

SECTION 2 – BEST PRACTICES

JEL Classification: F15, F63, H21

AN APPLIED CASE OF CUSTOMS COMPLIANCE AND TRADE FACILITATION IN BRAZIL: “BLUE LINE” – DIAGNOSIS AND CHALLENGES

Cristiano MORINI

State University of Campinas, Brazil
E-mail: cristiano.morini@fca.unicamp.br

Luiz Henrique Travassos MACHADO

Brazilian Revenue Authority, Brazil
E-mail: luizhtravassosm@yahoo.com.br

Paulo Costacurta de SÁ PORTO

Federal University of Sao Paulo, Brazil
E-mail: saporto27@gmail.com

Rodrigo Mineiro FERNANDES

Brazilian Revenue Authority, Brazil
E-mail: Rodrigo.mineiro@terra.com.br

Rosaldo TREVISAN

Brazilian Revenue Authority, Brazil
E-mail: rosaldotrevisan@hotmail.com

Abstract

The main points of this paper were presented at the first Global Conference of the International Network of Customs Universities on May 21-23, 2014 in Baku, the Azerbaijan Republic.

This study seeks to analyze a Brazilian customs procedure, in line with trade facilitation strategy, and closely following customs control security standards. Express Customs Clearance is the customs compliance program, also known as “Blue Line”. Blue Line started in the airport of Viracopos (Campinas/Sao Paulo, Brazil), in 1998, as a result of a partnership between customs, Infraero (airport trustee), importers, airlines, and cargo agents seeking to facilitate the movement of goods. As certified Blue Line companies represent a significant percentage of Brazilian imports and exports, each certified company substantially reduces the number of selections for red and yellow channels. This, in turn, allows customs workers more time for activities with higher risk levels.

The methodology is based on qualitative and quantitative data collected through field research (survey type). The data collection method was a questionnaire structured with open and closed questions, related to Blue Line. A total of 46 companies are certified in Blue Line in Brazil, from which 25 of them are associated companies of AER. Thirteen (13) companies participated of such field research (return rate of 52%), in the months of March and April 2013. The results of the applied research showed that the most frequent users of Blue Line are machinery and equipment industries,

mostly located in the state of Sao Paulo. The use of Blue Line has accelerated customs clearance and reduced supply chain costs. However, difficulties in customs regulatory and procedural framework of foreign trade and trade facilitation could be identified in our research. The resolution of these flaws will improve customs control mechanisms and broaden the base of Blue Line certified companies.

Keywords: trade facilitation, Blue Line, Customs, International Trade.

Introduction

This study seeks to analyze a Brazilian customs procedure, in line with trade facilitation strategy, and closely following customs control security standards: The Express Customs Clearance, known as “Blue Line”.

The regulation of this customs clearance requires its own normative framework whose objective will be analyzed in Section 2. This section also attempts to identify in which way Customs Law enables the performance of modern customs functions, especially in Brazil. Section 3 addresses the addition of commercial facilitation in customs activities, analyzing the matter from an international standpoint, which has a relevant place in Doha Round of the World Trade Organization, up to its incorporation in Brazilian customs structure. Section 4 identifies the Blue Line as one of the most significant trade facilitation steps in Brazil. This section also seeks to eliminate misconceptions of the simplified procedure. Section 5 presents what Blue Line should be, offering the viewpoint and opinions of certified companies on the procedure, all of which were collected through field research. Thus, it presents the evidence of main benefits and identification of possible ruling and procedural improvement points.

The methodology of this work is grounded in qualitative and quantitative research, of exploratory type (using bibliographical and documental support) with survey. The survey research is descriptive and obtains characteristic data, actions or opinions of a certain target population, useful when wanting to know “what is happening” in a certain context (Freitas et al. 2000, p. 105-112). It can also be considered applied research. According to Silva and Menezes (2005), it has the objective of generating knowledge to practical application and solving specific problems.

