



# TIME RELEASE STUDY

Philippine Bureau of Customs  
2019

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## FOREWORD

As I assumed the helm of the Philippine Bureau of Customs in 2018, my goal was clear and evident – to lead the way forward to a custom service that is at par with global standards. Thus, we have begun to automate our systems and processes, computerize our work, and modernize our facilities and procedures.

To push these forward, I have launched the BOC 10-Point Priority Programs for 2019 & 2020 and implemented the Performance Governance System (PGS), which focuses on integrity and good governance. With these, I am confident that we will reach that point of finally transforming the Bureau into a professional and credible customs administration that is at par with the world best.

It is therefore very fitting that the WCO Time Release Study (TRS), which aims to measure the performance of customs activities as they relate to trade facilitation, was conducted at this point in time that Philippine Customs is undergoing transformation. By identifying the problems and so-called bottlenecks in customs processes and procedures, appropriate solutions or policies can be put in place and we can accomplish our goal at the soonest possible time.

Finishing the TRS was not easy. Hence, I would like to thank the WCO and the Asian Development Bank (ADB) for their assistance and cooperation in making this Study possible. Special thanks to WCO accredited TRS expert Mr. Sompasong Alphaengphai of Lao PDR for providing the training to our customs officials.

Finally, I would like to congratulate the TRS Working Group led by the Planning and Policy Research Division (PPRD) and External Affairs Office (AEO) together with their members from the Assessment and Operations Coordinating Group (AOCG), the Management Information and Systems Technology Group (MISTG), the Statistical Analysis Division (SAD), Central Records Management Division (CRMD), Super Green Lane (SGL) Secretariat, the Enforcement and Security Service (ESS), and the Manila International Container Port (MICP) for their hard work in completing this Study. Kudos for a job well done.

**REY LEONARDO B. GUERRERO**  
Commissioner

## 1. EXECUTIVE SUMMARY

The Time Release Study (TRS) is a unique tool and method to review customs clearance procedures and measure the administration/agency's performance as it directly relate to trade facilitation at the border.

The TRS is a strategic, internationally recognized tool to measure the actual time required for the release and/or clearance of goods, from the time of arrival until the physical release of cargo, with a view of finding bottlenecks in the trade flow process and taking the corresponding necessary measures to improve the effectiveness and efficiency of border protection.<sup>1</sup>

The TRS, thus, is a necessary part of customs' internal review to determine the cause/s of delay in the processing and release of shipments and identify problem areas and potential corrective actions to increase border process efficiency.

In 2019, the Philippine Customs conducted its TRS at the country's biggest port, the Manila International Container Port (MICP) to determine the problems or bottlenecks in the processing and release of both Import and Export shipments.

The Study was conducted by a TRS Working Group for 7 working days following the WCO's Guide to Measure the Time Required for the Release of Goods (Version 3) and with the involvement of key stakeholders (importers, brokers, exporters, forwarders, other relevant government agencies).

After collecting, verifying and analyzing the data, which were obtained manually and electronically, the following results were obtained.

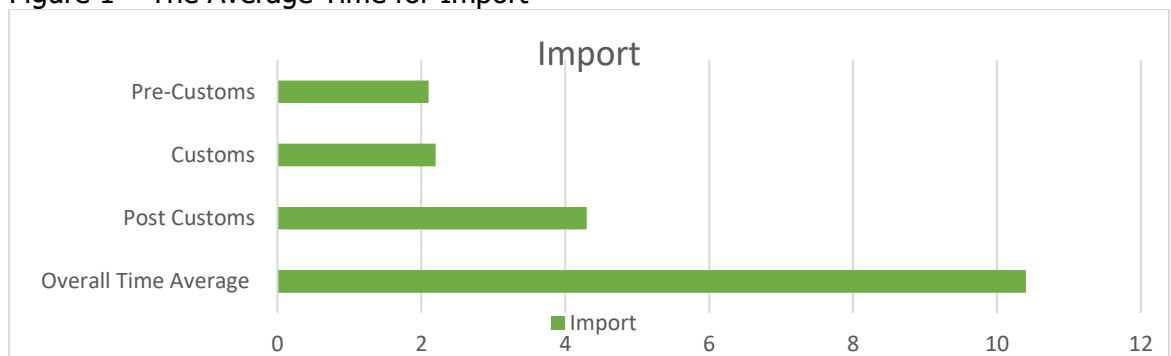
1. The overall average time in **CUSTOMS PROCESS** for Import is **2 days, 10 hours, and 3 minutes.**

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<sup>1</sup> Guide to Measure the Time Required for the Release of Goods 2018

2. The overall average time from arrival of vessel to SAD Registration, which is considered as **PRE-CUSTOMS**, is **2 days, 8 hours and 16 minutes**.
3. The overall average time **POST CUSTOMS**, which is the cargo movement process at the port terminal is **4 days, 16 hours and 39 minutes**.
4. For the entire process, from ship's arrival up to the time the goods exited the port terminal facility, the over-all average time to process an import is **10 days, 19 hours and 18 minutes**.

Figure 1 – The Average Time for Import



Based on the foregoing, it is clear that while pre-customs and customs time averages are almost the same, there is a big disparity with respect to the average time for post-customs or the time of the shipment's release from customs jurisdiction until its release from the terminal operator or gate out.

Likewise, the dwell time of the cargo from the time it arrived at the port to the time it left the port's premises is quite protracted at an average of **10 days, 19 hours and 18 minutes**.

The dwell time for Shipments in the *RED lane* is even higher at **11 days, 5 hours, and 51 minutes**, while the lowest average time is from the *SGL/BLUE lane* with **7 days, 14 hours and 6 minutes**. Shipments tagged RED are subject to strict

document examination and Xray/physical inspection. SGL/Blue Lane shipments, on the other hand, are not subject to such strict procedure and may be released immediately upon payment of duties and taxes.

Meanwhile, for Export Shipments:

1. The over-all average time from lodgment of export declaration up to issuance of Clearance is **3 days, 13 hours, 29 minutes and 2 seconds**.
2. From submission of Export Declaration to Issuance of Authority to Load, which is within the domain of the Port's Export Division, the export declarations are processed with an average time of **one (1) hour and 11 minutes**.
3. From the time Export Division issued the Authority to Load until the issuance of Clearance, the time average is **2 days, 15 hours, and 39 minutes**.

Verily, the average time for processing of export shipments was fast at one (1) hour and 11 minutes. Movement of cargo from the release of the Authority to Load until the issuance of Clearance, which is the last step prior to the cargo's departure, however, was not as fast as the average time was still recorded at **2 days, 15 hours and 39 minutes**.

#### **Major Recommendations:**

While delays in pre-customs and post customs have been observed, BOC lamentably could not propose any solution as it is beyond customs control and that solution, if any, is totally dependent on the port operator, as well as with brokers/importers.

Nevertheless, for delays that have been observed within customs, corrective measures may be instituted.

It was noted that delays have been experienced because of the practice of filing, submitting, and bringing of documents from one office to another by brokers; and that permits from relevant government agencies are also still not directly being transmitted to BOC. These practices highlight the need to institute a paperless environment in customs, which can be achieved through:

1. Full computerization and automation of the systems in the port to avoid the need to manually transfer or bring import documents from one office to another. It has been noted also that until now, physical presence of brokers is still needed before documents can be acted upon by concerned customs personnel.
2. Stronger coordination and online linkage with other government agencies (OGAs) with respect to the issuance of permits, clearances, and other supporting documents, so that the same may be transmitted directly online and without waiting for the brokers/importers to personally submit these to the Bureau. Permits and Clearances from OGAS are usually being issued prior to arrival of the shipment. However, in instances that the issuance thereof is delayed, the examiner puts the processing of the shipment on hold until the required document is submitted.

To support the proposal for paperless transaction in customs, the following should also be established and/or enhanced to ensure that the integrity of documents and enforcement of customs rules will not be compromised.

3. IT-based risk assessment and targeting system to increase the efficiency of the clearance process for low, medium and high-risk shipments and to ensure that Customs focus on priorities and decisions on deploying its limited resources to areas of highest risk.



4. More aggressive implementation of program/s recognizing and rewarding compliant traders, such as the program on Super Green Lane and Authorized Economic Operator (AEO), which will encourage traders to invest in compliance and adopt best practices.

With respect to Export transactions, the delay, albeit minimal, was observed in the movement of the cargo, which is also outside of customs control. Although the issuance of final clearance is with BOC, there is an outside factor, which is the loading of the cargo to the vessel, since it follows established sequence and rules on stowing, to avoid imbalance and to keep the vessel secure.

## **2. INTRODUCTION**

Amidst its efforts to modernize and automate its systems and processes, the Philippine Customs has endeavored to further enhance trade facilitation to make import and export transactions faster and more efficient.

Under the helm of Customs Commissioner Rey Leonardo Guerrero, the BOC has unveiled a 4-year transformation program to elevate the bureau into a transparent, credible and world-class administration by 2022. This is being supported by his 10-Point Priority Programs, wherein he identified vital activities & procedures that should be undertaken or improved in order to attain the bureau's vision.

Part of the 10-Point Priorities is the enhancement of trade facilitation in the Bureau, which is also in consonance with the implementation of the WTO Trade Facilitation Agreement (TFA).

The TFA, which the Philippines ratified on 27 October 2016, entered into force on 22 February 2017 following its ratification by two-thirds of the WTO memberships. The TFA contains provisions for expediting the movement, release and clearance of goods, including goods in transit. It also sets out measures for effective



cooperation between customs and other appropriate authorities on trade facilitation and customs compliance issues. One of the provisions of the TFA refer to the conduct of TRS as a tool for member-countries to measure and publish the average release time of goods. Article 7.6.1 of the TFA “encourages WTO Members to measure and publish their average release time of goods periodically and in a consistent manner, using tools such as the WCO Time Release Study”.<sup>2</sup>

Further, the 2019 TRS was conducted to comply with our facilitation commitments with, among others, the ASEAN Economic Community Blueprint 2025 and BIMP-EAGA (Brunei-Indonesia-Malaysia-Philippines - East ASEAN Growth Area) Vision 2025, and the WCO Strategic Plan 2019-2022.

Verily, this TRS is a step forward towards the accomplishment of the desired transformation of the agency, specifically in enhancing trade facilitation by reducing clearance times and improving its own performance with respect to cargo processing and release procedures. The country’s ranking with respect to the World Bank survey on the Ease of Doing Business is also expected to be improved once the desired enhancements in the procedures and processes in the Bureau is achieved.

### **3. OBJECTIVES**

The main goal of this Study is to improve the effectiveness and efficiency of the Customs cargo process and clearance procedures by identifying bottlenecks in the supply chain affecting the release of imported and exported goods and formulating /installing appropriate trade facilitation measures to mitigate such bottlenecks. Specifically, the Study would also be able to accomplish the following:

- Measure the performance of the Port with respect to cargo clearance and release procedure.

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<sup>2</sup> Trade Facilitation Agreement (TFA) legal text

- Measure the average time taken between the arrival of goods and release from Customs control.
- Measure the average time required for each intervening event between arrival and release of the goods (i.e. unloading, storage, submission of the declaration, inspection, and release of goods).
- For export, to determine the average time taken between the lodgment of export declaration to cargo's release for loading.
- Identify cause/s of delay or constraints affecting the release of goods.
- Identify the possible corrective measures and recommendations for creating a conducive environment for a seamless flow of goods.
- Identify opportunities for trade facilitation improvements.
- Measure the arithmetic mean time between the arrival of the goods and their release.

