

Guatemala

ARTICLE 7: RELEASE AND CLEARANCE OF GOODS

Time Release Study (TRS)



The Guatemala Customs Administration, in accordance with the Institutional Strategic Plan -PEI in Spanish-, assumed in 2019 the commitment to carry out the first National Time Release Study according to the Guide to Measure the Time Required for the Release of Goods of the World Customs Organization (WCO), under the technical assistance of the Mercator Programme. The above is contained in the Trade Facilitation Agreement (TFA) of the World Trade Organization (WTO) where the importance of contributing to the efforts encouraged by Article 7.6 of that instrument, which calls on countries to calculate and periodically publish the average time required for the release of goods, is encouraged.

This measurement was accompanied by the private sector and government institutions within the framework of the **Public-Private Dialogue and Cooperation Roundtable on Customs Issues**, under the advice, supervision, and follow-up of the WCO, this allowed the strengthening of public-private cooperation, with the participation of government institutions, private sector chambers, transporters, airlines, shipping companies, cargo agencies, consolidators and deconsolidators, Customs agents, temporary Customs warehouses and Guatemalan Customs officials.

The Time Release Study (TRS) is a method and also a tool provided by the WCO, so that, based on the measurement of the elements of trade flows, the performance improvement implementations of all actors can be put into practice in the best way and ensure effectiveness.

The scope of the study included the Customs offices that are a priority in relation to their percentage of representation in the foreign trade tax collection target. Given that together they represent 73% of the collection and 53% of the definitive import operations in Guatemala. The study was conducted in the following Customs offices: **Express Aéreo, Santo Tomás de Castilla, Port Quetzal and Tecún Umán II Custom.**

At the operational level, the process of **definitive importation of containerized cargo** (maritime and land customs) and general cargo (for Customs Express Aéreo) was taken as a basis.

The Customs Administration staff was deployed with a total of 91 officers and the support and collaboration of 66 actors in the logistics chain.

The TRS provided Guatemala with information on the average time release and mainly the areas of opportunity by actor that currently affect times and costs, as well as the intersectoral, public and private strategies to address them, thus establishing a baseline for continuous measurement.

The integration of the public and private sectors, assuming a unilateral commitment, allowed Guatemala to become the first country in the Central American region and the second in Latin America to carry out a TRS under the methodology of the World Customs Organization.

As a result of this study, the **National Action Plan for the Reduction of Time Release in Final Imports** was prepared, which includes areas of opportunity and actions that consider strategic and practical elements for reducing release times in the short and medium term.



Regional Time Release Study

The Customs Administrations of Central America (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama) under the coordination and planning of the Secretariat for Central American Economic Integration -SIECA- and with the support of the World Customs Organization -WCO-, carried out the First Regional Time Release Study (TRS) at world level to identify the gaps in the flow of foreign trade that will allow actions to be taken to improve the effectiveness of customs procedures and trade facilitation in Central America.

The study revealed opportunities for improvement for the region's Customs and the generation of a Regional Action Plan that will allow them to work together in a coordinated manner, strengthening Customs-to-Customs cooperation ties as established in Pillar 1 of the SAFE Framework of Standards of the World Customs Organization (WCO).

It is important to mention that the TRS has been a real milestone in the framework of the **WTO Trade Facilitation Agreement** and the **Central American Strategy for Trade Facilitation and Competitiveness with emphasis on Coordinated Border Management**, which complements the measures contained therein, while strengthening national actions and projects or those of pairs of countries in this strategic area for trade.

Six Customs administrations and a total of **13 border posts** participated in the project, whose results and action plan will contribute to mitigate the findings.

In accordance with the transversal axes of the Central American Strategy for Trade Facilitation and Competitiveness with an Emphasis on Coordinated Border Management, the aim is to encourage action by "pairs of border countries/pairs"; the strengthening of the National Trade Facilitation Committees in each country; compliance with the measures contained in the strategy, such as integrated risk management, the adoption of international standards, infrastructure, and equipment, among others.