



ARTICLE

MINISTRY OF FINANCE

TRADING ACROSS BORDERS IN FIVE SIMPLE STEPS

Significant reforms in trade facilitation for a better logistics performance have been introduced in Brunei Darussalam as a good practice in our economy and as a way forward for making our country an attractive destination for foreign investors.

To achieve this objective, the Government of His Majesty the Sultan and Yang Di-Pertuan of Brunei Darussalam and private stakeholders including the Forwarding and Shipping agents have been working together to ensure cross border trade process is cost effective and time efficient. The logistical process of exporting and importing goods are measured by the estimated time and cost for the processing of documents, clearance and inspections by customs and all other agencies for any specified product.

The introduction of Brunei Darussalam National Single Window (BDNSW) has promoted the flow of information and increase transparency while improving the efficiency of day-to-day trade processes. It allows for export and import customs declarations and also permit applications to be submitted and processed online for approval. Multiple visits to customs and relevant government agencies counters could be reduced or in some cases no longer needed because most of the paperwork can now be verified electronically.



The Brunei Darussalam National Single Window (BDNSW) is to facilitate trading across borders enabling customs clearance to be done electronically

There are five steps to follow in order to make your trading across borders run smoothly and hassle-free:

Step 1

Register with the Royal Customs and Excise Department (RCED)

Anyone who wishes to engage in importing or exporting or transiting of goods in Brunei Darussalam or appoint Forwarding Agents must be registered with the Royal Customs and Excise Department by one time registration via online at www.bdns.gov.bn or submit a completed Registration and Declarant Form to email info@customs.gov.bn registration who wanted to submit their application by themselves may also submit the Forms directly to the Customer Services Counter of Royal Customs and Excise Department's Headquarter at Jalan Menteri Besar. Once application is approved, applicant has been registered and will be given User ID and Password to access the BDNSW. User ID and Password to access the system will be given upon approval, no fee is required for the registration.

Individuals are not compulsory to be registered but are advised to make use of the services of Registered Customs Agents (forwarders).

Step 2

Apply Permit for Controlled Goods

All goods may be imported or exported except for prohibited goods. It is important to check if the goods are controlled or restricted goods, which will require the necessary license or permit from other government agencies (OGA). Application for permit import and export is being improved now by streamlining OGAs process and enabling online submission via BDNSW at the same time it has eliminate the processing time and the applicant no longer needed to go to several government agencies to validate the documents. If the goods to be imported are controlled by AiTi for communication equipment, or Food Safety and Quality Control Section of the Ministry of Health for food products or Pharmacy Department of the Ministry of Health for rinsed-off products such as soap and shampoo, the import permit will be auto-approved if the set criteria is fulfilled. More information on the the types of goods and responsible agencies is available on the website: www.tradingcrossborders.gov.bn

Step 3

Online Customs Declaration

Any normal goods can be declared straight to Customs via BDNSW and approval to import or export will be given automatically. Submission of Customs Declaration for controlled goods can be done upon approval of Permit by OGAs and the approval process is within 1 day. Whilst the application of customs' declaration is free of charge, however forwarding Agents may charge service fees to assist you in declaring the goods. You are advised to check the charges in advance with the forwarding agents.

Step 4

Payment of Duty for Dutiable Goods

All goods imported into Brunei Darussalam are subjected to Customs Import Duties Order and Excise Duties Order. Effective 1st April 2017, Ministry of Finance has announced an amendment on Customs import duty and Excise duty. Duty rates may be applied to the CIF (cost, insurance and freight) value, which includes other charges, costs and expenses incidental to the sale and delivery of the goods into Brunei Darussalam, whether or not shown on the invoice for

both Import or Excise Duty. Payment for billed duties can be paid via online, internet banking, through banks counter or at the Customs Payment Counter at the Headquarters or any Entry Points for other duties and payment.

Step 5 Inspection and Clearance

All restricted and controlled goods imported into Brunei Darussalam will be subject to customs inspection prior to clearance of the goods. In certain circumstances, normal goods will also be subjected to inspection. Documents required by customs officers at the entry point for verification include the Approved Customs Import Declaration; Invoice, Bill of Lading/Air Waybill and License/Permit from responsible agency for any controlled goods (for manual permit). Customs Declaration is not required for importation or exportation via Post Office and of any personal goods or household effects, hand-carry or check-in luggage.



An illustration of the five-step process for the importation and exportation of goods

Recently, RCED with the collaboration of Ministry of Communications and Ministry of Health have implemented a Port Clearance module as an enhancement to the Brunei Darussalam National Single Window. The enhancement is to streamline ports clearance process by enabling electronic Ports Clearance application in single form for both outward and inward of vessel movements at any sea checkpoints in Brunei Darussalam. Upon arrival of containers at Muara Port, importers or agents can apply for their Full Container Loads (FCL) containers to be taken out using their own trailers upon payment for Wharfage and Container Handling charges to Muara Port Company.

Additional to that, with the coordination with Port Authority, the Inland Container Depot (ICD) Muara has been designated as the un-stuffing area for containers since 17th April 2017. These initiatives are to reduce the cost and time of documentary and border compliance of import and export in Brunei Darussalam.

Operations at Muara Port is now 24 hours 7 days a week, and clearance of cargoes can be done anytime.

There are nine (9) legal entries and exit points including air, sea and land throughout the country namely the Brunei International Airport, Muara Port, Serasa Ferry Terminal, Putat Control Post and Kuala Belait Wharf. The four entries and exit points by land are the control posts at Sungai Tujuh in Belait, Kuala Lurah in Brunei Muara as well as Labu and Ujong Jalan control posts both in Temburong.

Cross-border trading is an integral part of an increasingly competitive global business environment. With more local companies beginning to explore opportunities abroad and participate in international business, improving efficiency through customs and removing unnecessary procedures at all entry points will facilitate trading across borders and generate many economic benefits to the country.

In the World Bank's Doing Business Report 2017, Brunei Darussalam is ranked 142 out of 190 economies under the indicator, Trading Across Borders. The current reforms undertaken in the country will significantly improve the country's position in the report and make Brunei Darussalam, a business-friendly destination for foreign investments.

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