

IT-Based Risk Management system of KCS



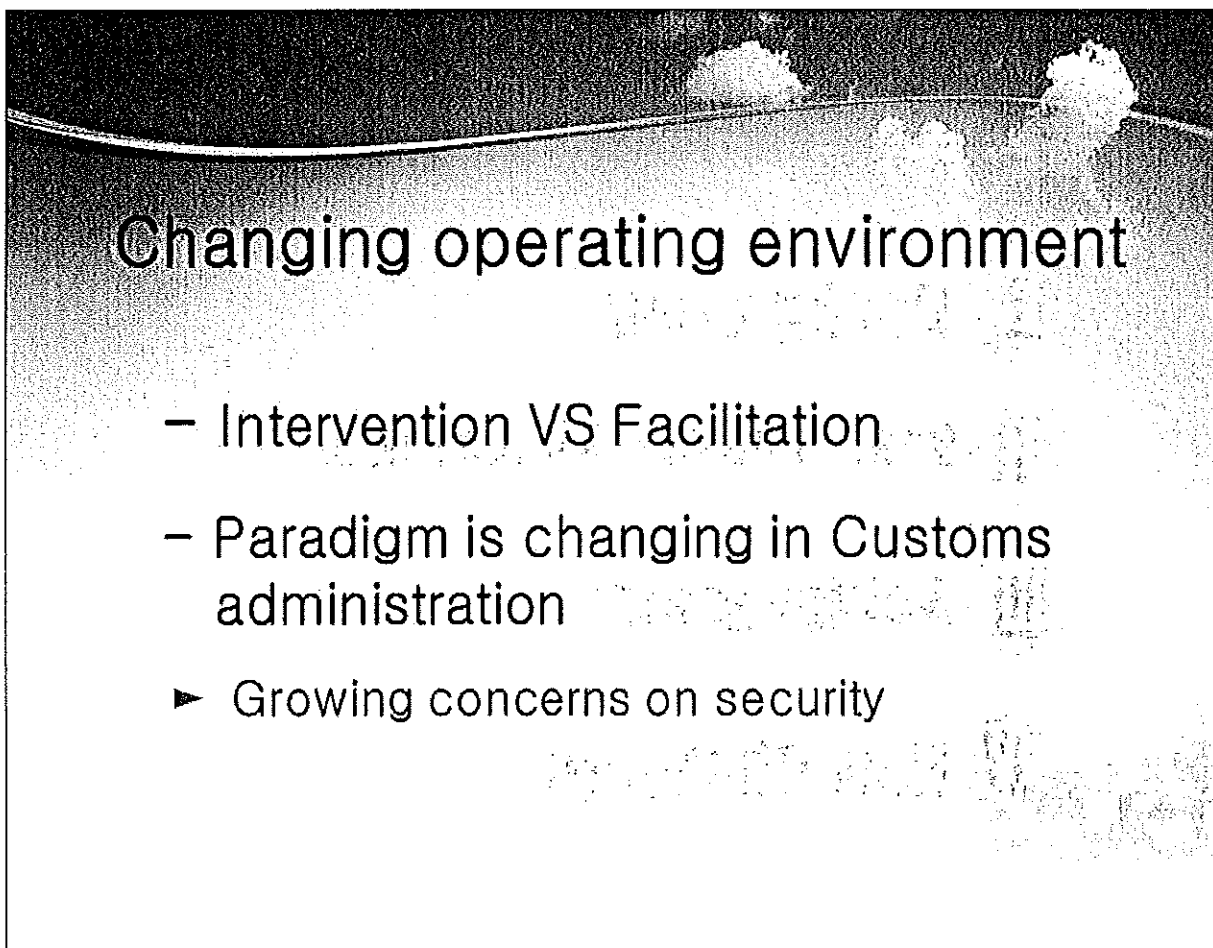
Contents

- I Background**
- II Integrated Risk Management**
- III Achievement**
- IV New Challenge**



