

**GUIDE**

**TO MEASURE THE TIME  
REQUIRED**

**FOR THE RELEASE OF GOODS**

**Version 2**

**2011**



WORLD CUSTOMS ORGANIZATION

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## **1. Introduction and Context**

1. Globalization has brought about a dramatic increase in cross border trading. As a result, there has been an equally important focus placed on trade and regulatory processes conducted at the border to ensure they are optimized and the time required for trade-related procedures reduced where appropriate. Just-in-time delivery of goods has become important for businesses and brings significant benefits to all parties involved in the supply chain.
2. In discharging their often complex tasks of revenue collection, security, environmental and health protection and application of trade policy, Customs administrations or Governments need to have direct access to and temporary custody of (if necessary) export and import consignments.
3. The time period for which Customs and/or other border agencies require these controls, thereby halting the overall movement of the goods, has gained great importance for all international traders and their customers. It is now a crucial operational or commercial concern for Governments, just-in-time business operators, intermodal carriers and the cargo industry, as well as providing for a focused opportunity to gain an invaluable insight into standards of Customs efficiency.
4. Governments and the trading community have a powerful common interest in this regard. Therefore, activities that relate to the calculating and recording of the time needed by Customs to release goods can provide pertinent information to guide any necessary process improvements or identify desirable regulatory changes to ensure the effective facilitation of trade.
5. With this in mind also it is highly important to consider Customs role in trade facilitation:

### **What is trade facilitation?**

6. Simply put, it is lowering trade transaction costs and creating standard efficiencies as has been highlighted in the Doha Declaration as "expediting the movement, release and clearance of goods, including goods in transit." This includes the causal relationship of customs procedures and other practices that may add to the cost or time requirements of trade.

### **Why is trade facilitation important?**

7. Economic benefits flow to communities from lower logistics costs and the expanded trade make these enable. Improving the economic situation in global economies depends highly on an effective trading system. This in turn provides for goods and services to be delivered in the most economically and logistically efficient way as possible, which can thereby benefit the ultimate consumer.

## **What is Customs and the WCO role in trade facilitation?**

8. For optimal facilitation of legitimate trade there should be internationally agreed protocols, guidelines and Customs practices that are harmonized and streamlined to the greatest extent possible. When Customs administrations can align their working methods to a large degree in the field of trade facilitation, there is a greater and beneficial consistency that can be applied along global supply chains. To support the development of global harmonisation the WCO has developed a range of comprehensive tools that include legally binding conventions (i.e. Revised Kyoto Convention, Istanbul Convention), as well as best practices tools and protocols (i.e. Data Model, Integrated Supply Chain Management Guidelines, SAFE Framework, etc.). Details of these can be found in the WCO website (<http://www.wcoomd.org/home.htm>).
9. In addition many Customs administrations have introduced Risk Management techniques, advanced electronic information regimes and Single Window arrangements. More recently, a growing dialogue has been established with the trading community, whereby Customs and trade increasingly work in partnership to deliver common solutions on these critically important trade facilitation objectives.

## **Where does the Time Release Study fit in?**

10. The WCO Time Release Study (TRS) is a unique tool and method for measuring the actual performance of Customs activities as they directly relate to trade facilitation at the border. The TRS thereby measures relevant aspects of the effectiveness of operational procedures that are carried out by Customs and other regulatory actors in the standard processing of imports, exports and in transit movements. It seeks to accurately measure these elements of trade flows so that related decisions to improve such performance can be well conceived and thereby carried out.

## **Why is performance measurement important?**

11. The ultimate aim of implementing a performance measurement system is to improve the performance of the function being measured. If you want to reform or improve something, it is essential that you first measure it.
12. Successful performance measures should be simple to do, simple to understand and simple to respond to. They should be valued by those engaged in the processes being measured, which requires that they be relevant to the local situation.
13. Achieving relevance depends on accurately identifying the events that are integral to the local clearance process and establishing the interdependencies between them. Taking the trader's perspective will further help ensure that relevant events are identified.
14. One of the methods used for the review of clearance procedures is to measure the time taken between the arrival of the goods and their release. This facilitates the identification of both the problem areas and potential corrective actions to increase

their efficiency. The use of automation and other sophisticated selectivity methods can allow Customs and other border agencies to improve compliance and at the same time improve facilitation for the majority of low risk goods.

15. It provides a means to measure the time taken for the release of goods and to pinpoint the concerns of trade circles regarding delays in Customs clearance. It helps Customs to respond to trade requirements where the operators need to plan ahead for the movement of goods across borders in order to meet tight production schedules and just-in-time inventory systems that require forward planning.
16. The time required to release goods has also increasingly become the measure by which the international trading community assesses the effectiveness of border clearance processes.
17. It is therefore important to emphasise to users of this guide the value of being focused on their own particular needs and the value of being pragmatic in their evaluation of their situation. Users of this guide should be encouraged to exercise flexibility and judgement to choose those parts that are relevant to them to tailor a study for their local circumstances.
18. The WCO TRS provides guidance on the best way to apply this method of internal review. That is to say that the WCO Time Release Study is simply a tool to measure trade facilitation performance with a view to improving it.

## **2. Background**

### **History of the Time Release Study Guide**

19. The development of the Time Release Study Guide goes back to the 1990s. In 1994, the Permanent Technical Committee (PTC) adopted the Study on the Time Required for the Release of Goods (Handbook), based on similar initiatives undertaken by Japan and the United States, to guide administrations wishing to undertake a Time Release Study (TRS).
20. Between 1994 and 1997 a small number of Members conducted such studies. Based on this limited experience it was considered that the Handbook and the study appeared to be complex. As a result, in 1997 the PTC decided that a simpler method for conducting the study should be developed, including the possible use of software applications to make the study more flexible and user-friendly, in order to guide Member administrations when conducting a TRS.
21. The Guide to Measure the Time Required for the Release of Goods (current TRS Guide) was consequently adopted by the PTC and reported to the Council in 2001. Members were invited to undertake a TRS based on the Guide. Online software for conducting a TRS was also developed by the WCO and the World Bank, and made available to Members. The software is intended to serve as a tool for use in developing a survey questionnaire, completing an analysis and producing a report on a TRS.
22. A number of WCO members such as Australia, Japan, Korea, New Zealand and Serbia have undertaken TRS, with some Members regularly conducting one. The WCO Secretariat has provided developing Members such as Kenya, Tanzania, Uganda and Lesotho with technical assistance to design, plan and implementation of a national TRS.

### **Recent Developments Related to TRS**

23. A TRS is considered as a useful tool for identifying bottlenecks in border-related procedures and for improving their efficiency and effectiveness. It has increasingly become a measure by which the international trading community assesses the effectiveness of border procedures, including Customs procedures. It also assists in the addressing of the concerns of trade circles regarding long delays in Customs clearance. It helps Customs to respond to trade requirements where the operators need to plan ahead for the movement of goods across borders.
24. At present, national and international institutions have become increasingly interested in performance measurement tools utilized at borders, in as much as the data collected contributes to the measurement of effectiveness and progress towards the implementation of trade facilitation measures.
25. The use of TRS has also been recommended by certain Members of the World Trade Organization (WTO) in their submissions for items to be negotiated within the Trade Facilitation negotiations of the DOHA round. Certain WTO Members have

proposed an obligation in the WTO negotiations “to publish the average time for the release of goods in consistent manner on a periodic basis, based on the WCO TRS.”

26. Customs administrations have also made efforts to streamline interagency procedures with different parties at the borders. In order to ensure that facilitation measures are applied in an effective manner, it may be timely to discuss and (when necessary) review and update procedures associated with cross agency cooperation and collaboration. Regional modernization projects such as the One Stop Border Project (OSBP), transit corridor projects or regional integration of border procedures are also recent new developments.
27. In this context, the WCO TRS could have potential as a cross agency tool utilized during the implementation phase of Coordinated Border Management, and as a tool for Customs-to-Business Partnership and Customs-to-Customs Cooperation, which are prominently included in the Customs in the 21<sup>st</sup> Century building blocks.
28. There are a number of possible ways in which the TRS could be initiated, for example, by an administration’s own decision to undertake a study, or through a technical assistance programme, or through an external donor such as the World Bank.
29. While the WCO TRS methodology was initially designed for inbound goods, it is also applicable to the International (Regional) Environment and export environment.

#### **TRS as an effective support for “Customs in the 21<sup>st</sup> Century”**

30. Against this backdrop the PTC has reviewed and updated the Guide in an effort to bring it in line with recent developments as outlined above, in co-operation with Business and international organizations such as the World Bank.
31. The revised Guide is presented as a *Guide to Measure the Time Required for the Release of Goods Version 2*. It provides more guidance on how the TRS can be applied to different border procedures and suggests that it should be used more widely as a support tool for modernization projects in the fields of Customs-Customs Cooperation, Coordinated Border Management (CBM) and Customs-Business Partnership.



### 3. General Purpose and Scope

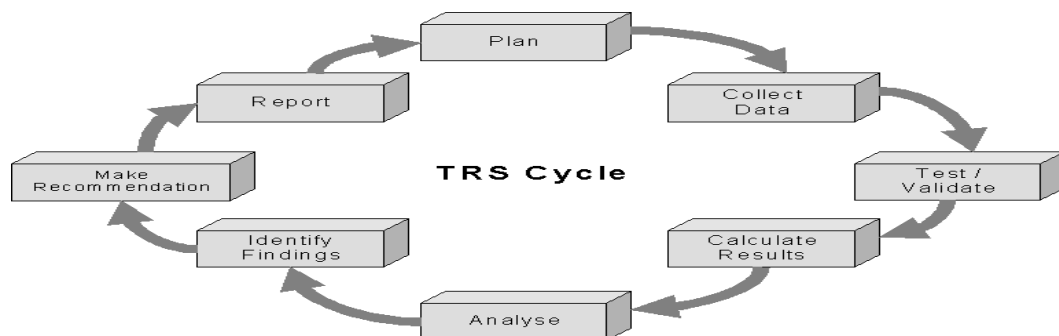
32. There are different TRS methods to address different policy objectives. An understanding of time release data contributes to the achievement of the following objectives:

- (a) identifying bottlenecks in the international supply chain and/or constraints affecting Customs release
- (b) assessing newly introduced and modified techniques, procedures, technologies and infrastructure, or administrative changes
- (c) establishing baseline trade facilitation performance measurement
- (d) identifying opportunities for trade facilitation improvements
- (e) estimating the country's approximate comparative position as a benchmark tool

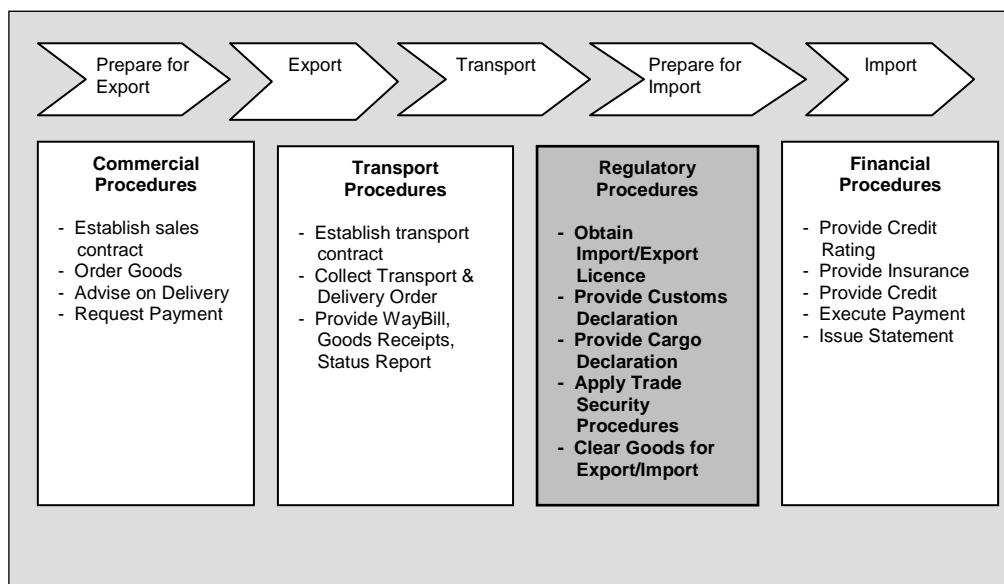
33. The primary objective of the TRS under bullet point (a) is to find bottlenecks in border procedures in order to discuss reasons for delays caused by Customs, other border agencies and/or the private sector, and where necessary to formulate an action plan for improvement. This could be achieved by using a mechanism to ascertain the causes of delays, such as (1) the tracking memo with simple time stamp (records of time in each event), (2) detailed follow-up analysis, contacts and interviews on the results of a TRS or (3) TRS with field on-site audit.

34. Objectives (b), (c) and (d) are also common for many countries. This could be accomplished by time stamps together with additional flagged information regarding the use of new procedures, etc. The rationale behind a TRS is based on a continuous improvement cycle. TRS is never a stand-alone activity. Undertaking a TRS will provide you with a baseline of the current performance of border procedures, identifying the bottlenecks and assisting in finding solutions for delays and actions to be taken for improvement. It is essential to undertake TRS periodically to find opportunities for further improvement.

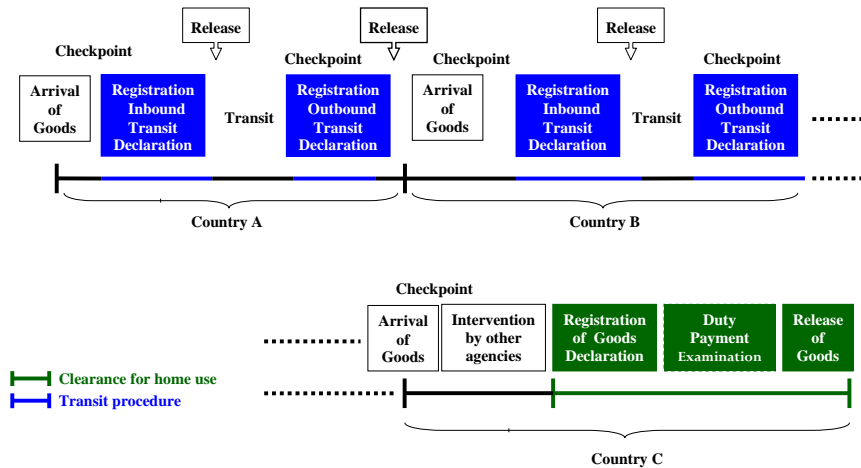
35. In administrations that periodically undertake such studies, the time taken for release has steadily reduced due to the implementation of improvements and corrective measures based on the result of these studies.



36. With regard to objective (e), the TRS was not initially designed as a benchmarking tool because, it was not meaningful to compare the TRS results among different countries unless trade conditions such as infrastructure, border procedures and capacity of border agencies were identical. Nevertheless, it could be used as a benchmarking tool for certain purposes, particularly macro perspectives. In this case, inherited conditions or situations in each country have to be properly taken into account, since the effectiveness of border agencies is not necessarily the cause of any delay. The TRS should not be considered as a competition between Members or as an effort to place a value judgement or ranking on the operations of an administration.
37. The international movement of goods involves not only Customs administrations but also other national authorities such as the port, health, veterinary, agriculture and other agencies, as well as the trading community which includes brokers, forwarding and shipping agents, carriers, banks and other intermediaries. The trade entities, in particular, are constantly concerned with measures to ensure precision, predictability and faster clearance of goods. Delays in the release of goods are very often attributed to the procedural and documentary requirements of Customs since they are one of the more visible agencies at the border. It is therefore in the interest of Customs administrations to initiate measures to improve the clearance process and for monitoring the release times for goods through regular reviews.
38. The WCO TRS is primarily designed to measure the time required to release goods, although the principle of the TRS could potentially be used for other purposes such as time required for commercial procedures, transport procedures or trade related financial procedures. This Guide mainly focuses on time from the arrival of the goods at the port/airport/land border until their release to the importer or to a third party on their behalf. In some situations this release will be concurrent with clearance (e.g. low value, non-dutiable goods). This methodology could also be modified and applied to measure the time necessary for the clearance granted by Customs after the payment of duties and taxes when this occurs subsequent to the release of the goods. In this Guide the term “release” means the action by Customs to permit goods undergoing clearance to be placed at the disposal of the person concerned, and “clearance” means the accomplishment of all formalities necessary to allow goods to enter home use, to be exported or to be placed under another Customs procedure.



39. In terms of Customs procedure, this Guide focuses primarily on “Clearance for Home Use” and “Transit.” The principles of this Guide can also be applicable to other Customs procedures such as “Temporary Admission” and “Outright Exportation (See Appendix 7).”
40. This study can be undertaken at an individual Customs office, at a number of Customs offices or at all the offices in a Customs administration. The results of the studies undertaken at different Customs offices can be compared in order to identify where measures are required to simplify procedures and thus increase the efficiency of Customs. It is also possible to undertake the study with neighbouring countries, with other countries, with/or in a Customs/Economic Union, or other border agencies.



41. Many administrations have established pre-set work norms, such as client charters, that indicate the average time that should be taken to complete any particular process. In this case, the results of the study could be used to evaluate the extent to which the pre-set work norms or estimated times are being met and the improvement measures that could be undertaken. The time release study would also give some useful insights into bottlenecks within the clearance system.
42. If no study has been undertaken previously or no pre-set work norms are available, then this study can be used as a basis for future comparisons when improvements are made in the clearance systems.
43. Statistical standards concerning both the sampling and the calculation methods must be adhered to if useful and reliable results are to be obtained. For this reason comparisons of results from different Customs administrations are neither useful nor reliable since these studies can seldom be undertaken in identical conditions.
44. The WCO Columbus Programme includes a diagnostic analysis which is complementary to this study. The diagnostic analyzes the Customs organization and its operations, whereas this study analyzes the processing of Customs transactions in particular detail.

