



Liberté • Égalité • Fraternité

RÉPUBLIQUE FRANÇAISE

Performance measurement: the experience of French Customs

**Picard Conference
Geneva, 14-16th September 2011**



**State Budget Act is divided into « programmes »,
i.e. Specific public policies**

Programme «Facilitating & Securing Trade »

= Customs administration

Each programme contains

- data about appropriations & staff
- an Annual Performance Plan

Each Annual Performance Plan has:

- strategic objectives
- operational objectives
- performance indicators
- targets

French Customs:

1- SUPPORTS BUSINESS

2- ACTS & PROTECTS

3- IS A MODERN TAX ADMINISTRATION

4- IS ATTENTIVE TO ITS STAFF

Operational objectives & indicators

In order put these strategic objectives in practice, make a balanced choice of operational objectives & indicators which reflects 3 aspects of performance :

- **ACTIVITY / SOCIO-ECONOMIC EFFECTIVENESS**

(= citizen's point of view)

eg: drugs seizures

- **SERVICE QUALITY**

(= user's point of view)

eg: time for clearing a declaration

- **MANAGERIAL EFFICIENCY**

(= taxpayer's point of view)

eg: cost of collecting duties

Annual Performance Plan (for the Parliament)

Category of objectives	Objectives	Indicators	Targets
Socio-economic effectiveness (for citizens)	N°1 – Combat organised crime	<ul style="list-style-type: none"> - Seizures of tobacco (<i>euros</i>) - Seizures of tobacco (<i>number of offences</i>) - Seizures of drugs (<i>euros</i>) - Seizures of counterfeit (<i>number of pces</i>) - Number of major offences 	54.5 M€ 13 000 340 M€ 5.5M 5 850
Service quality (for users)	N°2 – Speed up customs clearance	<ul style="list-style-type: none"> - Average time for goods to clear through Customs - Overall rate of computerisation of declarations & accompanying docs. 	7min 80%
Managerial Efficiency (for taxpayers)	N°3 – Improve customs controls efficiency	<ul style="list-style-type: none"> - No of major infringements for 1000 customs declaration selected for an ex ante control - Recovered taxes per ex post control 	8 104 000€
	N°4 – Reduce cost of taxes collection	<ul style="list-style-type: none"> - Average cost for collecting 100€ taxes and duties 	0.51€

Multiyear Performance Contract

(for internal use)

→ In a context of reforms, down-sizing, there is a need for clarification on strategy, missions and goals.

→ Give a medium-term vision of Customs role through a **MULTIYEAR PERFORMANCE CONTRACT**

→ Same 4 objectives, in more details

- 1- Support business
- 2- Action & Protection
- 3- Modern Tax administration
- 4- Caring staff

→ With additional indicators (30 in total)

