



MILLENNIUM CHALLENGE CORPORATION (MCC) CUSTOMS PROGRAM

Customs Broker Reform

JORDAN CUSTOMS ADMINISTRATION MODERNIZATION PROGRAM

Submitted to:

USAID/Jordan

Submitted by:

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Report prepared by Alejandro Garcia of BearingPoint under the Customs Administration Modernization Program implemented by ARD, Inc.

OBJECTIVE

The overall goal of this consultancy was to work with the Jordan Customs Training Center to revise the broker training curriculum to reflect changes resulting from ASYCUDAWorld and Single Window implementation as well as general revisions to make broker certification more rigorous.

The specific objectives of this activity were as follows:

1. Jordan Customs broker training curriculum is modernized to cover all matters required for a broker to conduct his/her job with efficiency and effectiveness.
2. Jordan Customs adopts new requirements for the broker industry on professional standards, certification, training, and continuing professional education.
3. Jordan Customs requires all brokers to be tested on new requirements and to be recertified.
4. Jordan Customs assigns levels of service for brokers depending on levels of certification and past performance.
5. Jordan Customs is able to revoke unused broker licenses after one year of non-use.
6. Jordan Customs adopts new regulations preventing brokers from waiting to collect multiple paper declarations before starting the clearance process.

1. BACKGROUND

As outlined in the Task Order Statement of Work, Component Three of the Jordan Customs Administration Modernization Program calls for “major upgrading of staff capabilities to serve efficiently under the new business practices.” Upgrading to the more advanced automated Customs clearance system, ASYCUDAWorld, and implementation of streamlined procedures at the borders have changed business practices not just for Customs officers, but also for brokers. The role of the broker must evolve with the changing needs of his/her clients. In Jordan, brokers must spend much more time in front of a computer, rather than standing in line in front of a counter at a Customs center. Brokers should be prepared for these rapid changes in their industry. The upgrade to ASYCUDAWorld presents an opportunity to establish new industry standards and requirements and to review all brokers against these new criteria.

In 2007, the Program conducted a Time Release Study, using World Customs Organization methodology to measure the time required for each of the 19 steps of the Customs clearance process. The Time Release Study found that broker errors are responsible for significant bottlenecks in the clearance process. This finding is consistent with the findings of a 2006 report published under the USAID Achievement of Market-Friendly Initiatives and Results (AMIR) Program in Jordan. The report calls for comprehensive improvements to the broker certification process to ensure a high-level of professionalism among brokers.

2. ACTIVITIES

2.1 Customs Training Center

We met with the Director of the Customs Training Center, Director of Transit and Clearance and other Jordan Customs officials, to discuss the role of Customs brokers, and to review the current training curriculum, and we reached the following conclusions:

- That the current staff training covers some topics that do not have much relevance to Customs operations, which indicates that the time Customs broker candidates spend on these topics could be better utilized;
- That the time allotted for each topic is approximately two hours, which does not provide enough time for Customs broker candidates to acquire sufficient knowledge of the subject matter;
- That Customs law requires only a secondary education as a prerequisite to apply for a position as Customs broker, which is no guarantee that a candidate can carry out his work with professionalism;
- Some candidates for the position of Customs broker provide false academic documentation, and some may even have less than the secondary education that Customs law requires;
- In the meeting mentioned above, the Jordan Customs Office Directors acknowledged that Customs brokers make many errors, due primarily to insufficient knowledge of the subject matter;
- One Director informed us that Customs brokers make the same errors frequently because Customs law does not adequately penalize errors or violations.

2.2 Meetings with Customs Brokers

For the purpose of reviewing current industrial standards, we interviewed Golden List brokers and other Customs brokers. They revealed problems shared by many Customs brokers. One example is that many Customs broker offices are located far from Customs, which prompts them to present all declarations submitted that day at one time. To present more than once daily, they would have to have additional employees and have sufficient vehicles to transport staff to Customs several times in the same day. This addition would compel them to increase their client fees.

2.3 Interviews with Custom House Directors

In follow-up interviews with Directors of Amman and Queen Alia International Airport Customs Houses, they disclosed problems that they encounter day after day, such as: even though Customs opens for business at 7:30 a.m., a majority of Customs brokers take their importation declarations to the window for review from 9:00 A.M. to 11:00 A.M., resulting in delays and

chaos. They added that some brokers wait around three hours to collect a large number of declarations before proceeding to the Customs window to present them, causing major delay in the process.