45. This Guide will assist administrations in designing their study and it lists the elements and aspects to be examined. These are not exhaustive and Customs administrations are encouraged to add elements that they consider would be beneficial in meeting their individual requirements.
46. Customs administrations undertaking the Time Release Study for the first time are recommended to conduct a simplified study by just capturing the key elements in the clearance process. The key elements that should be included and a sample survey form are attached in Appendix 2.

### **Possible Approaches on TRS**

47. The methodology to be adopted for execution of the study can serve different goals or objectives such as:
- **Macro-Economic Approach** - To **measure** the arithmetic mean and/or median time between the arrival of the goods and their release into the economy;
  - **Strategic Planning Approach** - To **estimate** with some precision, based on the standardized system, the time required for each intervening event between arrival and release of the goods, i.e. unloading, storage, presenting the declaration, inspection, release, removal of goods, intervention by other services, etc;
  - **Management Approach** - To **inform** the administration's officials in a precise manner, with proper statistical methods, of the time required for Customs release of goods;
  - **CBM Approach** - To **identify** the constraints affecting Customs release, such as granting of authorizations or permits, application of other laws, inspections by other services, etc, consider possible corrective actions, if necessary in co-operation with other parties, and select solutions;
  - **Modernization Approach** - To **compare** the results obtained in this study by means of the standardized system with previous studies, especially when introducing changes in Customs or border procedures under modernization, reform or trade facilitation programmes;
  - **Customs to Business Partnership Approach** - To **undertake** TRS with Business to find bottlenecks in border procedures in order to discuss reasons for delays caused by Customs, other border agencies and/or the private sector, and where necessary to formulate an action plan for improvement; and
  - **Customs to Customs Partnership Approach** - To **collaborate** with neighbouring countries and with other countries with/or in a Customs/Economic Union on TRS, so as to identify bottlenecks in a common border crossing or in a supply chain from export to import and take necessary solutions.

#### 4. Possible Specific Uses for the Study Results

48. Possible specific uses of the results of the study can be quantified and promoted as outlined below. In this manner, the results could serve a number of useful purposes for Customs administrations, border agencies and Business:

- To take structural reform measures within an administration;
- To draft or modify Customs and related legislation;
- To simplify and harmonize Customs processes;
- To automate and modernize Customs processes;
- To diagnose the efficiency of specific Customs and border procedures such as Authorized Economic Operator (AEO) Programme, AEO Mutual Recognition, Risk Management Technique or Single Window
- To reallocate staff and resources for optimal utilization;
- To encourage or support requests for human, financial or technical resources;
- To train staff;
- To address anti-corruption measures and efforts to improve Customs ethics in accordance with the Arusha Declaration on Customs integrity;
- To take necessary measures to improve compliance or enforcement;
- For use with other agencies participating in the Customs and border clearance process (e.g., agriculture, veterinary, phytosanitary services) or with trade entities (importers, exporters, brokers, carriers, forwarding agents, port authorities, banks, pre-shipment inspection companies, etc);
- For use in public relations and for improving Customs transparency;
- For use in Modernization Programmes, Capacity Building activities and/or coordinated border management programs
- To benchmark trade facilitation performance levels
- For use as a quality assurance mechanism

## 5. Outline of the Time Release Study

49. A study to measure the time required for the release of goods should be divided into three phases:

Phase 1 – Preparation of the Study

Phase 2 – Collection and Recording of Data

Phase 3 – Analysis of Data and Conclusions

### Phase 1 – Preparation of the Study

50. This is the most important phase since it will determine the design, scope and methodology of the study. Therefore, detailed preparation is necessary to ensure the success of the study and the credibility of its results.

#### 1. Establishment of a Working Group

51. The first step is to establish a Working Group responsible for the overall project. This is necessary to bring together all the officials who will be involved in the project from the very outset. It is also important to provide Terms of Reference for the Working Group to clearly define what is expected of them. A process guidance including a list of the functions and responsibilities of the Working Group appears in Appendix 1 to this document.
52. The participation of as many players in the Supply Chain e.g. Customs brokers and other trade operators is highly recommended in order to ascertain the time for the entire clearance chain, i.e. from the time of arrival of the goods in the port/airport/land border to the time they are physically removed from the Customs area. Given this scenario, they should also be incorporated into the Working Group from its inception.
53. The Working Group should be responsible not only for the preparation, planning and implementation of the project, but also for ensuring good co-operation between all parties and agencies involved in the project. In order to achieve this, it will be necessary to explain the aims, the approach envisaged and the advantages that would be accrued to the Customs officials, officials of other intervening agencies, Customs brokers and the trade operators.
54. In addition, all staff involved in implementing the study should be made aware that the study results may contribute to improving Customs clearance and that the study is complimentary, rather than contrary, to staff interests.

## **2. Determination of Scope and Design of the Study**

55. Considering that situations may differ from country to country, it is suggested that, as far as the resources permit, the study should include a comprehensive description of all the events in the clearance chain. This approach will require the participation of Customs brokers, trade operators, banks and other border agencies involved in border clearance such as Health, Agriculture, etc, and will thereby enable every participant to look at each of their own processes in the entire clearance chain with a view to improve and enhance the existing system.
56. In determining the scope and design of the study, the Working Group must first decide the following:
- Will the study only consider Customs performance or will it take into account of relevant agencies involved in border clearance? (CBM perspective)
  - Will it be a study to measure the time from arrival of the goods in the port, airport or land border station until they are released and physically removed from Customs control? If yes, it should also involve other parties such as the Trade operators, Customs brokers, other relevant agencies (Health, Agriculture, etc), banks and other involved companies.
  - Will the study be an internal study within the Customs administration to measure the time from when the Customs declarations are presented to Customs until the goods are released by Customs and/or include a scenario where all the border clearance formalities are accomplished?
  - Will the study be based on automated or manual Customs procedures, or both?
  - Will the study consider export clearance, a joint study with neighbouring countries, or with other countries with/or in a Customs/Economic Union etc?

If an administration wishes to study both Customs offices using automated systems and offices using manual systems, they must take this into account of this when choosing the method to be used to capture data and the Customs offices to be included.

## **3. Planning and Methodology**

57. The planning and the methodology to be used form another important aspect of the study. The Working Group should also determine the following issues:
- The kind of data to be collected (how and by whom),
  - Sampling methods,
  - Designing a form for data collection,
  - Guidelines for data entry,
  - Definitions of certain activities to ensure uniform implementation of the study, and

- A test-run to ensure that the study (questionnaire and forms) can be done without any errors.

#### **4. Detailed Drawing Plan**

##### **(1) Duration and Timing of the Study**

58. Ideally the study should include all the declarations processed in a period of at least 7 consecutive working days. This would not unduly disrupt the normal Customs operations, and it would ensure that a sufficiently large number of declarations are captured to make it representative of the traffic. If the study will be conducted in an automated environment, the period could be significantly longer.
59. The period chosen for the study should be one of normal traffic. Seasonally fluctuating periods such as before or after holidays, where the volume of traffic tends to be particularly low or high, should be avoided.
60. Where administrations use automated systems that capture all the data elements chosen for the study, the period covered could be a retrospective of past transactions, for as much as a year, if the analyses can be made by the computer. This would have an added benefit of measuring actual times that were not distorted by virtue of the study being conducted.

##### **(2) Geographical Scope**

61. The Customs administration should determine whether the study is to be conducted nationwide (i.e. at all the Customs offices), or only in certain regions or certain individual offices. For the initial study, it is suggested that the busiest Customs office in terms of traffic be chosen. For example, in many countries a significant percentage of traffic goes through only one or two locations. These ports, airports or land border crossings could be used as a starting point for the study.
62. The following criteria could influence the choice of Customs offices:
- Volumes of traffic - It is suggested that the study be conducted at points of entry with a large volume of traffic.
  - Types of consignments - It is recommended that the study should be conducted at points of entry which process a large variety of consignments and are not limited to only certain commodities such as bulk goods or chemicals.



### **(3) Types of Goods**

63. The choice of goods to be covered by the study would depend on the type of goods entering the country. It is highly recommended that at least for the initial study the administration should include all goods entering through the selected points of entry in order to develop a complete assessment of its efficiency. However, the administration may decide to select only a particular category of goods entering the country. Some of the options are:
- Goods falling within certain regimes, such as dutiable goods, non-dutiable goods, exempted goods, or goods imported under preferential and free trade arrangements;
  - Goods which come under different procedures, such as goods intended for home use, goods intended for free zones, goods intended for inward processing, etc;
  - Containerized, pallets, break bulk, etc;
  - Other criteria such as type of goods (for example perishable goods), tariff headings, value, goods from Authorised Economic Operators (AEO), etc.
64. These categories of goods are illustrative and further criteria could be developed.

### **(4) Choice of Traffic**

65. In determining the choice of traffic involved in the study, administrations must take into account the geographical situation of the Customs territory and the relative level of traffic as part of the national volume of all traffic.
66. It may be possible to eliminate certain traffic of minor importance or traffic that constitutes less than a certain percentage of total traffic from the study.
67. Given the large volume and special nature of postal traffic, this should normally be analysed separately.
68. Depending upon the resources available, the study may be carried out for all types of traffic (e.g. air, sea, rail or road) during the same period, or consecutively for the different means of transport.
69. Special attention may be paid to a particular type of consignment such as consignments for which immediate release is required. In this case, the study should either be devoted solely to this type of consignment or under a more comprehensive study covering all consignments, a separate sample of the particular consignments could be selected from the population for a detailed study (see Sampling).

## Elements to be considered on Detailed Drawing Plan (example)

### Who? (Establishment of the Working Group)

Points	Example
Who (which division) in Customs administration should be in charge of TRS?	- Director of Facilitation - Director of Customs Clearance
Which Government Agencies should be involved in TRS?	- Department of Trade, - Department of Quarantine .....
Which Private Entities should be involved in TRS?	- Customs Brokers, Forwarders, Carriers.....

### When? (Duration and time of the study)

Points	Example
When is the target timing of the TRS?	The 1 <sup>st</sup> week of April
How many days are necessary for the TRS?	Duration of the study is 4 consecutive weeks
How do you organize the overall schedule?	1 week for data collection on procedures under the trade related agencies 2 weeks for data collection on procedures under the trade related agencies and Customs 3rd & 4th week for data collection of Customs and release of goods

### Where? (Choice of Customs offices)

Points	Example
How many Customs Houses should be involved in TRS?	- All Customs Houses, - The biggest Customs House
Which Customs House should be involved in TRS?	- Airport Customs, - Seaport Customs, - Customs for Transit.....
Should the TRS cover from arrival of goods to physical removal of goods from Customs control area, or Customs procedures only?	From arrival to removal from Customs control area

### What? (Type of goods)

Points	Example
Should it include automated (ICT) Customs procedures or manual (paper based) procedures only?	Both manual and automated (ICT) Customs procedures
Which means of transport should be included?	Air, Sea, Rail, Road, River
Which type of goods should be included?	All, FCL, LCL, Conventional
What value criteria of goods should be set?	High, medium, low, non-dutiable
The core events for which times will be captured	Arrival, lodgement/registration of required documents, examination and draw of sample, discharge, border release given, border clearance given, removal from border control, received at owners' premises

### How? (Sampling, collection and recording data)

Points	Example
How many samples should be taken into account?	- 20% of all Customs declarations
How should samples be selected?	- Use last two digits of Customs declaration ID Number
How can you obtain the necessary data on "arrival of goods"?	- Carriers, Customs IT System
How can you obtain the necessary data on "unloading of goods"?	- Port Operator, - Customs IT System
How can you obtain the necessary data on "Intervention by trade related agencies"?	- Border Agency
How can you obtain the necessary data on "Physical Release of Goods"?	- Warehouse Operator

## 5. Sampling

70. When the volume of consignments or time constraints makes it impossible to capture all transactions in the period selected, sampling should be used. If a sampling methodology is used, a sampling strategy must be developed. This sampling strategy should consider the nature of the consignments to be measured, the primary purpose of the analysis, the types of statistical techniques that might be used, and the relative ease or difficulty in the mechanics of listing the transactions and drawing the sample. Care should be taken to ensure that the samples are representative of the transactions covered by the study (sample reliability), as this would reflect the degree of variability that exists in the population.
71. The sample size required for meaningful estimates of the population or sub-population parameters would also depend on the degree of precision in making the estimates (sampling error).
72. Generally the larger the sample used, the more representative it will be of the population. For a homogenous population, a sample size of 30, selected randomly, should suffice.
73. Reliable results can be obtained if a sound sampling method is used. The following principles should be observed.
- All samples must be selected randomly or with some known selection probability. This can be done by using random number generators for automated procedures. For manual procedures, any systematic means to ensure randomness in selecting transactions should be developed.
  - If sub-populations, for example goods that undergo physical examination, are to be studied separately, a stratified random sampling method should be used where separate samples are established for each sub-population. It should be noted that comparisons of samples from these sub-populations with those from the main population could lead to errors.
74. It is suggested that books on statistical research methodology be consulted in this matter.

## 6. Form

75. A form should be designed to capture all the data required for the study. It could be a single form containing information to be entered by all the relevant agencies participating in the study or it could be a number of forms containing information on the processes relevant to the respective participants. If a number of forms are used, it is desirable to evaluate the data together (once all the data has been captured) in order to ascertain the time for the overall clearance chain.
76. It is preferable to use a single form that is agreed to by all the agencies involved in the clearance process. This will be more convenient since all the data would be captured in a chronological sequence.

77. The form designed should contain a series of questions to be answered by all the parties involved in the clearance chain. (See Appendix 3 for a list of detailed questions and a sample form).

## **7. Simplified Form**

78. It should be noted that the survey questionnaire form requires the capturing of a fairly large amount of data. As most administrations will be undertaking the time release study for the first time, it is highly recommended that a simplified survey questionnaire be used before undertaking a fully comprehensive study. A simplified version will capture only the key elements of the clearance process: from the time of the presentation of the Customs documents to the release of the goods by Customs. This is the most sensitive period in the entire clearance process, and such a simplified study would give a valid indication of the degree of necessity for improvements and more comprehensive surveying. The key elements that should be included and a sample form containing these key elements are attached in Appendix 2.

## **8. Test-Run**

79. It is advisable that once the planning and methodology, including the questionnaire, form and the guidelines, have been completed and the personnel assigned to collect and record the data have been briefed, a test-run should be conducted. This is important to ascertain that the data collection is done exactly as prescribed. It will also provide the opportunity to remedy any problems that might be encountered due to a lack of understanding by the personnel collecting and recording the data. The test-run should be carried out for a half day so that everyone involved in the study will understand how to resolve any problems that might be encountered. This will help ensure that the actual study, when carried out, will be done smoothly.

## Phase 2 - Collection and Recording of Data

80. The collection and recording of data should be made with the pre-designed forms. For this activity, the Working Group needs to look into the following key areas:

- Ascertain the processes which are automated and those which are manual. This will assist the Working Group to define the method of collecting the necessary data.
- Ascertain the processes and the parties responsible for collection and recording the data.
- Some data are known in advance. For example, the Customs brokers or freight forwarders will usually have most of the general information relating to the goods and their arrival information prior to the declaration being submitted to Customs. In a manual setting this information could be entered in the survey form as soon as it is received. Therefore it is preferable that the survey forms are given to the Customs brokers and the freight forwarders in advance to fill in the relevant available information prior to the submission of the goods declaration.
- When data is entered in the forms at the Customs office during the clearance process, it is desirable that a separate group of officers from those processing the transactions be assigned to enter the data. This will avoid built in delays to the routine processing operations.
- Certain administrations allow the lodgement of the goods declarations and begin a number of processes such as risk management prior to the arrival of the goods. Where decisions are made not to examine the goods, such goods may be released by Customs even before their arrival or at the moment they arrive, depending upon national legislation.
- Capturing a release time that is given prior to or immediately upon the arrival of the goods in the Customs territory could lead to negative statistics in the clearance process and thus distort the results of the study. Therefore this type of data can be captured with a '0' time in order to reflect the positive effects these releases have on Customs facilitation.
- Administrations may also choose to measure the steps in the pre-arrival process itself, i.e. the difference between the time of the lodgement of the goods declaration and the time that Customs grants the actual release of the goods. These time stamps would have to be included in the automated system or the questionnaire form in such a manner as not to distort the results of the processing and release of goods after arrival.
- In recording the time, a 24-hour clock should be used in order to facilitate subsequent calculations.

81. In instances when arrival and release times (and other times) in a manual or automated system are already recorded in the normal course of document processing, the sample data could be collected retrospectively. This would eliminate the need to

collect data on a pre-designated form during the release process itself and also avoid any identification of the samples to those involved in releasing them. This historical measurement has certain advantages over live transactions in that monitoring actual movements may delay or accelerate release times because staff was aware that their activities were being recorded.

82. Administrations that use automated clearance systems should use these existing systems to capture the “time stamps” at each step in the clearance process. Where an administration does not currently have an automated clearance system, but intends to develop one, it should incorporate the time stamps for each step of the clearance process in the automated system.

## Phase 3 - Analysis of the Data and Conclusions

### Verification of Data

83. It is important to note that any analysis using raw data can only be accurate if all the required data is captured and it is of a high quality. If data has been entered with errors or in a different method than the agreed parameters, this will distort the results of the analysis. Therefore, it is essential to verify the quality of the data by ensuring that it is captured accurately. This can be done by verifying the data, if possible for all the transactions, before analysing it.

