

# **Time Release Study for Singapore (2020)**

## **(A) Introduction**

As mandated by the 23<sup>rd</sup> ASEAN Economic Ministers (AEMs) Meeting in March 2017 to reduce trade transaction costs in ASEAN by 10 percent in 2020, the ASEAN Trade Facilitation Joint Consultative Committee (ATF-JCC) developed the ASEAN Seamless Trade Facilitation Indicators (ASTFI) to measure and monitor the extent to which trade facilitation measures are implemented and their impact on trade transaction costs (TTC) in ASEAN. In February 2019, Singapore had released our findings for the Time Release Study (TRS) 2018. This TRS conducted in 2020 is a follow-up to assess the improvement in TTC for Singapore.

## **(B) Objectives**

2 The TRS was conducted based on the Proposed Minimum Scope on TRS Implementation (Minimum Scope) (**Annex A**) developed during the Workshop on Technical Matters of Time Release Study Implementation in ASEAN held in April 2018. Using the data gathered from the TRS, Singapore also computed the import dwell times to calculate the TTC for TRS 2020, based on the addendum on the measurement of dwell time prepared by Economic Research Institute for ASEAN (ERIA) for TRS 2018 (**Annex B**).

## **(C) Methodology**

3 In line with the Minimum Scope, the focus of the study was on both export and import of goods. Data was collected for sea shipments over a period of seven consecutive days from 25 to 31 July 2020. For exports, measurements were taken from “gate-in” as the initial measurement point to “stack yard” as the last measurement point. For imports, the initial measurement point was “docking” and the last measurement point was “gate-out”.

4 Temporary import/export, re-import/re-export and bulk cargo were excluded from the TRS as stipulated in the Minimum Scope. Measuring the average time taken at different milestones from the initial to the last measurement point also allowed Singapore Customs to establish a quantitative baseline in a systematic and standardised way.

5 Data from 42,484 containers were collected for this study. Systematic sampling was then utilised to analyse the results. To ensure data integrity, all data on containers’ movement within the ports was also collected directly from the port operator’s systems and reconciled against the clearance information in Customs’ systems.

## (D) Findings

### Export

6 The average total time taken between gate-in (initial measurement point) to stack yard (last measurement point) was **19 minutes and 10 seconds**.

### Import

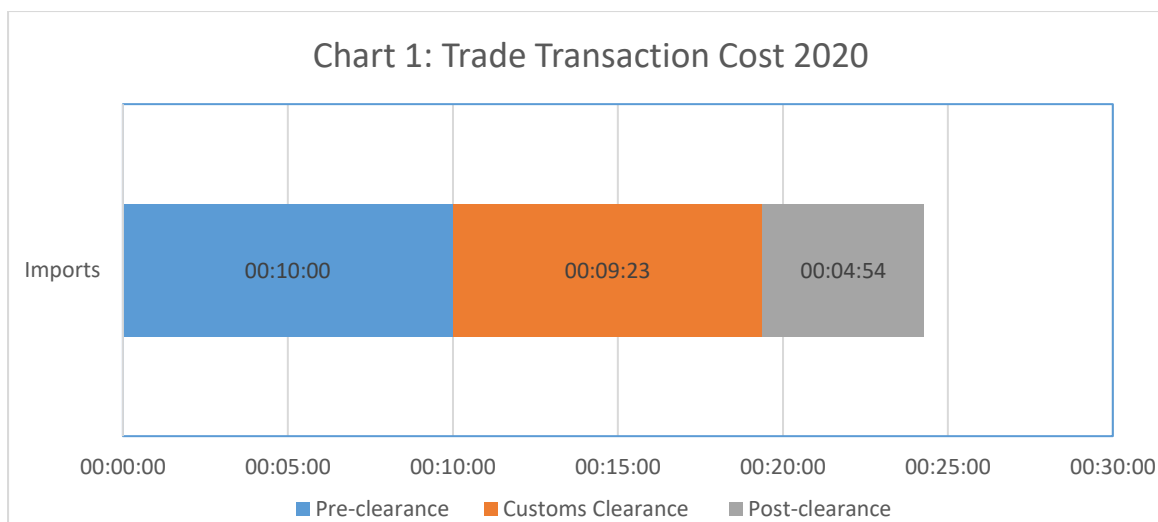
7 The average total time taken from docking (initial measurement point) to gate-out (last measurement point) took **7 hours, 27 minutes and 55 seconds**. This excluded the storage time of the container at the stack yard, which was largely attributed to traders' business decisions to utilise the limited free storage period offered by the port operator. If the storage time of the container at the stack yard were to be included, the average time taken would be **1.24 days**.

