



The Digital Transformation in the Peruvian Customs

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Abstract

The public and private institutions of the different countries of the world to improve the effectiveness and efficiency in the service require to be at the forefront of technological changes, Customs being one of them, because foreign trade has increased considerably worldwide. The objective of the study was to analyze the digital transformation in the Peruvian Customs. The qualitative approach was used through the grounded theory of cross-section and exploratory scope. A semi-structured interview was conducted with twenty officials from customs agencies. From the interviews, it was obtained as emerging categories according to the interviews, which produced costs, simplified processes and saved time. The analysis of the interviews allowed us to conclude that the changes implemented in the digital transformation of the Peruvian customs have been favorable, contributing to improvements in foreign trade.

Key Words: Customs, Foreign Trade, Digital Transformation.

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Introduction

Currently, faced with the rapid changes associated with the development of Information and Communication Technology (ICT), it is essential that the public institutions responsible for providing services are at the forefront, implementing and applying all kinds of resources that strengthen the efficiency in serving citizens; For this reason, the Peruvian Customs was part of the technological innovations offered by the digital age.

Carrying out a panoramic review of how the regulations regarding Foreign Trade in Peru have evolved, Law No. 28977 "Foreign Trade Facilitation Law" (Congress of Peru, 2010), it was determined to improve the attention processes and the need to respect times not greater than 48 hours in offices;

while DL No. 1433 (Presidency of the Republic, 2018) Legislative Decree that modifies the General Customs Law, responding to the quality requirements recommended by the World Trade Organization (WTO), strengthened the attention of customs operators; In addition, in a short time, Supreme Decree No. 418 (Peruvian, 2019) EF Approves the Table of sanctions applicable to infractions provided for in the General Customs Law. According to La Noire (2021), these last two regulations, apart from improving processes and introducing digitization, contributed to improving the performance of professionals dedicated to foreign trade.

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In the year 2020, Law No. 30860, Law to Strengthen the Single Window for Foreign Trade (Congress of the Republic, 2020), was issued in order to complement the improvement of processes in customer service, evidencing the necessity and importance of the use of digital tools. The normative documents consulted demonstrated the concern of the Peruvian Government that, following international recommendations, implemented improvements in the customs service.

The digital transformation turned out to be fundamental in these processes in such a sense that the different companies or companies dedicated to foreign trade used a digital environment in which they carry out the different movements required in foreign trade; According to Servin (2015), in recent years, the appearance of electronic government has favored the use of technology at the international level; From another perspective, Zamora (2017) pointed out that the Asia-Pacific Economic Cooperation Forum (APEC) was another impetus for changes in the digitalization of Customs because it improved efficiency; In addition, these institutions must respond to the international commercial expectations required in recent years (Organization World Customs, 2015).

According to La Noire (2019), the digital Customs brings together a set of powers and competencies with the aim of checking the entry and exit of merchandise; but also of people within the customs space. For Zilberman (2017), it is necessary to consider three pillars in this new adaptation: the commercial or business transaction model, the company's processes and the clients. In the digital transformation, it is essential to seize innovations that are not exclusive to foreign trade; but they occur in all aspects of society; for this reason, customs cannot be oblivious to changes.

Digital transformation requires implementing the design of new processes with innovative activities; therefore, new products will be offered to which companies or companies dedicated to foreign trade must adapt because being at the forefront will allow them to survive in a market as competitive as this one. In this line, Quiroga (2020) stated that digital transformation responds to new business structures; For this reason, Peruvian companies must incorporate them in order to close the gaps that we have with other more developed countries. The digital transfection in the Peruvian Customs favored making it more competitive, this was strengthened with the implementation by the National Superintendency of Customs and Tax

Administration (Sunat), the “FAST” program (Customs Facilitation, Security and Transparency), the which favors more effective and agile processes in the entry and exit of merchandise and the performance of customs operators; therefore, digital transformation goes beyond technological acquisition, it consists of necessary and decisive modifications that require being prepared and taking contingency actions that allow it to be used and implemented in companies. Peru, since the mid-1990s, has developed several attempts at Customs with the aim of automating its paperwork and procedures; creating the first software with the name of Integrated Customs System (SIGAD) to carry out the migration of all customs regimes towards a new electronic language.

Taking into account the aforementioned, the objective was formulated to analyze the digital transformation in the Peruvian Customs and how this process was executed and how favorable it was for Peruvian Foreign Trade. This study exposes to the academic community the perception of customs agents of how the changes have been carried out in Peruvian trade and makes comparisons with other countries.

