



## MILLENNIUM CHALLENGE CORPORATION (MCC) CUSTOMS PROGRAM

# Evaluation of Transit Practices

## JORDAN CUSTOMS ADMINISTRATION MODERNIZATION PROGRAM

*Submitted to:*

**USAID/Jordan**

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TABLE OF CONTENTS

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- 1. Executive Summary ..... 3
- 2. Financial Impact of Customs Border Delays ..... 5
- 3. Measuring Current Processes..... 7
- 4. The Convoy System..... 10
- 5. Financial Impact of the Convoy System..... 11
- 6. International Standards and Best Practices Regarding Convoying ..... 13
- 7. Conclusions..... 16
- 8. Recommendations ..... 17

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## 1. EXECUTIVE SUMMARY

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During the Integrity Assessment conducted by the Customs Administration Modernization Program in the second Quarter of 2007, the effectiveness of Jordan's transit procedures was identified as an operational component that required a more in-depth review than was possible at that time. It was observed that trucks entering Jordan from Syria at the Jaber border crossing were experiencing long delays resulting from the requirement that they be convoyed to the Amman Customhouse for clearance. Massive congestion and long delays were observed both at the Jaber and Amman Customs facilities. The Program discussed these findings with Customs management, and agreed to have the Integrity Assessment consultant return to conduct an in-depth review of Jordan Customs' transit practices. The following scope of work was coordinated with Customs:

1. Evaluate the current Jordan Customs transit system through a review of written procedures, observation of transit processing, and interviews with trucking company officials and drivers, clearing agents, and Customs officials;
2. Determine whether or not current transit procedures are in compliance with Revised Kyoto Convention standards;
3. Recommend revisions, as required, to assure efficient, cost-effective and secure transit procedures.

This evaluation was conducted during the week of January 20, 2008, and it reached the following conclusions:

- From a trade facilitation perspective, Jordan's transit procedures are outmoded, inefficient and unnecessarily expensive.
- From a Customs control perspective, the requirements that most transit shipments move both under the cover of a financial guarantee and physical supervision of a convoy escort are redundant and costly.
- The convoy escort system has not been implemented in accordance with international standards set forth in the Revised Kyoto Convention that generally limit escorts to exceptional situations or conditions.
- Processing times and procedures at the border do not compare favorably with processing times and best practices found in other countries.
- Estimates provided by both Customs and major transporters indicate that substantial savings will be realized when Customs brings its transit practices into conformity with international norms.
- The benefits promised by the Golden List Program (GLP) of a dedicated lane at the border (expedited processing, direct delivery of goods from the border to the GLP member's premises) have not been implemented.
- Border inspection processes are inconsistent with the Jordanian system of clearing goods at inland Customhouses. Commercial inspections of goods should not be conducted at the border. Unloading and physical inspections at the border should be restricted to those shipments deemed to present a national security risk or a threat to public health and welfare.

This report will focus on three key issues:

- The impact of Customs processes on the cost of transportation;
- A comparison of Jordan processing times to other countries; and
- International standards relating to transit procedures.

Resolving these issues will not be a simple matter but can be done. Specific recommendations are provided at the conclusion of this report to accomplish the necessary reforms.

**Method of Evaluation:** The Consultant conducted this evaluation through interviews with managers and staff members of the Customs Transit and Escort Directorates and with managers and staff of a number of Jordanian trucking companies engaged in transit and other Customs operations.

**Importance of Trade Facilitation:** In the companion report, “Evaluation of Risk Management Practices,” we discuss the importance of trade facilitation activities to maintain or improve the safety and security of international supply chains, while reducing processing delays and transaction costs as much as possible. All of the recommendations to enhance trade facilitation in the risk management report apply to transit practices, and we refer the reader to the relevant sections of the risk management report.

## 2. FINANCIAL IMPACT OF CUSTOMS BORDER DELAYS

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This section of the report will demonstrate that the financial impact of current transit procedures in Jordan is significant and that Jordan's processing times do not compare well with baseline countries.