### Analysis of the Data

84. Initial results from data analysis should, where indicated as necessary, be followed up with stakeholders and participants in the supply chain to validate findings and identify underlying reasons for certain behaviour. For example, the factors which influence the timing of lodgement of customs declarations by importers or their service providers.
85. In principle, it is better to analyze the data by separating automated procedures from manual procedures. If separate software can be integrated into the automated system, then the system can compile and calculate the time for each process. Where such software is not built into the system, then the time for each process could be captured on the designed form and input to a separate computer program for analysis.
86. There are a number of software programs available to run such an analysis. The Statistical Package for the Social Sciences (SPSS) program contains many of the most common statistical procedures used by social scientists. The SPSS Manual contains appropriate programs for the data to be analysed. They use simple language and are easy to use. Alternatively, those in the administration who are knowledgeable in computer languages and programming techniques could write a program to perform the data analysis.
87. The WCO has developed the TRS Online Software in cooperation with the World Bank, for the use of WCO Members. The software has functions for developing a survey questionnaire, completing an analysis and producing a report on a TRS. A Basic Guide to use the WCO TRS Online Software is attached in Appendix 4.
88. Such a program can facilitate the compilation and analysis of the data captured, but it is not essential. If the total number of consignments is relatively small, the calculation and analysis can be done manually.
89. Questions 1 to 14, shown in Appendix 3 Detailed Survey Questionnaire Form are independent variables whereas Questions 15 to 39 are dependent variables for the study. Depending on the objectives set out for the study, we may calculate the average time taken for all goods and subsequently for a combination or multiple combinations of independent variables. For example, we may want to find the difference in the time taken to release goods declared by manual means and those declared through the electronic means. Further calculations could be made to find the difference between the times for

these two forms of declarations in specific processes. These calculations could be repeated for a multiple number of combinations.

90. The results obtained can then be studied to ascertain if they meet the requirements of the administration and/or the expectations of the stakeholders/clients and to suggest possible improvement measures.

### **Final Report**

91. The Working Group should finalise the report of the study within the established time frame. This report should include the objectives of the study, the findings and the recommendations for improvement in the clearance system. A model final report of the study is attached in Appendix 5.
92. In the spirit of transparency and cooperation, the results of the study should be made available to all participating and relevant parties to stimulate any necessary further action on their part.
93. The Customs administration is encouraged to communicate the results and the final report to the WCO within a reasonable time period. It is suggested that the report summarise the methodology used, the analysis of data, the findings and the recommendations for improvements.

### **Press Release**

94. The Working Group is recommended to develop a press release in regard to the report of the study for feedback to stakeholders of the Study, to increase transparency of Customs procedures, for reminding trade of Customs efforts toward trade facilitation, as well as for communicating findings and recommendations for improvement. The press release could be a simple paper informing the outline of the Study. A model of a simple press release of the study is attached in Appendix 6.

### **Proposals for Changes**

95. The results should be the subject of an implementation plan to propose:
  - Improvements to the Customs clearance procedure;
  - The introduction of simplified procedures and, if necessary, changes to the legislation;
  - Computerization of procedures to the extent possible; and
  - Other measures indicated in Part 4 of this guide.



## **Continuous Improvement**

96. After the implementation of the proposals made as a result of the initial study, a new TRS is recommended to evaluate the effectiveness of the improvements and to identify new and further measures that could be undertaken.
97. It is also recommended that this study be extended to as many Customs offices as possible, and that it be treated as an ongoing program of the Customs administration.
98. National practices on TRS are available in Appendix 8.

## 6. Challenges and Opportunities

99. The following challenges and opportunities are examples that other WCO members have encountered while carrying out their TRS. The list is not exhaustive and it should be noted that these challenges and opportunities may not be experienced or occur when carrying out your TRS but are provided for your consideration.

### Environment

100. Design the study around local conditions e.g. rules, legislation and industry practices. Be aware that:
- Regulations are not always clear which can bring an overlapping of responsibilities at the border, especially between customs and police or different inspection agencies.
  - Different working times of border agencies e.g. customs and border police on one hand and the inspection agencies on the other which brings to delays on processing times, different rates of inspection services during night and day.
  - Changes in management during the time of the TRS can have a negative impact on the TRS.
101. Ensure that planned TRS process is well thought out e.g. Lack of separate lanes for trucks being assessed for TRS.

### Note

102. Customs systems, legislation and processes must support desired industry behavior. If they do, industry will respond voluntarily to a considerable degree. For example, in investigating why some importers and brokers may be lodging or paying late, it was learned that the efficiency of B2B communications was a critical enabler for timely lodgment and that cash-flow considerations could delay payment for some service providers.
103. Industry performance (e.g. for discharge or container unpack timing) and policies (such as pre-booking requirements and free storage periods) can influence other actions by other industry segments. For example, large importers may set pre-arrival lodgment KPIs on their brokers to ensure that vehicle booking slots for goods pick-up from wharves (e.g. container yard) could be secured early.

### Planning

104. In the case of a TRS within an international/regional environment (joint TRS), the pre-study work with the other agency in setting the design, scope and defining and agreeing on what is to be measured and getting this right at the beginning is critical.
105. Fact finding visits made to economies experienced in TRS is very valuable as it provides a pragmatic view of how the guide could be applied in practice. Primary lessons learned were, keep it simple and make it relevant to your circumstances.

106. Before doing a joint TRS it is useful to do your own TRS first and get the experience and skills to be learnt and processes developed. The effort involved in undertaking a TRS should not be under estimated.

107. It is necessary to keep the number of measurements and analysis to the key events and not to carry out un-necessary work or work that is interesting but not directly related to the TRS.

108. Steady implementation of TRS requires a great deal of workload and time in respective steps of TRS as follows;

- Coordination among many relevant stakeholders such as related business, other governmental agencies and Regional Customs.
- Review of TRS process/procedures
- A test-run/simulation for appropriate selection of declaration element data surveyed.

### **Access to Business Data**

109. Customs import and export entries may not record all of the time stamps required to complete the range of measures, such as unloading, unpacking and gate out times for imports and gate-in and loading times for exports. Therefore, you may have to work with industry and request data for the TRS on cargo from port companies and operators dealing with air cargo.

110. You may need to explain the benefit to Industry in supplying information. For Operators dealing with air cargo it may not be as easy to source as for port companies i.e. not all the data is electronically recorded or in one database.

111. Main challenge here is managing the relationships with industry so they continue to cooperate in the supply of data for future studies.

### **Data Integrity**

112. To ensure the measurements were accurate the data have to be correct and accurate. To ensure this, data may have to be groomed and adjusted which can consume some time. This may include

- Checking incomplete survey forms
- Supplementing incomplete forms with data extracted from the automated clearance system
- Request for the submission of un-submitted survey forms

113. Often it is not until the calculations are actioned that errors are picked up. If the data isn't accurate and correct then the final measures and results will be wrong and recommendations unfounded.

114. Once draft results are compiled, it is advisable to undertake interviews with selected importers and service providers to test findings and to identify what factors were driving the timings of their actions. Especially the timing of the lodgement of import declarations and the timing of payment (for revenue and charges).
115. As results of TRS can be used as indexes to evaluate effects of newly introduced measures or systems domestically and internationally, and it is crucial to ensure the accuracy of data filled in by relevant stakeholders, and to assemble the database based on the data gathered through survey questionnaires.
116. Accuracy of collected data is indispensable, but sometimes errors/mistakes occur. For example, defects of data can arise from insufficient instruction/explanation or understanding in how to fill in surveys forms and lack of verification. In order to ensure accuracy of collected data, it is necessary to take measures to improve such a situation, and to verify the data in a repetitive and retrospective manner.

### **Collection of Data**

117. Identifying and sourcing accurate and correct time stamps for Containerised cargo can be relatively easy as you can link the port data with Customs entry data by the unique container number. But for non-containerised cargo there is no common or unique link. This can limit the measurements calculated for non-containerised cargo.
118. Although transshipment may be excluded from the studies, time may have to be spent grooming and adjusting the data to identify then exclude transshipments.

### **Finalisation of Report**

119. When doing a joint TRS there is a challenge of writing a report together (communicating with the other writer(s) in different countries). The challenge is getting joint senior executive/management agreement regarding the context, style, format, photos, and layout of the final report.
120. The time required for the publication and printing phase should not be underestimated.
121. It is advisable to provide the tabling of findings to industry and provide the opportunity to comment or challenge and respond, prior to publication. Changes may result but key findings are generally accepted by industry.

### **Communication and Co-operation**

122. It is crucial that the TRS Working Group is inclusive of all key stakeholders.
123. Industry input to joint studies has confirmed that businesses operating across 2 or more jurisdictions are seeking alignment and compatibility where possible.
124. Good communications is needed and building a good relationship with the other agency TRS team is critical. E.g. lack of cooperation or competition among border agencies will lead to distorted data. Also lack of co-operation between border agencies on both sides of the border can bring an uneven flow of cargo.

125. The challenge is to communicate the results to Customs and industry and get them motivated over the findings and results and in supporting future studies. Some obstacles to consider are:

- lack of understanding of the reasons for which the measurements are being carried out, as well as lack of knowledge on trade facilitation,
- fear and resistance to change and modernization,

126. The challenge is to continually 'sell' the TRS by emphasizing the benefits, i.e. the value/interest the TRS is to industry and how it can add value/improvements to Customs. This will further justify the supply of data and doing more studies. In that respect, the following points should be taken into consideration:

- Publication of the results including a self assessment of performance (via hard-copy and internet) demonstrates that customs is committed to being transparent, to a service culture and to using modern methods to measure its trade facilitation performance. This should help build trust in customs. A focus on measuring and publishing performance levels is of primary importance to industry, i.e. facilitation, and shows that customs does recognise the legitimate and reasonable needs of business.
- Having the evidence-based results provided by TRS has helped put customs-business dialogue on an objective footing.
- Reporting and publishing of results and findings contribute to the ongoing dialogue on trade facilitation in the logistics community. Where specific findings suggest improvement opportunities, follow-up actions should be applied and further reported.
- Once data is compiled and analysed, the information available is rich and varied and adds to knowledge in a number of different respects, including knowledge about customs-business relationships. Incremental improvements in clearance performance can be achieved from higher levels of advance reporting by industry and from refinements in risk management by the border agencies. The TRS results can make the role of these factors clear.

## Appendices<sup>1</sup>

127. Attached as part of the overall guide are the following appendices:
- Appendix 1 The Working Group Function and Responsibilities
  - Appendix 2 Simplified Survey Questionnaire Form
  - Appendix 3 Detailed Survey Questionnaire Form
  - Appendix 4 A Basic Guide to the Use of the WCO TRS Online Software
  - Appendix 5 Model Final Report Format
  - Appendix 6 Model Press Release
  - Appendix 7 The TRS in Exportation
  - Appendix 8 National Practices

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x x

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<sup>1</sup> Please note these are guidelines only and do not always need to be followed precisely. You may choose to use some of the guidelines and not others and if you feel it is appropriate the guidelines can be adapted to suit your particular border environment. If you need further assistance or clarification about how to apply the appendices, please contact the WCO Secretariat (see contact details in the last page).

# APPENDIX 1

## THE WORKING GROUP

### **1. The TRS within a Country Environment**

#### **a. The Working Group - General Functions and Responsibilities**

- (1) The Working Group should be given the authority to make all decisions that are deemed necessary for the implementation of the study.
- (2) A Customs official at the senior management level should head and chair the Working Group.
- (3) The Working Group should consist of between 5 to 10 members to make it efficient. Due account should be taken of the other authorities/organizations which may participate in the study. In this sense, an information session may be necessary to brief all the interested parties about the study.
- (4) There should be one or two specialists in each of the following fields in the Working Group:
  - A specialist in Customs procedures;
  - A specialist in organizational matters and administrative structures;
  - A statistician; and
  - A computer specialist (who may be useful even if manual procedures form the basis of the study since the analysis of the results could be carried out by the computer).
- (5) If the study is concentrated solely on a very small number of Customs offices, the heads of these offices should participate in the Working Group. The heads of other Customs offices could also be invited to participate in the analysis of the results within a Customs office. This would add impartiality as well as assist them when a study is to be done at their offices.
- (6) In order to keep the Working Group efficient by limiting the number of participants, a person may have dual functions, for example, a statistician/computer specialist or the Chairman/Customs procedure specialist may be the same person.
- (7) The Working Group should familiarise itself with its Terms of Reference, in particular the objectives and outcome of the study, so as to ensure that there is no deviation from the specific output expected of the group.
- (8) The Working Group should also prepare detailed instructions and guidelines covering the following:
  - Aim of the study;
  - Scope and methodology;

- Duration and timing of the study;
  - Sampling size and sampling selection methods where a sampling method is used;
  - Responsibility for collection of data by respective parties and within each unit;
  - A list of definitions to ensure uniformity and consistency in implementation;
  - Procedures to be followed in manual, automated or a combination of both manual and automated procedures; and
  - Person(s) to be contacted where clarifications are needed.
- (9) The instructions and guidelines should be provided to the following persons or groups
- Customs officials in the office where the study is to be conducted;
  - Customs staff who will be directly involved in recording and collecting the data for the study;
  - Customs staff who are not involved in the study but who form part of the operations at offices where the study is proposed to be done to ensure the smooth implementation of the study; and
- (10) To enable the study to function smoothly, the Working Group should identify the following:
- Only relevant processes and events in the clearance chain;
  - All the documents required for the clearance process;
  - Various data to be collected, by whom and how;
  - How the evaluation of the data is to be done;
  - What are the release times to be captured and evaluated in terms of the type of traffic and goods;
  - Will the data to be captured identify the reasons for the delays, if any; and
  - Will the evaluation be based on capturing the total time or capturing each phase.
- (11) The Working Group should be particularly sensitive to the anxieties and fears that the employees might have concerning this study. It is suggested that the group prepare an information paper detailing the importance and the advantages of the study to the organization, with a special focus on the elements that would help to dispel any misgivings the staff might have in the outcome of the study on their interests. This paper may include information on the expected improvements in processes and procedures and the benefits that would accrue to the staff from the outcome of the study.
- (12) The Working Group should meet as often as necessary to discuss the following tasks:
- Ensure that all the decisions pertaining to the study are taken;



- Prepare a timetable for the work to be done which should include setting time limits for the preparation and execution of the study and the presentation of the final report to the Customs administration;
- Plan the study and determine the methodology to be used;
- Develop a TRS survey form for the collection of data;
- Develop instructions and guidelines for the collection of data;
- Establish a calculation method for the calculation of the results;
- Develop a software or use the WCO TRS Online software for the input and the calculation of data;
- Analyse the results;
- Compare the results with data from previous studies or pre-set norms, if any;
- Prepare the final report with proposals for improvements; and
- Present the results of the study to the Customs administration and other agencies involved in the clearance process.

(13) Having identified the tasks to be undertaken, the Working Group must draw up a schedule setting a time frame for the various phases of the study.

#### **b. Stake Holders**

(14) Effective involvement of relevant stake holders serves to ensure that the outcomes of TRS have the best and most comprehensive information which could be used to identify bottlenecks in the border process, while simultaneously not being confined to Customs procedures only.

##### **i) Other Border Agencies**

(15) In the Customs in the 21st Century policy document (“C21”), Coordinated Border Management (CBM) is identified as one of the ten building blocks for the role and mission of Customs in the 21st Century. CBM represents an approach to managing borders which involves public service agencies working across portfolio boundaries in a coordinated manner to achieve a shared goal, thus providing a cohesive government response to the challenges of border management.

(16) Recognizing the importance of CBM, what constitutes appropriate involvement and communication among border agencies will differ from country to country. The fact is that each Member has its own governmental and administrative structure and adopts international obligations through domestic legislation in its own way for trade procedures.

(17) The following list provides examples of agencies and organizations that are typically involved in the TRS.

Customs, Quarantine, Standards Board, Immigration, Border Police Authority, Port Authority, Airport Authority, Land Border Authority, Ministry of Finance, Ministry of Transportation, Ministry of Commerce, Ministry of Agriculture and Animals, Ministry of Food and Drugs, Special Donor Agency on Customs Reform.

(18) In the interest of relevance and efficiency of the study, only those agencies which actually impact the cargo clearance process should be included.

(19) It is important to bear in mind that the TRS can be very technical. Officials participating in it should be in a position to make decisions, but must also have good overall technical knowledge.

## **ii) Private Sector**

(20) Customs-to-Business Partnership is also defined as one of the ten building blocks for the role and mission of Customs in the 21st Century. Customs in the 21st Century advocates that Customs needs to understand the concerns of Business, while Business needs to know the requirements of Customs. It also highlights that there is a need to translate this relationship into a partnership that results in mutually beneficial outcomes.

(21) To achieve a successful outcome of the TRS, it is imperative to actively engage the private sector and to take its views into consideration. Consequently, it is important to have a good understanding of the interests of the private sector and communicate regularly with the organizations and members of the private sector that may be impacted by particular aspects of the TRS implementation.

(22) The following list provides examples of Business participants that could be involved in the TRS.

Chamber of Commerce, Freight Forwarders, Customs Brokers (agents), Sea Port Authorities, Air Port Authorities, Warehouses, Railway Industry, Transport Industry, Shipping Companies, Airlines, International Courier and Express Courier,

(23) For instance, in cases where the Port Authority and Airport Authority are wholly operated by the private sector, the TRS may need to be undertaken in cooperation with them to measure the time of arrival of means of transportation. The involvement of Customs brokers (association) is indispensable to undertake the TRS, as they may be able to provide Customs with necessary data for the TRS which the Customs administration does not have.