I. Background

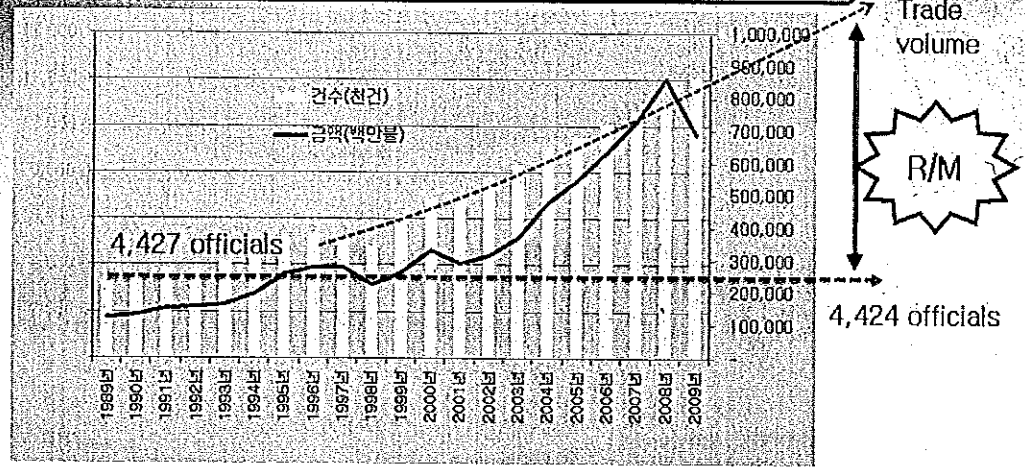
KOREA CUSTOMS SERVICE



Changing operating environment

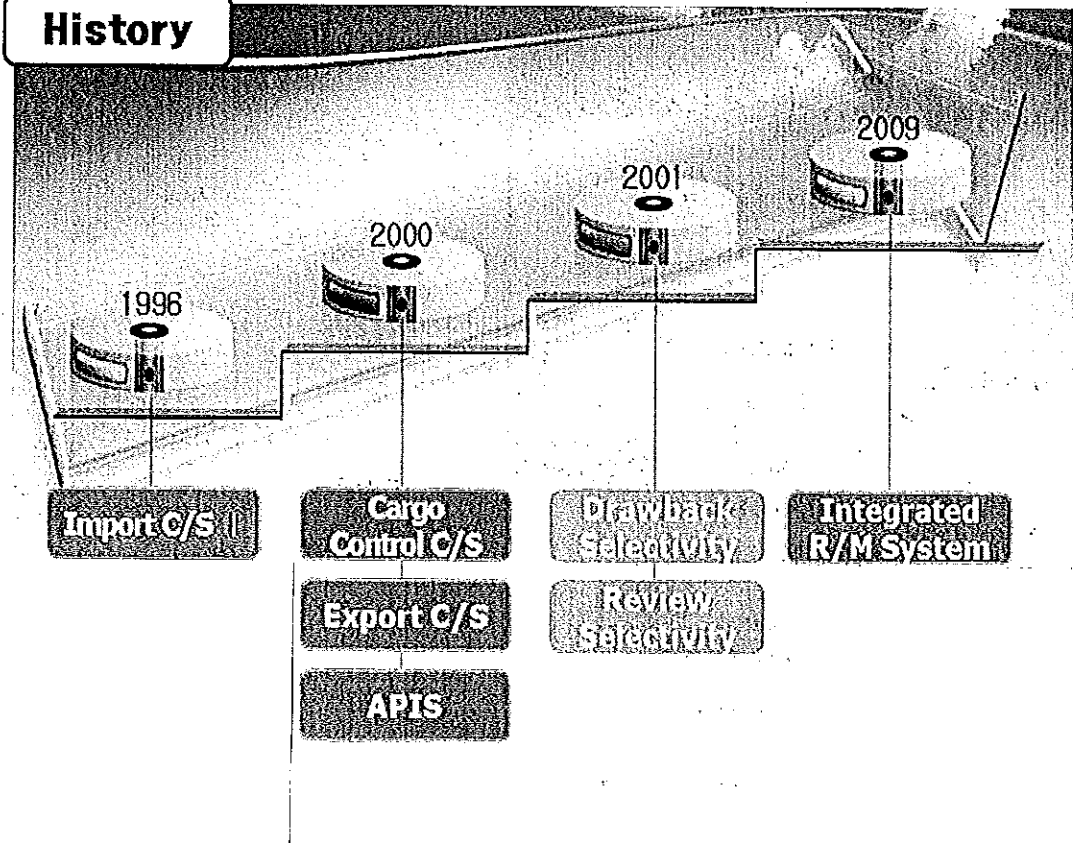
- Intervention VS Facilitation
- Paradigm is changing in Customs administration
- ▶ Growing concerns on security

