



الجمهورية الأردنية

# Jordan Customs

## Annual Report 2010

The Year of Advanced  
Technology and Streamlining  
Procedures



His Majesty King Abdullah II Bin Al-Hussein (May Allah protect him)



His Royal Highness Crown Prince Hussein Bin Abdullah II



# Annual Report

2010

Prepared By: Planning &  
Organization Directorate



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## **Foreword of His Excellency the Director General**

Jordan Customs Department is a line department of the Ministry of Finance in supporting the Jordanian economy. Customs Department has been developed according to an escalating vision open to distinguished global Customs systems. This is clearly evident through adopting advanced technologies scientifically and practically employed with pioneering customs experience and expertise.



The Customs Department participates in protecting the Jordanian economy and promoting investments through providing high quality services and applying distinguished projects. By this approach, a unique development process coping with global developments in facilitating and monitoring the trade exchange and fighting illegal commercial activities is drawn.

In order to maintain economic and social security, the customs department is an important part of the security bodies under the support of his Majesty King Abdullah II Bin Al-Hussein, may God protect him. The customs department spares no efforts so as to play a unique role in this domain. That role is being noticed by all parties as the department has become an exemplary model at the regional level.

Within the context of its ambitious (2008-2010) strategic plan, the Customs department launched a 2010 logo which was "The year of advanced technology and streamlining procedures" to continue its incessant development and improvement approach in its human, technical and financial abilities. Accordingly, Customs Department's excellence was and is still a part of an ambitious strategy open to quality developments which is reflected in its next aspired Strategic Plan 2011-2013. In a continuation of this approach, a new 2011 theme has also been launched "**E-services ...our pathway to Excellence**".

Finally, I cordially would like to express my deep appreciation and thanks for all Jordan Customs staff at every post for their dedication and continuous giving in serving the country by following the determination and motivation of our beloved king Abdullah II bin Al-Hussein, may God protect him and guide his steps to the path of goodness.

**Customs Major General  
Ghalib Qasem Al-Sarayeh  
Director General**

# **Chapter 1**

## **Organization of Jordan Customs**



## **Establishment and Development of Jordan Customs**

The early twenties of the last century witnessed the establishment of Trans-Jordan Emirate. Due to the location of the Emirate at the heart of the Arab World as well as its strategic importance at both the regional and international levels, there was a necessity to establish a governmental agency to control the movement of goods and commodities on both imported and transit goods. Therefore, the first Customs Administration was officially inaugurated in 1921 and was known as Directorate of General Excise and Statistics. This Directorate was administratively related to the Council of Advisors, currently (the Prime Ministry). It took up the task of statistics and inspection as well as collecting revenues on imported goods. Jordan Customs is now headed by a Director General related directly to the Finance Minister.

Nineteen Director Generals have alternated the post since the establishment of the Department. As for legislations, the first law that regulated the customs work was issued in 1926 and was known as the Customs and Excise Law. It was amended several times to cope up with ongoing developments at both the national and the international levels until the Law No.(1) for 1962 was issued, which went into effect until it was replaced by the Temporary Customs Law No. (16) for 1983. In order to cope up with developments that the Kingdom was going through, a new Customs Law No.( 20 ) for 1998 was issued to replace the Temporary Customs Law.

Since the establishment of the customs department, a number of Customs houses have been established. This number has increased along with the big increase in trade movement. Now the number of major and minor customs houses mounts to 32. These customs houses can be classified into three main categories (Clearance Centers, Border Centers, and Post Office Centers) in addition to two Customs laboratories in Amman and Aqaba.

The long historical legacy of Jordan Customs and developments witnessed in the Kingdom in various social, technological and economic fields made Jordan Customs an important part of an interconnected system that works in accordance with the state's public policy in order to achieve all of the Royal initiatives seeking to promote and support the homeland.

Jordan Customs Department's functions are expanding to effectively support the national economy, promote investments, facilitate trade exchange, combat smuggling and protect environment and local society from hazardous materials, and to monitor passengers and goods movement and means of transport passing through the kingdom by adopting the best advanced technology.

As a result of applying this approach, Jordan Customs is now among the most worldwide developed Customs departments in providing high-quality customs services exceeding service recipients' needs.

The names of the successive Director Generals of Jordan Customs are as follows:

**Names of the successive Director Generals of Jordan Customs since its establishment:**

No	Name	Job title	Period
1.	Abdussalam Kamal.	Director of Excise, Production and General Statistics.	1/10/1922 until 6/1/1926
2.	H.A. Turner.	Director of Customs and Excise.	
3.	B.Livingstone.	Director of Customs, Industry and Commerce.	
4.	Fawaz Al-Rossan.	Director of Customs, Industry and Commerce.	13/9/1948 until 1/3/1951
5.	Zahaa Al-Deen Al-Hmood.	Under Secretary of State for Commerce.	1/3/1951 until 11/7/1951
6.	Mohammad Odeh Al-Quraan.	Under Secretary of State for Finance/Customs.	11/7/1951 until 1/6/1962
7.	Saed Al-Dorra.	Under Secretary of State for Finance/Customs.	1/7/1962 until 6/6/1965
8.	Ali Al-Hassan.	Under Secretary of State for Commerce/Customs.	6/6/1965 until 1/2/1971
9.	Mamdouh Al-Saraira.	Under Secretary of State for Commerce/Customs.	1/2/1971 until 1/2/1975
10.	Yassin Al-kayed.	Under Secretary of State for Commerce/Customs.	1/2/1975 until 9/5/1982
11.	Adel Al-Qoda.	Customs Director General.	9/5/1982 until 9/6/1990
12.	Dr. Mahdi Al-Farhan.	Customs Director General.	9/6/1990 until 1/11/1991
13.	Mohammad Ahmad Al-Jamal.	Customs Director General.	1/11/1991 until 16/5/1994
14.	Nazmi Al-Abdullah.	Customs Director General.	16/5/1994 until 7/11/1999
15.	Dr. Khalid Al-Wazani.	Customs Director General.	7/11/1999 until 19/6/2001
16.	Mahmoud Qutieshat.	Customs Director General.	19/6/2001 until 1/6/2005
17.	Alaa.A.Batayneh	Customs Director General.	1/6/2005 until 10/5/2007
18.	Mut'eb Wsaiwes Al-Zaben	Customs Director General.	11/5/2007 until 21/10/2008
19.	Ghalib Qasim Al-Sarayreh	Customs Director General.	22/10/2008- up to date

## **Our Vision**

"To be among the pioneers of the world in providing high quality Customs services to all stakeholders"

## **Our Mission**

“Providing an excellent customs service that fulfills the requirements of comprehensive development and copes up with the developments at the national and international levels.”

## **Our Strategic Objectives:**

- 1. Facilitating the Movement of Passengers and Goods**
- 2. Combating Illegal Commercial Activities.**
- 3. Developing the Structure, Infrastructure and Overall Performance of Jordan Customs.**

## **Our Values**

"Customs service in Jordan is based on deep-rootedness, excellence and pride" and its values (enlisted below) depict the loyalty and patriotism of Customs officers:

**Integrity:** knowing what is good and what is bad as well as what is allowed and what is forbidden besides behaving in away that upholds the reputation of the department.

**Professionalism:** Performing the job efficiently, accurately and effectively.

**Discipline and accountability:** Every employee should perform her/his duties and be responsible for them.

**Innovation and Learning:** The ability to come up with new ideas to do the work and to familiarize all of the employees with them.

**Justice:** Behaving in a civilized manner and treating all customers fairly so that our decisions will be balanced, reasonable and impartial.

**Focusing on results and customers:** Final results must be our drive to do the work. We must perform our duties in a professional and high standard manner under fair competitiveness.

**Pride:** We believe in our mission and we are proud of our department's deep-rootedness- besides, we are willing to spare no effort so as to maintain that.

**Culture of Excellence:** We always endeavor to root the culture of excellence in our performance at the national, regional and international levels.

**A Learning department:** We shall endeavor to make the Customs Department a permanent-learning department that applies successful knowledge management strategies.