→ **INVOLVE AND MOBILISE ALL CUSTOMS OFFICERS AROUND THESE COMMITMENTS.**

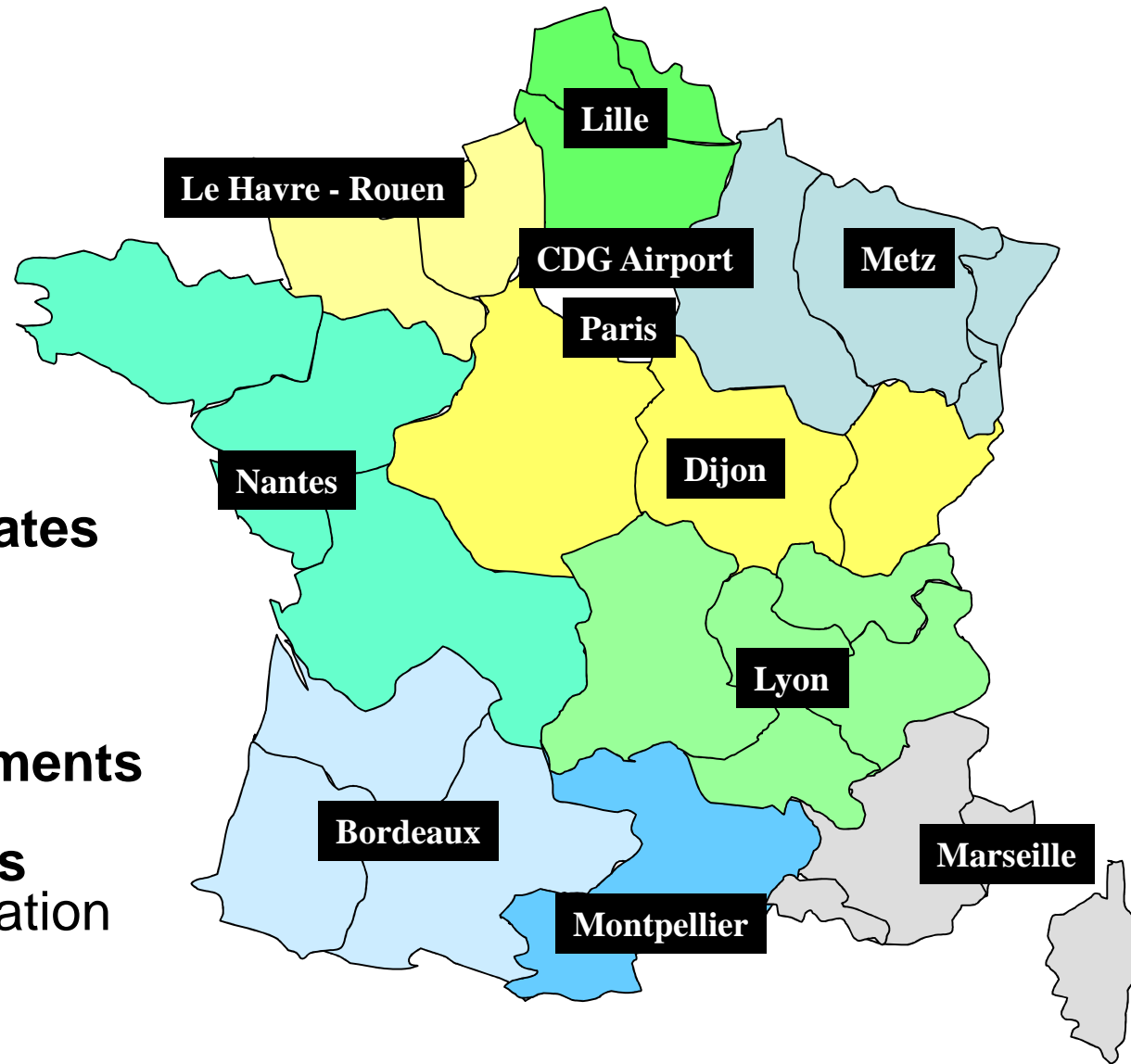
AT A NATIONAL LEVEL

- Report to the Parliament, the Government, etc.
- Give steering tools to national managers
- Share information

AT A LOCAL LEVEL

- Objectives are detailed, and targets are assigned to each Regional Directorate or National Agency (18 local operating budget managers).

Map of Regional Directorates



11 Regional Directorates

+ 4 Overseas departments

+ 3 National Agencies
Intelligence & Investigation
Information systems
Training

What we do with these figures

WE HAVE A MANAGEMENT DIALOGUE

between Central Administration & Regional Directorates

WE MEASURE PERFORMANCE of local units

WE COMPARE PERFORMANCE

- benchmark results of different units of a Regional Directorate
- benchmark results of similar units located in different regions

WE MAKE MANAGEMENT CONTROL

= ratio ressources employed / results obtained

We have a management dialogue

APRIL : Dialogue Ministry ↔ DG Customs

Agreement on of indicators & targets.

JUNE : Framework Note DG Customs → Regional Directors

Gives Directors useful data to write their Programme operating budget (appropriation, staff, local targets)

OCTOBER : Bilateral Management Dialogue Conferences

Directorate General ↔ Regional Director. Discussion of the project performance, appropriation, staff. Last decisions.

APRIL y+1 : Results Conference DG ↔ Regional Directors

Presentation to Directors of results and dashboards on local services effectiveness and efficiency.

WE MEASURE PERFORMANCE

= indicators

- measurement of activity (*eg: number of controls on...*)
- measurement of results (*eg: number of infringements on...*)
- measurement of Customs action impact: global or composite indicators (*eg: average time for goods to clear through Customs*)

WE MEASURE EFFICIENCY

= make a ratio between result and cost

- *eg: result = number of major infringements*
- *eg: cost = standardized cost of wages, rents and share of support functions.*

Indicator : « Average time for goods to clear through Customs »

Average time 2009 = 7min09s, 2010 = 6min19s.

