# CHAPTER I

# INTRODUCTION

## 1.1 Background

Today's modern life is very dependent on information technology. The use of information technology has changed the way people connect, do business, and communicate. Information technology has increased the effectiveness, productivity, and standard of services offered by businesses. Organizations have been helped by information technology to better comply with international regulations and document requirements.

According to Law of the Republic of Indonesia No. 10 of 1995, Article 1 concerning customs, customs is everything related to monitoring the traffic of goods entering or leaving the customs area and the collection of import duties. The customs area is the territory of the Republic of Indonesia, which includes the land area, waters, and air space above it, as well as certain places in the exclusive economic zone and the continental shelf where this law applies. The Customs Office is an office within the Directorate General of Customs and Excise where customs obligations are fulfilled in accordance with the provisions of this law.

Customs and Excise is one of the important branches of law that regulate international trade. Customs and Excise regulates the process of sending goods between countries, including setting tariffs and supervising and controlling the delivery of goods. Customs also regulates money transfers between countries, including tax laws, controls, and money transfer regulations. Customs and Excise also regulates the movement of goods and money between countries, including setting tariffs and controlling and monitoring the movement of goods and money.

The Pontianak Type A2 Customs and Excise Supervision and Service Office (KPPBC) was inaugurated as a modern office on November 10, 2010. Along with the development of the organization, based on the Decree of the Minister of Finance of the Republic of Indonesia number 131/KMK.01/2011 dated August 18, 2011, the Office of Supervision and Excise The Customs and Excise Service of the Pontianak

Customs Intermediate Type is designated as the Pontianak Customs and Excise Service and Supervision Office of the Intermediate Customs Type B Pontianak.



**Figure 1.1  Pontianak Customs and Excise Office**
*Source*: *Pontianak Customs and Excise Office, 2023*

Facing the industrial era of 4.0, Customs and Excise aligned this development with the improvement of information technology systems that support its services. Customs and Excise adopts the concept of SMART CUSTOMS(Secure, Measurable, Automated, Risk Management-based, and Technology- driven). This is to create the potential for stakeholder collaboration and innovation for new business development and to make data a catalyst for organizations to achieve organizational goals.

According to the Head of the Information Systems Strategy and Planning Sub-Directorate of the Directorate of Customs and Excise Information, Muhammad Hilal Nur Sholihin (2021), Customs and Excise has developed an information technology system based on a webform application called "CEISA 4.0" since 2018. CEISA 4.0 facilitates integration and collaboration between G2G (government to government), B2G (business to government), and B2B (business to business). This application, which was just released in 2020, comes with various improvements to the computerization process. It is hoped that this system will become the basis for determining future policies by producing descriptive reports that are expected to be able to predict decision-making. Starting with the development of the platform, the technology also supports the latest technology (Artificial Intelligence, block chain, etc.), which supports optimal supervision and Customs and Excise services. Since 1990, the Customs information technology system to support its service system has

undergone several evolutions. Starting from the CFRS (Customs Fast Release System), then in 1995, namely Diskette-based Goods Import Notification, 1997 Notification of Import of Goods with the EDI system in collaboration with PT Elektronik Data Indonesia, until renewed in 2003, namely Phase II PDE Electronic Data Notification. Major changes occurred in 2007. The Indonesia National Single Window Portal is a bridge that also facilitates the exchange of documents in the world of trade, especially exports and imports. He added that 2012 was the beginning of the establishment of the CEISA system. An integration system for all Directorate General of Customs and Excise services to all service users to the public so that all service users/stakeholders as users can access from anywhere, anytime with an internet connection. "Then transformed into CEISA 4.0 in 2018, and it is projected that all types of services and application systems will be completed in 2024.

The application of the Customs-Excise Information System Automation (CEISA 4.0) has become an important part of managing international trade documents at the Pontianak Customs Office. The Customs-Excise Information System Automation (CEISA 4.0) has helped Pontianak City Customs and Excise increase efficiency, productivity, and the quality of services provided. However, it is still unclear how the Customs-Excise Information System Automation (CEISA 4.0) is implemented in handling international trade documents at the Pontianak Customs Office. Therefore, it is important to know the use of the Customs-Excise Information System Automation (CEISA 4.0) in processing international documents at the Pontianak Customs Office.

For all parties involved, the Customs-Excise Information System Automation (CEISA 4.0) has developed into an invaluable instrument for increasing productivity, cutting costs, and improving service quality. Information technology is now a critical component of managing trade documents, controlling taxes and customs, and complying with regulations governing international trade. One organization that has utilized information technology to process trade documents, manage taxes and customs, and comply with international trade regulations is the Pontianak Customs Office. The purpose of this research is to examine how

Pontianak City Customs and Excise utilizes the Customs-Excise Information System Automation (CEISA 4.0) to process international trade documents.

However, despite the implementation of CEISA 4.0, there are still problems and challenges in the process of processing international trade documents at the Pontianak Customs and Excise Office. Some of the problems that may arise include technical limitations, system weaknesses, a lack of training for users, or a lack of understanding of the potential and benefits offered by CEISA 4.0.