#### **4. OVERVIEW OF THE STUDY**

The Study was conducted within the period of 7 days in the Port of Manila International Container Port (MICP) for (1) Import and (2) Export beginning October 7, 2019 to October 16, 2019.

In conducting the TRS, close collaboration between relevant customs offices, concerned government agencies and private sector stakeholders had been made to ensure that the Study would be able to effectively identify the issues or bottlenecks in the flow process of cargo.

Prior to actual data gathering, the Bureau issued relevant orders for the establishment of a Working Group. Regular coordination meetings and training for the members and other relevant parties/stakeholders had been conducted.

The TRS Working Group agreed on the scope of the Study and decided to acquire the required information using both manual and automated processes. Data were

collected using the pre-designed questionnaires and data retrieved from information systems being run by the MISTG and the port operator International Container Terminal Services, Inc. (ICTSI).

The Study followed the minimum scope on TRS Implementation. Mode of traffic is limited to sea cargo imports. A Test Run was also conducted days before the actual gathering of data at the identified offices of the port.

After collection, the data were verified and analyzed, and the result is herein presented in this report, together with the recommendations addressing the issues for the delay in the processing and release of the cargoes.

## 5. PORT PROFILE



## THE MANILA INTERNATIONAL CONTAINER PORT

The Study was conducted at the Manila International Container Port (MICP), which started as a humble office under the then Collection District II, Port of Manila. Years later, MICP grew to stand on its own as a sub port and then as a major Collection District.

Today, MICP has grown to become the largest Collection District in the Philippines. The Port processes the clearance and release of between a thousand to three thousand containers per day. And from the 122 thousand containers processed in

1977, MICP today boasts the capacity to process and accept 1.5 million to 3 million containers every year.

The MICP also exercises authority over the Manila International Container Terminal (MICT), considered as the largest and most modern container terminal in the Philippines, operated by the ICTSI.

From being the second-largest revenue generating office of the Bureau, MICP has grown to become the largest contributor to Customs' annual collection targets. MICP's annual duty and tax collection accounts for about one-fourth of the total revenue generated by Customs. In 2019, MICP collected a total of about 162 billion pesos accounting for about 26 percent of the Bureau's 2019 target.

Similarly, MICP has been recognized for its Customs border protection performance as the best in the country. For 2019, it recorded a total of 8,238 tons of seized contraband estimated to be worth over 863 million pesos.

## **6. CUSTOMS PROCEDURE**

### **6.1. Import Procedure**

Before importers can transact business with the Bureau, they need to undergo an accreditation process. The importers would also need to determine if commodity being imported requires any import regulatory documentation from regulatory agencies and prepare various documents as attachments to the import entries including but not limited to commercial invoice, packing list, bill of lading, etc.

Under CMO 48-2019, the sea freight carrier should submit the cargo manifest electronically at least 24 hours prior to vessel's arrival. When the vessel arrives, the cargo is off-loaded at the port or warehouse area.

The importer then lodges the goods declaration using one of the three (3) Value Added Service Providers (VASPs). A VASP is authorized by BOC to be a third-party conduit for the submission of goods declarations.

The information in the goods declaration goes to the Selectivity System to determine the applicable clearance procedure. The Selectivity System uses risk management criteria that checks the goods declaration information. This distinguishes high risk cargo from low risk ones. Selectivity System classifies each shipment for processing in the Green, Yellow, Red or Blue lane.

If the shipment is classified under either Green or Blue lane, it is considered cleared. The next step is the payment of duties and taxes, and the system will then issue an online release order, signaling that the entry is cleared for release.

If the shipment is classified under Yellow lane, the examiner will verify and check the completeness and authenticity of the documents, as well as check if the declarations in the boxes of the Single Administrative Document (SAD) are consistent with each other. The importer may be required to submit additional documents before the shipment may be cleared. These documentary requirements may include import permits, shipping or other procurement related documents. The examiner has the authority to re-route the shipment to the Red Lane if there are inconsistencies or if there are doubts as to the truthfulness of the declaration.

If the shipment is classified under Red lane, the cargo will require a physical inspection by customs examiner or non-intrusive inspection.

In cases of selected Yellow or Red shipments, if there are questions on the value or if the goods are included in the list of commodities required to undergo value verification, the corresponding goods declaration shall be forwarded to the Import

Assessment Service (IAS) for value verification before it can be subjected to final assessment of duties and taxes.

The next step is payment of duties and taxes. Payment is made by importers through any of the Authorized Agent Banks (ABBs) where the importer maintains an account. Payment information then goes through the PCHC for clearing and recording. BOC will be electronically notified by PCHC once payment has been made by transmitting the statement of settlement of duties and taxes (SSDT). The Bureau's On-Line Release System (OLRS) then generates the release instruction to the Electronic Delivery System of the Terminal Operator/Arrastre/Customs Facility and Warehouse (CFW) Operator and this ends the process of cargo clearance at the Bureau.

The release instruction notifies the Terminal Operator/Arrastre/CFW Operator and importer that the cargo is cleared for release.

The Electronic Delivery System of the Terminal Operator/Arrastre/CFW Operator is connected to the Bureau's On-Line Release System (OLRS). At this point, the importer would pay wharfage and storage charges and secure a gate pass for the cargo from the Terminal Operator/Arrastre/CFW Operator. The importer then notifies the cargo carrier and schedules the retrieval of the cargo from the operator's premises.

The transport operator/trucker arrives to retrieve the goods. The operator records the gate-in and gate out of the trucker. The importer then physically receives his shipment as delivered by its transporter.

## **6.2. EXPORT PROCEDURE**

Exporter applies for accreditation with Philippine Exporters Confederation (PhilExport) or any investment promotion agencies (e.g. BOI, PEZA, Clark

Development Corp., etc.). Once accredited, an exporter must register with the BOC E2M System with the concerned Collection District.

The Exporter or his representative lodges the Export Declaration-Single Administrative Document (SAD) in the E2M System through his selected Value-Added Service Provider (VASP).

Similar to import declaration, export declarations are also subject to the Selectivity process and may be classified as either Green, Yellow or Red. Export is excluded from the SGL Program hence the Blue lane is not applicable.

Exporter files the physical copy of Export Declaration together with the appropriate documentary requirement with the Export Division of the port of loading. The Export Division then checks the completeness, accuracy and consistency of the documents submitted. Export goods selected "Red" by the system, covered by an Alert Order, re-export bond or is exported for repair is either physically inspected or is subjected to x-ray inspection, as appropriate.

Once verified correct and complete, the Export Division stamps "Authority to Load" at the Export Declaration.

The original and duplicate copies of Export Declaration is released to the Exporter for transmittal to the Customs Container Control Division (CCCD) for posting and recording of containers. Thereafter, exporter lodges the Export Declaration and all supporting documents to the shipping lines and makes the necessary payment for the cargoes. Loading Sequence is Approved by the CCCD and preparation for loading of the cargoes follow.

The assigned Loading Inspector inspects and ensures that all containerized export cargoes are covered by duly processed export declaration/permits prior to loading



of the cargoes at its assigned vessel. Once it is cleared for loading, the Bay Service issues the Clearance.

## **7. METHODOLOGY**

The WCO proposed methodology for the conduct of TRS was followed in doing this Study.

Data were collected using pre-designed questionnaires, both for import and export and data retrieved from information systems of the MISTG and the ICTSI.

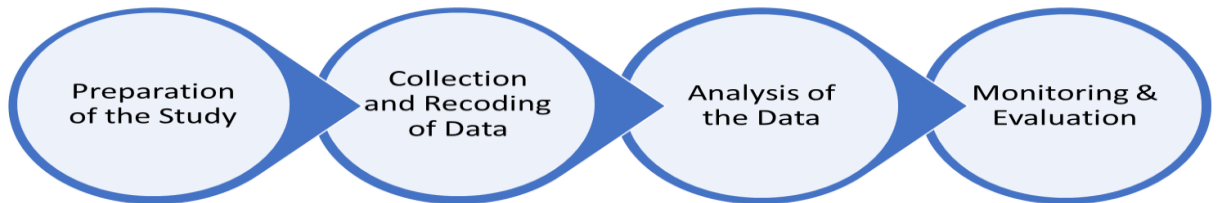
A systematic random sampling was used. The questionnaires were distributed to brokers/importers/exporter during the period October 7-16, 2019 and later retrieved by a team of ESS personnel. A separate team was tasked to encode the data, indicating the in and out time on a chronological order, date and other information, in order to ensure authenticity of the data. For purposes of data privacy, the names of the importers were not included in the required data elements.

Computation of the time stamps was made using descriptive statistic technique and the differences between elements and transit times were done by Microsoft Excel.

To ensure that proper procedures were followed for this Study, the business process was mapped out to identify the elements, steps and/or transit points of the cargo before and after customs, and those that are within customs.

Based on the data presented, figures were generated, and chart / graph / tables were used to illustrate the results.

## 7.1. PHASES OF THE TRS



The Study was primarily conducted following the four phases given in the WCO TRS Guide version 3 (2018). Phase 1 – Preparation of the Study; Phase 2 – Collection and Recording of Data; Phase 3 – Analysis of Data, Determination of the Problems, Recommended Solutions; and Phase 4 – Monitoring and Evaluation.

In *Phase 1*, the following activities were undertaken before the actual conduct of the TRS.

1. Establishment of the Working Group
2. Determination of the Scope and Design of the Study
3. Planning to include the Methodology that will be used
4. Detailed Plan (Whom, When, Where, What and How)
5. Sampling of object to be studied
6. Design and development of Form to be used in the study e.g. collection of data.

In *Phase 2*, the following activities were performed:

1. Working Group ascertained the processes/procedures that are automated, and those which are done manually.
2. Identification of the parties that would be responsible for data collection and recording.

3. For this Study, the Working Group decided to use the “hybrid approach” in which data collection was made manually and electronically. It is noted that Customs and other stakeholder/s involved in the clearance process have different systems or automated processes. Hence the data had to be extracted from different computer systems and integrate it with the other collected data manually.

For *Phase 3*, the following were conducted:

1. The data were gathered and verified, and the resulting time averages were analyzed to determine the possible reasons for such outcome.
2. Based on the results of the analysis, problems/issues in the process are identified and solutions to address those are formulated.
3. The results, conclusions and recommendations are formally reported to the management team for consideration.
4. The report will be used as basis for introducing reforms and new processes that could improve the overall customs performance.
5. In the spirit of transparency and cooperation, the result of the Study shall be made available to all participating and relevant parties and will be published to inform the public of the Bureau’s on-going efforts to improve the cargo clearance process.

For *Phase 4* – Activities after the release of this TRS will be as follows:

1. The identified reforms will be monitored and continuously evaluated to determine if the desired improvement in the processes and procedures has been achieved.
2. Monitoring and evaluation through regular feedback from all relevant government agencies and stakeholders will also be conducted.

## **8. PREPARATION OF THE STUDY**

### **8.1. Creation of the Working Group**

Months before the conduct of this Study, a TRS Working Group was established composed of officials and personnel from the Planning and Policy Research Division (PPRD), External Affairs Office (EAO), MISTG, Statistical Analysis Division (SAD), Assessment and Operations Coordinating Group (AOCG), Central Records Management Division (CRMD), Super Green Lane (SGL) Secretariat, Enforcement & Security Service (ESS) and the MICP Collection District.

The Working Group was tasked to prepare, plan and implement the Study. It was also tasked to coordinate with other government agencies and stakeholders that will be involved in the activity.

