

Survey of the Regulatory Environment for UK Importers

Comprehensive report and presentation of key data

The Author

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Background

A wide held perception amongst the business community is that there is considerable scope for improving import formalities at UK sea and airports and that regulatory controls enforced by Customs, Port Health Authorities and other government agencies can have an adverse impact on trade operations and competitiveness. Frequently UK traders will report that they:

- suffer delay resulting from regulatory controls
- incur costs associated with delay
- need to divert cargo to alternative ports because regulations are perceived to be unfavourably applied at the port of choice
- suffer a lack of predictability as to time and outcome of clearance procedures
- are uncertainty about legislative and operational changes in enforcing controls which have an effect on investment decisions
- perceive trade procedures to be unnecessary complex and consequently suffer from a lack of sufficient awareness in both business and government communities

In order to substantiate these perceptions, UK importers were asked to share their experience by completing a survey. The web-based survey contains 30 questions, designed to take no longer than 5-10 minutes to complete. A weblink to the survey was circulated via e-mail to the membership of BIFA, the Chartered Institute of Logistics and Transport and SITPRO's Ports Procedures Policy Group. The survey was also accessible through the SITPRO website. Additional attention to the survey was drawn through a short article in the IoLT's journal "Focus" and BIFA's journal "BIFA Link". In total 153 responses were received of which 136 are valid. The majority of respondents (81) replied within 12 hours of an e-mail circular to the entire IoLT membership (20,000+). The first response was received on 1 September 2004 and the last on 7 December 2004.

Key publicity dates	Approximate time frame	Number of coinciding responses
Print article in Focus on 1/12/2004	1/12 – 7/12/2004	10
E-mail to SITPRO's Port's policy group on 16/11/2004	16/11 – 30/11/2004	12
E-mail to member of the CILT(UK) on 2/11/2004	2/11/2004 3/11-15/11/2004	81 48
Print article in BIFA Link on 1/9/2005	1/9 – 1/11/2004	2
Survey published on SITPRO website on 30/8/2004	30/8/2004	0
Total		153

Strictest confidentiality has been assured to respondents at all times. One lucky survey respondent was promised a case of wine which was offered as a prize for completing the survey¹. All survey participants will receive a copy of this report.

All survey responses have been compiled into a SPSS database for statistical analysis. This database has been edited to ensure consistency between submissions and remove nonsensical as well as duplicate responses. To ensure confidentiality any reference to respondent names, firms, e-mail address and revealing “other comments” have been removed. Interested researchers may request a copy of this database in .sav or .xls format together with the correction log by e-mailing andrew.grainger@sitpro.org.uk.

Summary of key findings

The Survey asked UK importers to respond to 30 Questions placed on a webform hosted on the SITPRO website. It has been specifically designed to facilitate quick answers, frequently asking respondents for best guesses or perceptions. This report provides the background to the research project and details a number of interesting data samples extracted from the response database. In total 136 valid responses from the UK importing community are considered. The data provides a rich source of insight into UK businesses involved in importing goods, their perceptions of regulatory authorities governing the import of goods and how they manage the import process.

UK importers

- Within the sample slightly more than 50% declared their business activity to be Freight Forwarding / Logistics. A Further 30% declared their business activity as a UK business importing goods. The remaining respondents listed Customs Broker / Agent, Shipping & Shipping Services or Other.
- A little more than 50% out of the total stated that they make use of agents for customs declarations. Within the “Freight Forwarding / Logistics” group, the share of users was close to 50% and amongst “Business importing goods” the share was 75%. Analysis in the remaining categories revealed that they all include cases where agents are used (including amongst the “agents” themselves). Amongst the smallest firms (1-9 employees) the share of users, with 75%, is the highest; the lowest share is amongst the largest firms (500+ employees) which lies at close to 35%.
- Close to 95% of respondents stated that they make use of more than one port while about 65% stated they will make use of more than 3 UK ports. This suggests that importers generally have experience in operating through more than one point of entry.
- The median number of Customs entries is 10 times greater for those respondents that make their own customs declarations (7800 as opposed to 675). Freight forwarders and Customs broker’s median number of entries (3000 and 7800) is 6-25 times higher than the remaining categories.
- The median customs declaration value tends to be twice as high for users of Customs agents, compared to non-users (£12500 vs. £6500).

¹ The lucky winner is George Lang, a lecturer at Warsash Maritime Centre working in full mission ship simulation.

- About 50% of all respondents restrict themselves to one line per entry. The range of line numbers amongst respondents per customs entry is between one and 100 lines. Amongst those that lodge more than one line per entry 65% are users of customs agents. The median value of goods does not appear to have a visible impact on the number of lines per entry.
- For 70% of the respondents imports fluctuate with seasons.
- About 60% stated that in the majority of cases they import through a sea port while 40% stated they import through an airport.

Exposure and consequences

- Within the sample 90% confirmed that they are exposed to Customs procedures, while roughly half confirmed that they are exposed to Dangerous Goods, Port Health Authority and Import Licensing procedures. Only about 1/5 declared that they are exposed to Plant Health procedures and 1/9 declared they are exposed to Defra's Horticulture and Marketing Division's conformity checks. Other procedures to which a handful of respondents declared exposure to include: IMO procedures, Special Branch, the Maritime and Coastguard Agency, Trading Standards, Immigration and commercial parties.
- When viewing the total number of cases, Customs procedures were listed in 32% of all cases as the most troublesome. However, when only considering those cases that are actually exposed to the procedures, the picture is very different. 43% of those exposed to PHA procedures described them as most troublesome, followed by Customs where 34% of those exposed described them as most troublesome and Import Licences with a share of 24%.
- Half the respondents reported that they had goods delayed by authorities beyond what they considered reasonable. Within this group about 70% predominantly used seaports while 30% predominantly used airports. The range of unreasonable delay varied between less than 24 hours and 120 days. In close to half of these cases Customs was indicated as the main agency responsible, followed by PHA with about one quarter of the cases. This perception however varies between users of Customs agents and those who make declarations themselves. Amongst those making declarations themselves Customs were only reported to be responsible in close to 40% of cases while the value for PHAs was also close to 40%.
- 18% of respondents confirmed that they have at one point in time decided to divert cargo to an alternative port because of actual or perceived differences in the enforcement of rules and procedures, effecting about 2-75% of their import. Amongst this group PHAs feature the most unfavourable in terms of being listed as the most troublesome procedures as well as agency responsible for unreasonable delay.
- 14% of valid respondents (14 out of 98) admitted to diverting cargo to another EU port outside of the UK. Again, further analysis suggests that PHA procedures appear to be proportionately of greatest concerns.
- Close to 60% of respondents felt they had sufficient knowledge about developments in legislative, procedural and operational aspects of regulatory controls to make reasoned mid to long term investment decisions to improve their processes. Close to 30 said they do not have sufficient knowledge while slightly more than 10% stated that they do not know.

Management

- Close to 80% stated that they or a colleague are involved in providing information, data or documents to ensure that goods are cleared for import. Seniority of respondents (e.g. Executive, manager or Senior manager/Director) appears to have little relevance to this figure.
- Close to 60% declared that they make use of simplified Customs procedures. Where simplified procedures are used, about 50% also make use of agents. By contrast, where no simplified procedures are used, close to 70% make use of agents.
- The use of customs procedures with economic impact frequently coincides with the use of agents (40% of cases). Where agents are not used, businesses are significantly more likely to make use these procedures (80% stated they use them). Similarly, 81% of those that fail to utilise customs procedures with economic impact are customers of Customs agent's services.
- Close to 70% of all respondents use IT systems to submit information electronically to a port or Customs system. Where companies use simplified Customs procedures 80% are users of electronic systems. Where companies make customs declarations themselves instead of agents close to 90% make use of electronic systems.
- About 90% of respondents confirmed that it would be possible to clear goods through a port within 24 hours.
- 67% felt they can predict the time it took to clear goods. Of those respondents who feel they cannot predict the time it takes to clear, 60% are users of agents and 60% are imports by sea.
- 86% of respondents stated that they aim to move goods out of the port as soon as possible.
- Slightly more than half of all respondents participate in public consultations on regulatory matters. Within this group the majority (41%) are businesses with more than 500 employees.
- 70 percent of respondents felt that their businesses encourage formal training related to import procedures. Amongst those who do not feel training is encouraged close to 70% are users of Customs agents.

