

TIME RELEASE STUDY 2025



Sri Lanka Customs

TIME RELEASE STUDY

2025

Sri Lanka Customs

Published by Policy, Planning & Research Directorate





Message from Director General



I am pleased to inform you that Sri Lanka Customs has finalised the World Customs Organisation (WCO) recommended Time Release Study (TRS) for 2025.

Following the initial TRS conducted in 2014 and the subsequent study in 2018, Sri Lanka Customs has continued to uphold its commitment to trade facilitation through performance measurement and evidence-based process improvement. The 2025 TRS marks yet another significant milestone in our ongoing efforts to evaluate and enhance the efficiency of border clearance processes.

Over the years, the TRS has evolved from a pilot exercise focusing on limited areas into a comprehensive national assessment involving multiple border agencies and private sector stakeholders. The study not only provides valuable benchmarks for the release times of goods but also delivers essential insights

for process reengineering, automation, and interagency coordination. It enhances our collective pursuit of efficiency, transparency, and predictability in trade operations.

The TRS holds significant strategic importance at the national level, as it provides an objective and data-driven basis for assessing border performance, supporting policy reforms, and strengthening Sri Lanka's position as a reliable and competitive trading nation. From a trade perspective, the findings contribute directly to reducing transaction costs, improving supply chain efficiency, and enhancing predictability for traders and investors. For Sri Lanka Customs, the TRS serves as a critical performance management tool, enabling evidence-based decision-making, targeted reforms, and continuous institutional modernisation.

This latest TRS is part of Sri Lanka's efforts to pursue its trade facilitation goals in line with the WTO- TFA and WCO standards. Notably, the 2025 TRS was conducted entirely based on ASYCUDA data, ensuring accuracy, consistency, and robustness of analysis while reinforcing the importance of digitalisation and data-driven customs administration.

The collaboration and support extended by the Asian Development Bank (ADB) were invaluable. Their timely financial and technical assistance, particularly at a critical stage for the country, together with a strong partnership, played a key role in successfully completing the TRS and strengthening Sri Lanka's overall trade facilitation framework. Sri Lanka Customs sincerely thanks and appreciates the ADB, as well as all other government agencies and private sector partners for their valuable cooperation and contributions.

I extend my heartfelt congratulations to the TRS team, Policy, Planning and Research Directorate of Sri Lanka Customs and all stakeholders who contributed to the successful completion of the TRS 2025. I am confident that the findings of this study will play a crucial role in guiding future policy decisions and advancing trade facilitation reforms in Sri Lanka.

S. P. Arukgoda

Director General of Customs





Message from Additional Director General



I am pleased to extend my sincere greetings on the successful completion of the Time Release Study (TRS) 2025 conducted by Sri Lanka Customs, with the active participation of a wide range of stakeholders involved in cross-border trade activities.

The TRS, endorsed by the World Customs Organization, remains one of the most effective analytical tools for assessing the actual performance of border procedures and identifying areas for improvement to support legitimate trade. Furthermore, the development and publication of the Average Release Time are key commitments under the WTO - TFA, reaffirming Sri Lanka's dedication to enhancing trade efficiency and transparency.

This TRS was conducted after a lapse of seven years. During this period, Sri Lanka faced several unprecedented challenges, including the Easter Sunday terrorist attacks, the COVID-19 pandemic, and the economic downturn in 2023, all of which directly affected and significantly altered the country's trade environment. In this context, the findings of the TRS 2025 will serve as an important benchmark for assessing current performance and guiding future reforms.

Building on the experiences gained from the previous TRS conducted in 2014 and 2018, the 2025 TRS was carried out with an expanded scope, including greater inter-agency collaboration and more advanced data-driven methods. The study reflects our collective efforts to improve coordination among border agencies and to identify practical solutions for further reducing release times and simplifying clearance processes.

Finally, I take this opportunity to commend the entire TRS team, guided by the technical support of the ADB experts on TRS, for their dedication and teamwork in completing this comprehensive study within the scheduled timeframe. The outcomes of the TRS 2025 will undoubtedly serve as a foundation for ongoing improvement and modernisation of Sri Lanka Customs in the years ahead.

Achala Chandrasekare

Additional Director General of Customs (Corporate)





Message from Team Leader



“Trade facilitation is not merely about moving goods faster — it is about creating an environment of trust, efficiency, and opportunity that drives national growth and global connectivity.”

The success of any modernisation effort depends on the willingness to face challenges and collaborate towards a common goal.

This initiative exemplifies our shared vision to enhance trade facilitation and border efficiency in line with the standards set by the World Customs Organisation. Since the conduct of the previous TRS in 2018, Sri Lanka Customs has introduced a series of key trade facilitation measures. The TRS 2025 has offered us a valuable opportunity to evaluate the success of these initiatives and to identify current bottlenecks in our clearance procedures. This process not only enhances our compliance with the Trade Facilitation Agreement but also underlines our dedication to ensuring efficient, transparent, and predictable border operations that support sustainable economic growth.

I extend my sincere gratitude to the Director General of Customs, Mr. S. P. Arukgoda, and all Additional Directors General of Customs for their visionary guidance and ongoing support.

I also wish to express my heartfelt thanks to Ms. Kanya Satyani Sasradipoera – Principal Cooperation Specialist, Mr. Vijay Singh Chauhan, Mr. M. Satish Kumar Reddy, Ms. Drishti Bansal and Mr. U. Liyanage, – ADB Consultants for their expert technical assistance provided to Sri Lanka Customs in planning the TRS, data collection, data analysis, and reporting. Their guidance and insights were invaluable in ensuring the accuracy, reliability, and quality of this study.

My thanks further go to all Directors of Sri Lanka Customs, particularly the staff of the ICT Directorate, whose professionalism and dedication were crucial to the success of this study, specially, taking up the challenge to carry out the data collection and analysis purely based on the timestamps created in the ASYCUDA System. I sincerely appreciate the dedicated commitment of the TRS Team of Sri Lanka Customs in completing the Time Release Study (TRS) 2025. Their steadfast dedication and team spirit throughout this demanding yet rewarding journey genuinely embody the spirit of modernisation and partnership that drives Sri Lanka Customs forward.

I also wish to take this opportunity to express my sincere appreciation to all terminal operators, including Hambantota International Port Group, Colombo International Container Terminals, Jaya Container Terminal, and East Container Terminal of the Sri Lanka Ports Authority, as well as Sri Lanka Cargo, for their invaluable cooperation and operational support extended to the TRS Team. Their collaboration has significantly enhanced the accuracy and thoroughness of this study.

Together, we reaffirm our commitment to making Sri Lanka a more efficient, transparent, and facilitation-focused investor-friendly trading hub in the region.

Thank you, and congratulations to everyone who contributed to this exceptional achievement.

T. Loganathan

Additional Director General of Customs





Executive Summary

The Time Release Study (TRS) 2025 assesses the efficiency of cargo clearance processes in Sri Lanka using transaction-level data extracted from the ASYCUDA system, supplemented by terminal-operator information. In line with World Customs Organization (WCO) TRS Guidelines Version 4.0 (2025), the study recognises that clearance-time data are highly positively skewed and therefore complements traditional average release time analysis with median-based indicators, which more accurately reflect routine clearance performance.

Seaport Imports

Based on a sample of 6,787 CusDec, the average import release time in 2025 was 76:43 hours, reflecting a 7.6% improvement over 2024. More importantly, the median release time declined from 54:19 hours to 51:32 hours, indicating a tangible improvement in the typical clearance experience for the majority of traders. The reduction in the gap between mean and median values further suggests a decline in extreme delay cases.

The study confirms the substantial facilitation impact of the Authorised Economic Operator (AEO) programme. In 2025, AEO consignments recorded a median release time of 30:13 hours, compared to 52:50 hours for Non-AEO consignments. This widening differential demonstrates that trust-based, risk-managed interventions are delivering meaningful and measurable benefits, consistent with WTO TFA Article 7.7.

Clearance times for FCL consignments remained significantly lower than for LCL consignments in both average and median terms. The median release time for FCL imports in 2025 was 44:23 hours, compared to 77:54 hours for LCL cargo, indicating a structural difference linked to cargo handling and examination processes rather than statistical outliers.

Air Cargo Imports

Air Cargo imports recorded an average release time of 53:58 hours, with a median of 28:12 hours, confirming faster clearance than Sea Cargo in routine cases. However, the study highlights a substantial front-loaded delay prior to Customs processing, with a median of 30:54 hours between aircraft arrival and CusDec submission. This underscores the importance of pre-arrival processing and trader readiness, as envisaged under WTO TFA Article 7.1.

While AEO benefits were not evident in Air Cargo release times, the analysis suggests this is attributable to operational constraints such as lack of differentiated processing streams and OGA dependencies, rather than to the AEO framework itself.

Exports and Hambantota Case Study Findings

The study’s attempt to measure export release time highlights limitations of using ASYCUDA timestamps as a proxy for physical cargo dwell time, reinforcing the need for improved data capture in future TRS exercises.

The Hambantota Port case study demonstrates that elevated average release times for motor vehicle imports are primarily driven by importer-controlled timing of duty payment, with Customs processing

contributing a comparatively small share of total elapsed time.

Overall, TRS 2025 confirms steady progress in trade facilitation outcomes, while underscoring the need to deepen median-based performance monitoring, expand pre-arrival processing, strengthen coordinated border management, and further scale risk-based and trust-based interventions.

Conclusions, Recommendations and Way Forward

The TRS 2025 confirms measurable improvements in cargo clearance performance, particularly when assessed using median release times, which more accurately represent routine trader experience in a positively skewed dataset. Sea Cargo imports show steady gains, with FCL consignments and AEO-accredited traders consistently achieving faster and more predictable release times. LCL cargo, especially for Non-AEO traders, remains structurally more time-intensive due to handling complexity and multi-party dependencies. In Air Cargo, while typical clearance is relatively fast, significant front-loaded delays occur prior to Customs processing, and medium-risk (Amber channel) consignments experience extended-release times largely due to OGA referrals and stakeholder-driven delays.

- (i) expanding and deepening the AEO programme as a core trade facilitation instrument in line with WTO TFA Article 7.7;
- (ii) prioritising process rationalisation for LCL cargo, including warehouse operations and examination workflows;
- (iii) strengthening pre-arrival processing and trader readiness, particularly for Air Cargo, consistent with WTO TFA Article 7.1; and
- (iv) establishing a structured OGA integration framework, supported by electronic connectivity, indicative service-level commitments, and escalation mechanisms, in line with coordinated border management principles under WTO TFA Article 8.

Future TRS exercises should adopt enhanced timestamp capture across the end-to-end logistics chain, including OGAs and terminal operators, to enable more granular diagnosis of delay drivers. Institutionalising median-based performance monitoring, alongside traditional averages, will support more accurate policy decisions. Continued collaboration with trade stakeholders and OGAs will be essential to move from incremental efficiency gains towards predictable, system-wide release outcomes that support Sri Lanka's trade competitiveness.



Table of Content

1	Evolution of Time Release Study in Sri Lanka	16
2	Introduction, Scope and Methodology for TRS 2025	17
2.1	Introduction to TRS 2025	17
2.2	Phases of TRS	18
2.3	Objectives of TRS 2025	22
2.4	Geographic Coverage	23
2.5	Study Duration	24
2.6	Unit of the Study	24
2.7	Data Sources and Methodology	24
2.8	Definition of Release Time	26
2.9	Pilot Study based on 2024 data	26
3	Release Time Analysis	27
3.1	Seaport General Cargo - Import Release Time	27
3.2	Airport General Cargo – Import Release Time	50
3.3	Sea General Cargo – Export Release Time	57
3.4	Air General Cargo – Export Release Time	62
4	Case Study: Hambantota Port – Import Release Time	63
5	Assessment of the Status of Recommendations of TRS 2018	65
6	Conclusions, Recommendations and Way Forward	67
7	Note for Data Analysis - Caveats and Limitations	70
8	Team TRS 2025	71
	Annexure	73

List of Tables

Table 1: Time taken from Vessel Arrival to CusDec Submission	29
Table 2: Overall Sea Cargo Release Time comparison: AEO vs Non-AEO	31
Table 3: Release Time: FCL vs LCL CusDec	33
Table 4: Stage-wise time taken for FCL CusDec	36
Table 5: Time taken at each interval of the LCL CusDec process flow	41
Table 6: Seaport Import: Time spent in Long Room (Doc Appointing to Release Order) -	44
Table 7: Release Time – Impact of Examination -	45
Table 8: Release Time taken by FCL/LCL vis-à-vis Examination	46
Table 9: Release Time taken by AEO/Non-AEO vis-à-vis Examination	47
Table 10: Impact of Reference to Central Valuation Directorate's Head Office	48
Table 11: Release Time: Impact of Reference to OGA	49
Table 12: Time Taken from Aircraft Arrival to CusDec Submission	53
Table 13: Release Time: Overall, AEO vs Non-AEO	53
Table 14: Airport Import: Impact of Channel Selection on Import Release time	54
Table 15: Release Time: Impact of reference to OGA	55
Table 16: Stage-wise time taken to release Air Cargo Import CusDec	56
Table 17: Release Time: Overall, AEO vs Non-AEO	58
Table 18: Impact of “Examination Exempted Consignments” Selection on Release time	58
Table 19: Release Time for FCL vs LCL CusDec	59
Table 20: Stage-wise Time Taken for Export CusDec	59
Table 21: Release Time for OGA CusDec	61
Table 22: Time Taken at Terminal Premises	61
Table 23: Airport Export: Release Time AEO vs Non-AEO	62
Table 24: Airport Export: Release Time - OGA	62
Table 25: Stage-wise time taken at Hambantota Port	63

List of Process Flows

Process Flow 1: Simplified Sea Cargo FCL Import Clearance Process	28
Process Flow 2: Time Taken at Each stage of the FCL CusDec Processing	38
Process Flow 3: Time Taken at Each stage of the LCL CusDec Processing	43
Process Flow 4: Simplified Air Cargo imports clearance flow diagram	51
Process Flow 5: Time Taken at Each stage of the Air Cargo CusDec – Import	57
Process Flow 6: Time Taken at Each stage of the Air Cargo - Export	60



List of Graphs

Graph 1: Frequency Distribution of Sea Cargo Import CusDec release times	30
Graph 2: Boxplot analysis of Sea Cargo Import CusDec release times	30
Graph 3: Average Release Time Comparison - Seaport Import	26
Graph 4: Box plot depicting the time taken for each stage of the FCL clearance process	35
Graph 5: Box plot depicting the time taken for each stage of the LCL clearance process	40
Graph 6: Percentage Share of Sample Count - Examination	45
Graph 7: Frequency distribution of the Air Cargo Import CusDec	52
Graph 8: Box Plot Analysis of Air Cargo imports CusDec	52
Graph 9: Share of Stage-wise Time Taken at Hambantota Port	64

List of Pictures

Picture 1: Preparatory Workshop Team	19
Picture 2: State of the art Drive-Through Scanner, Colombo Port	20
Picture 3: Control Room of the Drive-Through Scanning Centre, Colombo Port	20
Picture 4: Core TRS Team at Hambantota Port on 5th July 2025	20

List of Figures

Figure 1: Evolution of Time Release Study	16
Figure 2: Phases of Time Release Study	18
Figure 3: Geographic Coverage	23
Figure 4: ASYCUDA Data Source	24
Figure 5: Average Release Time Comparison	32

List of Abbreviations

Acronym	Meaning	Acronym	Meaning
APO	Assistant Preventive Officer	ITC	International Trade Center
AQ	Department of Animal Production and Health (Animal Quarantine)	JCT	Jaya Container Terminal
AQO	Animal Quarantine Officer	KPI	Key Performance Indicator
ASC	Assistant Superintendent of Customs	L/R	Long Room
ASYCUDA	Automated System for Customs Data	LCL	Loose Container Load
BQ	Bandaranaike Quay	MoH	Ministry of Health
CAQO	Chief Animal Quarantine Officer	NCT Gate	New Container Terminal Gate
CFS	Container Freight Station	NMRA	National Medicines Regulatory Authority
CHA	Customs House Agents	NNR	New Nuge Road (Warehouse)
CICT	Colombo International Container Terminal	NPQS	National Plant Quarantine Service
CIGP	Customs Internal Gate Pass	OGA	Other Governmental Agencies
CusDec	Customs Declaration	PAP	Pre Arrival Processing
CVO	Central Valuation Office	RCT	Rank Container Terminal
DC	Director of Customs	RMC	Risk Management Committee
DDC	Deputy Director of Customs	RVO	Regional Valuation Office
DGC	Director General of Customs	SAGT	South Asia Gateway Terminal
EDB	Export Development Board	SC	Superintendent of Customs
EFC	Export Facilitation Center	SDDC	Senior Deputy Director of Customs
ETA	Estimated Time of Arrival	SLA	Sri Lankan Airlines
FCAU	Food Control and Administration Unit	SLAF	Sri Lanka Air Force
FCL	Full Container Load	SLC	Sri Lanka Customs
FI	Food Inspector	SLPA	Sri Lanka Ports Authority
GATT	General Agreement on Tariff and Trade	SLSI	Sri Lanka Standards Institute
GL-I	Grayline I (Container Yard)	TEU	Twenty-foot Equivalent Unit
GL-II	Grayline II (Container Yard)	TFA	Trade Facilitation Agreement



HIPG	Hambantota International Port Group	TRC	Telecommunication Regulatory Commission Procedure
HQC	Customs Head Quarters, Colombo	TRS	Time Release Study
HRC	High Risk Cargo	UPB	Unaccompanied Passenger Baggage
ICD	Inland Container Depot	VFT	Valuation Fast Track
ICL	Import Control License	WCO	World Customs Organization
ICT	Information Communication Technological Directorate	WTO	World Trade Organization
CEA	Central Environmental Authority	GSMB	Geological Survey & Mines Bureau

1 Evolution of Time Release Study in Sri Lanka

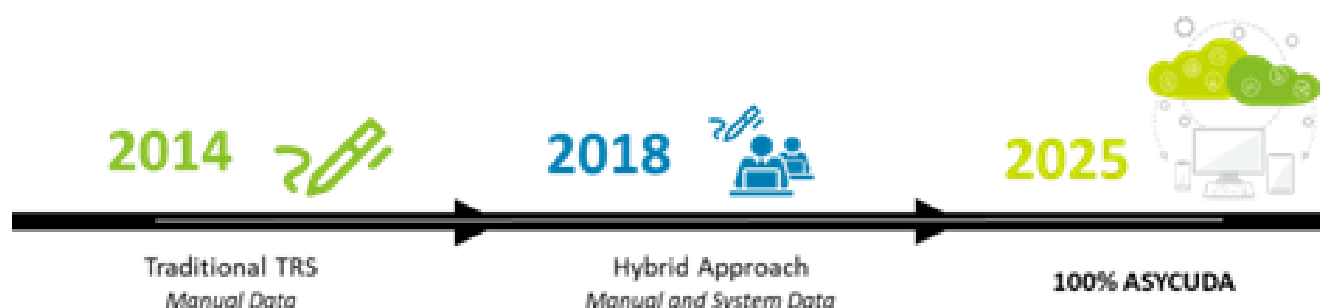


Figure 1: Evolution of Time Release Study

The first Time Release Study (TRS) by Policy, Planning and Research Directorate of Sri Lanka Customs (SLC) was conducted in 2014, and the second in 2018. The TRS 2025 is the third such study, which draws upon the experience from the previous two studies, reflects the significant progress made in trade facilitation and aspirations for undertaking regular and more detailed performance assessment of the cargo clearance process.

TRS 2014 had limited coverage, focusing only on import cargo through the Port of Colombo. The study measured the average time taken for cargo clearance and identify bottlenecks in the customs processes, by concentrating on key activities such as processing of the Customs Declaration (CusDec) in the Long Room, Valuation, and Cargo Examination procedures. The study was carried out through manual collection of data and covered all the relevant transactions at the Customs Offices over a period of 30 working days.

The study was based on a structured methodology aligned with the WCO TRS Guide Version 2. It was conducted in three phases, i.e.

- Phase 1** – Preparation of the Study
- Phase 2** – Collection and Recording of Data
- Phase 3** – Analysis of Data and Conclusions.

It included data collection from Long Room relating to CusDec processing, various examination yards such as RCT, GrayLine I & II, High Risk Cargo Unit, BQ LCL warehouse, JCT LCL warehouse, and New Nuge Road LCL warehouse. The study also incorporated idling time into the total average release time, especially for cargo routed through Detail/Red/High-Risk channels, to provide a realistic picture of delays.

Out of a total of 15,303 declarations initially collected under the sampling exercise, only 782, representing just about 5% of the original sample, was found to be complete and amenable to statistical analysis. The remaining CusDec were rejected due to incomplete or inconsistent data. Interestingly, the time taken to process CusDec with a single item was found to be nearly the same as those with multiple items, indicating that item count or complexity did not significantly impact the processing time.

The study highlighted the need for better data quality and automation for future TRS exercises. It also emphasized the importance of streamlining processes and improving risk management to reduce clearance time. Overall, the findings provided a baseline for performance measurement and policy formulation aimed at enhancing trade facilitation at the Port of Colombo.



The second TRS was conducted in 2018, which represented a significant advancement over the 2014 study, expanding its scope to cover both sea and Air Cargo, and including both import and export processes, though the primary focus remained on Sea Cargo imports. Conducted at Port of Colombo, Bandaranaike International Airport, and Hambantota Ports, the study aimed to measure the average time taken for cargo release and identify procedural bottlenecks. It aligned with the World Customs Organization (WCO) methodology and supported Sri Lanka’s commitment to the WTO Trade Facilitation Agreement (TFA). The main survey was conducted over seven consecutive days from 5th to 11th December 2018.

The study involved a wide range of stakeholders, including Customs House Agents (CHA), Sri Lanka Ports Authority (SLPA), Container Terminals (CICT, SAGT, JCT), Sri Lankan Airlines, and several Other Government Agencies (OGAs) such as SLSI, Animal Quarantine, Plant Quarantine (NPQS), and the Food Control Administration Unit (FCAU). Various trade chambers were also participated as observers. Capacity building for the TRS was provided by the WCO and funded by the International Trade Centre (ITC), ensuring methodological rigor and international alignment.

Out of 18,000 survey forms that were distributed, 8,603 were returned, and 6,403 were accepted for analysis—yielding a much larger usable sample than the 2014 study. A key finding was that importers were not utilizing approximately 50 hours available at the pre-declaration stage for processing CusDec i.e. form the time of Vessel Arrival to the time of Submission of the CusDec, indicating a major opportunity for reducing overall clearance time.

The 2018 TRS provided actionable insights for improving customs efficiency. It emphasized the need for pre-arrival processing, better inter-agency coordination, and enhanced risk management systems. Recommendations included streamlining procedures, reducing bureaucratic delays, and leveraging automation to improve cargo clearance. This study has included a brief assessment of the progress in implementation of the major recommendations made in TRS 2018. The study, thus, laid a strong foundation for future reforms and modernization efforts, helping Sri Lanka Customs move towards a more efficient and globally competitive Border Management System.

2 Introduction, Scope and Methodology for TRS 2025

2.1 Introduction to TRS 2025

Time Release Study (TRS) is an internationally recognized analytical tool developed by the World Customs Organization (WCO) to assess the efficiency and effectiveness of cross-border trade procedures. This TRS has been conducted following the WCO TRS Guide Version 3.0 (2018) and recently released TRS Guide Version 4.0 (2025).

Further, as a signatory to the World Trade Organization (WTO) Trade Facilitation Agreement (TFA), Sri Lanka had placed Article 7.6 relating to “Establishment and Publication of Average Release Times” under Category C, to be implemented by June 2018.

Article 7.6: Establishment and Publication of Average Release Times

6.1: Members are encouraged to measure and publish their average release time of goods periodically and in a consistent manner, using tools such as, inter alia, the Time Release Study of the World Customs Organization (referred to in this Agreement as the “WCO”).

6.2: Members are encouraged to share with the Committee their experiences in measuring average release times, including methodologies used, bottlenecks identified, and any resulting effects on efficiency.

With the successful conduct of TRS 2018, the said commitment was fulfilled; and TRS 2025 is being conducted, *inter alia*, in furtherance of the same commitment which encourages periodic conduct of such studies.