In conducting the Study, the Working Group followed the WCO Guide to Measure Time Required for the Release of Goods (version 3), which provides for a globally accepted methodology to measure the actual time required for the release and clearance of goods, from the time of arrival until the physical release of cargo

The Working Group underwent a 4-day Workshop on September 17-20, 2019, facilitated by a WCO-accredited TRS Expert from Lao PDR with support from the Asian Development Bank (ADB). Among the topics discussed include (1) scope of the Study (2) planning and methodology (3) process mapping (4) questionnaires, and (5) test-run. The questionnaires utilized for the TRS were finalized at the workshop taking into account the ASEAN requirements of time measures, from pre-customs to customs and post-customs processes.

### **8.2 The Scope of the Study**

The object of the observation for the TRS was MICP, which is the seaport with the highest number of import entries, and which contributes twenty-six percent to the Bureau of Customs' total revenue.

The procedure covered by the TRS involved the import and export procedure; and covered only Full Container Load (FCL).

The Study captured all the fundamental elements in the customs cargo clearance process. It identified the process flow of goods and measured the average time taken from the arrival of goods at the ports until the physical removal from customs control.

The measurement point for seaport is the docking or arrival by the vessel at the dock for loading until gate out. For shipping information, data were collected from the electronic reports on transport/cargo manifest submitted by the shipping lines. For internal customs procedures, data were collected using the survey, logbooks or records of customs offices that indicates the date and time of transmission/receipt of documents from one office to another, and from the Bureau's E2M.

For information on cargo delivery, data were collected from the electronic gate-out reports submitted by the cargo terminal operator.

For export, the measurement point is the submission of export declaration to issuance of clearance.

The data collection was done through questionnaire, electronic data and measured data. The stakeholders that were involved in the Study include cargo terminal operators, customs brokers, importers/exporters and shipping lines.

### **8.3 The Business Process**

To properly guide the Working Group in the conduct of the TRS, a business process analysis was also undertaken.

The process consists of activities that may be grouped into (a) Cargo Movement and (b) Cargo Clearance.

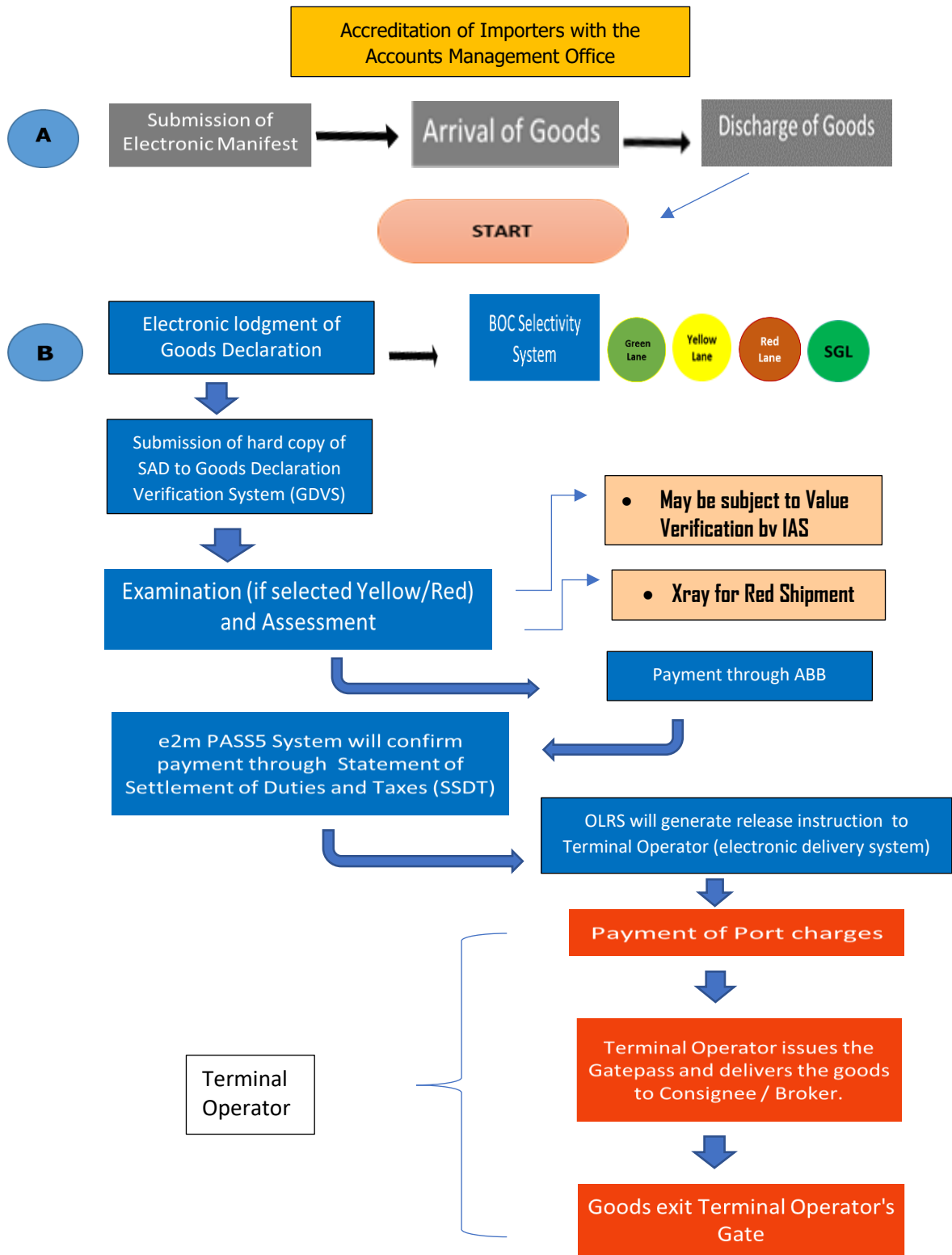
Cargo Movement refers to the physical movement of cargo, from the arrival of the carrying vessel, off loading of cargo from the carrying vessel, placement of cargo container at the designation examination area (DEA) for physical inspection (if warranted), loading of cargo container to delivery vehicle, and exit from the port operator terminal or warehouse.

On the other hand, Cargo Clearance involve the documentation process prior to release. Cargo clearance is mostly within the domain of Customs, although other entities and agencies participate at certain stages, i.e., the authorized agent bank (AAB) and the Philippine Clearing House Corporation (PCHC) for payment, and the trade regulatory government agencies for the issuance of import permits/certificates if needed.

The two are not strictly sequential or chronological as there may be instances when cargo movement may run in parallel or at the same time with the cargo clearance.

The following illustration presents the over-all process of cargo movement and cargo clearance.

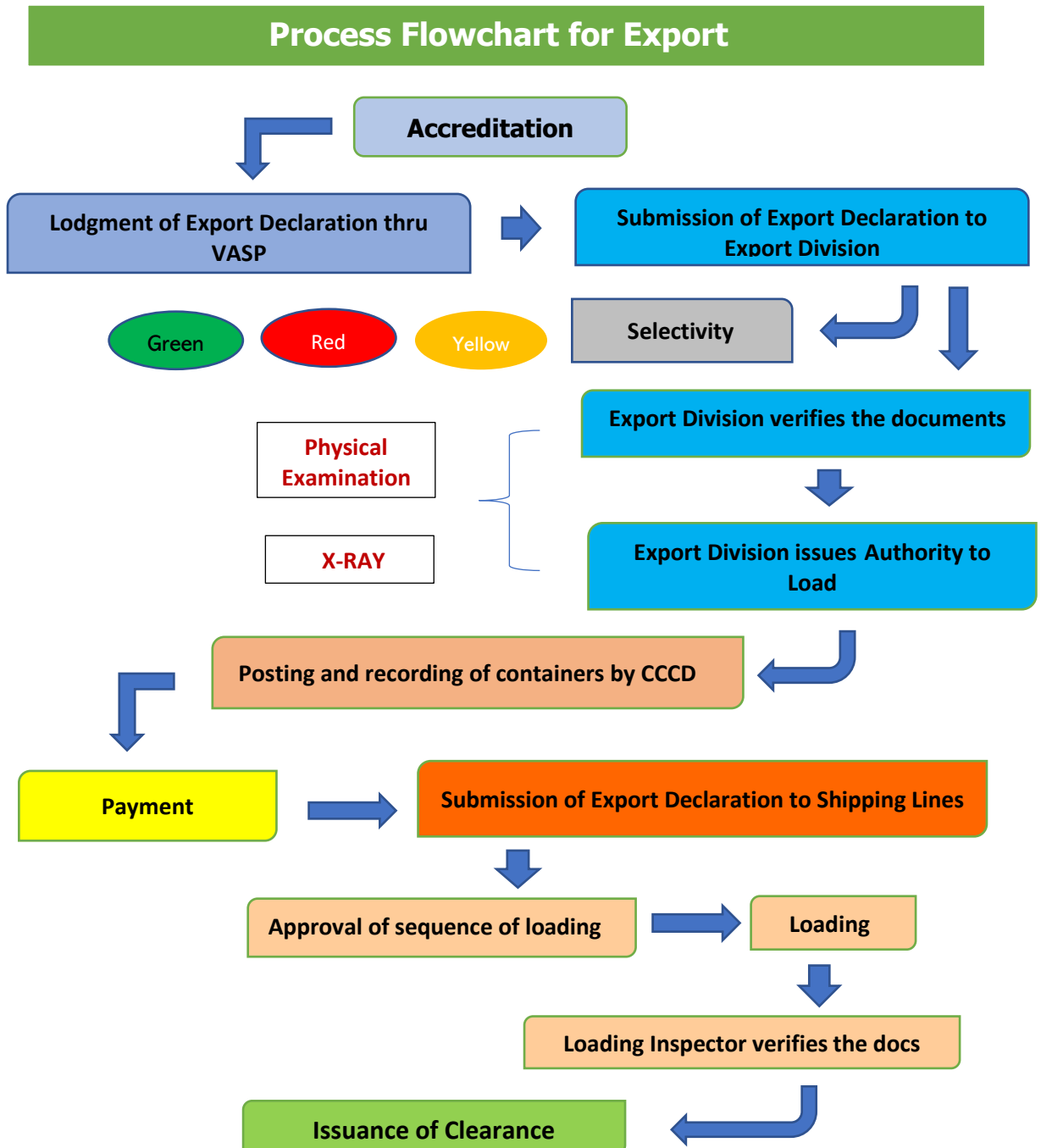
**PROCESS FLOWCHART FOR CLEARANCE AND RELEASE OF IMPORTED GOODS**





On the other hand, the Export process has three stages namely registration /accreditation, export customs clearance formalities and export cargo movement.

The following illustration presents the process flow for the Export.



Likewise, in conducting this Study, the main steps in the cargo movement and cargo clearance have been included, as will be shown in the diagrams and tables below. The key milestones in the process is the basis in identifying the major stages in measuring times (i.e. ship arrival, inward foreign manifest (IFM) registration, import declaration registration/lodgment, assessment, payment, customs release and port delivery to importers).

It should be mentioned, however, that prior to actual importations, there are still some important preparatory steps that importers must do and complete, viz:

1. ACCREDITATION - Before importers can transact business with customs, they need to undergo an accreditation process with the Account Management Office (AMO).
2. PERMITS – The importer would need to determine if the commodity to be imported required any import regulatory documentation from one or more government agencies. The import regulatory documentation may come in the form of an import permit, a certificate, or a license. The fees and processing time for obtaining import permit depend on the agency processing it, as well as the nature of the cargo involved.

