

## **Report of the Time Release Study (TRS)**

Time Release Study (TRS), to measure the time taken for Customs processes was carried out by Policy, Planning and Research Directorate during the month October 2014.

The objectives of the study, scope, methodology, analysis and the conclusions with recommendation are explained in this report.

### **Objective**

Primary objective of the TRS is to measure the average time taken for release of goods from their arrival up to the release of goods to the consignee. As a stepping stone to implement the TRS in Sri Lanka, this survey was carried out only within the Customs constraint. A comprehensive study with the participation of all Border agencies is due as decided by the Customs working group.

### **Scope**

Since Sri Lanka Customs is undertaking the TRS for first time, a simplified study was conducted using simplified form based on the manual and automated Customs procedures capturing key element of the release process. Although the Customs procedures are partially automated, the survey was preceded manually. As mentioned above, it is limited to the area where Customs intervention is involved throughout the clearance process.

Mode of traffic for this study is limited to sea cargo imports and declaration processing (Long Room), cargo examination and valuation processes were involved in this regard.

## **Methodology**

It was conducted manually covering all relevant transactions at the Customs offices. Scheduled duration of the study was one month (30 working days).

Following working points were considered in the survey.

1. Declaration processing : Long Room and Doc Center
2. Examination yards : RCT, Gray Line I, Gray Line II, High Risk Cargo Unit, BQ LCL warehouse, JCT LCL warehouse, New Nuge Road LCL warehouse
3. Central Valuation : RCT (Orugodawatta)

Officers were instructed to enter data in the TRS form, Annex B, especially designed for this purpose by indicating the in and out time on a chronological order, date and the signature, in order to ensure authenticity of the data.

The study was primarily done in line with the three phases that were given in the WCO TRS Guide version 2.

### **Three phases of the TRS**

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**

Following steps were taken during the phase 1.

- Customs working group was established with the direction of DGC. (I.e. Customs working group is consisting of DGC, ADGC (Corporate), ADGC (R&S), DC (PP&R), DC (Declaration), DC(Cargo Examination) and DDC (PP&R/CIAD), ASC-TRS))
- It was decided to conclude the survey within the Customs processes are concerned as an initial step of the study.

- Awareness sessions were conducted for the staff of the Declaration, Cargo Examination, RTF, Preventive Directorates and Customs House Agents as well, with the participation of DG, ADGC (Corporate), ADGC (R&S), DC (PP&R)
- TRS form (annexure 'B') was designed by the Customs Working Group as per the guidelines given in the TRS Guide
- It was decided to carry out the survey during the month of October 2014.
- Instructions were issued to the staff concerned that how to proceed with the survey by the DC (PP&R), (Annexure 'A')
- The TRS form was published in the Sri Lanka Customs web page for information and ease of importers and Customs House Agents

### **Test Run**

As per the guideline of WCO TRS Guide, Test Run is recommended for the administrations who conduct TRS for the first time, for the purpose of obtaining quality and accurate data.

Since the TRS is a new instrument for the Sri Lanka Customs and the Stakeholders, the data entered during the first day of the survey was considered and analyzed as the data of a test run. (i.e. as directed in the TRS guide)

### **Phase 2 – Collection and Recording of Data**

- Completed forms were collected from the final destination where passed for delivery for the consignments were given.
- Accuracy of data was checked, scrutinized and entered by the PP&R staff under the supervision of DDC(CIAD)
- Data was entered to an Excel module that was prepared by Mr. Kasun Mallikarachchi, ASC II, who is an active member of TRS Survey.

## Analysis of Data

The raw data captured from the TRS forms were converted as information using the Excel module. In order to have accurate results, the forms were scrutinized carefully. The result of the survey is appended.

During the time of survey 16,528 Customs declarations were processed for sea cargo imports in the Declaration Processing directorate.