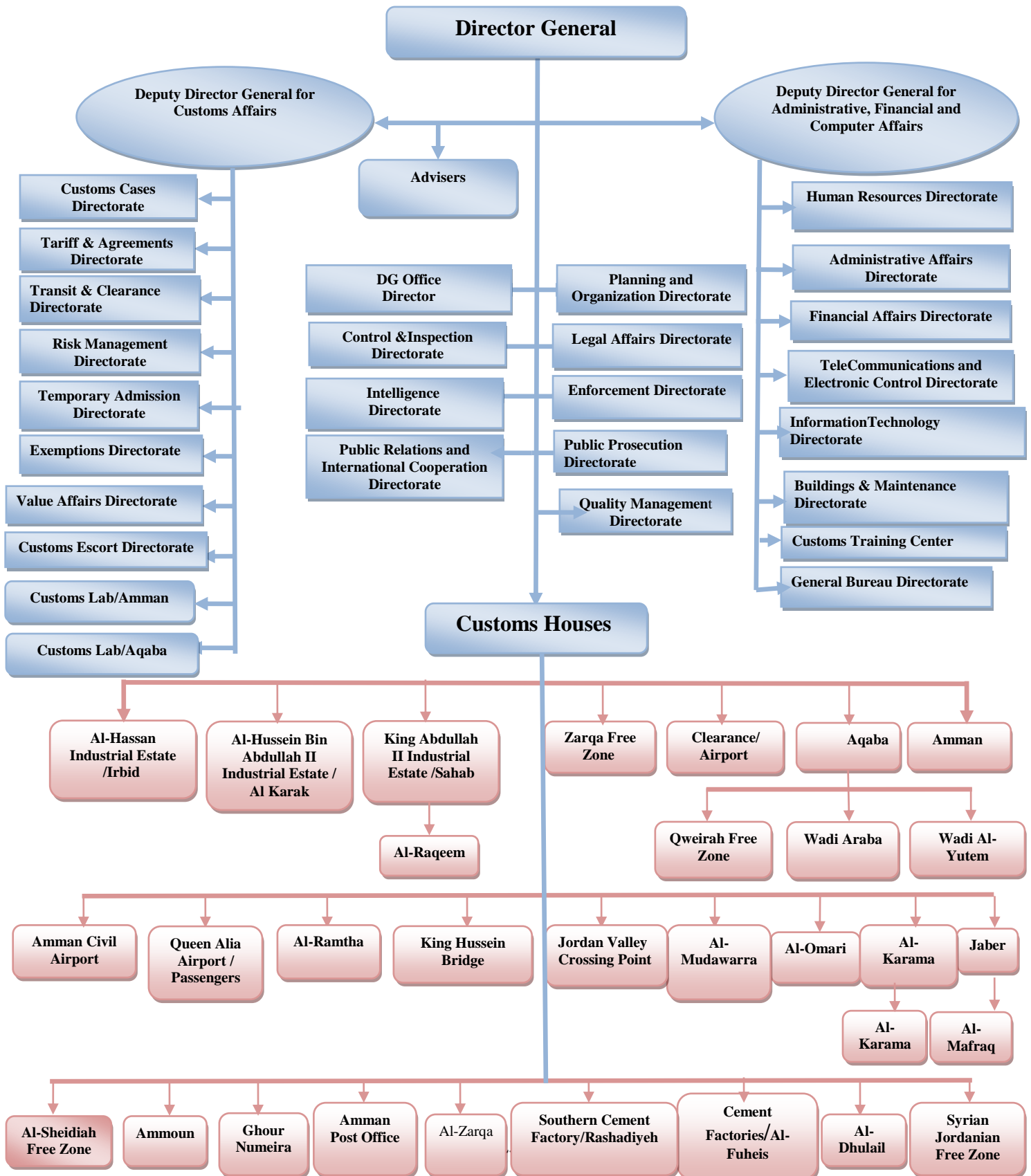
## Organizational Structure

The customs department works under the Administrative Regulation System (43) for the year 2000. The department is headed by a Director General related to the Finance Minister. The Director General has two deputies; the first is for Customs affairs, while the second is for administrative, financial and computer affairs. Mission and vision of the Customs Department, strategic objectives and organizational structure were all highlighted. Nature and requirements of the work required some amendments to the system in accordance with decisions issued by the Finance Minister and they were published in the Official Gazette with the aim of coping up with international, regional and local developments.

Jordan customs is constantly striving to develop work process and streamline procedures and in line with the government orientation towards restructuring of government departments to serve work interests, a proposed organizational structure was prepared. A Draft for the Administrative Regulation System No (43) for 2000 was also prepared to include several amendments because of the following reasons:

- The current nature of Jordan Customs work and the expansion of its tasks.
- Notes contained in the experts reports of MCC and the twinning project with the Italian Customs.
- Coping with developments on WCO Strategies.
- Increasing the efficiency of direct supervision and active follow-up, and identifying responsibilities concerning the administrative liaison of the administrative units of Jordan Customs.
- Creating similar organizational structures for both clearance and border customs houses.
- The best exploitation and distribution of employment according to organizational structures that enhance performance level.
- Making several amendments to Jordan Customs Administrative Structure since the administrative organizational statute (43) for 2000 was issued until the end of 2010.

# Organizational Structure of Jordan Customs



# **Chapter 2**

## **Human Resources**

## Human Resources:

The Customs Department is characterized by its continued interest in the field of human resources development and increasing performance to the maximum degrees of excellence and innovation in order to empower its human cadres and to provide an appropriate work environment through sending employees to specialized training courses, enhancing incentives and rewards systems and delegating authorities which are all reflected in the quality of the services rendered.

The Customs Department is studying the regulatory status of its human resources and their needs annually which enhance the institutional capacity.

### 1. Layout of human powers in the Customs Department.

#### Distribution of staff according to Gender for the years 2009-2010

Gender	2009	2010
Male	2822	2835
Female	162	160
<b>Total</b>	<b>2984</b>	<b>2995</b>

#### Distribution of staff according to the type of recruitment for 2008-2009

Type of Recruitment	٢٠٠٩	٢٠١٠
Permanent posts	2241	2553
Contracts	471	153
Daily wages	2	2
Customs Security Agreement	270	287
<b>Total</b>	<b>2984</b>	<b>2995</b>

#### 2010 Distribution of staff according to the customs ranks

<b>Rank</b>	Major General	Brigadier General	Colonel	Lieutenant Colonel	Major	Captain	1 <sup>st</sup> Lieutenant	Lieutenant
<b>Total</b>	<b>1</b>	<b>13</b>	<b>115</b>	<b>125</b>	<b>243</b>	<b>283</b>	<b>236</b>	<b>180</b>
<b>Rank</b>	staff warrant officer	warrant officer	staff sergeant	Sergeant	Corporal	Customs 1 <sup>st</sup> policeman	Customs policeman	
<b>Total</b>	<b>74</b>	<b>341</b>	<b>212</b>	<b>238</b>	<b>101</b>	<b>111</b>	<b>280</b>	

**Distribution of employees according to their qualifications for 2009-2010**

Qualifications	٢٠٠٩			٢٠١٠		
	Male	Female	Total	Male	Female	Total
PH.D	8	0	٨	11	0	11
Masters	124	7	١٣١	124	7	131
High Diploma	14	0	١٤	14	0	14
Bachelors	840	63	٩٠٣	881	73	954
Comprehensive Diploma	260	37	٢٩٧	261	33	294
Diploma (without the comprehensive certificate exam)	2	12	١٤	16	2	18
General Secondary Certificate	604	44	٦٤٨	571	38	609
Less than General Secondary Certificate	960	9	٩٦٩	957	7	964
<b>Total</b>	<b>2822</b>	<b>162</b>	<b>2984</b>	<b>3835</b>	<b>160</b>	<b>2995</b>

**Distribution of staff by age groups for 2009-2010**

Age	٢٠٠٩	٢٠١٠
Less than 20	5	1
21-25	219	155
26-30	508	531
31-35	392	401
36-40	469	427
41-45	623	633
46-50	529	571
51-55	171	209
More than 56	68	67
<b>Total</b>	<b>2984</b>	<b>2995</b>

**2. Institutional Abilities and Human Resources Development:**

During the year 2010, the customs department achieved a lot of results which strengthened institutional abilities and human resources through providing training and material and moral incentives to the employees:

❖ **Training:**

The customs department prepared a training plan based on the staff actual training needs by the Customs Training Centre. The activities of 2010 plan were all carried out. The plan was characterized by flexibility and ability to include specialized training programs dedicated to the customs officers, while other training programs were planned for Clearance Companies staff and employees of the public and private sectors in addition to conducting many regional training courses.



Various training programs were held during 2010 as an example but not limited to: awareness training courses on Customs Officers Regulations, Code of Conduct and Public Job Ethics, internal and regional workshops on integrity and combating corruption for the purposes of instilling the department's values and uniform concepts. HE Chairman of the Joint Chiefs of Staff had been addressed to agree to conduct discipline and physical fitness training courses for Customs employees. These training courses were held on several batches at the Special Operations School, which included (54) employees.

#### **Training programs for the years 2009 - 2010**

<b>Subject</b>	<b>٢٠٠٩</b>	<b>٢٠١٠</b>
<b>Number of Training Courses</b>	٢٢٠	٢٥٠
<b>Number of Participants</b>	٣٠١٩	٣٠١٧

The 2010 training plan included several administrative courses and specialized customs courses including technical courses in the field of computer and electronic systems as well as training courses which were planned to the Clearance Sector and other courses.