Methodology

The qualitative approach was used through the grounded theory of cross-section and exploratory scope for which the categories were explored: 1) Agility in the import process; 2) Digital transformation and 3) Administrative processes.

Table 1. Categories and subcategories

Categories	Subcategory
Agility in the import process	Agility in the import process Time reduction Obtaining new virtual platforms and software
digital transformation	paper savings Simplicity in the process Costs reduction
Administrative processes.	Ease of processing process improvement Qualified personnel

This study considered as a sample 20 companies (customs agencies of Lima and Callao) composed of heads of operation, managers or personnel with sufficient knowledge of the topic addressed in terms of foreign trade and customs clearance processes; the technique used was the interview and the instrument, a semi-structured interview. The interviews were processed using the Atlas Ti. It was considered as an inclusion criterion that the



participants were active customs officials; In the exclusion criterion, people who did not have a period of activity greater than ten years were rejected because it was necessary to confront them

with their experiences over time as adjustments have been made in foreign trade.

Results and Discussion

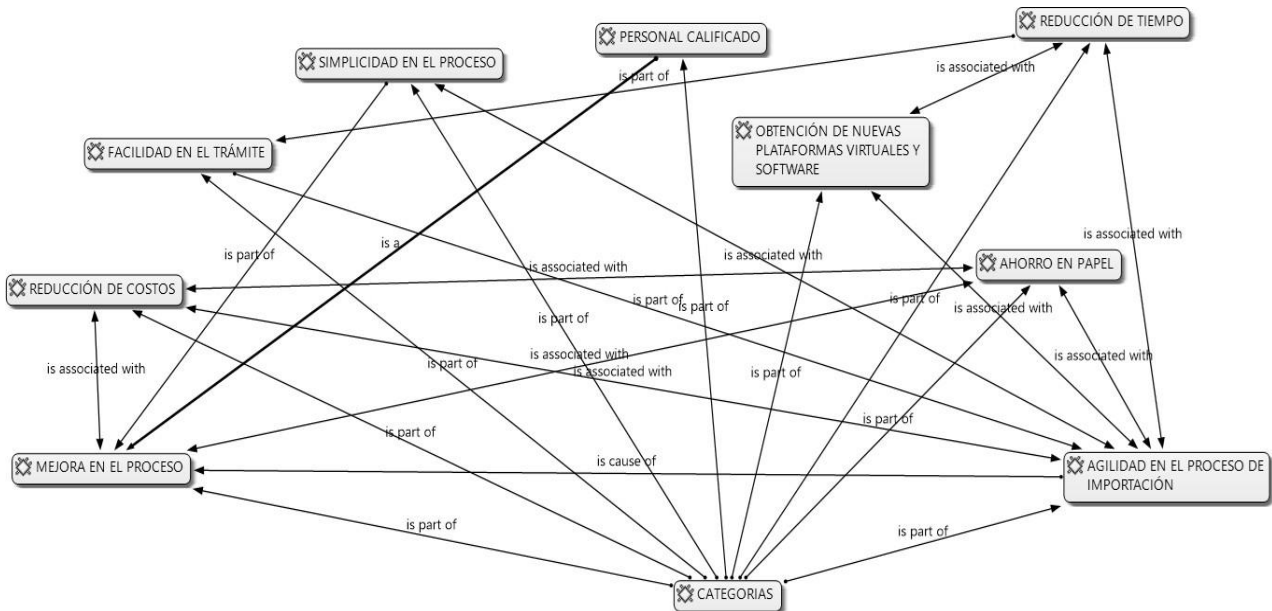


Figure 1. Analysis of the categories

The first figure shows the emerging categories that emerged when processing the interviews, such as saving paper, which will be evident because it will no longer be required, saving time because it is not

necessary to do it physically, simplifying processes, reducing costs and qualified personnel who will have the digital domain of the new processes.