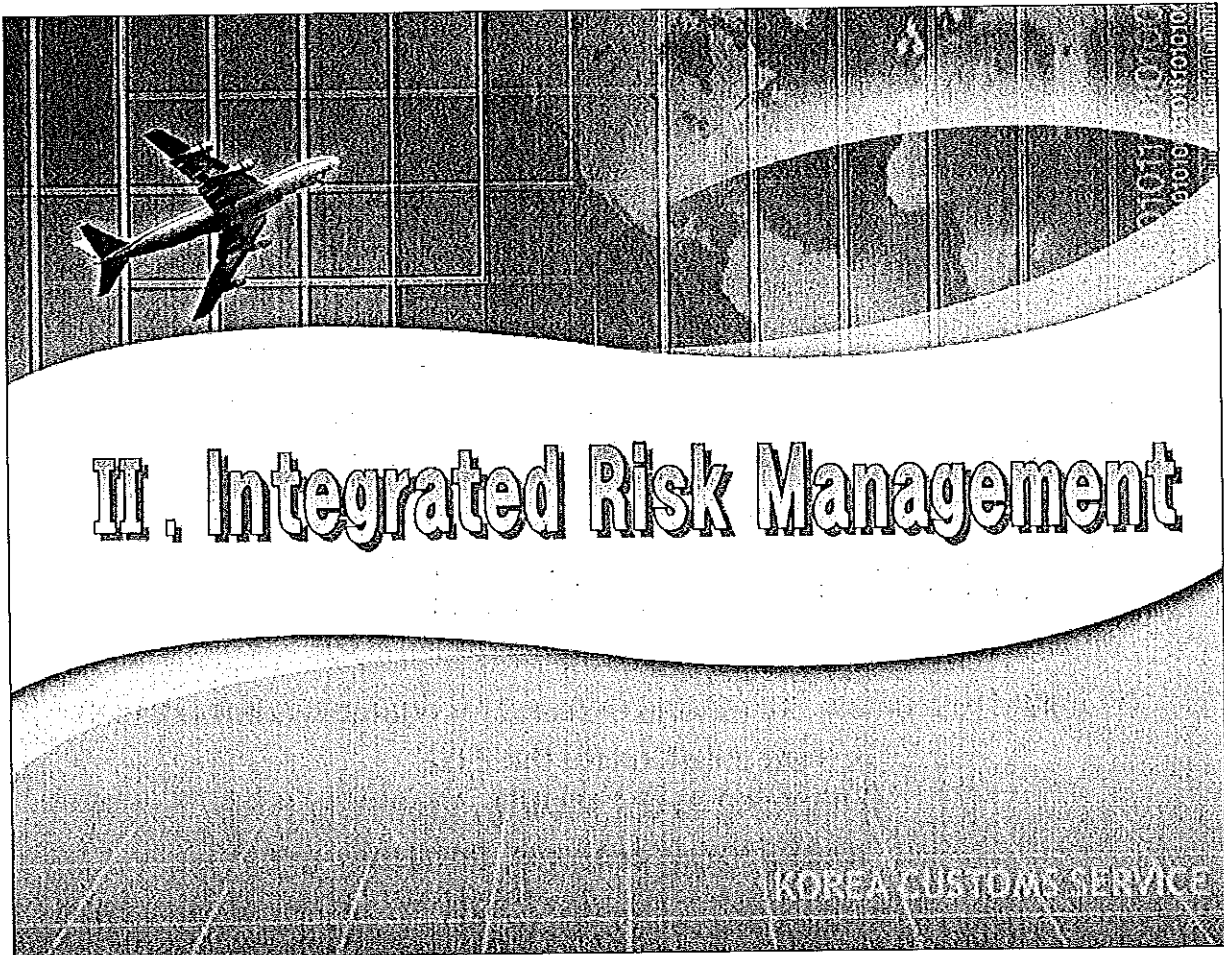
Trade Volume and Number of Officials



◆ Limited resources: Increasing demand for customs administration
 + new missions for the 21C
 (Enhancing social security, protecting public health,
 strengthening economy, facilitating trade)

