

Using Time Release Studies in Trade Facilitation: BIMP-EAGA Experience

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If you have asked yourself...

Why TRS? What's good and not-so-good?

What else?

What do YOU want to ACHIEVE?



Outline

About BIMP-EAGA Trade Facilitation

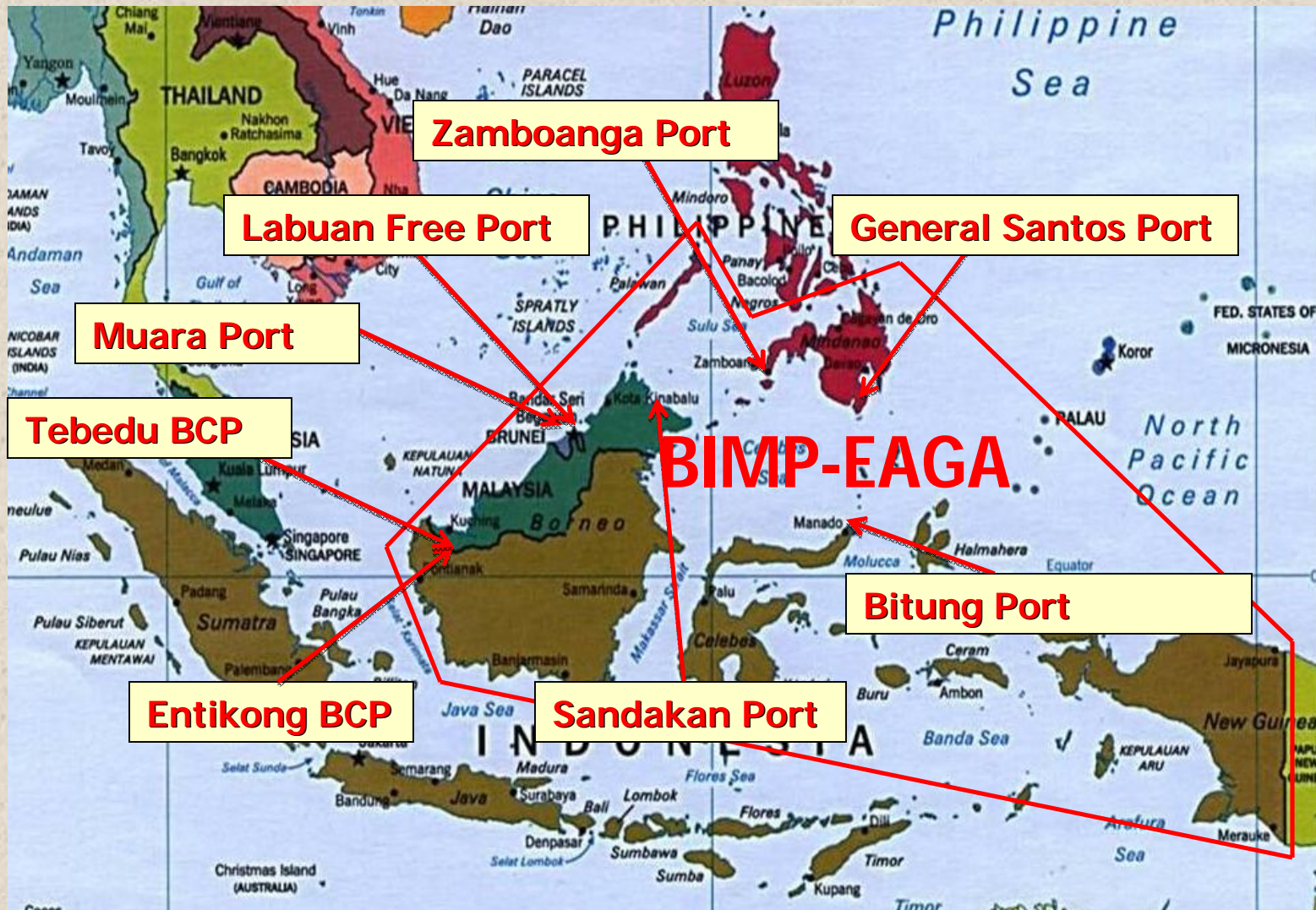
TRS usage from client's perspective

Sharing BIMP-EAGA experience:

- TRS conduct arrangements
- Data analysis
- Reporting and follow-up



BIMP-EAGA Priority Entry Points



BIMP-EAGA Trade Facilitation

Test-bed for ASEAN Trade Facilitation

CIQS Task Force established 2006,
senior level representation (DG)

CIQS MOU finalised in 2009

MOU pilot implementation underway

1st TRS conducted in 2009-2010 and to
be repeated every two years



TRS usage

Useful tool for:

- Diagnostics: Validating issues to inform interventions
- Monitoring: Setting baseline and measurable performance improvements

NOT a solution

Packaged measures with
repeated TRS desirable



TRS reflections

Customs clearance – Removal of Goods
CAN be a FACILITATION measure (free
storage) – matter of choice by operators

Importation process only

NOT comparable between BCPs

Customs to LEAD, but OGAs and private
sector operators involvement a must

BIMP-EAGA Time Release Study

Approach: “skill transfer” to internalise diagnosis and monitoring capability.

11-13 March 2009 TRS workshop

- Conducted by CIQS TF in collaboration with Royal Malaysian Customs, WCO-ROCB, ADB
- Representatives from customs, quarantine, and security agencies of entry points
- Introduced TRS concepts, methods, approaches
- Facilitated preparations for actual studies

Data analyses further validated by local Customs to understand the nature of delays and improvement measures proposed accordingly

TRS data summary

Entry Point	Survey Period	No. of Import	Average time	SD
Muara	4 – 24 May 2009	726 (Port) 509 (Airport)	3d 18h 32m (P) 2d 4h 1m (A)	NA
Labuan	1 – 17 Aug 2009	123	1d 19h 06m	2d 01h 08m
Sandakan	25 May – 5 June 2009	54	2d 11h 16m	3d 19h 20m
Tebedu BCP	11 – 24 May 2009	202	1h 4m	19m
Gen. Santos	25 May – 8 June 2009	24	2d 16h 01m	1d 08h 57m
Zamboanga	5 – 26 Aug 2009	7	1d 14h 45m	06h 12m
Bitung Port	14 June–8 July 2010	5	9d 6h 15m	NA
Entikong BCP	14 June–8 July 2010	305	51m	NA

Technical notes (1)

TRS identifies issues in the whole clearance process, led by, but NOT LIMITED to, Customs.

Data validation:

- Some intervals are discarded due to data discrepancy and questionnaire limitations, i.e. goods removed before end of unloading.

Inconsistent sequencing of Customs, OGA and cargo handling interventions:

- Timing separated among three processes: cargo handling (mandatory), customs processing (mandatory) and OGA processing (optional);
- Time of Goods Removal used (only) as common reference to compare relativity of the three processes.

Technical notes (2)

Total Average Time is calculated for OGA and non-OGA to see how OGA affects the overall clearance process.

Average time and deviation are calculated to determine the consistency and/or predictability of processing (except for Muara);

Issues identified from data were clarified and validated by entry point officials, recommendations based on international standards and practices as well as specific situation at the entry point.



Analysis example (1)