Presentation of findings and key data

Question 1

"Territory where you are normally based"

Q1Country Territory

		Frequency
Valid	European Union (excluding UK)	1
	Outside of EU	1
	United Kingdom	133
	Total	135
Missing	Missing	1
Total		136

Question 2

“Which of the following businesses activities would you describe as being the most appropriate to your organisation? (If your organisation is involved in several activities, please tick the box most relevant to your role within).”

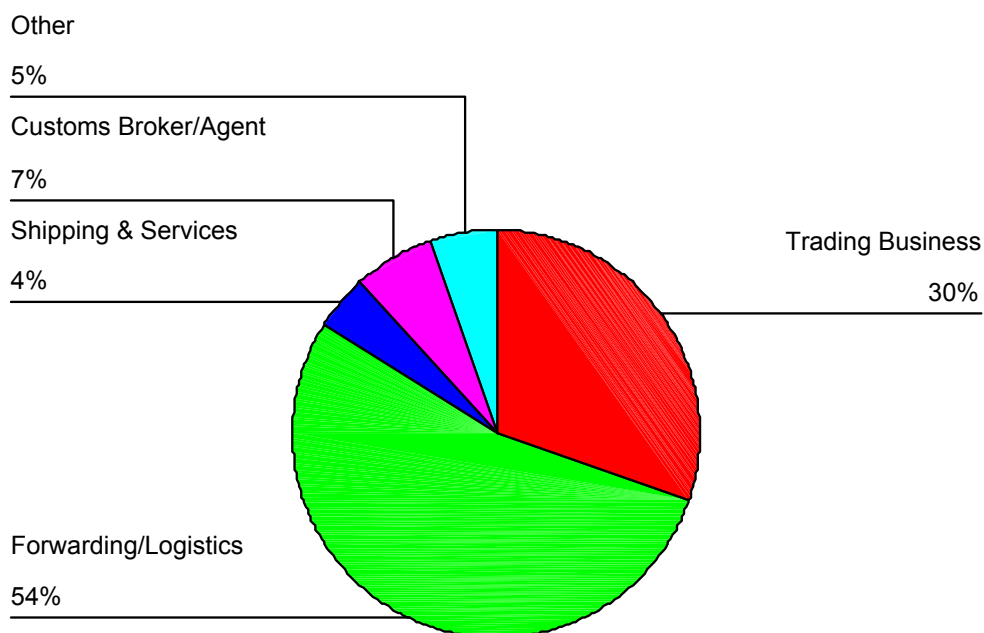
Q2 Business Activity

	Frequency	Valid Percent
Valid Business importing goods into the UK	41	30.1
Freight Forwarding, Logistics	73	53.7
Shipping, Shipping Services	6	4.4
Customs Broker, Customs Agent	9	6.6
Other	7	5.1
Total	136	100.0

The seven respondents who stated “other” activities include:

Q2 Business Activity: description of "Other"	Count
Airport	1
Customs Consultant	1
Logistics Advisor	1
Training	1
Transit Shed Operator	2
Transport Consultant	1
Total	7

Q2 Business Activity



Comment: These figures need to be treated with caution as it is always difficult to clearly distinguish between freight forwarding, logistics, shipping, shipping services and customs agents. Similarly, business importing goods or shipping lines may have their own freight forwarding/logistics department. It is conceivable that a number of respondents who have ticked the freight forwarding box work for such businesses.

Question 3:

“Does your business act as an intermediary or agent on behalf of another party?”

It was hoped that this question would help establish whether the respondents company sees itself as an intermediary between two entities (e.g. an overseas supplier and a UK customer). However, as analysis reveals, the responses to this question have been confused. For example 13 freight forwarders and 2 shipping lines stated that they are not intermediaries or agents acting on behalf of another party. While it is conceivable that such parties may act in their own name (for example in a completely vertically integrated business) web searches on the business’ names suggest that this is not the case.

Confusion is likely to have arisen due to the fact that at most UK ports it is customary to label parties making Customs declarations as “Agents”. The question set is misleading and responses are consequently open to doubt. [I offer my apologies for this misleading question].

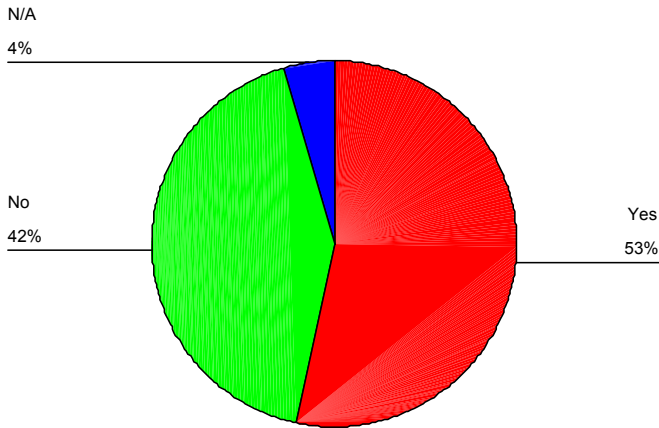
Question 4

“In the majority of cases, does your business make use of agents for customs declarations?”

Q4 Agents used for declaration

		Frequency	Valid Percent
Valid	Yes	72	53.3
	No	57	42.2
	N/A	6	4.4
	Total	135	100.0
Missing	missing	1	
Total		136	

Q4 Agents used for declaration



This variable offers a meaningful qualifier as it allows the sample to be separated between parties who are active in making Customs declarations and those which are not. This leads to the interesting question of who makes use of Customs agents?

Who makes use of agents?

To answer this question further analysis is offered by looking at the respondents Business Activity (Question 2) and the size of the firm (Question 4)

Crosstab with “Business Activity”

		Q4 Agents used for declaration					
		Yes		No		N/A	
		Count	Row %	Count	Row %	Count	Row %
Q2 Business Activity	Business importing goods into the UK	30	73.2%	10	24.4%	1	2.4%
	Freight Forwarding, Logistics	36	49.3%	35	47.9%	2	2.7%
	Shipping, Shipping Services	3	50.0%	2	33.3%	1	16.7%
	Customs Broker, Customs Agent	1	12.5%	7	87.5%	0	.0%
	Other	2	28.6%	3	42.9%	2	28.6%

This table reveals that almost $\frac{3}{4}$ of the respondents describing themselves as “Business importing goods into the UK” rely on specialist agents to make Customs declarations. Amongst the “Freight Forwarding and Logistics” and the “Shipping and Shipping Services” community around 50% make use of specialist agents for their Customs declarations. Even one of the eight respondents from the “Customs Broker/Agent” community stated that he makes use of other Customs agent’s services.