For the purpose of demonstrating the potential financial impact of reducing delays in Jordan, we present below a comparative example of the financial gains made by reducing delays in clearance and transit time under the USAID Business Climate Reform Project in Georgia. As Chart 1 illustrates, transport companies in Georgia reported a significant financial impact resulting from Customs' success in reducing delays at their border crossings.

**Chart 1: Transport Savings Resulting in 2006 from Reduced Transportation Times: Georgia**

Transaction	No Trucks	Days Saved	Cost	Savings
Import	42,000	1	\$288	\$12.096 million
Export	17,000	1	\$288	\$4.896 million
Transit	40,000	2	\$288	\$23.040 million
Total savings on the trucks' operational cost				\$40.032 million

Since Jordan Customs does not monitor border processing times or transit times, managers of a number of large Jordanian transport companies were asked how long their inbound trucks were held, on average, at Jaber, a representative border crossing. Transport managers consistently reported that the average time from when one of their trucks crosses the border until the time it proceeds inland under Customs escort is two days. All had anecdotal stories about how their trucks were sometimes held three-to-five days and several cited situations in which the trucks were held two-to-three weeks. While the anecdotal information tends to be alarming, only the generally agreed-upon average time of two days will be used for the purposes of estimating what the potential cost savings would be if Customs were to reduce its processing times to make them more consistent with international baselines.

The average transit time, excluding Customs processing at the border, for trucks bound from Syria to Jordan was reported as two days. If you include the processing and waiting time, estimated at two days, this doubles the amount of time it takes to move goods on this important commercial route. One major company reported that it is not financially viable to transport cargo through Jaber because the expense of two days of "down-time" for their equipment, coupled with the uncertainty of the amount of time it will take Customs to release the truck, makes such business unprofitable for them. The ramifications of this decision will be discussed later in this report.

Customs managers advised that approximately 500 trucks enter Jordan at Jaber on a daily basis, equating to approximately 182,500 trucks per year. Transportation company managers consistently reported that the fixed operating cost for a parked truck with driver is 50 JD per day. This equates to an annual cost of 9,125,000 JD for a one day delay. But this figure does not take into account the financial impact on fleet availability and the need to increase the size of companies' fleets because on a daily basis a good portion of their fleets are in effect sitting idle. Chart 2 shows the potential annual savings at Jaber with the example of Georgia included for comparison purposes. Similar gains can be realized for removal of delays at other Customs Centers.

**Chart 2: Potential Annual Savings at Jaber**

Daily Operating Cost	Cost	Number of Trucks	1 Day Reduction Savings	2 Days Reduction Savings
Fixed Cost*	50 JD	182,500	9,125,000 JD	18,250,000 JD
USAID Georgia Project**	205 JD	182,500	37,412,500 JD	74,825,000 JD
World Bank: Jordan***	375 JD	182,500	68,325,000 JD	136,875,000 JD

\* The 50 JD cost per day does not reflect any of the cost associated with fleet management.

\*\* The USAID Georgia Project economists calculated a daily operation cost that included all expenses associated with operation of the truck.

\*\*\* The World Bank/IFC 2008 *Doing Business Report* calculates the cost of inland transportation and handling at 374.59 JD per day.

In Section 10 of the companion report “Evaluation of Risk Management Practices,” we present a list of comparative border processing times from the United States and countries in Central and Southeastern Europe. We refer the reader to this list of comparative processing times.

### 3. MEASURING CURRENT PROCESSES

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The Jordan Customs Administration Modernization Program conducted a Time Release Study (July 26, 2007) in accordance with the World Customs Organization (WCO) model. It addresses clearance times within specific Customs offices and includes transit declarations with other types of Customs transactions to arrive at an average processing time per declaration, regardless of type. This approach, while useful in terms of identifying bottlenecks, is not designed to provide sufficient transit-specific information to establish a baseline measurement from which future improvements can be made.