1. The objective of customs laws and Brazilian Constitution

Customs Laws can be defined as a didactically autonomous branch of Laws, formed by a set of legal-normative propositions that handle the relationships between customs and intervening parties in foreign trade operations, defining rights and obligations of each one on tax and non tax restrictions on imports and exports. BASALDUA (2007) stated as “the group of legal norms, within Public Laws, that have the objective of regulating the international exchange of goods”¹.

In Brazil, an analysis of such matter must consider the provision of article 237² of the Federal Constitution of 1988, which guides foreign trade inspection and control. And such statement is the starting point of this study, which is focused on Blue Line, an essential Brazilian customs procedure.

The article 237 integrates the organic elements of Constitution, being a rule of full effectiveness and immediate applicability. It must also be highlighted the compatibility with constitutional principles defined for economic order (article 170), such as free competition, consumer defense and search for full employment.

¹ “Por Derecho Aduanero entendemos el conjunto de normas jurídicas, ubicadas en la esfera del Derecho Público, que tiene por objeto regular el tráfico internacional de mercaderías.” (p. 3). The author already had this posture in his pioneering work “Introducción al Derecho Aduanero: concepto y contenido”, of 1988, republished in 2008, when he claimed as essential element of Customs Laws “el tráfico internacional de mercaderías” (Basaldúa 2008, p. 214).

² “Art. 237. The inspection and control of foreign trade, essential to defend national treasury interests are being exercised by Ministry of Treasury”.

Dividing the aforementioned article 237, the following five elements can characterize the standards of competence:

a) Material elements: material elements defined in article 237 are represented by the terms that designate what must be exercised by the body indicated in the provision: “the inspection” and “the control”.

One must remember that customs legislation commonly distinguishes inspection from control. For instance, the main customs standard of Brazil, Decree 6.759/2009 (Brazilian Customs Regulation), regulates the administration of customs activities and “inspection, control and taxation of foreign trade operations”. In most mentionings uses of the term “inspection” in the Regulation, it is clear that it is an effective exercise (action) by customs authority. On the other hand, the expression “control” is not related to an “action”, but to an “action possibility”.

Thus, the submitted controversy on the comprehensiveness of “inspection” and “control” expressions is partly solved by the customs legislation itself. It is on such terms that the material element of competence fall under article 237 of the Federal Constitution.

b) Immediate purpose limit: in the case of article 237, the lawmaker made it clear that material elements of competence – “inspection” and “control” must levy on a very specific purpose: “Foreign trade”.

c) Non restrictive qualification element: this element defines a guide both for interpretation and legislation work, as it signals the thoughts of the interpreter and lawmaker. Such conscience is present in the expression “essential to defend national treasury interests”, qualifying a public service as absolutely fundamental to the survival of State internal structure, together with other legislations in which the matter is also considered essential with others the legislators who also considered the matter essential³.

The text, by its own syntactic construction (between commas), indicates that every inspection and control over foreign trade are essential to national financial interests. The absence of such commas in constitutional text (which obviously cannot be imagined by the interpreter, possibly offending the own legislators’ intended meaning) would be the only reasonable way of imagining that the command has a restrictive character.

d) Territory-qualification element: when the original lawmaker inserted the term “nationals” in the provision, he showed there is a maximum degree of public interest to perform inspection and control over foreign trade. The acts that a competent federal body must foster cannot avoid considering that they represent the interests of all entities of the Brazilian federation.

e) Subjective element: however, the fact that foreign trade inspection and control are handled by the Ministry of Finance does not prevent that.

2. Trade facilitation

International trade has been through significant changes in terms of flows of goods and services. Considering the period between 1990 and 2001, the transacted volume in foreign trade quintupled, and Brazilian imports were multiplied by ten. The average Brazilian participation in world imports went from 0.63% in 1990 to 1.29% in 2011.

With the evolution of foreign trade, Customs face a new reality, which requires innovative solutions. Trade facilitation is included in this new international commercial scenery, being characterized as a new challenge to Customs, within contemporary conception.

The subject of “trade facilitation” is a continuous search for improvement in customs control (fundamental in customs matters), as control activities carried out by Customs are clearly an element that burden logistical costs of commercial operations. To avoid increased costs, a new stage in

³ V.g. articles. 37, XXII; 127 and 134 of Federal Constitution of 1988.

customs administration was tested, related to simplification and harmonization of customs activities (a trade facilitation strategy).