Crosstab with “ Size of Company”

		Q4 Agents used for declaration					
		Yes		No		N/A	
		Count	Row %	Count	Row %	Count	Row %
Q5 Number of Employees	1-9	18	75.0%	5	20.8%	1	4.2%
	10-49	14	51.9%	12	44.4%	1	3.7%
	50-249	17	56.7%	12	40.0%	1	3.3%
	250-499	9	69.2%	3	23.1%	1	7.7%
	500+	14	34.1%	25	61.0%	2	4.9%

When looking at the number of employees a organisation has, there appears to be a trend that about $\frac{3}{4}$ or the smallest companies (less than 9 employees) rely on agents to make customs declarations while for midsized companies in the categories 10-49 and 50-249 it is about 50-60%; and for the category 250 – 499 it is 70%. By contrast, amongst the largest companies only 1/3 make use of Customs agents. While these specific figures do not take the companies type of business or specific capabilities into account, they do suggest that the smallest companies are more likely to rely on agents than the largest.

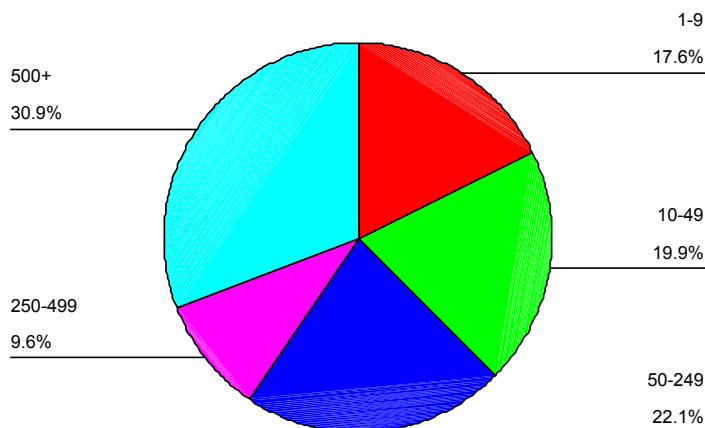
Question 5

“How many employees does your company have?”

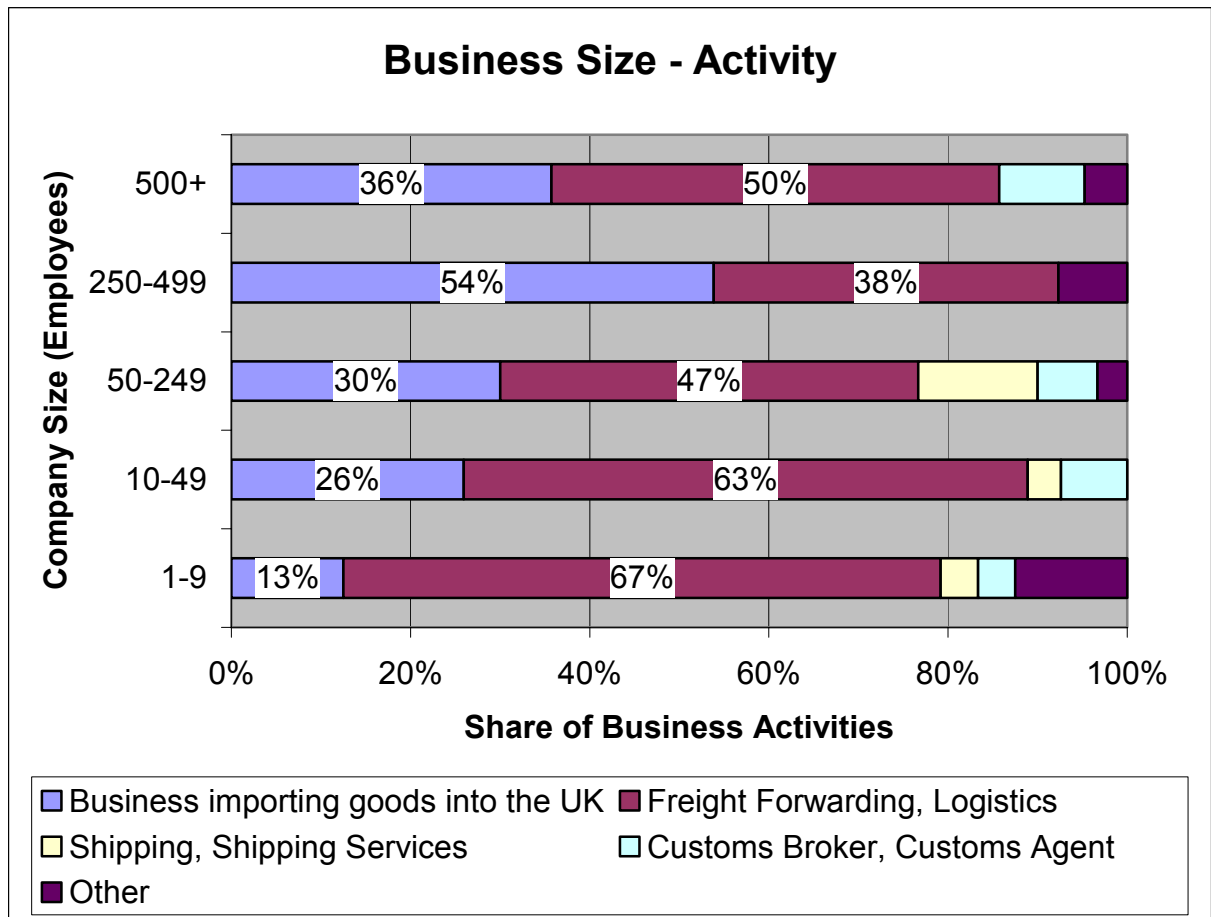
Q5 Number of Employees

	Frequency	Valid Percent
Valid 1-9	24	17.6
10-49	27	19.9
50-249	30	22.1
250-499	13	9.6
500+	42	30.9
Total	136	100.0

Q5 Number of Employees



Responses are not quite evenly distributed between the categories. While the largest companies have a share of 31% of all respondents, the next lower category of (250-499 employees) has only a share of 10%. The remaining categories (1-9, 10-49 and 50-249 employees) range between 18% and 22% each.



This table examines the relevant share of business activity for each category of size. With the exception of the 249-499 employees category, Freight Forwarding / Logistics is the largest group of respondents with a share ranging between 47% and 67%.

Question 6

“Does your company have offices in more than one country?”

Q5 Number of Employees * Q6 Offices in more than one country Crosstabulation

				Count	% within Q5 Number of Employees
Q5 Number of Employees	1-9	Q6 Offices in more than one country	Yes	3	12.5%
			No	21	87.5%
		Total		24	100.0%
	10-49	Q6 Offices in more than one country	Yes	14	53.8%
			No	12	46.2%

	Total		26	100.0%
50-249	Q6 Offices in more than one country	Yes	21	70.0%
		No	9	30.0%
	Total		30	100.0%
250-499	Q6 Offices in more than one country	Yes	8	61.5%
		No	5	38.5%
	Total		13	100.0%
500+	Q6 Offices in more than one country	Yes	39	92.9%
		No	3	7.1%
	Total		42	100.0%
Total	Q6 Offices in more than one country	Yes	85	63.0%
		No	50	37.0%
	Total		135	100.0%

Amongst all respondents, 63% reported that their business had offices in more than one country. However, this response varies in accordance to company size. While in the 1-9 employees category only 13% stated they had offices in more than one country, the range in the remaining categories lies between 53% and 93%.