#### **Customs Procedures Training Courses planned for the clearance sector for 2010.**

<b>Subject</b>	<b>Number of Hours</b>	<b>Number of participants</b>
Branch managers training courses	١١٤	٩٠
Basic trainees training courses	٥٠	٢٠
<b>Total</b>	<b>١٦٤</b>	<b>١١٠</b>

#### **Regional courses during 2010**

<b>Name of Training course</b>	<b>Number of participants</b>
The role of customs in protecting intellectual property rights	٢٤
Piracy and trademark infringement	٢٣
Integrity and Combating corruption	٢٧
<b>Total</b>	<b>٧٤</b>

#### **❖ Incentives:**

The customs department continuously motivates its employees through offering them several materialistic and moral incentives which increase the percentage of the satisfaction of staff. This reflects a positive impact on enhancing the efficiency of the work and increasing performance. These incentives include for example: scholarships for teaching sons of workers and retirees, Hajj and Umrah and employee recognition letters as well as sending staff to internal and external training courses. The following table shows the statistics of incentives during 2010:

<b>The Subject of Motivation</b>	<b>NO</b>
<b>Scholarships for teaching children of staff and retirees.</b>	٦٥
<b>Hajj and Umrah</b>	٦٨
<b>Employee Recognition Letters</b>	١٤
<b>Participants of internal representation</b>	١٤٤
<b>Participants of external representation</b>	١٥٢

# **Chapter 3**

## **Customs Revenues**

## First: Customs Revenues and Imports.

### 1. Imports:

The value of 2010 imports amounted to around (8419) million dinars with an increase by (1116) million dinars more than 2009 imports which were around (7303) million dinars, with the exception of crude oil imports. There was an increase in the volume of imports by (15.28%) according to (IM4) imports for consumption declarations registered on ASYCUDA World System at the customs houses, as shown in the following table:

Month	٢٠٠٩ Imports (Million dinars)	٢٠١٠ Imports Million dinars	Amount of change ( Million dinars)	Change Rate
January	534.56	707.66	173.11	32.38
February	512.99	528.65	15.66	3.05
March	589.22	679.01	89.78	15.24
April	588.03	868.95	280.92	47.77
May	651.30	674.10	22.80	3.50
June	598.27	849.93	251.66	42.07
July	643.16	763.64	120.48	18.73
August	688.81	666.03	-22.78	-3.31
September	591.34	632.90	41.55	7.03
October	642.70	776.13	133.43	20.76
November	595.71	567.65	-28.06	-4.71
December	667.06	704.19	37.12	5.57
<b>Total</b>	<b>7303.15</b>	<b>8418.82</b>	<b>1115.67</b>	<b>15.28</b>

### 2. Customs Revenues:

The 2010 customs revenues amounted to (1264) million JDs compared with the customs revenues for the same period of time in 2009 which was (1216) million dinars. It was clear that there was an increase in the customs revenues by (48) million dinars with a growth rate of (3.93%), distributed by type as follows:

Customs Revenues	٢٠٠٩		٢٠١٠		Value of Change	Change Rate
	Value (million JDs)	Relative Importance %	Value (million JDs)	Relative Importance %		
Customs Duties	261.89	21.54%	272.92	21.60%	11.03	4.21%
Sales Tax	777.99	63.98%	810.43	64.13%	32.44	4.17%
Other Departments Fees	92.47	7.61%	96.12	7.61%	3.65	3.95%
Customs Deposits	50.17	4.13%	49.69	3.93%	-0.48	-0.95%
Ministry of Finance Deposits	20.50	1.69%	21.84	1.73%	1.34	6.52%
Fines and Confiscations	12.49	1.03%	12.52	0.99%	0.04	0.31%
Drawback Deposits	0.41	0.03%	0.22	0.02%	-0.19	-45.82%
<b>Total</b>	<b>1215.92</b>	<b>100.00%</b>	<b>1263.75</b>	<b>100.00%</b>	<b>47.83</b>	<b>3.93%</b>

The Customs duties include in addition to the tariff duty, Customs houses and E-Tracking services allowance and other miscellaneous charges and fees.

### Second: General Sales Tax

The 2010 revenue from Sales tax on imports amounted to around (810) million JDs (according to the date of financial receipts) compared with what was collected during 2009 which amounted to (778) million JDs with an increase by (32) million JDs. The main reason for this was the increased collection of Sales tax from petroleum derivatives

### Third: Vehicles

Description	٢٠٠٩		٢٠١٠	
	Number	Value (Million Dinars)	Number	Value (Million Dinars)
Hybrid Vehicles	٥٣٥٠	١١٥,٩	٦٣٦٠	١٢٥,٢
New Vehicles Subject to Customs Duties and Sales Tax	٨٦٤٠	٩٤,٠	٧٨٧٩	٨١,٧
New Vehicles and Second Hand Vehicles Subject to Customs Duties and Sales Tax	٥٥٣٢٦	٢٧٣,٣	٥٠٣٩٩	٢٣٣,١
<b>Total</b>	<b>٦٩٣١٦</b>	<b>٤٨٦,٦</b>	<b>٦٤٦٣٨</b>	<b>٤٤٠,٠</b>

The above table shows Kingdom's imports of Saloon vehicles subject to Customs duties and Sales tax, including hybrid vehicles. It was noticed that the number of cars cleared in 2010 decreased compared with 2009 due to increased numbers of hybrid vehicles cleared at the beginning of 2010. However, a decision was issued in 1/3/2010 so as to impose a Special tax on hybrid vehicles by 55% which reduced the demand for clearing such vehicles.

The following table shows Customs revenues of all types of duties and fines and other taxes according to customs houses by million dinars.

Customs House Name	Sales Tax	Customs Duties	Other Departments Charges & Fees	Customs Deposits	Ministry of Finance Deposits	Fines & Confiscations	Drawback Deposits	Gross amounts
Amman Customs House	237.19	78.92	13.78	5.84	6.80	1.98	0.03	344.55
Aqaba Customs House	218.84	91.15	15.81	5.75	4.90	1.06	0.00	337.51
Al-Zarqa Free Zone Customs House/ Vehicles	207.06	9.76	10.05	2.21	0.01	0.78	0.00	229.86
Airport Customs House/ Clearance	52.47	20.08	6.66	3.32	6.09	0.79	0.00	89.42
Public Warehouses Section	24.23	19.69	1.44	0.55	0.16	0.11	0.02	46.19
Zarqa Free Zone Customs House/ Goods	21.76	19.20	2.05	0.86	0.75	0.27	0.00	44.89
King Abdullah II Bin Al-Hussein Industrial Estate Customs House/Sahab	19.68	10.06	1.72	0.99	0.49	0.12	0.17	33.23
Jaber Customs House	2.50	6.08	16.56	6.78	0.00	0.73	0.00	32.66
Al-Omari Customs House	7.28	4.76	15.12	14.85	0.01	1.14	0.00	43.16
Financial Affairs Directorate	7.38	4.53	0.61	1.83	1.99	2.71	0.00	19.06
Al-Karamah Customs House	0.04	0.15	6.30	0.69	0.04	0.17	0.00	7.40
Jordanian - Syrian Free Zone Customs House	6.27	0.11	1.30	0.71	0.17	0.05	0.00	8.60
Al-Ramtha Customs House	0.55	1.94	0.29	0.86	0.00	0.37	0.00	4.02
Al-Qweirah Customs House	0.84	1.75	0.06	0.08	0.03	0.00	0.00	2.75
King Hussein Bridge Customs House	1.74	0.50	0.36	0.19	0.02	0.05	0.00	2.86
Enforcement Directorate	0.12	0.17	0.04	0.63	0.00	1.39	0.00	2.34
Mafraq Customs House	0.61	1.25	0.07	0.03	0.27	0.00	0.00	2.23
Customs Cases Directorate	0.00	0.10	1.20	0.38	0.00	0.18	0.00	1.86
Jordan Valley Crossing Point Customs House	0.20	1.07	0.87	0.64	0.08	0.05	0.00	2.91
Al-Mudawarra Customs House	0.03	0.94	1.03	0.99	0.00	0.12	0.00	3.13
Al-Hussein Bin Abdullah II Industrial Estate Customs House/Karak	0.68	0.02	0.13	0.10	0.00	0.01	0.00	0.94
Amman Post Office Customs House	0.30	0.21	0.06	0.04	0.02	0.03	0.00	0.64
Al-Hassan Industrial Estate Customs House/Irbid	0.15	0.03	0.18	0.30	0.01	0.02	0.00	0.69
Airport Customs House/Passengers	0.18	0.17	0.05	0.29	0.00	0.08	0.00	0.76
Al-Dhulail Customs House	0.04	0.02	0.11	0.28	0.00	0.07	0.00	0.52
Wadi Al-Youtem Crossing Point Customs House	0.16	0.18	0.02	0.24	0.00	0.15	0.00	0.75

Al-Raqem Customs House	0.02	0.01	0.11	0.21	0.00	0.07	0.00	0.41
Al-Sheediya Customs House	0.00	0.00	0.07	0.01	0.00	0.00	0.00	0.07
Ghour Numairah Customs House	0.05	0.00	0.05	0.01	0.00	0.00	0.00	0.11
Wadi Araba	0.04	0.04	0.00	0.03	0.00	0.02	0.00	0.13
Ammon Customs House	0.01	0.01	0.01	0.02	0.00	0.01	0.00	0.05
Amman Civil Airport Customs House	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.03
Al-Zarqa Customs House	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.03
<b>Total</b>	<b>810.43</b>	<b>272.92</b>	<b>96.12</b>	<b>49.69</b>	<b>21.84</b>	<b>12.52</b>	<b>0.22</b>	<b>1,263.75</b>

The following table shows 2010 Gross amounts of Customs deposits compared with 2009 (by million dinars).