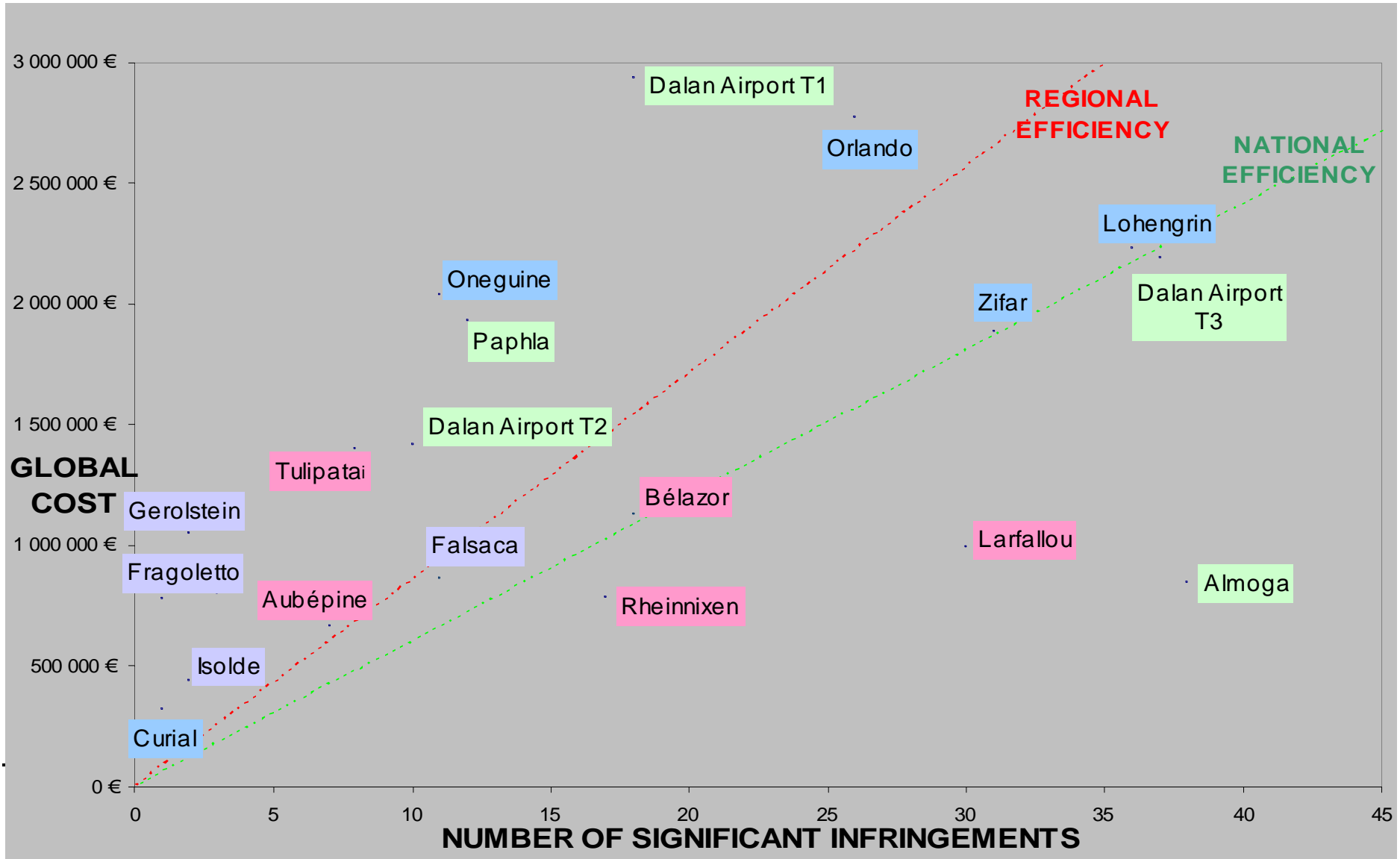
This indicator **measures an outcome**. It decreases if:

1- more declarations go through green lane (no control), less declaration go through red lane (under control). If results in term of infringements do not decrease, it means **controls are better targeted** ;

2- more **documentary inspections are computerized** thanks to computerization of accompanying documents ;