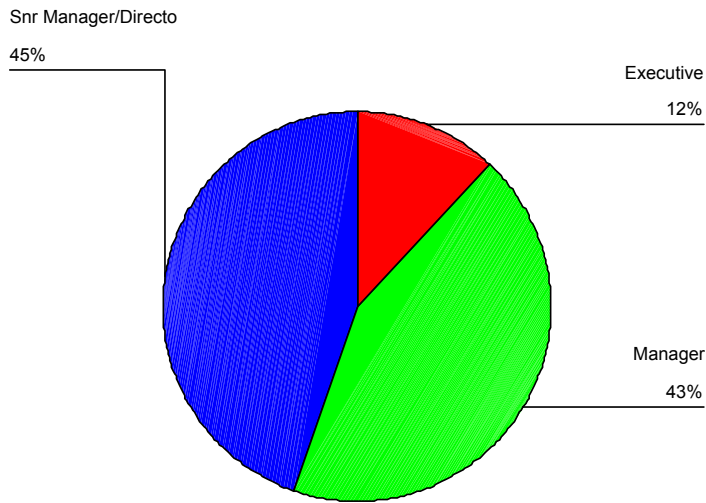
Question 7

“Would you describe yourself as: Executive; Manager; or Senior Manager/Director?”

Q7 Position

		Frequency	Valid Percent
Valid	Executive	16	11.9
	Manager	58	43.3
	Senior Manager / Director	60	44.8
	Total	134	100.0
Missing	missing	2	
Total		136	

Q7 Position



Question 8

“How many UK ports/airports does your business typically utilise for imports into the UK?”

Q8 Number of ports of entry

		Frequency	Valid Percent	Cumulative Percent
Valid	3+	88	65.2	65.2
	2-3	39	28.9	94.1
	1	5	3.7	97.8
	don't know	3	2.2	100.0
	Total	135	100.0	
Missing	missing	1		
Total		136		

While only 4% percent of all respondents stated that they use just one port, 94% explained that they use two ports or more while 65% explained they make use of three ports plus. This suggests that most respondents have experience with more than one port.

Question 9

“Providing your best guess, how many Customs import entries does your company (or your agents on your behalf) make in a typical week or year?”

“If possible also estimate the typical value in UK pounds for the average customs declaration.”

Entries per year

Case Summaries

Q9

Q5 Number of Employees	Mean	Median	Minimum	Maximum	Range	Std. Deviation	N
1-9	4296	520	4	78000	77996	16909	21
10-49	9477	1384	14	180000	179986	35007	26
50-249	10834	4000	5	104000	103995	20387	28
250-499	11398	2600	104	45500	45396	15811	13
500+	79476	3380	156	2080000	2079844	360128	33
Total	28189	1560	4	2080000	2079996	189752	121

Case Summaries

Q9

Q2 Business Activity	Mean	Median	Minimum	Maximum	Range	Std. Deviation	N
Business importing goods into the UK	6755	542	4	180000	179996	29151	38
Freight Forwarding, Logistics	43136	3000	5	2080000	2079995	257107	65
Shipping, Shipping Services	21417	312	35	104000	103965	46175	5
Customs Broker, Customs Agent	26070	7800	14	130000	129986	43390	9
Other	2146	390	5	7800	7795	3775	4
Total	28189	1560	4	2080000	2079996	189752	121

Case Summaries

Q9

Q4 Agents used for declaration	Mean	Median	Minimum	Maximum	Range	Std. Deviation	N
Yes	7552	675	4	180000	179996	26587	68
No	58311	7800	5	2080000	2079995	298855	48
N/A	9005	5460	100	25000	24900	11677	4
Total	27904	1560	4	2080000	2079996	190522	120

Tables show that there is a considerable range amongst the respondents, between four and 2,000,000 estimated entries per year.

When attempting to group, the median variable is likely to be more meaningful as it reduces skew through extreme cases (Median is the value above and below which half the cases fall, the 50th percentile). Skew may be particularly high as each business is unique.

Sample is too small to make any meaningful analysis but it is obvious that the median value for the number of entries is more than 10 times greater amongst those respondent that make there own customs declarations (7800) when compared to those which don't (675).

Similarly, those respondents declaring their business activity to be in “freight forwarding” or “customs brokering” have a median at 3000 and 7800. That is about 6-25 greater when compared to “shipping” (312) and “businesses importing goods” (542).

Declarations Value

Q9 Estimated average Customs declaration value

Q4 Agents used for declaration	Mean	Median	Minimum	Maximum	Range	Std. Deviation	N
Yes	51345	12500	37.50	800000.00	799962.50	125634	50
No	12987	6500	25.00	100000.00	99975.00	19262	28
N/A	256000	256000	12000.00	500000.00	488000.00	345068	2
Total	43036	10000	25.00	800000.00	799975.00	113737	80

It is meaningless to speculate whether the declaration value relates to company size or activity as this will invariably be dependent upon each business transaction (e.g. the value for a bar of gold is going to be a lot greater than a paper letter). However, it is noticeable that the median declaration value for businesses which do not make their own declarations is twice as high than those which do (£12500 vs. £6500 per customs declaration). If we look at mean values it is more than four times greater! This suggests that customs declarations with a higher value are more likely to be lodged by a third party specialist agent acting on somebody else’s behalf.

Summary of possible conclusions:

- Where a business makes lots of entries it is more likely that this business will not make use of agents.
- Customs brokers and freight forwarding businesses are likely to make considerable more entries per year than any other type of business.
- Where the value of the Customs entry is high, it is more likely that an agent is employed to lodge this entry.

Question 10

“How many line items are declared in a typical Customs entry?”

Q10 Lines per typical Customs entry

		Frequency	Percent	Valid Percent
Valid	one	65	47.8	50.4
	more	37	27.2	28.7
	don't know	27	19.9	20.9
	Total	129	94.9	100.0
Missing	missing	7	5.1	
Total		136	100.0	

Statistics

Q10 Estimated average number of Customs entry lines where more than one

N	Valid	32
	Missing	104
Mean		10.953
Median		3.250

Mode	3.0
Std. Deviation	19.1182
Variance	365.5058
Range	98.0
Minimum	2.0
Maximum	100.0

Q10 Lines per typical Customs entry * Q4 Agents used for declaration Crosstabulation

			Q4 Agents used for declaration			Total
			Yes	No	N/A	
Q10 Lines per typical Customs entry	One	Count	38	26	1	65
		% within Q10 Lines per typical Customs entry	58.5%	40.0%	1.5%	100.0%
	more	Count	24	13	0	37
		% within Q10 Lines per typical Customs entry	64.9%	35.1%	.0%	100.0%
	don't know	Count	8	15	3	26
		% within Q10 Lines per typical Customs entry	30.8%	57.7%	11.5%	100.0%
Total		Count	70	54	4	128
		% within Q10 Lines per typical Customs entry	54.7%	42.2%	3.1%	100.0%

29% of respondents report that they lodge more than one line item per customs entry and from these, 65% use a customs agent for declarations.

Q10 Estimated average number of Customs entry lines

N	Valid	32
	Missing	104
Mean		10.953
Median		3.250
Mode		3.0
Std. Deviation		19.1182
Variance		365.5058
Range		98.0
Minimum		2.0
Maximum		100.0

Case Summaries

Q9 Estimated average Customs declaration value

Q10 Lines per typical Customs entry	Mean	Median	Minimum	Maximum	Range	Std. Deviation	N
one	29790	10000	25.00	300000.00	299975.00	61993	40
more	49025	12500	100.00	800000.00	799900.00	149270	28
don't know	67318	5000	50.00	500000.00	499950.00	174939	8
Total	40827	10000	25.00	800000.00	799975.00	114197	76

It does **not** appear that the number of entries per line is visibly dependent to any greater degree on declaration value. Businesses may include any number of lines in each entry. Respondents, which stated that they make more than one entry, gave a range between 2-100.

Question 11

“Does the level of imports fluctuate with seasons?”