## (E) Calculation of Trade Transaction Cost (TTC) Using Dwell Times (Imports)

8 The dwell times (proxies) used for the calculation of the TTC in Singapore's context were:

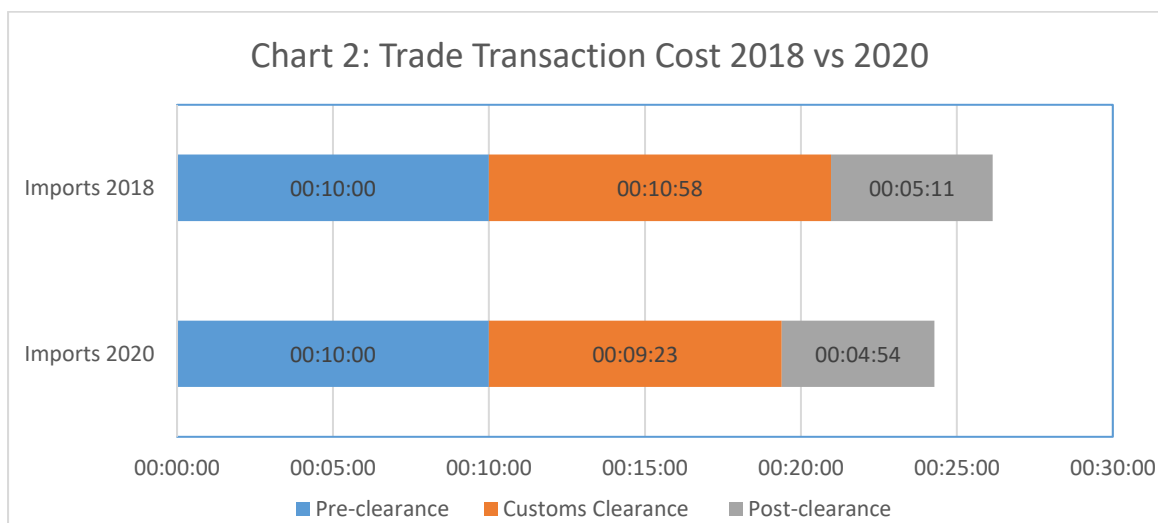
- a. **Pre-clearance dwell time** is the average time to approve a permit application by major government agencies. For Singapore, the approval of the customs permit application in TradeNet® generally takes about **10 minutes**;
- b. **Customs clearance dwell time** is defined as the time from documents to customs clearance. Under Singapore's context, this would cover the time taken for the container to move from the stack yard to the checkpoint for clearance, which was found to be an average of **9 minutes and 23 seconds**. The storage time of the container in the stack yard was not factored in the calculation of the customs clearance dwell time, as the container would be available to be moved out of the port at the point of its unloading to the stack yard. The storage of the container at the stack yard was a business decision by traders to leverage the rent-free storage services offered by the port operator; and
- c. **Post-clearance dwell time** is defined as the time from customs clearance to gate-out. This is translated to the time taken for the container to move from the checkpoint to gate-out at an average of **4 minutes and 54 seconds**.

9 In summing up the pre-clearance dwell time, customs clearance dwell time and post-clearance dwell time, **Singapore's TTC for 2020 was computed as 24 minutes and 17 seconds** (see *Chart 1* below).



**(F) TTC Comparison of TRS 2018 with TRS 2020 results**

10 When compared with the results from TRS 2018, there is a 7.14% reduction in overall TTC timing, taking into account a slight decrease in Customs dwell time and post clearance dwell time (i.e. TTC for TRS 2020: 24 minutes and 17 seconds, TTC for TRS 2018: 26 minutes and 9 seconds, with a reduction of 1 minute and 52 seconds in TRS 2020).



**(G) Challenges Faced**

11 To ensure that the end results of the study are useful and relevant (for example, as the baseline for the TTC), extensive planning had to be done to ensure that all relevant data points required were properly measured and obtained, and also to ensure consistency with the TRS 2018. Singapore Customs also had to work closely with the port operator on data interpretation.

12 The large amount of data collected under the study period required careful reconciliation with Singapore Customs' permit information to ensure accuracy of the study. In

addition, as with any statistical analysis, care has to be taken to identify anomalies in the data, so that they would not skew the final findings.

## (H) Conclusion

13 The key results of this TRS are summarised in the tables below:

*Table 1: TRS Average Release Times 2020*

S/N	Data Points	Timings
1	Average Release Time for Exports (i.e. Gate-in to Stack yard)	<b>19 minutes and 10 seconds</b>
2	Average Release Time for Imports (i.e. Docking to Gate-out): (a) <b>Excludes</b> storage period of container at the stack yard (b) <b>Includes</b> storage period of container at the stack yard*	<b>(a) 7 hours, 27 minutes and 55 seconds</b> <b>(b) 1.24 days</b>

*Table 2: Trade Transaction Cost*

S/N	Data Points	Timings
1	Pre-Clearance Dwell Time (Imports)	<b>10 minutes</b>
2	Customs Clearance Dwell Time (Imports)	<b>9 minutes and 23 seconds</b>
3	Post-Clearance Dwell Time (Imports)	<b>4 minute and 54 seconds</b>
4	Total TTC for 2020	<b>24 minutes and 17 seconds</b>

14 In conclusion, the TTC 2020 as compared with TTC 2018 has been reduced by 7.14%, and this TRS 2020 illustrated the continual efficiency of Customs and port processes in Singapore, which translates to relatively short average release times for imports and exports and a low TTC.

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Report prepared by Singapore Customs

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\* Attributed to traders' business decisions to utilise the limited free storage period offered by the port operator.