



Best Practices
at
Border Crossings

Measuring Border Agency
Performance
Options for Benchmarking

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- What is Benchmarking?
- Methodologies
- Measuring performance
- Why do we need measures?
- Performance indicators
- Collecting and Analysing Data
- Using Data and Performance Information
- The Way Forward



Definition of Benchmarking

- Business Improvement Process
- Comparing similar procedures and performance with others
- Uses data and information to allow analysis
- Is systematic and methodical
- Identifies opportunities or performance “gaps”
- Drives continuous improvement



Modes of Benchmarking

- Introspective
 - Compares current with past performance
- Internal
 - Within an organisation
- External
 - With other organisations for a one or more processes

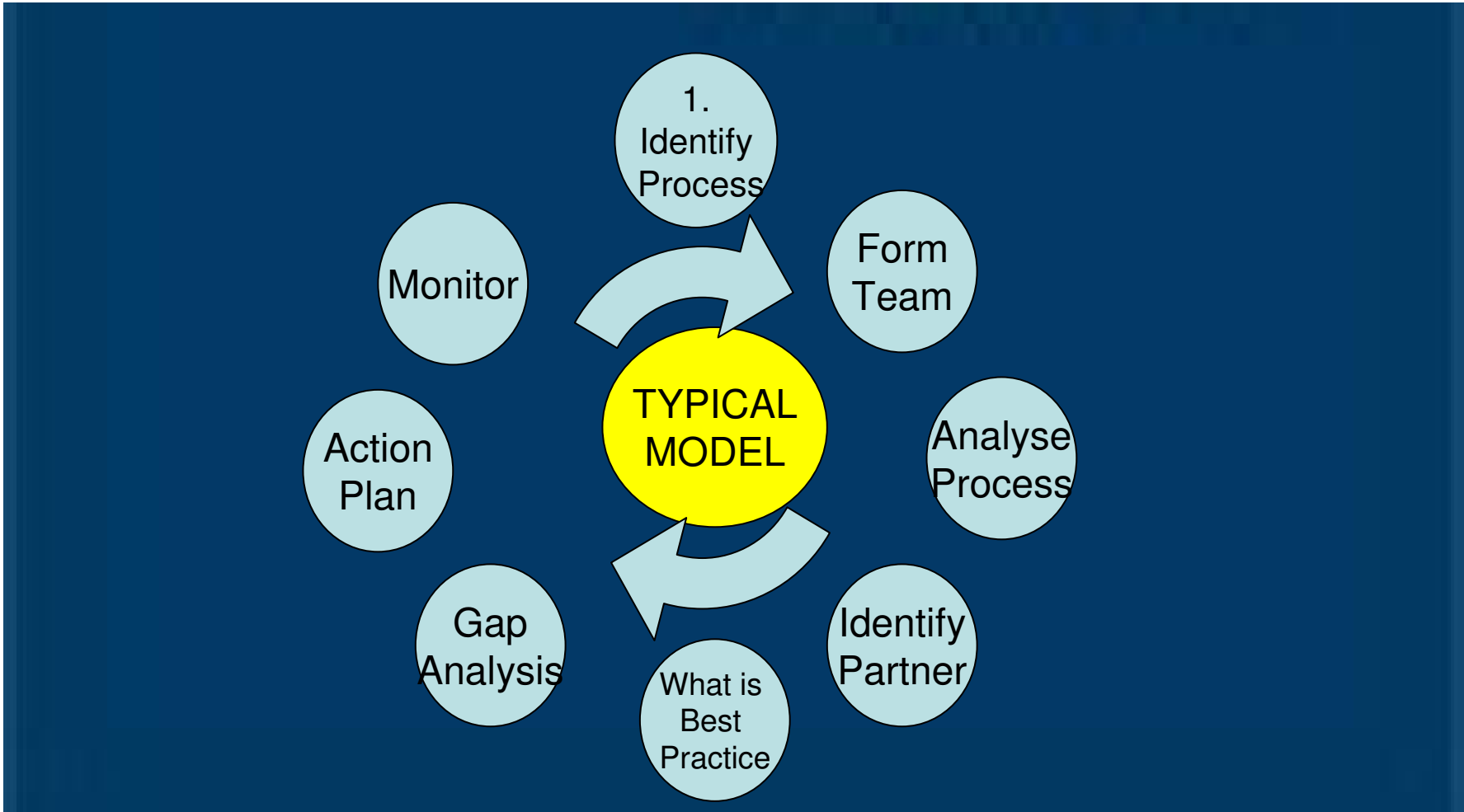


Benefits and Keys to Success

- Identifies Best Practice
- Identifies performance gaps and strengths
- Provides data and information to create a strategy for improvement
- Promotes collaboration and partnerships
- Must have senior management commitment and resources