Also, the Custom House Directors mentioned that when they inspect goods they often detect errors in duty and tariff classification and valuation, and other types of non-compliance.

From our observation of the process, we confirmed that Customs brokers make many small errors such as: incomplete declarations, incorrect quantities listed on invoices, incorrect or absent certificates of origin, etc. These situations generate delays in the clearance of good while errors are corrected.

2.4 Visits to Customs Broker Offices.

We interviewed two Customs brokers in their offices, who showed us how they submit their importation declarations using the ASYCUDA system.

During these visits, we observed the submittal process, validation and receipt of Customs declarations.

3. DELIVERABLES

3.1 Customs Broker Training Curriculum

In accordance with the primary objective of this consultancy, an updated broker training curriculum is offered, with a focus on the in-depth use of the ASYCUDA system and discussion of topics directly related to Customs clearance processes, such as: duty and tariff classification, valuation, importation procedures, etc. This curriculum is provided in a separate document.

The training curriculum is divided into three parts:

- a. Theory,
- b. Practical Application,
- c. Simulation of Customs Operations.

The Simulation of Customs Operations will require the broker trainee to carry out several different procedures involved in the Customs clearance process, including: documentation which should be attached to the declaration, duty and tariff classification, valuation, declaration submittal using the ASYCUDA system, Customs declaration presentation, goods inspection, and how to respond to and resolve problems that may come up during the Customs clearance process.

Performance in carrying out each of these procedures will be evaluated using measurable indicators such as: whether the broker candidate knows what documentation needs to be presented for a given standard, the time spent for each step, and the method used for problem solving.

3.2 New Requirements for Customs Brokers to Be Certified

3.2.1 Competency Requirements for All Brokers

A ruling should be published, with copies sent to the Broker Syndicate. It should prohibit Customs brokers from submitting declarations that are incomplete or with error. This has a double objective: to compel Customs brokers to correct errors, and to improve the quality of service that they offer.

3.2.2 Revoke Unused Customs Broker Licenses

Jordan Customs should conduct audits of Customs brokers and brokerage managers, and if it is shown that the broker has not used his license for one year or longer, or that the manager has not used his license for two years or longer, Jordan Customs should proceed to revoke said licenses. In order for Jordan Customs to carry out the process of revocation of licenses, we propose a legislative change to Article 167 (B), paragraph 4 of the Jordan Customs Law.

3.2.3 Certified Professional Customs Broker

A proposal for a new class of license is recommended, with the title of “Certified Professional Customs Broker”, which offers certain advantages, such as:

- a. Jordan Customs will accept his electronic records.

- b. He will be provided with “front of the line” services.
- c. Jordan Customs will accept his declarations with electronic signatures and attached scanned documents.

To obtain this type of license, a candidate should take the certification examination for the Certified Professional Customs Broker License.

3.2.4 New Rules to Limit Time Delays Caused by Customs Brokers

We have proposed a new directive designed to address bottlenecks in the clearance process caused by brokers, that specifies a maximum time interval between the time the declaration is submitted by the broker and the time he starts the clearance process; and that specifies that Certified Professional Customs Brokers may submit declarations with electronic documents and attached scanned signatures.

4. FURTHER RECOMMENDATIONS

Looking forward, the following is recommended:

- The development of a “Training Manual for Customs Brokers” that covers all aspects of their work;
- The development of a “Broker Management Handbook”;
- Legislative changes to make penalties more severe for violations by Customs brokers.

ANNEXES

ANNEX I: New Certification Requirements for Customs Brokers

ANNEX II: Customs Broker Training Curriculum Update

ANNEX I: New Certification Requirements for Customs Brokers

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INTRODUCTION

In every country, the Customs broker must hold a valid Customs broker license and permit in order to transact Customs business on behalf of others. There are standards for issuance of broker licenses and permits, and provisions for disciplinary action against brokers in the form of suspensions or revocations of such licenses and permits or assessments of monetary penalties.

Customs brokers are licensed after passing an examination that covers a broad range of knowledge including Customs law, classification and tariff schedule; import and export regulations; shipping procedures; trade documentation; etc.

It is important for Customs to issue public instructions, including rules regarding the licensing of persons desiring to transact business as Customs brokers, that make clear the qualification procedures for applying for licenses and the record keeping requirements for licensed brokers, and that delineate the assessment of monetary penalties for violations of such rules.