Labuan: TRS Findings and Recommendations

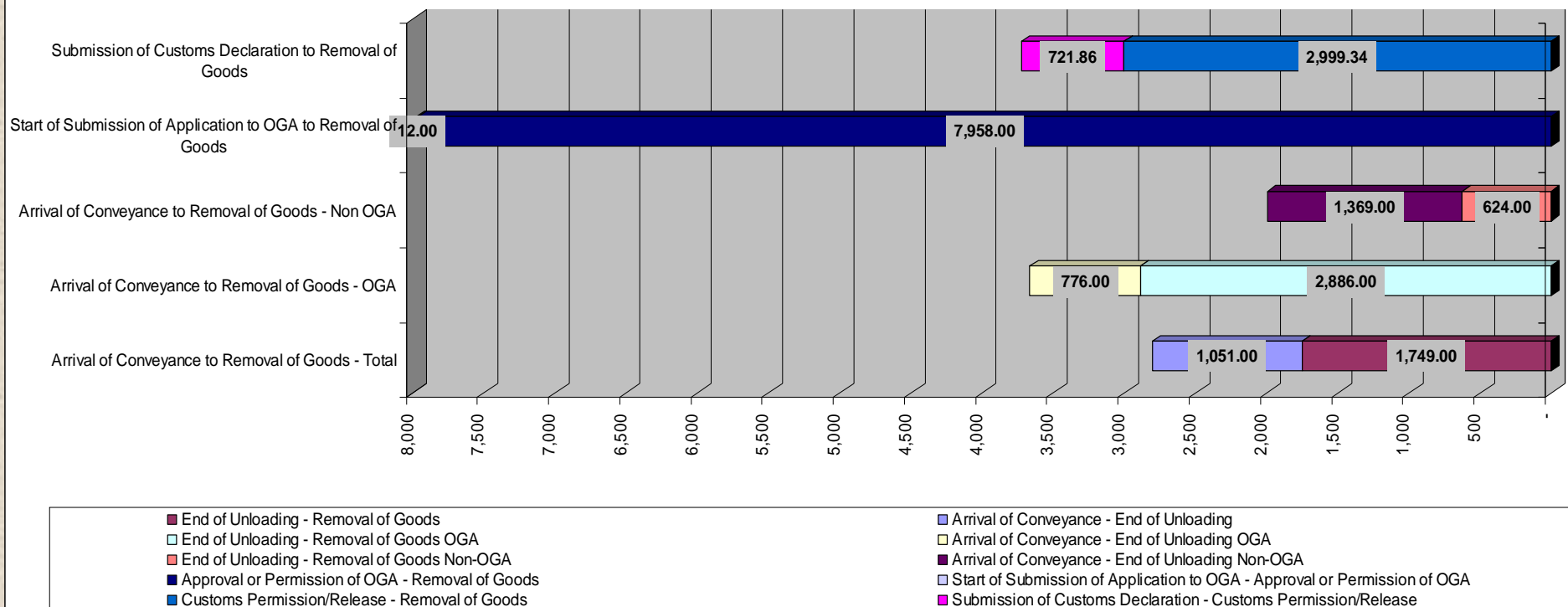
Key findings

- Slow unloading and significant waiting time between processes due to inadequate cargo handling facilities and transport services
- Late removal of goods from the port after clearance granted
- OGA goods removed later (1,670 minutes) than Non-OGA goods

Recommendations:

- Improve shipping and port cargo handling services

Figure 1. Labuan Port
Arrival of Conveyance to Removal of Goods: Total Average Time (in mins)



Analysis example (2)

Sandakan: TRS Findings and Recommendations

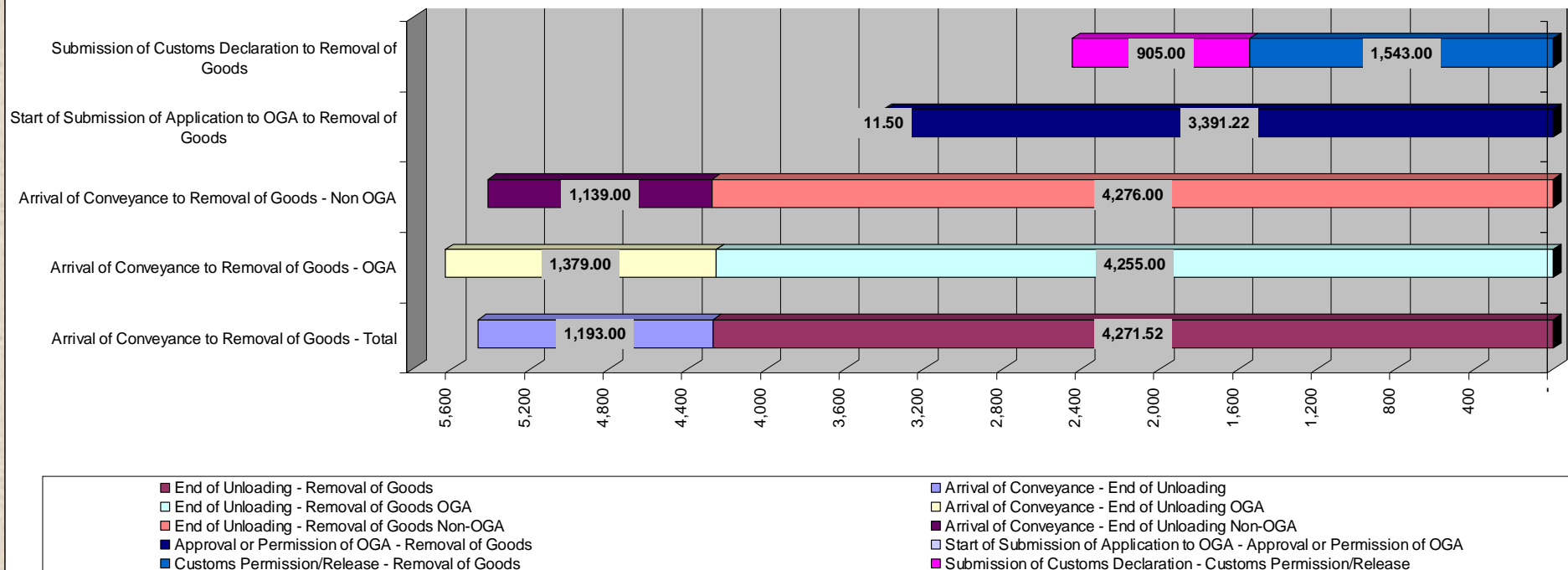
Key findings:

- Slow unloading process
- Late removal of goods due to unavailability of space in importers' warehouses

Recommendations:

- Improve port cargo handling services

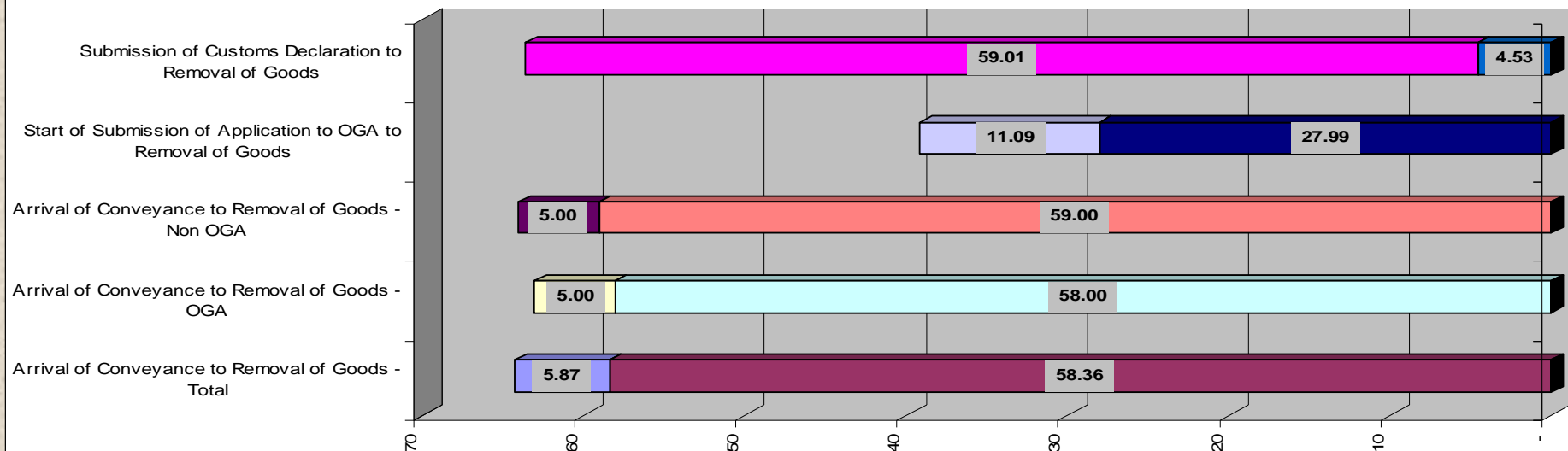
Figure 1. Sandakan Port
Arrival of Conveyance to Removal of Goods: Total Average Time (in mins)



Analysis example (3)

Tebedu: TRS Findings and Recommendations

Figure 1. Tebedu Land Border Crossing
Arrival of Conveyance to Removal of Goods: Total Average Time (in mins)