(24) The TRS would be a typical area where Customs, other Border Agencies and Business can work together for mutual benefits. The TRS could identify bottlenecks in Customs procedures, in border procedures and even in non-government sector transactions, providing opportunities to further improve current conditions.

(25) It is also critical that the individual circumstances of each Member be taken into consideration in designing the TRS Working Group with Business.

## **c. Formulation of the Working Group/s**

(26) In developing a TRS coordination mechanism it is recommended to designate a single agency that will have overall responsibility for coordinating the TRS process. Such agency should ideally have policy or administrative responsibilities that are relevant to the trade process as well as the capacity to support and drive the TRS implementation.

(27) In most cases, Customs should play a leading role in undertaking the TRS.

- (28) Having decided on the appropriate stakeholders to be involved, the next step is to establish the TRS Working Group for the effective implementation of the TRS, obtaining expertise and timely input from all relevant stakeholders.
- (29) Some countries may decide to establish the Customs TRS Working Group with Business while others establish a separate CBM TRS Working Group with Business. Depending on the objective of the TRS, either working group can be formulated for the TRS implementation.
- (30) TRS Working Group may first approach existing frameworks, including trade facilitation committee/trade modernization task force or stakeholders individually, to inform them of the objectives, methodology, expected outcomes and utilization of the outcomes which the Customs WG has developed.
- (31) Next, the Working Group should convene an initial meeting of the nominated agency representatives, at which it outlines the proposed terms of reference for the roles and responsibility of the contact points, communication protocols, a schedule for subsequent meetings of the Working Group and any other administrative matters impacting on the implementation of the TRS.
- (32) The General functions and responsibilities as outlined in appendix 1.1 a. should be followed and can be applied to in all circumstances.

## **2. The TRS within an International (Regional) Environment**

- (33) In the Customs in the 21st Century policy document (“C21”), Globally Networked Customs (GNC) is defined as the first of ten building blocks setting out the roles and missions of Customs in the 21st Century. This critically important concept provides a unifying means of bringing C21 to life, since every other building block depends upon effective communication, coordination and collaboration between Customs administrations globally.
- (34) GNC highlights the importance of mutual recognition and coordination protocols between exporting, transit and importing administrations to eliminate unnecessary duplication of controls within international supply chains. And, as a WCO instrument, the International Convention on Simplification and Harmonization of Customs Procedures (as amended) (Revised Kyoto Convention) sets out provisions on juxtaposed Customs offices, cooperation at juxtaposed Customs offices and new Customs offices at common borders.
- (35) In practice, one stop and joint control arrangements, including One Stop Border Post (OSBP), have been attempted or applied in some regions for the further facilitation of legitimate trade.
- (36) This portion of the Appendix has been developed for Members which undertake TRS with neighbouring Members, and, in particular, for cases where the TRS is undertaken by a land-locked country and a country with a major sea port, in order to provide standardized instruments for the Joint TRS. The following methodology gives examples of a Joint TRS.
- (37) The initial step is to identify the stakeholders that should take part in the Joint TRS. An existing CBM TRS Working Group, where one exist either or both of the Members concerned, can provide the basis for this, adjusted as necessary to reflect the scope of the Joint TRS.
- (38) Given that the Joint TRS could be regarded as a measure of international cooperation between countries, it may be appropriate for the Ministry of Foreign Affairs or Department of State to take part in the Joint TRS as a stakeholder. Moreover a Ministry, Department or Agency responsible for the modernization program and relations with the donor community may also be involved as a stakeholder, since the TRS could be used as a tool for a trade modernization program.
- (39) It is important to bear in mind that the Joint TRS can be very technical. Officials participating in it should be in a position to make decisions, but should also have good technical knowledge of cross border transactions.
- (40) In order to achieve a successful outcome of the Joint TRS, it is critical to engage the private sector and take its views into consideration. For example, in cases where cross border corridors are operated by a private sector or semi-governmental organization, that organization should be involved in the Joint TRS so that transportation aspects between the two countries can also be taken into account in the outcome.

## **Formulation of the Joint Customs TRS Working Group**

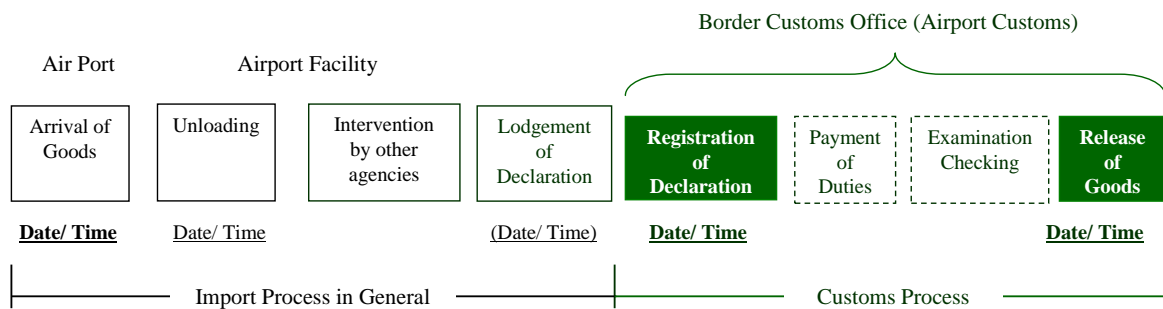
- (41) The first step is mutual communication between the TRS Working Groups (WG) of different Members. This could be initiated by, for example, a close bilateral relationship between two Customs administrations, regional cooperation, the leadership of a regional organization, or the modernization program agenda in a region.
- (42) Once TRS WGs have reached agreement in substance to undertake regional TRS, an initial meeting of representatives from both Customs administrations should be convened, and the meeting should develop the terms of reference (TOR) of the Joint Customs TRS Working Group. The TOR should include functions and responsibility of contact points, communication protocols, a schedule for subsequent meetings of the WG and any other administrative matters.
- (43) Recognizing individual functions and responsibilities, the Joint Customs TRS WG should prepare detailed joint instructions and guidelines aligned on the process prescribed in paragraphs (8) to (10) in Appendix 1.1.
- (44) Normally, there are two options for formulating a working group for a joint TRS at the international level. The first option for formulating a cooperative framework for the Joint TRS is to establish the Joint CBM TRS WG between or among Members.
- (45) The Joint Customs TRS WG should convene the first meeting of the Joint CBM TRS WG, to gain a common view of the objectives, methodology, expected outcomes and utilization of the outcomes.
- (46) The Joint CBM TRS WG develops the terms of reference (TOR), including functions and responsibility of the contact points, communication protocols, a schedule for subsequent meetings of the WG and any other administrative matters.
- (47) Recognizing the functions and responsibilities of each stakeholder, the Joint CBM TRS WG shares the draft detailed joint instructions and guidelines drawn up by the Joint Customs TRS WG to develop a practical framework for undertaking the Joint TRS.
- (48) The Joint CBM TRS WG should meet as often as necessary to discuss details of the Joint TRS implementation at the preparation phase, implementation phase, analysis of data and report finalization phase.

## APPENDIX 2

### SIMPLIFIED SURVEY QUESTIONNAIRE FORM

- The Simplest Case -

#### 1. Air Cargoes



#### - Key Criteria -

1. Name of Customs Office
2. Identification number of Goods Declaration (where applicable)
3. Name and Identification number of declarant
4. Name and Identification number of third party (where applicable)
5. Pre-arrival information: Yes/No
6. Examination of the goods: Yes/No
7. Checking the Goods Declaration: Yes/No
8. Intervention by other agencies: Yes/No
9. Pre arrival lodgement of Goods Declaration: Yes/No
10. Pre arrival lodgement of electronic Goods Declaration: Yes/No
11. Any simplified procedure: Yes/No
12. AEO goods: Yes/No

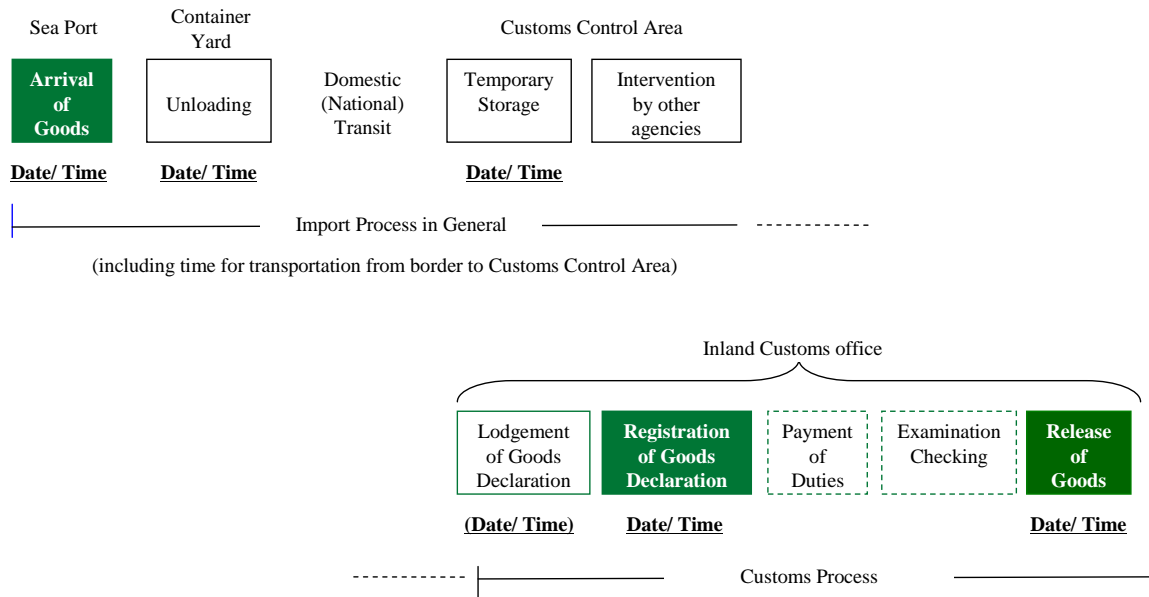
#### - Date & Time -

1. Arrival of Goods
2. Start of Unloading
3. Registration of Goods Declaration
4. Release of Goods

## Sample Form (Air Cargoes)

Section A	
1. Customs Office	Customs Office A <input type="checkbox"/> Customs Office B <input type="checkbox"/> Customs Office C <input type="checkbox"/>
2. ID number of Goods Declaration	
3. ID number or Name of Declarant	
4. ID number of Name of Third Party (Broker)	
5. Pre-Arrival Information	Yes <input type="checkbox"/> No <input type="checkbox"/>
6. Examination of Goods	Yes <input type="checkbox"/> No <input type="checkbox"/>
7. Checking the Goods Declaration	Yes <input type="checkbox"/> No <input type="checkbox"/>
8. Intervention by other agencies	Quarantine <input type="checkbox"/> Food & Drug Agency <input type="checkbox"/> Standard Board <input type="checkbox"/> Min. Agriculture <input type="checkbox"/> Min. Trade <input type="checkbox"/> Min. Industry <input type="checkbox"/> No <input type="checkbox"/>
9. Pre-Arrival Lodgement of Goods declaration	Yes <input type="checkbox"/> No <input type="checkbox"/>
10. Pre-Arrival Lodgement of Electronic Goods declaration	Yes <input type="checkbox"/> No <input type="checkbox"/>
11. Any Simplified Procedure	Yes <input type="checkbox"/> No <input type="checkbox"/>
12. AEO goods	Yes <input type="checkbox"/> No <input type="checkbox"/>
Section B	
13. Arrival of Goods	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
14. Start of Unloading	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
15. Registration of Goods Declaration	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
16. Release of Goods	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min

## 2. Sea Cargoes (In-land Customs Office)



### - Key Criteria -

1. Name of Customs Office
2. Identification number of Goods Declaration (where applicable)
3. Name and Identification number of declarant
4. Name and Identification number of third party (where applicable)
5. Pre-arrival information: Yes/No
6. Examination of the goods: Yes/No
7. Checking the Goods Declaration: Yes/No
8. Intervention by other agencies: Yes/No
9. Pre arrival lodgement of Goods Declaration: Yes/No
10. Pre arrival lodgement of electronic Goods Declaration: Yes/No
11. Any simplified procedure: Yes/No
12. AEO goods: Yes/No

### - Date & Time -

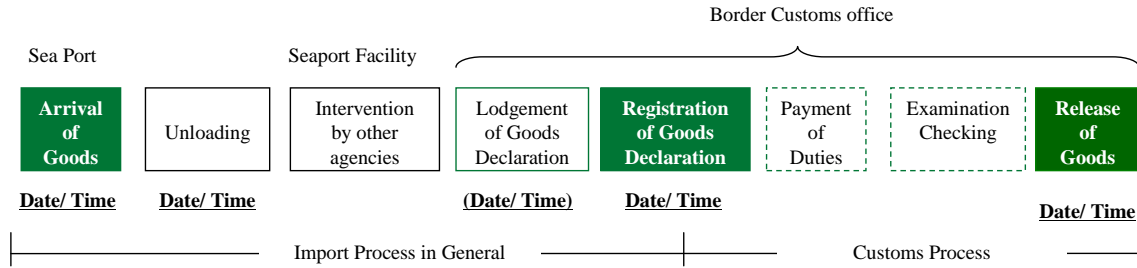
1. Arrival of goods
2. Start of unloading
3. Start of placing goods in temporary storage
4. Registration of Goods Declaration
5. Release of goods



### Sample Form (Sea Cargoes (In-land Customs Office))

Section A	
1. Customs Office	Customs Office A <input type="checkbox"/> Customs Office B <input type="checkbox"/> Customs Office C <input type="checkbox"/>
2. ID number of Goods Declaration	
3. ID number or Name of Declarant	
4. ID number or Name of Third Party (Broker)	
5. Pre-Arrival Information	Yes <input type="checkbox"/> No <input type="checkbox"/>
6. Examination of goods	Yes <input type="checkbox"/> No <input type="checkbox"/>
7. Checking the Goods Declaration	Yes <input type="checkbox"/> No <input type="checkbox"/>
8. Intervention by other agencies	Quarantine <input type="checkbox"/> Food & Drug Agency <input type="checkbox"/> Standard Board <input type="checkbox"/> Min. Agriculture <input type="checkbox"/> Min. Trade <input type="checkbox"/> Min. Industry <input type="checkbox"/> No <input type="checkbox"/>
9. Pre-arrival lodgement of Goods Declaration	Yes <input type="checkbox"/> No <input type="checkbox"/>
10. Pre-Arrival Lodgement of Electronic Goods declaration	Yes <input type="checkbox"/> No <input type="checkbox"/>
11. Any Simplified Procedure	Yes <input type="checkbox"/> No <input type="checkbox"/>
12. AEO goods	Yes <input type="checkbox"/> No <input type="checkbox"/>
Section B	
13. Arrival of goods	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
14. Start of unloading	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
15. Start of placing goods in temporary storage	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
16. Registration of Goods Declaration	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
17. Release of goods	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min

### 3. Sea Cargoes (Border Customs Office)



**- Key Criteria -**

1. Name of the Customs Office
2. Identification number of goods declaration (where applicable)
3. Name and Identification Number of Declarant
4. Name and Identification number of Third Party (where applicable)
5. Pre-arrival information: Yes/No
6. Examination of the goods: Yes/No
7. Checking the Goods Declaration: Yes/No
8. Intervention by other agencies: Yes/No
9. Pre arrival lodgement of Goods Declaration: Yes/No
10. Pre arrival lodgement of electronic Goods Declaration: Yes/No
11. Any simplified procedure: Yes/No
12. AEO goods; Yes/No

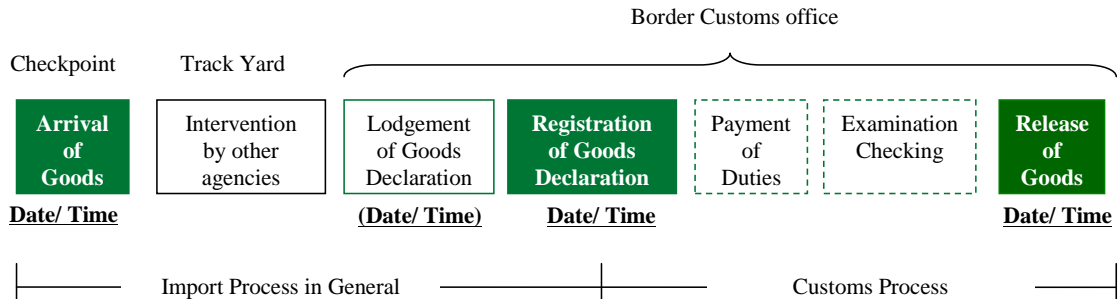
**- Date & Time -**

1. Arrival of goods
2. Start of unloading
3. Registration of Goods Declaration
4. Release of goods

**Sample Form (Sea Cargoes (Border Customs Office))**

Section A	
1. Customs Office	Customs Office A <input type="checkbox"/> Customs Office B <input type="checkbox"/> Customs Office C <input type="checkbox"/>
2. ID number of Goods Declaration	
3. ID number or Name of Declarant	
4. ID number or Name of Third Party (Broker)	
5. Pre-Arrival Information	Yes <input type="checkbox"/> No <input type="checkbox"/>
6. Examination of Goods	Yes <input type="checkbox"/> No <input type="checkbox"/>
7. Checking the Goods Declaration	Yes <input type="checkbox"/> No <input type="checkbox"/>
8. Intervention by other agencies	Quarantine <input type="checkbox"/> Food & Drug Agency <input type="checkbox"/> Standard Board <input type="checkbox"/> Min. Agriculture <input type="checkbox"/> Min. Trade <input type="checkbox"/> Min. Industry <input type="checkbox"/> No <input type="checkbox"/>
9. Pre-arrival lodgement of Goods Declaration	Yes <input type="checkbox"/> No <input type="checkbox"/>
10. Pre-Arrival Lodgement of Electronic Goods declaration	Yes <input type="checkbox"/> No <input type="checkbox"/>
11. Any Simplified Procedure	Yes <input type="checkbox"/> No <input type="checkbox"/>
12. AEO goods	Yes <input type="checkbox"/> No <input type="checkbox"/>
Section B	
13. Arrival of goods	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
14. Start of unloading	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
15. Registration of Goods Declaration	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
16. Release of goods	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min