Measuring the time it takes to process a transit declaration at the border for movement inland under transit procedures and then measuring the time it takes to process the declaration for home consumption, export or other approved purpose at the destination customs house, has limited usefulness in analyzing transit procedures. This should be the subject of a separate study, preferably conducted by Jordan Customs. Customs should, as a key component of both its total quality measurement program and its customer service program, begin continuously monitoring processing times for all commercial transactions.

The average importer is concerned with the time from when he orders goods from his supplier until the time those goods are available to him for home consumption or other approved use. Obviously, he will also be concerned about the costs he incurs in moving those goods since those costs must be figured into his profitability calculations.

The transporter is concerned about scheduling effective use of his equipment. Transit costs are primarily based on point to point distance, not on the amount of time it takes his equipment to move between those points. That is not to say, however, that routine delays are not a key factor in determining the rates the transporter must charge. The longer it takes to move a fixed distance, the higher the cost will be. Without getting into the complexities of effective fleet management and utilization, it is fairly evident that if a transporter contracts to move a set number of shipments between Syria and Jordan within a fixed period of time, the fact that Customs procedures add two days to a trip that would otherwise take only a total of two days affects the number of trucks the transporter must maintain in his fleet so that he may carry out other business. It is illustrative that the major company serving this route is government owned and that at least one large privately owned transport company considers the route to be unprofitable.

For shipments that move under transit procedures from the Customs office of arrival to another Customs office for clearance, the times that Customs should be routinely monitoring include:

- The time elapsed between when the truck, container or shipment arrives at the Customs office of arrival (crossing the land border or being discharged from the carrying vessel or aircraft) until the time it is released for transportation under Customs guarantee and/or other controls;
- The time elapsed between release for transit movement and the actual commencement of the transit movement;
- The time required to actually move the truck or container carrying the transit shipments from the Customs office of arrival to the Customs office of clearance or export;

- The time elapsed between arrival at the Customs office of clearance and release of the goods for home consumption, export or other approved use.

The Time Release Study conducted last year provides the first and the last times, but not the intervening times. To obtain a more complete picture of Customs processing times from the importer’s perspective, Customs must measure from the time of arrival of the goods at the first Customs office through to the time of release of the goods at the destination Customs office. Since neither Customs nor the Customs Administration Modernization Program have measured the transit process from time of arrival until time of release or exportation, the only time-measurement statistics available for Jaber are summarized in Chart 3.

**Chart 3: Measured Declaration Processing Times at Jaber**

Customs Office	Green Channel	Yellow Channel	Red Channel
Jaber	41.3 minutes	154.1 minutes	164.1 minutes

These numbers are not consistent with the two-day delays reported by trucking company managers. However, the clock on the Time Release Study stopped as soon as the trucks had cleared Customs, and did not include waiting time for a convoy.

Since the Jordan Customs model is to screen trucks for security purposes at the border and then send them inland for commercial clearance, very few trucks should be unloaded at Jaber. Customs’ emphasis there should be on:

- Screening the truck and trailer to ensure that they are not being used to transport illegal goods;
- Scanning the contents of the truck or trailer to ensure that there are no security threats;
- Quickly processing the transit documents; and
- Releasing the truck for movement to a second Customs office where the goods will be declared for entry, warehoused, or exported.

In most cases, any unloading or physical examination of the cargo should take place at the second Customs office when deemed necessary by the cargo selectivity system.

Last year’s Time Release Study, in describing bottlenecks, concluded:

The main bottlenecks at this center were during the Unloading process, the Document Control process, and the Removal of Goods process. A significant portion of goods transported through Jaber are fruits and vegetables, which consume longer times in loading/unloading. One solution could be the allocation of a lane just for those types of goods. Other delays were mainly due to discrepancies between the declarations and the actual goods, which could be resolved with the broker training program mentioned earlier.

This conclusion raises several important questions:

- Why are so many trucks being unloaded at Jaber that back-ups result?
- Why are so many fruits and vegetables being unloaded?