1 BACKGROUND

In 2006 the USAID Achievement of Market-Friendly Initiatives and Results (AMIR) Program in Jordan published a report on “Reforming Customs Brokers.” The report recommends reforms for further development of brokers in Jordan, including more rigorous requirements for the broker certification process and comprehensive improvements within the industry.

AMIR found that there are strong negative factors which are impeding further progress for the Customs broker industry, and which must be addressed in order to implement the changes necessary to produce competent brokers. The negative environment includes:

- Weak penalty schemes in Jordan that are more concerned with inconsequential error that permits individual Customs officers to collect incentives in the form of additional pay;
- No clear definition of responsibilities among brokers, traders, and Jordan Customs;
- A legacy system based on “an incestuous relationship” between Customs brokers and Customs officers and;
- A regulatory environment within the existing Customs law that appears to have a primary objective of protecting the existing brokers rather than their clients or the Government of Jordan.

This report recommended creation of a new class of licensee: a professional Customs broker. Furthermore, it recommended that the new professional Customs broker license should require periodic re-certification, suggested for every three years.

2 OBJECTIVES

The overall objective of this activity is to develop “new requirements for the broker industry certification process, training and continuing education.”

The specific objectives of this activity are as follows:

- Meet with the broker syndicate and major broker agencies to review current standards.
- Define new industry standards for certification, training and professional education.
- Create different levels of certifications.
- Propose a new regulation that enables Jordan Customs to revoke unused broker licenses.

3 METHODOLOGY

3.1 AMIR Report

The Achievement of Market-Friendly Initiatives and Results Program (AMIR) Broker Report was taken into account, which recommended improvement of the Customs broker certification process, with the objective of streamlining the Customs clearance process and reducing errors, in compliance with the law.

3.2 Revision of Current Training Curriculum

We met with the Customs Training Center Director to discuss the current training curriculum for Customs brokers and gain insight into what is needed to update it.

3.3 Meeting with Broker Syndicate

We had meetings with representatives of the Broker Syndicate and major broker agencies to review current industry standards.

3.4 Analysis of Current Customs Law

A detailed analysis was conducted of Customs Law, Articles 168 through 170, which regulate the functions of the Customs broker.

3.5 Directive Analysis

An analysis of Directive No. 32 for year 2006 was conducted, regarding “Standards for Classification of Clearing Companies,” which classifies clearing companies according to three categories – First, Second and Third – based on the following standards: the capital of the company; the bank guarantee amounts; the number of main branches/offices; the number and qualification of employees; the annual number of declarations processed; and the performance of the company based on Customs and Broker Syndicate evaluation.

4 COMPETENCY REQUIREMENTS FOR ALL CUSTOMS BROKERS

It is known that for some years Customs in many countries has used the self-declaration process; that is, the importer or Customs broker, enters his declaration into the Customs automated information system (e.g., ASYCUDA) to certify the information declared. If this should at any time reveal errors, these may be corrected immediately by the Customs broker to avoid delays in the clearance process and/or the imposition of penalties by Customs authorities. In the specific case of Jordan Customs, one of the main problems causing delay in the final acceptance of Customs declarations is due to errors not being corrected in a timely manner by Customs brokers when entering customs declarations, even when using the ASYCUDA system. If errors are caught by the Customs official at the time of initial submission, they are rejected and delay is caused while they are being corrected. At times, Customs officers accept incomplete or erroneous declarations, only to have them ultimately rejected by ASYCUDA, causing further delay.

Correction of this problem will require a new Customs directive forbidding the acceptance by a Customs officer of incomplete declarations from any Customs broker. A sample directive is provided below:

CUSTOMS DIRECTIVE

ORIGINATING OFFICE: JORDAN CUSTOMS DIRECTOR GENERAL

SUBJECT: POLICY AGAINST ACCEPTANCE OF INCOMPLETE DECLARATIONS

1. **PURPOSE:** To amend Article 61 of Customs Law No 20. of 1998.
2. **POLICY:** Chapter 1, Article 61 of Customs Law No. 20 of 1998, regulates how Customs declarations shall be presented to the Customs Department.
3. **RESPONSIBILITIES:** Statistical Section/Planning and Organization Directorate is responsible for ensuring that the provisions of this Directive are carried out effectively and uniformly throughout its areas of responsibility. This Section also is responsible for the dissemination of this Directive to personnel within its jurisdiction.
4. **PROCEDURES - HOW THE CUSTOMS DECLARATION SHALL BE PRESENTED TO THE CUSTOMS HOUSE**
 - 4.1 Article 61 of Customs Law No. 20 of 1998 provides: “Upon clearing any commodity, even when exempted from duties and taxes, a Customs declaration shall be presented to the Customs house; such declaration shall be organized: 1. In writing; 2. By using information or data processing method whenever such method is required and in accordance with directives issued by the Director.”
 - 4.2 Article 61 of Customs Law No. 20 of 1998 provides that the Customs Director can regulate how the Customs declaration shall be presented to the Customs house.
 - 4.3 The purpose of Customs Law No. 20, Article 61 of 1998 is to provide Customs brokers, importers and exporters with a Customs clearance process that is expeditious and prevents errors by using Customs information systems.
 - 4.4 According to Customs Law No. 20, Article 61 of 1998, it is mandatory in all cases that importation entry summaries be processed through Customs information systems as established in the ASYCUDA Manual.
 - 4.5 If the Customs broker submits a Customs declaration with errors, the broker has an obligation to correct them according to the established ASYCUDA User’s Manual and to re-submit the corrected version.
 - 4.6 Based on the aforementioned, it is therefore strictly prohibited that Customs officials accept incomplete declarations from Customs brokers.
5. **EFFECTIVE DATE:**
6. **MEASUREMENT:** The Planning and Organization Directorate/ Statistical Section will be responsible for assuring compliance with this Directive.

5 REVOKE MISUSED OR UNUSED CUSTOMS BROKER LICENSES

It is important that Jordan Customs carry out a purge of Customs brokers who continue to submit erroneous or incomplete declarations. Also, brokers who do not use their licenses for extended periods of time should have them withdrawn. Jordan Customs should conduct audits, and if it is shown that the broker continues to make errors, or it is discovered that he has not used his license for one year or longer, Jordan Customs should proceed to revoke the license. In order for Jordan Customs to carry out needed revocation of licenses, regulations should be modified to establish that repetitive errors or failure to use one's license for an extended period shall result in cancellation of said license.

This will require a legislative change to Article 167 B, paragraph 4, to read as follows:

“The Customs Director General may revoke licenses from brokers with a history of repeated errors and who continue to present erroneous or incomplete declarations, and may revoke inactive licenses that have not been used for a period of one year or more.”

6 LICENSE CATEGORIES AND CURRENT TRAINING

Currently, Article 166 of the Customs Law of Jordan establishes two categories of Customs brokers: Individual persons, and persons who work for legal entities (brokerage firms). To become licensed brokers, all must meet certain requirements such as: a minimum of a high school diploma, participation in Broker Training provided by the Jordan Customs Training Center, and achievement of a passing grade on the broker examination.

In reviewing the curriculum for the Jordan Customs Broker Training Course, we note that all of the critical subject areas are covered. However, the duration of the actual training is too short. For example, for the subject of “Systems Improvement, Customs Operations and Acceptance and Document Processing”, the training time is only four hours, which in our view, is insufficient to acquire a full knowledge of the facts.

Furthermore, after several meetings at the Customs Training Center and with Jordan Customs Directors, it was revealed that the main cause of errors committed by Customs brokers is inadequate knowledge of Customs principles and law.

In a meeting with the Training Center Director, we received a commitment to update the current Customs broker training curriculum. We recommend that to gain broker certification, an applicant must achieve a minimum score of 70% on the examination, and that he must be retested every three years. A comprehensive curriculum for an updated broker training course will be provided in a separate report.

7. “CERTIFIED PROFESSIONAL CUSTOMS BROKER”

In agreement with the AMIR Broker Report, and in order to further facilitate trade in Jordan, it is recommended that a new class of broker license be established that could be called a “Certified Professional Customs Broker”, which all brokers would be eligible to obtain. To qualify, individuals would be required to take and pass the certification examination for the Certified Professional Customs Broker License.

It should be required that a Customs broker must have at least three years of experience as a qualified broker in Jordan before he may seek this new level. The Certified Professional Customs Broker also should be required to take a re-certification examination every three years. If the broker passes the exam, he will be re-certified by Jordan Customs and will retain his license. If he does not pass the re-certification examination, his license will then be revoked with the right of review.