General Methodology for Benchmarking



WCO Benchmarking Methodology and Legal Framework

LEGAL FRAMEWORK

International Convention on the Harmonization of Frontier Control Goods

Revised Kyoto Convention

Natural Legislation

3 PHASES

1. PLANNING

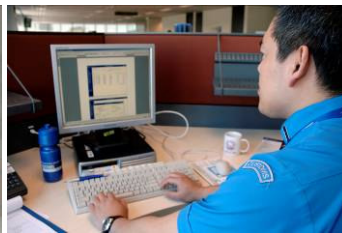
- Define objectives and criteria for success
- Select Partners
- Plan for the exercise
- Form team and assign resources
- Obtain Senior Management Commitment



WCO Benchmarking Methodology

2. EXECUTION

- Map processes
- Collect and analyse data and information
- Site visits
- Collate data and information to enable comparisons
- Identify performance gaps and improvement opportunities



WCO Benchmarking Manual

http://www.wcoomd.org/files/1.%20Public%20files/PDFandDocuments/Procedures%20and%20Facilitation/Benchmarking%20Manual_ENG.pdf

WCO Benchmarking Methodology

3. IMPLEMENTATION AND FOLLOW UP

- Create implementation plan
- Implement improvements
- Monitor and evaluate



TTFSE (Trade and Transport Facilitation in SE Europe)

Project Aims: To streamline procedures, reduce corruption and minimise costs and delays at borders

Step 1: Used performance indicators to establish baselines

Step 2: Set annual targets for reducing border crossing times, detections as a percentage of examinations (strike rate) and benchmarks

OUTCOMES: Identified deficiencies and opportunities for Improvement

Provided opportunities to test new procedures

TTFSE - 3 CATEGORIES OF AGREED MEASURES

TTFSE “black box “concept

- Time from joining a queue on arrival at border to leaving country
- Uses off duty officers as “observers”

1. Local Border Station (pilot site) (Primarily Times)

- Clearance Times
- Irregularities as a percentage of Examinations
- Surveyed occurrence of corruption
- Actual (reported) occurrence of corruption

2. Inland Clearance Terminal Values (Mainly to do with Customs administration)

- Revenue, Trade Volume, Number of Declarations etc

3. National Indicators (Ratios that allow year to year comparisons)

Other Methodologies in measuring performance

Time-Cost Study (UNESCAP)

- Based on trade corridors in East Asia
- Showed choke points
- Based on survey of lorry drivers

World Bank - Doing Business Indicators

World Bank - Logistics Performance Index



- Laufzettel (Control tag/tracer)
- Computer based data systems - for example:
 - ACBPS Integrated Cargo System
 - Poland electronic card machine reader
- Corridor Measurement
- Time Release Studies
 - WCO tool
 - Allows detailed analysis of processes
 - Uses “time stamps”