- What is the inherent threat or risk that cannot be addressed by non-intrusive X-ray of the cargo and weighing the truck?
- What is the rate of spoilage of fruits and vegetables due to this delay-causing process?

The limited examination dock space at Jaber should be reserved for enforcement examinations of those trucks that during the X-ray scanning process raise suspicions of potential smuggling of prohibited, restricted, or other high-risk goods. Border screening should focus on security and anti-smuggling concerns, not on routine commercial merchandise concerns.

A more detailed Jaber time measurement study should include:

- The amount of time taken and the congestion caused by trucks queuing to go through the X-ray screening process prior to the presentation of the declaration; and
- The amount of time the trucks sit waiting after the declaration has been processed until they are actually permitted to proceed under escort.

Transport companies indicate that their trucks wait for convoy for an average of six-to-seven hours after the accompanying declaration has been processed. Another factor contributing to the drastic difference between the times measured in the study and the times reported by the transportation companies is the fact that the transport companies' measurements are based on a 24-hour clock, while Customs operates on an eight-hour clock, closing at 4:00 pm daily. Any major border crossing with significant inbound traffic should operate more than one shift. This would require negotiation with the Customs administrations of the neighboring countries and realignment of staffing, but it is essential to facilitation of trade and should be made a matter of high priority.

## 4. THE CONVOY SYSTEM

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During the brief evaluation of transit procedures during the Integrity Assessment referred to in the introduction to this report, transit shipments were being escorted by the Police while Customs was in the process of training a new cadre of officers who would take over that responsibility. The new Escort Directorate has now been in place for five months. It consists of 235 Customs officers and 40 escort vehicles deployed at ten major Customs offices around the country. These officers perform 60 escorts per day. Four convoys per day are conducted from Jaber to Omari on the Saudi Arabian border. Convoys from Jaber to Amman or to Aqaba are conducted on an unscheduled basis. Whenever 40 trucks are waiting to be moved to a specific destination, a convoy will be initiated.

The Escort Directorate appears to have been brought on line in record time in a very organized and professional manner, and the Director is to be highly commended.

The need of this escort process was discussed with the Escort Director, and it was encouraging to hear him explain that the current process should be only an interim requirement and that Customs should move to a more technologically sophisticated approach, reserving the escort process for specific high-risk situations with the Escort Directorate performing only targeted controls. In interviews with managers of some of the major transportation companies, they explained that they continuously monitor the position of each of their trucks through the use of GPS (Global Positioning Satellite) transponders installed on every vehicle. The Director of the Escort Directorate indicated that his vision for the near future is to take advantage of this ability to monitor truck movements. The sooner that Jordan can do so, the better.

Convoying generally should be used in the absence of a guarantee, or when the contents of a specific shipment are of such high value or risk and extraordinary nature that physically controlled transit through a country is deemed necessary. From a government perspective, convoying is an expensive process. Jordan has made a significant financial and human resource investment in implementing the convoying process. Beyond the initial investment, employee salary and benefits, fuel costs, vehicle maintenance, depreciation and replacement costs and other equipment costs will be an ongoing financial commitment. Because it is such an expensive process, most Governments charge for the service. Jordan's charges are built into the road use fees for trucks merely crossing through Jordan on their way to another country and are charged directly to trucks that are only moving from one Customs office within Jordan to another. This charge ranges from JOD20-40 per truck depending on distance travelled.

## 5. FINANCIAL IMPACT OF THE CONVOY SYSTEM

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If we return to considering those 500 inbound trucks arriving at Jaber each day, and if we arbitrarily assume that 80% of those trucks are charged an average of 30 JD for the escort service, the annual impact may be as high as 12,000 JD per day or 4,380,000 JD per year added to the cost of transporting goods through Jordan via Jaber border crossing. Chart 4 estimates the combined costs attributable to Customs delays at Jaber and the convoy process.