#### 4. Land Cargoes (Border Customs Office)



**- Key Criteria -**

1. Name of Customs Office
2. Identification number of Goods Declaration (where applicable)
3. Name and Identification Number of Declarant
4. Name and Identification Number of the Third Party (where applicable)
5. Examination of the goods; Yes/No
6. Checking the Goods Declaration; Yes/No
7. Intervention by other agencies; Yes/No
8. Pre arrival lodgement of declaration; Yes/No
9. Pre arrival lodgement of electronic Goods Declaration: Yes/No
10. Any simplified procedure: Yes/No
11. AEO goods; Yes/No

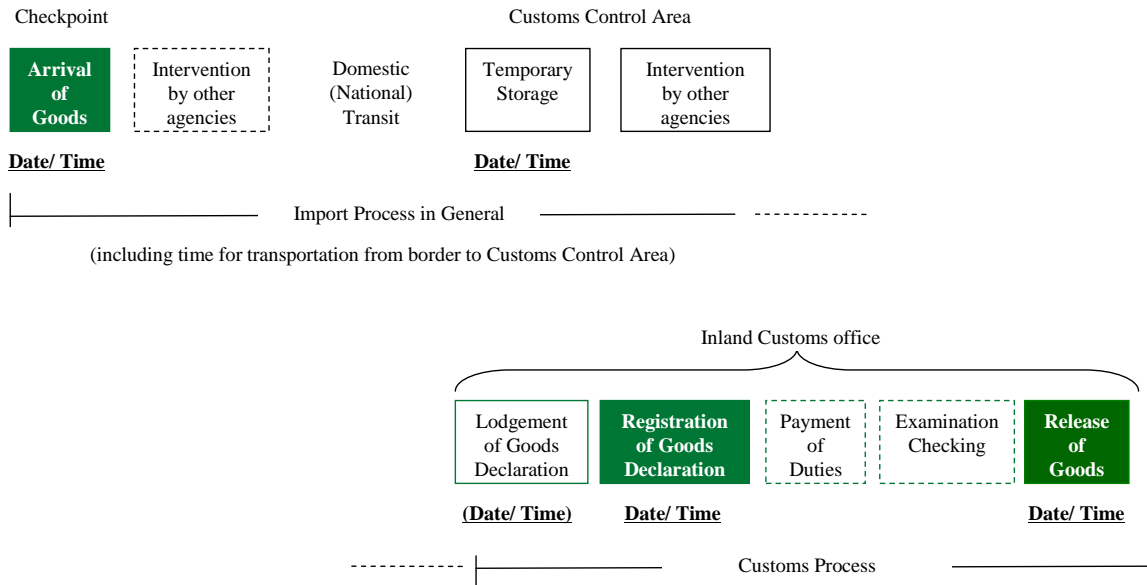
**- Date & Time -**

1. Arrival of goods
2. Registration of Goods Declaration
3. Release of goods

**Sample Form (Land Cargoes (Border Customs Office))**

Section A	
1. Customs Office	Customs Office A <input type="checkbox"/> Customs Office B <input type="checkbox"/> Customs Office C <input type="checkbox"/>
2. ID number of Goods Declaration	
3. ID number or Name of Declarant	
4. ID number or Name of Third Party (Broker)	
5. Examination of goods	Yes <input type="checkbox"/> No <input type="checkbox"/>
6. Checking the Goods Declaration	Yes <input type="checkbox"/> No <input type="checkbox"/>
7. Intervention by other agencies	Quarantine <input type="checkbox"/> Food & Drug Agency <input type="checkbox"/> Standard Board <input type="checkbox"/> Min. Agriculture <input type="checkbox"/> Min. Trade <input type="checkbox"/> Min. Industry <input type="checkbox"/> No <input type="checkbox"/>
8. Pre-arrival lodgement of Goods Declaration	Yes <input type="checkbox"/> No <input type="checkbox"/>
9. Pre-Arrival Lodgement of Electronic Goods declaration	Yes <input type="checkbox"/> No <input type="checkbox"/>
10. Any Simplified Procedure	Yes <input type="checkbox"/> No <input type="checkbox"/>
11. AEO goods (Importers)	Yes <input type="checkbox"/> No <input type="checkbox"/>
Section B	
12. Arrival of goods	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
13. Registration of Goods Declaration	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
14. Release of goods	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min

## 5. Land Cargoes (In-land Customs Office)



### - Key Criteria -

1. Name of Customs Office
2. Identification number of Goods Declaration (where applicable)
3. Name and Identification Number of Declarant
4. Name and Identification Number of Third Party (where applicable)
5. Examination of the goods: Yes/No
6. Checking the Goods Declaration: Yes/No
7. Intervention by other agencies: Yes/No
8. Pre-arrival lodgement of Declaration: Yes/No
9. Pre arrival lodgement of electronic Goods Declaration: Yes/No
10. Any simplified procedure: Yes/No
11. AEO goods: Yes/No

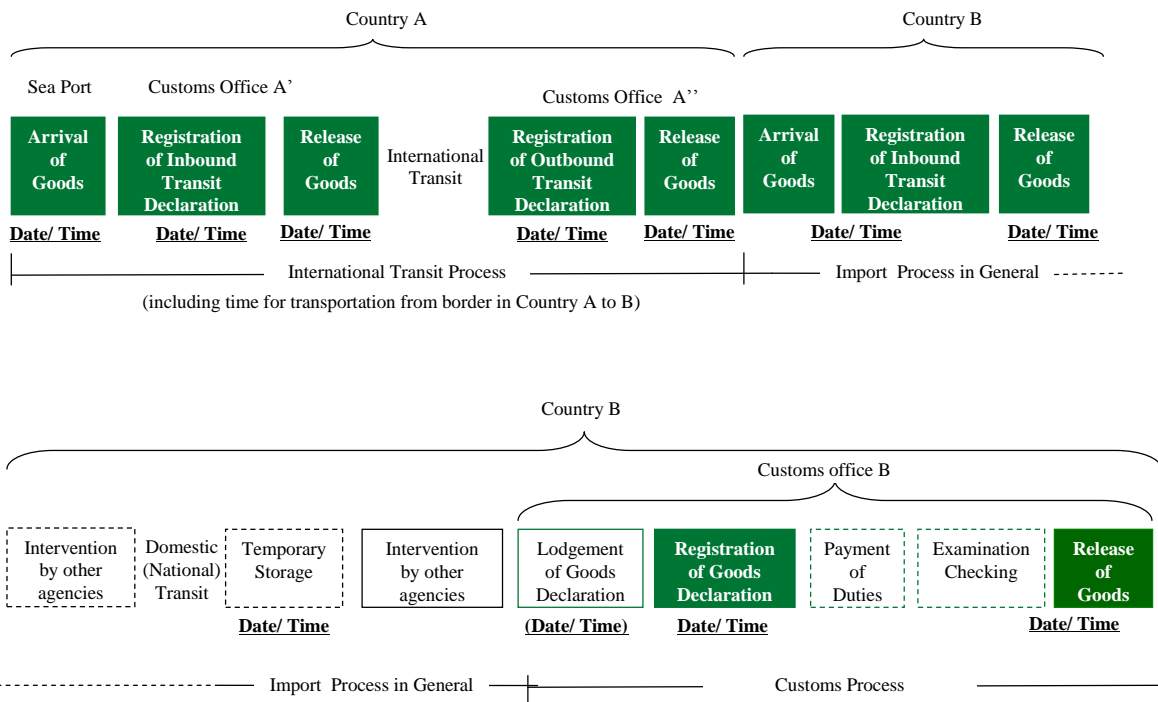
### - Date & Time -

1. Arrival of goods
2. Start of placing goods in temporary storage
3. Registration of Goods Declaration
4. Release of goods

### Sample form (Land Cargoes (In-land Customs Office))

Section A	
1. Customs Office	Customs Office A <input type="checkbox"/> Customs Office B <input type="checkbox"/> Customs Office C <input type="checkbox"/>
2. ID number of Goods Declaration	
3. ID number or Name of Declarant	
4. ID number or Name of Third Party (Broker)	
5. Examination of goods	Yes <input type="checkbox"/> No <input type="checkbox"/>
6. Checking the Goods Declaration	Yes <input type="checkbox"/> No <input type="checkbox"/>
7. Intervention by other agencies	Quarantine <input type="checkbox"/> Food & Drug Agency <input type="checkbox"/> Standard Board <input type="checkbox"/> Min. Agriculture <input type="checkbox"/> Min. Trade <input type="checkbox"/> Min. Industry <input type="checkbox"/> No <input type="checkbox"/>
8. Pre-Arrival lodgement of Goods Declaration	Yes <input type="checkbox"/> No <input type="checkbox"/>
9. Pre-Arrival Lodgement of Electronic Goods declaration	Yes <input type="checkbox"/> No <input type="checkbox"/>
10. Any Simplified Procedure	Yes <input type="checkbox"/> No <input type="checkbox"/>
11. AEO goods (Importers)	Yes <input type="checkbox"/> No <input type="checkbox"/>
Section B	
12. Arrival of goods	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
13. Start of placing goods in temporary storage	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
14. Registrations of Goods Declaration	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
15. Release of goods	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min

## 6. The TRS in an international (regional) environment (A Joint TRS with neighbouring countries)



### - Key Criteria -

1. Name of Customs Office
2. Identification number of Goods/transit Declaration (where applicable)
3. Identification number of Cargoes (B/L number ....)
4. Name and Identification number of Declarant
5. Name and Identification number of Third Party (where applicable)
6. Examination of the goods: Yes/No
7. Checking the Goods Declaration: Yes/No
8. Intervention by other agencies: Yes/No
9. Goods under bilateral (or regional) trade facilitation scheme: Yes/No
10. AEO Goods: Yes/No

### - Date & Time -

1. Arrival of Goods (Country A)
2. Registration of Transit Declaration (Inward International) (Country A)
3. Release of Goods (Country A at seaport)
4. Registration of Transit Declaration (Outward International) (Country A)
5. Release of Goods (Country A at land-border)
6. Registration of Transit Declaration (National) (Country B)
7. Release of Goods (Country B at land-border)
8. Start of Temporary Storage (Country B)
9. Registration of Goods Declaration (Country B)
10. Release of Goods (Country B at in-land Customs Office)



### Sample form (The TRS in an international (regional) environment)

Section A (Sea Port in Country A)	
1. Name of Customs Office	Customs Office A <input type="checkbox"/> Customs Office B <input type="checkbox"/> Customs Office C <input type="checkbox"/>
2. ID number of International Inbound Transit Declaration	
3. ID number of cargoes (B/L number ....)	
4. ID number or Name of Declarant	
5. ID Number or Name of Third Party	
6. Examination of Goods	Yes <input type="checkbox"/> No <input type="checkbox"/>
7. Checking the International Inbound Transit Declaration	Yes <input type="checkbox"/> No <input type="checkbox"/>
8. Intervention by other agencies	Yes <input type="checkbox"/> No <input type="checkbox"/>
9. Goods under bilateral (or regional) trade facilitation scheme	Yes <input type="checkbox"/> No <input type="checkbox"/>
10. AEO Goods	Yes <input type="checkbox"/> No <input type="checkbox"/>
11. Arrival of Goods	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
12. Registration of International Inbound Transit Declaration	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
13. Release of Goods	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
Section B (Land Border in Country A)	
14. Name of Customs Office	
15. ID number of International Outbound Transit Declaration	
16. ID number of cargoes (B/L number ....)	
17. ID number or Name of Declarant	
18. ID Number or Name of Third Party	
19. Examination of Goods	Yes <input type="checkbox"/> No <input type="checkbox"/>
20. Checking the International Outbound Transit Declaration	Yes <input type="checkbox"/> No <input type="checkbox"/>

21. Intervention by other agencies	Yes <input type="checkbox"/> No <input type="checkbox"/>
22. Goods under bilateral (or regional) trade facilitation scheme	Yes <input type="checkbox"/> No <input type="checkbox"/>
23. AEO Goods	Yes <input type="checkbox"/> No <input type="checkbox"/>
(Arrival of Goods) as necessary	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
24. Registration of International Outbound Transit Declaration	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
25. Release of Goods	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
<b>Section C (Land Border in Country B)</b>	
26. Name of Customs Office	
27. ID number of National Transit Declaration	
28. ID number of cargoes (B/L number ....)	
29. ID number or Name of Declarant	
30. ID Number or Name of Third Party	
31. Examination of Goods	Yes <input type="checkbox"/> No <input type="checkbox"/>
32. Checking the National Transit Declaration	Yes <input type="checkbox"/> No <input type="checkbox"/>
33. Intervention by other agencies	Yes <input type="checkbox"/> No <input type="checkbox"/>
34. Goods under bilateral (or regional) trade facilitation scheme	Yes <input type="checkbox"/> No <input type="checkbox"/>
35. AEO Goods	Yes <input type="checkbox"/> No <input type="checkbox"/>
(Arrival of Goods) as necessary	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
36. Registration of National Transit Declaration	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
37. Release of Goods	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
<b>Section D (In-land Customs Office in Country B)</b>	
38. Name of Customs Office	

39. ID number of Goods Declaration	
40. ID number of cargoes (B/L number ....)	
41. ID number or Name of Declarant	
42. ID Number or Name of Third Party	
43. Examination of Goods	Yes <input type="checkbox"/> No <input type="checkbox"/>
44. Checking the Goods Declaration	Yes <input type="checkbox"/> No <input type="checkbox"/>
45. Intervention by other agencies	Yes <input type="checkbox"/> No <input type="checkbox"/>
46. Goods under bilateral (or regional) trade facilitation scheme	Yes <input type="checkbox"/> No <input type="checkbox"/>
47. AEO Goods	Yes <input type="checkbox"/> No <input type="checkbox"/>
48. Start of Temporary Storage	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
49. Registration of Goods Declaration	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
50. Release of Goods	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min

## APPENDIX 3

### DETAILED SURVEY QUESTIONNAIRE FORM

Appendix 3 contains :

- ◆ A series of questions that can be used to capture data,
- ◆ A number of definitions to ensure uniformity of application, and
- ◆ A sample form to capture the data.

The questions in the form will vary depending on the scope of the study, on the objectives to be achieved and on the participation of other agencies, Customs brokers and trade operators.

#### A. List of questions

The following is a series of elements that could be included in the form. It should be pointed out that this list of questions is not exhaustive and the administration may include any other questions that they feel are useful and necessary for this study and/or their organizational objectives.

1. Region (use codes)
2. Customs office (use codes)
3. Name of Transporter
4. Mode of transport (use codes)
  - Air
  - Sea
  - Rail
  - Road
  - Express consignments
  - River
5. Type of transport document (use codes)
  - Airway bill
  - Seaway bill
  - Consignment note
  - Despatch note
  - Manifest
  - Multi-modal document
  - Combined documents
6. Transport document number
7. Declaration number
8. Declarant code
  - Broker
  - Clearing Agent
  - Self
9. Name and identification number of declarant

10. Type of declaration
  - Prescribed forms
  - Others (invoice, transport document, administrative document, etc.)
11. Form of declaration
  - Manual
  - Electronic
12. Type of cargo
  - Containerized
    - FCL (Full Container Load)
    - LCL (Less than Container Load)
  - Non-containerized
13. Goods regimes
  - Dutiable
  - Non-dutiable
  - Suspension/exemption/relief
  - Preferential status (bilateral, multilateral, GSP, etc.)
  - Inward processing
  - Free Zones
  - Transit
  - Others :
    - ◆ Perishable goods
    - ◆ Express Consignments
    - ◆ Relief consignments
14. Classification of goods
  - Tariff heading
  - Value
    - High
    - Medium
    - Low
  - Origin of goods
  - Gross weight
15. Date and time of arrival of the goods at port/airport/land border
16. Date and time of unloading – start
17. Date and time of unloading – end
18. Date and time of delivery to temporary storage
19. Date and time of the lodgement of the Goods declaration
20. Complete declaration : Yes/No
 

If No, reasons:

  - Insufficient information in the Goods declaration
  - Incomplete documentation
    - invoice
    - certificate of origin
    - certificate of duty/tax exemption/relief
    - import licence
    - health certificate
    - veterinary certificate
    - other documents (specify)
21. Customs request for the presentation of complete Goods declaration : Yes/No
 

If Yes:

  - Date and time of Customs request

- Date and time of re-presentation
- 22. Date and time of acceptance of the Goods declaration
- 23. Documentary control : Yes/No
- 24. Date and time of the start of documentary control
- 25. Date and time of the end of documentary control
- 26. Physical inspection of the goods: Yes/No
  - if Yes :
    - Selection based on :
      - random selection
      - targeted by risk analysis
    - Type of inspection
      - random/cursory inspection
      - detailed inspection
- 27. Date and time of the start of the inspection
- 28. Date and time of the end of the inspection
- 29. Laboratory analysis: Yes/No
  - If Yes :
    - Date and time of the start of laboratory analysis
    - Date and time of end of the laboratory analysis
    - Date and time laboratory analysis received
- 30. Intervention by agencies other than Customs : Yes/No
  - If Yes, name of agency (use codes):
    - Veterinary services
    - Agriculture services
    - Health services
    - Other authorities or services (specify)
- 31. Date and time of the start of intervention by other agencies
- 32. Date and time of end of intervention by other agencies
- 33. Date and time of assessment of duty – start
- 34. Date and time of assessment of duty – end
- 35. Method of Payment of Duty and taxes (use codes)
  - Cash
  - Cheque
  - Banker's Draft/Order
  - Electronic Funds Transfer
  - Other (specify)
- 36. Date and time of payment of duty (if required before release of goods) – start
- 37. Date and time of payment of duty - end
- 38. Date and time of the release of the goods
- 39. Date and time of removal of the goods

The order of questions above follows a logical sequence of the clearance process. However the actual location of the items on the form may be modified according to practical needs in developing and designing the form.