Q11 Seasonal

		Frequency	Percent	Valid Percent
Valid	Yes	96	70.6	71.6
	No	38	27.9	28.4
	Total	134	98.5	100.0
Missing	missing	2	1.5	
Total		136	100.0	

Around 70% of all respondents declared that the level of imports fluctuates with seasons. Further analysis reveals that this figure does not appear to vary to any significant degree where agents are used or not, nor does it vary significantly between the modes of transport. However, “businesses importing goods” stand out marginally from the other business activities where seasonality was declared to be slightly less than 60%. However, UK trade statistics are likely to provide a more authoritative statement on this matter.

Question 12

“Which import procedures are your import operations exposed to? Which do you perceive as most troublesome and second most troublesome? Please select. Add any other procedures that apply”

Exposure:

		Count	Column %	Nearest Fraction
Q12 Exposure to procedures – Customs	Yes	123	90.4%	1
	missing	13	9.6%	
Q12 Exposure to procedures - Dangerous Goods	Yes	60	44.1%	4/9
	missing	76	55.9%	
Q12 Exposure to procedures - Port Health Authority	Yes	63	46.3%	1/2
	missing	73	53.7%	
Q12 Exposure to procedures - Import Licences	Yes	69	50.7%	1/2
	missing	67	49.3%	
Q12 Exposure to procedures - Plant Health	Yes	28	20.6%	1/5
	missing	108	79.4%	
Q12 Exposure to procedures - Horticulture and Marketing	Yes	15	11.0%	1/9
	missing	121	89.0%	
Q12 Exposure to procedures - Forestry Commission	Yes	29	21.3	
	missing	107	78.7	1/5

Q12 Exposure to procedures - Other 1	Yes	6	4.4	
	missing	130	95.6	0
Q12 Exposure to procedures - Other 2	Yes	2	1.5	
	missing	134	98.5	0

		Q12 Exposure to procedures - Other 1
		Yes
		Count
Q12 Exposure to procedures - Other 1 Description	Airline Import Sheds	1
	CLEARANCE AGENTS	1
	Clients local Customs offices for special Customs Regimes	1
	IMMIGRATION	1
	Marine and Coastguard Agency	1
	Trading Standards	1

		Q12 Exposure to procedures - Other 2
		Yes
		Count
Q12 Exposure to procedures - Other 2 Description	International Maritime Organisation	1
	SPECIAL BRANCH	1

About 90 percent of all respondents reported that they were exposed to Customs procedures. In practice all import procedures are subject to Customs control. However, commercial relationships may impose the burden of Customs declaration upon another party, e.g. the overseas supplier. Similarly, as identified in Question 2, some respondents are involved in “other” business activities (e.g. advisory or training) and may only be indirectly involved, not making declarations at all but suitably knowledgeable to respond to this survey. Thus, one can speculate that the remaining 10% may not feel exposed to Customs procedures in the same way as the other 90%. Of course, given the number of tick boxes for this question, it is likely that some respondents may have simply missed this box.

In terms of exposure, it transpires that in the non-Customs area dangerous goods, PHA and import licences procedures apply to roughly half the respondents; PHI and Forestry Commission to about 1/5 of all respondents; and HMI to 1/9. The remaining bodies which each received one reference include immigration, the maritime coast guard agency, trading standards, special branch, the IMO as well as commercial

parties which include “the client customs arrangements”, clearance agents and airline import sheds.

Most troublesome:

Q12 Most troublesome procedure

		Frequency	Valid Percent	Cumulative Percent
Valid	Customs	32	32.3	32.3
	Dgoods	11	11.1	43.4
	PHA	24	24.2	67.7
	Import Licenses	19	19.2	86.9
	PHI	1	1.0	87.9
	HMI	1	1.0	88.9
	ForestryCom	4	4.0	92.9
	other A	4	4.0	97.0
	other B	1	1.0	98.0
	don't know	2	2.0	100.0
	Total	99	100.0	
Missing	missing	37		
Total		136		

While this table gives a breakdown of perception for all respondents, not all respondent are exposed to the same trade procedures. Thus this perception has to be treated with caution. Where exposure is included, the picture it is as follows:

Q12 Most troublesome procedure				
	Rank	Count	Row %	N
Q12 Exposure to procedures - Port Health Authority	1	24	42.9	56
Q12 Exposure to procedures – Customs	2	32	34	94
Q12 Exposure to procedures - Import Licences	3	15	24.2	62
Q12 Exposure to procedures - Dangerous Goods	4	10	19.6	51
Q12 Exposure to procedures – Forestry Commission	5	4	14.8	27
Q12 Exposure to procedures - Horticulture and Marketing	6	1	6.7	15
Q12 Exposure to procedures - Plant Health	7	1	3.8	26
Q12 Exposure to procedures - Other 1		2	40	5
Q12 Exposure to procedures - Other 2		1	100	1

To illustrate the table by use of example, out of 56 respondents exposed to procedures at Port Health Authorities 24 (43%) found it to be the most troublesome category of procedures. If ranked in this manner, PHA procedures are perceived to be the most troublesome, followed by procedures that include Customs (2), Import Licences (3), Dangerous Goods (4) and the Forestry Commission (5).

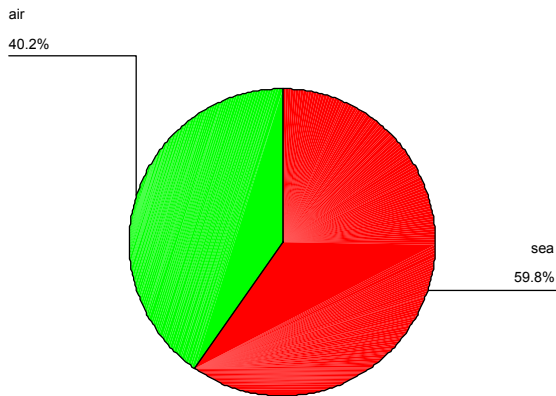
Question 13

“In the majority of cases, which type of ports do you use the most to import into the UK?”

Q13 Seaport or Airport

		Frequency	Percent	Valid Percent
Valid	Sea	79	58.1	59.8
	Air	53	39.0	40.2
	Total	132	97.1	100.0
Missing	Missing	4	2.9	
Total		136	100.0	

Q13 Seaport or Airport



Question 14

“In the majority of cases, are you or a colleague involved (directly or indirectly) in providing information, data or documents necessary to ensure that goods are cleared through regulatory channels in the UK port?”

Q14 Directly or indirectly involved

		Frequency	Percent	Valid Percent
Valid	Yes	106	77.9	79.7
	No	27	19.9	20.3
	Total	133	97.8	100.0
Missing	missing	3	2.2	
Total		136	100.0	

Q7 Position * Q14 Directly or indirectly involved Crosstabulation

			Q14 Directly or indirectly involved		Total
			Yes	No	
Q7 Position	Executive	Count	12	2	14
		% within Q7 Position	85.7%	14.3%	100.0%
	Manager	Count	45	12	57
		% within Q7 Position	78.9%	21.1%	100.0%

	Senior Manager / Director	Count	48	12	60
		% within Q7 Position	80.0%	20.0%	100.0%
Total		Count	105	26	131
		% within Q7 Position	80.2%	19.8%	100.0%

Roughly 80% of all respondents or the respondent's colleagues are directly or indirectly involved in providing the relevant information necessary for goods to clear. Further analysis reveals that seniority has hardly any bearing on this figure. Within the surveyed sample this indicates that import compliance is an issue where some involvement (directly or indirectly) is present at all seniority levels.

Question 15

“Does your organisation use IT systems to submit information electronically to port or customs systems?”