Unlike in other TRS conducted by other customs administrations, however, the time in getting the aforementioned import permit is not included in this TRS as this is usually done prior to actual importation by the importer.

Nevertheless, there may be instances when the required import permits are not yet available or issued when cargo arrives or upon the importer's lodgment of SAD. In such cases, assessment may be delayed until the required import permits are submitted.

## **9. COLLECTION AND RECORDING OF DATA**

The questionnaires on import and export were distributed during the 7-day period of the TRS but other data to include those from the information system of the cargo terminal operator had been retrieved much later.

Newly hired personnel from the Enforcement and Security Service (ESS) were assigned to physically distribute the questionnaires to the respondents and thereafter to gather/collect the same upon completion. Accuracy of data was checked, scrutinized and encoded by a separate team from the Working Group.

Based on the data gathered, which had been encoded using Microsoft Excel app, the time spent measurement was obtained and computed based on the time stamped for the cargo clearance procedures to include: (Import) Entry Lodgment to Assessment; Assessment to Payment; Payment to OLRs instructions; Entry Lodgment to Cargo Release and (Export) submission of export declaration to BOC up to transfer to the terminal for loading to vessel.

Microsoft Excel was also used for the analysis of data to determine the average time taken for each of the significant processes in the import and export clearance.

## **10. DATA ANALYSIS**

At the end of the seven-day Study, a total of 1,110 questionnaires for import had been distributed to the respondents, of which 616 were returned but only a total of 428 were found usable as the others were found incomplete. For the export, a total of 280 questionnaires had been distributed but only a total of 140 were returned and only 137 were found usable.

The Table below shows the number of questionnaires distributed and returned, as well as those found to be usable.

<b>Table 1:</b>		
Manila International Container Port		
	<b>Import</b>	<b>Export</b>
Period of Study	October 7-16, 2019	
Total Number of Forms Distributed	1110	280
Total Number of Forms Returned	616	140
Number of rejected forms due to incomplete data	66	3
Usable Forms for TRS	428	137

For a more comprehensive analysis, the Study also distinguished the import/export entries based on their groupings or categorizations under the bureau's Selectivity System. The Selectivity is made possible by automated declaration processing systems that have the capability to select shipments based on specific criteria and to direct those shipments for a variety of types and levels of treatment.

Each lane follows a distinct process, which the cargo must undergo before it may be released. Thus, a shipment may be categorized as Green, Yellow, Red or Blue.

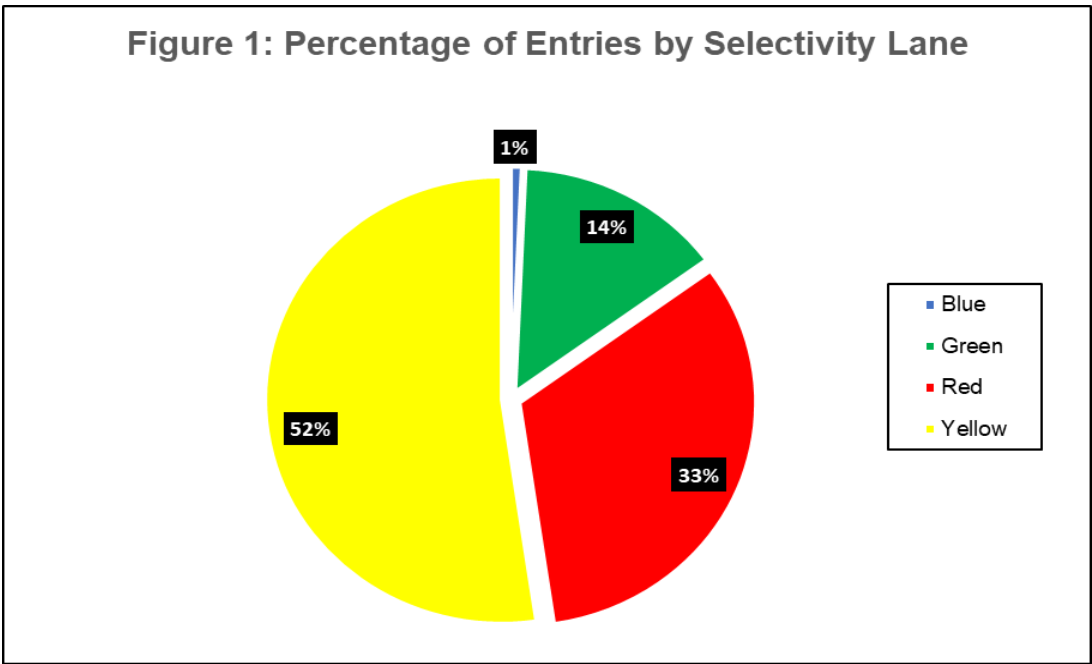
Under Green Lane, a shipment is considered as low risk and is automatically cleared for release upon submission of required documents and payment of computed duties and taxes. Yellow Lane cargo is considered medium risk and is subject to strict document review prior to clearance and release. On the other hand, a cargo under Red Lane is considered high risk and subject to strict documentary check and physical examination or Xray before clearance and release. Meanwhile, shipments under Blue Lane, which is exclusive for top importers accredited under the Super Green Lane (SGL) Facility, is allowed immediate release upon payment of duties and taxes. The SGL is a BOC program established in March 2000 for top and duly accredited importers pursuant to

Executive Order 230. At present, a total of 207 importers had been accredited under the SGL Program.

The table below shows the number and distribution of import entries that were used under each Selectivity Lane. As shown, Yellow Lane comprised 52% of all entries included in the TRS, while Red comprised of 33%, Green is 14% and Blue is 1%.

<b>Table 2: No. of Entries by Selectivity Lane</b>		
<b>Selectivity</b>	<b>No. of Import Entries</b>	<b>Percentage</b>
Yellow	224	52%
Red	140	33%
Green	61	14%
Blue	3	1%
<b>Total</b>	<b>428</b>	<b>100%</b>

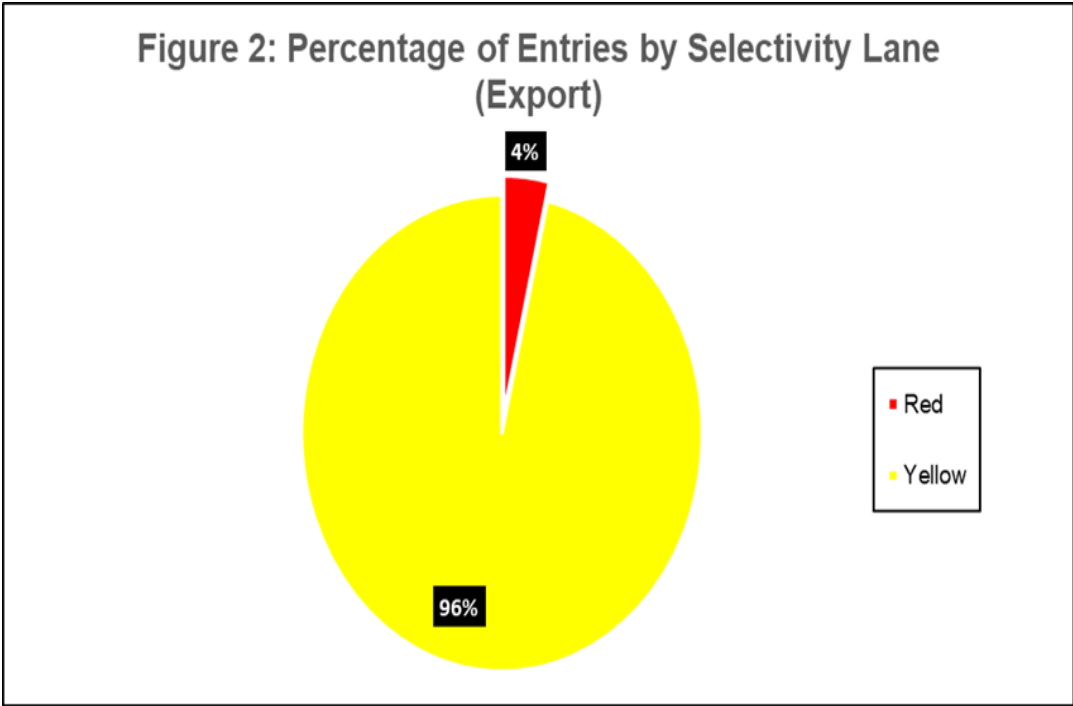
Figure 1 below also presents the percentage of entries by Selectivity Lane.



As for Export, out of the 137 entries subjected to TRS during the covered period, 132 were selected as Yellow and 5 as Red. No export entries have been selected Green while Blue lane is not available for Export.

<b>Table 3: No. of Entries by Selectivity Lane</b>		
<b>Selectivity</b>	<b>No. of Export Entries</b>	<b>Percentage</b>
Yellow	132	96%
Red	5	4%
<b>Total</b>	<b>137</b>	<b>100%</b>

As shown in Figure 2, shipments under the Yellow Lane represent 96% of all the Export entries included in the TRS.



## **10.1. MEASURING CLEARANCE TIME**

### **A. IMPORT**

There are numerous factors that could potentially affect the time to complete cargo clearance and release. For the purpose of this TRS, the factors that were identified include the ship arrival (docking) up to the delivery by the port operator (ICTSI) of goods from the port terminal cargo facility.

Thus, this study divides the whole cargo clearance and cargo movement process into seven (7) stages and eleven (11) processing times. These stages are recorded with time stamps in the BOC system and port terminal operators.

These seven stages are as follows:

- S1 – Inward Foreign Manifest (IFM) Registration
- S2 – IFM/Ship Arrival
- S3 – Single Administrative Document (SAD) Registration/Lodgment
- S4 – Assessment
- S5 - Payment
- S6 – Customs Release
- S7 – Port Delivery of Goods

From these 7 stages, the Study tracks eleven (11) Time Intervals, as follows:

#### ***T1 – IFM Registration (S1) to IFM Arrival and Registration (S2)***

This measures the time lapse between submitting the IFM, up to the time the ship carrying the cargo arrived and docked. The IFM is a required document to lodge an import entry declaration and needs to be forwarded to BOC even before the ship arrives.



***T2 – Vessel arrival (S2) to Single Administrative Document (SAD) Registration (S3)***

This measures the time lapse between the arrival of the vessel (recorded berthing/docking time) and the time the SAD was registered and lodged. In case of a high T2, the possibility is that the delay was incurred by the importer in completing the lodgment process.

***T3 – Single Administrative Document (SAD) Registration (S3) to Assessment (S4)***

This measures the time interval between SAD registration and completion of assessment. For Blue and Green lane entries, this would be fast, but for Red and Yellow, the assessment would take a longer time due to inspection of documents and verification of value (if needed).

***T4 – SAD Assessment (S4) to Value Verification***

This measures the time that the Assessment transmits the import declaration manually to the Import Assessment Service (IAS) for verification of value up to the time the same is manually returned to MICP for re-assessment.

***T5 – SAD Assessment (S4) to Payment (S5)***

This measures the time interval between completing the assessment up to the time payment is completed. This time interval would indicate the length of time the payment process was completed and would include procedures involving AABs and the PCHC.

***T6 – Payment (S5) to OLRs/Customs Release (S6)***

This measures the time interval between completing the payment process up to the time BOC issues the release order through its OLRs. While payment at this point has been made, there may still be interventions by various BOC units that may cause some delay (such as the Xray).