**Chart 4: Combined Financial Impact**

Frequency	Number of Trucks	Estimated Number of Trucks Escorted	Transport Cost at 30 JD per Truck	Total Cost
Daily	500	400	12,000	12,000 JD
Annual	182,500	146,000	4,380,000	4,380,000 JD
Annual full cost of two day Customs processing at Jaber				73,000,000 JD
Total annual cost of processing plus transit convoy for Jaber inbound trucks				77,380,000 JD

Although these amounts are merely estimates based on anecdotal information provided by Customs and the transport community, the suggested magnitude of the potential cost savings should be sufficient encouragement to Customs and the transportation community to study this matter in greater detail so that all parties have a more complete understanding of the consequences of current practices and procedures and the impact that those practices are having on Jordan's economy.

Although the cost of providing mandatory financial guarantees to Customs has not been factored into these estimations, it certainly is an operating cost incurred by participation in the transit process. If a truck is going to be escorted from border to border or from border to another Customs office, then that truck has remained under Customs control for the entire transit movement. Why is a bank guarantee even necessary? The guarantee and the escort process are redundant controls. Most countries do one because they can't do the other. Relatively few do both. It would seem that the Government may have specific concerns that have caused it to doubt the effectiveness of its financial guarantee system with respect to transit. Interviews with the Risk Management Directorate did not, however, provide answers as to what these concerns might be.

During the interview with the Transit and Clearance Director, he explained the problems encountered with the large number of small, undercapitalized companies that operate one or two older trucks not capable of being suitably secured to meet reasonable Customs standards. While it is certainly not the intention of the Jordan Customs Administration Modernization Program to advocate means of discouraging small businessmen, it is fair to point out that the larger land transport companies share this concern. The manager of one of these companies pointed out that Customs procedures at the Jaber Border station are so wasteful of his resources that it is not profitable for his company to transport freight on that route, and they will not do so except under exceptional circumstances. His opinion is that only small companies with substandard equipment and low overhead can afford to do so and make any profit from the process. The fact that another large company, the Jordanian-Syrian Land Transport Company, serves this route might, at first glance, seem to contradict that notion, but this company is jointly

owned by both Governments. Government ownership undoubtedly has a significant impact on its bottom-line decisions.

## 6. INTERNATIONAL STANDARDS AND BEST PRACTICES REGARDING CONVOYING

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Convoy procedures are sanctioned by international standards only under exceptional circumstances. A review of the relevant international standards does not find that they anticipate a regular, routine use of the convoy process by signatories to the Revised Kyoto Convention. International standards and best practices related to transit are set forth in Chapter 6 of the General Annex and Chapter 1 of Specific Annex E of the Revised Kyoto Convention. (Jordan acceded to the Convention, without reservation, on August 12, 2006.) The following articles are relevant:

- **General Annex Chapter 6, section 7.1.3 (Identification of Goods) states:**
  - ... due to specific exceptional reasons, transit procedures may prescribe an itinerary or allow transport of the goods under Customs escort.
- **Specific Annex E, Chapter 1 (Customs Transit), Standard 12 states:**

If a consignment is, in principle, to be conveyed under Customs seal and the transport unit cannot be effectively sealed, identification shall be assured and unauthorized interference rendered readily detectable by:

  - Full examination of the goods and recording the results thereof on the transit document;
  - Affixing Customs seals or fastenings to individual packages;
  - A precise description of the goods by reference to samples, plans, sketches, photographs, or similar means, to be attached to the transit document;
  - Stipulation of a strict routing and strict time limits; or
  - Customs escort.
- **Specific Annex E, Chapter 1 (Customs Transit), Standard 15 states:**

Only when they consider such a measure to be indispensable shall the Customs:

  - a) Require goods to follow a prescribed itinerary, or
  - b) Require goods to be transported under Customs escort.

Although the TIR process is not generally used for regional traffic, Jordan is a signatory to the TIR Convention of 1975 which reiterates many of the same guidelines set forth in the Revised Kyoto Convention.