The facilitation is understood as a set of steps employed with the purpose of making trade between countries more accessible, aiming at different efforts to reduce the costs of trade between borders.

There are many ways to reach this objective through integrated trade facilitation programs, which include strategies and investment (Sheperd & Wilson 2009, p. 367-383; Souza & Burnquist 2011, p. 91-118; OECD, 2013). And there are many studies that show economical benefits to countries that apply it, through many steps related to simplification and speed of foreign trade procedures (Walkenhorst & Yasui 2009; Wilson 2009; Engman 2009; Moise 2009; Morini & Leoce 2011; Matsuda 2012, p. 79-92.).

The trade facilitation subject was addressed in the agreement of GATT-1994, within the Final Act of Uruguay Round (which led to the creation of WTO), in articles V (related to customs transit freedom), VIII (on simplification and reduction of formalities) and X (that addresses transparency in government actions). The matter was also present in the WTO Singapore ministry conferences in 1996, and continued to appear up to Bali, in 2013.

With regard to exports, Portugal-Perez and Wilson (2010) show that trade facilitation steps substantially improve the exports performance of developing countries. Furthermore, the internationalization of both companies and economy, such as, for instance, global value chains, require of customs administrations faster procedures not to hinder commercial operations, without ignoring the required controls (Morini 2013, p. 11).

With regard to global value chains (GVC), Lawrence, Hanouz and Doherty (2012, p. 13) assured that: "Trade facilitation is most effective when it is designed to support global value chains. Countries, like companies, increasingly specialize in tasks rather than products, adding value to intermediate products that cross many borders. Consequently, when countries enable trade, the benefits are not just local or bilateral but global. But global disaggregation of value chains through trade has brought challenges as well as opportunities".

The modernization of customs procedures was the study objective of Haughton and Desmeules (2001, p. 66-67), based on the conceptual model developed by Appels and Struye de Swielande (1998, p. 111-118), and reproduced by Coelho in his research on Trade Facilitation (2008). The model emphasizes different stages of customs administration of each country, starting with the control. An emphasis is placed on physical verification of goods, going to the stage where information is checked before the arrival of goods, up to the third stage, where trade facilitation, associated with internal control of importers and subsequent planned audits is reached. The evolution from one stage to another would occur with gradual implementation of customs reforms⁴.

The International Convention on the Simplification and Harmonization of Customs Regimes and Procedures – Kyoto Convention, revised in 1999 – is one of main normative instruments to foster

⁴ "Checking the goods. At an early stage governmental customs agencies will concentrate on checking the physical flow of goods. Countries at this stage of development typically have the attitude of trying to control every single imported and exported good physically. [...] Checking the information. At the second stage, government agencies focus their efforts on making sure the correct information concerning the traded goods is conveyed to them. The correct value assessment and characterization of the goods enable customs authorities to optimize revenue collection of traded goods and to counter fraud. Typically, at this stage, the information of all incoming goods is checked. This information is exchanged electronically, usually before the physically upon arrival. [...] Checking the process. At the third stage, governments concentrate on controlling the clearance processes. At this stage, regulatory controls focus more on the extent to which a company's internal processes and systems are leak proof and secure in order to ensure that the information concerning traded goods is accurate and fully representative of the traded volumes at all times. The need for physical checks is determined electronically, while the need for information checks is minimized. Selective audits are organized to assess accuracy, quality and security of information transmitted and to assess the clearance agents' internal controls, inventory management and information systems" (Appels & Struye de Swielande, 1998, p. 113).

international trade facilitation. Another provision prepared by World Customs Organization (WCO), approved in 2005, the Framework of Standards to Secure and Facilitate Global Trade (SAFE)⁵.

Throughout the last decade Brazil has developed “Blue Line”, characterized as the best procedural picture of trade facilitation philosophy in national grounds.

