Time Release Study
Mexico
General Administration of Customs
To know the release times for import of goods at the most important Customs Offices by traffic mode.

To identify possible bottle necks in order to simplify and improve customs processes.

To evaluate the effectiveness of improvements made on infrastructure / innovation processes – and to provide a baseline –.

To enhance transparency and predictability of Customs clearance/release.
A Working Group (WG) led by Mexico Customs was established for the purpose of conducting and reviewing the TRS.

Selected Customs Offices:

- Mexico City International Airport (AICM)
- Nuevo Laredo
- Manzanillo

The WG was composed of public and private entities, consistent with the WCO TRS recommendations.

Import Customs clearance/release for all types of goods.

TRS measured the average elapsed time from the arrival of the goods into the country until their release, considering intermediate points.
The methodological recommendations of the "WCO Time Release Study Guide" were followed.

WG composed of several government authorities, bonded warehouses, associations of Customs Brokers and organizations of importers.

WG identified Timestamps of interest, which were reflected in questionnaires that were filled by Customs and some bonded warehouses.

Due to operating conditions, and at request from warehouses, data was accessed through their information.

Federal Gov. Agencies
- Tax Administration Service (SAT)
- Ministry of Economy
- Federal Commission for the Protection against Sanitary Risks (COFEPRIS)
- Federal Attorney’s Office for Environmental Protection (PROFEPA)
- National Service for Agro-Food, Quality, Health and Safety (SENASICA)
Resources allocated for the TRS

2,096 hours of field work / 546 hours of office work

1st. Phase (preliminary meetings, visits to customs)
Study was coordinated by the Central Administration for Customs Planning

Participation of other Central Administrations: Customs Modernization, International Affairs, Field Operations and the Customs Offices under study.

2nd. Phase (pilot, survey, focus groups)
Coordination by the Central Administration for Customs Planning

Participation of other Central Administrations: Customs Modernization, International Affairs, Field Operations and the Customs Offices under study. The General Administration for Evaluation provided support with evaluation specialists.

Note: The number of people is not cumulative because some of them participated in more than one activity.

2 to 6 people participating / 3.2 days
1 to 4 people participating per area / 6.8 days

2 to 4 people participating / 27.2 days
1 to 4 people participating per area / 46 days
Country’s most important Customs Office in terms of daily volume of operations.

2017 – 2018: 2.36 million customs import declarations processed (20% of national total volume of operations).

The value of the declared goods is equivalent to 18% of the total imports into the country.

Average amount declared per Customs Declaration was 1.42 million pesos (USD 74,205)

It operates with road and rail transport.

The crossings of loaded cargo vehicles by road for import between 2017 and 2018, accounted for 2.45 million. An average of 6,720 daily border crossings.
Outcomes: Average Customs Clearance Time
Nuevo Laredo Customs Office

No Customs Inspection

- Border Line Crossing: 7 minutes
- Start of the Customs Declaraton scan: 1 minute
- End of the Customs Declaraton scan: 5 minutes
- Release of goods – Customs exit: 13 mins*

With Customs Inspection

- Border Line Crossing: 7 minutes
- Start of the Customs Declaraton scan: 1 minute
- Containerr opening: 69 minutes
- End of goods unloadin: 24 minutes
- Customs inspection starts: 18 minutes
- End of customs inspection: 42 minutes
- Release of goods – Customs exit: 28 minutes
- Total: 189 mins*

Source: Elaborated from the data obtained in the Study.
* The sum of the timestamps may not match the total due to figure rounding.
**X - Ray Equipment**

- **Border Line Crossing**: 7 minutes
- **Start of the Customs Declaration scan**: 1 minute
- **End of the Customs Declaration scan**: 16 minutes
- **Start of X-ray scan**: 9 minutes
- **X-ray dictamination**: 7 minutes
- **Release of goods - Customs exit**: 40 mins*

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**Gamma - Ray Equipment**

- **Border Line Crossing**: 7 minutes
- **Start of the Customs Declaration scan**: 1 minute
- **End of the Customs Declaration scan**: 25 minutes
- **Start of Gamma ray scan**: 2 minutes
- **Gamma ray dictamination**: 3 minutes
- **Release of goods - Customs exit**: 38 mins*

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**Outcomes: Average Customs Clearance Time**

**Nuevo Laredo Customs Office**

- **Average Customs Clearance Time**:
  - **Nuevo Laredo Customs Office**: 40 mins*
  - **Nuevo Laredo Customs Office**: 38 mins*

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**Source**: Elaborated from the data obtained in the Study.