The objectives of TRS 2025 have been finalised keeping in view the mission of SLC “*Providing world-class Customs service to secure revenue, protect the environment and society, and promote the seamless flow of trade and travel with integrity and professionalism*”, which is aligned with the vision of “*Secure and prosperous nation through strong borders*”. Guidance has also been drawn from Behn, R. D. (2003) , to recognise TRS as a performance measurement tool which can be utilized to: evaluate, control, budget, motivate, promote, celebrate, learn, and improve the cargo release process. Accordingly, it was decided to place highest focus on capacity building to develop in-house expertise to conduct regular TRS in the years ahead.

With the objective of making TRS a regular exercise, it was decided that TRS 2025 should strive to put in place a technology-enabled standardised methodology, relying primarily on ASYCUDA electronic-data, supplemented by other IT-enabled data sources and manual data collection, only if necessary.

The decision to adopt a technology-enabled data collection methodology is perhaps the most significant feature of TRS 2025. It is also a reflection of the significant progress made by the SLC in automation of the cargo clearance process. The decision to adopt sourcing of data from IT systems is aimed at improving the robustness of the findings and enabling collection of comprehensive sample data. By enabling regular conduct of TRS, without high costs, resources or time, it is expected to serve as a performance measurement tool to guide further actions to improve the cargo clearance process, logistics and supply chain in country.

2.2 Phases of TRS



Figure 2: Phases of Time Release Study

Phase 1 – Preparation of the Study

Preparations of the study started with deciding the coverage, scope and methodology for TRS 2025. The coverage of the study of TRS 2018 was retained. Thus, this study covers Colombo seaport and Bandaranaike International Airport for both import and export clearance. In addition, import clearance of motor vehicles through Hambantota port has been covered.

This phase included strategic planning, appointing nodal officers, finalising the dates for sample period and completion of TRS 2025, defining the scope, mapping business processes, selecting sampling methods, conducting field visits along with a workshop, and carrying out a test run to ensure system’s readiness to source data from the ASYCUDA.

The sample period for the study was two weeks, starting from 23rd June (Monday) to 6th July 2025 (Sunday). Further, it was also decided to collect data from ASYCUDA for a smaller sample period during the previous year to test the robustness of the data collection methodology and explore whether they could serve as a benchmark for comparative assessment of the release time. The need for generation of benchmark was considered important since the findings of TRS 2018 were quite dated and not strictly comparable, given the change in methodology.

In recognition of the scope of TRS and the significant changes in the data collection methodology, a workshop was held during 21st April to 23rd April 2025, to discuss the details of the Work Plan for the conduct of TRS 2025, along with the formation of Team TRS 2025. One of the major decisions taken during the Workshop was to rely solely on electronic data sources for measuring the cumulative and stepwise release time, and not use any manual data collection, even if it meant non-availability of some granular data or insight. The preparation of the study was aligned with the objectives of TRS 2025, which are discussed in the next sub-section.



Picture 1: Preparatory Workshop Team

This workshop also intended at sensitizing Customs officers, officers of the Government Agencies (GAs), and trade stakeholders on the importance of conducting TRS regularly. The sessions explained different data collection tools, statistical “slice and dice” method, emphasized the role of TRS in identifying bottlenecks and improving cargo clearance efficiency. As part of the workshop,

the TRS team visited key operational locations, including the Long Room, the Authorized Economic Operators (AEO) Unit, the Valuation Fast Track Unit, examination yards for FCL and LCL cargo, and the Export Facilitation Centre, gaining first-hand insights into current processes and operational challenges, if any that may be visible to the expert eyes.



Picture 2: State of the art Drive-Through Scanner, Colombo Port



Picture 3: Control Room of the Drive-Through Scanning Centre, Colombo Port

Phase 2 – Collection and Recording of Data

The data collection phase may be categorised as following:

- a) Retrieval of CusDec-wise data from ASYCUDA-based reports by the Team for sub-sample period 2024;
- b) Retrieval of CusDec-wise data from ASYCUDA-based reports data by the Team for sample period 2025, freezing the data after one month from the last date of the sample collection period, i.e. 6th August 2025; and
- c) Obtaining of additional data from IT systems of selected custodians/terminal operators: To complement the Customs data, additional operational details were sourced from the IT systems of selected custodians and terminal operators. This included information on gate-in/gate-out timestamps, which provided a more granular view of the logistics chain and helped in accurately mapping end-to-end clearance timelines.

TRS 2025 has utilized 100% of Customs data sourced directly from the ASYCUDA system, ensuring accuracy and consistency in tracking cargo clearance times. To enhance the comprehensiveness of the analysis, this data was supplemented with electronic inputs from terminal operators and other custodians, as and when required.

This phase also included second field visit during 3rd July to 5th July 2025, coinciding with the data collection period. The study team visited various operational sites to observe Customs and border procedures in action. The team visited the Long Room, Rank Container Terminal (RCT), Food Control Office in RCT, Scanning Yard, Colombo International Container Terminals (CICT), and the Air Cargo Import/Export Units, and Hambantota Port, enabling insights into clearance processes across both sea and Air Cargo environments.



Picture 4: Core TRS Team at Hambantota Port on 5th July 2025

Phase 3 – Analysis of Data, Findings and Recommendations

This phase comprised of analysis of the data collected relying on various statistical techniques; including segmentation, time interval analysis, “slice and dice” and computation of median as an alternative indicator of central tendency. In some cases, a deeper dive was made into data since the team felt that the primary results were counter-intuitive or misaligned with the practical reality.

As mentioned earlier, a smaller sample study was conducted for the year 2024, *inter alia*, to provide comparative context to the findings of TRS 2025. While this effort was successful for the study of Sea Cargo imports, it was not found useful for study of Air Cargo or export, wherein the sample size was small and inter se time difference in the sample size was large. In such cases, it was decided not to include the 2024 data in the report.

Similarly, data obtained from ASYCUDA, and seaport terminals were analysed to discern the impact of three-days of demurrage storage period on the cargo release time. However, the findings

were inconclusive, and therefore, have not been included in this report.

While the main objective of the data analysis was to measure release time for the current year, compare the performance *vis-à-vis* 2024, to the extent possible, slice and dice data to highlight differential impact, recourse to data visualization has been made, *inter alia*, to highlight successful impact of select policy actions, and identify bottlenecks or gaps to support actionable insights.

This phase included continuous interaction amongst the team members and experts, and multiple stakeholders’ consultation to draw appropriate conclusions, *inter alia*, to establish continuous performance monitoring mechanisms to support further trade facilitation initiatives and impact assessment. Two rounds of detailed in-person consultations were held on 24th October 2025 and 17th December 2025, with major focus of the latter consultation being on identification of major insights and convert them into actionable recommendations, keeping in view the recommendations of TRS 2018 and progress made in respect of their implementation.

2.3 Objectives of TRS 2025

- **Standardize methodology to enable regular TRS:**

Establish a consistent approach for conducting TRS regularly to monitor and assess the inter-temporal improvements in cargo release time by generating comparable data. This would enable establishment of a benchmark, hitherto unavailable, to support regular performance assessment and identification of persistent bottlenecks. This will support continuing efforts towards improvement in trade facilitation through focus on appropriate stakeholder and policy-cum administrative action.

- **Conceptualise and implement conduct of TRS based on IT-enabled data:**

Reflect the progress of automation of cargo release process, improve robustness of data

quality, enable more detailed analysis with availability of entire database relating to cargo release, and reduce cost of conduct of such study on regular basis.

- **Align the definition of average release time with the WCO definition:**

Harmonize the definition and calculation of average release time with the World Customs Organization standards to ensure global comparability and recognise the role of other regulatory agencies, besides Customs, and trade in achieving improvements in average release time.

- **Assess the impact of AEO scheme:**

Provide quantitative assessment of the beneficial impact of enrolment under the AEO programme in terms of release time, lower



examination under the risk-based selectivity, etc.

- **Assess the quantification of absence of Pre-Arrival Processing Facility (PAP):**

PAP, one of the provisions of the TFA, is recognised as global best practice for trade facilitation. Its non-availability means that CusDec processing cannot be initiated before the arrival of the cargo at the customs ports, thereby contributing to delays in cargo release time. The study aimed at quantifying the delay at the start of the cargo release process.

- **Possibility of streamlining processes in L/R:**

Identify redundancies and inefficiencies in L/R processing to simplify workflows and reduce clearance time.

- **Assessing impact of Export Facilitation Centre:**

Measure the effectiveness of the Export Facilitation Centre in accelerating export procedures and improving trader satisfaction.

- **Assessing benefits of introduction of risk management system:**

Review how risk-based interventions have reduced incidence of Cargo Examination and

their impact on release time, etc.

- **Possibility of increasing the share of green CusDec by Risk Management Division:**

Investigate strategies to expand the proportion of low-risk (Examination Exempted Consignments) CusDec through enhanced risk profiling and greater use of drive-through scanner.

- **Identify the infrastructural bottlenecks:**

Congestions at the terminal and other facilities are expected to impact specific cargo release sub-processes, which need to be identified through process flow analysis and subsequently measured to assess the impact of on-going infrastructural projects, including the elevated road for speedier evacuation of the cargo from Colombo port terminals.

2.4 Geographic Coverage

Time Release Study seeks to present release time for:



Colombo Seaport
– both import and export



Bandaranaike International Airport
– both import and export



Hambantota Port
– imports of motor vehicles

Figure 3: Geographic Coverage

2.5 Study Duration

The TRS 2025 was envisaged as a nine-month exercise, beginning with preparatory workshop in April 2025, sample data collection period during June-July 2025 and conclusion with publication of the report in December 2025.

The results presented in this TRS are based on the analysis of CusDec submitted during the two-weeks data collection period from 23rd June to 6th July 2025, wherein the selection of the data collection period was influenced by various administrative compulsions.

The CusDec that were submitted during the data collection period were monitored continuously for a period of another 30 days i.e. until 6th August 2025, until their clearance process is completed. However, those that were still in the clearance process as of 6th August 2025 have been excluded from the sample to ensure timely completion of the study.

2.6 Unit of the Study

For TRS 2025, as with the earlier studies, the standard unit of study is a CusDec, for both imports and exports through sea and Air Cargo. Adoption

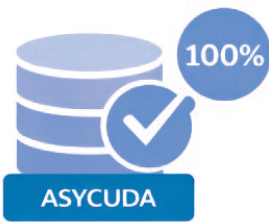
of CusDec as a unit enables uniformity for both sea and Air Cargo release time, as also sourcing of timestamps from ASYCUDA.

2.7 Data Sources and Methodology

One of the key components of the TRS 2025 is its reliance on robust electronic data sourced primarily from the ASYCUDA system, which is maintained by the Information and Communication Technology (ICT) Directorate of Sri Lanka Customs. To enhance the comprehensiveness of the study, this data

has been, complemented wherever feasible, with electronic inputs from terminal operators and OGAs. This marks a significant methodological advancement compared to previous studies conducted in 2014 and 2018.

TRS 2025 - Fully System-Driven Data Approach



100% of Customs clearance data for TRS 2025 sourced directly from the ASYCUDA system

Figure 4: ASYCUDA Data Source



The study has presented the release time, in the form of average and median time for different categories of CusDec to highlight the impact for such categorisation. For example, the release times for AEO and Non-AEO CusDec have been separately presented to quantify the benefit of such certification. For measuring the time taken for a specific sub-process, two approaches have been adopted. First is to present the release time for CusDec categorised as having been subjected to the said process or not, and the time taken for CusDec from the process flow timestamps. For assessing the impact of reference to OGAs, release time for such CusDec is presented, even as it is acknowledged that the release time could be impacted by factors other than the time taken by the concerned OGA.

This integrated approach offers several advantages:

- Expanded sample size, allowing for broader and more representative analysis.
- Elimination of manual data handling, thereby reducing human error and enhancing data integrity.
- An assessment of the incidence/share of select categories of CusDec, or processes to which CusDec were subjected.
- Improved efficiency in conducting the study, enabling more accurate and detailed measurement of different aspects of the cargo clearance performance.

The adoption of this data-driven methodology not only strengthens the reliability of the findings but also contributes to institutional capacity building. It lays the groundwork for Sri Lanka Customs to conduct TRS in-house at more regular intervals and explore the possibility of more frequent performance assessment.

Notes:

- The Time Release Study measures total calendar time elapsed from the arrival of the vessel/aircraft to the physical release of goods from the Customs control. As Sri Lanka Customs does not operate a continuous 24×7 shift system at all stages of import clearance, recorded clearance times include non-working periods such as night-time office closures and weekends. These unavoidable idle periods are embedded in the dataset and may contribute to extended clearance times for consignments arriving outside normal working hours, thereby influencing the overall distribution and resulting in positive skewness and extreme outliers.**
- Outlier observations were identified using inter-quartile range (IQR) analysis and box-plot diagnostics. However, these records were not excluded from the dataset, as they represent real clearance outcomes influenced by operational, structural, or compliance-related factors, including non-working hours and exceptional controls. Consequently, mean clearance times are sensitive to extreme values and tend to overstate the typical release experience. To ensure a robust and representative interpretation of clearance performance, median values were therefore also calculated and used alongside averages.**
- The data is sourced from ASYCUDA system.
- Customs Declarations are referred to as CusDec, both as singular and plural.
- Time is mentioned in hh:mm format.

2.8 Definition of Release Time

The objective has been to align the definition of release time with the World Customs Organization (WCO) standard, which captures the total time taken for cargo release by all stakeholders, not just Customs. This broader definition enables a more accurate reflection of the end-to-end clearance process that is more relevant for the trade. It is recommended that arithmetic mean (average) is adopted as the proxy for average cargo release time which is recognized as a key performance metric to assess the efficiency of both import and export clearance process.

However, given the positively skewed nature of the clearance-time dataset, both mean and median values were calculated. A greater interpretative weight is placed on the median, as it is less sensitive to extreme observations and more accurately reflects the experience of the majority of consignments.

For Sea-Cargo imports, the release time is defined as time taken from the CusDec Submission to the Customs Release (i.e. when the Gate Exit or Yard Gate Exit has been recorded).

For Air-Cargo imports, the release time is defined as the time taken from the CusDec Submission to the Customs Release (i.e. when the Gate Exit has been recorded).

It is clarified that CusDec Submission is an event that takes place after the arrival of the conveyance, whether ship or aircraft, and after submission of the Manifest by the master of the conveyance. As a step towards enabling early submission of CusDec, Gazette Notification No. 1886/55 dated 31.10.2014 has been issued mandating electronic manifest (e-manifest) filing for inward Sea Cargo at least 72 hours before the arrival (or on departure if voyage is less than 72 hours). However, TRS 2018 had found delays in initiation of the cargo release process, which was observed to be prevalent even now. This study has, therefore, quantified the time taken from the arrival of the conveyance till submission of CusDec, as proxy for delay in initiation of cargo release process, as well as benefit that may accrue when pre-arrival processing (PAP) is enabled and adopted.

For Sea Cargo and Air-Cargo exports, the release time is defined as the time taken from the CusDec Submission to the Customs Release for the exportation.

It may, however, be mentioned that this definition of export release time does not correctly capture the dwelling time for an export cargo at the exporters warehouse after the submission of the CusDec and at the Customs port, as is discussed in greater detail later in this report.

2.9 Pilot Study based on 2024 data

It is trite to mention that standalone numbers are not very insightful. Therefore, TRS 2025 has attempted to provide an inter-temporal comparative perspective to the release time data for 2025, by undertaking a post-facto analysis of smaller sample of CusDec drawn from the previous year, i.e. during 24th June to 30th June 2024. This analysis was also aimed at assessing robustness of the data collection methodology. This effort was made, acknowledging that neither the 2014 nor 2018 study provided an appropriate benchmark, since they were conducted adopting different definition

and methodology, including the sample period, size, and their seasonal location. In addition, they were conducted too distant in the past.

While, this pilot study has provided appropriate benchmark data for Sea Cargo import release time, which have been relied upon in the subsequent analysis, it has not been able to generate similar robust benchmark for Air Cargo imports and export release time study, due to various factors, including significant difference in the sample size.



3 Release Time Analysis

3.1 Seaport General Cargo - Import Release Time

Note: Starting time for Cargo Release

The calculation of the release time, consistent with the WCO definition, should be reckoned to begin with the arrival of vessel carrying the cargo at the Customs port. However, under the extant process that is consistent with the statutory provisions, cargo release cannot begin till the submission of the manifest by the master of the vessel. Therefore, in this study, consistent with TRS 2018, **the starting time for cargo release process is reckoned as the time of electronic submission of CusDec in the ASYCUDA system.**

Having submitted the CusDec, the importers/CHA ensure that all applicable duties and taxes are paid in accordance with the Assessment Notice generated from the ASYCUDA System and then proceed to submit the hard copy of the CusDec along with supporting documents to the Long Room (L/R) for assessment. For the purposes of assessment at the L/R, a special counter/queue is provided for the selected importer categories, viz. AEO and Fast Track clients.

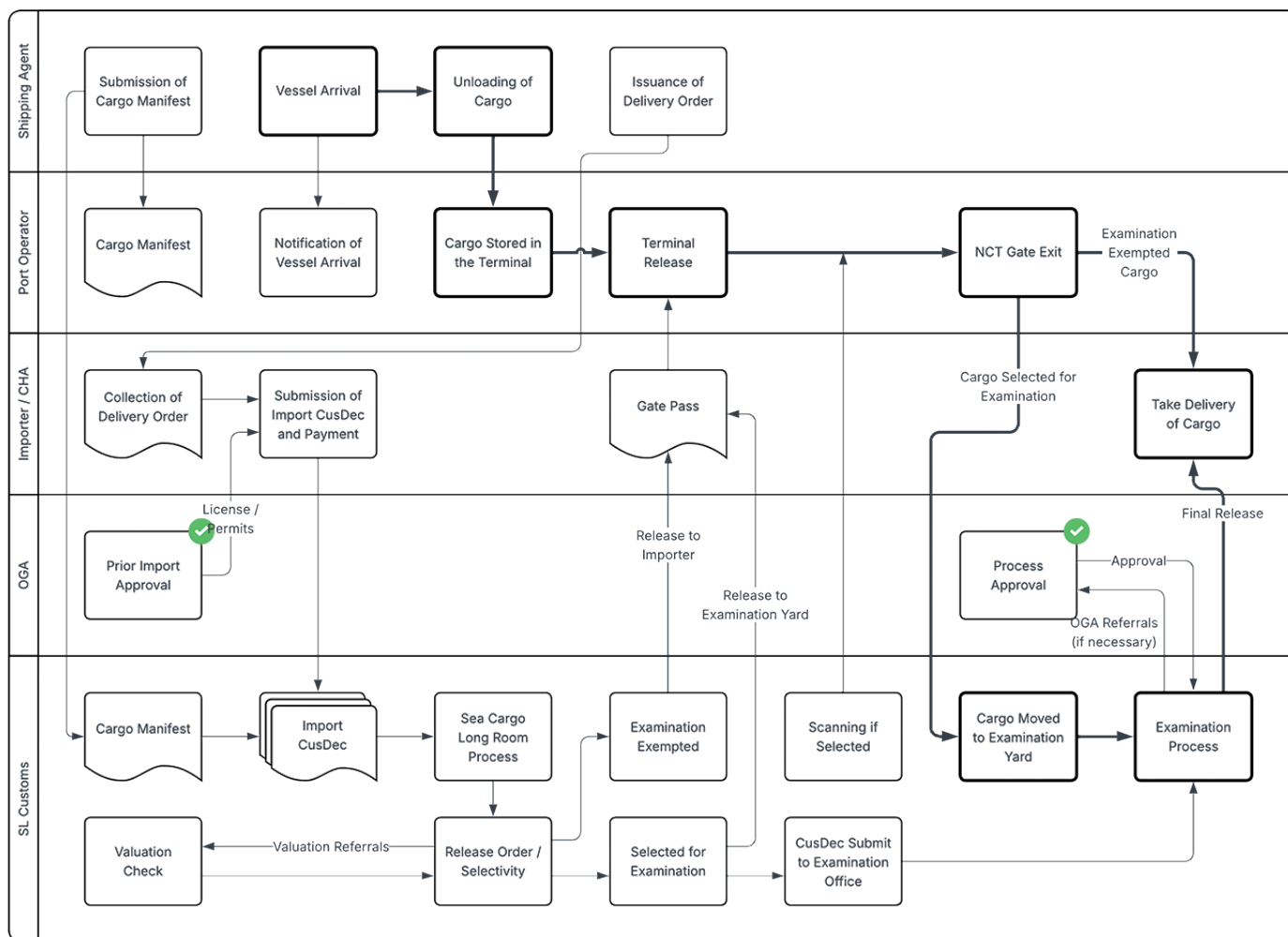
Once the assessment is completed at L/R, the cargo is moved to the designated examination yard, if required. The CusDec concerned is also being

forwarded to the examination office designated by the ASYCUDA System.

The actual time of Port Exit is being decided by the importer/transporter and is also understood to be influenced by the availability of transport and road congestion. Examination is conducted based on risk channel classification i.e. either Amber or Red (High Risk), which takes varying durations, with red channel expected to take the maximum time. Examination and sampling by the OGAs is also taking place at the examination yard during this stage.

In certain cases, the processing in L/R may advise further valuation checks, which are carried out by the Valuation Express Counter in the Long Room or at the Central Valuation Directorate's Head Office, located at Orugodawatta RCT Yard. If a necessity arises for drawing samples for valuation purposes, it takes place during the examination stage described above.

Upon completion of all customs and other regulatory formalities, the cargo is granted the final release, and thereafter, the truck carrying the cargo exits the Examination Yard.



Process Flow 1: Simplified Sea Cargo FCL Import Clearance Process

Under the ASYCUDA, specific timestamps are available for major process milestones, which have been relied upon to calculate the time taken at various stages of import cargo release.

In addition, specific flags are available to categorise CusDec as those belonging to AEO certificate holders, those assigned different examination treatments by risk-based selectivity, referred

for more detailed valuation scrutiny, referred to appropriate OGA(s) for ensuring regulatory compliance with relevant statutes, and whether the CusDec covers FCL or LCL cargo. The import cargo release analysis has relied upon the availability of such flags under ASYCUDA to present appropriate findings relating to import release time, i.e. the time taken from CusDec submission to Terminals/ Ports Gate /Yards Exit.



3.1.1 Delay in Initiation of Cargo Release Process and Missed Opportunity of Pre-Arrival Processing:

Before presenting the import release time analysis, recognising the importance of pre-arrival processing and the delay in CusDec submission even after the manifest submission, both reflecting the opportunity to minimise cargo release time, results of an analysis to calculate this time, based on a smaller sample of CusDec, is discussed. The timestamps related to this study were taken as follows.

- Timestamp 1: The time of arrival of the Vessel at Colombo Port (obtained from the Harbor Master’s records)
- Timestamp 2: The time of which the CusDec has been submitted to the ASYCUDA system by the CHA/Importer

During 2024, based on the study of 396 CusDec, which were submitted during the sample period, it was found that the average time taken in the submission of CusDec after the arrival of the vessel was 58:13, which varied between 1 minute at the minimum to inordinate maximum delay of 5.5 days. For 2025, with similar sample size of 365 CusDec, the comparable average time taken had reduced to 44:49 hours, varying between 12 minutes to over 7 days. Table 1 below presents the findings of this analysis.

Table 1: Time taken from Vessel Arrival to CusDec Submission

Time/Year	2024	2025
Average	58:13	44:49
Median	32:25	38:56
Minimum	0:01	0:12
Maximum	135:01	174:25

Note: The average time refers to arithmetic mean for the sample.

Following broad conclusions may be drawn from the above table:

- a. The average delay in initiation of the cargo release process has declined by about 16% from 2024 to 2025 and is still close to about 2 days, which compares well with the improvement in the average release time by about 14% during the same period.
- b. A comparison of the mean and median for the delay suggests that there is a “positive skew”, meaning few CusDec entailing very high delays are pulling up/inflating the arithmetic mean during both the years.
- c. However, there is a significant reduction in the “positive skew” during 2025 vis-à-vis 2024, indicating decline in the cases involving very high delays, even as the “maximum delay” for 2025 is higher than 2024.