The layout and presentation of the form and questions should be as simple as possible in order to assist those participating in the study.

The questions asked should be worded in such a way that they are easily understood and easily answered. Questions requiring lengthy answers should be avoided wherever possible.

In view of the voluminous data to be captured, the questions should be grouped into various categories. A simple method would be to group all common questions such as region, Customs office, declaration number, name of Customs broker, etc. into one category and to group the rest of the questions according to each process in the clearance chain.

There is a possibility that some extraordinary delays could occur in some clearance process(es) for one reason or another and the administration might want to capture the reasons for these delays. An element can be added after each clearance activity in the Survey Questionnaire Form to cater for such delays. An analysis of the reasons for the extraordinary delays can provide insights into the existence of a problem in the clearance activity.

## B. Definitions

The elements to be captured by the study should be defined to ensure uniformity in the dates and times used. Administrations may adapt these definitions or create new ones according to their needs.

- (a)** Date and time of the arrival : date and time of the arrival of the means of transport conveying the goods at importation or under Customs control. Arrival can be defined as docking, blocking, etc. of the importing conveyance in the port/airport/land border where the declaration will be made to obtain release in that port/airport/land border.
- (b)** Date and time of the beginning of unloading : date and time of the beginning of unloading of the goods from the means of transport that brought the goods to the Customs territory.
- (c)** Date and time of the end of unloading : date and time of the end of unloading of the goods.
- (d)** Date and time of delivery to temporary storage : date and time of the removal and storage of goods for Customs clearance.
- (e)** Date and time of lodgement of declaration : date and time of lodgement of the Goods declaration at the Customs office to obtain the release of goods.
- (f)** Date and time of acceptance of the Goods declaration : date and time of the end of the taking into charge of the Goods declaration.
- (g)** Date and time of the beginning of documentary control : date and time of the beginning of the examination of the declaration and accompanying documents.
- (h)** Date and time of the end of the documentary control : date and time of the end of the examination of the declaration and the documents.
- (i)** Date and time of the beginning of inspection : date and time of the beginning of the goods inspection by Customs.

- (j)** Date and time of the end of inspection: date and time of the end of the goods inspection by Customs.
- (k)** Date and time of intervention made by other agencies: date and time of intervention made by agencies other than Customs such as the Veterinary, Health, Agriculture, etc.
- (l)** Date and time of authorization granted by other agencies: date and time of authorization being granted, after inspection, if appropriate.
- (m)** Date and time of payment of duty: This relates to the time when payment is received either by manual means (bank draft, cheque, cash, etc.) or by electronic means and the time when the receipt or acknowledgement of the payment is completed. When payment is not a precondition for the release of the goods this process could be bypassed.
- (n)** Date and time of release: date and time at which release is granted by Customs. This is generally the last stage of Customs clearance when the release note is returned to the Customs broker/Customs clearing agent or importer. In cases of advance declaration or provisional release, the date and time of release may precede the date and time of arrival.
- (o)** Date and time of the removal of the goods: date and time when the goods leave the area of Customs control.



### C. Sample form

Section A	
1. Region	Region A <input type="checkbox"/> Region B <input type="checkbox"/> Region C <input type="checkbox"/>
2. Customs Office	Customs Office A <input type="checkbox"/> Customs Office B <input type="checkbox"/> Customs Office C <input type="checkbox"/>
3. Name of Transporter	
4. Mode of Transport	Air <input type="checkbox"/> Sea <input type="checkbox"/> Rail <input type="checkbox"/> Road <input type="checkbox"/> River <input type="checkbox"/> Others <input type="checkbox"/>
5. Transport Document	Airway Bill <input type="checkbox"/> Seaway Bill <input type="checkbox"/> Despatch Note <input type="checkbox"/> Manifest <input type="checkbox"/> Consignment Note <input type="checkbox"/> Multi-Modal doc <input type="checkbox"/> Combined Documents <input type="checkbox"/>
6. Transport Document Number	
7. Declaration Number	
8. Declarant code	Broker <input type="checkbox"/> Clearing Agent <input type="checkbox"/> Self <input type="checkbox"/>
9. Name & ID number of Declarant	
10. Type of Declaration	Prescribed Form <input type="checkbox"/> Others (Invoice....) <input type="checkbox"/>
11. Form of Declaration	Electronic <input type="checkbox"/> Manual (Paper) <input type="checkbox"/>
12. Goods regime	Dutiable <input type="checkbox"/> Non-dutiable <input type="checkbox"/> Exempt/Relief <input type="checkbox"/> Preferential <input type="checkbox"/> Inward Processing <input type="checkbox"/> Free Zone <input type="checkbox"/> Transit <input type="checkbox"/> Others <input type="checkbox"/>
13. Classification of Goods (Tariff Heading, Value, Origin & Weight)	
Section B	
14. Arrival of Goods	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
15. Start of Unloading	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
16. End of Unloading	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
17. Delivery to Temporary Storage	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
Section C	
18. Lodgement of Declaration	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min

19. Acceptance of Declaration	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
20. Accompanying Documents	Yes <input type="checkbox"/> No <input type="checkbox"/>
21. Complete Documentation	Yes <input type="checkbox"/> No <input type="checkbox"/>
22. Documents Request	Yes <input type="checkbox"/> No <input type="checkbox"/>
23. Request	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
24. Documents presentation	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
25. Documentry Control	Yes <input type="checkbox"/> No <input type="checkbox"/>
26. Start Documents Control	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
27. End Documents Control	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
<b>Section D</b>	
28. Physical Inspection	Yes <input type="checkbox"/> No <input type="checkbox"/>
29. Type of Inspection	Random <input type="checkbox"/> Detailed <input type="checkbox"/>
30. Selection based on	Random <input type="checkbox"/> Risk Analysis <input type="checkbox"/>
31. Start of Inspection	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
32. End of Inspection	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
33. Lab. Analysis	Yes <input type="checkbox"/> No <input type="checkbox"/>
34. Start of Analysis	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
35. End of Analysis	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
36. Analysis Received	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
<b>Section E</b>	
37. Intervention by Other Agencies	Yes <input type="checkbox"/> No <input type="checkbox"/>
38. Veterinary (start)	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min

39. Veterinary (End)	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
40. Agriculture (Start)	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
41. Agriculture (End)	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
42. Medical/Health (Start)	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
43. Medical/Health (End)	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
44. Others ( ) (Start)	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
45. Others ( ) (End)	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
<b>Section F</b>	
46. Assessment of Duty (Start)	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
47. Assessment of Duty (End)	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
48. Method of Payment	Cash <input type="checkbox"/> Cheque <input type="checkbox"/> Banker's Order <input type="checkbox"/> Electronic Fund <input type="checkbox"/> Others ( ) <input type="checkbox"/>
49. Payment (if required before release)	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
50. Release	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min
51. Removal from Customs Control	<input type="text"/> day <input type="text"/> mth - <input type="text"/> hr <input type="text"/> min

## APPENDIX 4

### A BASIC GUIDE TO THE USE OF THE WCO TRS ONLINE SOFTWARE

#### 1. User ID & Password from the WCO

The WCO TRS Online Software is available to all WCO Members free of charge. Upon request, the WCO Secretariat provides Members with a User ID & Password for the National Survey Administrator which is valid for a single survey.

#### 2. Log in to the TRS Software

The Survey Administrator goes to <http://members.wcoomd.org/trs/index.asp> and inputs his/her User ID & Passwords\*1. to log in to the Software.

#### 3. User ID & Password for users in your administration

A Survey Administrator can allocate a User ID and Password to the other Survey Administrators & End Users in his/her administration, so that they can also access the software for the single survey being worked on.

#### 4. Developing a Survey Form (Questionnaire)

The Survey Administrator develops a Survey Questionnaire in accordance with the detailed TRS conditions set up by his/her TRS Working Group.

#### 5. Distribution of Printed Blank Questionnaires

The Survey Administrator prints the blank questionnaires and distributes them to officials responsible for TRS implementation, including other border agencies and businesses where appropriate.

#### 6. Inputting data into the TRS Software

Having collected all necessary data through the responses to the Survey Questionnaire, the Survey Administrator inputs all data into the TRS Software using the "[New Data Input](#)" and "[Data collection](#)" functions. You can also allocate this task to an end user in your administration.

#### 7. Developing a Report

Lastly the Survey Administrator can use the "[Quick Report](#)" function to calculate automatically the Average Time, Standard Deviation and Largest Deviation in any patterns he/she designs. The "[Full data excel](#)" function allows you to obtain all data in MS-Excel format so that you can use it for various purposes.

For details, please see "*The USER MANUAL: INTERNET SOFTWARE FOR THE TIME RELEASE STUDY*", which is available on the WCO Members Website;  
[http://www.wcoomd.org/members/files/Members%20PDF%20EN/FacilitationProced\\_PDF/TRS%20user%20manual-updated.pdf](http://www.wcoomd.org/members/files/Members%20PDF%20EN/FacilitationProced_PDF/TRS%20user%20manual-updated.pdf)

## APPENDIX 5

### MODEL FINAL REPORT FORMAT

- (1) This model format is a guide to assist Customs administrations in preparing a report of the Time Release study. It proposes a format that includes the main areas to be addressed in the final report. These areas are not exhaustive and administrations may include any other details that are significant to their own requirements and concerns.
- (2) Although raw data should prove very valuable, reports often merely provide average times supplemented by information on the category of goods, inspection channels, mode of transport, intervention by other government agencies (OGAs), use of pre-arrival processing, etc.
- (3) The causes of delays do not necessarily reside in the procedures. They may be due to administrative policies (e.g. operating hours may not match logistics patterns) or the physical constraints (e.g. no fast truck lane for authorized economic operators (AEOs)).
- (4) Depending on the objectives, reports require dynamic as well as static data: e.g. how backlog cargoes are processed, congestion, peak-time and non-peak time, hourly or daily patterns of traffic and transportation. Statistical data processing models (means, median, mode, range, how to define extreme data, etc.) may also be useful to be incorporated in the report.
- (5) In general, the following areas should be covered in the report:
  - Objectives
  - Scope
  - Methodology
  - Analysis
  - Conclusions and recommendations

#### 1. Objectives

- (6) The report should explain what the study was intended to measure. These objectives should cover the following goals:
  - to measure the average time taken for the release of goods from their arrival to their release;
  - to measure the average time taken for each activity in the release process, for example, the time taken for physical inspections;
  - to identify the weaknesses in the release process (including at each individual activity in the process);
  - to identify the constraints affecting release; and

- to suggest corrective/remedial measures to improve the time required for the release of goods.

## **2. Scope**

(7) The scope of the study must outline the extent and limits of the study. Some points to include would be:

- Was it a comprehensive study capturing all elements in the Customs release process or was it a simplified study capturing only the key elements in the release process?
- Did the study involve measuring the time from the arrival of goods in the Customs territory to their release (total time) or only from the time the goods declaration was lodged to the time of release (Customs time)?
- What modes of traffic were studied, e.g. sea, air, land and rail?
- Which office or offices were involved in the study?
- Was the study based on automated or manual Customs procedures or a combination of both?
- Which other agencies were involved in the study and what was their role?
- Was the time taken by Pre-Shipment companies captured?

## **3. Methodology**

(8) The methodology used in the study should be explained as this would impact on the validity and reliability of the results obtained. The following should be covered under this section:

- Were all transactions covered in the study or was a sampling methodology used?
- If sampling was used, how were the samples chosen within the whole population as well within the sub-population that was studied?
- What were the data captured and how were they collected?
- What was the duration of the study?

## **4. Analysis**

(9) This section should contain particulars about the total number of transactions dealt with by Customs during the duration of the study, the number of survey forms issued, the number returned and the number used in the analysis.

If sub-populations were analyzed, it is also important to indicate the number of transactions, the number of forms issued, the number of forms returned and the number analyzed for the sub-population.

It is important that the analysis should indicate what data were analyzed. The following elements of the analysis should be included in this section:

- the average time taken from the arrival of the goods to their release. This could include, for example, the following key elements:
  - time from the arrival of the goods to the lodgement of the goods declaration;
  - time from the lodgement of the goods declaration to the assessment of duty and taxes;
  - time taken for examination of the goods;
  - time from the assessment to the payment of duties and taxes;
  - time from the duty payment to the release of the goods;
  - time taken in the intervention by other agencies;
  - the average time taken at each individual process;
  - If different categories of goods or goods regimes were studied separately, e.g. dutiable goods vs. non-dutiable goods; goods meant for inward processing, free zones, express consignments; etc., the average time taken for each category or regime;
  - time taken for goods declared manually and electronically.
  - time taken for goods by different Customs offices.

## **5. Conclusions and recommendations**

- (10) The conclusions to be drawn and the recommendations offered would depend largely on the results of the analysis of the data and what the results indicate. The results could also be compared with established work norms and/or the results of previous studies undertaken in order to arrive at useful conclusions.
- (11) The conclusions to be drawn should focus on the processes where delays occur and why they occur. They should also focus on the areas where further improvements could be made.
- (12) Recommendations, on the other hand, should focus on specific proposals for improvements.

## APPENDIX 6

### MODEL PRESS RELEASE

This model format is an example for Customs administrations on preparing a press release about the Time Release Study. It is recommended that the scope, methodology and results of the Study be included objectively, in brief, in order to explain the efforts made by Customs in favour of trade facilitation.

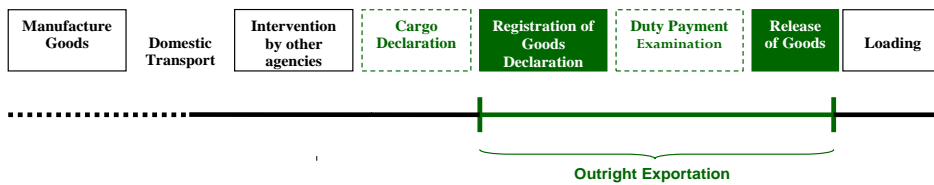
<p>[Name and symbol of the Customs Administration]</p> <p style="text-align: center;"><b>MEDIA RELEASE</b></p> <p style="text-align: right;"><b>[date]</b></p> <p style="text-align: center;"><b>[ Title ]</b></p> <p><b><u>Outline</u></b></p> <p>[                    ] Customs today released the findings of its first [second, third.....] Time Release Study (TRS), which measures and reports the time taken by Customs to release imported cargo.</p> <p>The DG of Customs [                    ] said it was pleasing to [show the results of the first study as an objective indicator for trade facilitation] or [see improvements in [ year] which he attributed largely to the efforts of Customs, trade related agencies and trade working together for a seamless international transaction] .</p> <p>The TRS [year] found that the average time from arrival to release for sea cargo is approximately [            ] hours, [an improvement of [            ] hours from [year]. For air cargo, the interval was around [            ] hours [an average improvement of more than [            ] hours] and for land cargo, it was around [            ] hours [an improvement of [            ] hours.</p> <p>In particular the average Customs procedure time, from Customs declaration to release, is as follows. [Each interval has greatly improved as a result of the enhancement of Customs operations as an effort towards trade facilitation].</p> <p>-- For sea cargo; [            ] hours [an improvement of [            ] hours] -- For air cargo; [            ] hours [an improvement of [            ] hours] -- For land cargo; [            ] hours [an improvement of [            ] hours]</p> <p>The DG of Customs [                    ] acknowledged trade's contribution to the <i>Time Release Study</i>, in particular [                    ], [                    ], [                    ] who provided advice and assistance to the study.</p> <p>The TRS is a World Customs Organization endorsed method for measuring the time taken by Customs authorities to release imported cargo and is recognized as a means of identifying bottlenecks and improving performance in import processes. It is also intended that regular Time Release Studies will continue to be conducted.</p> <p>Key findings and actions to be taken for further trade facilitation are [                    ].</p> <p>[The <i>Time Release Study Report</i> can be downloaded from [Name of Customs administration] website: [ web address]]</p> <p><b>Media enquiries:</b> For further details contact [                    ] Customs [TEL and e-mail]</p>
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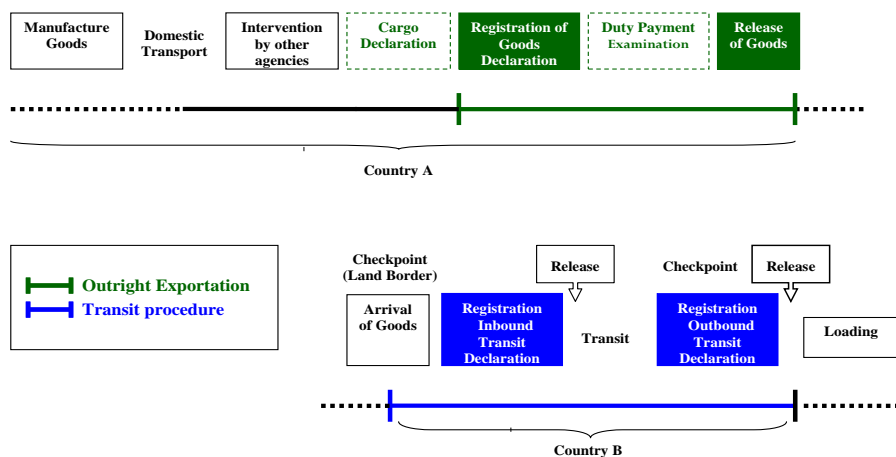
## APPENDIX 7

### THE TRS IN EXPORTATION

- (1) The TRS methodology is also applicable to the Outright Exportation Customs regime. TRS in Export may be useful for those countries which have not yet introduced modern Customs export procedures, while many Customs administrations provides release status within a few minutes after the registration of the Goods Declaration for export through an automated Customs clearance system. The Export TRS from registration of the Goods Declaration to release may be meaningful for some countries which impose export Customs duties, since the assessment of duties and risk management could take time.