If the review confirms the “not passing” grade on either the original or re-certification exam, the broker has the opportunity to retake the examination as many times as necessary in order to pass.

For this category of Customs broker to become a reality, a legislative change is required in Article 166(K). The recommended language will provide for both testing of regular Customs brokers as well as those aiming for Certified Professional Customs Broker status. The score on the test will determine which level (if any) an applicant qualifies for. The following language is recommended:

1. At the time that this law is enacted, a one-time competency examination will be held for all Customs brokers currently holding licenses. Licenses of those not passing the test will be revoked. The examination will be held within 3 months after the date that this provision enters into force.
2. Following the initial examination, Jordan Customs will hold a competence examination no less than once a year for new Customs broker applicants.
3. When recurring error brings the competency of a given broker into question, he may be required to re-take the competency examination, and his license may be suspended or revoked if the test is not passed or if the broker refuses to take the test.

7.1 Advantages of Certified Professional Customs Broker Status

Jordan Customs should offer attractive incentives to brokers who meet the rigorous Certified Professional Customs Broker requirements, including:

1. Acceptance by Jordan Customs of their electronic recordkeeping (subject to appropriate changes in the legal and regulatory environment);
2. “Front of the Line” services;

3. Acceptance by Jordan Customs of their declarations with electronic signature and attached scanned documents (subject to appropriate changes in the legal and regulatory environment).

In the case of declarations of importation or exportation, it will not be necessary to paper-file documents because these are already found in the ASYCUDA database, which facilitates Customs authorities' access to them in case of an audit. Documents that normally are attached to importation declarations can be digitalized (scanned), so if auditors require these documents, the Customs broker can easily print them for review.

7.2 How to Obtain a Certified Professional Customs Broker License

7.2.1 National Contest

Jordan Customs should conduct a national contest open to all individuals who have a Customs broker license and three years of practical experience, and have a clean record. A clean record should be defined as: no record of serious mistakes in carrying out the Customs clearance process; no record of criminal activity; and a qualifying score on the examination for the "Certified Professional Customs Broker" license. Specifically, the candidate should have to meet the requirements described below.

7.2.2 Requirements

In order to obtain a Certified Professional Customs Broker License, the individual candidate must fulfill the following terms:

1. He must currently hold a Customs broker license.
2. He must have at least three years of practical brokerage experience.
3. He must be of good reputation and character and not have a record of criminal activity.
4. He must have attained an attendance record of at least 90% and passing grade of 85% or higher on the updated Jordan Customs Broker Training Course.

7.3 Application for the License

An application for a Certified Professional Customs Broker license must be submitted to the General Director of Customs. The application must be under oath and executed on the appropriate Jordan Customs Form. The application must be accompanied by one copy of the attachment required by the application form (Article of Agreement).

7.4 Written Examination for Certified Professional Customs Broker

The written examination for Certified Professional Customs Broker status will be designed to determine the individual's knowledge of Customs and related laws, regulations and procedures, and all other appropriate matters necessary to render valuable service to importers and exporters. The examination will be prepared and graded at the Jordan Customs Training

Center. Jordan Customs will provide to each examinee with written notice of the result of the examination.

7.5 Review of Failing Grade on Examination

In order to provide transparency, the opportunity for a review of a failing grade is provided. If the candidate does not pass the examination for the license of Certified Professional Customs Broker, he will have the right to request from the Director of the Customs Training Center a review of his examination within 5 business days of receiving his examination results. If the review produces a result that is within the passing range, he may proceed to the stage of license investigation. If a failing score is confirmed, he may re-take the examination.

7.6 Investigation of License

Candidates receiving a passing grade on the examination will be immediately referred as applicants for a Certified Professional Customs Broker License. Jordan Customs will designate an entity to conduct an investigation. The investigation will ascertain facts relevant to the question of whether the applicant is qualified; it will cover but need not be limited to:

- The accuracy of the statements made in the application;
- The business integrity of the applicant; and
- The character and reputation of the applicant.

The investigative entity will forward the originals of the application and the report of investigation, as well as its recommendation, to the Director General of Customs.

7.7 Denial of License

If the Director General of Customs determines that the application for a license should be denied for any reason, notice of denial will be forwarded to the applicant. The notice of denial will state the reasons why the license was not issued.