* The sum of the timestamps may not match the total due to figure rounding.
1.44 million import Customs Declarations processed between 2017-2018 (12% of the national total).

Value of imports represented 5% of national total.

Average amount declared per Customs Declaration was 656 thousand pesos (USD 34,200).

This Customs Office processes a significant number of small imports that enter the country via express shipments (partly thanks to e-commerce).
No "Pre-Clearance" Process

**Start of X-ray scanning** 8 minutes
**X-ray dictamination** 5 minutes
**Bonded warehouse arrival** 28 hours
**Exit request (Customs Broker) from the bonded warehouse** 58 minutes

**Exit of goods from the bonded warehouse** 29 hours 33 minutes*

With "Pre-Clearance" Process

**Start of X-ray scanning** 8 minutes
**X-ray dictamination** 5 minutes
**Bonded warehouse arrival** 30 hours
**Pre-inspection request** 11 minutes
**Positioning of goods in pre-inspection area** 16 minutes
**Pre-inspection begins** 109 minutes
**Pre-inspection ends** 44 hours
**Exit request (CB) from bonded warehouse** 58 minutes

**Exit of goods from the bonded warehouse** 76 hours 48 minutes*

*The sum of the timestamps may not match the total due to figure rounding.

Source: Elaborated from the data obtained in the Study.
Outcomes: Average Customs Clearance Time
Mexico City International Airport Customs Office

No Customs Inspection

- Start of the Customs Declaration scan
- End of the Customs Declaration scan
- Release of goods - Customs exit

1 minute 4 minutes 5 mins*

With Customs Inspection

- Start of the Customs Declaration scan
- End of the Customs Declaration scan
- Positioning of goods on platform
- End of goods unloading
- Customs Inspection begins
- End of Customs Inspection
- Release of goods - Customs exit

1 minute 4 minutes 24 minutes 25 minutes 26 minutes 14 minutes 94 mins*

Source: Elaborated from the data obtained in the Study.
* The sum of the timestamps may not match the total due to figure rounding.
773 thousand Customs Declarations were processed between 2017-2018, equivalent to 7% of the national total.

Value of imported goods represented 7% of the national total.

Average amount declared per Customs Declaration was 1.77 million pesos (USD 92,185).
Outcomes: Average Customs Clearance Time
Manzanillo Bonded Warehouse

No “Pre-Clearance” Process

- Bonded warehouse arrival: 261 minutes
- Positioning of container in patio: 131 hours
- Exit request (CB) from the bonded warehouse: 38 hours
- Carrier arrival: 94 minutes
- Exit of goods from the bonded warehouse: 174 hours 53 mins*

With “Pre-Clearance” Process

- Bonded warehouse arrival: 261 minutes
- Positioning of container in patio: 62 hours
- Pre-inspection request: 31 hours
- Positioning of goods in the pre-inspection area: 134 minutes
- Pre-inspection begins: 86 minutes
- Pre-inspection ends: 78 hours
- Exit request (CB) from bonded warehouse: 38 hours
- Carrier arrival: 94 minutes
- Exit of goods from the bonded warehouse: 218 hours 54 mins*

Source: Elaborated from the data obtained in the Study.