***T7 – SAD Registration (S3) to OLRs/Customs Release (S6)***

This measures the time interval between the SAD Registration in the customs systems up to the time BOC issues the release order through its OLRs.

***T8 – IFM Arrival/Registration (S2) to OLRs/Cargo Release (S6)***

This measures the time interval between the time the cargo carrying ship docked up to the time BOC issues the cargo release order through the OLRs.

***T9 – OLRs/Truck Gate out to X-ray Examination.***

This measures the interval from the time the truck where the containerized goods are mounted exited the gate (to go to the xray area) up to the time the X-ray examination of the goods is completed.

***T10 – OLRs/Customs Release (S6) to Gate Out/Cargo Delivery Release (S7)***

This measures the interval from the time BOC issues its on-line release order, up to the time the truck exited the gate of the port to deliver the goods to the importers' premises. For MICP, there are two sub-steps within the port operator's domain (a) the importer pays all the port charges to obtain the gate pass, (b) the importer schedules with its carrier the arrival and retrieval of the cargo.

### ***T11 – IFM Registration/Ship docking to Gate Out/Cargo Delivery***

The total time recorded from ship docking up to the time the truck carrying the goods exited from the port facility for delivery to the importer's premises.

#### **B. EXPORT**

Similar to Import, the key milestones in export process have been identified in measuring the average times for cargo clearance (i.e. lodgment and submission of export declaration, issuance of authority to load, posting and recording of containers, and issuance of clearance), and customs movement (i.e. submission of export declaration to shipping line, payment, loading and issuance of clearance).

The cargo clearance and cargo movement have been divided into seven (7) stages and eleven (11) processing times, as follows:

S1 – Lodgment of Export Declaration

S2 – Submission of physical copy of Export Declaration with Export Division

S3 – Issuance of Authority to Load

S4 – Payment

S5 – Submission of Export Declaration and other documents to Shipping Lines

S6 – Approval of Sequence of Lading & Loading

S7 – Issuance of Clearance

From these stages, the Study tracks eleven (11) Time Intervals that would determine the length of time each sub-process took. These are as follows:

***T1 – Lodgment of Export Declaration (S1) to Submission of Export Declaration (S2)***

This measures the time lapse between the lodgment of Export Declaration with the BOC systems and the submission of physical copy of the Export Declaration to the Export Division of the Port.

***T2 – Submission of Export Declaration to X-Ray Examination***

This measures the time lapse between the submission of export declaration to X-ray examination since the Selectivity System is also applicable in Export. Once the exporter lodges the Export Declaration, it will automatically be directed to the bureau's selectivity, to be tagged as either Red, Yellow or Green.

***T3 – X-ray Examination to Issuance of Authority to Load (S3)***

This measures the time lapse from X-ray examination to issuance of Authority to Load by the Export Division. This also is the last action of the Export Division before turning it over to the Customs Container Control Division (CCCD).

***T4 – Issuance of Authority to Load (S3) Posting and Recording of Containers***

This measures the time lapse between the issuance by the Export Division of the Authority to Load until the posting and recording of Containers by the Customs Container Control Division (CCCD), which is an office still under the jurisdiction of the MICP.

***T5 – Posting and Recording of Containers to Payment (S4).***

This measures the time lapse between the posting and recording of Containers by the Customs Container Control Division (CCCD) to Payment by the exporter/broker.

***T6 – Payment (S4) to Submission of Export Declaration to shipping line (S5).***

This measures the time lapse between the Payment and the submission of export declaration with all required documents to the shipping line.

***T7 –Submission of Export Declaration to Shipping Lines (S5) to approval of sequence of loading.***

This measures the time lapse between the Submission of Export Declaration and all other documents to the Shipping Lines to approval of sequence of loading by the CCCD.

***T8 –Approval of sequence of loading to Issuance of Clearance (S6).***

This measures the time lapse between the approval of sequence of loading for the cargo to the issuance of Clearance by the Bay Service.

***T9 – Submission of Export Declaration to Issuance of Authority to Load***

This measures the time lapse between the submission of export declaration to issuance of Authority, which are all within the domain of the Port's Export Division.

***T10 – Issuance of Authority to Load to issuance of Clearance (S6)***

This measures the time lapse between the issuance by the Export Division of Authority to Load until the issuance of Clearance by the Bay Service.

***T11 - Lodgment of Export Declaration (S1) to Issuance of Clearance (S7)***

This measures the time lapse between the Lodgment of Export Declaration, which was the start of the export process until the Issuance of Clearance for departure by the Bay Service, which is the last step for the cargo movement.

**11. FINDINGS**

Based on the Time Intervals that have been identified for Import and Export, the results of the Study are herein presented.

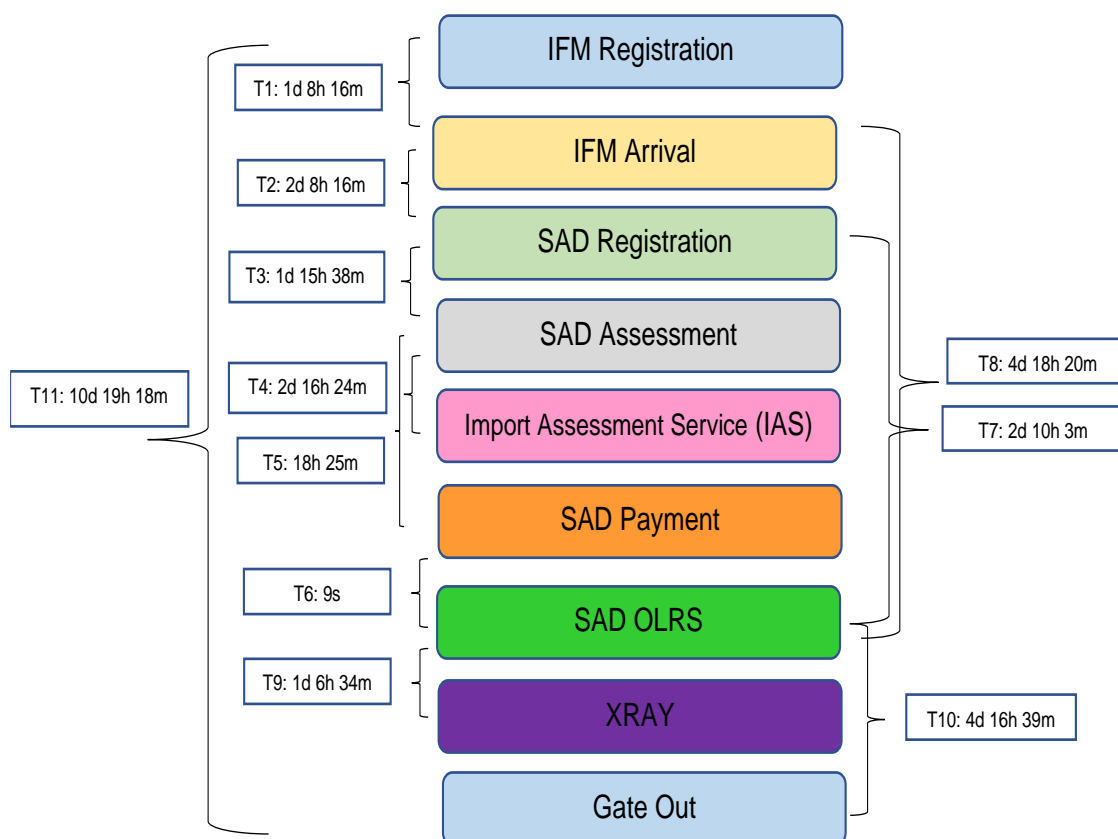
**A. IMPORT**

The average time of each Time Interval based on the 428 import declarations processed during the period covered by this TRS, and the distribution of these entries according to their clearance or selectivity channel, are presented in the following graphs, charts and tables.

	Clearance Process	AVERAGE TIME
		Day/Hour/Min/Sec.
T1	IFM registration to IFM arrival	01:08:16:00
T2	IFM arrival to SAD registration	02:08:16:00
T3	SAD registration to SAD assessment	01:15:38:00
T4	SAD assessment to IAS value verification	02:06:24:00
T5	SAD assessment to SAD payment	00:18:25:00

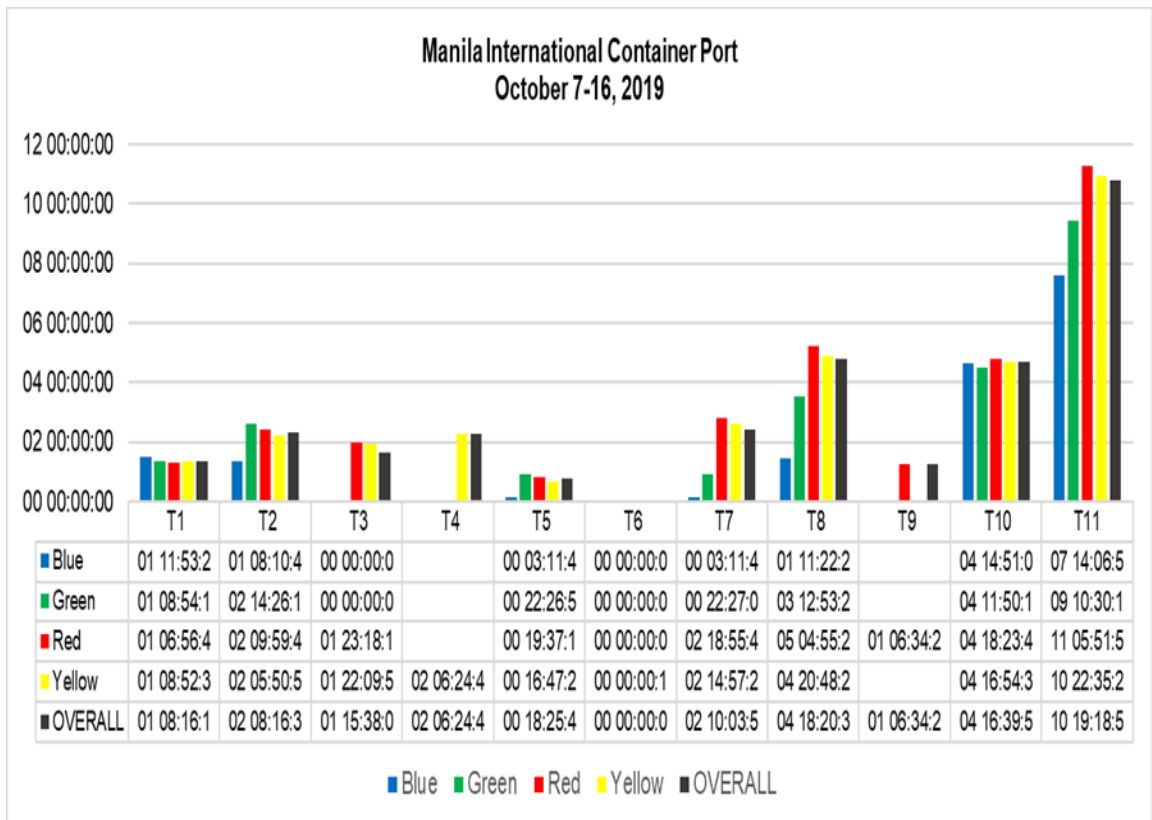
T6	SAD payment to SAD OLRS	00:00:00:09
T7	SAD registration to SAD OLRS	02:10:03:00
T8	IFM arrival to SAD OLRS	04:18:20:00
T9	SAD OLRS to X-RAY	01:06:34:00
T10	SAD OLRS to Gate-out	04:16:39:00
T11	IFM registration to gate out	10:19:18:00

