TRS Workshop

TRS Experience in South East Asia

TRS Experience in South East Asia

Seven Countries Conducted TRS :

Cambodia, Indonesia, Lao PDR,
Malaysia, Myanmar, Thailand, Vietnam

Data collection conducted in line with WCO's TRS Guide and methodology

ADB

Japan Fund for Poverty Reduction

JAPAN
Official Development Assistance

Learning

- Management support is essential to the success of the TRS
- Use the theoretical model to develop a practical approach for further efficiency and effectiveness in each country and each checkpoint
- Customs border staff and key stakeholders should be involved in the entire process to assist in addressing the practical issues

ADB

Japan Fund for Poverty Reduction

JAPAN
Official Development Assistance

Learning

- Data should be collected at the checkpoint level and findings based on the data
- The importance of using the knowledge of border agency staff at the checkpoints to design the data collection
- Each country should be responsible to conduct their own TRS and take action as appropriate

ADB

Japan Fund for Poverty Reduction

JAPAN
Official Development Assistance

Learning

- Feedback from stakeholders (during planning sessions) in relation to delays at particular checkpoints should be validated using targeted data collection

- Cargo / declarations selected for timing data should be tracked through the entire process from cargo arrival to cargo release.

ADB

Japan Fund for Poverty Reduction

JAPAN
Official Development Assistance

Findings

Non-Customs related activities (common to most countries)

- Significant delays from the time the goods arrive until the lodgement of the Customs declaration (little data)
- The intervention of other government agencies which may significantly delayed cargo clearance
- The time delays after Customs issue the release note until cargo leaves the cargo storage

ADB

Japan Fund for Poverty Reduction

JAPAN
Official Development Assistance

Findings

- The report recommends additional timing data be collected to identify the root cause of the delays relating to:
  - ➢ The delay in lodging manifests and declarations
  - ➢ Customs Broker processing delays and errors

Findings

- OGA examinations before lodgement of declaration
- Payment delays
- Number of errors in documents