The grounds sufficient to justify denial of an application for a license include, but need not be limited to:

- A failure to establish the business integrity and good character of the applicant;
- Any willful misstatement of pertinent facts in the application for the license;
- Any conduct which would be deemed unethical in commercial transactions by accepted standards; or
- Evidence of dishonest or criminal conduct.

7.8 Review of License Denial

Upon the denial of an application for a license, the applicant may file in writing with the Director General of Customs a request for an opportunity to present information or arguments in support of the application. This request must be received by the Director General of Customs within 15 calendar days of the denial.

7.9 Local Registration

A Certified Professional Customs Broker who intends to conduct Customs business at any Customs Center must submit an application for local registration to the Director of the Customs Center where he intends to conduct business.

Each application for a Customs Center local registration must attach the following:

- The applicant's Certified Professional Customs Broker license number and date of issuance;
- The address and telephone number of the office designated by the applicant as the office of record for the purposes of administering all activities conducted under the Certified Professional Customs Broker license;
- A copy of a document which registers the applicant's business name with the municipal government;
- The name of the individual Certified Professional Customs Broker who will exercise responsible supervision and control over the Customs business transacted in the Customs Center;
- The place where the applicant's brokerage records will be retained and the name of the applicant's designated record keeper; and
- A list of all persons who will be employed in the broker's office, together with information on their qualifications and roles within the office.

ANNEX II: Customs Broker Training Curriculum Update

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INTRODUCTION

This training curriculum was carefully designed to ensure that the end result will be that Customs brokers are provided with ample knowledge related to importation and exportation processes in order to carry out their work in a more responsible and professional manner. The ultimate objective is to speed the Customs clearance of goods so that traders will be able to have their goods released in a timely manner in order to improve the efficiency of their business operations.

This training course has a central focus of providing Customs brokers with the necessary knowledge to use the ASYCUDA system appropriately, the best tool for Customs to clear goods in an efficient manner, with minimal error and in compliance with the law.

Additionally, this training curriculum includes topics to make the certification process more rigorous for Customs brokers. This has been done in order to prevent common and recurrent errors in the classification and valuation of goods, and in the presentation of documents attached to the declarations.

1 Background

In 2006, the USAID Achievement of Market-Friendly Results (AMIR) Program, in its final report on broker operations in Jordan, emphasized that some Customs brokers have substandard training in and knowledge of Customs operations and procedures. They are described as incompetent advisors of importers and exporters, who are focused solely on completing declaration forms. Similarly, in the referenced study report, it was noted that frequently Customs brokers do not complete the declaration forms in their entirety, or that they make frequent errors, which indicates that they do not have sufficient knowledge to represent the importers in a professional manner before Customs authorities.

This consultancy conducted periodic meetings with the Customs Training Center Director and with broker agency and Customs officials. We reviewed and discussed the current training curriculum for Customs brokers, and it was concluded that although the curriculum encompassed all of the required topics, the time devoted to training on these topics was too short. For example, for one of the most important topics, Computerized Customs Systems (ASYCUDA), the actual training time was only two hours. Moreover, the current training curriculum includes topics that do not have any practical application to Customs procedures. With the goal of providing a more pertinent and comprehensive broker training program, we offer our recommendation for updating the broker training curriculum, dividing it into two components: the utilization of ASYCUDA and topics related to the Customs clearance processes (Harmonized System, Valuation, etc.).

Linked with the above, we acquired the commitment of the Jordan Customs Training Center and the Director of Transit and Clearance, to update the training course for Customs brokers so that their work may be accomplished in a more accurate and efficient manner.

2 Goals and Objectives

The overall goal of this consultancy is to provide an updated broker training curriculum in order to improve Customs broker knowledge and performance. The objectives of the training curriculum are:

- That it will provide for the certification process for Customs brokers to be more rigorous, so that they may be able to carry out their tasks with more professionalism;
- That Customs brokers acquire sufficient knowledge to be able to adequately use the AYSCUDA system to avoid errors in the Customs clearance process;
- That Customs brokers learn other related topics in addition to ASYCUDA to assist them in carrying out Customs declarations with minimal errors in order to expedite the release of goods;
- That Customs brokers learn the required standards that need to be met for any type of goods, in order to avoid errors that could have serious consequences, such as imposition of fines and possible confiscation of goods;
- That Customs brokers who successfully complete the updated training course with a passing score on the examination will acquire both theoretical and practical knowledge of the process of importation and exportation of goods and will perform in a highly professional manner.