3. The Blue Line as a trade facilitation step in Brazil

“Blue Line” is the name given in Brazil to the procedural simplification called normatively and technically as “Express Customs Clearance”. In 1998, at International Airport of Viracopos, Campinas “Blue Line” was experimentally born as a local procedure. This was the result of a partnership between the Federal Revenue Secretariat, Infraero, importers, air companies and cargo agents. It was attempting to make a viable six-hour-maximum cargo release upon flight arrival. Campinas is an industrialized and dynamic city in the state of Sao Paulo, Brazil, with qualified services, excellent infrastructure, high tech industries, and research institutions.

The local idea was nationally incorporated on 12/27/1999, with the publication of Normative Instruction 153/1999 by Federal Revenue Secretariat.

As it is highlighted at the website of Federal Revenue Secretariat⁶, “The philosophy behind Blue Line is trying to maximize the employment of limited resources of Public Administration opposite to growing volume of foreign trade. With this intention, the customs administration requires to create a system that rewards the voluntary observance of customs legislation and searching excellent in dealing with Public Administration, so that Customs can release resources to be allocated in areas and operations of greatest risk”.

Thus, Customs benefits from a better allocation of its human resources and the foreign trade operators benefit from reduction of logistic costs. As a result, Brazilian companies become more competitive in the global market. As an illustration, it must be highlighted that the 43 “Blue Line” certified companies in 2011, were in charge of 15% of import declarations and 7% of export declarations registered in the year and, as only 3.93% of those operations had its objects verified, the number of interventions over low-risk operators was reduced by 40 thousand⁷.

The relationship between qualified companies and Customs is similar to an agreement. The company voluntarily shows that, through observance of certain requisites, it is “trustworthy”/“predictable” and Customs, on the other hand, offers procedural simplifications that give more speed to customs clearance.

The Normative Instruction 153/1999 was replaced by 47/2001, which was replaced by Normative Instruction 476/2004, in effect until now (with amendments enacted in 2005, 2006 and 2007).

3.1. Requisites to qualify for Blue Line

With the enactment of Normative Instruction 153/1999, the possibility for legal person entities to obtain procedural benefits was opened by the Federal Revenue Secretariat, provided that they operated in places and facilities also equally “trustworthy” (accredited by RFB after observing specific requisites).

The requisites to accreditation of customs places/facilities (among them, having scanner/x-ray equipment) was the first great obstacle for Blue Line, having the Normative Instruction 153/1999 been amended in 2000 (by Normative Instruction 64 of 08/06/2000), allowing scanners to be the object of operational lease agreement or for rental purposes, instead of being necessarily purchased.

⁵ Viewed 11 July 2013, <http://www.receita.fazenda.gov.br/Aduana/OMA/default.htm>.

⁶ Viewed 30 September 2013, <http://www.receita.fazenda.gov.br/aduana/linhaazul/orientgerais.htm>.

⁷ RFB. Study document. Future Vision for Brazilian Customs. June 2012. Viewed 30 September 2013, <http://www.dsbh.org.br/docs/documentoaduana.pdf>.

Nevertheless, the Normative Instruction 476/2004, that currently rules the matter, waived the accreditation of places/facilities, allowing the imports, exports, and traffic operations to support the Blue Line.

The Normative Instruction 476/2004 represents a substantial transformation of Blue Line, as a result of a study conducted by a work group formed by COANA (General Coordination of Customs Administration in RFB). With regard to requisites, the registration deadline in National Register of Legal Persons (CNPJ) was reduced to two years, starting to cumulatively require net patrimony of \geq US\$ 10 million (amount converted into dollars, approximate, there are exceptional treatments in case of mergers, organization, spin off and provision to qualify companies with inferior patrimony upon guarantee). The frequent performance of foreign trade operations also started being a requisite and the company that requests admittance must provide evidence it performed in the previous fiscal year or within 12 months prior to request, at least 100 foreign trade operations (effective imports plus exports), with total amounts of current foreign trade (imports + exports) \geq US\$ 10 million. Thus, there was a substantial reduction in the amount limits, facilitating the admission of companies in “Blue Line”. Another new item was the requirement of audit report assessing that the internal controls of a company assure regular observance of its registrations, documental, tax and customs obligations. Such report must be renewed every two years.