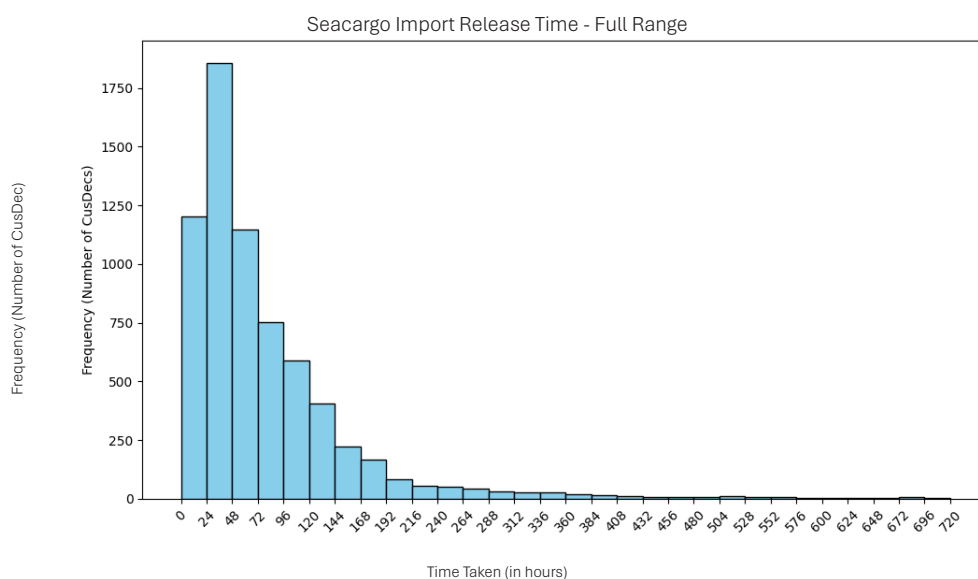
3.1.2 The Import Release Time (IRT) – Topline data:

During the data collection period between 23rd June to 6th July 2025, a total of 7057 CusDec were submitted at the Colombo seaport (Sea Cargo). This number includes both FCL and LCL CusDec processed. At the time of freezing the data on 6th August 2025 after the completion of additional 30 days from the ending of the data collection, Yard Gate Exit had not been recorded for 237 (3.35%) of these CusDec, and therefore, these have not been included in the analysis. Further, 33 (0.47%) of CusDec had Gate Exit recorded more than 30 days after the completion of mandatory customs procedures, which have also been excluded from further analysis, hoping to mitigate the effect of extreme outliers on the mean discussed earlier. Therefore, the final population size considered for the quantification of the import release time for 2025 is 6,787 CusDec, as compared to 4,105 CusDec in 2024, providing a useful benchmark.

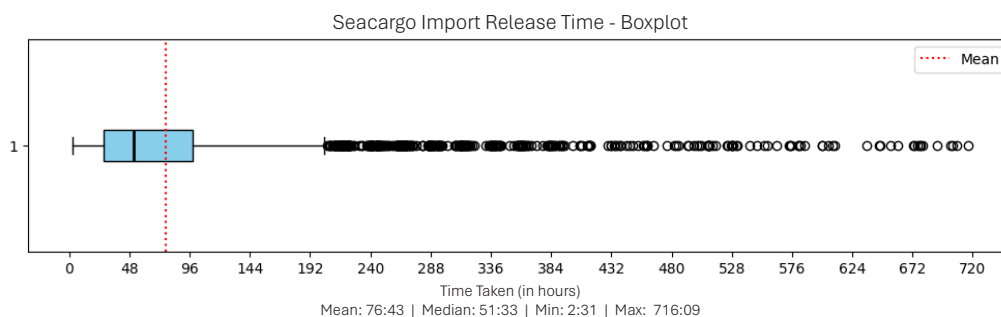
Note:

It should be noted that the clearance times presented in this study represent gross elapsed time and not net processing time. Consequently, delays attributable to office closures outside normal working hours are included. In the absence of a full 24×7 Customs clearance regime, processes commenced during very late hours may have experience extended waiting periods before processing resumes, which may affect average clearance times and percentile values.

The distribution of the CusDec release time is presented in the figure below (Graph 1) and the Boxplot analysis is presented in Graph 2 subsequently.



Graph 1: Frequency Distribution of Sea Cargo Import CusDec release times



Graph 2: Boxplot analysis of Sea Cargo Import CusDec release times



As predicted earlier, the above 2 graphs clearly illustrate the significant “positive skew” present in the dataset used in this analysis.

Note:

The clearance-time data exhibit a pronounced positive skew, driven by a small number of consignments experiencing exceptionally long delays. In such distributions, the arithmetic mean is disproportionately influenced by extreme values and therefore does not accurately reflect the typical release time. The median (P50), being robust to, provides a more representative measure of central tendency for assessing routine clearance performance and is consequently considered the more meaningful indicator for interpreting release times in this study.

Outliers identified through statistical diagnostics were retained in the dataset to preserve analytical integrity and to capture the full range of real-world

clearance outcomes. Their influence on average values is therefore acknowledged, and median-based indicators are used to support robust interpretation.

For Sea Cargo, the median release time improved by 5.1%, decreasing from 54:19 hours in 2024 to 51:32 hours in 2025. This indicates a measurable improvement in the typical clearance experience for import consignments.

Over the same period, the average (mean) release time improved by 7.6%, declining from 83:03 hours in 2024 to 76:43 hours in 2025.

The larger percentage improvement observed in the average compared to the median suggests a reduction in extreme delays at the upper tail of the distribution, while improvements in routine clearance processes are reflected more clearly in the median.

3.1.3 Impact of Importer-status on Release Time:

TRS 2025 recognised that preferential treatment is provided to selected importers, such as AEO, Green Channel and Fast Track clients, based on the risk assessment at various stages of the CusDec processing, which may be reflected in the green, red or amber channel prescription, reference to Valuation, besides specially designated desk in the L/R. Recognising that the Authorised Economic

Operators (AEO) programme is a flagship trade facilitation scheme launched by the SLC, the study has quantified the import release time for CusDec submitted by AEO and Non-AEO importers separately. Results presented in the table below (Table 2) quantify the beneficial impact of enrolment under the AEO programme in terms of more expeditious cargo release.

Table 2: Overall Sea Cargo Release Time comparison: AEO vs Non-AEO

Description	Sample Count		Release Time							
			Average		Median		Minimum		Maximum	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Overall	4105	6787	83:03	76:43	54:19	51:32	0:33	2:30	701:09	716:08
Non-AEO	3901	6387	84:11	78:31	54:45	52:50	0:33	2:47	701:09	716:08
AEO	204	400	61:19	47:53	46:05	30:13	3:36	2:30	307:14	500:24

The above table shows that the average import release time of AEO CusDec in 2024 was 72.8% of the Non-AEO CusDec. While the average import release for Non-AEO CusDec improved by 6.7% from 2024 to 2025, during the same period, the average and the median import release time for AEO CusDec improved by a more impressive 21.9%. Thus, during the 2025 period, the average import release time for AEO CusDec was 61.0% of Non-AEO CusDec, indicating about 40% lower average release time for AEO CusDec.

The beneficial impact of AEO status is found to be even more impressive, when median data is taken instead of arithmetic mean. In 2024, the median release time for AEO CusDec was 84.2% of the Non-AEO CusDec, which improved to 57.2% in 2025. This increase in the differential was a result of median release time for AEO CusDec improving by 34.4% from 2024 to 2025, as compared to modest improvement of 3.5% for Non-AEO CusDec.

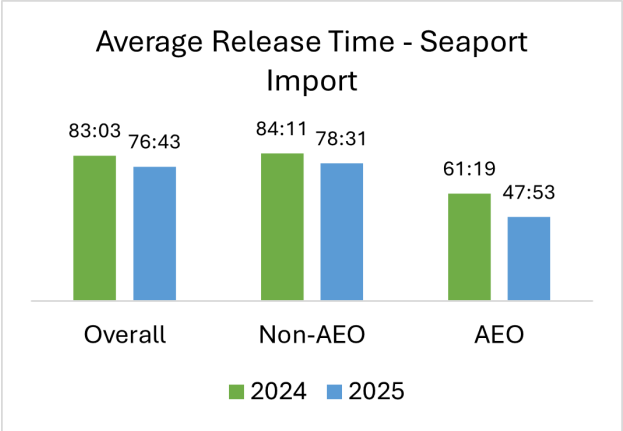


Figure 5 : Average Release Time Comparison - Seaport Import

Given the positively skewed distribution of clearance times, median release time provide the more meaningful indicator of routine performance.

- In 2024, the median release time for AEO consignments was 8:40 hours faster than Non-AEO consignments.
- In 2025, the benefit gap widened to 22:37 hours, indicating a substantial enhancement in facilitation outcomes for AEO operators.

This widening median gap strongly suggests improved prioritization and predictability for AEO consignments indicating that trusted traders benefit from faster routine clearance and reduced exposure to exceptional delays.

The above analysis presents a validation of the high emphasis being placed by SLC on the AEO programme as a trust-based scheme to achieve expeditious cargo clearance. However, it is important to observe that the share of AEO CusDec in the total sample CusDec submitted and analysed is only about 5% in 2024, which has increased to about 6% in 2025. This suggests that greater push to the AEO programme, inter alia, through on-going time-bound phasing out of Fast Track and Green Channel schemes, efforts to assist their beneficiaries to transition to the AEO programme, and proposed launch of special scheme to support MSMEs enrol under the AEO programme, will significantly increase the share of AEO CusDec. Going forward, the positive impact of expansion and strengthening of the AEO programme on the average import release time should continue to be reported through the proposed regular TRS.

3.1.4 Impact of the size of the consignment on the Import Release Time:

Full Container Load (FCL) and Less than Container Load (LCL) present the standard categorisation to assess the impact of consignment size on import release time, acknowledging that FCL consignments may include more than one container and LCL consignments include two or more small consignments aggregated in one container. Under the extant cargo clearance process, while the CusDec submission, duty

payment, L/R process, channel prescription by the risk management system, and reference to Central Valuation Directorate (Valuation Fast-track unit at L/R or Valuation Head Office at Orugodawatta) are common for both FCL and LCL consignments. Only the place of examination and the exit points are different.



In view of the difference in the size and place of examination, as also the alacrity of the importers and capacity to ensure timely compliance, it is

expected that the release time for LCL and FCL cargo would be different. The comparative release times are indicated in Table 3 below.

Table 3: Release Time: FCL vs LCL CusDec

Description	FCL						LCL					
	Sample Count		Average Time		Median Time		Sample Count		Average Time		Median Time	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Overall	2789	4692	68:31	64:28	45:23	44:23	1316	2095	113:50	104:10	98:29	77:54
Non-AEO	2660	4432	69:50	66:01	46:28	46:20	1241	1955	114:57	106:51	98:29	88:56
AEO	129	260	41:29	37:49	32:40	27:46	75	140	95:24	66:36	97:00	46:32

The analysis confirms that FCL consignments dominate Sea Cargo imports, accounting for approximately 69% of CusDec in 2025, marginally higher than 68% in 2024, with LCL consignments comprising the remainder. This dominance of FCL consignments would be more pronounced if share in container number was considered instead of CusDec. Further, this stability over time indicates that improvements in release times are largely attributable to process efficiencies rather than changes in cargo composition.

Across both years, FCL consignments recorded materially faster release times than LCL consignments, a pattern evident in both average and median values, thereby confirming that the observed performance gap is systemic and not driven by extreme outliers. In 2025, the median release time for FCL consignments was 44:23 hours, compared to 77:54 hours for LCL consignments, reflecting a substantial reduction in the “typical” clearance time for containerized cargo. A similar differential is observed in 2024, reinforcing the persistence of this structural divide.

The facilitation effect of AEO status is clearly visible when median values are considered. In 2025, AEO FCL consignments recorded a median release time of 27:46 hours, significantly lower than 46:20 hours for Non-AEO FCL consignments. For LCL cargo, the median release time for AEO clients improved markedly to 46:32 hours, compared to 88:56 hours

for Non-AEO LCL consignments, indicating that AEO benefits extend meaningfully even to more complex shipment types.

Importantly, the median improvements between 2024 and 2025 are more pronounced than average improvements, particularly for LCL consignments. This suggests that reforms implemented during the period have benefited the bulk of traders, even though a small number of highly delayed cases continue to inflate average values. For example, while the average LCL release time remains elevated, the sharp decline in the median demonstrates that most LCL consignments are being cleared substantially faster than before.

Overall, the combined assessment of average and median release times confirms that FCL configuration and AEO accreditation are complementary facilitators of faster cargo release. The most efficient and predictable outcomes are observed for AEO-facilitated FCL consignments, while Non-AEO LCL consignments remain the most time-intensive, reflecting their greater reliance on manual handling, warehouse operations, and multi-party coordination. These findings highlight clear, evidence-based pathways for targeted trade facilitation interventions, particularly through expanded AEO uptake and process optimization for LCL cargo.

3.1.5 Stage-wise Analysis:

In this sub-section, results of stage-wise analysis are presented for standardised import cargo clearance process through Colombo seaport. Recognising that the clearance process for FCL and LCL CusDec has differences, it has been considered appropriate to undertake stage-wise analysis separately for FCL and LCL CusDec.

Stage-wise Analysis for FCL CusDec:

The import clearance process was grouped into five analytical stages based on elapsed time between key ASYCUDA timestamps, covering declaration, documentary processing, cargo movement, examination, and final release.

Timestamps for FCL CusDec:

1. The time that CHA submits the CusDec (Validate and Assess)
2. The time that CHA makes the payment of taxes and other levies applicable for the CusDec (Payment)
3. The time that the CusDec has been appointed to a Customs Appraiser for the purpose of appraising at the Long Room (Document Appointing)
4. The time that the CusDec has been appraised by the Long Room Appraiser (Document Appraised)
5. The time that CusDec processing is ended in the Long Room and the time of creation of the Gate pass to move the cargo out of the Colombo port (Document Satisfied)
6. The time that the truck/lorry carrying the container or the cargo exit the Customs gate of the Colombo port (Gate acknowledgement)
7. The time that truck/lorry carrying the container entered the examination yard (Yard Acknowledgement)
8. The time that the container has been appointed for Customs examination (Examination Appointment)

9. The time that the examination report has been entered in the ASYCUDA system by the Examination Appraiser (Examination Appraised)
10. The time that the examination report has been approved by the Deputy Director of Examination yard (Examination Satisfied)
11. The time that container has been granted clearance to be taken out from the examination yard (Validate)
12. The time that the truck/lorry carrying the container has exited the examination yard (Exit)

Analytical Stages:

Stage 1: Declaration Submission to Document Appointment (Timestamp 1 to Timestamp 3)

- From submission of the CusDec by the CHA (Validate and Assess)
- To appointment of the CusDec to a Long Room Appraiser

This stage captures initial declaration processing, validation, and readiness for appraisal.

Stage 2: Document Appraisal and Gate Pass Creation (Timestamp 3 to Timestamp 5)

- From appointment to Long Room Appraiser
- To completion of document processing and creation of the gate pass (Document Satisfied)

This stage reflects documentary assessment and clearance for cargo movement from the port.

Stage 3: Document Release from the Long Room to Examination Appointment (Timestamp 5 to Timestamp 8)

- From creation of the gate pass
- To appointment of the container for Customs examination

This stage covers physical movement from the port and waiting time prior to examination scheduling.



Stage 4: Customs Examination and Release Order (Approval) (Timestamp 8 to Timestamp 11)

- From appointment for examination
- To validation and clearance from the examination yard

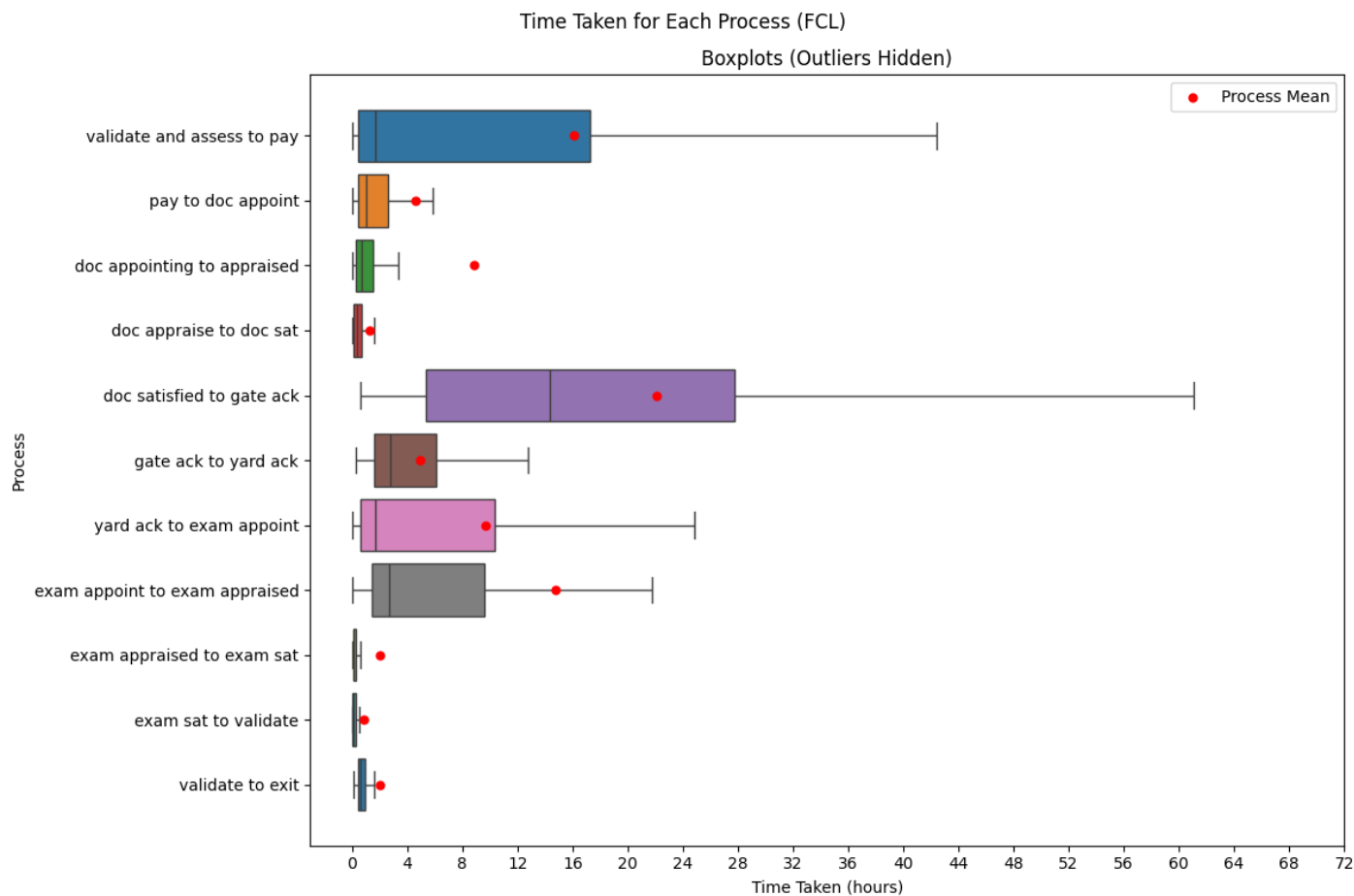
This stage represents the full Customs examination cycle, including reporting and supervisory approval.

Stage 5: Final Physical Exit (Timestamp 11 to Timestamp 12)

- From clearance from the examination yard
- To physical exit of the truck/container from the yard

This stage captures the final release of cargo from Customs control.

The time taken for each of the consecutive timestamps are illustrated in the figure below (Graph 4). It is important to note that the outliers are hidden in order to better visualize all the processes on the same time scale.



Graph 4: Box plot depicting the time taken for each stage of the FCL clearance process

Above figure clearly illustrates the extremely positive skew associated with all the stages of the import process considered in the time release study and how the averages have been inflated by the outliers. Keeping this in mind, the stage-wise analysis was performed, and its findings are given in detail in Annexure. For the purpose of convenience in understanding and comparison, the summary of the findings is included in the following table (Table 4).

The time duration from the time of arrival of the vessel/Submission of the cargo manifest to the time of submitting the CusDec by the CHA has already been ascertained as explained under 3.1.1 above and decided not to include as part of Import Release Time. Therefore, it has not been illustrated in the table below.

Table 4: Stage-wise time taken for FCL CusDec

S. No.	Stages	Stakeholder(s) responsible	Percentage Share (%)	Time Taken			
				Average	Median	Minimum	Maximum
1	Validate and Assess to Payment	Importer/CHA/Banks	18.5	16:05	1:39	0:01	651:56
2	Payment to Doc Appoint	Importer/CHA/Customs	5.2	4:34	1:02	0:00	171:55
3	Doc Appointing to Appraised	CHA/Customs	10.1	8:50	0:41	0:00	704:18
4	DoC app to Doc Sat	Customs/CHA	1.5	1:17	0:20	0:00	222:33
5	Doc Sat to Gate Acknowledgement	Importer/CHA/Logistics operator/port authorities	25.4	22:07	14:19	0:35	694:57
6	Gate Ack to Yard Ack	Importer/CHA/Logistic Operator	5.7	4:56	2:46	0:17	371:13
7	Yard Ack to Exam appoint	Yard operator/management	11.1	9:41	1:39	0:00	436:40
8	Exam appoint to exam appraised	Customs / OGA/CHA/Yard Operator	16.9	14:45	2:40	0:03	706:23
9	Exam appraised to Exam Sat	Customs / OGA/CHA/Yard Operator	2.3	2:00	0:08	0:00	705:56
10	Exam sat to Validate	Customs	1.0	0:51	0:06	0:00	510:35
11	Validate to Yard Exit	Importer/CHA/Logistics Operator	2.3	2:03	0:34	0:08	697:16
12	Cumulative Average Time Taken	All stakeholders	100.0%	87:09	** 52:53		

**** Given the extreme positive skewness of clearance time data, median values were used to interpret time spent at individual stages. However, as medians are not additive, the sum of stage-level medians does not represent the median total clearance time as it does for the average clearance time. Accordingly, the median total clearance time was calculated directly at shipment level to ensure statistical validity.**

As shown in Table 4 above, the standardised clearance process for FCL CusDec involves many stages, starting from the arrival of the vessel carrying the cargo at the Colombo port, till their exit from the customs premises. The primary responsibility of

timely completion of each of these stages may rest with different stakeholders, sometimes jointly, as mentioned under “Stakeholder(s) responsible”.



Following are the highlights of the above stage wise analysis:

Stage 1: Declaration Submission to Document Appointment (Timestamps 1–3)

Components:

- 1 → 2 (CusDec submission to payment)
- 2 → 3 (Payment to document appointing)

Median time taken are low (1:39 hours and 1:02 hours), indicating that most CusDec progress swiftly through initial declaration and payment-related formalities. Mean values (16:05 hours and 4:34 hours) are significantly higher due to a small number of extreme cases. Very high maximum values (up to 651 hours) confirm that delays at this stage are exceptional rather than systemic. Based on this it can be concluded that Stage 1 performs efficiently for the majority of traders. Observed delays are driven by isolated cases such as delayed payments or exceptional compliance issues rather than routine procedural bottlenecks.

Stage 2: Documentary Appraisal and Gate Pass Creation (Timestamps 3–5)

Components:

- 3 → 4 (Document appraisal)
- 4 → 5 (Document satisfied/Long Room Release and gate pass creation)

This stage comprises the Long Room process. Median time taken are well below one hour (0:41 hours and 0:20 hours), demonstrating prompt documentary processing and decision-making in normal cases. Mean time values (8:50 hours and 1:17 hours) are inflated by extreme outliers, with maximums exceeding 700 hours. Lack of sufficient supportive documents and literature, detentions and investigations by SLC and OGA compliance actions could have contributed to these extreme cases. Minimum values of 00:00 hours indicate that some CusDec bypass or complete documentary steps instantaneously due to facilitation or risk treatment. Based on this, it can be concluded that the documentary processing at the Long Room is highly efficient for routine and low-risk

consignments. Variability at this stage reflects risk-based controls rather than weaknesses in standard procedures.

Stage 3: Port Exit and Transfer to Examination Yard (Timestamps 5–8)

Components:

- 5 → 6 (Gate pass creation to exit from Customs gate)
- 6 → 7 (Port exit to yard entry)
- 7 → 8 (Yard entry to examination appointment)

This stage shows some of the highest median times across the clearance process (5 → 6: Median 14:19 hours, 6 → 7: Median 2:46 hours, 7 → 8: Median 1:39 hours). The mean values are also considerably higher, particularly for 7 → 8 (mean 9:41 hours, maximum 436:40 hours), indicating substantial variability. Delays could strongly be influenced by constraints in physical cargo movement, yard congestion, scheduling of examinations (manpower) and transport availability. It is clear that Stage 3 is a major contributor to overall clearance time. Delays here are largely logistical and structural, extending beyond Customs documentary controls. This stage represents the most critical area for inter-agency coordination and operational reform.