Customs Deposits	٢٠٠٩		٢٠١٠		Amount of Change	Growth Rate
	Amount	Percentage	Amount	Percentage		
Services Allowances	٣٠,٠٠	59.89%	٣٠,٤٢	% ٦١,٢٢	٠,٣٧	% ١,٢٦
Other Allowances	١٥,٥٤	30.99%	١٤,64	% ٢٩,٤٦	-0.90	% ٥,٨٣-
Rewards Deposits	4.58	% ٩,١٢	4.63	% ٩,٣٢	0.05	% ١,١٧
<b>Total</b>	<b>49.69</b>	<b>%100.00</b>	<b>49.69</b>	<b>%100.00</b>	<b>-0.48</b>	<b>% 0.95</b>

The following table shows other departments' Charges and Fees Collections in 2010 (except for Sales tax) compared with 2009 (million Dinars)

Other Departments' Fees	٢٠٠٩		٢٠١٠		Amount of Change	Change Rate
	Amount	Percentage	Amount	Percentage		
Pre-payment of 2% for Income tax	31.794	34.38%	٣٨,١٩ 4	39.74%	6.400	20.13%
Traffic Service fees and Customs escort duties	34.063	36.84%	٢٩,٠٩ 5	30.27%	-4.968	-14.58%
Stamps' fees	16.268	17.59%	١٦,٤٧ ٢	17.14%	0.204	1.25%
X-Ray Scanning fees	4.084	4.42%	٥,٣١٢	5.53%	1.228	30.07%
Overloading Fines	2.531	2.74%	٢,١٤٢	2.23%	-0.389	-15.37%
Agricultural, Veterinary Services and Animal Health Service Allowances	1.078	1.16%	١,٤٣4	1.49%	0.356	33.02%
Traffic Department's Fees	1.287	1.39%	١,٣١6	1.37%	0.029	2.25%
Export duties on Waste and Scrap Paper	0.167	0.18%	١,٣٠5	1.36%	1.138	681.44%
Allowance for excess quantities of diesel	0.988	1.07%	0.677	0.70%	-0.311	-31.48%
Agricultural Quarantines Fees	0.143	0.15%	0.136	0.14%	-0.007	-4.90%
Export duty on Iron, Aluminum and Copper Scrap	0.000	0.00%	0.028	0.03%	0.028	-----
Satellite Receivers' Fees	0.000	0.00%	0.007	0.00%	0.007	-----
Livestock Census Tax	0.067	0.07%	0.003	0.00%	-0.064	-95.52%
Social Affairs Fees	0.002	0.00%	0.000	0.00%	-0.002	-----
<b>Total</b>	<b>92.472</b>	<b>100.00%</b>	<b>96.121</b>	<b>100.00%</b>	<b>3.649</b>	<b>100.00%</b>

The table below shows collection of Ministry of Finance deposits in 2010, compared with 2009 (by million JDs)

Ministry of Finance Deposits	2009		2010		Amount of Change	Growth Rate
	Amount	Percentage	Amount	Percentage		
Customs Insurances	14.686	71.65%	16.169	74.05%	1.483	10.10%
Standards and Metrology Charges and Fees	4.886	23.84%	4.518	20.69%	-0.368	-7.53%
Inspection Fees on Consignments of Food	0.919	4.48%	1.062	4.86%	0.143	15.56%
Control Service Allowance and Wages on Scrap Imports	0.000	0.00%	0.077	0.35%	0.077	-----
Jordanian Universities Deposits	0.007	0.03%	0.006	0.03%	-0.001	-14.29%
Fuel Deposits	0.000	0.00%	0.002	0.01%	0.002	-----
Deposits for Development and Promotion of Tobacco Cultivation	0.000	0.00%	0.002	0.01%	0.002	-----
Agricultural Marketing	0.000	0.00%	0.000	0.00%	0.00	-----
Deposits for Support for some agricultural products	0.000	0.00%	0.000	0.00%	0.00	-----
<b>Total</b>	<b>20.498</b>	<b>100%</b>	<b>21.836</b>	<b>100 %</b>	<b>1.338</b>	<b>100%</b>

The table below shows a summary of the distribution of imports for registered and completed Customs transactions in 2009-2010

Distribution of imports	2009			2010		
	Uniform Tarrif Duties	Imports (million Dinars)	Percentage of imports	Uniform Tarrif Duties	Imports (million Dinars)	Percentage of imports
<b>Exempt from Customs duties by National Tariff Schedules</b>	<b>0</b>	<b>3,162.1</b>	<b>39.99%</b>	<b>•</b>	<b>٣,٦٢٣,٧</b>	<b>%٣٤,٦٤</b>
<b>Exempt from Customs duties by Free Trade Agreements</b>	<b>0</b>	<b>1,210.3</b>	<b>15.31%</b>	<b>•</b>	<b>١,٣٨٥,٩</b>	<b>%١٣,٢٥</b>
<b>Exempt from Customs duties by resolutions of the cabinet or private laws or franchise companies or parties exempt from duties</b>	<b>0</b>	<b>1,436.3</b>	<b>18.16%</b>	<b>•</b>	<b>١,٤٠٤,١</b>	<b>%١٣,٤٢</b>
<b>Petroleum and its derivatives</b>	<b>0</b>	<b>876.2</b>	<b>11.08%</b>	<b>•</b>	<b>٢,٩٥٢,٠</b>	<b>%٢٨,٢٢</b>
<b>Dutiable by National Tariff Schedules or Preferential Duties</b>	<b>244.69</b>	<b>1,222.9</b>	<b>15.46%</b>	<b>٢٤٢,٢٦</b>	<b>١,٠٩٥,٥</b>	<b>%١٠,٤٧</b>
<b>Total</b>	<b>244.69</b>	<b>7,907.8</b>	<b>100.00%</b>	<b>٢٤٢,٢٦</b>	<b>١٠,٤٦١,٢</b>	<b>100.00%</b>



Tariff Weighted Average 2010 = 2.4%  
 Tariff Weighted Average 2009 = 3.1%  
 Information Source: ASYCUDA system

The following table shows the distribution of categories of Customs Duties on imports for the period 2009 – 2010

Categories of Customs Duty	2009				2010			
	Uniform Tariff Duties	Percentage of Duties	Imports	Percentage of Imports	Uniform Tariff Duties	Percentage of Duties	Imports	Percentage of Imports
More than zero and less than or equal to % 5	6.913	2.83%	205.648	16.82%	3.311	1.37%	77,094	7.04%
More than % 5 and less than or equal to %10	9.787	4.00%	124.920	10.22%	14.70	6.00%	176,913	16.10%
More than %10 and less than or equal to %15	14.548	5.95%	108.078	8.84%	19,806	8.18%	136,208	12.43%
More than %15 and less than or equal to %20	17.733	7.25%	99.108	8.10%	07,289	23.60%	289,47	26.42%
More than %20 and less than or equal to %25	69.822	28.53%	329.678	26.96%	17.736	7.32%	78,769	7.19%
More than %25 and less than or equal to %30	94.574	38.65%	318.671	26.06%	90,131	37.20%	301,096	27.48%
More than % 30	28.396	11.60%	36.760	3.01%	27,624	11.40%	30,982	3.28%
Uniform Specific Tariff Duties	2.925	1.20%	----	----	11.713	4.83%	---	---
<b>Total</b>	244.698	100.00%	1222.863	100.00%	242,260	100.00%	1084.537	100.00%

Weighted average of Dutiable Imports 2009 =20.0%

Weighted average of Dutiable Imports 2010 =%22.1%

Information Source: ASYCUDA system

#### Fourth: Customs Cases:

Through achievement of the strategic objective related to combating illicit commercial activities, Jordan Customs detected a number of smuggling cases and customs violations. The table below shows that the number of Customs Cases seized in 2010 amounted to (65 747) compared with 2009 as the number of such cases was (63 318), with an increase by (2429) cases. **The table below shows finished Cases and value of collected fines for 2010**

Type of Case	2010	
	Number	**The collected value (million (JD))
Smuggling	11206	7,0
Violations	04491	4,6
<b>Total</b>	60747	12,1

**Customs fines above are the gross amounts actually paid during 2010 according to the financial receipts.**

# **Chapter 4**

## **Strategic Planning**

## **First: The Strategic Plan of Jordan Customs for 2008-2010**

The Customs Department is pursuing its career path in the field of strategic planning to fulfill the strategic objectives, its plans and programs. The 2010 strategic objectives were followed-up and evaluated through using performance indicators related to achievable success factors. They were summarized in three main objectives included all of the work of the Customs Department. They were:

### **1. Facilitating the movement of passengers and goods:**

Through streamlining processes, reducing the time release required to complete customs procedures related to passengers and goods, continued improvement by increasing the efficiency and capacity of the Customs department and closer coordination between Customs and concerned parties in order to facilitate passengers and goods movement, including improving performance and utilizing the latest advanced electronic systems and devices for inspection, thus enhancing the continued enforcement of simplification of customs procedures.

### **2. Combating illicit trade activities:**

In order to enhance and improve the effectiveness of control processes, the Customs Department strengthened combating commercial fraud and counterfeiting of trade marks activities through increased use of sophisticated equipments in order to detect contraband and hazardous materials, training employees in how to use those advanced devices and sending them to quality training courses on inspection. It also motivated projects initiatives related to the development of Control Support Systems.