Therefore, it is important to conduct an in-depth analysis of the implementation of CEISA 4.0 in processing international trade documents at the Pontianak Customs and Excise Office. This analysis will provide a better understanding of how CEISA 4.0 can improve services for exporters and importers in the international document processing process. In addition, this analysis will also identify problems that may arise and provide recommendations for improvement.

Thus, through this thesis, it is expected to obtain a comprehensive understanding of the implementation of CEISA 4.0 at the Pontianak Customs and Excise Office and its impact on the process of processing international trade documents. The results of the analysis and recommendations produced will make an important contribution to the authorities in increasing efficiency, reliability, and customer satisfaction in conducting international trade through the Pontianak Customs and Excise Office. So this thesis was made with the title "**An Analysis on Service Improvement for Exporters and Importers in Processing International Trade Documents based on Customs-Excise Information System Automation (CEISA 4.0) at the Pontianak Customs and Excise Office**".

## 1.2    Formulation of the Problem

From the background that has been stated above, the problems that can be taken into account in this study are as follows:

How can the implementation of the Customs-Excise Information System Automation (CEISA 4.0) improve the efficiency, accuracy, and speed of processing international trade documents for exporters and importers?

**1.3    Purpose of the Study**

In accordance with the problems described above, the objectives to be achieved in this research are as follows:

1.    To find out how the implementation of the Customs-Excise Information System Automation (CEISA 4.0) in the management of trade documents has been carried out so far at the Pontianak Customs and Excise Office.

2.    To analysis the potential benefits and functionality of the Customs-Excise Information System Automation (CEISA 4.0) in increasing the efficiency, accuracy, and speed of processing international trade documents.

3.    Identify potential obstacles or challenges that may arise during the implementation of CEISA 4.0 and propose strategies to overcome them.

4.    Provide recommendations and practical guidelines for the Pontianak Customs and Excise Office to implementation CEISA. 4.0 effectively and improve services in processing international trade documents

**1.4    Significance of the Study**

Based on the formulation of the problem, the author can mention the objective of this study are:

1.    For Writers

Thesis writers can get various benefits from this research. The author will gain more in-depth knowledge about how the Customs-Excise Information System Automation (CEISA 4.0) can help process international trade documents at the Pontianak Customs and Excise Office. Writers will also have the skills needed to analyze data, use technology, and draw useful conclusions.

2.    For Academics

This thesis research will be an important source of information on campus. The results of this study will provide an overview of how Customs-Excise Information System Automation (CEISA 4.0) can help process international trade documents at the Pontianak Customs and Excise Office. These results can also be used by academics to teach students about the importance of

Customs-Excise Information System Automation (CEISA 4.0) in dealing with customs issues and processing international trade documents.

3. For the Community

This thesis research will provide benefits to the wider community. The results of this study will show how information technology can help process international trade documents at the Pontianak Customs and Excise Office. This research will also provide an understanding of the importance of strict trade document supervision to avoid misuse of the Customs-Excise Information System Automation (CEISA 4.0) in customs affairs.

4. For Industry

The research in this thesis can also provide benefits, especially for industries engaged in customs and international trade documents. This research will also provide a new perspective on the importance of following the rules when managing international trade documents using the Customs-Excise Information System Automation (CEISA 4.0) .

## 1.5 Scope and Limitation of the Problem

Based on the background of the various problems that have been described, the researcher can identify the scope and limitations of the research problem, namely only conducting research on the analysis of Customs-Excise Information System Automation (CEISA 4.0) on processing international trade documents, for this research only at the Pontianak Customs and Excise office, precisely on Jl. Pelabuhan No. 1 , 78111, West Kalimantan.

## 1.6 Writing System

In order for the writing of this thesis report to be systematic and neatly structured, a systematic report writing is required. The following is the systematics ofthesis report writing.

**CHAPTER I: INTRODUCTION**

This chapter describes the background of the problem, the

structured, a systematic report writing is required. The following

is the systematics formulation of the problem, the purpose of the research, the benefits of the research, the scope and limits of the problem and the systematics of writing a thesis.

**CHAPTER II: LITERATURE REVIEW**

This chapter clearly describes the theory that generates ideas and underlies the chosen topic or thesis title, where the literature review contains previous research, theoretical foundations, and frameworks of thought.

**CHAPTER III: RESEARCH METHODOLOGY**

This chapter describes in detail the steps taken to complete the chosen thesis topic. Where in the Research Methodology contains the Location, Time and Object of Study, Types and Source of Data, Analysis Method, Sampling Techniques, Data Collection Technique, Data Processing Technique, Types of Study, Schedule and Budget of the Study.

**CHAPTER IV: RESULTS AND DISCUSSION**

This chapter contains test results, discussion and limitations of research results. The results of the thesis are made in the form of tables, graphs, photos/pictures or other forms so that it is easier to follow the description of the discussion. The discussion of the results obtained is made in the form of theoretical explanations, either qualitatively, quantitatively or statistically.

**CHAPTER V: CONCLUSION AND SUGGESTIONS**

Contains conclusions and suggestions from research that has been carried out.