- (2) There are some challenging issues for the TRS in export. In many cases the manufacturers determine the schedule for the domestic transportation of export goods to the port, based on a ship's schedule, the cut-off date/time for the delivery of goods to the container yard, or even the timing of an order from foreign customers. In addition, the starting point for export could be ex-factory, or the consignment's arrival at the container vaning site, or the registration of the Goods Declaration. Nevertheless, undertaking a TRS in export deserves consideration in order to respond to the interests of Business stakeholders. It is also worth noting that export performance in a certain region (with a neighbouring country) could also be measured by the TRS in export in combination with a TRS in transit procedure.



## APPENDIX 8

### NATIONAL PRACTICES

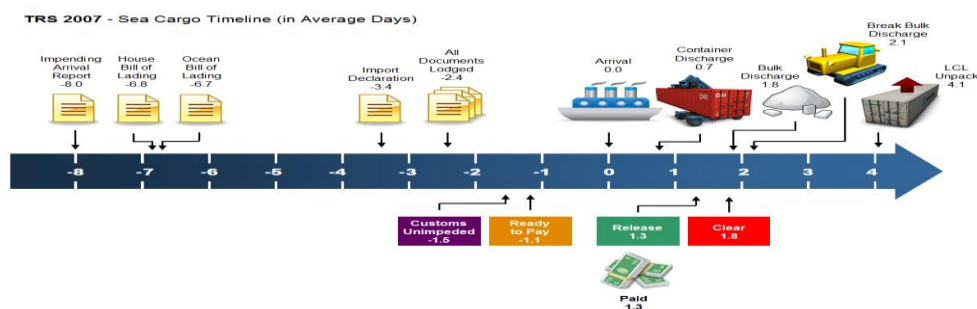
#### 1. Australia

- Using TRS to strengthen Customs-Business Partnerships -

- (1) Australia has conducted a TRS annually since 2007. In 2010 it also conducted a bi-lateral TRS in partnership with New Zealand for trade between the two countries. The TRS covered the imports and exports processes.
- (2) Australia's first TRS was initiated when customs made a commitment in 2007 at 'APEC Customs-Business Dialogue' (ACBD) to use TRS to measure progress in reducing trade transaction costs. TRS has been used since to measure and monitor customs trade facilitation performance and to identify opportunities for further streamlining. Its ongoing use has also helped to enhance the customs-business partnership in Australia.

The TRS was planned and conducted using the WCO guidelines. Fact-finding visits were made with economies experienced in TRS (Japan and Korea). The TRS Coordinator also engaged with business participants in the supply chain to ensure that the process events measured were relevant to local circumstances as experienced by traders and their service providers.

The data required for TRS measurements was obtained from customs systems that capture timestamps for key events in the cargo movement and clearance processes. Supplementary data was obtained from business to cross-reference and validate customs data. Timestamp data enabled TRS calculations and the mapping of an import process timeline with average times of events from arrival.

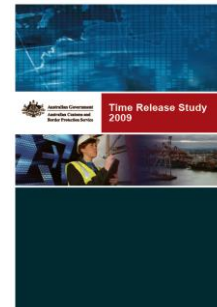


By showing and distinguishing the actions done by business, by customs and by other government agencies, the timeline helps highlight any interdependencies between them. For example, it shows the critical relationship between when traders and service providers provide the information required by the border agencies and the timings of release and clearance.

- (3) Once initial TRS results were obtained, customs engaged with business participants to test and validate the preliminary findings made and also to better understand the factors influencing the timings of business actions.

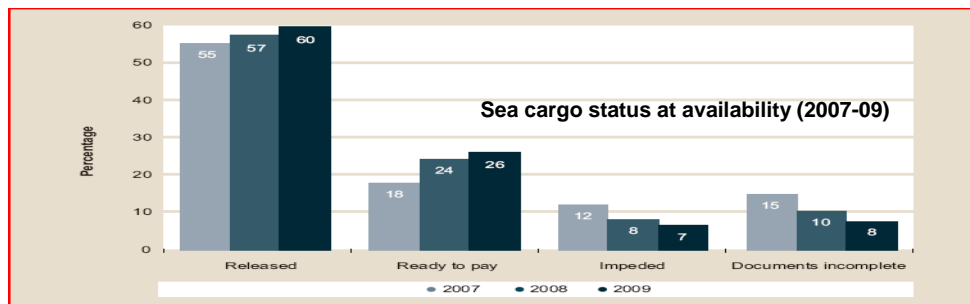
A draft of each TRS report is tabled with the peak customs-business consultative forum to provide participants with an opportunity to review and challenge or respond to findings. Once accepted, the final TRS report is made public to contribute to the broader dialogue on trade facilitation.

Regular publishing of TRS results provides transparency for business and others of customs performance in trade facilitation. It demonstrates that customs does recognize the reasonable business needs of legitimate traders.  
<http://www.customs.gov.au/site/page6067.asp>



Opportunities for streamlining are followed up with relevant business sectors.

- (4) The TRS data once compiled supports various statistical formats. In addition to average or mean clearance times, median times can be produced as can the percentages of consignments dealt with at particular times. The example below shows the percentages of consignments at specified statuses when first physically available for delivery (discharged or unpacked) over 3 TRS periods. Feedback from business has been that such views of TRS results are useful.



- (5) Evidence-based performance measurement through TRS has helped put the customs-business partnership on a more objective basis, allowing dialogue on trade facilitation to better focus on issues of substance. It also demonstrates to business, government and the community that customs is committed to the use of modern methods such as performance management and a service culture.
- (6) Future challenges domestically include deepening the level of integration between agencies at the border and working with business to help smaller traders take advantage of the benefits of advance reporting via 'early report, early clearance' (TRS results showing that smaller traders tend to report later).

Internationally, opportunities for further streamlining lie with mutual recognition, interoperability and regulatory harmonization. The practical achievement of these objectives is highly dependent on effective international data harmonization, particularly on identifiers for shipments, traders and certifiers. Partnerships between customs and business via peak industry bodies and in forums such as the WCO Private Sector Consultative Group are vital to extending data harmonization. TRS can be used to help highlight such improvement opportunities, for example through bi-lateral or regional studies.

## 2. Cameroon

- TRS as a way to identify main structural bottlenecks and the behavioral patterns in a port<sup>2</sup> -

### Objectives

- (1) This study aims at understanding the long cargo dwell time issue in Cameroon. It focuses on containerized imports through the port of Doula (Cameroon) and leans upon extensive Customs and port data collected locally.

### Methodology

- (2) The methodology used combined data from the business and port community in Douala, with statistical analysis from ASYCUDA data provided by Cameroon Customs and analyzed at WCO headquarters. Cameroon Customs' IT system is ASYCUDA and has been implemented for all customs procedures, from the manifest lodging to the exit note, which enables a very complete follow-up of import processes.
- (3) Three kinds of time have been distinguished. The **operational time** is from the transport perspective: time during which containers are physically transferred from the containership to the land transport mode via the container yard plus the necessary idle time between operations. The **transactional time** is from the political economy perspective: the administrative counterpart to the operational time defined above. It extends from containership arrival to the issue of the port exit note by customs administration. Even if many administrations (sanitary, Tax, ...) and private companies (such as consignees, brokers, pre-shipment inspection company, terminal operator...) deliver administrative services, Customs processes still usually "mark" the beginning and the end of most of the processes. The **discretionary time** is from the logistic and supply chain perspective: it sums all idle times between vessel arrival and exit from container yard that are strictly storage times (no clearance process or handling operation is performed).

The analysis of total time combines two complementary approaches:

- an independent analysis of each of the three components defined here before to identify the structural bottlenecks and improvement prospects,
- an analysis of interrelationships between the three time constituents using shipment level data and the identification of behavioral patterns.

The sample is composed of all containers imported in 2009.

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<sup>2</sup> This case study is extracted from a World Bank Research Policy Working Paper written by Salim Refas (World Bank – corresponding author) and Thomas Cantens (World Customs Organization), available at [http://econ.worldbank.org/external/default/main?pagePK=64165259&piPK=64165421&theSitePK=469372&menuPK=64166093&entityID=000158349\\_20110208112227](http://econ.worldbank.org/external/default/main?pagePK=64165259&piPK=64165421&theSitePK=469372&menuPK=64166093&entityID=000158349_20110208112227)

## **Main findings**

### The major impact of a minority of delays

- (4) An important observation is that dwell time variance is quite significant, with a standard deviation equal to 160% of the mean value. This variance is mainly the consequence of variance between vessel arrival and customs declaration lodging. Delay between payment of customs duties and gate exit vary largely according to shipment. These two intermediary delays account for about 75% of the total dwell time ("Arrival to gate") in average. In contrast delay between lodging and payment of customs duties ("Lodging to payment") is quite low and homogeneous in the whole sample.
- Median values are 40 to 65% lower than mean values, which demonstrate the substantial impact of a minority of very long or abnormal delays.

### The need to build logistics families

- (5) Dwell time averages vary across the sample according to cargo characteristics such as fiscal regime, bulking, density of value (value per weight) and cargo type. Logistic families based on cargo characteristics can be defined to explain significant variation of clearance patterns according to cargo and shipper characteristics. Four main factors have been studied: fiscal pressure, bulking of containers (Less-than-container-load (LCL) / Full-container-load (FCL)), density of value and variety of imports (using 2-figures HS code).
- (6) Fiscal regime plays an important role in the determination of long dwell time with a positive correlation that tends to show that high fiscal pressure leads to high dwell time in ports.
- (7) Dwell time patterns differ for LCL containers and FCL containers and for standard containers and "last trip" containers where container is purchased with cargo (LCL containers and last trip containers stay longer in the terminal), which means that consolidation and small shippers seem to exhibit longer dwell times (all other things being equal).
- (8) The impact of commodity category is potentially important but can only be approached through aggregate analysis using broad commodity categories derived from first figures of customs HS code. Few HS categories seem to have long average dwell time (exceeding 24 days).
- (9) Cargo density of Value, an important characteristic in logistics, also play an important role in the determination of long dwell time: high value generally leads to higher dwell time in port, which may also explain why manufacturing and assembling is difficult to achieve in a port like Douala.
- (10) Most of these conclusions were confirmed by multimodal logistic regression results with statistically significant correlation for at least three of these factors (container type, fiscal regime and value). Other factors of importance identified through logistic regression modeling are last port of call and region of origin.

### The impact of third parties

- (11) The high concentration of Cost & Freight (C&F) market, the low volume per operation and the high concentration of shipping flows have been analyzed to evaluate their negative impact on dwell times.

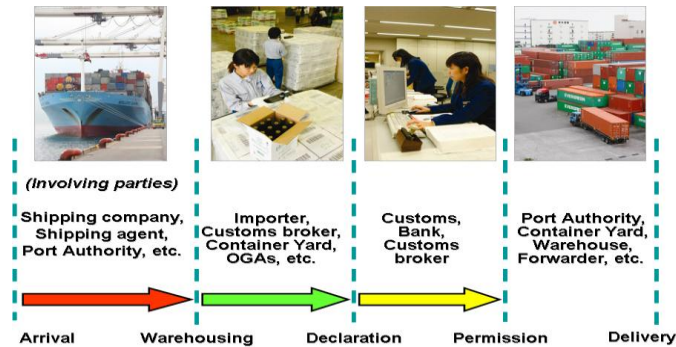
### **Concluding remarks**

- (12) Customs administrations are frequently criticized as one of the main contributors to delaying goods' release. The WCO TRS methodology is a good approach to identify operational bottlenecks at the border and factors of delay in a scientific manner.
- (13) IT Customs systems are often the most complete and robust systems which collect data throughout the borders' processes. Doing data mining within the IT Customs system offers understanding of the behavior patterns of all stakeholders, under the conditions that i) the IT Customs system collects data from ship arrival to the exit gate and ii) the Customs administration makes it mandatory for all stakeholders to lodge their operations in the system.

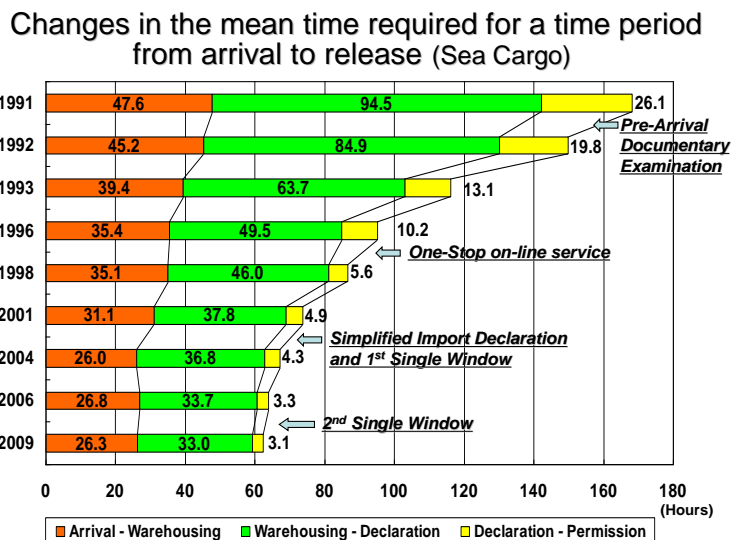
### 3. Japan

- The TRS as a performance tool for Trade Facilitation Measures -

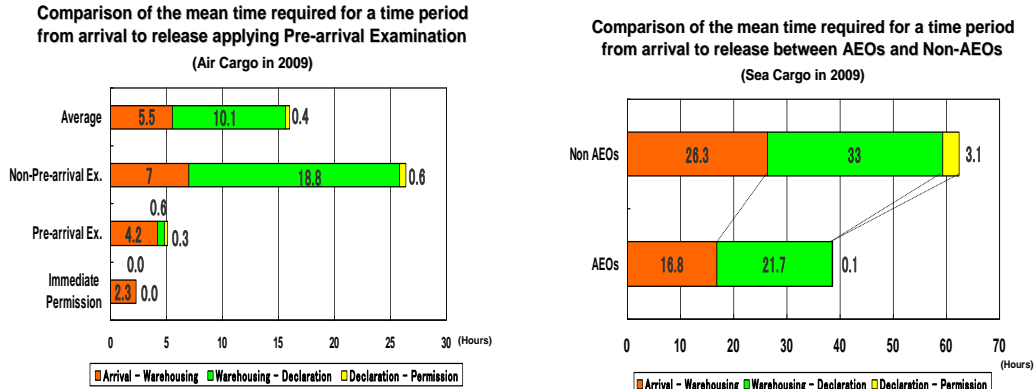
- (1) Japan is one of the WCO Members which undertake TRS regularly. Japan Customs has used results of the TRS as one of the Customs performance indicators. They have been used for evaluation of efficiency of new trade facilitation measures including Customs schemes and procedures. The scope of TRS in Japan is illustrated below.



- (2) TRS cycle allows Japan Customs to evaluate impacts of a number of measures taken for import clearance of goods. “Changes in the mean time required for clearance“ in the latest TRS results in 2009 (the 9th TRS) clearly showed positive contribution to decrease in time for release for yeas by introducing various measures such as pre-arrival lodgement of goods declaration, single window and AEO programs.
- (3) Taking the results on general sea cargo (AEOs not included) as an example, the mean time decreased by 105.8 hours during the last two decades as shown in the graph below.



- (4) In addition to trends of mean time required for a time period from arrival to release in general, a number of comparison analyses can be also available based on results of the TRS such as analysis by mode of transportation or analysis by measures. The graphs below are the examples of analyses conducted in the last TRS and both explicitly show the benefits by respective measures.



- (5) The design of the Japan's latest TRS was as follows. In total, 29 major sea/air ports out of 188 points of entry were chosen within the scope of TRS.

- Duration: 7 consecutive days (9-15 March 2009)
- Choice of Traffic modes: Sea and Air
- Types of goods: All cargoes
- Geographical Scope: All regional Customs (At least one sea port per regional Customs)
- Choice of Customs Offices: 23 major sea ports and 6 major air ports
- Numbers of random samples: 3,000 declarations for sea cargoes, 2,000 declarations for air cargoes

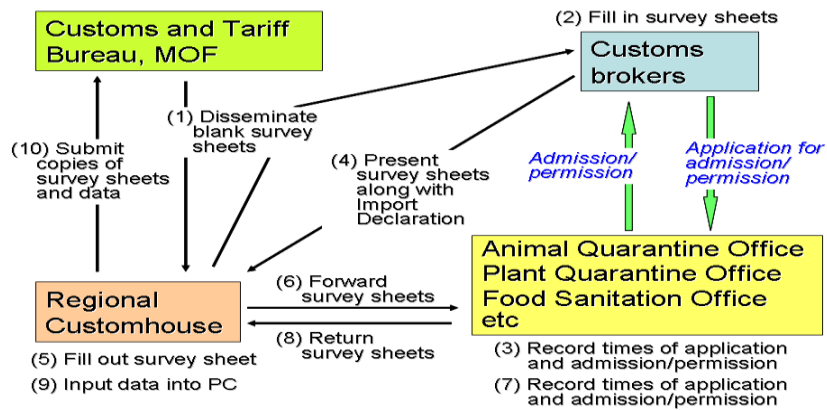
- (6) It took approximately half a year to complete the latest TRS project from preparation to press release of the results. The overall implementation steps are described below.