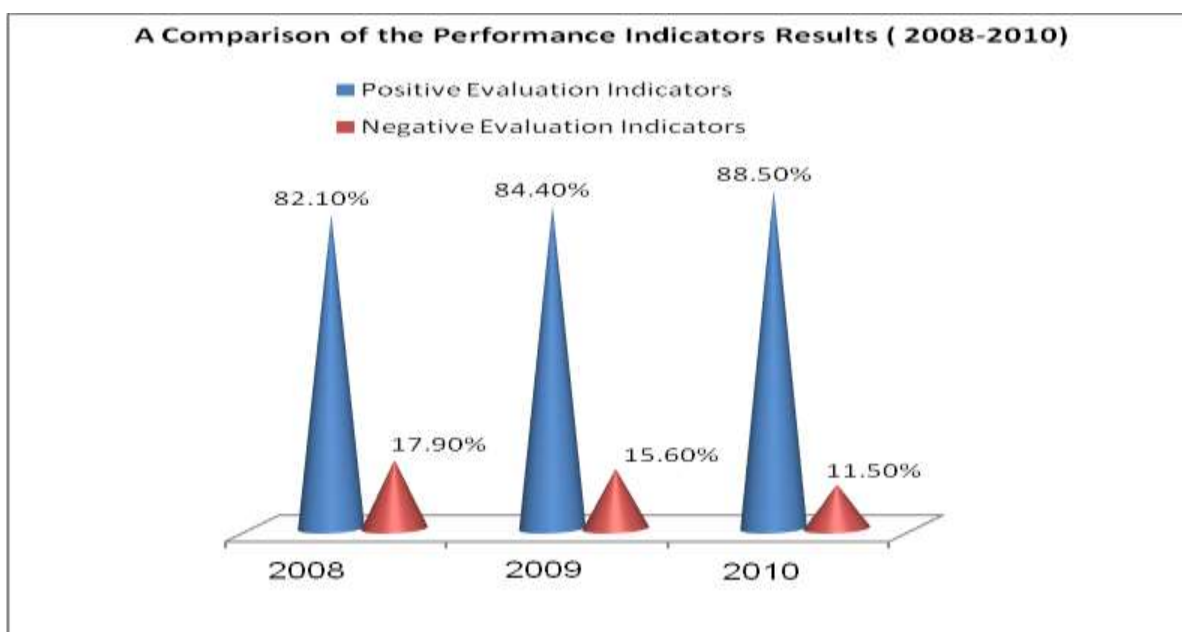
### **3. Developing the structure, infrastructure, and overall performance of Jordan Customs Department:**

The Customs Department's endeavor to improve its infrastructure has led to increasing performance, improving the quality of services rendered in accordance with international standards in the customs policies worldwide. Institutional capacity building of the Customs department, communications and publishing are the main foundations in the strategic planning because of their positive impact on the stakeholder sector.

## **Second: Evaluating the performance of the strategic plan for 2008-2010:**

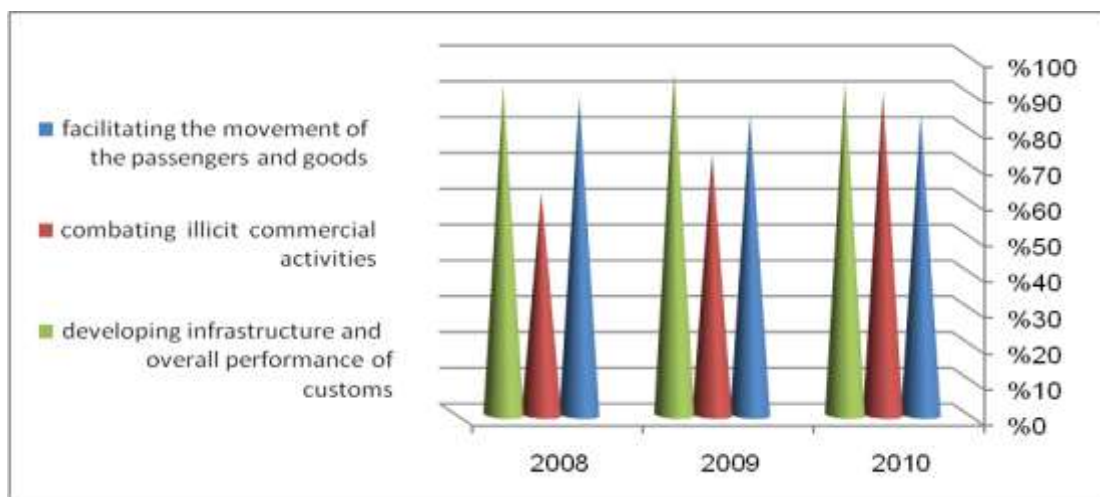
In a continuation of the Customs department approach in evaluating strategic plan performance each year, key performance indicators of programs and projects included in 2010 were reviewed based on what was achieved in 2009 in order to avoid risks that prevented completion of some of those indicators, and then to monitor progress of work in these programs and projects during periodical periods of time in 2010. In the light of (2008-2010) Strategic Plan Evaluation, the percentage of achieved results was (95.8%), excluding indicators of negative evaluation due to reasons beyond the department's reach because achievements of those indicators were associated with third-parties. The 2010 was characterized by improved performance compared with 2009 and 2008 as shown in the tables below:

Indicators	٢٠٠٨		٢٠٠٩		٢٠١٠	
	Number of Indicators	Percentage	Number of Indicators	Percentage	Number of Indicators	Percentage
Positive-Evaluation Indicators	٧٣	%٨٢,١	٨١	%٨٤,٤	٨٥	%٨٨,٥
Negative-Evaluation Indicators	١٦	%١٧,٩	١٥	%١٥,٦	١١	%١١,٥
<b>Total</b>	<b>٨٩</b>	<b>100%</b>	<b>٩٦</b>	<b>%١٠٠</b>	<b>٩٦</b>	<b>%١٠٠</b>



Percentage of strategic objectives results for 2008 - 2009 - 2010 is shown in the table and diagrams below:

Strategic Objective	٢٠١٠			٢٠٠٩			٢٠٠٨		
	No of Indicators	Positive evaluation	Percentage of achieving strategic objective	Number of Indicators	Positive evaluation	Percentage of achieving strategic objective	No of Indicators	Positive evaluation	Percentage of achieving strategic objective
Facilitating the movement of passengers and goods.	٣٨	٣٢	٨٤%	٣٩	٣٣	٨٤,٦%	٣٧	٣٣	٨٩,٠%
Combating Illicit Commercial Activities.	٣٠	٢٧	٩٠%	٣٠	٢٢	٧٣,٠%	٢٦	١٦	٦٢,٠%
Developing the Structure, Infrastructure and Overall Performance of Jordan Customs.	٢٨	٢٦	٩٣%	٢٧	٢٦	٩٦%	٢٦	٢٤	٩٢,٠%



### Comparison of the progress of Customs Strategic Objectives Results for (2008-2010)

The main risks faced projects and activities of the strategic plan 2008-2010 are the following:

1. Electronic-readiness gap between Customs department, customs neighboring countries and other government agencies.
2. Delays of the necessary approvals to complete projects whether (bidding - signing of agreements).
3. Delays of providing the necessary financial funding and external grants.

The table below shows the risks that have occurred and affected the achievement of some projects, where the department has addressed the concerned bodies to reduce risk impact on completing projects. And with regard to the external grants, the global economic crisis has had a clear effect on the delay of the necessary funding during the period of strategic plan.

Indicators	Risks	Time of Occurrence
Number of customs houses which connected electronically with neighboring countries.	Electronic readiness gap between the department and neighboring countries.	2009-2010
Number of agreement signed with mutual recognition of golden list program.	Delayed of other countries approvals.	2008-2010
Number of X-Ray device which used in customs houses	Delayed of financial funding and external grants.	2008-2010
The ratio of Fulfillment of Customs Academy establisent procedures	Approvals from the relevant authorities.	2008-2010

**Third: Evaluation of 2010 Executive Plan:** (accomplishment ratio of the performance indicators for the year 2010)

<b>No.</b>	<b>Indicator</b>	<b>Targeted</b>	<b>What has been Actually Achieved</b>
1.	The value of transactions received electronically by credit card	25 Million	43.690 Million
2.	Number of Customs House applying the Asycuda World System	3	4
3.	Number of commercial banks associated with Customs Department by the central guarantee system	2	2
4.	Number of Customs Houses connected electronically with the neighboring countries	1	0
5.	Number of Customs Houses connected via a modern digital communication network	11	28
6.	Number of government departments and institutions connected electronically with Customs Department	2	4
7.	Number of modern computerized customs system	2	6
8.	Value of laboratory devices provided for Customs Laboratories	35000	48835
	<b>Number of transactions entered into Customs Value Data Base System</b>		
9.	Vehicles registered	1100	1876
10.	Goods registered	4500	3457
11.	Number of studies <u>drawn upon</u> in the area of Customs value	180	163
12.	Number of analytical studies in the area of Customs value	10	13
13.	Number of transactions studied by vehicles committee	1100	550
	<b>Number of Customs Transactions transferred to Customs department concerning:</b>		
14.	Disagreement on value	1000	729
15.	Drawback and Deposits	900	934
16.	Number of trainees in the field of Asycuda World	200	600
17.	Number of service recipients of Customs Department	45000	48044
18.	Number of services provided through Public Service Office	23	30
19.	Number of services provided through SMS	2	2
21.	Number of messages sent through SMS	60000	83334
	<b>Time release of goods according to lanes:</b>		
21.	Transactions of green lane	59 minute	44 minute
22.	Transactions of yellow lane	90 minute	73 minute
23.	Transactions of red lane	121 minute	176 minute