History

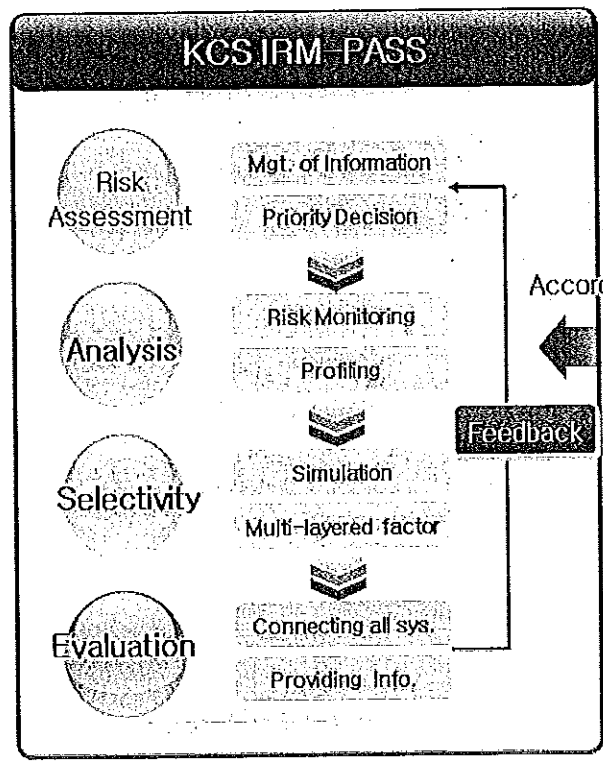




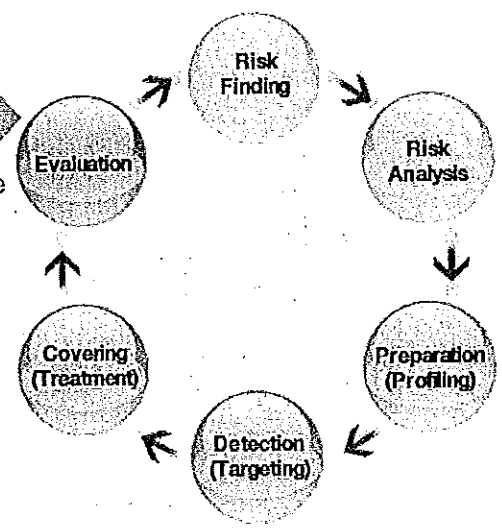
II. Integrated Risk Management

KOREA CUSTOMS SERVICE

1. Development of IRM System based on WCO RM Model



WCO RM Process



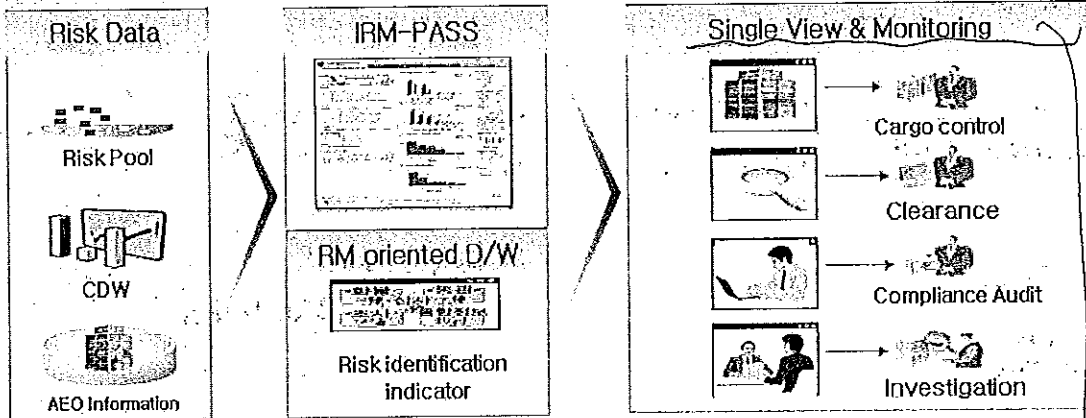
Accordance

Feedback

2. Process of IRM-PASS

Integrated Risk Management

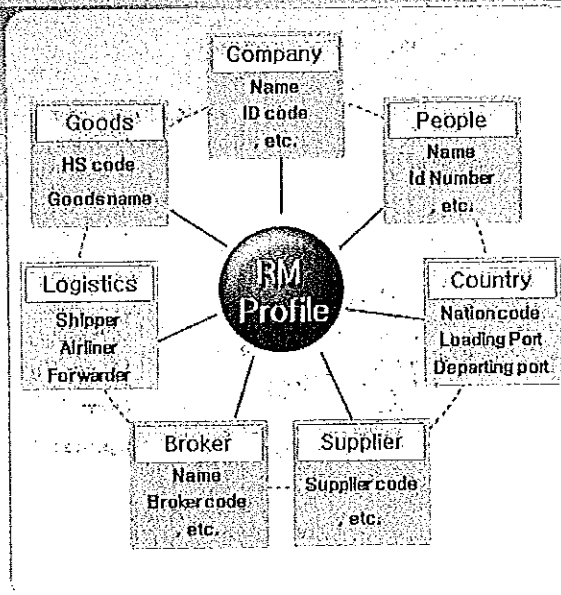
- Integrates information on risks all over the sections;
- Builds a data pool on risk indicators about cargoes, travelers, companies, etc.;
- Allows users to access the system with Single View; and
- Monitors high risk targets