In view of what has been shown, there is a clear preoccupation of RFB in increasing the quantity of companies qualified to “Blue Line”. As requisites were more flexible in terms of amount throughout the years, the criteria of frequency of foreign trade operations ended up guaranteeing that the procedure applies to habitual importers/exporters of the industrial sector.

The result seems to have been reached, as the number of qualified companies has increased exponentially since 2004. Nowadays there are 48 companies in “Blue Line”, virtually five times more than there was in 2004.

3.2. Benefits of Blue Line

In “Blue Line” there is no suspension of taxes/duties⁸ payment or even exemption, return or anticipation of exportation effects. The “Blue Line” is a procedural simplification, not a customs regime. “Blue Line” is not a tax regime either, as there is no benefit within the tax field. The advantages are totally related to trade facilitation and logistics in clearance flow (either in imports, exports or customs transit). Also, as all Normative Instructions provided by “Blue Line” at the beginning made it clear, procedural simplification applies to imports, exports, and customs transit clearances only.

In the first Normative Instruction 153/1999, the indicated benefits were: (a) Storage priority in reserved area; (b) Customs transit clearance priority; (c) Customs clearance of definitive imports with preference for green channel; (d) Exportation clearance with preferential clearance (also in non customized place); and (e) Maximum release deadlines for clearance defined by COANA⁹. The benefits were basically kept in Normative Instruction 47/2001. With the advent of Normative

⁸ It is adopted in this study the classification provided in articles 19 and 23 of National Tax Code, which includes in the category of taxes/duties on foreign trade (customs duties) the importation and exportation duties. In Brazil, there are other taxes required in importation that have levelling function, defining isonomic treatment between national and foreign good (RTrevisan, Rosaldo. ‘Direito Aduaneiro e Direito Tributário - Distinções Básicas’. In Trevisan, Rosaldo (org.) 2008. *Temas atuais de Direito Aduaneiro*, Lex Editora, Sao Paulo, pp. 48-49.

⁹ COANA defined in 01/01/200 through Declaratory Act 15/2000, maximum release deadlines of 4 hours (in port units) and 2 hours (in other cases), as of the delivery of instructive documents of declaration (of import, export or transit) or observing requirements eventually made by customs authority. Such deadlines went to 8 and 4 hours, respectively, with enactment of COANA Declaratory Act 6/2005, being kept in the act that currently rules the matter (COANA Declaratory Act 34/2009).

Instruction 476/2004, the preference for green channel was extended to all clearances (imports, exports and customs transit).

As of September, 25, 2007, with publication of Normative Instruction 757/2007, the qualification as “Blue Line” started being a requisite to be admitted in special customs regime of industrial customs bonded warehouse under computerized control (RECOF, in Portuguese language), which undeniably has the most signifying group of benefits among existing regimes in Brazil. Thus, it starts to have a reduction of costs with regard to control by computer systems, which started to be used both in procedural facilitation and special customs regime (both exclusive to industrial sector companies).

A new benefit appeared in 2010, brought by Provisional Measure 497 (subsequently converted in Law 12.350/2010): The possibility to rectify declarations in group, without requiring payment of 1% fine over amount of good, for being characterized voluntary disclosure.

As companies qualified to “Blue Line” oversee a significant percentage of Brazilian imports and exports, each qualified company has started to have a substantial reduction of invasive volume inspection, releasing customs labor for activities with greater risk levels.