24.	<b>Ratio of the red lane transactions</b>	<b>%45</b>	<b>%44</b>
25.	<b>Number of Customs House applying the Single Window System</b>	<b>2</b>	<b>2</b>
26.	<b>Number of Directorates and Customs Houses re-engineering its operations</b>	<b>2</b>	<b>2</b>
27.	<b>Number of trainees in the field of inspection</b>	<b>130</b>	<b>126</b>
28.	<b>Number of trainees in the field of Customs Value</b>	<b>60</b>	<b>105</b>
29.	<b>Number of trainees in the field of Harmonized System</b>	<b>50</b>	<b>97</b>
30.	<b>Number of trainees in the field of Customs Procedures</b>	<b>150</b>	<b>287</b>
31.	<b>Number of trainees in the field of computer (specialized and basic courses)</b>	<b>80</b>	<b>185</b>
32.	<b>Number of trainees in the field of the art of dealing with the public</b>	<b>65</b>	<b>299</b>
33.	<b>Number of advantages granted to the companies enlisted in the Golden List</b>	<b>2</b>	<b>1</b>
34.	<b>Number of agreements signed with mutual recognition of the Golden List Program</b>	<b>1</b>	<b>0</b>
35.	<b>Number of companies applying for the Golden List Program</b>	<b>15</b>	<b>14</b>
36.	<b>Number of companies enlisted in the Golden List</b>	<b>7</b>	<b>6</b>
37.	<b>Number of awareness courses and workshops on Golden List Program</b>	<b>5</b>	<b>9</b>
38.	<b>The ratio of positive control over the red lane clearance transactions</b>	<b>%40</b>	<b>%30</b>
39.	<b>The ratio of positive control over the green lane clearance transactions</b>	<b>%98.5</b>	<b>%98.5</b>
40.	<b>The positive percentage of the selected control process from the Intelligence Unite</b>	<b>%50</b>	<b>%81</b>
41.	<b>Number of trainees in the field of Risk Management</b>	<b>60</b>	<b>106</b>
42.	<b>Number of trainees in the field of Intelligence Analysis</b>	<b>60</b>	<b>18</b>
43.	<b>Number of Customs Houses where the Video-Surveillance System will be expanded and installed.</b>	<b>6</b>	<b>5</b>
44.	<b>Number of Customs Houses where the communication network has been updated into Tetra</b>	<b>1</b>	<b>2</b>
45.	<b>Number of Customs Houses applying Electronic Tracking System</b>	<b>5</b>	<b>9</b>
	<b>Number of trucks under Customs Escort:</b>		
46.	<b>By Escort Directorate</b>	<b>40000</b>	<b>20516</b>
47.	<b>Transferred from Tracking Section</b>	<b>30000</b>	<b>50829</b>
48.	<b>Number of X-Ray Inspection Devices used in Customs Houses</b>	<b>2</b>	<b>0</b>

49.	<b>Number of Night Vision Systems provided for the Enforcement Directorate</b>	<b>10</b>	<b>10</b>
50.	<b>Number of Customs Houses applying Gates Control System</b>	<b>2</b>	<b>2</b>
51.	<b>Number of trainees in the area of using Night Vision Devices</b>	<b>30</b>	<b>14</b>
52.	<b>Number of trainees in the area of using Surveillance Camera</b>	<b>40</b>	<b>16</b>
53.	<b>Number of trainees in the area of counterfeit and forgery combat</b>	<b>100</b>	<b>122</b>
54.	<b>Number of trainees in the area of Anti-smuggling</b>	<b>60</b>	<b>80</b>
55.	<b>Number of trainees in the area of special operations</b>	<b>150</b>	<b>273</b>
56.	<b>Value of financial claims concerning audited Customs transactions /declarations</b>	<b>1 million</b>	<b>13.335 million</b>
57.	<b>The ratio of collecting fines of Customs violations as compared to total violations fines</b>	<b>%90</b>	<b>%46</b>
58.	<b>The ratio of collecting fines on smuggling cases as compared to total smuggling cases</b>	<b>%75</b>	<b>%20</b>
59.	<b>Number of audited companies which were found to have violations</b>	<b>5</b>	<b>89</b>
60.	<b>Number of companies which have violations out of the total audited company (to ensure safety procedures)</b>	<b>5</b>	<b>110</b>
61.	<b>Ratio of claims settled to the total number of claims</b>	<b>%70</b>	<b>%44</b>
62.	<b>Ratio of claims cancelled to the total number of claims</b>	<b>%5</b>	<b>%30</b>
63.	<b>Number of errors detected during the post audit which were circulated to Customs Houses</b>	<b>150</b>	<b>2015</b>
64.	<b>Number of trainees in the area of post audit</b>	<b>40</b>	<b>55</b>
65.	<b>Number of trainees in the area of internal audit</b>	<b>50</b>	<b>80</b>
66.	<b>Ratio of jural cases that have been settled as compared to total number of cases</b>	<b>%75</b>	<b>%130</b>
67.	<b>Ratio of penal cases that have been settled as compared to total number of cases</b>	<b>%80</b>	<b>%98.6</b>
68.	<b>Ratio of investigation cases that have been settled as compared to total number of cases</b>	<b>%80</b>	<b>%90.9</b>
69.	<b>Number of yards that will be established or expanded</b>	<b>4</b>	<b>4</b>
70.	<b>Number of inspection platforms which will be installed</b>	<b>3</b>	<b>4</b>
71.	<b>Number of Customs Houses where passengers halls will be modernized</b>	<b>2</b>	<b>3</b>
72.	<b>Number of Customs House which will be established</b>	<b>1</b>	<b>3</b>
73.	<b>Number of buildings constructed for staff housing</b>	<b>1</b>	<b>2</b>



74.	Number of Customs Houses provided with public safety instrument	3	3
75.	Number of advanced computerized system used in the Headquarter and Customs Houses	5	8
76.	Number of legislations which will be issued	1	6
77.	Number of legislations which will be amended	2	4
78.	Number of restructured Directorates and Customs House	8	6
79.	Number of agreements signed in the area of administrative cooperation	1	2
80.	Number of Customs House which have obtained the ISO certificate	2	2
81.	Effect of media campaigns on increasing culture and awareness of public	%80	%75
82.	Number of services marketed in the media including advance payment services	2	39
83.	Number of meetings with the private sector	1	30
84.	Number of studies of service recipients satisfaction (clients)	2	1
85.	Positive ratio of client satisfaction as compared to the service provided	%80	%78
86.	Number of (hardcopy and electronic) educational releases concerning guidance	6	18
87.	Number of employees satisfaction studies	2	1
88.	The positive ratio of the employees` satisfaction with the actual status of their job	%85	%88
89.	Number of Hajj and Umrah missions	80	66
90.	Number of activities that have been implemented by Jordan Customs Club.	10	135
91.	Number of beneficiaries of employees` offspring` scholarship	40	65
92.	Value of the work performed for the maintenance of staff housing	100000	58700
93.	Number of visits and meetings with employees in their workplaces and listening to their claims	54	30
94.	The ratio of Fulfillment of Customs Academy establishment procedures	%50	Unaccomplished, it is associated with approvals from other parties
95.	Number of students enrolled in the academy after its establishment	Depends on the establishment of the Customs academy	

## **Chapter 6**

# **Compliance and Facilitation Activities**

## Compliance and Facilitation Activities:

This chapter deals with several activities of compliance and facilitation which embody the principles of the World Customs Organization, and to represent the cooperation between region`s countries and world`s countries. And because of its contribution in securing Global Supply Chain, Customs Department plays a key role in monitoring compliance and fulfilling its requirements. For this reason Jordan Customs has initiated to perform the best example of customs activities as following:

- **Anti-smuggling**
- **Intellectual Property Rights Protection**
- **Golden List**
- **Customs Quality**
- **Customs Escort and Electronic Tracking**
- **Intelligence**

### • **Anti-smuggling:**

Smuggling has a serious and dangerous impact on economic and social values of the Kingdom, so customs provisions law emerged to define acts which constituted smuggling crime and what it is like, and acts which also constituted the customs offences and penal which have to be applied on those acts. This law gave authority to customs officers to combat smuggling since the issuance of the first legislation in 1926 which regulated Customs Department`s work. So, Customs Department adopted methods and approaches to face and combat various kinds of smuggling, in addition to the tasks and duties which are carried out by the Enforcement Directorate, a number of performance indicators associated with activities and projects have been included in the 2008-2010 Strategic Plan, in order to enable the department to measure achievements in this area. The table below shows achievements of 2010:

Activities	performance indicator	Number
Training	Number of trainee in the area of Anti-smuggling.	80
	Number of trainee in the area of special operation.	273
	Number of trainee in the area of using Night Vision Devices	14
	Number of trainee in the area of using Surveillance Camera	16
	Number of trainee in the area of intelligence analysis	18
Electronic Systems and Device	Number of Night Vision provided to Enforcement Directorate.	10
	Number of Customs Houses applying Gates Control System	2
	Number of Customs Houses where the Video-Surveillance System will be expanded and installed.	5

### **The most prominent achievements of Enforcement Directorate for 2010:**

1. Modernizing the communication devices for staff. They were provided with new wireless communication devices with efficient and high quality in communication, follow up and enable patrols to exchange and transfer information in speed among them from one hand, and

between them and Operation Section in the Directorate on the other hand, the Directorate has worked also to install wireless devices on its vehicles.

2. Work has been started on applying the first phase of Electronic Tracking System for Wireless Devices installed on Enforcement Directorate vehicles locating patrols and its location, and they are working now to complete the remaining stages of the system.



#### • **Intellectual property Protection:**

To strengthen the department`s role in the intellectual property right protection, the following procedures have been adopt during the year 2010:

- Renew and sign a memorandum of understanding with the following companies:

1. Philip Morris Company
2. JT International Company
3. Unilever and Sanofi Aventis Companies

- Allocating toll free phone number enabling citizens to pass complaints and suggestions to the intellectual property right protection section.

- Updating a method for informing about trademarks to the legal representative of stakeholders via E-mail, attaching pictures for samples.

- A recommendation of amendments draft of article 41 of Customs Law was submitted in line with the agreements and international obligations in implementing kingdom`s compliance set out in the provisions of article 4/26 of the Free Trade Agreement between the Hashemite kingdom of Jordan and the United State of America, to bring a panel compliant by customs initiative in case of absence of the desire of the right owner/ stakeholders to bring proceedings by his own. And the recommendation still in the legislative stages.