3. Main contents

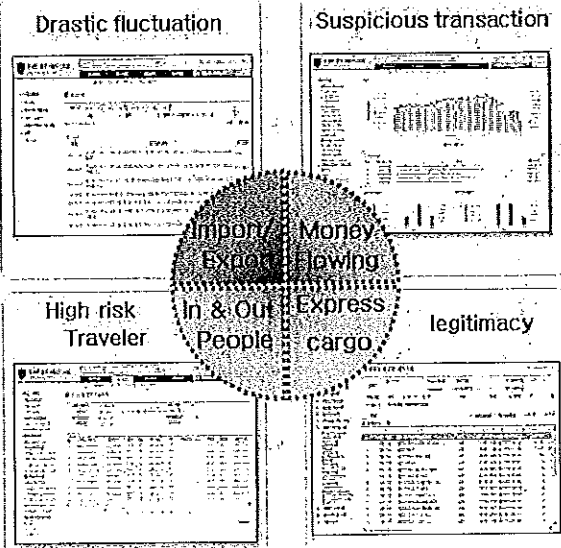
Profile Integration

Risk Indicator for multi-dimensional analyzing



Monitoring

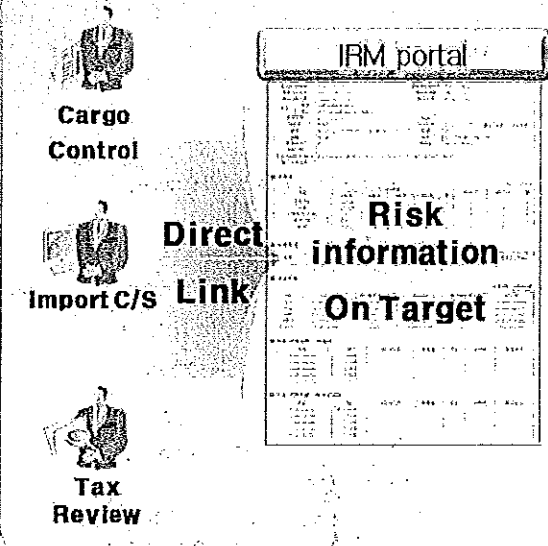
Real time risk monitoring



3. Main contents

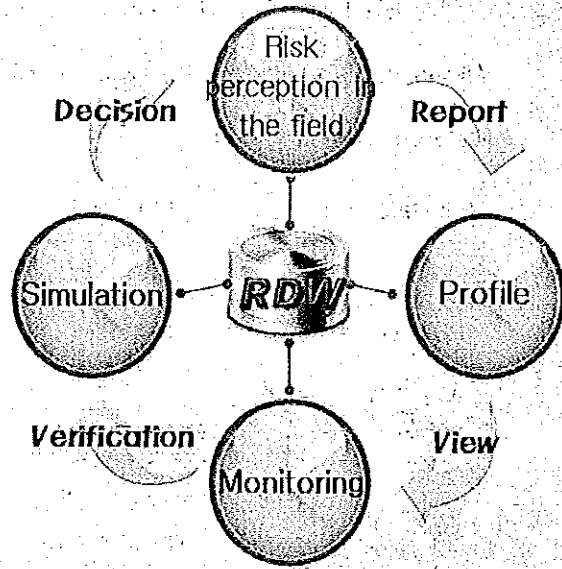
Single View

Real time checking of risk in the field



Risk information Mot.