ADB

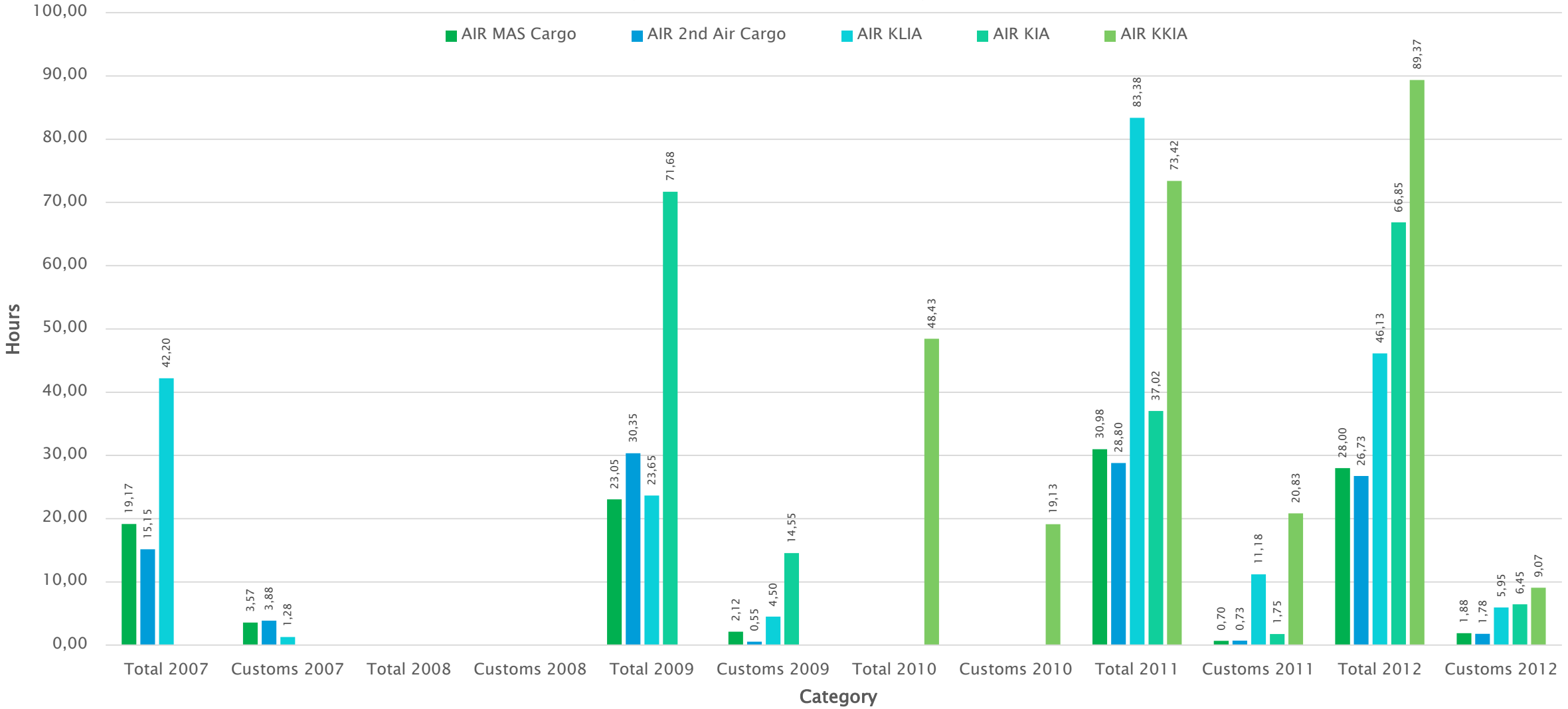
Japan Fund for Poverty Reduction

JAPAN
Official Development Assistance

Customs activities

- High rates of physical inspection of cargo at checkpoints
- Delays in using x-ray machines
- The use of manual processes, including Customs declarations (even where IT systems exist)
- Administrative inefficiencies with processes and procedures

Time Release Study – Malaysia – AIR Category
(Times in Decimal Hours)



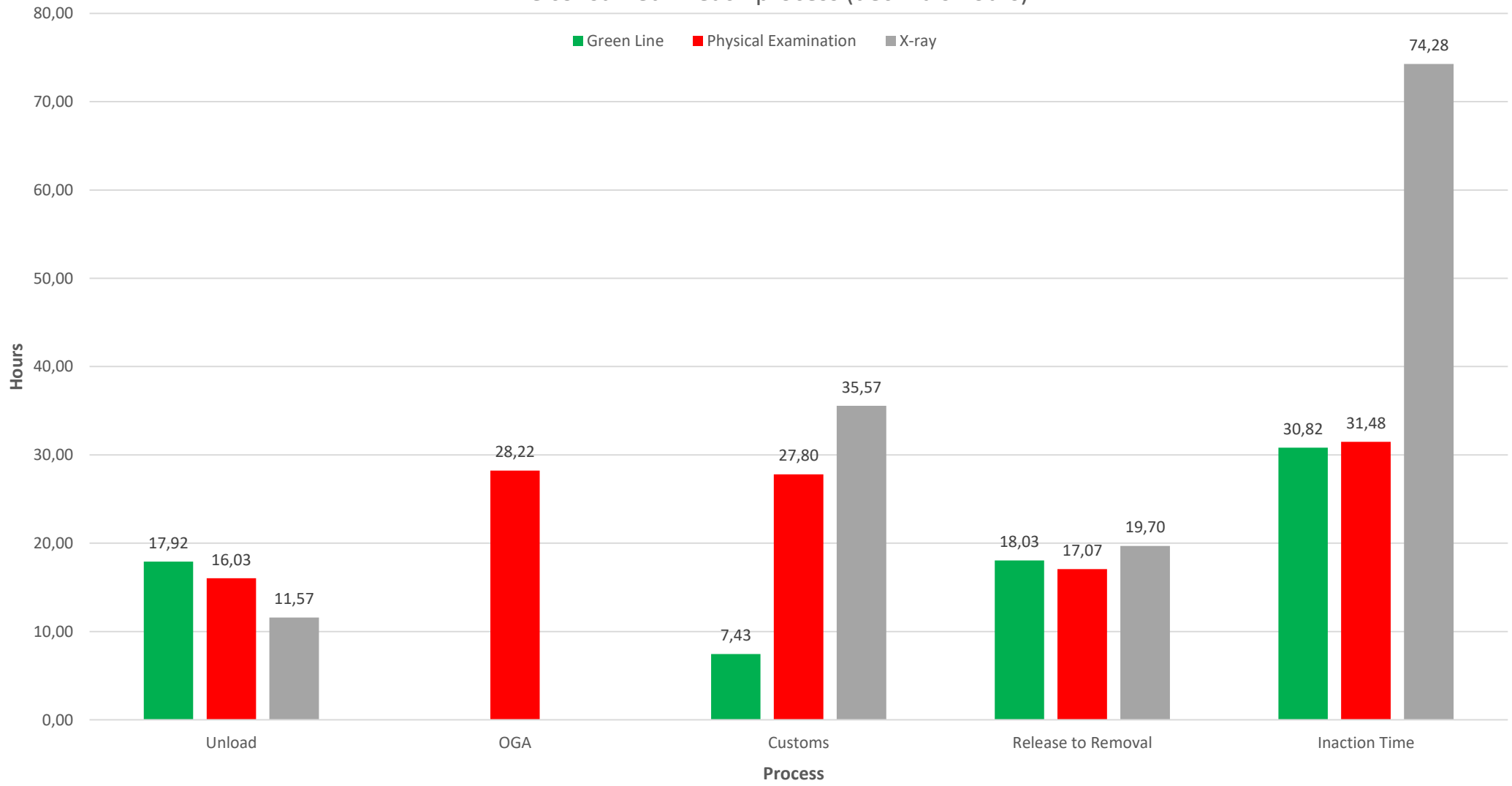
Total = Time from arrival of aircraft to removal from airport **Customs** = Time from lodgement of declaration to release of goods.

