

Trading across Borders— what does it measure?

Doing Business measures the time and cost (excluding tariffs) associated with three sets of procedures –border compliance, documentary compliance and domestic transport- within the overall process of exporting and importing a shipment of goods.

- Export: Assumption: you are exporting a shipment of **15 metric tons of HS 74: Copper and articles thereof** (or a similar product that you have experience with) from a warehouse in Vientiane to a warehouse in Shanghai, China.

Case assumptions	
Terms of payment and cost	The exporting firm hires a freight forwarder and/or customs broker and pays for all costs related to domestic transport, clearance and mandatory inspections by customs and other agencies, port/border handling, document preparation, etc. Payment is done by the most widely used method, i.e. letter of credit. Insurance cost, tariffs, duties and all informal payments for which no receipt is issued are excluded
Product and shipment	The product is new, not secondhand or used merchandise. The shipment weighs 15 metric tons and consists of a homogenous product, not a mix of products. It does not have to be containerized. The most widely used method of packing is assumed.
Time	Time is measured in hours and 1 day is 24 hours. If a procedure takes 7.5 hours, the data are recorded as is. If a procedure starts at 8:00 a.m., is processed overnight and is completed by 8:00 a.m. the next day, the data are recorded as 24 hours.

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- Import: Assumption: you are importing a shipment of 15 metric tons of **HS 8708: auto parts** (or a similar product that you have experience with) from a warehouse in **Bangkok, Thailand** to a warehouse in **Vientiane**.

Case assumptions	
Terms of payment and cost	The importing firm hires a freight forwarder and/or customs broker and pays for all costs related to domestic transport, clearance and mandatory inspections by customs and other agencies, port/border handling, document preparation, etc. Payment is done by the most widely used method, i.e. letter of credit. Insurance cost, tariffs, duties and all informal payments for which no receipt is issued are excluded
Product and shipment	The product is new, not secondhand or used merchandise. The shipment weighs 15 metric tons and consists of a homogenous product, not a mix of products. The shipment is containerized.
Time	Time is measured in hours and 1 day is 24 hours. If a procedure takes 7.5 hours, the data are recorded as is. If a procedure starts at 8:00 a.m., is processed overnight and is completed by 8:00 a.m. the next day, the data are recorded as 24 hours.

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Thank you!