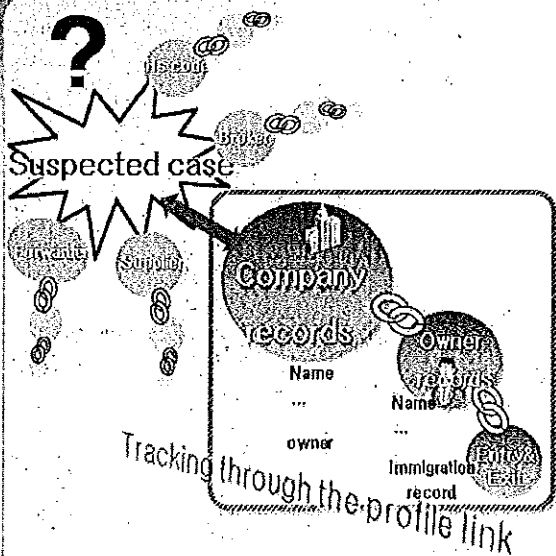
System circulating risk information



3. Main contents

Info. Analysis

Multi-dimensional profile



Multiple criteria screening

Model development & simulation

Ex) Import Declaration

The screenshot shows a complex form with multiple columns and rows, representing an 'Import Declaration'.

* EDA : Event Driven Architecture.

Real time data

EDA Filter

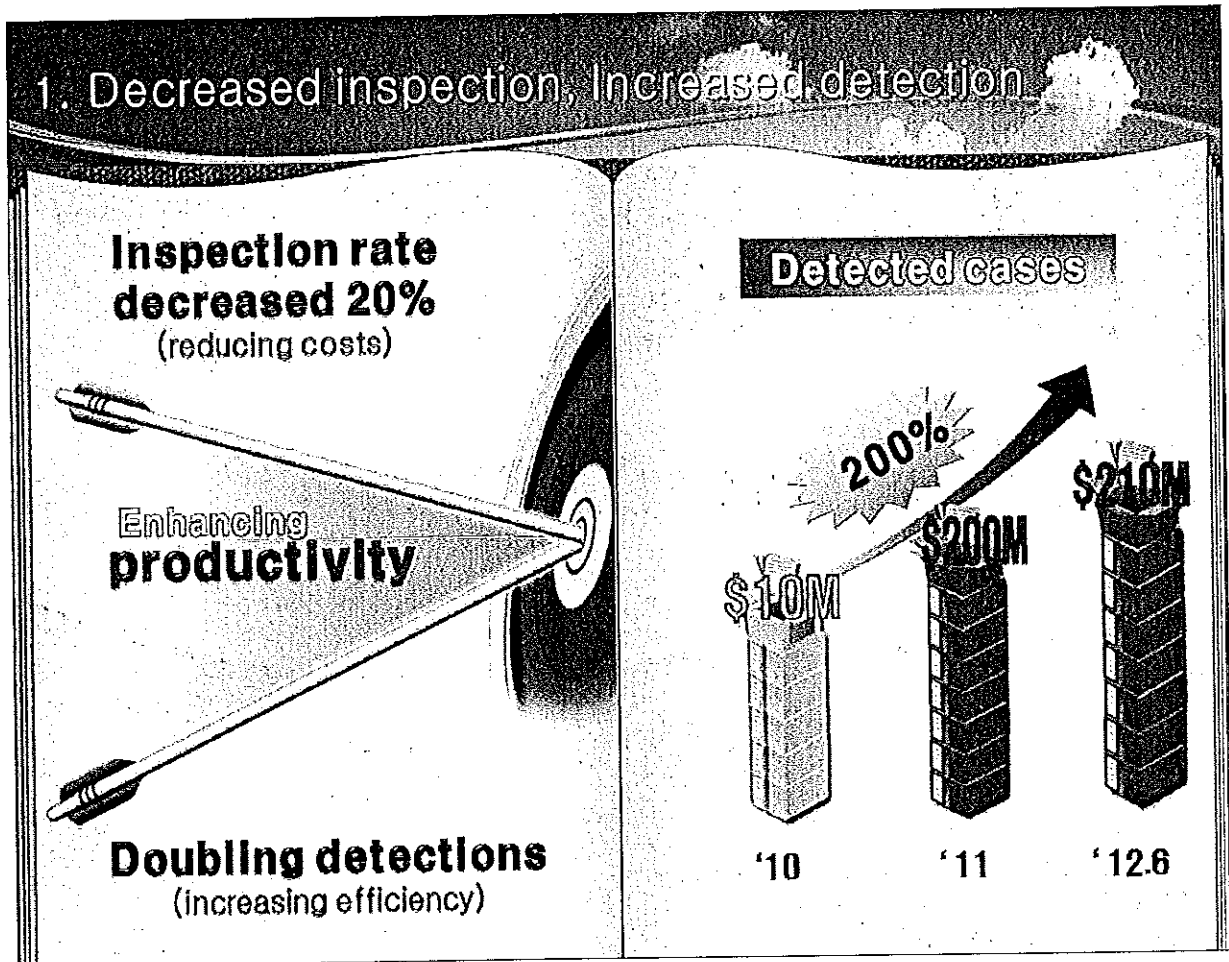
Target selectivity

Company
Broker
Owner
Supplier
...