- Number of TRS forms received = 15,303
- Number of rejected TRS forms due to incomplete data = 14,521
- Number of forms used for time release study = 782

## Findings of the Time Release Study

1). General Analysis of Declaration Processing;

Number of Items	Cargo type	Average time for Receiving Officer (min)	Average time for Appraiser (min)	Average time for SC (min)	Average time for Officer-Fast Track (min)	Average time for Screening (Min)	Total Average Time
Single Item	FCL	4	11	8	11	16	50
	LCL	5	10	12	14	15	56
2 to 5 items	FCL	2	12	14	13	22	63
	LCL	3	13	13	15	21	65
6 to 25 items	FCL	5	16	14	16	19	70
	LCL	6	17	12	16	22	73
more than 26 items	FCL	6	18	16	13	23	76
	LCL	8	16	15	17	22	78

- 2) Average time taken at the Declaration processing (Long Room) = 66 min
- 3) Average time taken at the Doc Center = 33 min
- 4) Average time taken from Declaration processing (Long Room) to Doc Center = 39 min
- 5) Average time<sup>1</sup> taken from Doc center to Examination yard = 5.4 hours
- 6) Average time taken at the valuation Directorate = 1.2 hours

<sup>1</sup> Time on which the DDC received the documents taken as time-in

7) Average time taken to examine the cargo;

Channel Selected	Average Time taken at the examination yard
Amber	44 min
Detail/Red	4.7 hours
High Risk	4.9 hours

8) Summary of the Analysis

- Total Average time taken to release a cargo in Amber = 8.5 hours
- Total Average time taken to release a cargo in Detail/Red = 1 day and 4 hours
- Total Average time taken to release a cargo in High Risk = 1 day and 7 hours

9) Evaluation;

- It was ascertained that all the required data was entered and, in line with the agreed parameters. As a result 782 forms out of 15303 were found accurate where 14521 forms were rejected due to incomplete data. **This is a very unsatisfactory situation as the survey could be conducted by considering only 5% of the number of forms.**
- It is apparent that time taken to pass the CUSDEC consisting of single item and multiple items CUSDECs are almost same.
- Time taken to pass a single item CUSDEC and multiple items CUSDEC through screening is almost same.
- Time in between Declaration processing and DOC Centre is more than half an hour where average time in the DOC Center is also half an hour. Remedial action for the change of system can be considered in this regard.
- Substantial delay has occurred during the time taken between Doc-Center and the examination yards where intervention of many other Agencies are involved.(i.e. SLPA,CHA and Transport agents etc..)
- It is important to note that, when the lorries/cargo (i.e. Cargo that was selected for Red and High-risk) are arrived at the examination yards during the late hours of the night, such cargo is examined only during the day time of the following

day. The idling time has been included in “total Average time” taken to release the cargo in Detail/Red/High-Risk channels as shown in the general analysis at the page 5.

## **Obstacles**

As you are aware, objections and obstacles are obvious as a practice when the reforms and new projects are implemented in any organization. The survey was carried out amidst various difficulties although the awareness programs have been conducted for the staff concerned.

- Although the sufficient awareness has been done, contribution of the majority of the working points is unsatisfactory. (i.e. only 782 out of 15303 of forms are accurate, which is only 5% of the total number of forms)
- DC(CCED) contributed the survey by instructing the officers working in the examination points enter required data timely and accurately. However, when analysing TRS form it was noted that most of the forms from RCT are accurate while the other examination yards had shown poor interest about survey. This has adversely affected the study to determine the average time taken to examine the cargo (i.e. RCT examines only Amber Chanel cargo)
- It was unable to include the releasing time of cargo detained for investigation purposes by the RTF and Preventive Directorates since the staff were not concerned in filling the form. As such, the survey results are only limited to the normal clearance procedure for sea Cargo-Imports and do not include the releasing time of cargo detained for investigation purposes.

## **Conclusion and recommendations**

Initial implementation of TRS in Sri Lanka Customs is another important milestone. In order to eliminate obstacles on speedy clearance of cargo, this will be a fine solution as recommended by WCO and other international community.

When analyzing the overall results, substantial delay has been shown between the time from the Doc-Center to the Examination yards. It is obvious that most crucial container traffic is apparent during afternoon session of each day. Such situations may be rectified by conducting a comprehensive study in due course.