- Submission of Customs Declaration - Customs Permission/Release
- Customs Permission/Release - Removal of Goods
- Start of Submission of Application to OGA - Approval or Permission of OGA
- Approval or Permission of OGA - Removal of Goods
- Arrival of Conveyance - End of Unloading Non-OGA
- End of Unloading - Removal of Goods Non-OGA
- Arrival of Conveyance - End of Unloading OGA
- End of Unloading - Removal of Goods OGA
- Arrival of Conveyance - End of Unloading
- End of Unloading - Removal of Goods

Analysis example (3)

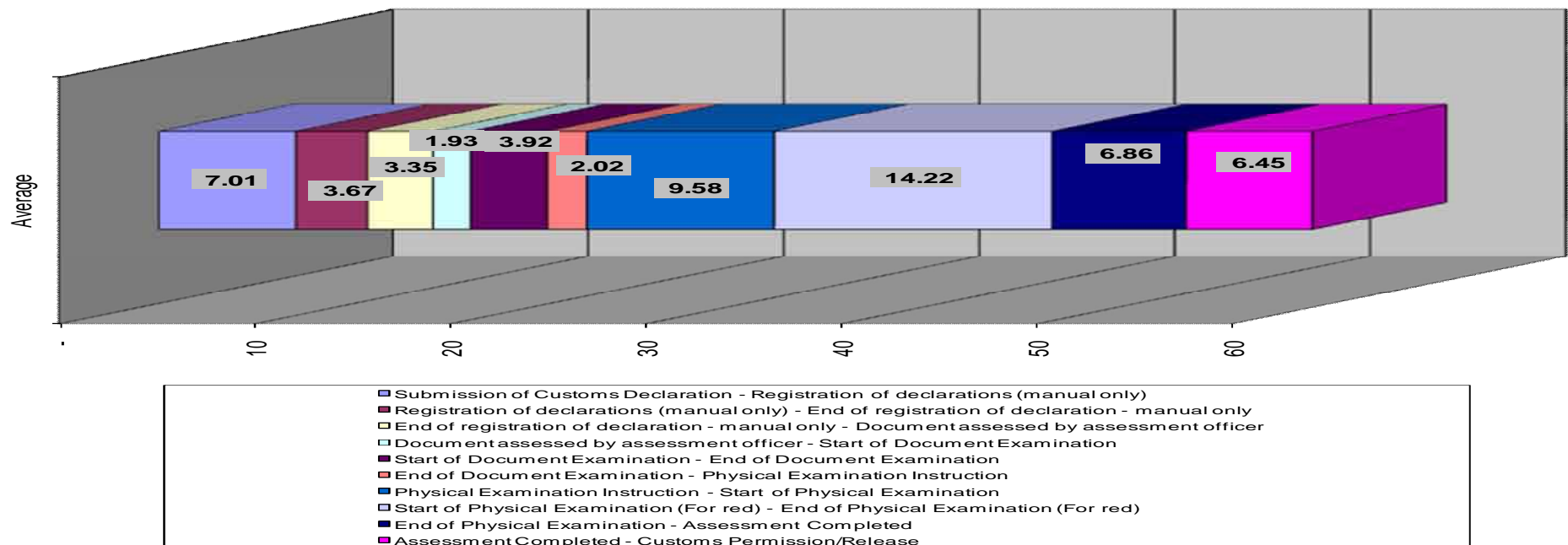
Key findings

- Delay in submission/registration of customs declaration
- Long waiting time for physical examination due to absence of x-ray equipment and examination bays
- Slow assessment due to manual calculation of duties resulting in longer release time for dutiable goods

Recommendations:

- Fully implement CIS
- Implement pre-arrival clearance
- Strengthen local risk management system to exempt risk-free and low-risk cargoes from physical examination and enhance coordination between Customs and OGAs (i.e. joint inspection)
- Authorize reliable trade operators for fast-track clearance
- Employ x-ray machine and designate common cargo examination area
- Explore other modes of payments (i.e. deferred program)

Figure 3: Tebedu Land Border Crossing
Submission of Customs Declaration to Customs Permission/Release : Total Average Time (in mins)



Reporting and follow-up

TRS analyses and recommendations reported to country agencies for interventions and CIQS TF for monitoring. Specific measures varied from country to country.

Next TRS expected in 2011 to assess impacts of interventions



**Open discussion:
Questions?
Concerns?
Thoughts?**

Thank you for your attention!

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