- Preparing computerized system that enables competent staff of recognizing on registered trade mark from the Industrial Property Protection Directorate in the Ministry of Industry and Trade which exceeds more than (100.000) trademark, and by this system the need for registering the trademark on Jordan Customs was cancelled.

Advantages of this system:

1. Enabling competent staff to distinguish between the original and counterfeit goods through listing picture and explanation within the system to describe original and counterfeit goods.
2. Providing important statistical information related to exporter, importer and the origin of goods which carried counterfeit trademark, and thus the counterfeit trademark could be targeted through the system which is used in Risk Management Directorate.

3. Notifying the legal representative of the trademark owner by electronic mail about the cases of import goods counterfeit the trademarks of origin.
4. Providing statistical data about numbers and description of goods which carried counterfeit trademark, noted that the analysis of this data will help in monitoring the cases of infringement on the Intellectual Property Right.
5. Avoiding errors that were occurred previously which related to the disposition of the seized goods.

In the context of continuing qualifying the Human Cadre in this area, many workshops have been held in the subject of Intellectual Property in cooperation with the privet sector and Arab Organizations interested in the Intellectual Property. The following table shows workshops and agencies responsible for carrying out these activities during 2010:

<b>Workshops Title</b>	<b>Supervisor Authority</b>	<b>Venue</b>
Similarities and differences between the original and counterfeit goods.	Schwarzkopf company	The Headquarter of the Jordanian Association for the Protection of Creativity, the Fight Against Counterfeit and Piracy
Workshop and technical training on counterfeit goods of trademark.	Ministry of Industry and trade	Meridian Hotel
Training on the detection of forgery and counterfeiting	Al- bayan Center for Legal Consultation	Hejaz Towers

Jordan Customs has passed an advanced stage in prosecuting the cases of Intellectual Property infringement in line with global trends in this area; and the total number of cases that were seized in 2010 was (96).

The following table shows Intellectual Property Rights infringement cases brought before the court concerning brands with the largest number of seizures.

<b>Brand</b>	<b>Cases Number</b>	<b>Brand</b>	<b>Cases Number</b>
<b>NOKIA</b>	<b>11</b>	<b>DOVE</b>	<b>3</b>
<b>CASIO</b>	<b>3</b>	<b>PONDS</b>	<b>2</b>
<b>ADIDAS</b>	<b>7</b>	<b>MOND</b>	<b>2</b>
<b>IPHON</b>	<b>2</b>	<b>NIKE</b>	<b>9</b>
<b>BMW</b>	<b>2</b>	<b>BROTHER</b>	<b>2</b>
<b>MERCEDES</b>	<b>6</b>	<b>ZARA</b>	<b>3</b>
<b>LG</b>	<b>2</b>	<b>OPEL</b>	<b>2</b>
<b>ACER</b>	<b>2</b>	<b>PHILLIPS</b>	<b>2</b>
<b>LANCOME</b>	<b>2</b>	<b>TOSHIBA</b>	<b>3</b>
<b>DABUR</b>	<b>2</b>		

In addition to several other trademarks seized with an average of one case, as the following:

ELRING GARNIER, POHLI, TARIVID, VICEROY, PROMODA, AMERICAN EAGLE, ABRO, MISSIMO DUTTICLEAR, WD-40, HAGER, DUAL, HOCK, BERCROMBIE,

WINSTON, ACER, B&H, GERBER, DIOR, HITACHI, JOHNSON, NIVEA, LACOST, LOREAL, MARLBORO.

### • **Golden List Program:**

The golden list program is a privilege granted to the member companies through a package of approved customs facilitation, as well as the advantages that will be also provided to those firms by foreign countries interested in this program through granting a preferential treatment to them. This will result in a significant impact on strengthening the competitive status of the Jordanian companies included in the golden list program in the global markets. This program based on the principle of voluntary compliance to regulations and legislations by the companies and accepting field post-auditing procedures conducted by competent customs committees. Such committees shall verify the compliance of those companies to regulations and legislations and ensure the adequacy of their internal control systems. They should also confirm that the availability of systems and security procedures are compatible with international standards. In case of compliance the company will be approved among the golden list.

The total number of companies that were included in the golden list program were (29), 6 new companies of them were listed to the golden list during the year 2010, and they are categorized under low risk category. These companies are:

1. Arab Potash Company /export
2. Central Trade & Auto Co/import
3. Dimlaj Industrial Group/ import
4. Modern Jordanian Company for Services of Fuel and oils/export& import
5. [Munir Sukhtian Group Trading Co. Ltd](#)/ export& import
6. Al-Riyad Co. for Detergents Industry/ export& import

(9) Workshops have been held in the year 2010 in cooperation with Amman Chamber of Commerce, Jordan Chamber of Commerce, and Amman Chamber of Industry to define the Golden List Program and encouraging the companies to join to the program.

### • **Total Quality Management:**

Customs Department represented by Customs Total Quality Management Directorate takes the responsibility of maintaining and following-up the implementation of International Standard ISO The most achievements in the field include:

- Applying ISO 2001/2008 in Jabber Customs House, Jordan Valley Crossing Customs House, and Queen Alia Airport Customs House/Clearance.
- Maintenance and sustaining the applying of ISO in the Headquarter and Customs Houses that applied the system (Sahib Customs House, Al-Hassan Industrial Estate-Irbid, and Zarqa Free Zone Customs House).
- Re-engineering the initial inspection procedures in Zarqa Free Zone Customs House.
- Make amendments on some mechanism of dealing with the site of initiatives and excellence for creative and initiative employees' ideas.

• **Customs Escort:**

• Within the strategy followed by Jordan Customs under the tangible global growth of economy and security demands, this entails to exert more efforts to combat smuggling, control illicit commercial activities, prevent the entry of dangerous and prohibited materials, and achieve the facilitation and compliance requirements, Customs Escort came as one of the most important activities used to achieve this goal.

Customs Escort has taken a new horizon and a practical mode, that after it was necessary to send escorting patrols with trucks since taking them out of gates, until they arrive to the intended destination, Customs Department applied Electronic-Tracking System of Transit Trucks during 2010. Where through this system Customs can monitor and track trucks movement via satellite, and determine its location accurately through devices installed on those trucks, then the trucks move directly to its destination after completing customs procedures without need to wait for escorting patrols, or gathering on gates. The applying of this system reduced a lot of time and effort.

A control room has been activated in Customs Escorting Directorate, through applying of the Electronic Tracking System. This system is characterized by its ability to follow-up, providing and passing information quickly and accurately, thus monitoring violations in case of receiving any warnings on the tracking screen which related to transit trucks for 24 hours, and manage and direct the patrols to complete their work.

This system has several advantages; in addition to control transit movement, there was a clear increase in the number of trips. The following table shows the operations achieved in escorting and electronic tracking for the year 2010:

<b>Activity</b>	<b>Performance indicator</b>	<b>Number</b>
<b>escorting and electronic tracking</b>	<b>Number of Customs Houses applying Electronic Tracking System</b>	<b>9</b>
	<b>Number of trucks that were Escorting by customs</b>	<b>71345</b>
	<b>Number of trucks that have been tracked electronically</b>	<b>202239</b>

◆ **Intelligence:**

Customs Intelligence provides information that contributed to present solutions for dealing with challenges facing governments and Customs Administrations. Besides, it creates a balance between Customs control and global trade facilitation. It also helps Customs officers to make decisions and to prepare reports and predictions based on accuracy and objectivity.

**The achievements in the field of intelligence in 2010 were:**

**1. Complaints Management**

Intelligence Directorate entrusted the responsibility of managing complaints boxes to undertake daily supervision of complaints to follow-up, confine and process each one of them in coordination with the competent committee which established for this purpose. The Intelligence Directorate is the link between customs recipients and organizational units by

dealing with received complaints and proposals and then it delivers all of them to a competent party to follow-up these complaints, and to solve problems facing customs clients through customs department toll-free phone or electronic website. The Directorate also undertakes responsibility to respond to all complaints received by phone or electronic mail. It deals with more than (25) complaints per day, via different complaints channels which include:

- Using toll-free phone: 0800 22 999
- Filling in a complaint form available at information desk or besides complaints boxes available to customers at Customs headquarters and all customs houses.
- Submitting a complaint to the official e-mail: [compsug@customs.gov.jo](mailto:compsug@customs.gov.jo)
- Referring to any of the following officers:
  - Concerned Director of a specific customs house.
  - Customs Intelligence Director /Customs headquarters
  - Complaints staff/ Customs headquarters

## **2. (Tips) information and anti-smuggling**

It has been dealt with more than (224) case, the rate of success about (%13), the value of fines and duties have increased on these cases more than 1.5 million of million JD.

## **3. Combating Money Laundering and Financing Terrorism**

(14) cases of Money Laundering and Financing Terrorism dealt with under Law number 46 for the year 2007 and its amendments, the value amounts and jewelry seized by Customs Houses about 2.600.000 JD , while the estimated value of collected fines and dues on these cases about 100.000 JD. The seized cases are audited to ensure that it is in consistency with Combating Money Laundering and Financing Terrorism, make decisions related to keep the seizures, addressing the competent public prosecutor, follow-up investigation processes, and providing evidences and documents, in addition to the procedures related to return of seizures or forfeiture on light of the competent court decision, and in coordination with combating money laundering and financing terrorism unit.

## **4. Coordination and Exchange of Information on the International and Regional Level:**

The number of notifications and reports received from other countries and original office for exchange information in the Middle East amounted 120 cases were released on customs encyclopedia, and the number of cases that were provided to the regional countries and regional office 35 cases in addition to (5) joint operations.