Delays in between Doc Center and the Customs Examination yards are obvious according to the analysis and verbal grievances of the CHA/Wharf. Reasons for this situation are;

- Delays in allocation of lorries for the transport of goods to the examination points by the transport agents
- Traffic at the NCT gate(Most crucial Bottleneck) due to prevailing set up of the port exit gates

Most of the CHA/Wharf representatives had complained during the awareness sessions that, extensive delay is taken place at the Face-vet counter due to the delays in cusDec receiving process. It was explained by the LRS and the DDC (Declaration Processing) that the insufficient human recourse especially the cadre of ASCC has been the reason for these delays.

Since this survey was limited only to the Customs processes, a comprehensive study can be conducted in the future and remedial action may be suggested with the participation of all Stakeholders such as Sri Lanka Ports Authority and Transporters.

As per the basics of the TRS, it is focussed to identify existing bottlenecks and take remedial steps to improve the prevailing systems and processes that exist as obstacles for speedy clearance of the goods.

### **Recommendation;**

- Allocate sufficient staff to receive the CUSDEC at the Face-Vet counter.
- Shift Doc-Center process closer or within the Declaration processing area. (i.e. It is important to note that this has to be amalgamated with SLPA process too in order to obtain effective result)
- Implement Automated channel selection

- Take suitable measures to allow the Cargo through the port exit gates with minimum delays by the Customs Preventive Staff.
- Avoid delays in between Doc-Center and the examination yards (i.e. discussing with SLPA and transporters)
- Reveal the reason for delay in the container traffic. (This has occurred mainly the cargo movement is started in the afternoon as a practice).
- Establishment of container facilities near the port exit gate (Outside the NCT Gate) in the adjoining lands and avoid container movements in public roads prior to the Customs examination.

Finally, we acknowledge the following officials who have shown an exceptional interest and enthusiasm in order to carry out this invaluable study:

- Mr. Jagath P. Wijeweera, Director General Customs
- Mr. S. Rajendran, Additional Director General Customs (Corporate)
- Mr. M. Puviharana, Additional Director General Customs(Revenue & Services)
- Mr. R.P.D.T. Senevirathne, Additional Director General Customs(Provincials)
- Mr.K.L.G.T. Perera, Additional Director General Customs(Enforcement)
- Mr. T.A.L. Weerasinghe, DC(PP&R)
- Mr. K. Premanath, DC(Declaration)
- Mr. D.A.I. Daranagama, DC(Cargo Examination)
- Mr. T.W.A. Senanayake, DC (Valuation)
- Mr. L.N. Jayasekara, DDC(Declaration)
- Mr. H.S.N.K. De Silva, DDC(RCT-Cargo Examination)
- Mr. Anuradha Jayawardane (LRS)
- Mr. H.M.S. Premarathne (DDC-PP&R)
- Mr. D.M.N. Dissanayake (DDC-PP&R)
- PP&R Staff (Annexure 'C')



TRS study was conducted under the direct supervision of DC (PP&R) by;

H.K.M.S. Jayarathne  
DDC (PP&R/CIAD)

M.A.K.N. Mallikarachchi  
ASC (PP&R)  
23.12.2014

Internal Letter

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mail:ddcppnr@ customs.gov.lk

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Date:

26.09.2014

**To all officers;**

**WCO Time Release Study (TRS)**

TRS is an important instrument designed by the World Customs Organization (WCO) targeting the expedition of the cargo clearance at the border. This is a **procedure to measure the time taken between arrivals of the goods at the port until their release to the consignee**. Based on the results of the TRS, the Customs will be able to diagnose existing and potential bottlenecks which act as barriers to the free flow of trade, and take remedial actions for **reducing the cargo release time**.

A sample survey has been scheduled for the determination of average time taken during the intervention of Customs. This study will be started with effect from 01.10.2014.