- **Article 23 states:**

The Customs authorities shall not:

  - Require road vehicles, combinations of vehicles or containers to be escorted at the carriers' expense on the territory of their country;
  - Require examination en route of road vehicles, combinations of vehicles or containers and their loads except in special cases.

The current WTO Doha Round negotiations on trade facilitation are seeking to clarify and improve relevant aspects of Articles V, VIII and X with a view to further expediting the movement, release and clearance of goods, including goods in transit. To facilitate the negotiations, the Secretariat has published a compilation of Members' proposals. The following selected textual proposals dealing with transit are taken from that compilation. At this time, these are only proposals, but should they become part of a negotiated WTO agreement, they will become enforceable international standards. Customs should at least be aware of them and be able to ascertain their potential impact.

- Armenia, EC, the Former Yugoslav Republic of Macedonia, the Kyrgyz Republic, Mongolia, Paraguay, the Republic of Moldova, Rwanda and Switzerland, TN/TF/W/133:  
*"Special border crossing facilities for transit: Traffic in transit shall not be subject to any unnecessary delays or restrictions and shall be granted expedited and simplified treatment at border crossing points, including sea, fluvial and air ports or inland terminals as applicable. As far as possible, physically separate transit lanes shall be made available for traffic in transit. Members shall ensure that traffic in transit through their territory is not subject to any unnecessary delays, restrictions, inspections or controls. Transit formalities and documentation requirements shall be reasonable having regard to the conditions of transit, applied uniformly and be not more trade restrictive than necessary to achieve the legitimate public policy objective pursued. For traffic in transit, Members shall provide for:*
  - *The processing of transit documents and data prior to the arrival of the transiting consignment;*
  - *The use by traders of commercially available information, documents and data wherever possible, including as part of transit declarations;*
  - *The progressive establishment of a single window for traffic in transit."*
- Armenia, EC, the Former Yugoslav Republic of Macedonia, the Kyrgyz Republic, Mongolia, Paraguay, the Republic of Moldova, Rwanda and Switzerland, TN/TF/W/133:  
*"Members shall use risk management techniques to enable any inspections to be targeted on the basis of the degree of risk attached to individual consignments. This shall include the establishment of authorized trader schemes which grant simplified treatment to traders with a good track record of compliance with transit formalities and documentation requirements. In designing and applying transit formalities and documentation requirements, Members shall take account of the inherent characteristics of the goods concerned."*
- Armenia, EC, the Former Yugoslav Republic of Macedonia, the Kyrgyz Republic, Mongolia, Paraguay, the Republic of Moldova, Rwanda and Switzerland, TN/TF/W/133:  
*"Formalities adjusted to the specificities of the goods in transit: Members shall adapt the treatment of goods in transit to the expected degree and nature of the hazard, whether fiscal, sanitary or security related, that can be derived from the characteristics of goods in transit. Categories such as "normal goods", "dangerous goods", "perishable goods" and "sensitive goods" may be established at national level together with related procedures and shall be made publicly available."*
- Armenia, EC, the Former Yugoslav Republic of Macedonia, the Kyrgyz Republic, Mongolia, Paraguay, the Republic of Moldova, Rwanda and Switzerland, TN/TF/W/133:  
*"Members shall limit physical inspections of goods in transit to the case where circumstances may require them. Consignments secured by customs seals shall not as a general rule be subjected to customs examination. No quality control and no*

*veterinary, medicosanitary or phytosanitary inspection shall be imposed on goods in transit, except in cases where risks have been identified. This shall not prevent customs from carrying out spot checks on the goods, based on risk management. Only when customs consider such measures indispensable in relation with the characteristics of the goods as referred in Article [2] shall they (i) require goods to follow a prescribed itinerary; or (ii) require goods to be conveyed under customs escort surveillance. Normally customs shall not impose such treatment to sealed consignments conforming to the national regulatory requirements.”*