This can be further illustrated as follows:



For a more detailed analysis, the average time was also computed for each Selectivity Lane. The numbers represent the average number of days and hours (e.g. 10:19:18:00 means 10 days, 19 hours, 18 minutes and zero second)

	OVERALL	RED	YELLOW	GREEN	BLUE
T1	01:08:16:00	01:06:56:00	01:08:52:00	01:08:54:00	01:11:53:00
T2	02:08:16:00	02:09:59:00	02:05:50:00	02:14:26:00	01:08:10:00
T3	01:15:38:00	01:23:18:00	01:22:09:00		
T4	02:06:24:00		02:06:24:00		
T5	00:18:25:00	00:19:37:00	00:16:47:00	00:22:26:00	00:03:11:00
T6	00:00:00:09	00:00:00:09	00:00:00:10	00:00:00:09	00:00:00:03
T7	02:10:03:00	02:18:55:00	02:14:57:00	00:22:27:00	00:03:11:00
T8	04:18:20:00	05:04:55:00	04:20:48:00	03:12:53:00	01:11:22:00
T9	01:06:34:00	01:06:34:00			
T10	04:16:39:00	04:18:23:00	04:16:54:00	04:11:50:00	04:14:51:00
T11	10:19:18:00	11:05:51:00	10:22:35:00	09:10:30:00	07:14:06:00



Based on the above, the following overall time intervals for Import have been computed:



1. **T11** – for all the entries covered by the TRS, the **over-all average time** to process an import from the time the ship docked up to the time the goods exited the port terminal facility is **10 days, 19 hours and 18 minutes**.

Shipments in the *RED lane* had the *highest* average time of **11 days, 5 hours, and 51 minutes**. The *lowest* average time is from the *SGL/BLUE lane* with **7 days, 14 hours and 6 minutes**.

Shipments from *YELLOW lane's* average time is **10 days, 22 hours, and 35 minutes** while Green Lane's average time is 9 days, **10 hours and 30 minutes**.

2. **T7** - the overall average time to process an import entry within the BOC domain (Registration, Assessment, IAS, payment and OLRs) is **2 days, 10 hours, and 3 minutes**.

For shipments in the RED lane, the average time is **2 days, 18 hours and 55 minutes**. The SGL/BLUE lane is fastest with **3 hours and 11 minutes**, while the Green Lane is **22 hours and 27 minutes**. Yellow lane shipments' average time is **2 days, 14 hours and 57 minutes**.

3. **T10**, which is the process after customs and within the domain of the port terminal operator, the overall average time is **4 days, 16 hours and 39 minutes**. Shipments under RED lane is **4 days, 18 hours and 23 minutes**; YELLOW is **4 days, 16 hours and 54 minutes**; GREEN is **4 days, 11 hours and 50 minutes**; and SGL/BLUE is **4 days, 14 hours and 51 minutes**.
4. T2 - from arrival of the vessel to SAD Registration, which is Pre- Customs, the overall average time is **2 days, 8 hours and 16 minutes**. This time is almost the same for all RED, YELLOW and Green shipments, except for the SGL/BLUE where the average time is **1 day, 8 hours and 10 minutes**.

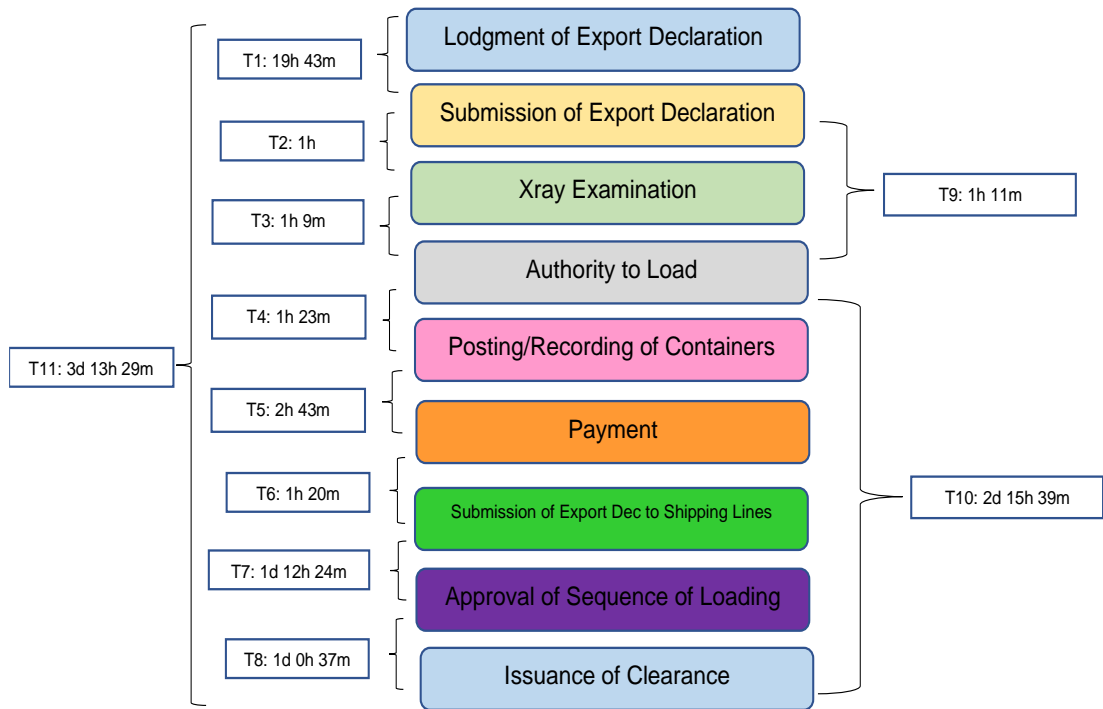
5. T3 - from SAD registration to SAD assessment, the overall average time is **1 day, 15 hours, and 38 minutes**. This includes the time for transmittal of documents to examiners, to period of assessment and documentary check/verification.
6. **T-4** – the time spent for value verification is **2 days, 6 hours and 24 minutes**. It should be noted that among the entries covered by TRS, only one (1) was subjected to IAS verification, and that shipment belonged to the Yellow Lane.
7. **T5 and T6** - the overall average time for payment is **18 hours and 25 minutes** and transmittal of on-line release instruction to the OLRs is just **9 seconds**.
8. **T8** - the overall average time from IFM/Ship arrival to OLRs/Customs release (to include Registration, Assessment, IAS, and payment) is **4 days, 18 hours and 20 minutes**. For shipments in the RED lane, the average is **5 days, 4 hours and 55 minutes**; while in YELLOW lane the average is **4 days, 20 hours and 48 minutes**; GREEN is **3 days, 12 hours, and 53 minutes**; and SGL/BLUE is **1 day, 11 hours, 22 minutes**.
9. **T-9**, which is the time spent for the X-ray inspection is **1 day, 6 hours, and 34 minutes**. All shipments belonging to the RED lane have been subjected to X-Ray.

Based on the foregoing, it is shown that the Customs processing time is faster with overall average time of **2 days, 10 hours, and 3 minutes** compared to the overall average time from customs release to gate out, which is **4 days, 16 hours and 39 minutes**. However, the overall average time for the entire cargo clearance and cargo movement is still **10 days, 19 hours and 18 minutes**.

## B. EXPORT

As for the Export entries, eleven (11) Time Intervals were also determined and measured, as shown in the tables and graphs below, viz:

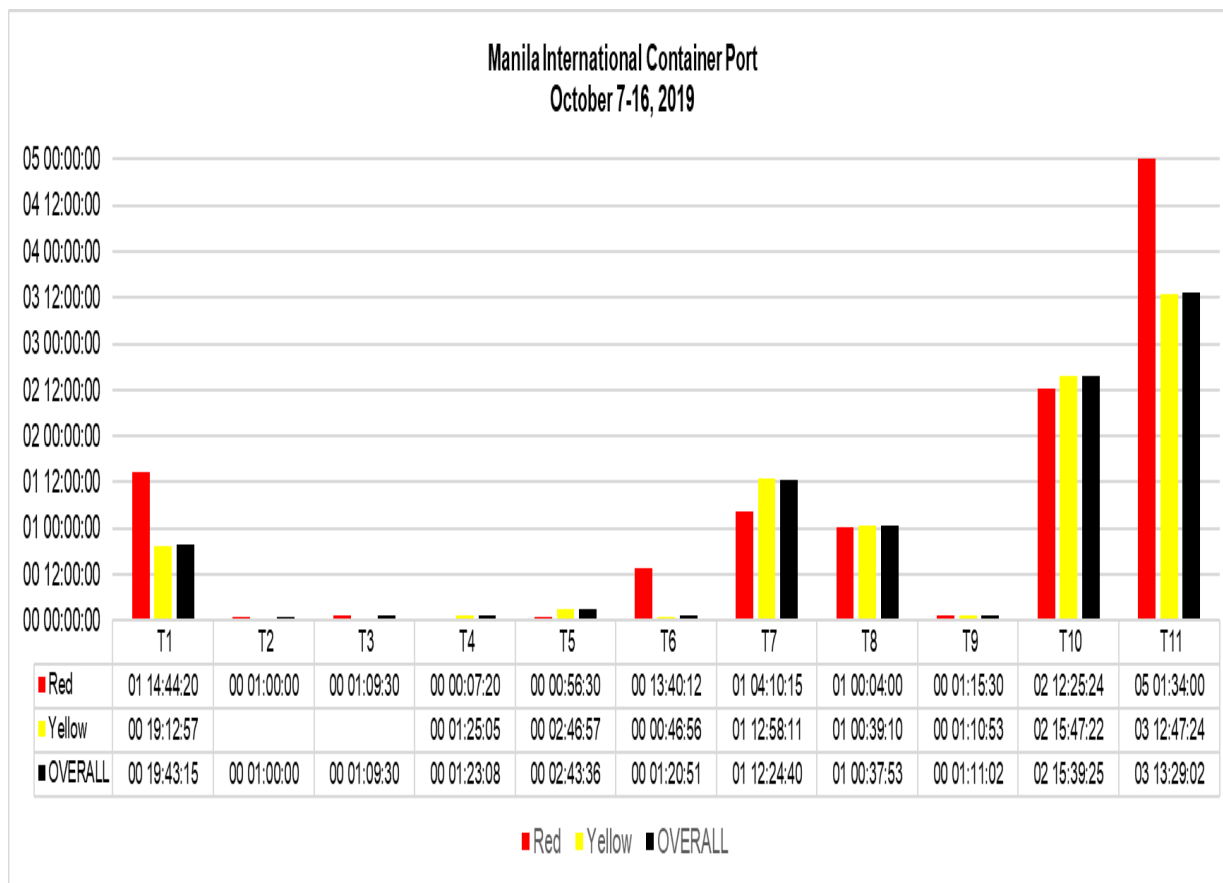
	<b>Table 4: Summary of Time Intervals Measured</b>	AVERAGE TIME
		Day/Hour/Min/Sec.
T1	Lodgment to Submission of Export Declaration	00:19:43:00
T2	Submission of Export Declaration to Xray Examination	00:01:00:00
T3	Xray Examination to Issuance of Authority to Load	00:01:09:00
T4	Issuance of Authority to Load to Posting and Recording of containers	00:01:23:00
T5	Posting and recording of containers to Payment	00:02:43:00
T6	Payment to Submission of Export Declaration to Shipping Lines	00:01:20:00
T7	Submission of Export Declaration to Shipping Lines to approval of sequence of loading	01:12:24:00
T8	Approval of sequence of loading to issuance of clearance	01:00:37:00
T9	Submission of Export Declaration to Issuance of Authority to Load (T2-T3)	00:01:11:00
T10	Issuance of Authority to Load to issuance of clearance (T4-T8)	02:15:39:00
T11	Lodgment to issuance of clearance (T1-T8)	03:13:29:00