3 Overview of Training Methods

As mentioned earlier, the first thing the training course should include is instruction on the correct use of the ASYCUDA system; and second, it should provide thorough coverage of topics directly related to the Customs clearance process.

The training model incorporates three methods, described as follows:

1. The first part of the training methodology consists of a procedural component where Customs brokers are taught in detail how the ASYCUDA system functions, and other topics are discussed that are directly related to the process of Customs clearance. At the end of this procedural component, a rigorous examination is given to test for knowledge of facts. To continue to the next level, it is necessary to pass with a grade of at least 80%.
2. The second part consists of a practical component where the procedural knowledge already acquired in the first part can be applied. For example, a step-by-step discussion on the use of the ASYCUDA system will be conducted, ranging from the completion of declarations to the clearance of goods.
3. Lastly, the “Simulation of Customs Operations” will be carried out, in which several different procedures will be conducted that will cover a variety of situations related to the Customs clearance processes. To evaluate the progress made by the Customs broker applicant, we will include measurable indicators such as: time measurement of each step, number of errors, etc.

4 Components of the Training Program

4.1 Course Title: ASYCUDA

Course Length: 20 hours

Course Description:

This course will basically be focused on the Customs Broker Module of the ASYCUDA system, from which Customs declarations are elaborated and are transmitted to the central server for validation. Additionally, this training covers simplified procedures that can be applied to Customs clearance processes by taking maximum advantage of this information systems tool. As a second part of this topic, practical workshops will be conducted, during which progress made by Customs brokers will be measured by using indicators managed by the Customs Training Center.

Course Objectives; the Customs broker must learn:

- Declaration processing.
- Declaration processing steps.
- Data-capture and validation.
- Monitoring of Customs regulations.
- Integrated tariff, including value and quantity credibility.
- How to calculate duties and taxes.
- New simplified procedures.

Content:

- Format of a Single Administrative Document (SAD).
- Contents of SAD in ASYCUDA.
- Declaration Processing Steps:
 - ✓ Data capture and validation.
 - ✓ Monitoring of Customs regulations.
 - ✓ Registration.
 - ✓ Calculation of duties and taxes.
 - ✓ Selectivity.
 - ✓ Assessment.
 - ✓ Release of goods.
- Monitoring of Customs regulations.

- ✓ Integrated tariff, including value and quantity credibility.
- ✓ Manifest files check.
- ✓ Supplementary documents.
- Calculation of duties.
- Assessment.
- Release of goods.
- Declaration control.
- Follow-up.
- International Transit Declaration transactions:
 - ✓ Security.
 - ✓ Access to on-line information.
 - ✓ Data-entry.
 - ✓ Automatic production of documents.

4.2 Course Title: Customs Operations: Accepting & Processing Documents

Course Length: 20 hours

Course Description:

This course will instruct Customs broker candidates on how to file electronic documents with Jordan Customs, providing sufficient information to enable Customs to determine whether imported goods may be released from their custody. It also includes all information that is necessary to determine whether other applicable requirements of law have been met. All filings must be done using “reasonable care”.

It will show the liability of the importer for payment of duties on the goods and such other information as is necessary to determine whether other applicable requirements of law have been met. All filling must be done using “reasonable care”.

The course also includes discussion of other information that must be provided that is necessary to determine whether other applicable requirements of law have been met. All filling must be done using “reasonable care”.

Course Objectives; the Customs broker must learn:

- Commitments and liabilities for duty upon re-importation of articles.
- When entry is needed.
- What constitutes evidence of the right to make entry.
- What a Power of Attorney is and the duration for which one is valid.
- How to determinate “time of entry”.
- The rate of duty applicable to a shipment.

Content:

- Liability for duties.
- Liabilities for duty upon re-importation of articles.
- Entry required.
- Evidence of right to make entry for importations by common carrier.
- Power of Attorney.
- Quantity of goods to be included in an entry.
- Presentation of entry papers.
- Submission of documents for review.
- Time and date of entry.
- Date of entry determines duty rate.

- Invoices.
- Waiver of invoices requirements.
- Fundamental invoice guidelines.

4.3 Course Title: Harmonized System

Course Length: 15 hours

Course Description:

As a part of the entry process, goods must be “classified” in order to determine where they fall in Jordan’s tariff system, and their value must be determined. For this reason this course will help the Customs broker candidates learn how to use the Harmonized System, including the heading and subheading and their related numerical codes; the section, chapter and subheading notes; The General Rules of Interpretation (for use in interpretation of the Harmonized System).