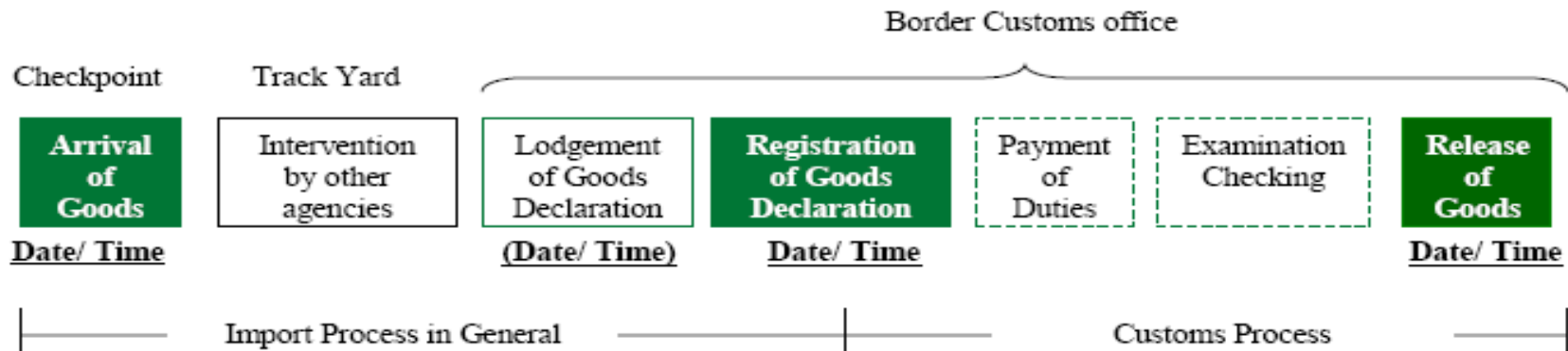
TIME RELEASE STUDY

- Endorsed by the World Customs Organization to measure performance in relation to the movement of goods at the border
- Measures the average time from arrival of goods at the border until permission is given for the goods to enter home consumption
- Provides the border agencies with a holistic view of the cargo operating environment and how the different parties (government agencies and industry) impact clearance times
- Enables the measurement of year-on-year improvements in clearance times, including the effects of changes implemented as a result of previous studies or other initiatives
- Enables the identification of other improvement opportunities to further streamline border clearance processes and facilitate trade
- Provides industry with a measure of border agency performance in delivering timely cargo clearance

TRS – KEY STEPS

1. ESTABLISH A WORKING GROUP
2. DEFINE THE PROJECT SCOPE AND DESIGN
3. PREPARE PLAN INCLUDING TYPES OF GOODS, GEOGRAPHY
4. AGREE ON SAMPLING AND RECORDING METHODOLOGY
5. DESIGN FORMS TO BE USED TO COLLECT DATA
6. COLLECT DATE AND CONDUCT ANALYSIS AND VERIFICATION OF DATA (WCO Software?)
7. FINAL REPORT AND RECOMMENDATIONS
8. IMPLEMENT IMROVEMENTS

TIME RELEASE STUDY (AUST CUSTOMS & BORDER SECURITY SERVICE)



- Key Criteria -

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

- Date & Time -

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

What is useful data and how do we collect it?

Import / export clearance times

Examination time

Vehicle clearance time

Detections/irregularities

Intervention / Examination %

Revenue

Volumes

Declarations



What is useful data and how do we collect it?

IMPORT CLEARANCE TIME

Time between entrance of truck into the terminal and its exit from the terminal after release of goods.

Methodology:

Information on truck identification and time of arrival and departure are recorded with the use of computer terminals or time clocks installed at the terminal entry and exit points.

EXAMINATIONS

Number of times that goods are examined or the cargo compartment is searched compared to the total number of import, export, and suspense declarations.

Methodology

Information will be derived from the computer system that records all declarations and from the requirement to prepare an automated report of the results of each physical examination.

PRACTICAL USE OF PERFORMANCE INDICATORS

TRUCKS CLEARED IN LESS THAN 15 MINUTES

Number of times that a truck completes import clearance (time between entry into the terminal and departure after release of goods) in less than 15 minutes compared to the total number of import clearances.

Methodology

Information will be developed using the same system that provides the data on import clearance times.

BREACHES or IRREGULARITIES / NUMBER OF EXAMINATIONS

Number of irregularities discovered during physical examinations compared to the total number of physical examinations carried out.

Methodology

Information will be obtained from the automated reporting of the results of all physical examinations.

PRACTICAL USE OF PERFORMANCE INDICATORS

TRUCK EXAMINATIONS

Number of trucks actually opened (i.e., seals broken) compared to the total number of trucks processed.

PAD methodology

Information will be compiled through the use of computerized traffic logs and the requirement to prepare an automated report of the results of each truck examination.

IRREGULARITIES / NUMBER OF EXAMINATIONS

Number of irregularities discovered during examinations compared to the total number of trucks examined.

PAD methodology

Information will be extracted from the automated reports of truck examinations.

PRACTICAL USE OF PERFORMANCE INDICATORS

AVERAGE ORDER EXIT TIMES

For trucks exiting the country, it is the time between joining the queue and crossing the border

Methodology

Information on truck identification and times will be recorded continuously with the use of computer terminals or time clocks installed at appropriate locations.

AVERAGE ORDER ENTRY TIME

For trucks entering the country, it is the time between crossing the border and departing the station

Methodology

Same as exit time

PRACTICAL USE OF PERFORMANCE INDICATORS

SURVEYED AND PERMANENT OCCURRENCES OF CORRUPTION

Number of cases when a driver of non-driver makes or is asked to make an unauthorized payment compared to the total number of trucks/locations surveyed and instances are the time..