All officers are advised to pursue the appended procedure;

1. TRS survey form is issued by the Face-Vet staff or downloadable from the Customs web site (Copy in enclosed).
2. Face-Vet officer ensures whether the correct details have been furnished in the cage to be filled by the Declarant.
3. The officer concerned has to enter the date and time correctly in the respective column reserved for official purposes , before handing over the documents to the CHA.
4. It is the responsibility of the officer concerned to enter the correct date and time (time sent and received), when CUSDECS are referred to the other border Agencies.
5. Finally, SO or SC authorizing "Pass for Delivery" has to collect and secure the survey forms.
6. All finalized survey forms will be collected on every Monday by the staff of PP&R under acknowledgement from the SO or SC at the respective examination point, where goods were released.
7. Please contact Mr. H.K.M.S. Jayarathne, Deputy Director of Customs, Customs International Affairs Division, PP&R Directorate, 5th Floor, Customs House on 0777-484664 or 2445146 or Mr. M.A.K.N. Mallikarachchi, ASC II on 0712271883, for any further clarification.
8. This survey will be conducted until 30.10.2014.
9. Cooperation of all staff concerned is requested to conduct this survey successfully.

T.A. L. Weerasinghe

Director of Customs

Policy, Planning & Research Directorate

26.09.2014

Copies:

1. Director of Customs (Declaration)
2. Director of Customs (Cargo Examination)
3. Director of Customs (Valuation)

Reference No : TRS/Survey/PL 748/

**WCO Time Release Study**  
(Format is Designed to measure the average time taken to clear the Cargo)

**To be filled by the Declarant**

Face Vet Date	D	D	M	M	Y	Y	Y	Y
Consignee TIN								
Consignee Name								
Declarant TIN								
Declarant Name								
CusDec No								
Date	D	D	M	M	Y	Y	Y	Y
No of Items				FCL		LCL		

**For Official Purposes**

Branch Unit	Officer	Date & Time IN	Date & Time OUT	Total Processing Time	Signature	Referred to other border agency		
							Date & Time Sent	Date & Time Received
<b>Declaration</b>	Receiving					ICL <input type="checkbox"/>		
	Appraiser					CDDA <input type="checkbox"/>		
	SC					SLSI <input type="checkbox"/>		
	Officer-Fast Track					Other .....		
						<b>Referred to :</b> Commodity Classification		
<b>Screening</b>	DDCC							
	Selected – Green <input type="checkbox"/> Amber <input type="checkbox"/> Red <input type="checkbox"/> Detail <input type="checkbox"/> High Risk <input type="checkbox"/>							
<b>Doc Center</b>								
<b>Examination Yard Name of the yard:</b>	DDC					<b>Referred to other border agency</b>		
	SC						Date & Time Sent	Date & Time Received
	Appraiser					Food <input type="checkbox"/>		
	ASC/DSC					Quarantine <input type="checkbox"/>		
						Other <input type="checkbox"/>		
						.....		
<b>Valuation</b>	DC							
	DDC					<b>Referred to :</b> Commodity Classification		
	SC					Valuation		
	Appraiser							

Signature of the DDC/SC (Passed For Delivery): .....

Date and Time: .....

**For the use of TRS office (PP&R)**

Certified By :

Total Time Taken :

**Staff of the Policy Planning and Research Directorate who  
assisted for the survey**

1. Mr.D.C.Batawala	SC
2. Mr.D.M.K.T.Dahanayake	DSC I
3. Mr.D.O.H.Katuwawalage	ASC II
4. Mr.D.S.Dammalage	ASC II
5. Mrs.R.P.N. Pathirana	ASC II
6. Mr.L.G.A.Sathath	Translator
7. Mrs.S.S.Mohamed	T/Typist
8. Mrs.D.W.R.M.Priyangani	S/Typist
9. Mrs.B.W.M.M.C.Weerasinghe	S/Typist
10.Mrs. H.U.N. Fonseka	E/Typist
11.Mrs. M.K.T.Perera	E/Steno
12.Mr.P.A.N.Jayasundara	Driver
13.Mr.H.M.M.S.Wijenayake	OES
14.Mr.W.D.Sarath	OES
15.Mrs.C.S.M.Fonseka	OES