lading or Air Waybill;
- (2) 3 Duplicates of Invoice;
- (3) Packing List;
- (4) Insurance Premium Invoice;
- (5) Release Form (Customs Form 100/1 or 469);
- (6) Foreign Transaction Form if the import value exceeds Baht 500,000;
- (7) Import License (if applicable);

- (8) Certificates of Origin (if applicable); and
- (9) Other relevant documents such as catalogues, product specifications, etc.

2.3 Check the Declaration and Supporting Documents: The third stage is to submit the Import Declaration and all supporting documents for examination by Customs at the port of entry (in case of EDI Red Line or manual system). The Customs officials will check whether the Declaration is properly made out, and the supporting documents required are attached. In addition, Customs tariff, tax and duty calculation, valuation of goods are also examined at this stage.

2.4 Collect Import Duties and Taxes: The fourth stage is payment of applicable taxes and/or depositing guarantee. There are currently four means for payment of import duties and taxes:

(1) Payment at the Customs Department: Importers make payment at the Cashier Division at the port of entry. The Customs then issue them a payment receipt to be used for cargo inspection and release at relevant warehouses. Payment could be made either in cash or cheque. In case of cheque payment, it must be:

- Cheque issued by the Bank of Thailand (BOT);
- Cashier cheque;
- Cheque with banks' surety bond; or
- Draft or Bill of Exchange.

(2) Electronic Fund Transfer via the BOT's BAHTNET: Importers have been allowed to instruct their commercial banks to transfer payment, through the BAHTNET system, to the Customs Department since January 1, 1998.

(3) Electronic Payment at Krung Thai Bank (Teller Payment System): The Customs Department and Krung Thai Bank have been interfaced since September 1, 2000. The importers who want to use this service are required to:

- Complete a Duty Payment Form as attached to the Customs Notification No 77/2543 with one duplicate;
- Submit the Form with payment at any branch of Krung Thai Bank to the Customs Department's account, Customs Branch. The Bank then returns the duplicate with payment confirmation number back to importers. The bank fee for each transaction is Baht 30.
- Fill in the payment confirmation number on the 1st page of the Import Declaration and submit such Declaration Form to Customs cashiers so as to get payment receipt used for cargo inspection and release.

(4) Electronic Fund Transfer (EFT) via EDI: Under this automated system, the electronic payment is made among tax/duty payers (importers/exporters), broker banks (the banks where importers/exporters have accounts), Customs Banks, and the Customs Department. The EFT process via EDI is as follows:

- A tax/duty payer electronically instructs his broker bank to transfer payment to the Customs bank;

- After receiving electronic payment authorization, the broker bank will assign a Transaction Number to the tax/duty payer for future reference and then transfer the payment to the Customs bank;
- When the full payment is received through EFT , the Customs bank electronically transmits payment information to the Customs Department referring to the same Transaction Number given to the tax/duty payer by the broker bank;
- At the same time, the tax/duty payer also electronically transmits its payment information to the Customs Department by referring to the given Transaction Number;
- The Customs EDI system examines the payment information received from the tax/duty payer against that received from the Customs bank and compared them to the Declaration made;
- If all information is error free, the Customs Department will forward electronic message to the tax/duty payer notifying him to collect the payment receipt used for cargo inspection and release.

2.5 Inspect and Release Cargo: The last stage is to inspect and finally release cargo from Customs custody. Importers submit the verified Declaration together with the payment receipt at appropriate warehouses. Customs inspectors then inspect the imported cargo against the Declaration made. If the cargo inspected corresponds to the Declaration made, the Customs inspectors will record the inspection result to the computer system and release cargo to importers.

Nevertheless, the process of cargo inspection under manual system is different from that under EDI system. As regard to manual cargo clearance, shipments are inspected on a random basis as specified by the Customs Department. EDI system, however, requires that the cargo under profile be examined as deemed appropriate regardless of the random rate specified by the Customs Department for manual system (Customs Notification No. 47/2543).

3. Export Clearance Procedures

3.1 File an Export Declaration: The first stage of export clearance procedures is to file an Export Declaration (Customs Form No. 101 or No. 101/1) as prescribed by the Customs manually or through the EDI system.

3.2 Prepare Supporting Documents; The second stage is to prepare the following supporting documents:

1. Invoice;
2. Packing List;
3. Foreign Transaction Form if the FOB value exceeds Baht 500,000;
4. Export License (if applicable); and
5. Other relevant documents (if applicable).

3.3 Check the Declaration and Supporting Documents: The third stage is to submit the Declaration and all supporting documents for examination by Customs at the point of export (in case of EDI Red Line or manual system). The Customs officials will check whether the Declaration is properly made out, and the supporting documents required are attached.

3.4 Collect Export Duties and Taxes (if any): The fourth stage is to pay applicable taxes and duties.

3.5 Inspect and Release Cargo: The last stage is to inspect and finally release cargo from Customs custody. The exporters submit the verified Declaration together with the payment receipt (if any) at appropriate warehouses. Customs inspectors then inspect the exported cargo against the Declaration made. If the goods inspected corresponds to the Declaration made, the Customs inspectors will record the inspection result to the computer and release the cargo.

In case the exporters utilize the EDI green line process, they will electronically submit the Declaration as mentioned in 3.1 to the Customs Department. The Customs Department then reviews the electronic Declaration through its EDI system. If the Declaration is properly made out and classified as Green Line, the Customs Department will assign Declaration Number to the exporters who will directly proceed to warehouses for cargo inspection and release.