Methodology

Information to calculate this indicator will be derived from surveys of truck drivers using the crossing point. This survey will be conducted on a continuous basis through cooperating transport companies.

TRADE VOLUMES

NUMER OF DECLARATIONS

TOTAL COST OF OPERATIONS compared to RESULTS

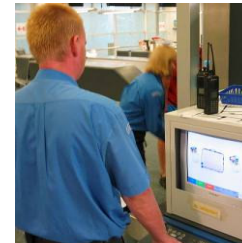
GROUP EXERCISE – INWARD CLEARANCE OF LAND CARGO

USING THE PROFORMA HANDOUTS AS A GUIDE, DESIGN A SIMPLE DATA COLLECTION FORM FOR USE AT A LAND BORDER CROSSING THAT MEETS THE FOLLOWING CRITERIA

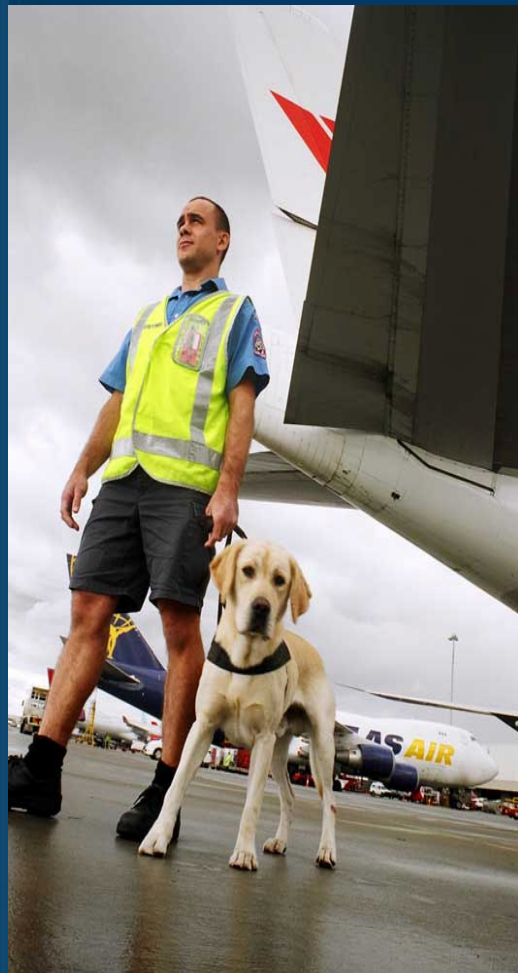
- CAN BE USED AT EACH COLLECTION POINT
- IDENTIFIES THE STEP IN THE PROCESS
- IDENTIFIES THE TRANSACTION AND/OR ENTITY (EG DECLARATION NUMBER OR VEHICLE)
- ESTABLISHES WHETHER THE GOODS OR VEHICLE WAS EXAMINED OR NOT
- CLEARANCE TIMES
- EXEMPTIONS OR OTHER PROCEDURES (EG CARNET)

CONTAINER EXAMINATION FACILITIES (Australian Customs)

- Truck arrival and departure times (lap time) from CRE
- Number of containers arriving
- In-CEF time
- % containers searched (imports/exports)
- Unpack/repack times
- Detections



Standardization of methodology and indicators



Indicators of Time (clearance time, waiting time etc)

Indicators of Facilitation (licenses, permits etc)

Indicators of Procedures

Effectiveness measures (Revenues, targets and detections)

Improvement in Collection Methods

Qualitative measures also (not just numbers)

Use of Technology such as “Smart Cards”

Institutionalization of measures – International Conventions?

GROUP EXERCISE – BENCHMARKING PLANNING

IN GROUPS,
USE THE PRO-FORMA TEMPLATES AND HANDOUTS
AS A GUIDE
DISCUSS AND AGREE ON A LIST OF KEY HEADINGS
WHICH SHOULD BE INCLUDED IN A
BENCHMARKING PLAN.

1. Integrity and timeliness of information is dependent on the integrity of officials
2. What gets measured gets done
3. Collection and analysis of data and information should be embedded in the process
4. If you are not going to do something with the data, don't collect it
5. Use data and information to make changes and decisions
6. Benchmarking is about comparison not competition
7. Strive for perfection and never be satisfied with "close enough is good enough"

QUESTIONS?