3- when there is an inspection, the **customs officer can take a decision soon** about conformity of goods ;

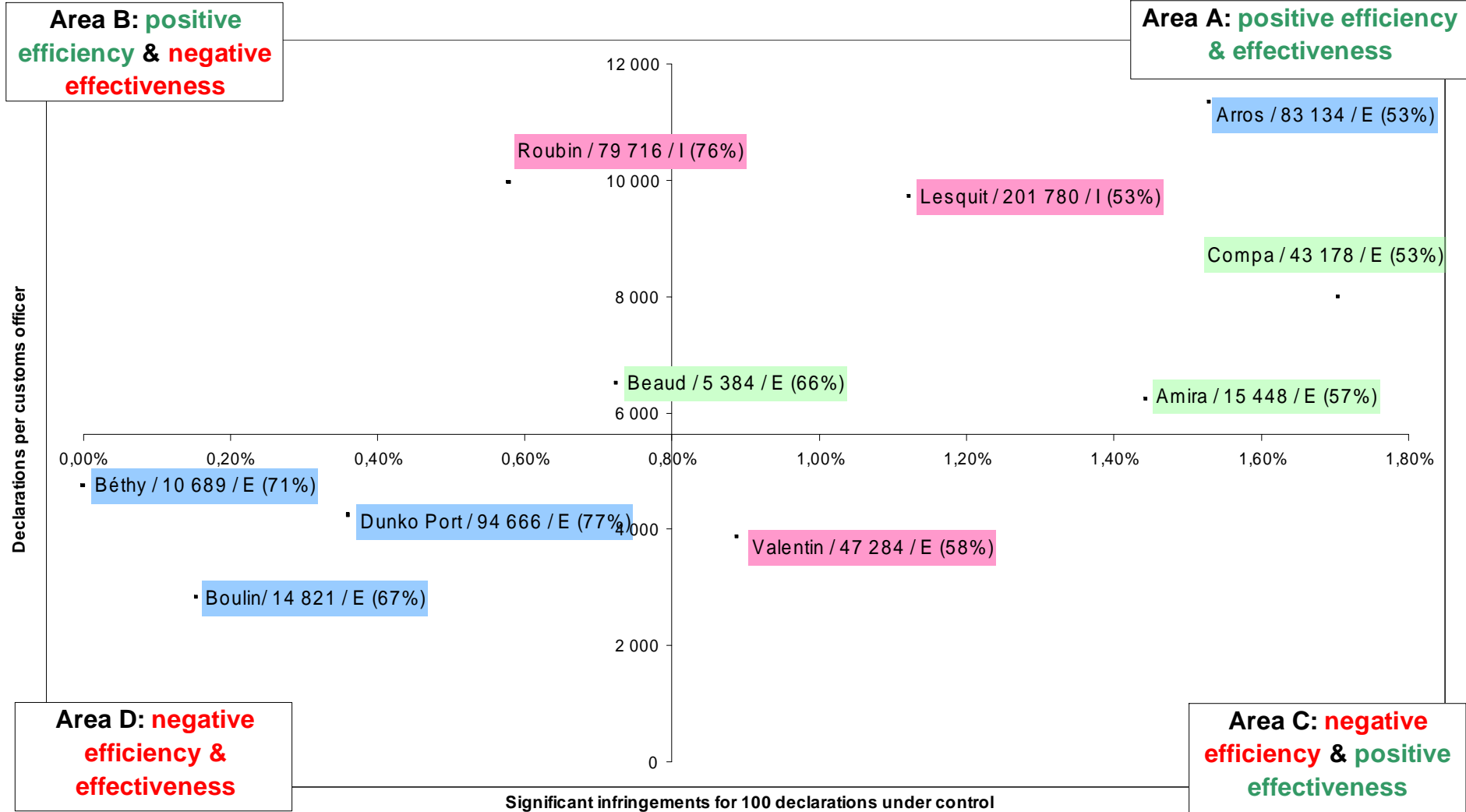
4- **clearance information system** is quick and performant.



Interrégion de Lille

2010

Dédouanement



What we do with these figures

- Indicators indicate. They do not take decisions
- They provide objective & reliable data
- They help managers check if goals are reached
- They help managers decide where to put appropriation & staff
- They help to identify best units and best practices

Thank you for your attention.

Merci de votre attention.