Q15 Electronic submission of data

		Frequency	Percent	Valid Percent
Valid	Yes	92	67.6	69.2
	No	31	22.8	23.3
	N/A	10	7.4	7.5
	Total	133	97.8	100.0
Missing	missing	3	2.2	
Total		136	100.0	

Q4 Agents used for declaration * Q15 Electronic submission of data Crosstabulation

		Q15 Electronic submission of data			Total	
		Yes	No	N/A		
Q4 Agents used for declaration	Yes	Count	39	25	8	72
		% within Q4 Agents used for declaration	54.2%	34.7%	11.1%	100.0%
	No	Count	49	4	2	55
	% within Q4 Agents used for declaration	89.1%	7.3%	3.6%	100.0%	
N/A		Count	3	2	0	5
		% within Q4 Agents used for declaration	60.0%	40.0%	.0%	100.0%
	Total	Count	91	31	10	132
	% within Q4 Agents used for declaration	68.9%	23.5%	7.6%	100.0%	

Roughly two thirds of respondents make Customs declarations electronically.

However, where companies make Customs declaration themselves, close to 90% submit electronically!

Question 16

“In the majority of entries, is your organisation able to make use of simplified Customs procedures (e.g. CFSP or Deferred Entry)?”

Q16 Simplified Customs Procedures

		Frequency	Percent	Valid Percent
Valid	Yes	78	57.4	60.0
	No	37	27.2	28.5
	don't know	15	11.0	11.5
	Total	130	95.6	100.0
Missing	missing	6	4.4	
Total		136	100.0	

Q16 Simplified Customs Procedures * Q15 Electronic submission of data Crosstabulation

		Q15 Electronic submission of data			Total
		Yes	No	N/A	
Q16 Simplified Customs Procedures	Yes	Count 64	9	5	78
		% within Q16 Simplified Customs Procedures 82.1%	11.5%	6.4%	100.0%
	No	Count 20	15	2	37
	% within Q16 Simplified Customs Procedures 54.1%	40.5%	5.4%	100.0%	
	don't know	Count 7	5	1	13
	% within Q16 Simplified Customs Procedures 53.8%	38.5%	7.7%	100.0%	
Total		Count 91	29	8	128
	% within Q16 Simplified Customs Procedures 71.1%	22.7%	6.3%	100.0%	

60% of respondents make use of simplified customs procedures.

About 80% of those using simplified procedures submit to Customs electronically

Q4 Agents used for declaration * Q16 Simplified Customs Procedures Crosstabulation

		Q16 Simplified Customs Procedures			Total
		Yes	No	don't know	
Q4 Agents used for declaration	Yes	Count 36	25	10	71
		% within Q16 Simplified Customs Procedures 46.8%	67.6%	66.7%	55.0%
	No	Count 37	12	3	52
	% within Q16 Simplified Customs Procedures 48.1%	32.4%	20.0%	40.3%	
	N/A	Count 4	0	2	6

	% within Q16 Simplified Customs Procedures Count	5.2%	.0%	13.3%	4.7%
Total		77	37	15	129
	% within Q16 Simplified Customs Procedures	100.0%	100.0%	100.0%	100.0%

Where simplified procedures are used, about 50% of respondents also make use of agents. By contrast, where no simplified procedures are used, close to 70% make use of agents.

Question 17

“Does your organisation make use of Customs Procedures with economic impact (Customs Warehousing, IPR, OPR, PCC)?”

Q17 Customs Procedures with Economic Impact

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	77	56.6	57.9	57.9
	No	41	30.1	30.8	88.7
	don't know	15	11.0	11.3	100.0
	Total	133	97.8	100.0	
Missing	Missing	3	2.2		
Total		136	100.0		

Q4 Agents used for declaration * Q17 Customs Procedures with Economic Impact Crosstabulation

			Q17 Customs Procedures with Economic Impact			Total
			Yes	No	don't know	
Count	Q4 Agents used for declaration	Yes	30	33	9	72
		No	43	7	4	54
		N/A	3	1	2	6
	Total	76	41	15	132	
% within Q4 Agents used for declaration	Q4 Agents used for declaration	Yes	41.7%	45.8%	12.5%	100.0%
		No	79.6%	13.0%	7.4%	100.0%
		N/A	50.0%	16.7%	33.3%	100.0%
	Total	57.6%	31.1%	11.4%	100.0%	
% within Q17 Customs Procedures with Economic Impact	Q4 Agents used for declaration	Yes	39.5%	80.5%	60.0%	54.5%
		No	56.6%	17.1%	26.7%	40.9%
		N/A	3.9%	2.4%	13.3%	4.5%
	Total	100.0%	100.0%	100.0%	100.0%	

The use of customs procedures with economic impact frequently coincides with the use of agents (40% of cases). However, when examined in detail, the picture is different. Where agents are not used, businesses are significantly more likely to make

use these procedures (80% stated they use them). Similarly, 81% of those that fail to utilise customs procedures with economic impact are customers of agent’s services. With out further interviewing respondents, it is difficult to further qualify this observation. One possible interpretation could be that UK importers using customs agents may not be sufficiently aware of available procedures or feel that these are not suitable for their specific operational circumstances. It could also mean that they are unaware that their agents make use of them.

Questions 18

“Would it be possible for you to clear goods through the port within 24 hours of the ship’s/aircraft’s arrival?”

Q18 Possible to clear port within 24 hours

		Frequency	Percent	Valid Percent
Valid	Yes	121	89.0	91.0
	No	6	4.4	4.5
	don't know	6	4.4	4.5
	Total	133	97.8	100.0
Missing	missing	3	2.2	
Total		136	100.0	

About 90% of respondents confirmed that it would be possible to clear goods through a port within 24 hours.

Question 19

“Are you able to predict the time it takes to clear goods through the port?”

Q19 Able to predict time for clearance

		Frequency	Percent	Valid Percent
Valid	Yes	88	64.7	66.7
	No	29	21.3	22.0
	not sure	15	11.0	11.4
	Total	132	97.1	100.0
Missing	missing	4	2.9	
Total		136	100.0	

67% felt they could predict the time it took to clear goods. Within the total sample, there is a marginal bias in favour of agents and airports. Of those respondents who feel they cannot predict the time it takes to clear, 60% are users of agents and 60% are imports by sea.

Question 20

“When collecting goods from the port, is the collecting vehicle sent to the port before or after goods have been cleared through the regulatory process?”

Q20 Send vehicle to port before or after clearance

		Frequency	Percent	Valid Percent
Valid	Before	15	11.0	11.5
	After	101	74.3	77.1
	don't know	15	11.0	11.5
	Total	131	96.3	100.0
Missing	missing	5	3.7	
Total		136	100.0	

Although 67% of respondents feel they can predict the time it takes to clear the goods through the port, only 11% of respondents take the risk of sending a vehicle to the port before the goods have been cleared

Given the sample size and questions asked, no meaningful pattern can be identified that explains this low figure. Reflecting on Q21 where more than 80% stated that they aim to move goods out of the port as soon as possible, reasons for not sending vehicles for collection before clearance may be that: a) risk of non-clearance is still too high in proportion to the cost of sending out a vehicle to collect goods; b) management of vehicles and drivers is not sufficiently agile to meet arriving goods at ports.

Question 21

“In the majority cases, do you aim to move the goods out of the port as early as possible without maximising the free storage options that some ports offer?”

Q21 Move goods out of port asap.

		Frequency	Percent	Valid Percent
Valid	Yes	117	86.0	88.6
	No	10	7.4	7.6
	don't know	5	3.7	3.8
	Total	132	97.1	100.0
Missing	missing	4	2.9	
Total		136	100.0	

86% of respondents stated they aim to move goods out of the port as soon as possible

Question 22

“Have you had goods delayed beyond what you would consider reasonable in the circumstances that caused the goods to be held by regulatory authorities?”