Stage 4: Customs Examination and Supervisory Clearance (Timestamps 8–11)

Components:

- 8 → 9 (Examination appraised)
- 9 → 10 (Approval of examination report)
- 10 → 11 (Validation and clearance from examination yard)

Median times are consistently low, ranging from 6 minutes to 2:40 hours, indicating that examinations are completed efficiently in most cases. Whereas, the mean values are substantially higher due to a limited number of prolonged cases, with maximums exceeding 500–700 hours. These delays could be results of detentions and investigations by SLC, OGA Compliance actions etc. Minimum values of 00:00 hours confirm that examination-related steps are not applicable to all CusDec, reflecting effective

risk selectivity. It is evident that the Customs examination processes are efficient and predictable for the majority of selected consignments. Extended delays are confined to a small subset of high-risk or exceptional cases and should be interpreted separately from routine performance.

Stage 5: Final Physical Exit from Examination Yard (Timestamps 11–12)

Component:

- 11 → 12 (Clearance to physical exit)

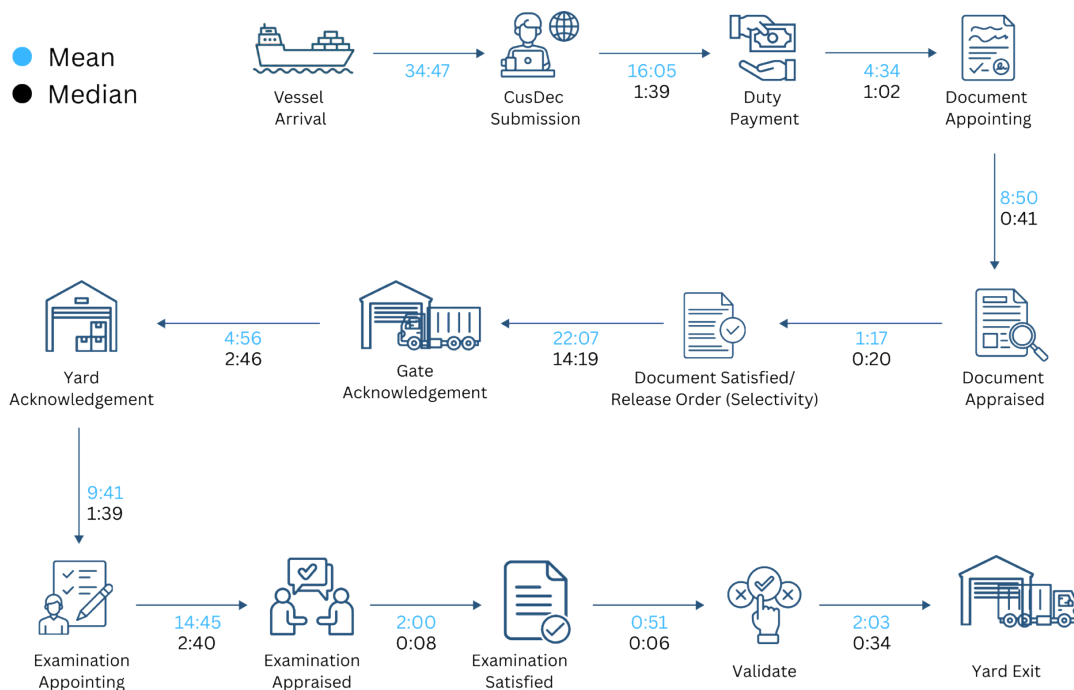
Median release time at this stage is very low, indicating prompt exit once clearance is granted. Higher mean values and extreme maximums point to isolated logistical or operational delays rather than Customs control-related issues. Once Customs clearance is completed, final cargo release is generally swift, with delays arising only in exceptional circumstances.

All stages exhibit strong positive skewness, with mean values significantly exceeding medians. Median times provide the most meaningful insight into routine clearance performance, while mean values reflect the overall burden of exceptional

delays. Stages involving physical cargo movement and yard processes (Stage 3) account for the largest share of elapsed time and variability. The presence of 00:00 hours minimum values across multiple stages confirms effective application of risk management and facilitation measures, whereby certain steps are bypassed when not applicable.

Stage-wise analysis indicates that documentary processing and Customs examination are completed expeditiously for the majority of import consignments, with reported median time being lower than few hours. The most significant contributor to total clearance time is the stage involving physical cargo movement and yard-related processes, which is influenced by logistical and structural factors. Clearance-time distributions across all stages are found to be highly positively skewed, with a small number of outliers inflating the mean values. Accordingly, median indicators provide the more reliable measure of routine clearance performance, while mean values capture the system-wide impact of outliers. It also suggests that it may be useful to undertake deeper study of such outlier CusDec.

Diagrammatic Presentation of the Time Taken at Each stage of the FCL CusDec Processing:



Process Flow 2: Time Taken at Each stage of the FCL CusDec Processing



Stage-wise Analysis for LCL CusDec:

The import clearance process of LCL CusDec was grouped into five analytical stages based on elapsed time between key ASYCUDA timestamps, covering declaration, documentary processing, cargo movement, examination, and final release.

Timestamps for FCL CusDec:

1. The time that CHA submits the CusDec (Validate and Assess)
2. The time that CHA makes the payment of taxes and other levies applicable for the CusDec (Payment)
3. The time that the CusDec has been appointed to a Customs Appraiser for the purpose of appraising at the Long Room (Document Appointing)
4. The time that the CusDec has been appraised by the Long Room Appraiser (Document Appraised)
5. The time that CusDec processing is ended in the Long Room and initiation of Selectivity (Document Satisfied)
6. The time that the LCL shipment is appointed for examination by SLC (Examination Appointment)
7. The time that examination report has been entered in the ASYCUDA system by the Examination Appraiser (Examination Appraised)
8. The time that the examination report has been approved by the Deputy Director of Examination yard (Examination Satisfied)
9. The time that LCL shipment has been granted clearance to be taken out from the examination yard and the time of creation of the Exit Note (Validate)
10. The time that the truck/lorry carrying the LCL shipment has exited the Port Gate (Exit)

Analytical Stages:

Stage 1: Declaration Submission to Document Appointment (Timestamp 1 to Timestamp 3)

- From submission of the CusDec by the CHA (Validate and Assess)
- To appointment of the CusDec to a Long Room Appraiser

This stage captures initial declaration processing, validation, and readiness for appraisal.

Stage 2: Document Appraisal and Gate Pass Creation (Timestamp 3 to Timestamp 5)

- From appointment to Long Room Appraiser
- To completion of document processing in the Long Room and initiation of Selectivity (Document Satisfied)

This stage reflects documentary assessment in the Long Room.

Stage 3: Long Room Release to Examination Appointment (Timestamp 5 to Timestamp 6)

- Time of L/R Release
- To appointment of the LCL shipment for Customs examination

This stage covers the waiting time prior to examination scheduling.

Stage 4: Customs Examination and Release Order/ Final Release (Timestamp 6 to Timestamp 9)

- From appointment for examination
- To validation and clearance to take the delivery of cargo from the examination yard

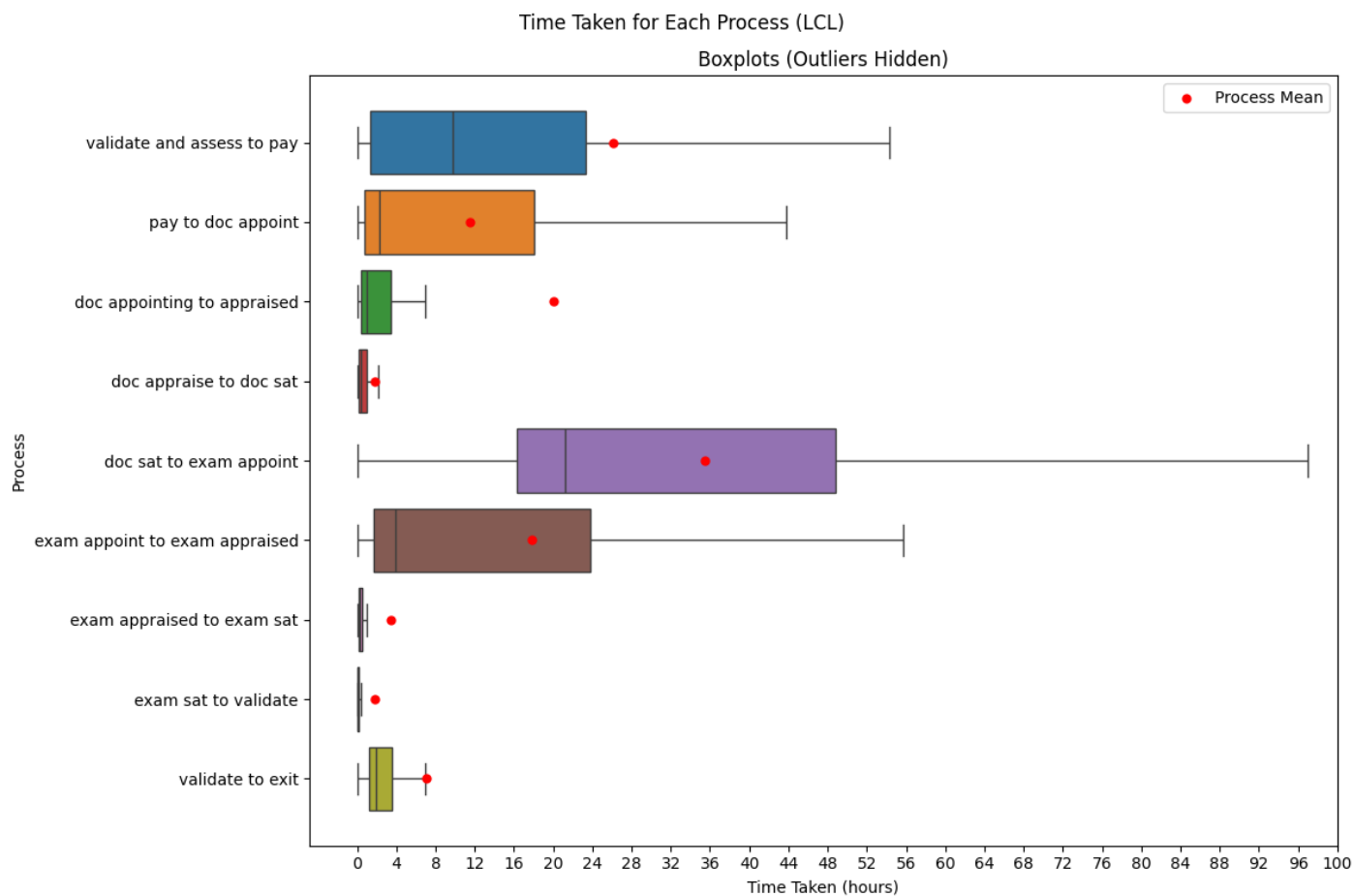
This stage represents the full Customs examination cycle, including reporting and supervisory approval.

Stage 5: Final Physical Exit (Timestamp 9 to Timestamp 10)

- From clearance from the examination yard
- To physical exit of the truck/Lorry from the Colombo port exit gate

This stage captures the final release of cargo from Customs control.

The time taken for each of the consecutive timestamps are illustrated in the figure below (Graph 5). It is important to note that the outliers are hidden in order to better visualize all the processes on the same time scale.



Graph 5: Box plot depicting the time taken for each stage of the LCL clearance process

As with the FCL CusDec analysis above, similar information for LCL CusDec process flow is presented in the table below (Table 5), noting that it entails two timestamps less than FCL CusDec, relating to the examination process. The detailed stage-wise analysis of the FCL process is provided in the Annexure.

Table 5: Time taken at each interval of the LCL CusDec process flow

S. No.	Stages	Stakeholder(s) responsible	Share (In percent)	Time Taken			
				Average	Median	Minimum	Maximum
1	Validate and Assess to Pay	Importer/CHA/ Bank	20.9	26:06	9:46	0:01	539:03
2	Pay to Doc Appoint	CHA/ Customs	9.2	11:31	2:16	0:00	191:48
3	Doc Appointing to Appraised	Customs/CHA	16.0	20:00	0:56	0:01	646:48
4	DoC app to Doc Sat	Customs	1.4	1:48	0:26	0:00	541:29
5	Doc Sat to Exam appoint	Importer/ CHA/Logistics operator/ Port authorities	28.4	35:28	21:11	0:01	529:05
6	Exam appoint to exam appraised	Customs / OGA/CHA/ Port authorities	14.3	17:49	3:57	0:05	645:02
7	Exam appraised to Exam Sat	Customs /OGA/ CHA	2.7	3:22	0:13	0:01	696:35
8	Exam sat to Validate	Customs/CHA	1.4	1:46	0:04	0:00	382:38
9	Validate to Exit	CHA/Logistics Operator/Port authorities	5.6	7:04	1:56	0:03	282:32
10	Cumulative Time Taken	All stakeholders	100	182:35	** 77:54		

**** Given the extreme positive skewness of clearance time data, median values were used to interpret time spent at individual stages. However, as medians are not additive, the sum of stage-level medians does not represent the median total clearance time as it does for the average clearance time. Accordingly, the median total clearance time was calculated directly at shipment level to ensure statistical validity.**

Following are the highlights of the above analysis:

Stage 1: Declaration Submission to Document Appointment (Timestamp 1 → 3)

Components:

- 1 → 2 (Validate & Assess to Payment)
- 2 → 3 (Payment to Document Appointing)

Mean time taken are substantially high (26:06 and 11:31) during this stage while the medians are comparatively low (9:46 and 2:16). Maximum delays exceed 8 - 22 days. It is evident that the majority of declarations move quickly from submission to document appointment. However, payment delays

by CHAs, documentation corrections, or system/ user dependencies may be the reasons to create prolonged delays in a minority of cases. These delays occur before Customs technical processing meaningfully begins, indicating that early-stage inefficiencies are largely outside the Customs capacity. Based on these it can be concluded that Stage 1 is procedurally efficient for compliant traders, but overall performance is heavily degraded by a limited number of prolonged payment and submission-related cases. This stage represents a high-impact leverage point for trade facilitation through stakeholder compliance and pre-arrival readiness.

Stage 2: Document Appraisal and Selectivity Initiation (Timestamp 3 → 5)

Components:

- 3 → 4 (Document Appraised)
- 4 → 5 (Long Room Release/Document Satisfied)

The mean appraisal time (3 → 4) is 20:00 hours and the median appraisal time is 0:56 hour with some extreme outliers reporting over 26 days. Documentary appraisal itself is prompt in most cases, as evidenced by less than 1-hour median time. Outliers may reflect complex declarations, valuation disputes, amendments, inter-agency consultations, or repeat queries. The significant difference between mean and median indicates selective complexity rather than systemic delay. Stage 2 demonstrates strong operational efficiency in routine cases, with delays being case-specific rather than structural. Further performance improvement will require better risk targeting and document quality upstream, simultaneously with enhanced appraisal efficiency.

Stage 3: Long Room Release/Document Satisfied to Examination Appointment (Timestamp 5 → 6)

This stage shows the highest median delay across the entire process, indicating that waiting time is systematic, not exceptional. Delays likely stem from tracking and making available of the cargo for examination in the LCL warehouse, backlogs, resource allocation and workload balancing in the warehouse etc. Unlike earlier stages, both mean and median are high, signalling a structural bottleneck. It is evident that Stage 3 is the primary systemic delay point in the LCL clearance process. It represents a capacity and scheduling constraint, rather than an issue of compliance or case complexity.

Stage 4: Customs Examination and Final Release (Timestamp 6 → 9)

Components:

- 6 → 7 (Examination Appraised)
- 7 → 8 (Examination Satisfied)
- 8 → 9 (Validation / Final Release)

Commencing of the examination by the Appraisers depends upon the availability of the LCL cargo at the examination point in the LCL warehouse. Hence, this stage has a bearing along with the already identified delays in the previous stage (Stage 4). Once the examination begins, most consignments move efficiently through appraisal, supervisory approval, and validation. Extreme outliers suggest possible detentions, post-examination amendments, enforcement referrals or documentary discrepancies discovered during physical checks. The relatively low medians indicate effective operational control under normal circumstances. Hence, it can be concluded that Stage 4 is functionally efficient. Extended clearance times seem attributable to enforcement or compliance interventions, which are integral to Customs risk management and *sine qua non* for the entire regulatory regime. Nonetheless, this stage can be made less time consuming, *inter alia*, through greater use of technology such as scanners, camera, etc., besides business process reengineering to ensure prompt presentation of consignment by CHA for examination.

Stage 5: Final Release to Port Exit of Cargo (Timestamp 9 → 10)

Physical exit delays may be primarily influenced by logistics outside direct Customs control, including transport availability, Port congestion, importer readiness etc. Customs clearance itself is typically completed well before physical exit.

The LCL clearance process demonstrates operational efficiency for the majority of consignments, with low median clearance time across all stages confirming that routine declarations are processed expeditiously. However, overall performance is materially affected by a small proportion of high-delay cases, reflecting a pronounced right-skewed distribution. The most significant systemic constraint occurs in the pre-examination phase, where waiting time for examination appointment constitutes the principal bottleneck and warrants targeted capacity and scheduling interventions. Early-stage delays are largely attributable to



trader and CHA priorities rather than Customs processing, while post-examination and final exit stages are generally efficient and influenced mainly by external logistics factors. Collectively, the findings indicate that strategic improvements should prioritise examination yard throughput and upstream compliance to achieve measurable

Overall comparison between FCL and LCL clearance processes

The FCL consignments demonstrate faster and more predictable clearance outcomes than LCL consignments, particularly when assessed using median end-to-end time. This reflects structural differences in cargo handling, examination logistics, and stakeholder coordination.

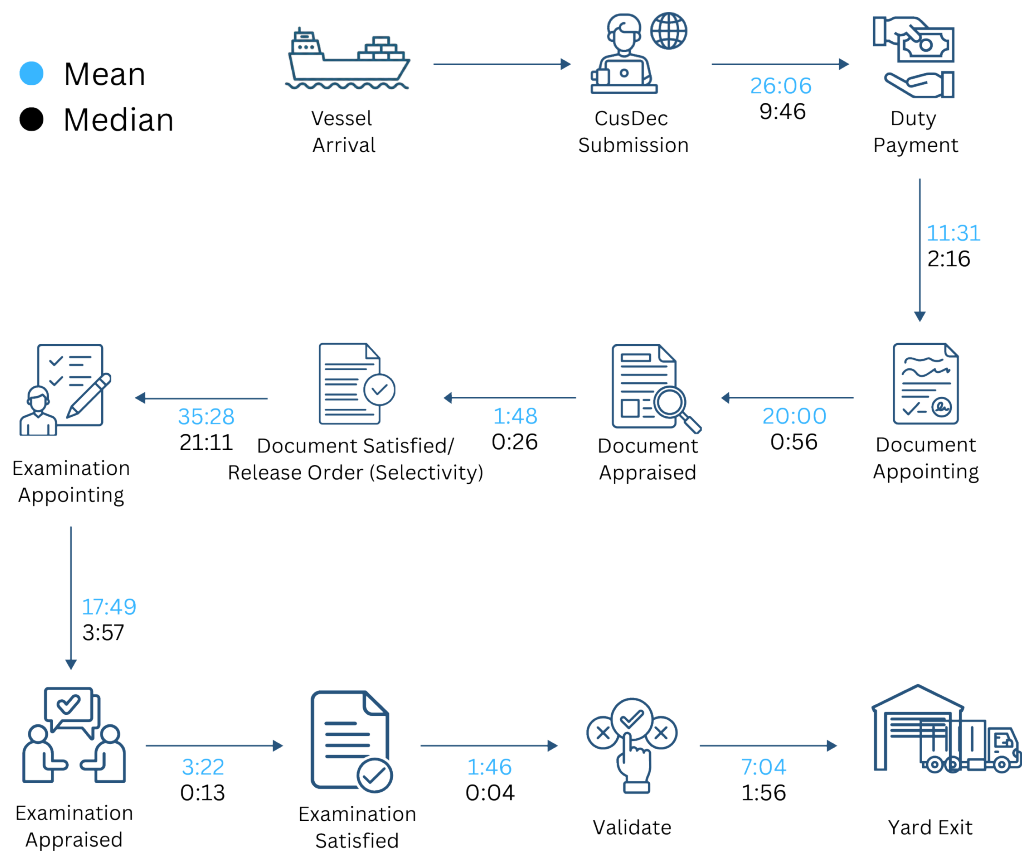
LCL clearance is consistently more time-intensive due to: greater reliance on examination warehouse scheduling and consolidation processes; higher

exposure to queueing effects, especially prior to and during examination; increased sensitivity to office-hour constraints and resource availability; dependency on third-party logistics operators beyond Customs control.

In contrast, FCL clearance benefits from: more direct cargo movement; better alignment between gate operations and examination workflows; lower fragmentation of responsibility across stakeholders etc.

Importantly, while median performance for both FCL and LCL indicates efficient routine processing, the gap between mean and median is substantially wider for LCL, confirming that LCL clearance is more vulnerable to extreme delays. This underscores the need for targeted interventions in LCL examination planning, warehouse capacity management, and risk-based selectivity to narrow variability and improve overall predictability.

Diagrammatic Presentation of the Time Taken at Each stage of the LCL CusDec Processing:



Process Flow 3: Time Taken at Each stage of the LCL CusDec Processing

Having examined the stage-wise process flow and average time taken, more detailed analysis of the L/R processing, physical examination,

valuation scrutiny and reference to OGAs for ensuring compliance with non-tariff regulations is undertaken.

3.1.6 Long Room Processing

Out of the surveyed CusDec, 6009 CusDec processed in the Long Room were taken up for this analysis. This included 5609 Non-AEO CusDec and 400 AEO CusDec.

Overall duration of the long room process was derived by substracting the Document Appointing timestamp (Timestamp 3) from the Long Room Release Order (selectivity) timestamp (Timestamp 5).

However, none of the AEO records had a timestamp recorded for Document Appointing (Timestamp 3) or Document Appraisal timestamp (Timestamp 4), which could have been used as the proxy for Long Room process starting time. Hence, the time taken for Long Room processing for the AEO CusDec could not be computed. The time taken to process Non-AEO CusDec are recorded in Table 6 below.

Table 6: Seaport Import: Time spent in Long Room (Doc Appointing to Release Order) - 2025

Description	Count	Time Taken			
		Average	Median	Minimum	Maximum
AEO	400	-	-	-	-
Non-AEO	5609	6:05	1:18	0:00	434:10
Overall	6009	6:05	1:18	0:00	434:10

Based on the Sea Cargo Import TRS findings, the Long Room analysis highlights a clear structural facilitation advantage enjoyed by AEO consignments, alongside significant variability in Non-AEO processing. Out of 6,009 CusDec processed in the Long Room, only Non-AEO CusDec (5,609) could be meaningfully analysed, as AEO CusDec do not record Document Appointing (Timestamp 3) or Document Appraisal (Timestamp 4). Instead, AEO declarations have a single Long Room timestamp generated by the SDDC at the point of issuing the Long Room Release Order, indicating that AEO consignments bypass the appointment and appraisal stages entirely. This design feature prevents the derivation of comparable processing times for AEO CusDec but, more importantly, confirms a deliberate fast-track mechanism embedded in the system. However, given the special process for AEO CusDec, it is expected that the average or the median time taken

in the Long Room for such CusDec would be lower than Non-AEO CusDec.

For Non-AEO CusDec, the Long Room process (from Document Appointing to Release Order) shows an average duration of 6:05 hours and a median of 1:18 hour, reflecting generally efficient routine processing. However, the extreme maximum of 434 hours (and over 554 hours at overall level) reveals severe outliers, likely driven by documentation issues or compliance queries.

Overall, the findings demonstrate that while the Long Room performs efficiently for most Non-AEO cargo, AEO facilitation is not merely faster but it structurally eliminates entire processing stages, reinforcing the strategic value of the AEO programme as a true trade facilitation instrument rather than a marginal time-saving measure.