# Chapter ٦

## Customs Advanced Technology

## **Modernization and Advanced Technology:**

Based on constant quest to modernize, develop and keep up with the best development on customs work, and because of the belief of customs department that the way of excellence come from constant and hard quest to create integrated system of advanced methodologies applied in accordance with the best global practices. The year 2010 witnessed the continuing implementation of the pioneering projects entered into force in the year 2009, which mainly aim at achieving progress in launching the electronic customs procedures in order to reduce risks in local community in general and on the service recipients, in particular. These development projects include the following:

### **◆ Asycuda World System**

It is a global computerized customs system, aimed to facilitate and simplify customs procedures for service receipts. It is working centrally through the internet so that the service recipients can prepare customs declaration from anywhere in the world through access to the electronic customs department website on [www.customs.gov.jo](http://www.customs.gov.jo). In addition, such system will contribute effectively to transformation of customs department to electronic customs department in order to achieve the concept of Electronic Government, where the system applied in the last three customs houses which are: Al-Omari, Syrian-Jordanian Free Zone, and Al-Mudawarra. The total number of customs houses applying this system is 25 customs houses, and four local computerize system were applied through the Asycuda world system which are: passenger deposits, passenger reservations, pledges, bonded deposits.

### **◆ Electronic Gates Project**

This project aims at controlling the entry and exist of trucks at and out so as to prevent trucks to get out illegally from the customs houses. It is facilitating the movement and flow of trucks at the customs house and reducing their time-release. This system doesn't allow the exit of trucks from customs house unless they have fully completed their customs procedures. Further, inspection cards are issued by this system and the inspector is selected randomly. And through the year 2010 the system has been applied in two customs houses, thus the application of the system was completed at six customs houses which are, (Amman Customs House, Jaber Customs House, Wadi Al-Yutem, Al-Omari, Al-Mudawarra, and Al-Zarqa Free Zone). The system was linked with Asycuda World System in three customs houses which are (Jaber, Al-Omari, Al-Mudawarra).

### **◆ Customer Service System**

The second phase of Customer Service System has been implemented after the application of the first phase of electronic procedures which included (53) service in (10) directorate and (4) major customs houses. The concerned employees were trained on the system.

### **◆ Decision Support System(BI)**

This project based on an electronic data center that contains all major customs databases, and establishing decision support based on this information. The system was applied in three main directorates. On statistic of this system is number and type of customs data. The table below shows comparison between customs data for the year 2009-2010:

<b>Types of Customs Declaration</b>	<b>Code of The type of customs declaration</b>	<b>2009</b>	<b>2010</b>
<b>Permanent export</b>	<b>EX1</b>	<b>127974</b>	<b>134800</b>
<b>Temporary export</b>	<b>EX2</b>	<b>1394</b>	<b>1348</b>
<b>Re-export</b>	<b>EX3</b>	<b>40065</b>	<b>28821</b>
<b>Imports for consumption</b>	<b>IM4</b>	<b>373714</b>	<b>373440</b>
<b>Temporary admission</b>	<b>IM5</b>	<b>29561</b>	<b>28117</b>
<b>Re-import for consumption</b>	<b>IM6</b>	<b>1222</b>	<b>1405</b>
<b>Bonded Deposit</b>	<b>IM7</b>	<b>12469</b>	<b>10909</b>
<b>Imports for consumption (Household effects for Expatriates)</b>	<b>RD4</b>	<b>3751</b>	<b>3673</b>
<b>Import for consumption (Personal Effects declaration )</b>	<b>SD0</b>	<b>16152</b>	<b>17825</b>
<b>Transit</b>	<b>TR8</b>	<b>415154</b>	<b>418610</b>
<b>Other Customs Statuses</b>	<b>AR9</b>	<b>9054</b>	<b>10814</b>
<b>Total</b>		<b>1030510</b>	<b>1029762</b>

#### ◆ **Electronic Archiving System**

The system was applied in three directorate of the department (Human Resource, Exemption, and Transit), and in three customs houses (Aqaba, Amman, and Airport of Clearance), where they archive their data electronically through archiving all documents, allow its release and access whenever needed, which gives Jordan customs automated support power to achieve its policy in making the department free of paper and increase the efficiency of archiving document electronically.

#### ◆ **Electronic Connection between private and public sectors**

Jordan Customs Department has made electronic connection to exchange information between the following parties:

- General Security
- Royal Jordanian
- Container Port
- Ministry of Industry and Commerce
- Income Tax and Sales Department
- A number of Commercial Banks

#### ◆ **Electronic Website**

A tender was provided to establish a new electronic site by using the latest technology to submit best services that reflects the development and the vision of Jordan Customs. A new electronic service was prepared for the current site, as:

- Inquiring about customs containers in the container port.
- Inquiring about customs deposits
- Inquiring about bills of lading inspection received through Royal Jordanian
- Inquiring about bank checks
- Inquiring about exemptions of special needs people
- Inquiring about customer services transaction

### ◆ **Single Windows Project**

Selection criteria for all departments working at customs houses have been put together through applying this system. It aims to facilitate, simplify and speed up the procession of customs declarations by all relevant bodies and governmental institutions including customs department. This project was applied in two customs houses in 2010, the number of customs houses applying this system, since it started in 2008, amounted to nine customs houses, as the following, King Abdulla II industrial estate/sahab, Amman, Aqaba, Queen Alia Airport/Clearance, Customs Station Liners/ Aqaba, Al-Zarqa Free Zone, Al-Hassan Industrial Estate, Jaber and Jordan Valley Crossing.

### ◆ **E-tracking project**

The Customs department implemented Tracking and Management System of transit trucks via satellite with aim of facilitating and simplifying transit trade movement passing through the kingdom on the one hand, controlling trucks while passing inside the kingdom on the other hand. The pilot application of the system started at the beginning of 2009 to transit trucks passing through the kingdom to replace daily convoys of transit trucks which were working under effective escort. An electronic tracking device (GPS) is fixed on every truck and then it begins its journey. These devices are working through modern and advanced communication systems which make it possible to control each truck alive and directly since its exit from the departure point until arrival at the destination. In addition, this system can detect any violations that occur during the trip, such as: deviation of the truck from its appointed destination, tampering with goods or electronic seals, or unjustified stopovers...etc. The coverage of this system expanded in 2010 to include two other Customs houses: Syrian-Jordanian Free Zone and Queen Alia Airport/Clearance. The total number of Customs houses applying this system since the beginning of application was (9) Customs houses. The number of trucks electronically tracked during 2010 was (202239) trucks.

### ◆ **Vehicles X-RAY Inspection System**

Vehicle X-RAY Inspection device was installed at Jaber Customs house to facilitate, expedite and increase the efficiency of passengers' vehicles inspection procedures. Technical specifications of the X-RAY screening device were set out and purchase procedures were duly processed.

Cargo Container X-Ray Inspection System was installed at Aqaba Customs House to facilitate, expedite and increase the efficiency of inspection procedures, containers' inspection and reducing the time required for completing a Customs Declaration technical

specifications of the X-RAY device were set out and purchase procedures were duly processed.

◆ **Digital and Wireless Communications Network:**

An additional digital Telecommunications Network connecting Customs department with all its internal and border Customs houses was installed and operated to ensure that customs computerized systems are working effectively and that customs houses work for 24 hour a day and throughout the year. This network included 36 Customs houses in addition to the Customs department. The old digital communications network for Asycuda World System was upgraded and converted from ATM-based technology into communication lines with TDM-based technology. These two networks will ensure that Customs main computerized systems are properly working because they are the main nerve of the customs work and, without any interruptions leading to providing the best services to customers

Modern digital wireless communication network was supplied to Enforcement Directorate that covered all parts of the kingdom with the aim of supporting anti-smuggling operations, providing Enforcement Directorate staff with the best means of communications to be used in their daily work. This Network depends on the infrastructure of the Jordanian Armed Forces Communication Network.

## **Chapter 7**

# **Future Aspirations**

## **FUTURE ASPIRATION FOR THE YEAR 2010:**

*Customs Department looks forward to realizing the following aspirations:*

- ◆ Stimulating importers to use pre-clearance service in order to reduce time release of Customs declarations.
- ◆ Completing the adoption of e- customs declarations as alternatives to paper declarations.
- ◆ Expanding electronic connections with:
  - Ministries, Government Departments and Institutions
  - Privet Sector
  - Customs Administrations of the neighboring countries
  
- ◆ Developing the fleet of anti-smuggling patrols and providing them with necessary advanced devices so that they can do their work properly and secure their safety.
- ◆ Completing electronic projects at the rest of the customs houses.
- ◆ Developing inspection procedures so that an inspector can record his observations in Asycuda World System through using PDA devices.
- ◆ A continuous review of legislations in force so as to be consistent with the next stage.
- ◆ Providing Customs houses with X-Ray devices for screening containers, vehicles and trucks ...ect.
- ◆ Using advanced techniques such as (RFID Technology) to reduce the human intervention as much as possible.
- ◆ Expansion of applying Single Window project and consolidating (3) other government departments into this project.

Concluding this report, we ask God almighty that the 2011 achievements will be a continuation of what we achieved in 2010, and to achieve excellence levels that we aspire in order to realize next year`s theme "**E-Services ...our pathway to Excellence**". May Allah help us to realize our ambitions under the royal visions and directives of his majesty King Abdulla II Bin Al-Hussein, may Allah protect him.