The average time was also computed for each Selectivity Lane, viz:

	OVERALL	RED	YELLOW	GREEN
T1	00:19:43:00	01:14:44:00	00:19:12:00	
T2	00:01:00:00	00:01:00:00	0	
T3	00:01:09:00	00:01:09:00	0	
T4	00:01:23:00	00:00:00:07	00:01:25:00	
T5	0:02:43:00	00:00:56:00	00:02:46:00	
T6	00:01:20:00	00:13:40:00	00:00:46:00	
T7	01:12:24:00	01:04:10:00	01:12:58:00	
T8	01:0037:00	01:00:04:00	01:00:39:00	
T9	00:01:11:00	00:01:15:00	00:01:10:00	
T10	02:15:39:00	02:12:25:00	02:15:47:00	
T11	03:13:29:00	05:01:34:00	03:12:47:00	

This is also illustrated in the graph below, as follows:



Based on the above findings, the following overall time intervals for Export shipments have been computed as follows:

1. **T11** - for all the export shipments covered by the TRS, the **over-all average processing time** from the time the export declaration is lodged in the system up to the time of issuance of Clearance is **3 days, 13 hours, 29 minutes**.
2. **T9** – From submission of Export Declaration to Issuance of Authority to Load, which is within the domain of the Port’s Export Division, the export declarations are processed with the average time of **one (1) hour and 11 minutes**.

3. **T10** – From the time Export Division issued the Authority to Load to the time that Bay Service issued the Clearance, the time average is **2 days, 15 hours, and 39 minutes.**
4. **T7** – The overall average time from submission of Export Declaration to Shipping Lines to approval of sequence of loading is **one (1) day, 12 hours, and 24 minutes.**
5. **T8** – The overall average time from approval of sequence of loading to issuance of clearance by the Bay Service is **one (1) day, and 37 minutes.**
6. **T3** - Xray Examination for the shipments tagged as RED to Issuance of Authority to Load, the overall average time is **one (1) hour and 9 minutes.**

## **12. CONCLUSIONS and RECOMMENDATIONS**

1. Based on the above findings, we can conclude that the processing time for the release of the shipments at the terminal took much longer than the time it was processed by Customs. While Customs has an overall average time of **2 days, 10 hours and 3 minutes**, the post-customs process took **4 days 16 hours and 39 minutes.**

In the (2) stakeholder meetings that were conducted in preparation for the Study, it was mentioned by brokers that delays have been experienced post customs due to (1) long queue at the Terminal Appointment Booking System (TABS), (2) tedious payment process, and (3) the slow movement of trucks

going in and out of the terminal. However, these factors may only be confirmed if a deeper study and another TRS will be conducted for comparison of data.

2. From arrival of the vessel to SAD Registration, the overall average time is **2 days, 8 hours and 16 minutes**, which is almost the same for all the selectivity lanes except for SGL/BLUE lane where the average time is **1 day, 8 hours and 10 minutes**. The delay is directly attributable to the brokers/importers themselves as they are the ones required to lodge the SAD to the Bureau's VASP. Incomplete documents usually cause the delay in the lodgment.
3. The overall average time to process an import entry within the BOC domain (Registration, Assessment, IAS, payment and OLRs) is **2 days, 10 hours, and 3 minutes**. The long hours can be traced to the fact that hard copies of documents are still required to be submitted and brokers/personeros are the ones who submit these documents directly to the examiners. Permits/Clearance that have not yet been submitted also cause the additional delay as the examiners put their transactions on hold until the same are submitted.
4. Delay was also noticed in the value verification process wherein it was observed that it took **2 days, 6 hours and 24 minutes** before the documents were returned to the Assessment. Value verification is being done at the Valuation Coordination Division of the Import Assessment Service (VCD-IAS), which is located in the main office outside of MICP. It was observed that the delay was attributable to the failure of the broker/importer to submit additional documents to support the value it has declared.
5. For the X-ray inspection of shipments tagged as Red, the process took **1 day, 6 hours, and 34 minutes**. It must be noted that in MICP, the inspection is last in the process, as the shipments are first loaded in trucks before being

taken to the designated inspection area outside of the gate. 33% of all shipments that were covered by the Study belonged to the RED lane and have been subjected to X-Ray.

6. The over-all average time to process an import from the time the ship docked up to the time the goods exited the port terminal facility is **10 days, 19 hours and 18 minutes**. Significantly, SGL/BLUE lane, which is the selectivity for importers who are considered as trusted trader and accredited in the SGL Program, posted the lowest average time of **7 days, 14 hours and 6 minutes**. Meanwhile, shipments in the RED lane had the highest average time of **11 days, 5 hours, and 51 minutes**.
7. For Export shipments, the over-all average time from lodgment of export declaration up to issuance of Clearance by the Bay Service is **3 days, 13 hours, 29 minutes**. Although export declarations were processed by Customs at the average time of **one (1) hour and 11 minutes**, the issuance of Clearance from the time the Authority to Load was issued still took **2 days, 15 hours, and 39 minutes** because of a vital factor, which is the loading of the cargo to the vessel, which follows established sequence and rules on stowing, to avoid imbalance and to keep the vessel secure.

## **12.1 RECOMMENDATIONS:**

While delays in pre-customs and post customs have been observed, BOC lamentably could not propose any solution as it is beyond customs control and that solution, if any, is totally dependent on the port operator, as well as with brokers/importers.

Nevertheless, for delays that have been observed within customs, corrective measures may be instituted.



It was noted that delays have been experienced because of the practice of filing, submitting, and bringing of documents from one office to another by brokers; and that permits from relevant government agencies are also still not directly being transmitted to BOC. These practices highlight the need to institute a paperless environment in customs, which can be achieved through:

1. Full computerization and automation of the systems in the port to avoid the need to manually transfer or bring import documents from one office to another. It has been noted also that until now, physical presence of brokers is still needed before documents can be acted upon by concerned customs personnel.
2. Stronger coordination and online linkage with other government agencies (OGAs) with respect to the issuance of permits, clearances, and other supporting documents, so that the same may be transmitted directly online and without waiting for the brokers/importers to personally submit these to the Bureau.

To support the proposal for paperless transaction in customs, the following should also be established and/or enhanced to ensure that the integrity of documents and enforcement of our rules will not suffer.

3. IT-based risk assessment and targeting system to increase the efficiency of the clearance process for low risk shipments and ensure that Customs focus on priorities and decisions on deploying its limited resources to areas of highest risk.
4. More aggressive implementation of program/s recognizing and rewarding compliant traders, such as the program on Super Green Lane and Authorized Economic Operator (AEO), which will encourage traders to invest in compliance and adopt best practices.

Finally, it has been noted that from the time the TRS was conducted in 2019 until the release of these findings, several initiatives have already been launched in the MICP for the purpose of facilitating the release of shipments. This include the installation of two (2) additional astrophysics portal Xray scanner, which made the scanning faster in the port, the establishment of the BOC Portal, which is a one stop shop for submission of documents and for inquiry/follow-ups, as well as the upgrading of the IT systems in the port.

To determine the impact of these trade facilitation enhancements, it is further recommended that another TRS be conducted in the same port, to evaluate the performance of the port and to determine or test the effectivity of the reforms instituted on the cargo processing and clearance. Likewise, a TRS could also be conducted in other ports so that problem areas or bottlenecks can also be identified for further improvement.

ANNEX 1

## TRS WORKING GROUP IN ACTION



### *TRS Working Group*

**\*Atty. Noemi B. Alcalá-García   \*Atty. Marietta D. Zamoranos   \*Donna Irish Gameng  
\*Liberty Plana   \*Christian Tibo   \*Trisha Lorraine M. Aguasa   \*Dennis Tan  
\*Emelita Morales   \*Joji Rondina   \*Romy Lloyd So   \*Gladys Cabugawan   \*Kyle  
Ablat   \*Ma. Socorro Bantilan   \*Milicent T. Rosete-Liquid   \*Lois Ruth Alvarez**





**ANNEX 2**

**PROPOSED MINIMUM SCOPE ON TRS IMPLEMENTATION**

No.	Item	Import	Export
	Object of observation	AMS to choose at least 1 major port.	AMS to choose at least 1 major port.
2	Type of procedure measured	Import procedure (for all commodities) as priority. With special emphasis on commodities relevant in the EODB.	Export procedure with specific commodities based on the AMS' interest.
3	Exception	Commodities imported is containerized and for home-use only. Not including: a. temporary import b. Re-import c. Bulk <b>Notes:</b> For land borders, commodities imported is in van.	Commodities exported is containerized and normal export. Not including: a. temporary export b. Re-export c. Bulk <b>Notes:</b> For land borders, commodities exported is in van.
4	Initial measurement point	For sea port, the initial measurement point is docking. (Docking is defined as time when vessel arrived at dock for unloading)  For land border, the initial measurement point is the submission of the form.	For sea port, the initial measurement point is the gate in.
5	Last measurement point	Gate out (both for seaport and land border)	Stack yard
6	Sampling method	AMS to consult with the statistician about the sampling method hence the data will be consider statistically significant.	AMS to consult with the statistician about the sampling method hence the data will be consider statistically significant.
7	Sample selection	Proportionally according to the average channelling of the previous 6 months.	—
8	Time frame	At least 7 days <b>Notes:</b> • To anticipate the outliers of the data sample, AMS shall take note to extract "data allowance"	At least 7 days <b>Notes:</b> • To anticipate the outliers of the data sample, AMS shall take note to extract "data allowance"

		<ul style="list-style-type: none"> <li>The duration of data allowance is to be decided internally by each AMS considering its own previous experiences.</li> </ul>	<ul style="list-style-type: none"> <li>The duration of data allowance is to be decided internally by each AMS considering its own previous experiences.</li> </ul>
9	Data collection	The data collection is conducted manually through questionnaire and electronic data and measured manual data.	The data collection is conducted manually through questionnaire and electronic data and measured manual data.
10	Data processing software	WCO Internet Software for TRS or any other software. <b>Notes:</b> To propose a training on WCO Internet Software for TRS sponsored by ADB	WCO Internet Software for TRS or any other software.
11	Date of study		
12	Cost	Optional for AMS to decide whether to measure the legal cost or not. <b>Notes:</b> Legal cost only. Other than import duty, taxes, and fines.	Optional for AMS to decide whether to measure the legal cost or not. <b>Notes:</b> Legal cost only. Other than import duty, taxes, and fines.
13	Stakeholders engagement	AMS is encouraged to engage stakeholders as many as possible.	AMS is encouraged to engage stakeholders as many as possible.