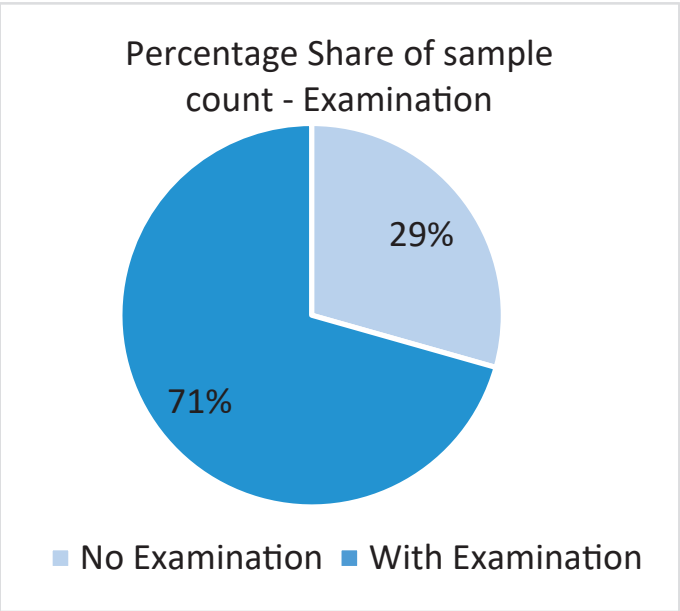
3.1.7 Incidence and Impact of Examination:

Physical examination of cargo has been known to take significant amount of time, both in the examination perse, as well as for presentation of the cargo at appropriate place for such examination. Therefore, one of the major trade facilitation initiatives has been to reduce the incidence of examination, *inter alia*, by introduction of a sophisticated Risk Management System (RMS). Adoption of appropriate selectivity principles by SLC over the last couple of years has allowed specified consignments to be released without any physical examination from the point of view of revenue risk. However, it is acknowledged that physical examination may also be required to ensure compliance with non-tariff regulations by

the OGAs. As per that sample data, the share of CusDec not selected to examination is about 29%, which implies that 71% of the CusDec continue to be subjected to some form of examination, for scrutiny either from tariff, non-tariff, or for both concerns. However, this study has not been able to segregate the incidence of examination from revenue/non-revenue requirement or by border agencies concerned. Nonetheless, the fact that 29% of the CusDec was not subjected to any examination reflects the early success of RMS-based facilitation by SLC and similar measures by OGAs. Given the significant positive impact of this initiative, it also points to the scope for further reduction in average release time through increasing the share of CusDec that are allowed release without examination, including adoption of more efficient Coordinated Border Management System.

The second pillar of trade facilitation involves making the examination process more efficient, through use of technology, such as drive-through or mobile scanners, and minimizing the time taken in location and presentation of cargo for examination by Customs/OGA officers. It is observed that the issue of challenges in easy location of LCL cargo was flagged by TRS 2018 as well, which is discussed while assessing the recommendations of TRS 2018.

In the table below (Table 7), the release time for CusDec subjected to examination and those cleared without examination are separately presented. It should be noted that both FCL and LCL CusDec are analysed together.



Graph 6: Percentage Share of Sample Count - Examination

Table 7: Release Time – Impact of Examination - 2025

Description	Sample Count	Release Time			
		Average	Median	Minimum	Maximum
Overall	6787	76:43	51:32	2:30	716:08
Without Examination	2841	78:04	48:07	2:30	716:08
With Examination	3946	75:45	53:34	3:48	707:18

It is observed that CusDec that were not subjected to examination reported an average release time of 78:04 hours, as compared to 75:45 hours for those that required examination, which shows a saving of about 3% in the release time.

To ascertain the differential time taken in examination of FCL and LCL consignments, separate average release time for such CusDec was computed, as presented in the table below:

Customs examination adds a small, predictable increment to median release time, consistent with its efficiency observed in stage-wise analysis. The most significant delays in overall clearance occur before examination, particularly during gate pass creation and yard-related waiting, as well as from administrative and logistical factors outside examination. Consequently, while examination contributes modestly to total clearance time, it is not the primary driver of extreme delays, which are largely attributable to upstream and movement-related stages.

Impact of examination: FCL vs LCL Average Release Time

Table 8: Release Time taken by FCL/LCL vis-à-vis Examination

Description	FCL			LCL		
	Sample Count	Average Time	Median	Sample Count	Average Time	Median
Overall	4692	64:28	44:23	2095	104:10	77:54
Without Examination	1585	45:31	28:34	1256	119:07	97:08
With Examination	3107	74:07	52:53	839	81:45	65:37

As shown in Table 8 above, cargo selectivity is significantly higher for FCL than for LCL, indicating a more intensive risk treatment applied to containerised cargo. Approximately 66% of FCL consignments and 40% of LCL consignments were selected for examination. Despite a higher examination rate for FCL CusDec, median release time remain comparatively low, demonstrating that examination is efficiently integrated into the FCL workflow.

For LCL, a lower examination rate does not translate into faster release times; in fact, non-examined LCL cargo shows longer median clearance times, confirming that delays are driven more by handling, warehousing, and coordination complexities than by examination.

FCL clearance involves limited physical intervention, with containers remaining intact

and requiring fewer human touchpoints from declaration to exit. In contrast, LCL consignments are inherently more complex: cargo must be de-stuffed from containers, stored in warehouses pending document processing, physically located again for examination or release, and subsequently re-handled for delivery. These multiple handling and warehousing steps introduce additional dependencies on warehouse operators, labour availability, and coordination with CHAs, resulting in longer and more variable release times.

While examination marginally increases median release time for FCL consignments, the principal delays arise from logistical constraints such as limited prime movers and congested traffic. For LCL consignments, longer delays, particularly for non-examined cargo are primarily attributable to warehouse prioritisation practices and competing operational demands rather than Customs examination itself.



Overall, the findings confirm that the number of physical interventions and stakeholder touchpoints, rather than the examination process, is the dominant driver of extended and volatile clearance times, especially for LCL cargo.

The study also considered the differential incidence and impact of examination on the AEO vs Non-AEO CusDec, with former presenting quantitative

evidence of benefits, if any, of the AEO status. The table below shows that the share of AEO CusDec, which were granted release without examination was an impressive 83.5%, as against 26% for Non-AEO CusDec. This high level of AEO consignments not being subjected to examination is evidence of the positive impact of introduction of risk management system, as also of the AEO programme.

Impact of examination: AEO vs Non-AEO Release Time

Table 9: Release Time taken by AEO/Non-AEO vis-à-vis Examination

Description	AEO			Non-AEO		
	Sample Count	Average Time	Median	Sample Count	Average Time	Median
Overall	400	47:53	30:13	6387	78:31	52:50
No Examination	351	46:01	28:53	2490	82:35	50:17
With Examination	49	61:18	49:10	3897	75:56	53:38

When compared with the overall clearance median time (Table 9 above), the facilitation gain for AEO CusDec is 22:37 hours. Thus, a typical AEO consignment is released almost one full day faster than a Non-AEO consignment. This confirms that trusted trader status translates into tangible facilitation benefits.

Even in the absence of examination, AEO status delivers substantial facilitation, confirming that benefits extend beyond reduced inspection rates to include smoother documentary and logistical processing (21:24 hours saved per consignment).

When examination is required, AEO consignments still clear faster, demonstrating that trusted traders experience more efficient and predictable examination handling (4:28 hours saved per consignment) likely due to better preparedness, document quality, cooperation during examination, and prioritisation within operational workflows

In both AEO and Non-AEO categories, mean values exceed medians, confirming positive skewness due to extreme delays. The mean–median gap is far smaller for AEO consignments, indicating: fewer extreme delays, greater predictability, lower exposure to systemic bottlenecks. AEO cargo is not only faster on average but also less volatile, reinforcing the reliability of trusted trader programmes as a risk management tool.

On an average, AEO CusDec benefit by saving of 30:38 hours per consignment. On one hand, only a small proportion of AEO consignments are selected for examination (49 out of 400), reflecting effective risk differentiation. On the other hand, even when examined, AEO consignments do not generate disproportionate delays, supporting the premise that AEO selectivity criteria are well calibrated.

3.1.8 Incidence and Impact on Release Time of CusDec referred to Central Valuation Directorate's Head Office:

It is recognised that scrutiny of declared value or in some cases review of the valuation principles adopted is an integral part of the cargo clearance process. While routine valuation check is included in the assessment process undertaken in the L/R, in certain cases, CusDec are referred to the Valuation Fast Track counter in the L/R or to the Central

Valuation Directorate's Head Office for more detailed scrutiny. Therefore, based on ASYCUDA timestamps, CusDec can be categorised as those having received "Valuation Fast-track" and those "Referred to Central Valuation Directorate's Head Office."

Table 10: Impact of Reference to Central Valuation Directorate's Head Office

Description	Sample Count	Share (%)	Release Time			
			Average	Median	Minimum	Maximum
Valuation Fast-track	672	9.9	90:36	70:19	4:19	646:32
Referred to Central Valuation Directorate's Head Office	2015	29.7	95:10	69:57	3:48	707:18
Overall	6787	100	76:43	51:32	2:30	716:08

The above analysis (Table 10) of reference to Central Valuation Directorate's Head Office seems inconsistent with the standard practice adopted in the Central Valuation Directorate's Head Office. Therefore, a more detailed analysis of the CusDec referred to Central Valuation Directorate's Head Office has been undertaken.

It is seen that the decision to refer a CusDec to Central Valuation Directorate's Head Office is taken at the L/R, which is reflected in the ASYCUDA. However, the actual process starts only when the CusDec is registered in the manual register at the Directorate by the CHA, followed by registration at the Central Valuation Directorate's Head Office in the ASYCUDA. The study team has observed that timestamp entered in ASYCUDA is a reasonable proxy for the start time of the valuation check at the Central Valuation Directorate's Head Office.

The detailed study has found that registration at the Central Valuation Directorate's Head Office takes place much after the reference at the L/R. This is evident from the data showing the average time from Release from Long Room to Valuation Satisfied at 57:34 hours, whereas the time taken from Registration at the Central Valuation Directorate's Head Office to Valuation Satisfied is only 6:42 hours. This analysis suggests that there is a significant impact of reference of a CusDec to Central Valuation Directorate's Head Office on the average release time, but much of it seems to be due to the time by the CHA in presenting himself at the Directorate for more detailed scrutiny. It is understood that this includes the time taken by the CHA in consulting the importer and obtaining additional information and/or documents required to support the declared value and satisfy the basic queries at the L/R that necessitated reference for valuation scrutiny.



3.1.9 Incidence and Impact of reference to OGA:

The cargo clearance process for specified goods require permission, or verification from OGAs. During the study, it emerged that while details of the CusDec referred to OGAs are found in the ASYCUDA system, the details of the time taken in processing by the concerned OGAs is not available, pending the implementation of the National Single Window (NSW). Further, the automation of the processes, and reliance on risk management principles vary across OGAs.

Therefore, assessment of the impact of reference to different OGAs has been done by identifying the CusDec that were referred to each OGA and computing the average and median release time for each sub-category, which expectedly show significant variation (Table 11). This may be attributed to a mix of operational, regulatory, and resource-related factors, which has not been undertaken by this study.

Table 11: Release Time: Impact of Reference to OGA

OGA Name	Sample Count	Share of OGA reference (%)	Release Time			
			Average	Median	Minimum	Maximum
Grand Total	6787		76:43	51:32	2:30	716:08
Sri Lanka Standards Institute	921	20	117:13	76:56	3:29	707:18
National Fertilizer Secretariat	40	1	59:26	36:53	4:38	500:24
Food Control Administration	1471	32	59:58	30:46	3:34	680:04
Excise Department of Sri Lanka	36	1	80:48	66:37	12:54	188:56
Department of Fisheries and Aquatic Resources	79	2	23:33	13:36	6:44	118:50
Central Environmental Authority	101	2	109:32	70:36	6:54	707:18
Consumer Affairs Authority	26	1	119:39	56:30	27:47	406:35
Department of Animal Production and Health	165	4	62:55	46:48	4:17	575:10
National Medical Regulatory Authority	217	5	112:57	74:58	3:29	680:04
National Plant Quarantine Service	1118	24	46:57	28:52	4:17	707:18
Import and Export Control	405	8	116:47	75:08	2:32	677:32
Total OGA	4579	100				

The above table seems to suggest that CusDec are referred to one of the OGAs in about two-third of the cases. However, it is understood that some CusDec may be referred to more than one OGA, resulting in double counting, and overestimation of the share of CusDec referred to OGA. Therefore, the share of CusDec referred to OGA was calculated adopting an alternative approach, i.e. by identifying the CusDec that were not referred to any OGA. This approach showed that only 2405 CusDec out of

6787 have been referred to OGAs yielding the share of CusDec referred to OGA at 35.4%.

Noting the aforesaid facts, three of the OGAs that receive maximum references are Sri Lanka Standards Institute (SLSI), Food Control Administration and National Plant Quarantine Service (NPQS), which together account for more than four-fifth of the CusDec referred to OGAs.

It is important to note that the average release time for CusDec referred to FCAU, which accounts for the largest share of OGA reference, is lower than the overall average release time. Same is true for CusDec referred to NPQS. Infact, the average release time for CusDec referred to Department of Fisheries is the lowest at about 23 hours, i.e. about 30% of the overall average release time.

The above findings suggest the important role occupied by the nature of the cargo, particularly perishable nature and/or requiring special handling process, in influencing the average release time. It suggests that both the importers as well as regulatory agencies, including Department of Fisheries, NPQS, and SLC have put in place appropriate processes to ensure more expeditious release of such sensitive cargo. While it would be insightful to study those processes, it has not been possible to undertake such analysis in this TRS for various reasons.

On the other hand, CusDec referred to Sri Lanka Standards Institute (SLSI), Consumer Affairs Authority, and NMRA have reported average release time significantly higher than the overall average. For example, for SLSI, which handled about 20% of the OGA CusDec, reported average release time of 117 hours, with maximum of 707 hours. It should be noted that this study was conducted during a period when the Government of Sri

Lanka has allowed the importation of table salt into the country to cater the scarcity of the local production. All such shipments had to undergo the SLSI scrutiny and approval before being cleared from the Customs in accordance with the national standards set for importation of salt. This may have inflated the average time for clearance with respect to the shipments referred to the SLSI.

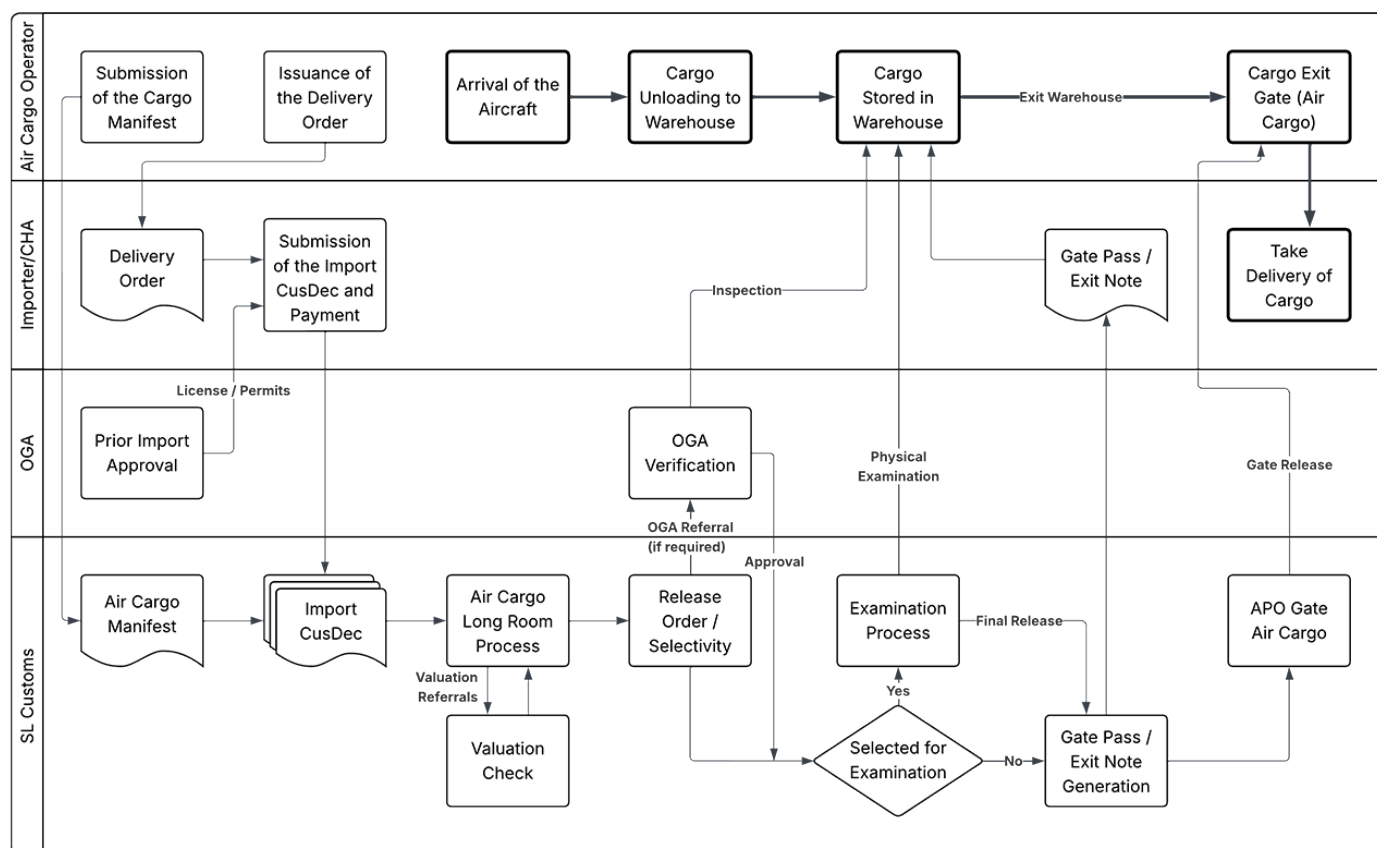
It is understood that an importer can initiate the process of registration with SLSI only after receiving the shipping documents, which often arrives with the cargo. This introduces a delay right at the outset. Further, the agency conducts random checks and manufacturer registration processes, especially for goods bearing SLS marks, adding further layers of scrutiny. A critical factor contributing to longer durations is the non-release of goods from warehouses until clearance is granted, typically taking 3–4 days even under normal conditions. Additionally, while their laboratory is located just 5 km from the Colombo seaport, logistical coordination and testing requirements may still introduce delays. These factors, combined with the nature of goods and the depth of compliance checks, explain the relatively high average and maximum processing times observed for SLSI.

3.2 Airport General Cargo – Import Release Time

In case of Air Cargo, the respective airline submits the import cargo manifest to Sri Lanka Customs prior to the arrival of the aircraft. Upon arrival of the aircraft, imported goods are unloaded and placed in designated warehouses by airlines staff. The CHA submits the CusDec through the ASYCUDA system, completes payment, and proceeds to the Air Cargo Long Room for processing and reference for examination, if required. Once the L/R process and examination, if prescribed, is completed, handling and demurrage charges are settled, and a Gate Pass/Exit Note is issued in Gate Pass Unit. The goods are then loaded onto trucks and exit through

the terminal gate, where the gate APO verifies the documentation; and final formalities are completed before allowing the consignment to leave the customs premises. The Air Cargo Clearance process flow chart is given below (Process Flow 4).

2067 CusDec have been studied during the data collection period for TRS and the time taken for their release (time from CusDec submission to the time cargo exit the Air Cargo Terminal) has been analysed the same way the Sea Cargo data was treated. Given below are the frequency distribution of Air Cargo CusDec and the Box Plot Analysis (Graph 7 and 8).



Process Flow 4: Simplified Air Cargo imports clearance flow diagram

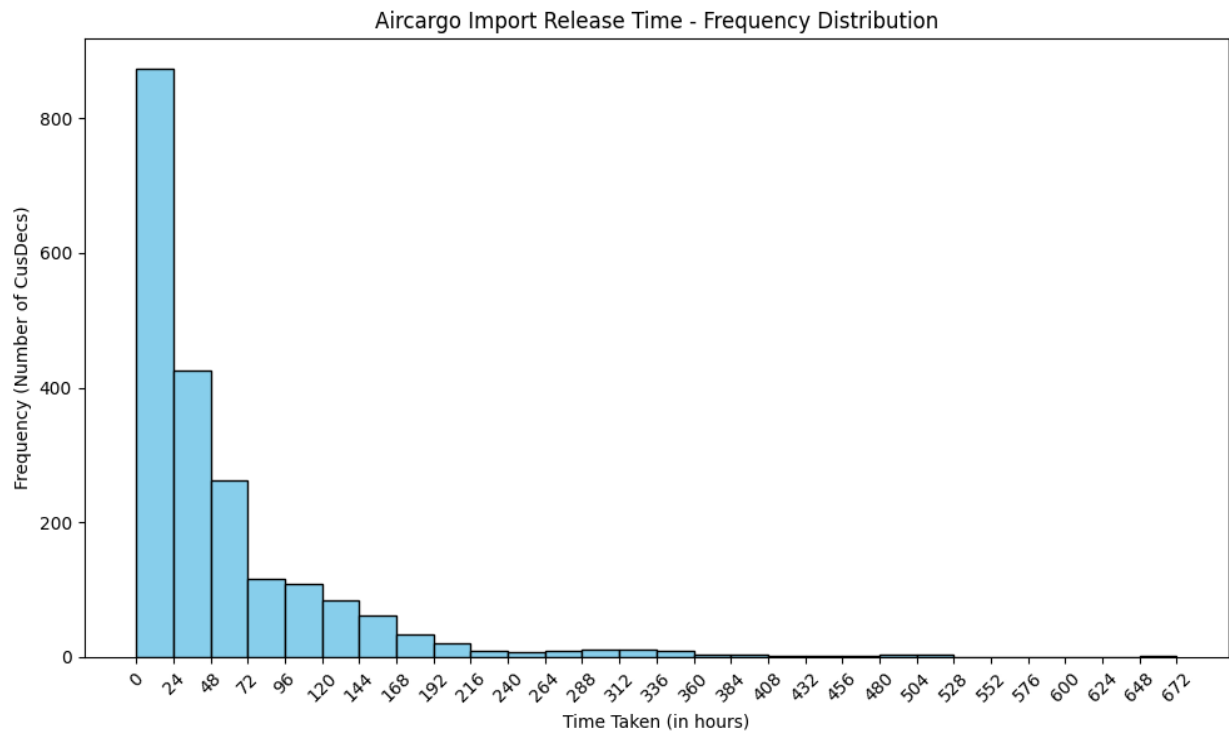
The Air Cargo import TRS dataset exhibits strong operational efficiency for the majority of consignments, alongside high variability driven by a small number of extreme cases. Key views are as follows:

1. The median release time of 28:12 hours indicates that most Air Cargo import CusDec are cleared within slightly more than one day, which is consistent with the time-sensitive nature of air freight and reflects generally effective processing by Customs and terminal operators.
2. The substantial gap between the mean (53:58 hours) and median (28:12 hours) confirms a strong right-skewed distribution. A limited number of consignments experience exceptionally long delays, which inflate the average and mask the routine performance observed for most shipments.
3. The maximum release time of 671:27 hours (nearly 28 days) is not operationally representative of standard Air Cargo clearance and likely reflects exceptional circumstances such as documentation disputes, regulatory holds, compliance issues, or prolonged trader-driven delays rather than systemic Customs inefficiency.
4. The very low minimum time (0:15 hours) demonstrates that the system is capable of near-immediate release under optimal conditions, reinforcing that delays are not inherent to the process but situational.
5. Given the high skewness, the median should be treated as the primary indicator of routine Air Cargo clearance performance similar to Sea Cargo imports, while the mean (average) remains useful for identifying volatility and stress points requiring policy or operational attention.

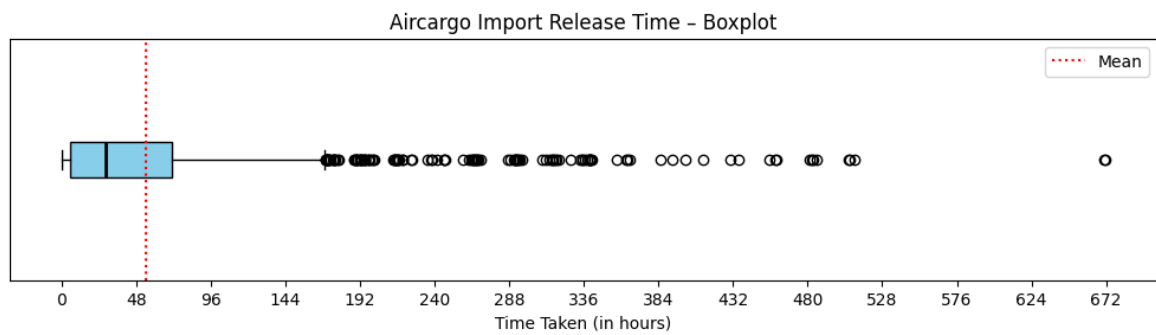
The dataset reflects a generally efficient Air Cargo import clearance system, with performance challenges concentrated in a relatively small subset of high-delay cases. Any improvement strategy should therefore focus on identifying and addressing the causes of extreme outliers, rather than broad process redesign.