Q22 Delay beyond reasonable

		Frequency	Percent	Valid Percent
Valid	Yes	70	51.5	53.0
	No	54	39.7	40.9
	don't know	8	5.9	6.1

Total	132	97.1	100.0
Missing	4	2.9	
Total	136	100.0	

Q13 Seaport or Airport * Q22 Delay beyond reasonable Crosstabulation

			Q22 Delay beyond reasonable			Total
			Yes	No	don't know	
Q13 Seaport or Airport	sea	Count	47	28	4	79
		% within Q13 Seaport or Airport	59.5%	35.4%	5.1%	100.0%
		% within Q22 Delay beyond reasonable	67.1%	51.9%	57.1%	60.3%
	air	Count	23	26	3	52
		% within Q13 Seaport or Airport	44.2%	50.0%	5.8%	100.0%
		% within Q22 Delay beyond reasonable	32.9%	48.1%	42.9%	39.7%
Total		Count	70	54	7	131
		% within Q13 Seaport or Airport	53.4%	41.2%	5.3%	100.0%
		% within Q22 Delay beyond reasonable	100.0%	100.0%	100.0%	100.0%

Slightly more than half of the respondents have had goods held beyond what they consider to be held longer than what they would consider reasonable.

Of those who felt goods have been delayed beyond reasonable, 67% of the responses related to seaports while 33% of the responses related to airports.

Question 23

“Within the last 12 months, how many days was the longest you ever had to wait for a particular consignment to complete the regulatory process in the port?”

Case Summaries

Q23 Longest delay in last 12 months

N	Mean	Median	Minimum	Maximum	Range	Std. Deviation	Variance
106	10.73	5.00	0	120	120	16.685	278.387

The range of delay given by respondent was between 0 (less than 24h) and 120 days. The median lies at 5 days.

Question 24

“Which was the main agency responsible for the delay?”

Q24 Government agency responsible for delay

		Frequency	Percent	Valid Percent
Valid	Customs	61	44.9	51.7
	DGoods	2	1.5	1.7
	PHA	31	22.8	26.3
	Import Licenses	4	2.9	3.4
	HMI	1	.7	.8
	other	10	7.4	8.5
	don't know	9	6.6	7.6
	Total	118	86.8	100.0
Missing	missing	18	13.2	
Total		136	100.0	

Q24 Government agency responsible for delay * Q4 Agents used for declaration Crosstabulation

			Q4 Agents used for declaration			Total
			Yes	No	N/A	
% within Q4 Agents used for declaration	Q24 Government agency responsible for delay	Customs	62.7%	39.1%	20.0%	51.7%
		DGoods	1.5%	2.2%	.0%	1.7%
		PHA	17.9%	39.1%	20.0%	26.3%
		Import Licenses	1.5%	4.3%	20.0%	3.4%
		HMI	1.5%	.0%	.0%	.8%
		other	9.0%	8.7%	.0%	8.5%
		don't know	6.0%	6.5%	40.0%	7.6%
	Total		100.0%	100.0%	100.0%	100.0%

The main government agency responsible for the delay was in 52% of the cases Customs, followed by PHA with 26% of the cases. However, when the sample is limited to those who do not use agents, Customs and PHA were the cause in an equal number of cases (39%). Two conclusions may be drawn: a) customers of agents equate delay through PHA as a Customs issue, not aware that PHA is the root cause; b) agents are better at dealing with PHAs.

Question 25

“Has your organisation ever decided to divert cargo to an alternative port because of actual or perceived differences in the enforcement of rules and procedures?”

Q25 Divert Cargo

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	25	18.4	19.1	19.1
	No	97	71.3	74.0	93.1
	don't know	9	6.6	6.9	100.0
	Total	131	96.3	100.0	
Missing	missing	5	3.7		
Total		136	100.0		

Case Summaries

Q25 Total % of cargo diverted

N	Mean	Median	Minimum	Maximum	Range	Std. Deviation	Variance
12	15.750	10.000	2.0	75.0	73.0	19.9003	396.023

18% of all respondents answered the question with yes, which confirms that perceptions about government controls can have an impact on the importer’s choice of entry. The percentage of cargo diverted ranged between 2% and 75%. The median percentage was at 10%.

Q24 Government agency responsible for delay * Q25 Divert Cargo Crosstabulation

Q25 Divert Cargo Yes

Q24 Government agency responsible for delay	Customs	Count	7
		% within Q25 Divert Cargo	29.2%
	Dgoods	Count	2
		% within Q25 Divert Cargo	8.3%
	PHA	Count	11
		% within Q25 Divert Cargo	45.8%
	Import Licenses	Count	0
		% within Q25 Divert Cargo	.0%
	HMI	Count	0
		% within Q25 Divert Cargo	.0%
	Other	Count	3
		% within Q25 Divert Cargo	12.5%
	don't know	Count	1
		% within Q25 Divert Cargo	4.2%
Total		Count	24
		% within Q25 Divert Cargo	100.0%

Q12 Most troublesom procedure * Q25 Divert Cargo Crosstabulation

Q25 Divert Cargo Yes

Q12 Most troublesom procedure	Customs	Count	3
		% within Q25 Divert Cargo	13.6%
	DGoods	Count	5
		% within Q25 Divert Cargo	22.7%
	PHA	Count	7
		% within Q25 Divert Cargo	31.8%
	Import Licenses	Count	4
		% within Q25 Divert Cargo	18.2%

PHI	Count	0
	% within Q25 Divert Cargo	.0%
HMI	Count	1
	% within Q25 Divert Cargo	4.5%
ForestryCom	Count	1
	% within Q25 Divert Cargo	4.5%
other A	Count	1
	% within Q25 Divert Cargo	4.5%
other B	Count	0
	% within Q25 Divert Cargo	.0%
don't know	Count	0
	% within Q25 Divert Cargo	.0%
Total	Count	22
	% within Q25 Divert Cargo	100.0%

Amongst those who indicated that they have diverted traffic, PHA procedures lead the field with 31% of respondents listing them as the most troublesome, followed by dangerous goods in 21% of effected cases.

Similarly, of those who indicated that they have diverted traffic, PHA also lead the field in causing excessive delay amongst 46% of the relevant cases, followed by Customs amongst 29% of relevant cases.

Question 26

“If yes, have imports ever been diverted to an EU port outside of the UK?”

