

TRANSPORTATION AND LOGISTICS

Taiwan has always been considered one of the most significant strategic locations in the region for logistics and international trade. The Committee appreciates the efforts made by the relevant authorities in the past several years to make the regulatory environment in Taiwan more convenient for operations in this industry. At the same time, more can still be done to make the regulatory regime for transportation and logistics more transparent, stable, and predictable. In this regard, we would like to call attention to the following issues of concern to our members.

Suggestion 1: Establish an effective communication platform to improve transparency and efficiency in customs clearance

The Customs administration has maintained a Customs Port Trade (CPT) Single Window since 2013 with the objective of accelerating the customs clearance process. Obstacles remain, however, with regard to the clarity of customs regulations and the transparency of the application process.

More communications is needed between the responsible authorities and industry to give business representatives an opportunity to discuss problems they have experienced with customs clearance and to present ideas for making the system more efficient. The need for such communication has grown with the increasing frequency of Internet-based international transactions, and with the large number of agencies engaged in border-control activities; besides Customs, these include the Taiwan Food and Drug Administration, Council of Agriculture, National

Communications Commission, and others.

To improve customs clearance efficiency and reduce dissatisfaction, we suggest creating a single communication platform other than CPT to enable related business parties to communicate with the responsible authorities. Such a platform could take the form of a quarterly or bimonthly meeting led by Customs or the National Development Council's Regulatory Reform Center and including representatives from the various government agencies with responsibilities related to border controls.

Suggestion 2: Encourage voluntary disclosure of export-control regime violations and make it easier for companies to check on potential importers.

Over the past two years, AmCham Taipei's Customs & International Trade Committee (now folded into the Transportation and Logistics Committee) urged revision of Chapter 4 of the Foreign Trade Act to reduce criminal penalties for companies that voluntarily disclose violations of export controls on strategic high-tech commodities (SHTC). Such an amendment would provide the exporter of record with an incentive to come forward and cooperate with the authorities. We understand that over the past year the government has been studying the voluntary self-disclosure legislation in place in Japan, Australia, the UK, and other countries. We hope that this effort will lead to the proposal of concrete legislation in Taiwan in the near future.

A related issue is that under the current SHTC regulatory regime, an exporter recognized by the Bureau of Foreign Trade (BOFT) as having implemented an Internal Control Program (ICP) can be exempted from export permit requirements, but under the condition that the exporter first check that the overseas importer to be dealt with is not named as a party of concern either on international export-control lists or by the competent authority in Taiwan, which is the BOFT.

The international export-control lists referred to by the BOFT include those from the United States, Japan, and Europe, and can easily be found on the BOFT website. On the other hand, the list maintained by BOFT itself is not readily available to the public. Since the exporter would face the legal risk of violating the ICP system if the BOFT list is not consulted, we suggest that BOFT provide a convenient password-controlled online mechanism by which registered ICP exporters are able to access the BOFT list so as to facilitate compliance with the rules.