As with the sea imports, an attempt has been made to calculate the delay in CusDec submission separately from the measurement of the average

release time for the year 2025. The table below presents the break down of the time taken from arrival of the aircraft to submission of CusDec, reflecting the delay in initiation of cargo release process, for a smaller sample of CusDec available, and the average import release time for those CusDec to ensure robust comparability. However, a larger sample of CusDec has been analysed to calculate the overall average release time, as presented in subsequent paras.



Graph 7: Frequency distribution of the Air Cargo Import CusDec



Mean: 53h 58m | Median: 28h 12m | Min: 0h 15m | Max: 671h 27m

Graph 8: Box Plot Analysis of the Air Cargo Import CusDec



3.2.1 Comparison of Delay in Initiation of Cargo Release Process and Release Time

Table 12: Time Taken from Aircraft Arrival to CusDec Submission

Time	Aircraft Arrival to CusDec Submission	CusDec Submission to Exit (Release Time)	Delay as percentage of Release Time
Average (Mean)	43:02	52:46	81%
Median	30:54	27:25	115%
Sample Size: 2025 (241)			

The table above (Table 12) shows that the delay in initiation of cargo release process that was observed in the case of Sea Cargo is also found in the case of Air Cargo import. Infact, the median delay is found to exceed the average release time for those CusDec, indicating that the dwell time at the Air Cargo complex can be more than halved, if the cargo clearance process was to coincide with the arrival of the aircraft. With the encouragement of timely processing and enablement of pre-arrival

processing, the opportunity to further reduce the dwell time is significant. This delay in respect of Air Cargo is more surprising given the high freight charges paid by the importer. While the quantitative analysis *per se* cannot explain the reason for this delay, anecdotal evidence garnered through stakeholders’ consultations suggested that delay in receipt of necessary documents was one of the main reasons.

3.2.2 The Import Release Time – Topline and AEO Impact:

The sample size of CusDec for more detailed release time analysis is much larger than for examining the delay in initiation of release process. As the table below shows (Table 13), the average import release time for Air Cargo at about 54 hours is expectedly lower than the comparable time of about 76:43 hours for Sea Cargo. Further, the median release time reported is almost half of the arithmetic mean, indicating the adverse impact of few outliers.

As regards, the AEO clients, while the share of AEO CusDec at about 6% is same as at seaport, there is no perceptible benefit of AEO status in the reported average release time, with both mean and

median release time for AEO CusDec being higher than the Non-AEO CusDec. This counter-intuitive result, *prima facie*, suggests that under current operational conditions, AEO status does not ensure expeditious cargo release. While this result could be attributed to small share of AEO CusDec, making the same more vulnerable to few outliers, the fact that even the median release time for AEO CusDec is significantly higher than Non-AEO CusDec suggest that there may be other factors at play. One such factor could be that there is no separate queueing system for AEO clients’ CusDec at the Air Cargo L/R.

Table 13: Release Time: Overall, AEO vs Non-AEO - 2025

Category	CusDec		Average Time	Median
	Sample Count	Share (per cent)		
Overall	2067	100	53:58	28:12
Non-AEO	1929	93.3	53:29	27:32
AEO	138	6.7	60:32	44:56

3.2.3 Incidence and Impact of Channel Selection on Release Time

The study found that while 57.8% of the CusDec were accorded Amber channel status, the average release time for more intrusive red channel was infact lower than the Amber channel. Further, even the minimum and maximum time taken is almost the same for both the channels (Table 14). This calls for a more detailed analysis to identify factors that have greater impact on the average release time than AEO status and channel prescription, which may be attempted in the next TRS.

Table 14: Air Cargo Import: Impact of Channel Selection on Import Release time - 2025

Description	CusDec		Release Time			
	Count	Share	Average	Median	Minimum	Maximum
Overall	2067	100	53:58	28:12	0:15	671:27
Red	872	42.2	40:59	7:00	0:15	670:44
Amber	1195	57.8	63:26	28:57	0:30	671:27

The Time Release Study indicates that extended Air Cargo release time, particularly for Amber channel CusDec that may be driven by referrals to Other Government Agencies (OGAs). Agencies such as the NMRA, SLSI, NPQS, FCAU, and Excise Department account for a disproportionate share of delays and extreme outliers in release time. This is explained in detail in the next section.

The findings suggest that limited electronic integration, absence of indicative service timelines, and sequential rather than parallel processing of OGA controls could be responsible for the overall dwell time. In addition, Customs House Agents may tend to prioritize Red channel consignments which requires immediate attention and physical presence, while Amber channel cargo, often pending OGA clearance receives lower operational priority, further extending release times.

This creates a structural bias where medium-risk cargo becomes the slowest-moving segment, despite lower Customs control intensity.

3.2.4 Incidence and Impact of reference to OGA:

The earlier analysis showed that Amber channel consignments (medium risk) have substantially higher median and average release times than Red channel consignments, despite facing less intensive Customs control. The OGA referral data provides a clear structural explanation for this outcome (Table 15).

A significant proportion of Amber channel CusDec are routed to Other Government Agencies (OGAs) for regulatory clearance, introducing external dependencies that extend clearance time well beyond Customs’ direct control.

Some OGAs already demonstrate effective, time-sensitive clearance models. Others require process standardization, electronic integration, and risk-based differentiation. NMRA alone accounts for 16.2% of all Air Cargo CusDec, with median release time of 54:55 hours and maximum delay of 670:44 hours. SLSI referrals (5.1%) show a median of 46:58 hours, with delays extending up to 315:57 hours. NPQS, FCAU, and Excise, though smaller in volume, exhibit high median times, particularly Excise (71:50 hours), reflecting specialized regulatory scrutiny.

OGA-related clearances most likely to be one of the factors contributing to the extend Amber channel clearance time, explaining both the higher medians and the extreme outliers observed in the Amber

channel distribution. This suggests the importance of OGAs streamlining their internal processes, including through Coordinated Border Management initiative under the TFA.

Table 15: Release Time: Impact of reference to OGA

OGA Name	CusDec		Release Time			
	Count	Share (%)	Average	Median	Minimum	Maximum
Overall	2067	100	53:58	28:12	0:15	671:27
Total OGA	564	27.3	NA			
Department of Animal Production and Health	3	0.1	13:17	7:25	6:07	26:19
Sri Lanka Standards Institute	105	5.1	68:50	46:58	0:19	315:57
National Plant Quarantine Service	18	0.9	71:17	29:59	3:08	338:09
National Medicines Regulatory Authority (NMRA)	334	16.2	83:32	54:55	3:39	670:44
Food Control Administration	98	4.7	51:11	29:11	1:26	506:57
Excise Department	6	0.3	89:11	71:50	28:57	192:22

These findings suggest that the nature of goods—particularly those requiring specialized handling or regulatory checks—plays a critical role in influencing release times. While agencies handling perishable or time-sensitive cargo appear to have

streamlined processes for expeditious clearance, others, such as NMRA and Excise Department, may benefit from reviewing operational workflows to reduce delays.

3.2.5 Stage-wise Analysis:

The process flow analysis for Air Cargo imports has been constrained by limited availability of timestamps. Recognising the said limitation, results of the same are presented in the flow diagram below, which *inter alia*, highlight the delay in initiation of the cargo release process by about 43 hours after the aircraft arrival and further 26 hours in payment of duty. Assuming that Air Cargo imports are more time-sensitive, given the higher freight costs, and the brief analysis that has been possible, it would be useful to increase focus of trade facilitation measures at the Air Cargo complex, and adopt

appropriate methodology to undertake more detailed study under the next TRS.

Timestamps available in the ASYCUDA System

1. The time of submission of the import CusDec by the CHA
2. The time of payment of applicable taxes and other levies by the CHA
3. The time of Appraisal of the CusDec by the Appraiser at the Air Cargo Long Room



- 4. The time of Satisfying the CusDec / issuance of Release Order by the DDC
- 5. The time of Validating the CusDec by the SDDC
- 6. The time that the cargo exits from the terminal

As explained earlier, the time data captured at each of these intervals are positively skewed and their averages have been inflated by the presence of some extreme outliers (Table 16). This is clearly visible from the following figure (Process Flow 5) that contains the Box Plot analysis at each interval.

Table 16: Stage-wise time taken to release Air Cargo Import CusDec

Process	Average	Median
Arrival to CusDec Submission	43:02	30:54
CusDec Submission to Duty Payment	26:26	5:45
Duty Payment to Document Appraised	30:35	5:28
Document Appraised to Release Order	8:40	1:20
Release Order to Validation	8:18	0:56
Validation to Exit	4:32	1:18

The Air Cargo import release process exhibits material front-loaded delays, despite air freight being inherently time-sensitive. The most significant bottleneck occurs before Customs processing even begins, with a median delay of 30:54 hours (average 43 hours) from aircraft arrival to CusDec submission, indicating delayed document readiness, or sub-optimal coordination among other stakeholders (Banks, Freight Forwarders etc.), Terminal Operators, and CHAs. This is followed by a second major delay in the trader-controlled segment, where the time from CusDec submission to duty payment shows a median of 5:45 hours but an inflated average of 26 hours 26 minutes, clearly reflecting behavioural delays and extreme outliers rather than systemic Customs inefficiency.

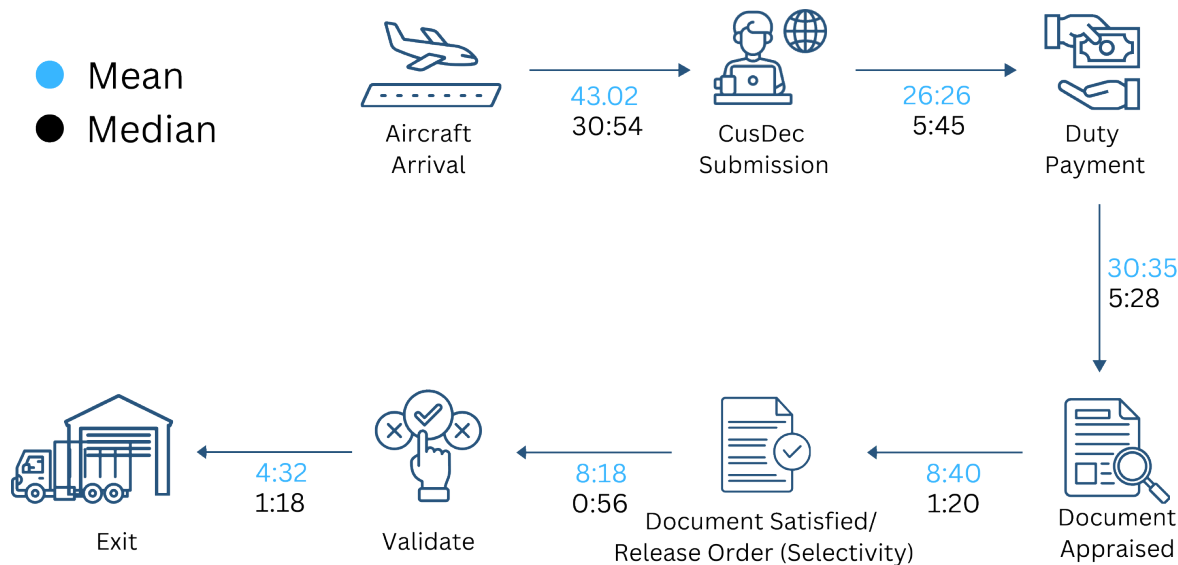
Once duties are paid, Customs-controlled processes at the Air Cargo Long Room perform relatively efficiently. The core appraisal and approval stages; duty payment to document appraisal, appraisal to release order, release order to validation, and validation to exit—each record low medians (ranging from 56 minutes to 5 hours 28 minutes), confirming that for the majority of consignments, operational processing is completed within hours. However, the persistent gap between median and

average times across all stages confirms a strongly right-skewed distribution, driven by a small number of exceptionally delayed cases, likely linked to compliance issues, OGA referrals, incomplete documentation, or trader-driven postponements.

Overall, the analysis indicates that Air Cargo delays are driven less by routine Customs processing and more by pre-declaration readiness, payment behaviour, and exceptional cases. Given the commercial sensitivity of air freight, there is a compelling case to re-prioritise trade facilitation interventions at the Air Cargo complex, strengthen pre-arrival processing, improve data capture across the end-to-end chain, and adopt a more granular, timestamp-rich methodology in the next TRS to accurately isolate and address delay drivers across stakeholders.



Diagrammatic Presentation of the Time Taken at Each stage of the Air Cargo CusDec:



Process Flow 5: Time Taken at Each stage of the Air Cargo CusDec – Import

3.3 Sea Cargo General – Export Release Time

For Sea Cargo exports, the regulatory release process is simpler than the import process. The process starts with CusDec being registered in advance by the exporter, which can be done remotely without the cargo being presented or even being ready for presentation for appraisalment. The exporter is required to pay all applicable dues related to the consignment before presenting the hard copy to the Warranting officer at Export Office of SLC or at the Export Facilitation Centre. Selectivity for the examination happens during the Warranting stage. Next stage of the Export Processing commences with the physical movement of Export cargo into the EFC by the Importer/CHA. Before doing so, the CHA should submit the Cargo Dispatch Notice (CDN) in the ASYCUDA System. Once the cargo is moved into the EFC, the ASC (Exports) Acknowledge the CDN. If the cargo is exempted from examination, the Gate Pass to Exit the EFC will be generated. If selected for examination, the officer will be appointed for the examination (Pannel Appointing). This is a manual process and therefore a timestamp is not available in the ASYCUDA.

Once the Panel Examination is completed, the

Panel Officers update the examination report in the ASYCUDA and the Gate Pass is issued allowing the cargo moved into the Port through the NCT gate.

Then the CHA submits the Boat Note document to the EFC Boat Note office. This is a manual process. At this stage only the Export Release in the ASYCUDA is performed by the Boar Note passing ASC (Export).

The Export Release Time is defined as the total time taken from the submission of the CusDec to the issuance of the Export Release Order. This includes time taken by the exporter, customs officials, and other stakeholders at various stages of the export process. However, it may be noted that Export Release Time does not represent the physical dwell time of the export cargo at the port. At the data analysis stage it was realized that there are gaps in capturing some timestamps in the ASYCUDA system in order to study the entire export process merely based on the ASYCUDA data. Furthermore, even though the CusDec has been submitted to SLC, the next step cannot be started until the export cargo is moved into the EFC, which is entirely a



decision of the Exporter and the logistics operators. Similar dwell time can accumulate between the stages of Gate Pass issuing and Export Release. Therefore, determination of time of export release considering the time of submission of the CusDec to the Issuance of the Export Release may not be feasible. However, for the purpose of this report, the results of the TRS are tabulated below (Table 17 and 18).

In order to streamline the processing of Sea Cargo exports, Export Facilitation Centre (EFC) has been set up, which combines the facility for document processing as well as physical examination of the cargo, wherever required. Typically, only Full

Container Load (FCL) shipments are handled at the EFC, while Less than Container Load (LCL) shipments are aggregated at the Container Freight Station (CFS) and then moved to the EFC for final clearance. However, after 4:45 PM, even the LCL cargo may be processed at the EFC. Thus, making EFC as the central hub for export cargo clearance. All containers are weighed at the EFC gate, and any discrepancies in weight are referred to a panel for examination. The weighing process is managed by M/s Trico Logistics Limited, a private entity that operates the EFC. Among OGAs, only the Plant Quarantine (PQ) department has a physical presence at the EFC, while other regulatory agencies have offices located at different places in the city.

Table 17: Release Time: Overall, AEO vs Non-AEO

Description	Sample Count	Release Time		
		Average	Minimum	Maximum
Overall	3044	136:23	2:26	718:52
Non-AEO	2759	124:58	2:26	718:52
AEO	285	246:59	5:31	700:44

Table 18: Impact of “Examination Exempted Consignments” Selection on Release time

Description	Count	Release Time		
		Average	Minimum	Maximum
Overall	3044	136:23	2:26	718:52
Without Examination	178	124:38	5:09	601:33
With Examination	2866	137:07	2:26	718:52

The impact of the size of the export consignment, represented by LCL vs FCL CusDec shows that the average release time for FCL CusDec, accounting for about 80% of the total CusDec is lower than LCL CusDec. It is not surprising that this differential is not visible for CusDec taking either the minimum or

maximum time (Table 19). This pattern appears to suggest that the higher average release time for LCL CusDec is more due to preference of the exporters than the export release process *per se*.

Table 19: Release Time for FCL vs LCL CusDec (2025)

Description	Count		Release Time					
			Average		Minimum		Maximum	
	LCL	FCL	LCL	FCL	LCL	FCL	LCL	FCL
Overall	602	2442	162:19	130:00	2:58	2:26	718:52	717:16
Non-AEO	557	2202	152:34	117:59	2:58	2:26	718:52	717:16
AEO	45	240	282:56	240:15	9:13	5:31	700:44	672:42

3.3.1 Stage-wise Analysis:

The timestamps pertaining to export release process, as obtained from ASYCUDA, is presented below (Table 20). However, based on the discussion with officers and other stakeholders during the field visit, it appears that the export cargo release process is undertaken mainly through a manual process, with Export Release entries in ASYCUDA being entered belatedly, and sometimes even after the consignment has already been exported. Therefore, this study has concluded that extant process is not amenable to robust measurement relying solely

on timestamps obtained from ASYCUDA. While additional data has been sourced from terminal operator, which is presented in para 3.3.3 below, there is a need for more granular data and better integration of the data sourced from separate IT sources using CusDec as identifier. Therefore, as part of the next TRS, effort should be made to source more granular data from ASYCUDA as well as the terminal operators and integrate the two to present more insightful findings.

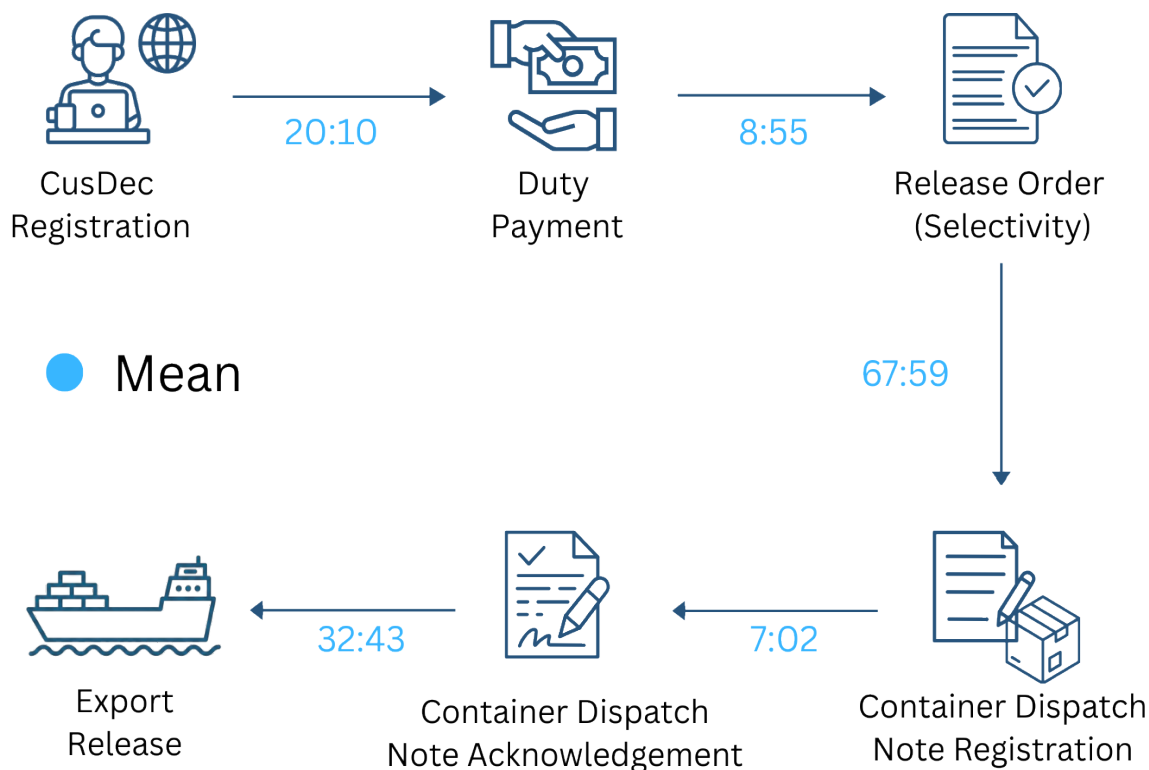
Table 20: Stage-wise Time Taken for Export CusDec

Stages	Stakeholder (s) Responsible	Share (%)	Average	Minimum	Maximum	Count
CusDec registration to Payment	Exporter/CHA	14.7	20:10	0:00	693:36	2648
Payment to Release Order (Selectivity)	CHA/OGA/Customs	6.5	8:55	0:00	691:05	2637
Release Order (Selectivity) to Container Dispatch Note Registration	Exporter/CHA	49.7	67:59	0:00	696:25	2841
Container Dispatch Note Registration to Container Dispatch Note Acknowledgement	CHA/Exporter/ Logistics/Customs	5.1	7:02	0:05	163:38	3159
Container Dispatch Note Acknowledgement to Export Release	Customs/Logistics/ /Ports Authority/ Terminal operator	23.9	32:43	0:00	461:38	3073
Cumulative Release Time	All stakeholders	100	136:52			

The overall export process averages 136:52 hours across approximately 2,600–3,200 transactions. The most time-intensive stage is Release Order (Selectivity) to Container Dispatch Note Registration, handled by Clearing Agents, which accounts for 49.7% of the total cycle time. The next significant contributor is the Terminal stage, from Container Dispatch Note Acknowledgement to Export Release, representing 23.9%. CusDec

Submission to Payment, managed by Clearing Agents, constitutes 14.7%. Remaining Customs steps include Payment to Release Order (Selectivity) at 6.5% and Container Dispatch Note Registration to Acknowledgement at 5.1%. The data suggests that the Release Order to Dispatch Note Registration stage exhibits the highest variability and offers the greatest potential for process improvement.

Diagrammatic Presentation of the Time Taken at Each stage of the Air Cargo CusDec:



Process Flow 6: Time Taken at Each stage of the Air Cargo - Export

3.3.2 Impact of OGA involvement On the Average Export Release Time:

According to Table 21 below, it is observed that 267 out of 3044 CusDec, accounting for less than 9% of the total sample required No Objection from OGAs. Of the OGAs concerned, maximum CusDec were referred to Central Environment Authority and Department of Forest Conservation. Further, it is observed that the average release time was more influenced by the nature of the cargo, with CusDec being referred to Department of Fisheries (13:26 hours) and National Plant Quarantine Service (66:18 hours) taking significantly lower time than those

referred to Geological Survey and Mines Bureau (201:49 hours), Department of Forest Conservation (179:27 hours) and National Gems and Jewellery Authority (177:16 hours).



Table 21: Release Time for OGA CusDec (2025)

OGA Name	Sample Count	Release Time		
		Average	Minimum	Maximum
Overall	3044	136:23	2:26	718:52
Central Environmental Authority	105	113:03	2:26	448:22
National Plant Quarantine Service	56	66:18	5:24	336:54
National Gem and Jewellery Authority	1	177:16	177:16	177:16
Geological Survey and Mines Bureau	5	201:49	46:36	409:54
Excise Department of Sri Lanka	20	116:22	9:13	511:01
Department of Forest Conservation	79	179:27	5:09	637:02
Department of Fisheries and Aquatic Resources	1	13:26	13:26	13:26

3.3.3 Time Taken at the Terminal Premises in Export Clearance:

As mentioned above, the analysis of the export release time is based on CusDec, calculated from the time of submission till grant of Export Release order. In the table below (Table 22), time taken in discharge of the container from the time of arrival at the Terminal premises untill loading of the vessel, is presented for CICT Terminal, based on analysis of 813 containers. This study presents an

approximation of the “dwell time” for export cargo at the terminal premises, which includes the time taken after the Export Release Order, while the cargo awaits arrival of the scheduled vessel and loading of the export container. Thus, average time an export container dwells at the CICT is 215 hours, as compared to average release time of 136 hours reported above.