* The sum of the timestamps may not match the total due to figure rounding.
No Customs Inspection

Gamma Ray Scan: 4 minutes
Start of the Customs Declaration scan: 3 minutes
End of the Customs Declaration scan: 10 minutes
Release of goods - Customs exit: 17 mins*

With Customs Inspection

Gamma Ray Scan: 4 minutes
Start of the Customs Declaration scan: 3 minutes
End of the Customs Declaration scan: 13 minutes
Positioning of goods on platform: 17 minutes
Container is opened: 24 minutes
End of goods unloading: 73 minutes
Custom Inspection begins: 46 minutes
Custom Inspection ends: 54 minutes
Release of goods - Customs exit: 234 mins*

Outcomes: Average Customs Clearance Time
Manzanillo Customs Office

Source: Elaborated from the data obtained in the Study.
* The sum of the timestamps may not match the total due to figure rounding.
Outcomes: Average Customs Clearance Time
Manzanillo Bonded Warehouse

X-Rays

<table>
<thead>
<tr>
<th>Event</th>
<th>Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gamma ray scan</td>
<td>4 minutes</td>
</tr>
<tr>
<td>Start of the Customs Declaration scan</td>
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</tr>
<tr>
<td>End of the Customs Declaration scan</td>
<td>16 minutes</td>
</tr>
<tr>
<td>X-ray scan begins</td>
<td>7 minutes</td>
</tr>
<tr>
<td>X-ray dictamination</td>
<td></td>
</tr>
<tr>
<td>Release of goods - Customs exit</td>
<td>68 minutes</td>
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</tbody>
</table>

98 mins*

Source: Elaborated from the data obtained in the Study.
* The sum of the timestamps may not match the total due to figure rounding.
Key findings

The notification issued for the carrier regarding the outcomes of the inspection is not entirely formal.

CB “pre-clearance” increases the time in the process.

Insufficient space prevails in the inspection area of the warehouses and the fiscal route.

The processes last longer than necessary due to lack of awareness of the regulations by importers, customs brokers personnel and bonded warehouses.

At the beginning of Customs Inspection, “dead times” arise and delay the process, such as the breaking of locks or seals, derived from inefficiencies of the Customs Brokers’s representatives or the lack of organization from verifiers.

The total unloading indicated by the verifiers takes an average of 24 min, and in the case of Manzanillo Customs Office, the documentary inspection is more than one hour, which means more time in this step than the physical inspection.

The use of NII speeds up the clearance of goods, nevertheless, the pre-scan queues consume most of the time spent during the process.

The notification issued for the carrier regarding the outcomes of the inspection is not entirely formal.
The Study measured release times for imports, considering the processes that occur before activating the Automated Selection Mechanism and, the processes that take place inside Customs Offices.

The following opportunity areas to be addressed were identified:

1. To strengthen the service attitude in Customs personnel, particularly while at the platforms.

2. Customs must have specific areas for goods that require special treatment (perishables, live animals, hazardous materials, among others).

3. Time can be optimized by improving organization of all agents at the platform is. This does not imply any regulatory or infrastructure changes.
Áreas de oportunidad

4. Increasing supervision at the managerial level and improving the distribution of work loads among verifiers at the platform, could help to accelerate customs inspection.

5. Conduct the timely and complete transmission of cargo manifests to allow for a better allocation of resources for the receipt of goods.

6. The implementation of recommendations phase is currently under evaluation in order to find the best way to address such recommendations within the processes.
Lessons learned: There is a need to

- Involve OGAs that participate in the clearance process, particularly to measure processing times, to obtain a more comprehensive result.

- Enhance the preparation of the Study among OGAs & Stakeholders to ensure greater commitment that can result in more robust outcome & shorter time.

- Prepare a detailed work plan to carry out the Study, so that it can be analyzed by the different authorities within SAT (Revenue Agency), including Customs to have greater support.

Study was useful to identify ways in which the areas of opportunity detected can be addressed.

It was the first time Mexico Customs used this methodology to measure clearance times. It can be considered as basis for future Studies.

A second study could be considered once the key on-going facilitation projects (Single Window of Foreign Trade and the Customs Technological Integration Project) are fully implemented.

The Study is available for public consultation, in the following link:

omawww.sat.gob.mx/gobmxtransparencia/Paginas/planes_informes.html
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