4. The Blue Line under qualified operators’ perspective

Field research of survey type was conducted to obtain data of the perspective of qualified operators or companies in Blue Line. The data collection method was a questionnaire structured with open and closed questions, related to Blue Line and RECOF. The first questionnaire version was randomly validated by an associated company of AER (Association of Companies of RECOF and Blue Line in Brazil). The revised questionnaire was distributed in AER meetings, a national private non-profit entity formed by associated companies that use RECOF or Blue Line¹⁰ During AER meetings, in the city of Campinas, in the months of March and April 2013, the questionnaire was forwarded to associates and collected. The data tabulation and analysis took place in the months of June and July, 2013¹¹

Contextualizing obtained data, it is important to mention that, in total, there are 33 companies homologated in RECOF Regime and 25 associated to AER. With regard to Blue Line, there was in 2012 (research ground), a total of 46 certified companies. Thirteen (13) companies participated of such field research (return rate of 52%), having as ground the associated companies of AER (25 companies) and, of this total, 8 “Blue Line” companies are also RECOF users. The respondents hold the position of coordinators, supervisors and managers (of logistics, compliance and/or foreign trade)¹².

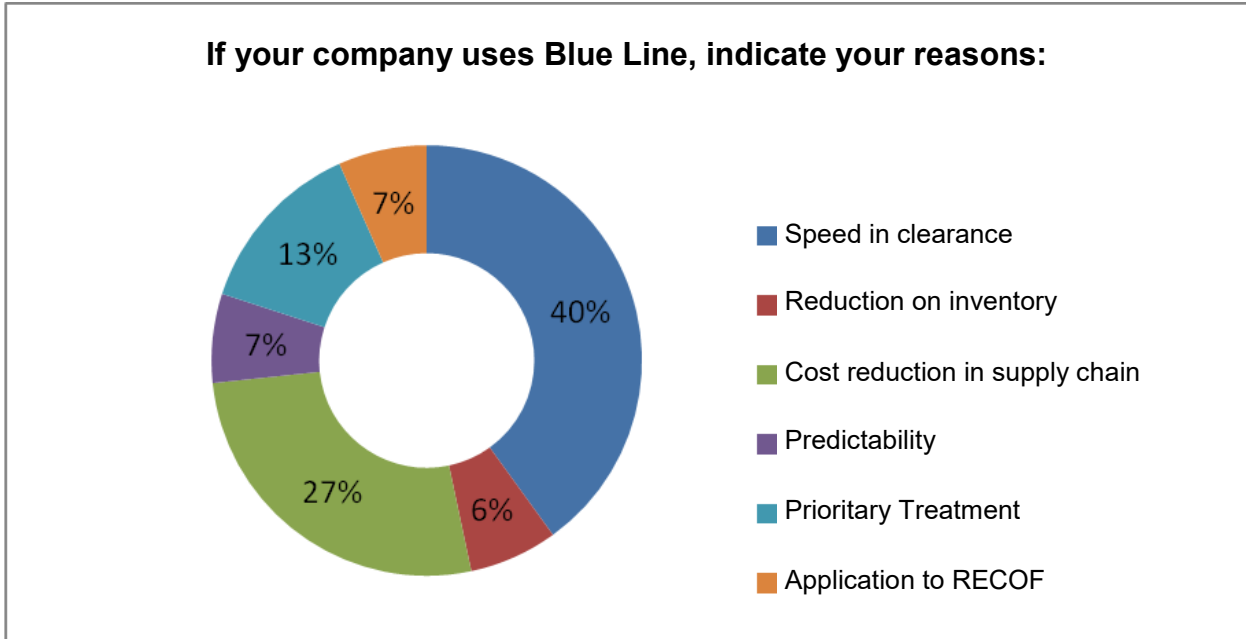
With regard to reasons to use the Blue Line procedure, some of them are: Speed in customs clearance, better inventory management (inventory volume); reduction of cost in supply chain; predictability; treatment priority and possibility of RECOF request (application) (Figure 1).

The “Blue Line” procedure enables increases in companies’ financial gains, as the reduction of costs and time of export and import processes make companies have a better competitiveness in the international market. The indication that there are financial gains is relevant for steps by public government that encourage a greater adhesion to “Blue Line” procedure. User’s general perception before the research was that there are intangible gains. This research can contribute to show in a quantitative way the gains those companies had when they qualified to Blue Line (Figure 2).

¹⁰ It is important to remember that all RECOF companies are also necessarily qualified to Blue Line, by normative obligation (article 5, VI of last two Normative Instructions that dealt with the regime: Normative Instruction 757/2007 and Normative Instruction 1.291/2012).