Table 22: Time Taken at Terminal Premises (2025)

Time Taken at Terminal Premises (2025)	
Average	215:03
Minimum	12:00
Maximum	596:41
Median	201:39
Source: CICT Terminal Operator, Container Count: 813	

3.4 Air Cargo General – Export Release Time

In case of Air Cargo, the export process begins with the filing of the CusDec by the CHA. Upon arrival at the terminal, the arrival time is manually recorded at the gate. The CHA then brings a hard copy of the CusDec, which is submitted for manual entering in the ASYCUDA System by the ASC (Air Cargo Exports). The ASC (Air Cargo Exports) then proceeds to examine the goods, if appointed by the Head office or if required. Subsequently, the CHA proceeds to make the necessary amendments in the CusDec and making the overtime (OT) payments.

Following this, the ASC (Air Cargo Exports) process the CusDec, and the DDC issues the warrant authorizing the release. Once the warrant is granted, the goods are taken into the Air side of the Air Cargo export terminal to be loaded on board the aircraft after the security clearances. It is important to note that while physical movement of goods occurs post-warrant, the system release is updated subsequently, often after a delay. Therefore, the average release time reported below admittedly

does not correctly represent the average dwell time at the Air Cargo complex.

The export release time at the airport is measured from the moment a CusDec is registered—either remotely by the exporter or manually after bringing the cargo into the terminal—until the cargo is released for export in the ASYCUDA System. This duration captures the cumulative time taken by all stakeholders involved in the export process, and as reported in the ASYCUDA. In 2025, the average export release time at the Air Cargo complex was 327:16 hours, based on 839 CusDec. The minimum time recorded was 4:07 hours, while the maximum delay extended to 685:22 hours. Admittedly, the recording of the export processes is misaligned with the extant actual and manual process being adopted for export release.

Further, there were hardly any export CusDec submitted by AEO clients, albeit the 2 CusDec that were submitted have reported lower average release time than Non-AEO CusDec (Table 23).

Table 23: Airport Export: Release Time AEO vs Non-AEO (2025)

Description	Sample Count	Release Time		
		Average	Minimum	Maximum
Overall	839	327:16	4:07	685:22
Non-AEO	837	327:36	4:07	685:22
AEO	2	188:33	69:29	307:37

3.4.1 OGA Analysis for 2025:

The study found the involvement of only one OGA in the Air Cargo export (as per the ASYCUDA data),

which had handled 7 CusDec during the study period (Table 24).

Table 24: Airport Export: Release Time - OGA (2025)

OGA Name	Sample Count	Release Time		
		Average	Minimum	Maximum
National Gem and Jewellery Authority	7	10:39	4:07	29:07



4 Case Study: Hambantota Port – Import Release Time

The Hambantota Port, is a deep-water port located on the southern coast of Sri Lanka, currently managed by Hambantota International Port Group (HIPG). Located at a distance of about 230 KM from the Customs Head Quarters, Colombo (HQC), the port currently is being used only for import of motor vehicles. Due to a variety of reasons, the cargo clearance process at Hambantota is divided between HQC and HIPG. The cargo clearance document processing begins with submission of CusDec on the ASYCUDA, and initial verification is carried out at the Long Room in HQC. Once the CusDec is cleared at HQC, it is produced to the DDC in Hambantota for examination. The process at Hambantota starts with the importer submitting a Vehicle Shift Request to HIPG and making the necessary payment and the DDC sending the CusDec to an Appraiser for appraisal, which includes physical inspection of the motor vehicles. For facilitating this examination, motor vehicle is shifted to the yard, where the Appraiser conducts

the examination. Thereafter, the Appraiser provides clearance in ASYCUDA and the CusDec produces to the DDC, who upon reviewing of the documents, and satisfying the CusDec therewith, orders release of the cargo. Notably, the final approval for release is made on a hard copy by SDDC, which remains a manual step in the process.

While the current procedure ensures continuity, the study assessed its operational impact. It was acknowledged that, given the limited vessel arrivals and cargo volume, deploying dedicated manpower at Hambantota may not be advisable at this stage. Instead, the existing model of resource deployment from Colombo remains a practical interim solution until cargo traffic at the port increases sufficiently to justify permanent staffing.

Also, for the purpose of the analysis, payment to HIPG was considered as the first step at the Hambantota port for release of the cargo.

Table 25: Stage-wise time taken at Hambantota Port

	Vessel Arrival to Vehicle Discharge	Vehicle Discharge to Duty Payment	Duty Payment to Port Exit	Vessel Arrival to Vehicle Port Exit
Average Time Taken	14:07	272:16	24:00	311:11
Minimum Time Taken	1:39	116:20	0:09	144:23
Maximum Time Taken	74:26	629:39	52:26	659:38

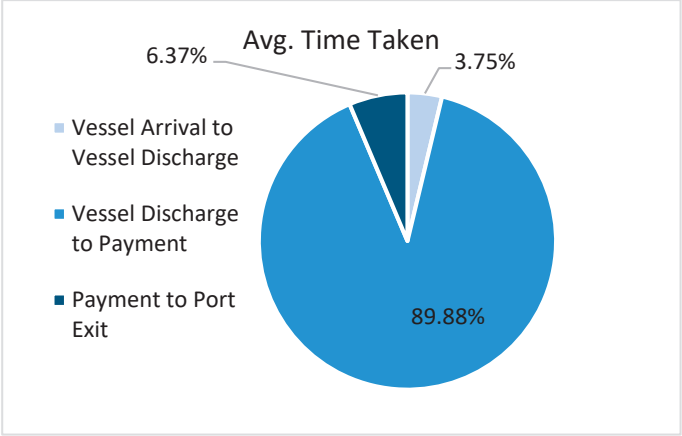
Source: HIPG Data

It is important to highlight the distribution of responsibility and time across various stages of the port clearance process. The duration from Vessel Arrival to Vehicle Discharge is attributed to the Port Authorities, while the time from Vehicle Discharge to Duty Payment is under the purview of the importer/CHA, as it depends on the importer’s decision to initiate the payment process. Subsequently, the period from Duty Payment to Port Exit includes

that appraisal and examination of the motor vehicle that requires coordinated action among the Port and Customs authorities, and the CHA representing the importer.

As per Table 25 above, the average import release time, which represents the cumulative time taken from the arrival of the vessel carrying the motor vehicles at the port to exit of the motor vehicle upon

completion of all formalities amounts to 311:11 hours. While this average import release time is very high, almost 90% of this cumulative time (272:16 hours) is accounted for by the time taken between the Vehicle Discharge to Duty Payment, which is at the discretion of the importer and convenience of the CHA, recognising that the subsequent steps of the cargo clearance entail travel to Hambantota and receipt of the motor vehicle. Another significant feature of the CusDec-wise analysis was significant variation in the total import release time from 144 hours to 659 hours.



Graph 9: Share of Stage-wise Time Taken at Hambantota Port



5 Assessment of the Status of Recommendations of TRS 2018

TRS is envisaged as circular process of quantitative assessment of the cargo release process, resulting in identification of successes to be built upon and bottlenecks to be removed or mitigated. Therefore, it is considered appropriate to review the status of the recommendations of TRS 2018, before presenting a comprehensive set of recommendations following TRS 2025.

TRS2018 had made 13 recommendations, including certain recommendations relating to business process reengineering. Keeping in view the trade facilitative focus of SLC, those recommendations have been broadly categorised, and status thereof, are presented below.

a. Delay in the initiation of cargo release process:

TRS 2018 had observed that most of the CusDec were submitted for processing, without taking advantage of around 48 hours of pre-processing time at the pre-declaration stage, i.e. time from allowable CusDec submission time to actual submission time. The recommendation to create awareness amongst the CHA made in TRS 2018 continues to remain relevant.

TRS 2025 has found that delays in initiation of cargo release process continues to persist. Expanding the scope of delay to comprise the opportunity missed due to non-availability of pre-arrival processing and quantifying the time taken between the arrival of the conveyance and submission of the CusDec, it has highlighted the need for appropriate policy and other actions in this regard, which are discussed in the next section.

This study, however, was unable to establish any link between the delays in submission of CusDec and demurrage-free storage period allowed by the port terminals based on quantitative analysis. However, the possibility of such a link could not be ruled out either.

b. Introduce suitable strategies to reduce idle time:

This study has indicated the persistence of idling time, which may also be attributable to preparatory time required by the importer/CHA. For example, it is observed that there is idling time in cases where CusDec is referred to Central Valuation Directorate's Head Office, which could be due to the time required by the CHA to procure additional document or information to answer the likely queries regarding declared value or adopted valuation principles. Similarly, the plausible idling time in physical movement of containers could be attributed to organizing trailers for their transport. Some idling time could also be due to CHA handling multiple CusDec for different importers. Nonetheless, it appears obvious that there continue to exist opportunities for reduction of idle time, which could be achieved through a concerted effort combining streamlining of processes, mitigating binding constraints, and increasing awareness among stakeholders.

c. Separate storage facility for detained containers:

The recommendation to create separate storage facility for detained containers away from the examination yard was intended to decongest the yards. While risk-based reduction in the share of containers being subjected to examination has had favourable impact on congestion at the examination yards, there is great scope for business process re-engineering at major examination yards to minimise the time taken in examination of consignments, including when samples are subjected to tests.

d. Infrastructural improvements, including smart gate, use of appropriate exit gate, and prompt evacuation of container after customs release:

With major infrastructural development at the final stages of completion, it is expected that

these recommendations would be implemented before the conduct of next TRS.

- e. Establish “Inland Container Depot” in close proximity of the Colombo Port with ultra-modern Customs facilities:

The recommendation of TRS 2014 was reiterated. In view of its importance to streamlining cargo clearance process, this recommendation is discussed in detail in the next section.

- f. Suitable mechanisms for easy location and storage management system for LCL cargo:

Implementation of this recommendation will reduce the average release time for LCL

CusDec, which is found to take longer time than FCL CusDec.

- g. Need for analysis of acceptance of FCL export cargo at the port terminal gate:

It is acknowledged that a significant gap continues to persist in export release time study.

- h. Function of “Doc Centre” could be performed at L/R: This recommendation has been implemented by SLC by merging the function of Doc Centre with processing at the L/R.



6 Conclusions, Recommendations and Way Forward

The timely conclusion of TRS 2025, relying solely on data sourced from IT systems, particularly ASYCUDA, is perhaps the best reflection of the strides made by Sri Lanka Customs (SLC) in the adoption of technology-enabled cargo clearance systems since the last TRS was conducted in 2018.

By putting in place a robust and efficient data collection process, along with a standardised methodology, TRS 2025 aspires to become a benchmark for regular TRS exercises that simultaneously assess performance and guide the adoption of further trade facilitation measures. However, the methodology adopted has been found to be more robust for studying the import release process through seaports than for imports through the Air Cargo complex and exports through both seaports and Air Cargo, a gap that needs to be bridged. While one option to address this gap in the next TRS would be to revert to a manual survey-based methodology, the other would be to persist with sourcing data from IT systems, albeit by combining ASYCUDA data with data from terminal operators and by creating additional milestone markers within the ASYCUDA system to measure time taken in specific sub-processes.

TRS 2025 has provided benchmark data in respect of many key performance indicators (KPIs). While some KPIs for Sea Cargo imports pertain to 2024, others relate to 2025. It is, however, acknowledged that with further refinement of the data collection methodology in the next TRS, including the availability of a fuller timestamp map for all sampled CusDec, certain benchmark values may require suitable recalibration. The study has highlighted the beneficial impact, inter alia, of:

- a. Risk management-based selection of consignments for examination, presenting a quantitative assessment of time saved by consignments not subjected to examination, separately for FCL and LCL CusDec.
- b. Enrolment under the Authorised Economic Operator (AEO) Programme, presenting a

quantitative assessment of improved average and median release times for CusDec submitted by AEO certificate holders vis-à-vis Non-AEO clients.

- c. Internal systems adopted by certain OGAs, such as the Department of Fisheries, which enable expeditious release of time-sensitive cargo.

The study has highlighted the following gaps and bottlenecks:

- a. Delay in initiation of the import cargo release process, even for time-sensitive Air Cargo imports, which may be attributable to limited implementation of pre-arrival processing, lack of timely availability of documents, insufficient awareness and sensitisation, and the availability of demurrage-free storage facilities at terminal premises.
- b. Significant idling time at multiple stages, including payment of duty after CusDec submission, presentation of CusDec at the Valuation Directorate following reference from the Long Room, presentation of containers or LCL consignments for examination once prescribed under selectivity principles, and expeditious evacuation of cargo after validation. While a portion of the reported time may be attributable to document preparation or logistical arrangements, these delays nevertheless present opportunities for targeted interventions to further reduce cargo release time.
- c. Infrastructural constraints reflected in the time taken for movement of containers to examination yards, as well as delays during examination due to congestion or difficulties in locating consignments, particularly evident in the longer examination times recorded for LCL CusDec.
- d. The OGA-related analysis, limited as it is, reflects gaps in coordinated border management, at least with respect to certain OGAs. There

appears to be scope for wider adoption of best practices by OGAs to ensure expeditious completion of regulatory scrutiny.

- e. The benefits of trade facilitative initiatives, including AEO status and exemption from examination, are not as readily evident in the Air Cargo environment.
- f. While there does not appear to be significant concern regarding the timely release of export consignments, there is an acknowledged gap in the robust measurement of export release time.

The major recommendations flowing from the quantitative analysis undertaken as part of TRS 2025 are as follows:

- a. The AEO Programme, through its reliance on trust-based facilitation, may be expanded through enrolment of more eligible clients, in addition to the ongoing time-bound migration of importers under the Fast Track and Green Channel Schemes, to increase the share of AEO CusDec.
- b. Processes at the Air Cargo complex should be streamlined to ensure that facilitation benefits comparable to those observed at seaports are extended to Air Cargo imports.
- c. The positive impact of the risk management system, as reflected through increased reliance on examination-exempt consignments, suggests that SLC may explore further expansion of such consignments through continued strengthening of risk management, consistent with overall enforcement and revenue priorities.
- d. Further, the share of CusDec requiring physical examination due to non-tariff regulatory requirements imposed by OGAs should be reduced through enhanced coordinated border management, inclusion of OGAs in the AEO Programme, and adoption of risk management approaches by OGAs, even as the National Single Window (NSW) initiative is pursued on priority.
- e. Greater use of technology, including drive-through scanners, requisition of mobile scanners, and explicit adoption of a “scan and

release” category within the risk management framework, along with implementation of pending recommendations from TRS 2018, to minimise examination-related delays.

- f. Implementation of a more efficient trace-and-track system for LCL consignments which records higher average release times than FCL cargo noting that LCL cargo often associated with MSMEs.
- g. Given the continued priority accorded to revenue mobilisation and other national objectives, and the time required to strengthen risk management systems and implement the NSW, it is expected that a substantial share of CusDec will continue to be subjected to scrutiny as import volumes grow. In this context, the recommendation to establish an Inland Container Depot (ICD), first made in TRS 2014 and reiterated in TRS 2018, merits renewed attention. Globally, trade may opt for cargo clearance either at border points or at locations proximate to business operations. Inland clearance facilities such as dry ports, ICDs, Container Freight Stations (CFSs), and bonded logistics facilities ease border congestion and enhance trade efficiency by offering clearance services closer to traders’ premises, while retaining the option of port-based clearance for risk-based fully facilitated cargo.

Currently, inspection yards (Greyline I, II, and RCT) exist to which imported containers are transported for Customs examination and clearance. This transfer occurs after CusDec submission and processing, which, as observed in this TRS, may take several days. Similarly, export cargo is required to enter an Export Facilitation Centre (EFC) for inspection prior to entry into the Colombo Port. These examination yards function as off-dock facilities for de-stuffing and examination by Customs and other cross-border regulatory agencies, but do not operate as full-fledged Customs offices.

A Port Access Elevated Highway (PAEH) has been completed as an elevated toll highway to provide a direct link between the city centre, the Port of Colombo, and the



Colombo–Katunayake Expressway via the New Kelani Bridge, forming part of Sri Lanka’s expressway network. This project is expected to alleviate traffic congestion around the port, thereby improving economic efficiency and competitiveness, and rationalising the need for extensive infrastructure investments at border points.

To streamline the clearance process currently spread across multiple facilities, optimally leverage the PAEH, and reduce congestion in Colombo city environs, the establishment of an ICD at Kerawalapitiya connected to the Port of Colombo via the PAEH should be pursued and completed on priority.

- h. The study indicates that the greatest improvement in average release time can be achieved through enablement and effective adoption of pre-arrival processing and timely submission of CusDec. Recognising that delays occur even after arrival of the conveyance and submission of the import manifest, this challenge may be categorised into statutory enablement of pre-arrival processing.
- i. Recognising that some OGAs have adopted systems enabling expeditious cargo release, other OGAs should review and optimise their internal processes to reduce clearance time, even as the NSW initiative progresses.
- j. The cargo release process demonstrates both the potential for significant delays across stages and categories of CusDec, as well as the possibility of expeditious clearance, as reflected in minimum reported times. This underscores the need for more detailed studies examining behavioural factors among trade, CHAs, OGAs, and Customs.
- k. Delays and congestion attributable to infrastructural constraints, including container movement and examination yard capacity, have also been observed. With several major infrastructure projects nearing completion, their positive impact is expected to be reflected in the next TRS.

- l. TRS 2025 underscores the value of such studies in evidence-based policymaking and in providing quantitative assessments of trade facilitation measures. While the study has identified several gaps, it has also highlighted substantial untapped potential as internal capacity is strengthened. In view of ongoing infrastructure and policy initiatives, including expansion of the AEO Programme and risk-based facilitation, it is recommended that the next TRS be conducted in 2026, adopting a two-week sample period from 22nd June to 5th July, to build on the momentum and in-house expertise developed.
- m. TRS 2026 may, inter alia, explore sourcing more granular data from multiple IT systems, enhanced analysis of export release times, and limited sample surveys to better understand the drivers of extreme outlier cases. This would enable a more comprehensive and insightful assessment reflecting the outcomes of reforms currently under implementation.

In conclusion, TRS 2025 marks a major milestone in the conduct of TRS by SLC and reflects significant progress in improving cargo release processes. Nevertheless, substantial scope remains for implementing more impactful facilitation measures and strengthening performance measurement frameworks.



7 Note for Data Analysis - Caveats and Limitations

- This study is based on data sourced from ASYCUDA, with varying sample sizes used for computation of different time intervals. While all efforts have been made to ensure robustness of the findings, the impact of differences in sample size is acknowledged.
- As Sri Lanka Customs, OGAs and other stakeholders do not operate a continuous 24×7 shift system at all stages of import clearance, recorded clearance times include non-working periods such as night-time closures and weekends. These unavoidable idle periods are embedded in the dataset and may have contributed to extended clearance times for consignments arriving outside normal working hours, resulting in positive skewness and extreme outliers.
- Outlier observations were identified using inter-quartile range (IQR) analysis and box-plot diagnostics; however, these records were not excluded, as they represent real operational outcomes influenced by structural, procedural, or compliance-related factors. Consequently, mean clearance times are sensitive to extreme values and may overstate typical clearance experience.
- Median values were therefore calculated and used alongside averages to ensure a more representative interpretation of clearance performance, with greater interpretative weight accorded to the median as it better reflects the experience of the majority of consignments.
- CusDec submitted during the data collection period were monitored for an additional 30 days, until 6 August 2025, to allow completion of clearance. CusDec still under process as of that date were excluded to ensure timely completion of the study.
- Sample sizes for certain processes were reduced due to data unavailability.
- The study relies on timestamps recorded in ASYCUDA, acknowledging that some processes continue to involve manual handling, with system entries made retrospectively. This is particularly relevant for export clearance, especially Air Cargo exports, and may result in reported times not fully reflecting actual process durations.



8 Team TRS 2025

Name	Designation
Mr. Achala Chandrasekare	Additional Director General of Customs
Mr. T. Loganathan	Additional Director General of Customs
Mr. W.A.S. Kumara	Director of Customs
Mr. M.I.M. Muhuris	Senior Deputy Director of Customs
Mr. P.W.A.C. Weeraman	Senior Deputy Director of Customs
Mr. C.P. Bopage	Senior Deputy Director of Customs
Mr. K.P.D.C.H. Kaushalya	Deputy Director of Customs
Mr. D.H. Hettiarachchi	Deputy Director of Customs
Mr. M.Z. Mohamad Riza	Deputy Director of Customs
Mr. D.M.J.C. Wimaladasa	Deputy Director of Customs
Ms. P.G. Gunawardhane	Deputy Director of Customs
Ms. P.Y.A.S.C. Kumarasinghe	Deputy Director of Customs
Mr. T. Illeperuma	Deputy Director of Customs
Mr. T.L. Samaraweera	Superintendent of Customs
Ms. W.M.K.H. Perera	Deputy Superintendent of Customs
Ms. N.W.E.T. Randilini	Deputy Superintendent of Customs
Ms. D.T.S. Perera	Assistant Superintendent of Customs
Mr. P.A. Kasun Lakmal	Assistant Superintendent of Customs
Mr. G. Midurzan	Assistant Preventive Officer
Mr. Arunalu Bopage	Assistant Superintendent of Customs
Mr. A.M.M.J.A. Andrady	Assistant Superintendent of Customs
Mr. E. Sharujan	Assistant Superintendent of Customs
Ms. K.R. Jayasundara	Data Analyst (Intern)





Annexure: Detail Analysis of the Time Release Data

Dataset Overview – Sea Cargo

File Format: Excel (.xlsx)

Sheets: FCL and LCL

Software: PYTHON

Sheet 1: FCL

Total Unique UIDs: 4,692

Exam vs Non-Exam Split:

Category	No. of UIDs	Split Criteria
Exam	3,107	If gate acknowledgment is not null and yard acknowledgment is not null
Non-Exam	1,585	If gate acknowledgment is not null but yard acknowledgment is null

Sheet 2: LCL

Total Unique UIDs: 2,095

Exam vs Non-Exam Split:

Category	Unique UIDs	Split Criteria
Exam	839	If exam appraised is not null
Non-Exam	1,256	If exam appraised is null

Dataset Overview

File Format: Excel (.xlsx)

Sheets: KTIM2

LCL only

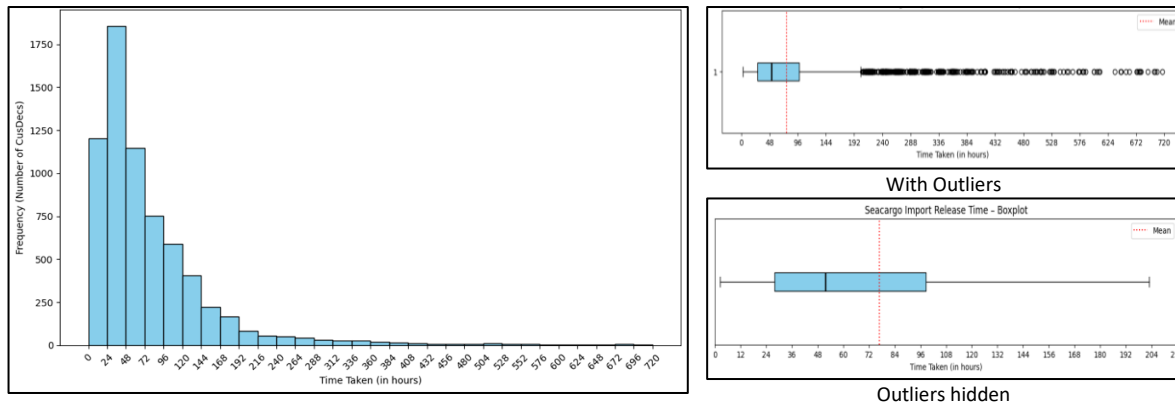
Total Unique UIDs: 2,329

UIDs with the total process duration (CusDec registration to Exit) greater than 700h are treated as outliers and left out of the analysis.