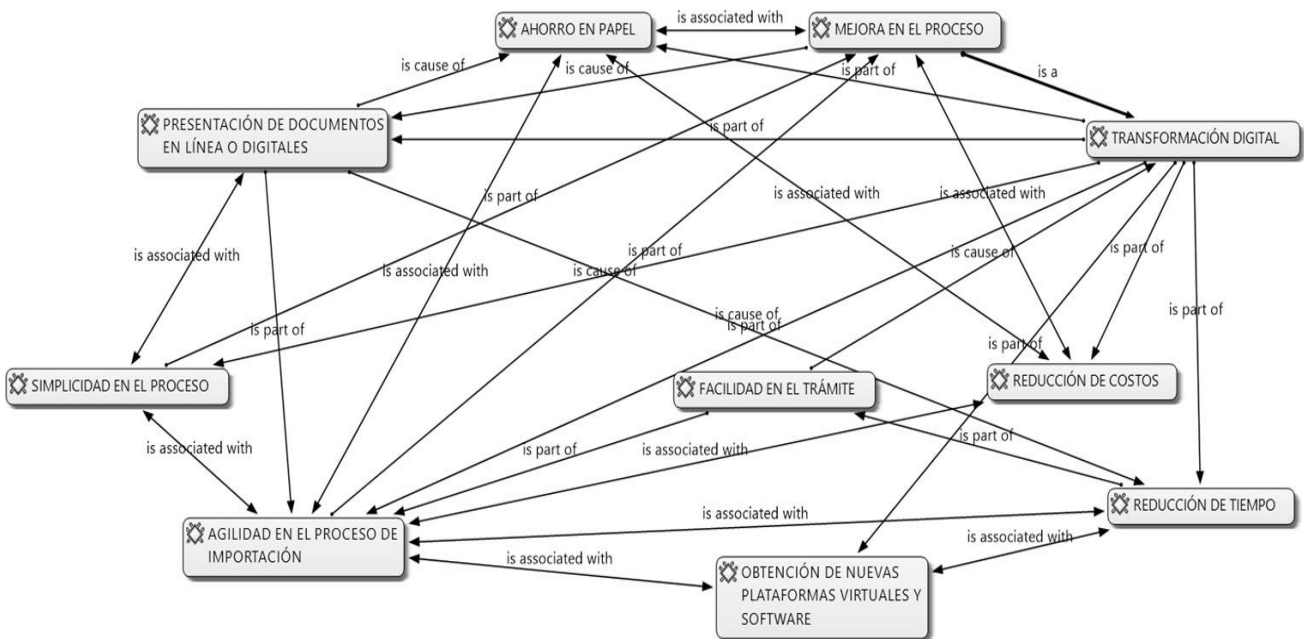


Figure 2. Analysis of the process agility category



According to the processing of the interview, it was possible to extract that, in the first category digital transformation, for the participants, it was the improvement of the processes in the customs clearance, there was no doubt in the customs dispatchers when they agreed on this improvement, because the Not carrying out physical procedures favored multiple factors, such as the simplest one, not having to go to Customs, and it also reduced costs. Zilberman (2017) argued that the digital transformation favored the creation of more useful customs spaces, favoring the appearance of new models that allowed improving interaction in

foreign trade (Ciuriak and Ptashkina, 2018), these technological changes required new environments and forms of online relationship such as the domain of networks and devices.

The participants also agreed that the change helped to simplify the daily work which they carry out on a daily basis, despite the fact that the adaptation was complicated at first, the benefits of this system started in 2018 were more evident when the covid-19 health emergency broke out. 19, where activities were restricted and isolation was determined; however, some commercial activities could not be stopped.

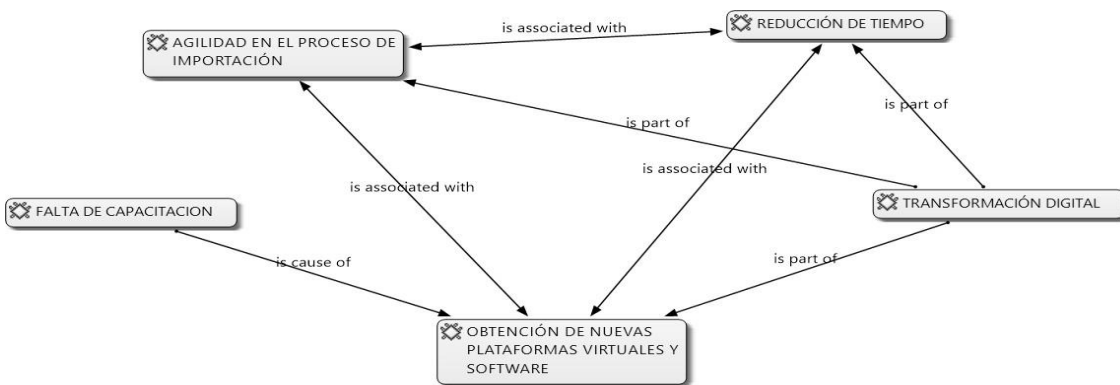


Figure 3. Analysis of the second category digital transformation

Regarding the second category digital transformation, according to the interviewees, this change was encouraging, the use of ICTs in public and private institutions such as customs help to provide users with a better service in less time (Servin, 2015). In this sense, the modernization of customs was a necessity to improve efficiency and maximize operations in less time (Reyes et al.,