Course Objectives; the Customs broker must learn:

General Rules of Interpretation must be learned and memorized, and the Customs broker candidate must apply them in order to make the Customs declaration without mistakes and pass the test.

Content:

- Legal text.
- The essential heading.
- Examples.
- General Rules of Interpretation (GRI).
- Hierarchical application of GRI.
- Example.
- GRI 2
- Transaction.
- Two parts to GRI 12 (a).
- Essential character.
- Examples.
- Rules of entireties.
- Duty.
- Classifying on the test.

4.4 Course Title: Valuation

Course Length: 15 hours

Course Description:

The value of goods constitutes one of the essential elements to declare correctly Customs tariffs, which are based in part on the value of the goods. For this reason, on this topic training instructors will discuss the different methods of valuation in Customs practice, as well as discuss the INCOTERMS more widely in use.

To avoid Customs brokers making errors in the valuation of goods, it is of vital importance that brokers have sufficient knowledge of this topic in order that Customs duties may be correctly calculated.

In addition, hands-on exercises will be conducted on how to calculate duties, during which observation on the progress made by broker candidates on the topic of valuation can be measured.

Course Objectives; the Customs broker must learn:

- What “value” is and how it is determined for entry.
- What can be subtracted from and/or added to the invoice.
- What an assist is and how it is handled.
- When the invoice value cannot be used and how Jordan Customs works out value.
- The hierarchy of appraisal and how Jordan Customs applies it.
- How to use the INCOTERMS.

Content:

- Date of exportation.
- Valuation methods.
- Transaction value.
- Additions to the price paid or payable.
- Assessment.
- Deduction from the price paid or payable.
- Customs calculations.
- When transaction value cannot be used.

- Related party sales.
- Deductive value.
- Computed value.
- Value if other values cannot be determined.
- INCOTERMS.

4.5 Course Title: Customs Brokers

Course Length: 15 hours

Course Description:

This course sets forth guidelines for the licensing of and granting of registrations to anyone wanting to be a Customs broker, including the qualification requirements and procedures for applying for licenses and registrations. It also includes the duties and responsibilities of brokers and the grounds and procedures for disciplining brokers, including the assessment of monetary penalties and revocation or suspension of licenses.

Course Objectives; the Customs broker must learn:

- Activities that require a Customs Broker's License.
- Activities that do not require a Customs Broker's License.
- The requirements for an individual, manager and Certified Professional Customs Broker.
- Revocation or suspensions of license.
- Records to keep and how long to keep them.
- Responsible supervision.
- How a Customs broker is penalized.

Content:

- Definitions.
- License categories.
- Requirements for natural persons and companies.
- Joint liability.
- Penalties.
- Recordkeeping.

4.6 Course Title: Simulation of Customs Operations

Course Length: 20 hours

Course Description:

The Simulation of Customs Operations will cover several different procedures related to Customs clearance processes. To evaluate the progress made by the Customs broker candidate, we will include measurable indicators such as: time measurement of each step, number of errors, etc.

Course Objectives: the Customs broker must know:

- How to determine the value of goods that are to be imported.
- How to classify goods that are to be imported.
- According to the type of goods, what documents should be attached to the importation declaration to assure compliance with the different standards, such as: Agriculture, Metrology, etc.
- How to conduct Customs clearance processes from declaration submittal to departure of goods from Customs.
- How to resolve problems as they occur in the Customs clearance process.
- How to keep properly organized records to be in compliance with those provisions of the law.

Content:

- Before beginning the Customs clearance process.
 - ✓ Goods classification.
 - ✓ Goods valuation.
- Customs clearance process.
 - ✓ Accepting and processing documents.
 - ✓ ASYCUDA process.
 - ✓ Goods inspection.

5 Recommendations

1. Develop a training manual that provides a thorough coverage of topics related to the process of importation and exportation, Customs broker responsibilities, fines derived from Customs clearance violations, recordkeeping, and registry maintenance.
2. Develop a workbook for each section of the training manual, which will provide Customs broker candidates with the opportunity to conduct practical exercises and self-evaluations.
3. Derived from ASYCUDAWorld, create a “Simulation of Customs Operations,” where Customs broker candidates or Customs brokers may test their Customs broker expertise and understanding of Customs procedures.