Thus, the total unique UIDs considered for the analysis is 2,067

Sea Cargo Imports (Colombo Sea Port)

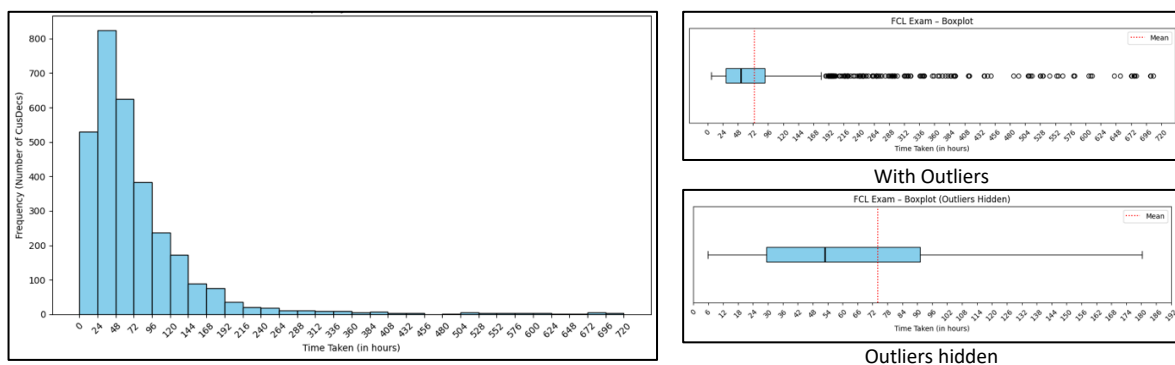
1. Sea Cargo General (both FCL and LCL together) - Full Range (All 6787 UID's)



Distribution of Sea Cargo Import Release Time - Overall
Mean: 76:43 | Median: 51:53 | Min: 2:31 | Max: 716:09

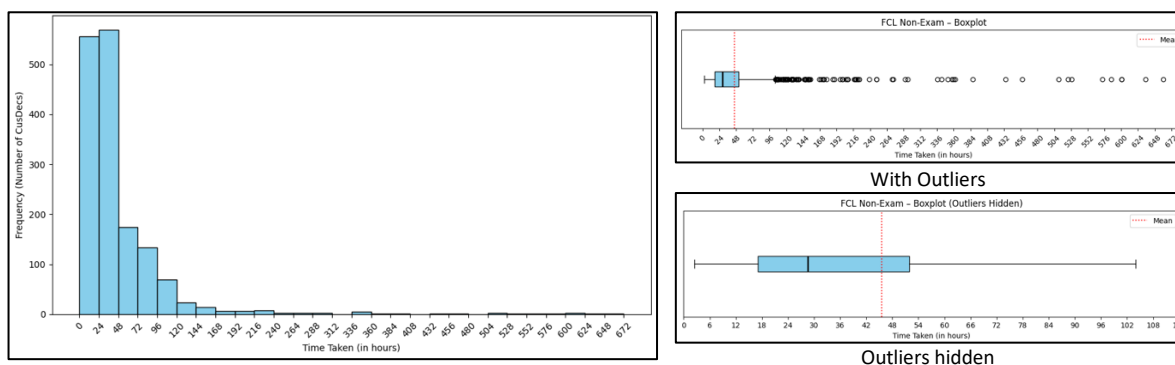
2. Sea Cargo FCL – Entire Process

a. Subjected for Examination



Distribution of Sea Cargo Import Release Time – FCL subjected for Examination
Mean: 74:08 | Median: 52:53 | Min: 5:56 | Max: 707:18

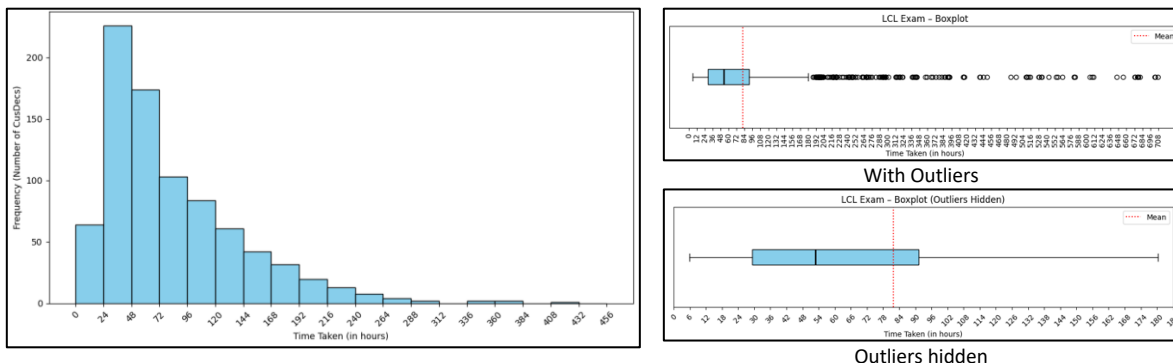
b. Not Subjected for Examination



Distribution of Sea Cargo Import Release Time – FCL Not subjected for Examination
Mean: 45:32 | Median: 28:35 | Min: 2:31 | Max: 660:07

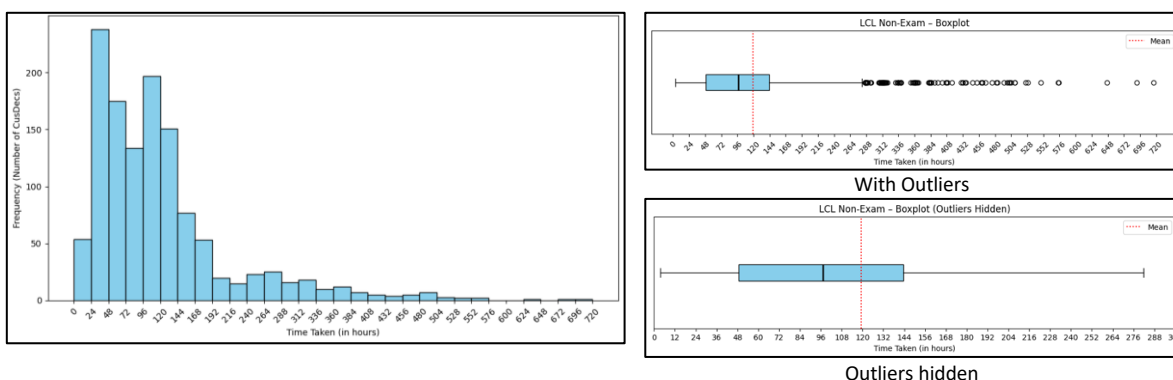
3. Sea Cargo LCL – Entire Process

a. Subjected for Examination



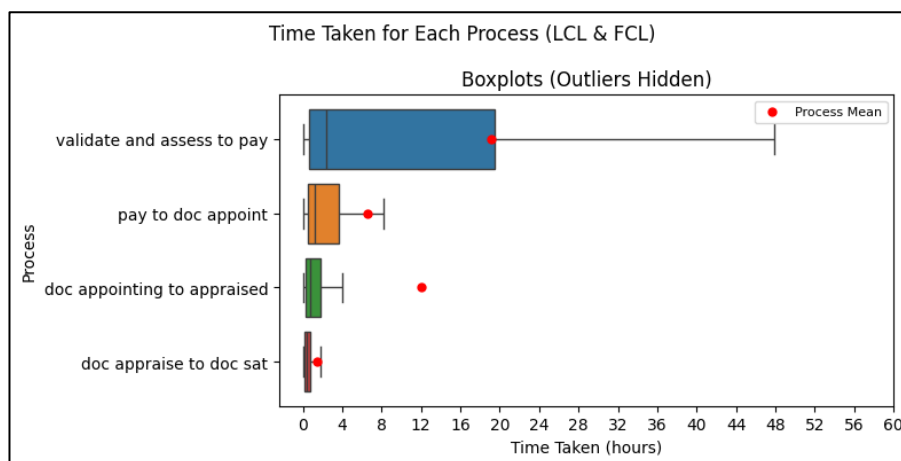
Distribution of Sea Cargo Import Release Time – LCL Subjected for Examination
Mean: 81:46 | Median: 65:38 | Min: 3:48 | Max: 456:58

b. Not Subjected for Examination



Distribution of Sea Cargo Import Release Time – LCL Subjected for Examination
Mean: 119:08 | Median: 97:09 | Min: 3:44 | Max: 716:09

4. Sea Cargo Import - Common Process for both FCL and LCL – Stage wise analysis



Box Plot representing the time taken for the completion of each process

a. validate and Assess to Payment

Time Taken	% of Documents	Cumulative %
<1 hour	34.26	34.26
1 – 2 hours	12.21	46.47
2 – 3 hours	7.23	53.69
3 – 4 hours	4.17	57.87
4 – 6 hours	3.80	61.67
6 – 12 hours	2.55	64.22
12 – 18 hours	6.72	70.95
18 – 24 hours	12.84	83.79
>24 hours	16.21	100.00

Percentile	Time Taken
P50	2h 23m
P75	19h 32m
P90	51h 25m

b. Payment to Document Appointing

Time Taken	% of Documents	Cumulative %
<1 hour	43.20	43.20
1 – 2 hours	19.29	62.49
2 – 3 hours	8.85	71.34
3 – 4 hours	4.79	76.13
4 – 6 hours	3.45	79.58
6 – 12 hours	0.97	80.55
12 – 18 hours	6.96	87.51
18 – 24 hours	7.93	95.44
>24 hours	4.56	100.00

Percentile	Time Taken
P50	1h 15m
P75	3h 38m
P90	18h 54m

c. Document Appointing to Document Appraised

Time Taken	% of Documents	Cumulative %
<1 hour	59.18	59.18
1 – 2 hours	17.77	76.95
2 – 3 hours	6.00	82.95
3 – 4 hours	2.62	85.57
4 – 6 hours	2.47	88.04
6 – 12 hours	0.70	88.74
12 – 24 hours	3.00	91.74
>24 hours	8.26	100.00

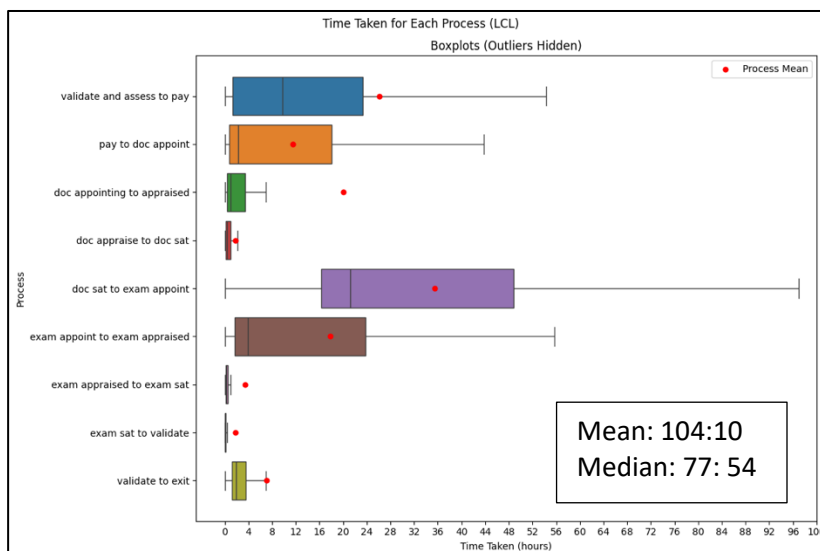
Percentile	Time Taken
P50	0h 45m
P75	1h 46m
P90	20h 7m

a. Doc Appraise to Doc Satisfied / Long Room Release

Time Taken	% of Documents	Cumulative %
<1 hour	80.49	80.49
1 – 2 hours	11.34	91.84
2 – 3 hours	3.65	95.48
3 – 4 hours	1.47	96.96
4 – 8 hours	0.78	97.73
>8 hours	2.27	100.00

Percentile	Time Taken
P50	0h 21m
P75	0h 47m
P90	1h 43m

5. LCL Process – Detail Stage wise analysis



a. Validate and Assess to Payment

Time Taken	Percentage of Documents	Cumulative Percentage
<1 hour	21.47	21.47
1 – 3 hours	16.69	38.16
3 – 6 hours	9.56	47.73
6 – 12 hours	3.25	50.98
12 – 18 hours	7.75	58.73
18 – 24 hours	17.31	76.04
24 – 48 hours	8.75	84.79
>48 hours	15.21	100.00

Percentile	Time Taken
P50	9h 46m
P75	23h 22m
P90	70h 32m

b. Payment to Document Appointing

Time Taken	Percentage of Documents	Cumulative Percentage
<1 hour	30.66	30.66
1 – 2 hours	16.36	47.02
2 – 3 hours	8.87	55.89
3 – 4 hours	4.97	60.86
4 – 6 hours	4.64	65.50
6 – 12 hours	1.19	66.69
12 – 18 hours	8.01	74.70
18 – 24 hours	15.89	90.60
>24 hours	9.40	100.00

Percentile	Time Taken
P50	2h 15m
P75	18h 3m
P90	23h 28m

c. Doc Appointing to Doc Appraisal

Time Taken	Percentage of Documents	Cumulative Percentage
<1 hour	51.94	51.94
1 – 2 hours	16.15	68.09
2 – 3 hours	4.88	72.97
3 – 4 hours	3.56	76.53
4 – 6 hours	2.70	79.24
6 – 12 hours	0.99	80.22
12 – 24 hours	4.94	85.17
>24 hours	14.83	100.00

Percentile	Time Taken
P50	0h 55m
P75	3h 25m
P90	52h 29m

d. Document Appraisal to Document Satisfied / Lon Room Release

Time Taken	Percentage of Documents	Cumulative Percentage
<1 hour	75.43	75.43
1 – 2 hours	13.69	89.12
2 – 3 hours	4.11	93.23
3 – 4 hours	2.16	95.39
4 – 8 hours	0.94	96.33
>8 hours	3.67	100.00

Percentile	Time Taken
P50	0h 26m
P75	0h 58m
P90	2h 9m

e. Document Satisfied / Long Room Release to Examination Appointment

Time Taken	Percentage of Documents	Cumulative Percentage
<2 hour	16.71	16.71
2 – 6 hours	6.93	23.65
6 – 12 hours	0.00	23.65
12 – 24 hours	39.41	63.06
24 – 48 hours	11.40	74.45
48 – 72 hours	11.68	86.13
>72 hours	13.87	100.00

Percentile	Time Taken
P50	21h 11m
P75	48h 48m
P90	90h 4m

d. Examination Appointment to Examination Appraisal

Time Taken	Percentage of Documents	Cumulative Percentage
<1 hour	10.68	10.68
1 – 2 hours	17.89	28.57
2 – 3 hours	12.17	40.75
3 – 4 hours	9.69	50.43
4 – 8 hours	12.17	62.61
8 – 12 hours	0.12	62.73
12 – 24 hours	13.17	75.90
>24 hours	24.10	100.00

Percentile	Time Taken
P50	3h 56m
P75	23h 48m
P90	48h 37m

e. Examination Appraisal to Examination Satisfied

Time Taken	Percentage of Documents	Cumulative Percentage
<1 hour	89.70	89.70
1 – 2 hours	5.75	95.45
2 – 3 hours	1.20	96.65
3 – 6 hours	0.84	97.49
>6 hours	2.51	100.00

Percentile	Time Taken
P50	0h 13m
P75	0h 27m
P90	1h 1m

f. Examination Satisfied to Validate

Time Taken	Percentage of Documents	Cumulative Percentage
<1 hour	92.53	92.53
1 – 2 hours	2.31	94.84
2 – 3 hours	0.87	95.71
3 – 4 hours	0.77	96.48
4 – 6 hours	0.58	97.06
>6 hours	2.94	100.00

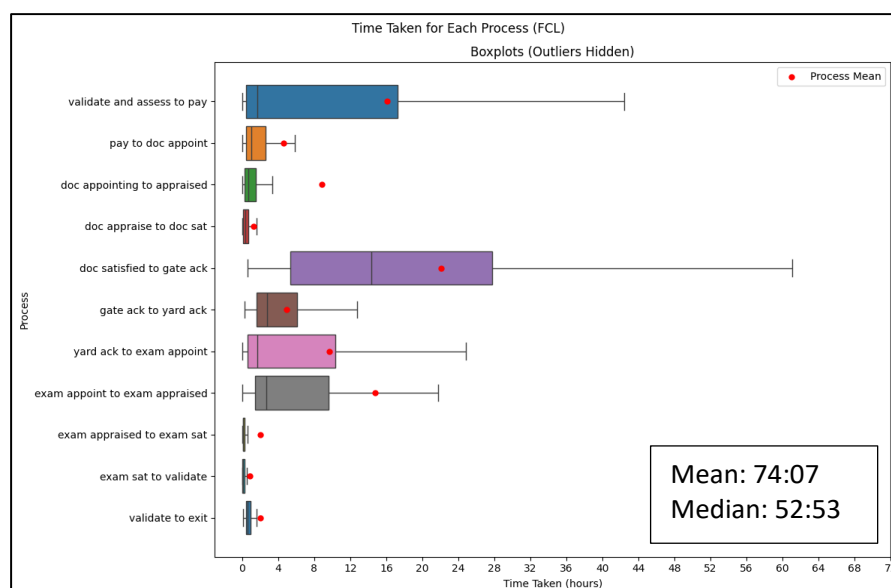
Percentile	Time Taken
P50	0h 4m
P75	0h 10m
P90	0h 37m

g. Validate to Exit

Time Taken	Percentage of Documents	Cumulative Percentage
<1 hour	17.66	17.66
1 – 2 hours	33.84	51.50
2 – 3 hours	18.66	70.17
3 – 6 hours	12.27	82.43
6 – 12 hours	1.81	84.25
12 – 24 hours	9.88	94.13
>24 hours	5.87	100.00

Percentile	Time Taken
P50	1h 56m
P75	3h 31m
P90	20h 54m

6. FCL Process - Detail Stage wise analysis



a. Validate and Assess to Payment

Time Taken	Percentage of Documents	Cumulative Percentage
<1 hour	39.96	39.96
1 – 3 hours	20.66	60.62
3 – 6 hours	7.27	67.89
6 – 12 hours	2.24	70.13
12 – 18 hours	6.27	76.40
18 – 24 hours	10.85	87.25
24 – 48 hours	4.18	91.43
>48 hours	8.57	100.00

Percentile	Time Taken
P50	1h 39m
P75	17h 16m
P90	38h 46m

b. Payment to Document Appointing

Time Taken	Percentage of Documents	Cumulative Percentage
<1 hour	48.43	48.43
1 – 2 hours	20.51	68.94
2 – 3 hours	8.83	77.77
3 – 4 hours	4.72	82.50
4 – 6 hours	2.95	85.45
6 – 12 hours	0.88	86.33
12 – 18 hours	6.52	92.85
18 – 24 hours	4.61	97.46
>24 hours	2.54	100.00

Percentile	Time Taken
P50	1h 2m
P75	2h 36m
P90	17h 3m

c. Document Appointing to Document Appraisal

Time Taken	Percentage of Documents	Cumulative Percentage
<1 hour	62.11	62.11
1 – 2 hours	18.43	80.53
2 – 3 hours	6.45	86.99
3 – 4 hours	2.24	89.23
4 – 6 hours	2.37	91.60
6 – 12 hours	0.59	92.19
12 – 24 hours	2.21	94.40
>24 hours	5.60	100.00

Percentile	Time Taken
P50	0h 41m
P75	1h 30m
P90	4h 25m

d. Document Appraisal to Document Satisfied / Long Room Release

Time Taken	Percentage of Documents	Cumulative Percentage
<1 hour	82.36	82.36
1 – 2 hours	10.48	92.84
2 – 3 hours	3.48	96.31
3 – 4 hours	1.22	97.53
4 – 8 hours	0.72	98.25
>8 hours	1.75	100.00

Percentile	Time Taken
P50	0h 19m
P75	0h 43m
P90	1h 36m



e. Document Satisfied / Long Room Release to Gate Acknowledgement

Time Taken	Percentage of Documents	Cumulative Percentage
<3 hours	6.68	6.68
3 – 6 hours	23.75	30.43
6 – 12 hours	18.13	48.56
12 – 24 hours	17.47	66.04
24 – 48 hours	23.78	89.81
>48 hours	10.19	100.00

Percentile	Time Taken
P50	14h 18m
P75	27h 45m
P90	48h 21m

f. Gate Acknowledgement to Yard Acknowledgement

Time Taken	Percentage of Documents	Cumulative Percentage
<1 hour	9.21	9.21
1 – 2 hours	25.62	34.82
2 – 4 hours	28.77	63.60
4 – 6 hours	11.07	74.67
6 – 12 hours	16.38	91.05
12 – 24 hours	7.89	98.94
>24 hours	1.06	100.00

Percentile	Time Taken
P50	2h 45m
P75	6h 3m
P90	11h 33m

g. Yard Acknowledgement to Examination Appointing

Time Taken	Percentage of Documents	Cumulative Percentage
<1 hour	38.22	38.22
1 – 2 hours	15.30	53.53
2 – 4 hours	9.62	63.15
4 – 8 hours	6.91	70.06
8 – 12 hours	9.77	79.83
12 – 24 hours	10.29	90.12
>24 hours	9.88	100.00

Percentile	Time Taken
P50	1h 38m
P75	10h 18m
P90	23h 41m

h. Examination Appointing to Examination Appraisal

Time Taken	Percentage of Documents	Cumulative Percentage
<1 hour	12.40	12.40
1 – 2 hours	25.32	37.72
2 – 3 hours	15.44	53.16
3 – 6 hours	13.90	67.06
6 – 12 hours	11.84	78.90
12 – 24 hours	4.86	83.76
24 – 48 hours	8.17	91.93
>48 hours	8.07	100.00

Percentile	Time Taken
P50	2h 39m
P75	9h 35m
P90	33h 54m

i. Examination Appraisal to Examination Satisfied

Time Taken	Percentage of Documents	Cumulative Percentage
<1 hour	94.63	94.63
1 – 2 hours	2.92	97.55
2 – 3 hours	0.39	97.94
3 – 6 hours	0.53	98.47
>6 hours	1.53	100.00

Percentile	Time Taken
P50	0h 7m
P75	0h 17m
P90	0h 37m

j. Examination Satisfied to Validate

Time Taken	Percentage of Documents	Cumulative Percentage
<1 hour	93.99	93.99
1 – 2 hours	3.12	97.11
2 – 3 hours	0.80	97.91
3 – 4 hours	0.51	98.42
4 – 6 hours	0.42	98.84
>6 hours	1.16	100.00

Percentile	Time Taken
P50	0h 5m
P75	0h 13m
P90	0h 34m

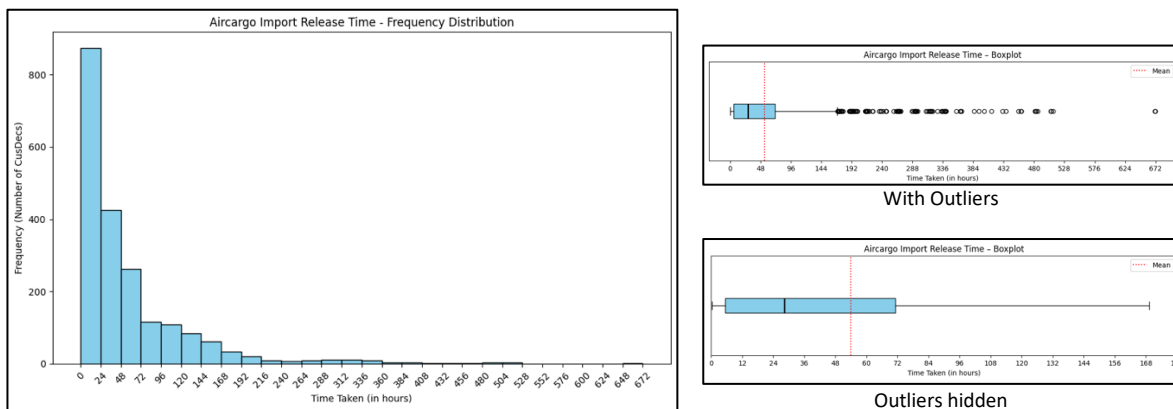
h. Validate to Exit

Time Taken	Percentage of Documents	Cumulative Percentage
<1 hour	78.96	78.96
1 – 2 hours	10.46	89.42
2 – 3 hours	2.49	91.91
3 – 6 hours	3.04	94.95
6 – 12 hours	1.53	96.48
12 – 24 hours	1.80	98.29
>24 hours	1.71	100.00

Percentile	Time Taken
P50	0h 33m
P75	0h 53m
P90	2h 8m

Air Cargo Imports – Katunayake Bandaranaike International Airport

1. Air Cargo - Full Range (All 2067 UIDs)



Air Cargo Import Release Times (Full process)

Time Taken	Percentage of Documents	Cumulative Percentage
<2 hours	13.45	13.45
2–6 hours	13.98	27.43
6–12 hours	7.89	35.32
12–24 hours	6.97	42.28
24–48 hours	20.61	62.89
48–72 hours	12.72	75.62
72–96 hours	5.61	81.23
>96 hours	18.77	100.00

Percentile	Time Taken
P50	28h 11m
P75	71h 6m
P90	141h 21m

Sri Lanka Customs
Policy, Planning & Research Directorate
No 40, Main Street,
Colombo 11, Sri Lanka.
www.customs.gov.lk