2018). Customs, to be more competitive, must be at the forefront of international changes, in addition, in customs work, it is a challenge to be efficient in the face of the rapid growth in the volume of exports in recent years (Zamora and Navarro, 2015). For Calixto (2017), technological progress contributed to improving import and export services.

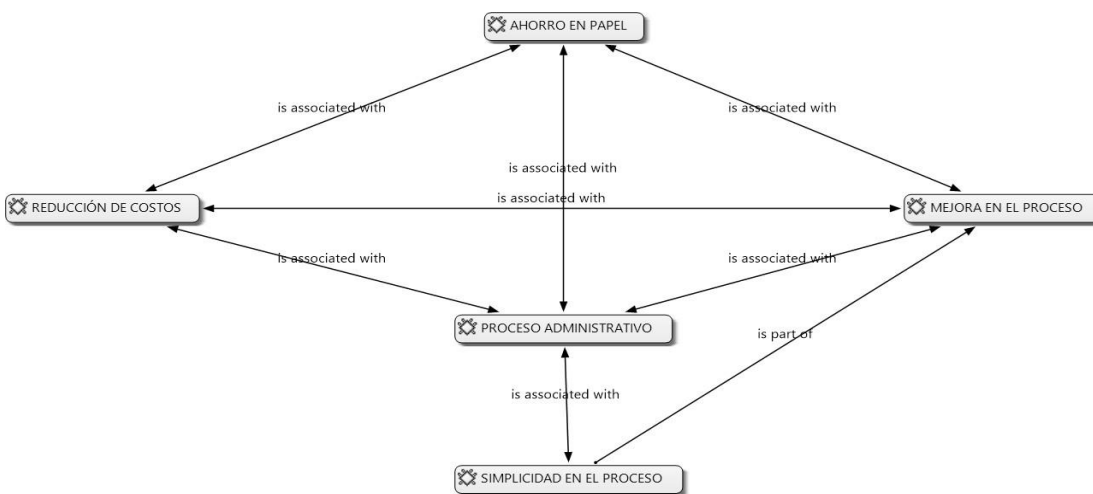


Figure 4. Analysis of the administrative transformation category



Regarding the third category called administrative processes, the interviewees stated that it was essential to train and acquire virtual platforms and software; it demanded logistical actions within its institutions, because it was not only the acquisition of online resources; but to have adequate devices to provide connectivity, it involved buying new technological equipment such as high-end computers.

In this sense, customs procedures, according to what has been exposed, improved with the innovations. In this regard, the interviewees consider the ease of the process as a variable that has allowed the documentation to be presented through virtual platforms such as the SIGAD (Integrated Customs Management System) and the Virtual Parts Table. For this reason, these changes made even the shipping companies adapt to the digital system, a very favorable aspect for the interviewees.

However, not everything was positive because several interviewees pointed out that there is a lack of communication on the part of the customs authorities, because it is limited in online consultations, in addition they delayed the adaptation processes in some Customs workers because it was difficult for them to use them correctly.

Conclusion

Taking into account the participants, it was possible to conclude that the transformation of the Peruvian Customs was positive, favoring Peruvian foreign trade, because the procedures were streamlined, meaning cost and time savings as the physical transfer was not required to carry out the different operations. This helped customs agencies make faster decisions.

The need to provide more effective and efficient services was executed along with the new changes; Likewise, it should be considered that the digital transformation was also a requirement of the dynamics that International Trade has been having in recent years; In this sense, Peru did not ask to be postponed, a favorable aspect that digitalization was more effective in utility when the confinement measures were given by covid-19, where the required and permitted transactions were made online.

To strengthen the changes carried out in the digital transformation, other institutions must be in line with them, such as SENASA, DIGEMID, DIGESA,

because they are part of the commercial activities when international trade is carried out.

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