## ANNEX 3



### TIME RELEASE STUDY (TRS) QUESTIONNAIRE FOR SEA CARGO FCL MICP 2019 **IMPORT**



	Respondent	IDENTIFICATION	
1	Customs Broker/ Declarant	Single Administrative Document (SAD) Customs Reference No.*	
2	Customs Broker/ Declarant	Shipping Agents / Name of Vessel & Voyage No. *	
3	Customs Broker/ Declarant	B/L Number*	
4	Customs Broker/ Declarant	B/L Date*	
5	Customs Broker/ Declarant	Name of Broker/Declarant /Agent	
6	Customs Broker/ Declarant	Value Criteria*	<input type="checkbox"/> Dutiable <input type="checkbox"/> Non-dutiable  (Non-dutiable: no payment of duties and VAT. Preferential should be dutiable.)
7	Customs Broker/ Declarant	Name of Importer	

**\* Mandatory**

### I. ARRIVAL

	RESPONDENT		Month	Day	Hour	Minutes
8	Bay Service Section	Docking of the vessel				
9	Bay Service Section	Manifest Submission				
10	Bay Service Section	Start of Unloading				
11	Bay Service Section	End of Unloading				

12	Customs Broker/ Declarant	Start of Payment at AAB	Month	Day	Hour	Minutes
13	Customs Broker/ Declarant	End of Payment at AAB	Month	Day	Hour	Minutes
14	Customs Broker/ Declarant	Presentation of the deposit slip to Shipping Line Cashier Office, for issuance of O.R. Please specify the shipping line _____	Month	Day	Hour	Minutes
15	Cashier - <i>Shipping Line</i>	Release of Official Receipt	Month	Day	Hour	Minutes
16	Customs Broker/ Declarant	Presentation of O.R. to Import Department of Shipping Line for verification	Month	Day	Hour	Minutes
17	Import Department - <i>Shipping Line</i>	Shipping Line Import Department or equivalent office issued an Endorsed Bill of Lading, issuance by Import Department of Shipping Line	Month	Day	Hour	Minutes

## II. CUSTOMS PROCESSING

	RESPONDENT	ASSESSMENT PROCESSING				
18	Customs Broker/ Declarant	Selectivity	<input type="checkbox"/> Green <input type="checkbox"/> Red <input type="checkbox"/> Yellow <input type="checkbox"/> <input type="checkbox"/> Blue (SGL)			
19	Customs Broker/ Declarant	Lodgment of Goods Declaration in E2M	Month	Day	Hour	Minutes
20	Customs Broker/ Declarant	Submission of Goods Declaration (Physical Form)	Month	Day	Hour	Minutes
21	EPU Front desk Clerk	Start of Documentary Check	Month	Day	Hour	Minutes
22	EPU Front desk Clerk	End of Documentary Check	Month	Day	Hour	Minutes
23	EPU Encoder	Encoded the cGD through GDVS Platform	Month	Day	Hour	Minutes
24	CSC	Received the working copy of cGD	Month	Day	Hour	Minutes
25	CSC	Electronic Assignment of COO III through GDVS Platform	Month	Day	Hour	Minutes
26	COO3	Received the working copy of cGD	Month	Day	Hour	Minutes
27	COO3	Review the cGD, if not regulated, skip numbers 28-41.	Month	Day	Hour	Minutes
28	BPI	Received the documents	Month	Day	Hour	Minutes



29	BPI	Released the documents	Month	Day	Hour	Minutes
30	BAI	Received the documents	Month	Day	Hour	Minutes
31	BAI	Released the documents	Month	Day	Hour	Minutes
32	CAIDTF	Received the documents	Month	Day	Hour	Minutes
33	CAIDTF	Released the documents	Month	Day	Hour	Minutes
34	EPCD Clerk	Received the documents	Month	Day	Hour	Minutes
35	EPCD Clerk	Released the documents	Month	Day	Hour	Minutes
36	PCCI	Received the documents	Month	Day	Hour	Minutes
37	PCCI	Released the documents	Month	Day	Hour	Minutes
38	IAS	Received the documents	Month	Day	Hour	Minutes
39	IAS	Released the documents	Month	Day	Hour	Minutes
40	OGA, specify	Received Application	Month	Day	Hour	Minutes
41	OGA, specify	Released Clearance	Month	Day	Hour	Minutes
42	EMVMCO	Received Application	Month	Day	Hour	Minutes
43	EMVMCO	Release Clearance	Month	Day	Hour	Minutes
42	CO03	Registered the cGD through GDVS Platform	Month	Day	Hour	Minutes
43	CO05	Received the cGD through GDVS Platform	Month	Day	Hour	Minutes
44	CO05	Review findings of the Examiner	Month	Day	Hour	Minutes
45	CO05	Final Assessed the cGD	Month	Day	Hour	Minutes
46	CO05	Indicate findings in GDVS Platform	Month	Day	Hour	Minutes
47	Broker/ Declarant	Start of Payment	Month	Day	Hour	Minutes
48	Broker/ Declarant	End of Payment	Month	Day	Hour	Minutes

Note:

AAB	: Authorized Agent Bank	OGA	: Other Government Agency, please indicate
BAI	: Bureau of Animal Industry	PCCI	: Philippine Chamber of Commerce & Industry
BPI	: Bureau of Plant Industry	FPI	: Federation of Philippine Industry
CAIDTF	: Customs Anti-Illegal Drugs Task Force	SAD	: Single Administrative Document
cGD	: Consumption Goods Declaration	XIP	: X-Ray Inspection Project
CO03	: Customs Operations Officer III / Examiner		
CO05	: Customs Operations Officer V / Appraiser		
CSC	: Concerned Section Clerk		
EPCD	: Environmental Protection Compliance Division		
EMVMCO:	ESS Motor Vehicle Monitoring and Clearance Office		
EPU	: Entry Processing Unit		
GDVS	: Goods Declaration Verification System		
IAS	: Import Assessment Service		

### III. PORT OPERATIONS – POST CUSTOMS RELEASE

RESPONDENT		ARRASTRE PROCESSING							
49	ICTSI	Start payment of terminal charges	Month		Day		Hour		Minutes
50	ICTSI	End payment of terminal charges	Month		Day		Hour		Minutes

RESPONDENT		TERMINAL APPOINTMENT BOOKING SYSTEM (TABS)							
51	Customs Broker/ Declarant	Reserve slot for truck booking	Month		Day		Hour		Minutes
52	Customs Broker/ Declarant	Receive truck booking confirmation	Month		Day		Hour		Minutes
53	Terminal Operator	Start Loading of Container to Truck	Month		Day		Hour		Minutes
54	Terminal Operator	End Loading of Container to Truck & Release	Month		Day		Hour		Minutes
55	Truck Driver	Subject for x-ray or spot-checking?	<input type="checkbox"/> X-Ray <input type="checkbox"/> Spot-Checking <input type="checkbox"/> Both For x-ray: Proceed to question nos. 54-56. For spot-checking: Proceed to question nos. 60-62 For both: Proceed to question nos. 57-59.						

RESPONDENT		X-RAY INSPECTION PROCESS							
56	Driver	Start X-ray Inspection	Month		Day		Hour		Minutes
57	Driver	End x-ray inspection	Month		Day		Hour		Minutes
58	XIP Personnel	Result of X-ray Inspection	<input type="checkbox"/> Release <input type="checkbox"/> Examination						

RESPONDENT		SPOTCHECK OF BOC and / or OGA							
59	COO3 and Concerned OGA	Start Examination	Month		Day		Hour		Minutes
60	COO3 and Concerned OGA	End of Examination	Month		Day		Hour		Minutes
61	XIP	Release the Goods	Month		Day		Hour		Minutes

### IV. AREA/s OF IMPROVEMENT

62	<b>NAGKARON BA NG PAGTATAGAL SA ILANG PROSESO? MAGBIGAY NG DETALYE.</b> (Was there a significant delay in any of the processes? Please give details.)
63	<b>PAANO MAPAPABILIS ANG PROSESO?</b> (How can the clearance process be improved?)

ANNEX 4



**TIME RELEASE STUDY (TRS)  
QUESTIONNAIRE FOR SEA CARGO FCL  
MICP 2019  
EXPORT**



WORLD CUSTOMS ORGANIZATION

	RESPONDENT	IDENTIFICATION	
1	Customs Broker/Declarant	Office*	Manila International Container Port (MICP)
2	Customs Broker/Declarant	Shipping Agents/ Name of Vessel & Voy. No.*	
3	Customs Broker/Declarant	Container Booking No.*	
4	Customs Broker/Declarant	Broker/Declarant/Exporter/Agent*	
5	Customs Broker/Declarant	Types of Goods*	Regular Export
6	Customs Broker/Declarant	Name of Exporter*	
7	Customs Broker/Declarant	Country of Destination*	

## I. GOODS ARRIVAL

	RESPONDENT						
8	Customs Broker/Declarant	Container Booking with Shipping Line	Month	Day	Hour	Minutes	
9	Port Operator	Gate-in	Month	Day	Hour	Minutes	

**\* Mandatory**

## II. CUSTOMS PROCESSING

RESPONDENT
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10	Customs Broker/ Declarant	Lodgment of Export Declaration	Month		Day		Hour		Minutes
11	Customs Broker/ Declarant	Submission of Hard Copy to Export Division	Month		Day		Hour		Minutes
12	Customs Broker/ Declarant	Selectivity							
13	<i>Export Division:</i> Trade Control Examiner	Start of document examination	Month		Day		Hour		Minutes
14	<i>Export Division:</i> Trade Control Examiner	End of document examination	Month		Day		Hour		Minutes
15	<i>Export Division:</i> Trade Control Examiner	Start of Physical examination	Month		Day		Hour		Minutes
16	<i>Export Division:</i> Trade Control Examiner	End of Physical examination	Month		Day		Hour		Minutes
17	XIP Inspector	Start of X-ray	Month		Day		Hour		Minutes
18	XIP Inspector	End of X-ray	Month		Day		Hour		Minutes
19	<i>Export Division:</i> Chief	Re-routing to <b>Green</b>	Month		Day		Hour		Minutes
20	XIP Inspector/ <i>Export Division:</i> Chief	Recommendation of appropriate action (disposal, seizure)	Month		Day		Hour		Minutes
21	<i>Export Division:</i> Clerk	Issuance of Authority to Load	Month		Day		Hour		Minutes
22	CCCD: Clerk	Start of posting and recording of containers	Month		Day		Hour		Minutes
23	CCCD: Clerk	End of posting and recording of containers	Month		Day		Hour		Minutes

### III. POST CUSTOMS

RESPONDENT									
24	Customs Broker/ Declarant	Start of payment of charges and fees	Month		Day		Hour		Minutes
25	Customs Broker/ Declarant	End of payment of charges and fees	Month		Day		Hour		Minutes

26	Customs Broker/ Declarant	Submission of original export declaration to shipping lines	Month		Day		Hour		Minutes	
27	Shipping Lines	Start of preparation of sequence of loading / manifest	Month		Day		Hour		Minutes	
28	Shipping Lines	End of preparation of sequence of loading / manifest.	Month		Day		Hour		Minutes	
29	Shipping Lines	Submission of sequence of loading / manifest to CCCD	Month		Day		Hour		Minutes	
30	CCCD: Chief	Approval of sequence of loading	Month		Day		Hour		Minutes	
31	CCCD: Loading Inspector	Start of Loading	Month		Day		Hour		Minutes	
32	CCCD: Loading Inspector	End of Loading	Month		Day		Hour		Minutes	
33	<i>Bay Service Section:</i> Boarding Officer	Start of review of documents (manifest, supporting documents)	Month		Day		Hour		Minutes	
34	<i>Bay Service Section:</i> Boarding Officer	End of review of documents	Month		Day		Hour		Minutes	
35	<i>Bay Service Section:</i> Clearance Officer	Issuance of clearance	Month		Day		Hour		Minutes	