Q26 Divert Cargo to an EU port outside of UK

		Frequency	Percent	Valid Percent
Valid	Yes	14	10.3	14.3
	No	53	39.0	54.1
	N/A	31	22.8	31.6
	Total	98	72.1	100.0
Missing	missing	38	27.9	
Total		136	100.0	

Case Summaries

Q26 Total % of cargo diverted to an EU port outside of UK

N	Mean	Median	Minimum	Maximum	Range	Std. Deviation	Variance
6	8.583	7.500	.5	20.0	19.5	7.8639	61.842

Q24 Government agency responsible for delay * Q26 Divert Cargo to an EU port outside of UK Crosstabulation

Q26 Divert Cargo to an EU port outside of UK Yes

Q24 Government agency responsible for delay	Customs	Count	4
		% within Q26 Divert Cargo to an EU port outside of UK	28.6%
	DGoods	Count	2
		% within Q26 Divert Cargo to an EU port outside of UK	14.3%
	PHA	Count	6
		% within Q26 Divert Cargo to an EU port outside of UK	42.9%
	Import Licenses	Count	0
		% within Q26 Divert Cargo to an EU port outside of UK	.0%
	HMI	Count	0
		% within Q26 Divert Cargo to an EU port outside of UK	.0%
	other	Count	1
		% within Q26 Divert Cargo to an EU port outside of UK	7.1%
	don't know	Count	1
		% within Q26 Divert Cargo to an EU port outside of UK	7.1%
Total	Count	14	
	% within Q26 Divert Cargo to an EU port outside of UK	100.0%	

Q12 Most troublesom procedure * Q26 Divert Cargo to an EU port outside of UK Crosstabulation

Q26 Divert Cargo to an EU port outside of UK Yes

Q12 Most troublesom procedure	Customs	Count	0
		% within Q26 Divert Cargo to an EU port outside of UK	.0%
	DGoods	Count	3
		% within Q26 Divert Cargo to an EU port outside of UK	27.3%
	PHA	Count	4
		% within Q26 Divert Cargo to an EU port outside of UK	36.4%
	Import Licenses	Count	2
		% within Q26 Divert Cargo to an EU port outside of UK	18.2%
	HMI	Count	1
		% within Q26 Divert Cargo to an EU port outside of UK	7.1%

		% within Q26 Divert Cargo to an EU port outside of UK Count	9.1%
	ForestryCom		1
		% within Q26 Divert Cargo to an EU port outside of UK Count	9.1%
	other A		0
		% within Q26 Divert Cargo to an EU port outside of UK Count	.0%
	don't know		0
		% within Q26 Divert Cargo to an EU port outside of UK Count	.0%
Total			11
		% within Q26 Divert Cargo to an EU port outside of UK	100.0%

14% (14 form 98) admitted to diverting cargo to a EU port outside of the UK. Out of this sample a further 6 respondents reported that the percentage of cargo diverted ranged between 0.5 and 20%.

Cross-reference to response given in Q24 and Q12 suggest that the activities of the PHA seem to be proportionately of greatest concern.

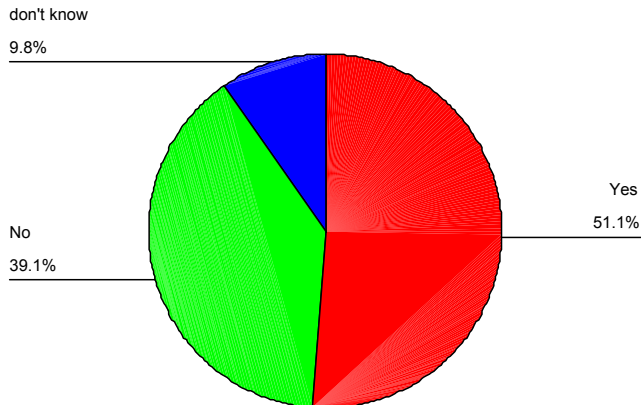
Question 27

“Does someone in your organisation participate in consultations on regulatory matters (e.g. through port user groups, Customs consultations, Trade Associations or direct response to formal government consultations)?”

Q27 Participation in consultations

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	68	50.0	51.1	51.1
	No	52	38.2	39.1	90.2
	don't know	13	9.6	9.8	100.0
	Total	133	97.8	100.0	
Missing	missing	3	2.2		
Total		136	100.0		

Q27 Participation in consultations



More than half the respondent's organisations participate in some form in consultations on regulatory matters. The majority of those who participate (41%) are businesses with more than 500 employees.

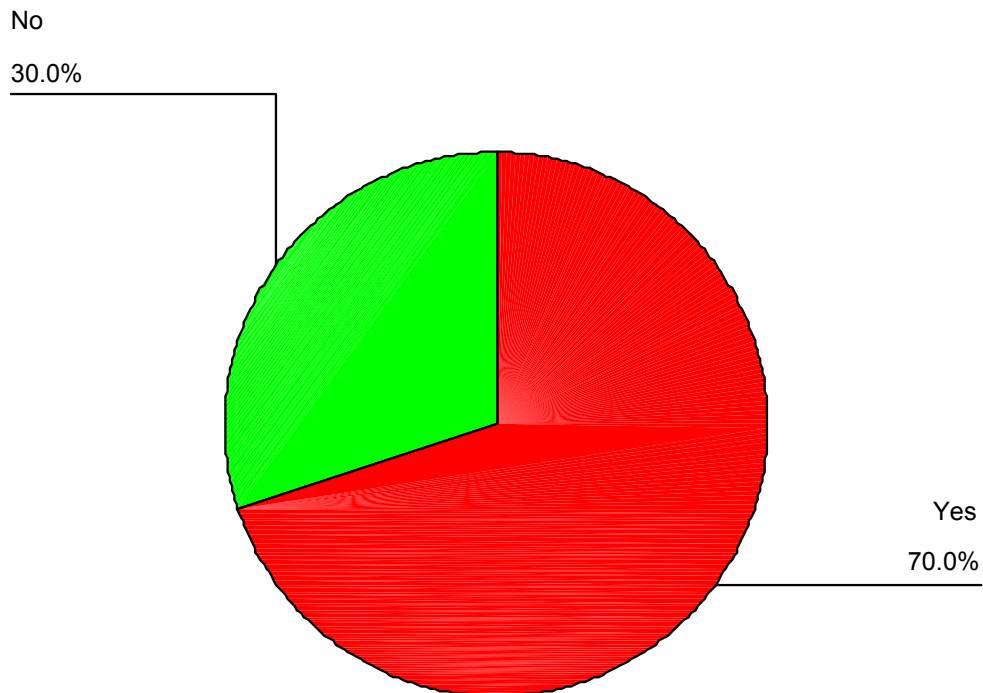
Question 28

“Does your organisation encourage formal training related to import procedures?”

Q28 Formal training

		Frequency	Percent	Valid Percent
Valid	Yes	91	66.9	70.0
	No	39	28.7	30.0
	Total	130	95.6	100.0
Missing	missing	6	4.4	
Total		136	100.0	

Q28 Formal training



Q4 Agents used for declaration * Q28 Formal training Crosstabulation

Q28 Formal training No

Count	Q4 Agents used for declaration	Yes	26
		No	11
		N/A	2
Total			39
% within Q4 Agents used for declaration	Q4 Agents used for declaration	Yes	37.1%
		No	20.8%
		N/A	33.3%
Total			30.2%
% within Q28 Formal training	Q4 Agents used for declaration	Yes	66.7%
		No	28.2%
		N/A	5.1%
Total			100.0%

While 70% of respondents feel their organisation encourages formal training, amongst the 30% who do not feel training is encouraged, the majority (67%) use agents to make declarations.

Question 29

“Do you feel that your organisation has sufficient knowledge about developments in legislative, procedural and operational aspects of regulatory controls to make reasoned mid to long term investment decisions that could improve the importation process for your business?”

Q29 Sufficient knowledge to make reasoned investment decisions

		Frequency	Percent	Valid Percent
Valid	Yes	79	58.1	59.0
	No	37	27.2	27.6
	don't know	18	13.2	13.4
	Total	134	98.5	100.0
Missing	missing	2	1.5	
Total		136	100.0	

Question 30

“Do time aspects and cost (e.g. fees and demurrage charges) relating to regulatory procedures (Customs, Port Health etc) play a prominent role when choosing a port of entry?”

Q30 Role of time in port choice

		Frequency	Percent	Valid Percent
Valid	Yes	50	36.8	37.3
	No	72	52.9	53.7
	don't know	12	8.8	9.0
	Total	134	98.5	100.0
Missing	missing	2	1.5	
Total		136	100.0	

For 53% of all respondents time aspects and cost relating to regulatory procedures do not play a prominent role in the choice of port.