III. Achievement

KOREA CUSTOMS SERVICE



2. WCO RM Standard

Korea

"Integrated Risk Management System"

Overview

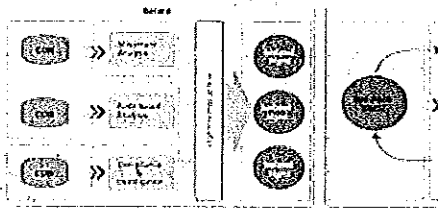
Risk management based on information and communication technology is essential for coping with challenges from cross-border transactions. The Korea Customs Service (KCS) selects and inspects high-risk passengers, goods and transportation based on the results of risk analysis. The KCS has traditionally conducted risk analysis for post-audit on illegal transactions and tax evasion cases, and also established a Customs Data Warehouse (CDW) in 2002.

The CDW collected data not just from Customs duties but from other government agencies such as the Ministry of Justice, National Tax Service, Ministry of Land,

From 2006 the Integrated Risk M range of functions

- automatic inter
- providing cost and field b
- circulating info
- articulating risk selection indic

Integrated Risk Management System



IRM cycle

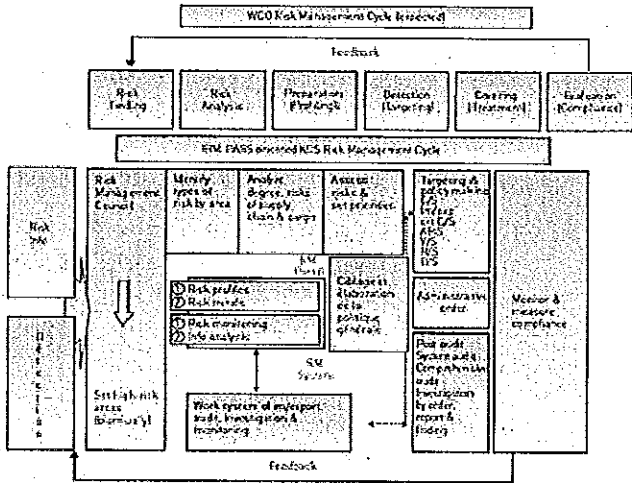
- step 1: initial screening on prior data & post records;
- step 2: analysis using auto filtering, monitoring;
- step 3: selectivity using simulation and multi-layered factors; and
- step 4: re-evaluate results of risk treatment.

Expected benefits from the IRM system:

- producing comprehensive information with an enhanced reconciliation function;
- real-time data management and reducing time lag;

- focus shifted to prevention;
- assisting direct and
- possible effects

Risk Management Cycle



A way forward

Developing IRM is a continuing process with a focus on intelligence integration. Building on the successful IRM system, the KCS plans to establish a "National Targeting Council (NTC, tentative name)" for more effective and efficient risk management. Effective risk management requires close cooperation among related entities, including border agencies and other countries. The combination of NTC and technology-intensive information management will improve targeting capability, leading to an increase in revenue collection.

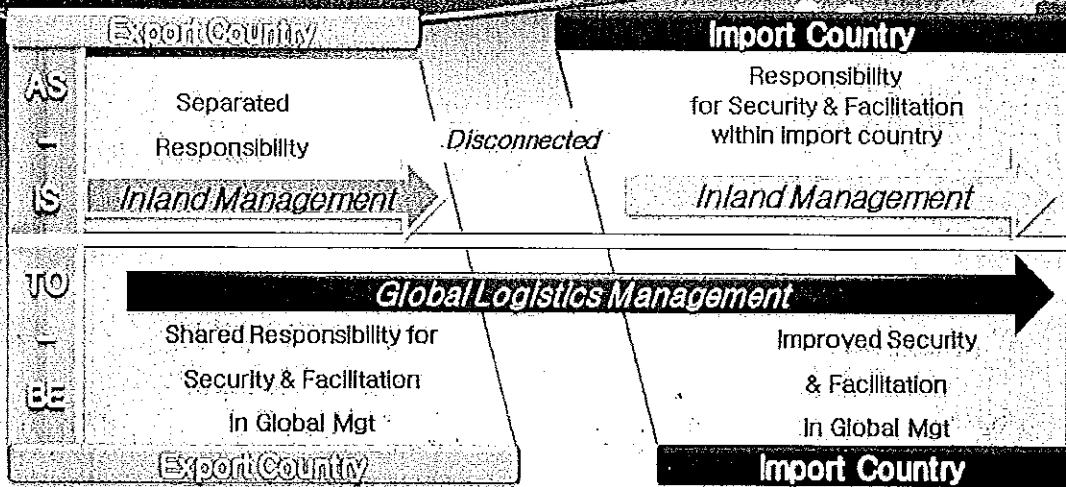
some working such as banning or formation of redlines."