ADB

Japan Fund for Poverty Reduction

JAPAN Official Development Assistance

TRS-Thailand Laem Chabang Port-**2012**
Time consumed in each process (decimals hours)



ADB

Japan Fund for Poverty Reduction

JAPAN
Official Development Assistance

Discussions on improving TRS data collection and results

ADB

Japan Fund for Poverty Reduction

JAPAN
Official Development Assistance

Delays in lodging customs declaration after the arrival of the goods were reported in most countries. To assist in addressing the bottleneck, additional data needs to be collected in future TRS:

- Number of declarations using pre-arrival and pre-clearance facility
- Time taken from arrival to declaration using pre-arrival information verses no pre-arrival information.
- Time taken by OGA's to process permits before declaration could be lodged (if applicable)

- Time taken from the receipt of documents by the Customs broker to lodgement
- Time taken for the shipping/airline companies to release the bill of lading or airway bill
- Time taken to pay any fees or charges to the transporters on arrival

High physical inspection and examination rate of cargo were reported in most countries.

In order to identify specific issues, additional data on high intervention rates should be collected as follows:

- Compliance / Risk Management *(this information should be confidential to Customs*). In relation to risk selectivity, the meaning of these various channel routings (different interpretations are noted in some country reports)

- Number of Red (high risk), Yellow (documentary), Green (low risk), and Blue (PCA) line declarations routed by the system
- Number of declarations re-routed from green line and the reasons
- Success rate (detections, additional revenue collected etc.) of each of the routings (Red, Yellow and Blue)
- Clearance time for each routing

- Number of cargo profiles (if any) input to the system and the success rate of each profile
- Number of Customs Officers trained in Risk Management principles
- Number of times there was a manual intervention in the cargo progress and the reason
- If no cargo profiling is used, process map the procedure used to target cargo for intervention and collect data on the results achieved in this category.

Authorised Economic Operator (AEO)

- The clearance times and channel routing for AEO-accredited cargo as compared to non AEO cargo
- The total number of declarations from AEO-accredited companies and their routing

Other Government Agencies (OGA)

- Number of OGA declarations where pre-arrival information is provided (permits, certificates etc.) or number where no pre-arrival information is provided.
- Whether time taken is concurrent or not with Customs processes (e.g. physical examinations)
- Collect specific clearance time data for each agency and the reason for delays (permits, examinations, need for testing by approval type and timing). This will require the involvement of the OGA's

Customs IT System and National Single Window (if applicable)

- Number of documents provided manually and electronically
- Number of OGA's connected to the IT system and number not connected
- Number of declarations pre-lodged and pre-approved, and their timing compared to those lodged on arrival
- Number of profiles in the IT system and their success rate
- Timing for declaration to clearance for IT system verses manual system

ADB

Japan Fund for Poverty Reduction

JAPAN
Official Development Assistance

Manual declaration and approval issues presented by many countries

- Prior to the implementation of Customs IT systems, the clearance process should be reengineered to design new processes which eliminate the need to provide manual clearance documentation.
- If implementation is completed by international partners, data should be collected to identify the cause of all bottleneck's relating to IT systems and shared

THANK YOU

ADB

Japan Fund for Poverty Reduction

JAPAN
Official Development Assistance