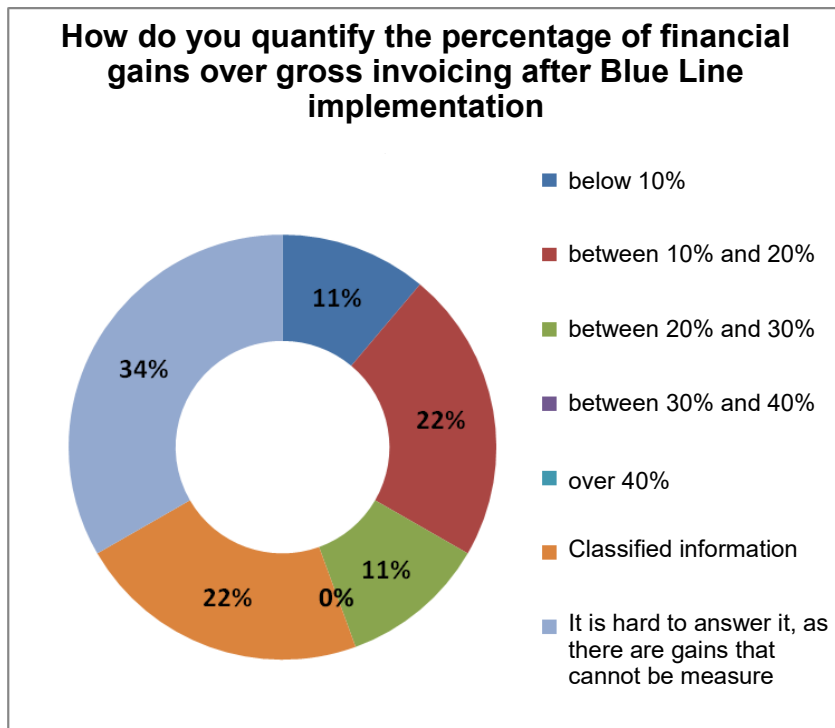
¹¹ The conducted research had support of CNPq, FAPESP, and ESAF.

¹² Due to restriction of number of words, part of research results are not made available here and can be visualized upon consultation.