A consignment declared as fabrics was selected for physical examination. It was observed that this consignment consisted of curtain fabrics with scalloped edges. The fabrics were declared as textile piece goods under HS code 5515.1902.

Fabrics having undergone some workings such as hemming or formation of redlines are classifiable under HS code 6307.9090 according to note 7 to Section XI of the Harmonized Commodity Coding and Description System.



Upgraded Global RM thru. Global Co-operation



- Sharing info. among states
 - Advanced/real time information
- Comparing & confirming info.
 - export vs. import info.
- Facilitating trade in safety thru. global RM

<Sharing information, e.g.>

Port of Origin

NO	NAME	TYPE	STATUS	OPERATOR	CONTACT	PHONE	EMAIL
1	Algeria	Port of Origin	Active	Algeria Maritime Authority	www.algeria-maritime.dz	+213 21 20 00 00	algeria@algeria-maritime.dz
2	Algeria	Port of Origin	Active	Algeria Maritime Authority	www.algeria-maritime.dz	+213 21 20 00 00	algeria@algeria-maritime.dz
3	Algeria	Port of Origin	Active	Algeria Maritime Authority	www.algeria-maritime.dz	+213 21 20 00 00	algeria@algeria-maritime.dz

Good Practices

Algeria is a member state of the ICSG and is a signatory to the ISPS Code.

Ports

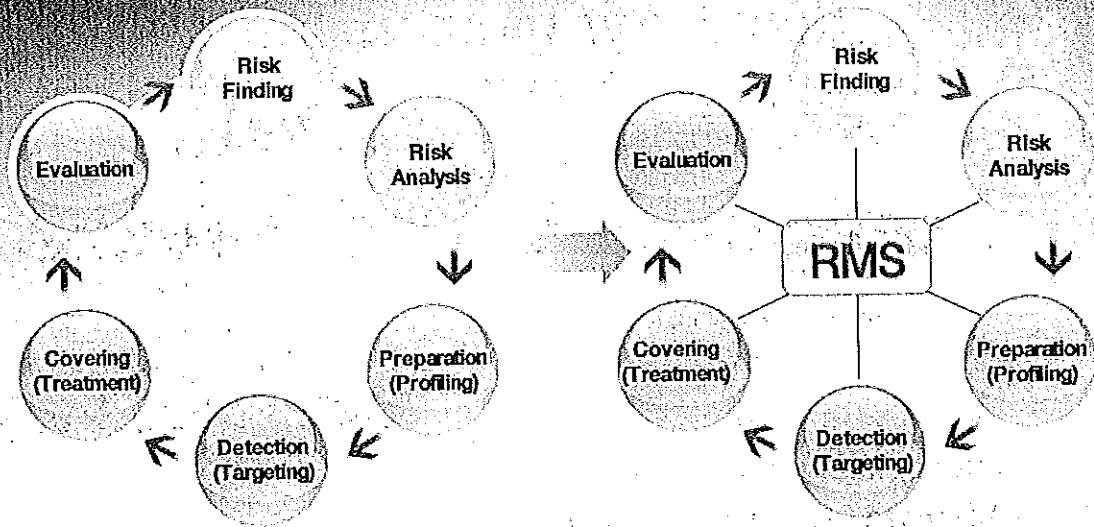
More Info

Algeria Maritime Authority
 www.algeria-maritime.dz
 +213 21 20 00 00
 algeria@algeria-maritime.dz

The information provided in this interface is for informational purposes only. It is not intended to be used as a basis for any decision-making process. The information is subject to change without notice. For more information, please contact the relevant authority.



Suggestion



관세청
KOREA CUSTOMS
SERVICE

Thank You