<p><b>January – February 2009:</b> Pre-survey internal coordination</p> <ul style="list-style-type: none"> <li>▪ To set dates of the survey</li> <li>▪ To determine the number of samples to be taken</li> <li>▪ To review elements of survey (addition of the effects of AEO program)</li> <li>▪ To prepare survey forms (Air/Sea), including lists of factors taking longer than average time</li> <li>▪ To coordinate with Customs brokers and relevant other governmental agencies</li> </ul> <p><b>23 February 2009:</b> Release of the administrative notice on TRS implementation</p> <p><b>9-15 March 2009:</b> Conduct of the 9<sup>th</sup> TRS</p> <p><b>Mid March 2009:</b> Data inputs, review and compilation at the respective regional Custom houses</p> <p><b>April 2009:</b> Data compilation and supplementary research</p> <p><b>30 June 2009:</b> Review of the TRS results in the Ministry of Finance</p> <p><b>16 July 2009:</b> Press Release</p>
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(7) With regard to the collaboration with other border agencies (OGA) and business, Japan Customs established a cooperative framework. Respective nine regional Customs played significant roles in communication with OGA and Customs brokers, and in collecting/recording data under the guidance of Customs and Tariff Bureau, Ministry of Finance (parent Ministry). OGA and Customs brokers provided regional Customs offices with detailed data on the TRS. The work flow for collecting data is illustrated below.

### Work flow for collecting data

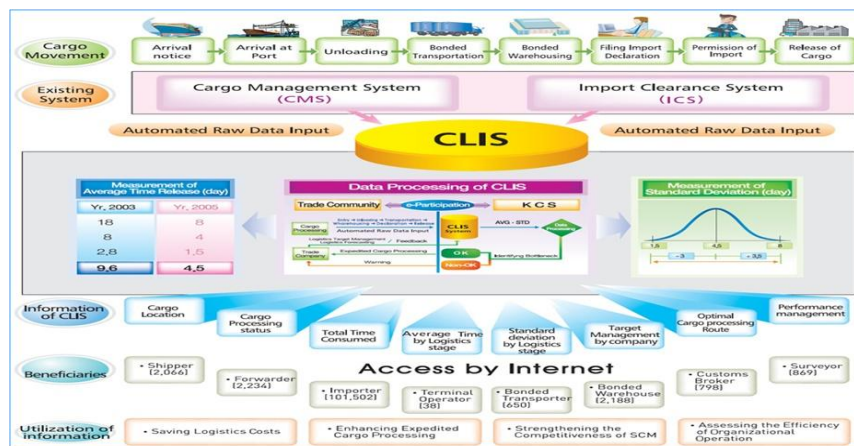


#### 4. Republic of Korea

- The TRS Methodology using Customs Automated System -

- (1) Korea Customs Service (KCS) completed the EDI-based import cargo management system and import clearance system in 1997 and, utilizing the processing time recorded in the system, developed a method of calculating, at major logistics stages, the average processing time of all imported cargoes brought into Korea for a specific time.
- (2) In 2006, KCS updated the existing system into an independent, web-based TRS system, which enables automatic TRS measurement of all process and scope on a real-time basis of average processing time, standard deviation and performance of individual logistics participants, and information sharing among stakeholders. KCS named the system "Client-oriented Logistics Information System (CLIS)", highlighting its client-oriented function and automated, independent information system.

<Basic and conceptual framework of CLIS>



- (3) CLIS is differentiated from existing EDI-based TRS measurement system in that first, its statistics are based on complete enumerations rather than sampling (monthly average of 660,000 cases in 2010); second, all measurement scope and processes are done by an automated, independent system; and third, client can get all related logistics information through the internet free of charge. (8 million hits in 2010)

#### Function I : Recording all the movements of imported cargo

- Recording movements of all cargoes in real time from the arrival at a port to the release
- Recording the processing details, processing results and processing time (to the hour, minute and second) throughout the whole process

<Illustration of Function>



Function II: Measuring the average time consumed for cargo processing and standard deviation

- Calculating the average time consumed and standard deviation in real time at pre-defined 6 logistics stages between arrival and release
- Assisting logistics quality control and speed management by enabling clients to search and download data related to all their cargoes for a certain period of time

Function III: Supporting logistics target management

- Clients can utilize CLIS as an electronic platform to receive their logistics performance data and manage their logistics targets according to their situations without additional equipment

Function IV: Evaluating the operational efficiency of every customs house

- Measuring the attainable target levels and attained performance levels of average cargo processing times and their standard deviations for a certain period at 47 customs houses (or port of entries) under the Korea Customs Service (HQ)
- (4) KCS obtained dramatic reduction in the time involved in imported cargoes' completion of customs procedures by establishing CLIS, which promotes clients' participation and enables the generation of useful statistical data about cargo processing:
- (5) With CLIS, the average length of the customs process from port arrival to release shrank by 85% from 14.8 days in 1998 to 2.3 days in 2010. Standard deviations in cargo handling, whose tracking started in 2005, fell by 39.5% from 13.2 days in 2005 to 7.99 days in 2010.
- (6) Korea's National Information Society Agency estimates related annual savings in logistics costs at KRW 2,370Bn (USD 2.47Bn).

< Taking measures to resolve the bottlenecks diagnosed by means of CLIS at anytime >



## 5. New Zealand

- Application of the WCO TRS Guide in exportation -

### TRS in New Zealand (NZ) in general

- (1) One of the focal points in international trade and trade facilitation is the performance of Customs administrations and their efficiency in clearing cargo. A TRS is a method endorsed by the WCO to measure performance in this area. The New Zealand Customs Service (NZCS) completed its first TRS in 2009 including a bilateral study with Australia. The scope of the study included not only importation but also exportation as well as cargos under the Secure Exports Scheme (New Zealand's Authorized Economic Operator program).

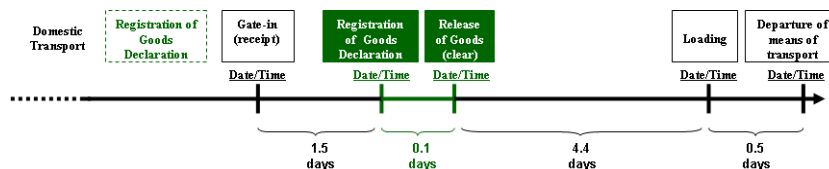
TRS Cargo Scope

	Inclusions	Exclusions
Cargo direction	<b>Export</b> & Import	-
Geographical	All sea ports and Major airports	Regional airport
Type of Goods	Commercial goods	Private goods & Empty containers
Goods destination and discharge. loaded	All goods destined for NZ ports for unloading or loading at the port	Feeder port cargo, transshipment cargo, transit cargo, coastal cargo
Type of cargo	Sea containerised FCL & LCL, Sea break-bulk, sea bulk and air cargo	Other goods such as Carnet goods, Diplomatic goods, Military equipment and ships store
Type of declaration goods cleared by	Import entry (Import Goods declaration) & <b>Export entry (Export Goods declaration)</b>	Goods cleared by Electronic Cargo Information (manifest)

### TRS in exportation

- (2) NZCS is one of the first WCO Members to undertake a TRS in exportation based on the WCO TRS Guide. NZCS requires all export goods, apart from exemptions, to be cleared before the loading. The export entry (Goods declaration for export) has to be lodged with Customs no later than 48 hours before loading of sea cargo so that the cargo can be loaded on the scheduled vessel. Declarants are able to also lodge an export entry after that time line, however NZCS does not guarantee the cargo will be loaded as scheduled. Export cargo can be delivered to the port or terminal before the lodging of the entry. Based on this export procedure NZCS undertook a TRS. The key events and their average time can be illustrated as follows.

Average time in each event under exportation (Containerized sea cargo)



- (3) It took an average of 6.5 days in total from gate-in to departure of the vessel while NZCS used averagely 0.1 days for Customs clearance process. This result clearly pointed out an opportunity for further export facilitation by possible improvement of business practice in NZ to store export cargo in a port or a terminal in short, acknowledging that port companies and shipping lines may enforce their own cut-off times for the deliver of cargo prior to loading.

- (4) Although reporting occurs after receipt, 80% of export containerised cargo is reported and cleared more than 48 hours before loading. Any cargo that Customs hold for inspection or x-ray occurs during the dwell time (between receipt and load). There is no evidence that these Customs interventions lead to the delay in the loading of cargo or cargo missing the sailing of the vessel.
- (5) Customs processing and clearance times for SES exporters were compared to non-SES exporters. On average SES exporters report later (after receipt) but are processed faster by Customs. There is a clear benefit to SES exporters as their entries and cargo are cleared quicker and have a lower intervention rate by Customs compared to non-SES.

\* SES; Security Exports Scheme - New Zealand's equivalent to an Authorized Economic Operators (AEOs) Program.

\* For further details, please see the detailed report "Time Release Study 2009 - New Zealand Customs Service -".

## 6. Serbia

### - The TRS Implementation -

(1) Measuring the time of release of consignments at border crossing points as well as at inland Customs posts in Serbia enables:

- CUSTOMS to identify the bottlenecks and the cause of them, to help find trade facilitation tools to eliminate them, and to work together with other state agencies at the border and inland.
- TRADE COMMUNITY to plan in advance the time necessary for Customs and other border formalities. Trade community is invited to co-operate with state agencies for improving and speeding up border procedures.
- INTERNATIONAL ORGANIZATIONS to estimate and compare the efficiency of individual Customs administrations, to set the standards for trade facilitation and to prepare a realistic methodology for TRS.

(2) The Customs Service of Serbia:

- Has been continuously, since 2003, measuring release time (time delays of trucks at the border and at one inland terminal) using the methodology of the World Bank – the **TTFSE** Time Release Study. It is performed every month for 3 days (statistical sample of 10%).
- Conducted, in 2006 and in 2010, the measurement of time delays using the methodology of the European Union - “**LAUFZETTEL**” Time Release Study. It is organized from time to time on a request basis and shows only the present situation without any indicator of sustainability. The last time measurement using this methodology was performed in 2010, with Croatia, FYR of Macedonia and Hungary.

#### TIME RELEASE STUDY CHARACTERISTICS

TTFSE	LAUFZETTEL
Underway, conducted each month since 2003.	Conducted once in 2006 and three times in 2010.
National time release study – includes all border agencies (customs, border police, veterinary and phyto-sanitary inspection) and inspection services at internal customs posts for clearing goods (sanitary and market inspection).	* International time release study – conducted with the Customs Service of FYR Macedonia in 2006 and with the Customs Services of Croatia, FYR Macedonia and Hungary in 2010. Customs administrations undertake the work, but the time release is comprised of the total time needed to complete all border formalities.
Measuring is conducted at 5 border crossing points and in 1 inland terminal.	* Measuring is conducted at 1 border crossing point between Serbia and the neighbouring country.
* Measuring lasts 72 hours.	* Measuring lasts 7 days.

<p>Indicators for Border Crossing Points:</p> <ul style="list-style-type: none"> <li>a. Average time of delay for trucks entering the country</li> <li>b. Average time of delay for trucks leaving the country</li> <li>c. Number of trucks examined (%)</li> <li>d. Number of detected irregularities discovered through physical examinations.</li> </ul>	<p>Indicators:</p> <ul style="list-style-type: none"> <li>a. Average time of delay for trucks entering the country</li> <li>b. Average time of delay for trucks leaving the country.</li> </ul>
<p>Target indicators are decided for each year.</p>	<p>* Target indicators do not exist.</p>
<p>Time taken into consideration starts when the truck joins the queue and ends when the truck leaves the border or inland terminal.</p>	<p>* This methodology takes into the account the time when the truck joins the queue at exit and when it leaves the border terminal on the entry side.</p>
<p>State agencies` representatives record their due times on a specific form as a result of time measuring.</p>	<p>Truck drivers record the time, but according to EU rules, time measuring based on this method is not obligatory, so during the measuring in 2010 on the Hungarian side only 10-15% of drivers participated. It was obligatory in the other participating countries. Drivers record by themselves the time needed for each state agency and problems occur because very often they do not enter all necessary records in the form or the records are not correct.</p>

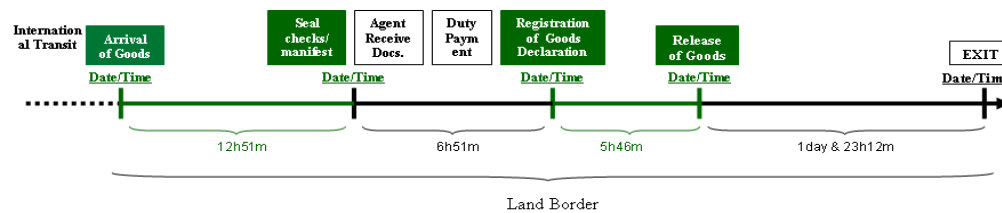
## 7. Uganda

- TRS Experience of a Developing and Land Locked Country -

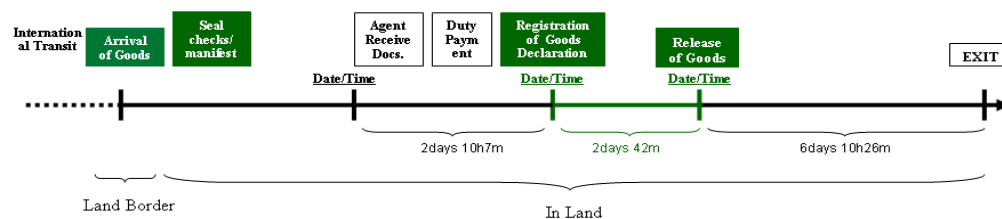
### Introduction

- (1) Customs administrations in the developing nations have had to change their way of handling business because of the changing trade environment. Modernization initiatives have been put in place to create an environment that enables excellent service delivery to all clients.
- (2) Uganda Customs is not an exception in this endeavour. Having put in place several initiatives to improve service delivery it was not possible to measure the impact of the initiatives that were put in place.
- (3) With the help of the WCO, a time release study was conducted in 2008 to establish the time taken to clear goods out of the Customs control. From the time goods reach the border until they are finally delivered to the importer or exited to another country; in case of transit and exports.
- (4) A team was selected to undertake the study and members from identified stakeholders were involved right from the time of planning to report writing (e.g. Customs brokers, Ministry of Agriculture, Export promotion Board, transporters etc).
- (5) Sensitization on purpose, scope and benefits among others was done to Uganda Revenue Authority (URA)/Customs and identified OGA staff especially those that were going to participate, data collection, in the study.
- (6) The study was conducted at selected Customs stations and data collection was done in a period of 7 days using a questionnaire that was developed for the purpose. The WCO TRS Online Software was used to capture and analyze the results according to set criteria. The report was presented to customs management in December 2008.

Land Cargoes (Border Custom Office)



Land Cargoes (Inland Custom Office)





## **Challenges**

- Being landlocked and relying heavily on the Mombasa Port in Kenya, the post election situation in Kenya affected the study timelines; while the target was to complete report writing in June 2008, the report was produced in November 2008.
- There was suspicion among the Customs staff and other agencies, especially the Customs brokers, about the purpose, impact and intention of the study. Buying in was a huddle that had to be handled through rigorous sensitization for the staff in Customs and OGA.
- The collection of the completed questionnaires took longer to be returned than planned.
- Inadequate funding for the TRS activities sometimes affected the process and the planned timelines. For the developing countries external funding may, in some cases, be required.
- The process of data capture and analysis delayed because of a slow network connection to the WCO TRS Online Software There were also several requests for updates in the Software, to allow data capture and report generation, which delayed the process.

## **Benefits**

- Uganda Customs administration was able to come up with baseline of information on the time taken to clear goods out of the customs control.
- Areas of improvement were identified both in the Customs process and process of OGA and this lead to process re-engineering of the Customs procedures.
- Linkage with OGA in the clearance process was established and it is easy to re-engage them in case of other studies.
- Specific initiatives were put in place to correct the problems that were identified according to recommendations made in the report; Customs procedures have since been reengineered, a joint border management has been established at Malaba and Katuna, an accreditation process has been initiated and 24 hour operation in some Customs stations in order to improve service delivery to the client.
- Customs had put in place some initiatives to improve the system but time measurement had not been done to assess the impact of the implemented initiatives though some estimated time was always reported. The TRS results showed a totally different processing time from the estimated one. It pointed out the importance of scientifically derived results.
- Some OGA processes were improved through engagements by the Customs Administration as a result of the study recommendations.

## **A way forward**

- (7) The recommendation of the study were incorporated into the Customs 5 Year plan and is being implemented, initiated engagement with OGA whose procedures were found to be affecting the clearance process for consideration of improving the systems.
- (8) No other major study has been conducted to assess impact so far of the initiatives that were put in place following the 2008 study but plans are under way to conduct another one; the EAC is also planning a regional one. However on need basis time report is generated from the ASYCUDA system on time taken to clear entries through different clearance lanes (Yellow, Green, Red and Blue).

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