## 7. CONCLUSIONS

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- From a trade facilitation perspective, Jordan's transit procedures are outmoded, inefficient and unnecessarily expensive.
- From a Customs controls perspective, the requirements that most transit shipments move both under the cover of a financial guarantee and physical supervision of a convoy escort are redundant and costly.
- The convoy escort system has not been implemented in accordance with international standards set forth in the Revised Kyoto Convention that generally limit escorts to exceptional situations or conditions.
- Processing times at the border do not compare favorably with processing times and best practices found in other advanced and selected developing countries.
- Estimates provided by both Customs and major transporters indicate that substantial savings would be realized if Customs were to bring its transit practices into conformity with international norms.
- The benefits promised by the Golden List Program (GLP) of a dedicated lane at the border (expedited processing, direct delivery of goods from the border to the GLP member's premises) have not been implemented. Please see the companion report, "Evaluation of Risk Management Practices" for a full discussion of the GLP.
- Border inspection processes are inconsistent with the Jordanian system of clearing goods at inland Customhouses. Commercial inspections of goods should not be conducted at the border. Unloading and physical inspections at the border should be restricted to those shipments deemed to present a national security risk or a threat to public health and welfare.

## 8. RECOMMENDATIONS

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- i. Customs should, as a key component of both its total quality measurement program and its customer service program, begin to routinely measure and monitor processing times for all commercial transactions, beginning with the transit process. Being unable to accurately measure the total time it takes goods to reach their intended customer or points of exit from Jordan deprives Customs managers of the necessary and useful information they need to ascertain the effectiveness of existing procedures or the need for improvement.
- ii. Customs should take immediate action to increase the hours of service at major commercial border stations. Any major border crossing with significant inbound traffic should operate more than one shift. This would require negotiation with the Customs administration of the neighboring country and realignment of staffing, but it is essential to facilitate trade and should be made a matter of priority. Manpower now used to conduct unnecessary commercial examinations at border stations can be freed to staff a second shift. Additional manpower can be deployed based on the efficiencies that will be realized as a result of process simplification and the implementation of true cargo selectivity at inland inspection stations.
- iii. Specific examination instructions should be written for border stations to ensure that officers understand their roles and quit conducting unnecessary and possibly redundant commercial examinations. Local managers should be held accountable for implementing those instructions.
- iv. The Director of the Escort Directorate has already established a long term goal and is committed to moving toward a more technological approach to ensuring the security of high risk shipments. He should be encouraged and supported in this effort.
- v. Customs should invite Jordan's major land transportation companies to participate in a joint working committee. That committee should consist of the Directors of the Total Quality Management, Risk Management, Transit and Clearance, and Escort Directorates and representatives of the major land transport operators. That joint working committee should address recommendations vi, vii, and viii.
- vi. The potential cost savings suggested by this evaluation should be more thoroughly studied by Customs and the transportation community so that all parties have a more complete understanding of the consequences of current practices and procedures and the positive impact that reform of those practices will have on Jordan's economy.
- vii. Full implementation of Golden List Program promised benefits is discussed in the companion report on "Evaluation of Risk Management Practices." Those benefits will have a positive impact on transit processing times as well.
  - o Customs should immediately deliver the promised benefit of a dedicated green lane for Golden List Program (GLP) member transportation companies. If physical constraints make this difficult, which undoubtedly is the case at some border stations, it is entirely appropriate to request assistance in designing and implementing the lanes from the GLP members who would benefit from them.
  - o Customs must increase its efforts to promote the GLP and encourage more major land transport companies to apply. The evaluator was surprised to interview managers of one of the major land border transportation companies

and find that neither he nor his assistants were aware of the Golden List Program.

- viii. The joint land transportation working committee should develop specific goals with respect to border processing times. Those goals may be methodically implemented over time but should ultimately be based on international best practices. These goals would be the first step in establishing Client Service Standards for all Customs processes.
- ix. USAID may explore the possibility of providing key Jordan Customs managers with a familiarization tour to observe border processing and transit best practices in either the European Union or the United States. This might be coordinated through the auspices of the European Union's Twinning Project or the U.S. Embassy and U.S. Customs and Border Protection.