Source: Own preparation

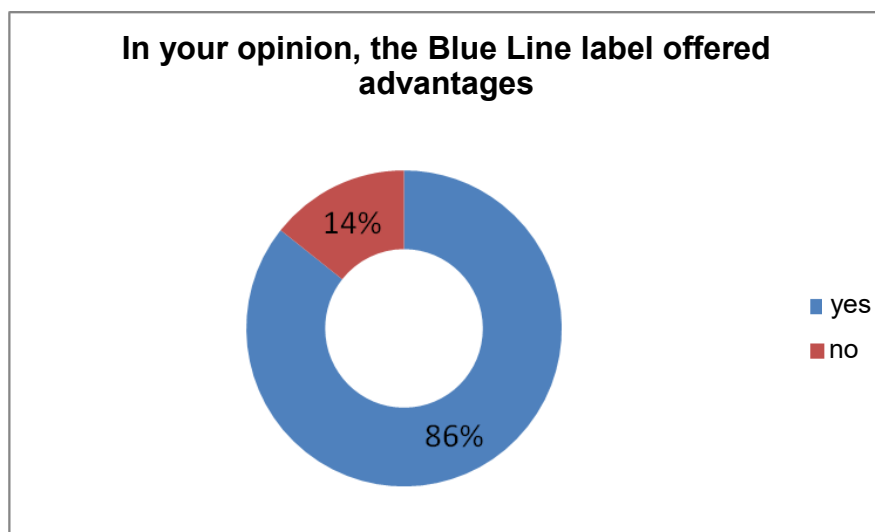
Figure 1. Reasons to use Blue Line



Source: Own preparation

Figure 2. Financial gains over gross invoicing

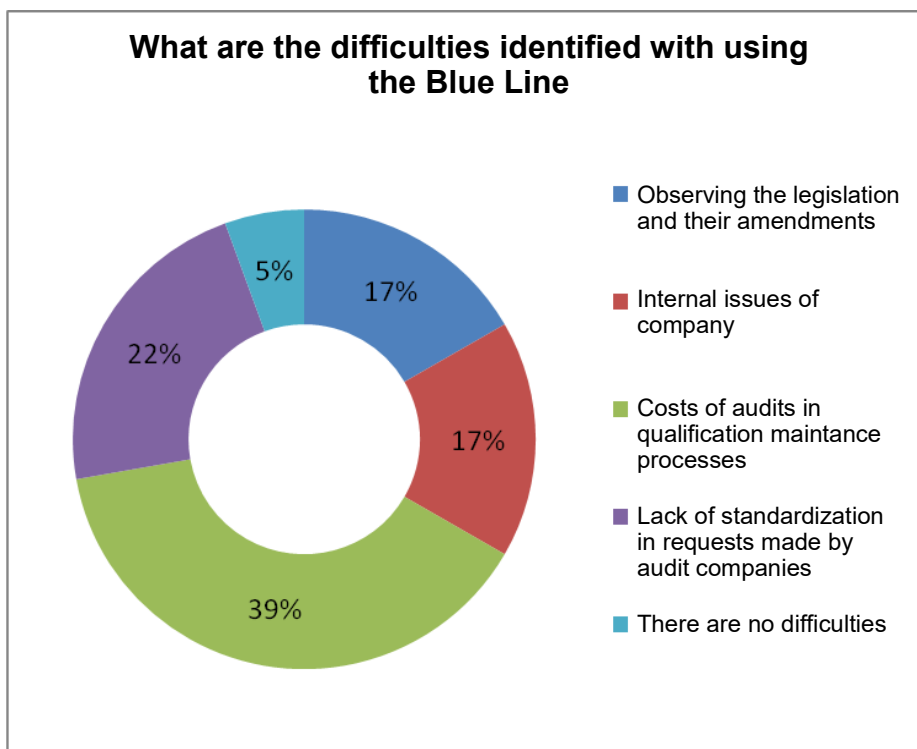
When asked if Blue Line “label” gives benefit to the company, the answer was mostly positive (Figure 3).



Source: Own preparation

Figure 3. Did the Blue Line label offer advantages?

When taken into consideration the difficulties mentioned with greatest frequency faced by companies qualified to Blue Line (Figure 4) were the cost of routine audits, also associated to observance of legislations and their amendments, lack of standardization in requests made by audit companies (even with the existence of a standardized script), in addition to internal characteristics of corporation



Source: Own preparation

Figure 4. Difficulties faced using Blue Line

Despite benefits, the companies had difficulty qualifying for the procedure. The adjustment to requisites imposed by RFB requires full regularity in fiscal aspects and strict control of computer systems (internal corporate governance and accountability), submitting an audit report every two years. The legislation for this kind of express clearance is a complex one, involving the requirement of internal adequacies in companies.

When they were questioned on changes that could be implemented in Blue Line, there were the comments included in Table 1, in order to make qualification and maintenance more accessible.

Table 1

Proposals of Actions to Improve Blue Line

PROPOSALS OF ACTIONS TO IMPROVE BLUE LINE
A bigger period requalification audit. Every 05 years, rather than in every 02 years.
Simplification of legislation to adhere to Blue Line.
Adequacy of Blue Line legislation to benefit exports too. The emphasis has most recently been on imports.
To standardize audits and simplify controls.
To simplify all requirements in requalification.
To be flexible in matters of observance of minimum Net Patrimony and other amounts provided in legislation.
Revision of number of required WEB reports.

Source: *Own preparation, grounded in questionnaires' results.*

The research shows relevant information on preparation of public policies with regards to express Customs clearance (“Blue Line”), and more detailed results were not obtained due to matters of commercial confidentiality with regard to certain information (such as quantification of financial gains with simplified procedure). For a general character of analysis, it would be recommended that customs also conduct an internal study, specifically with data obtained from computer controlled systems that enable an estimate to which degree and way there was better use of released labor with the adoption of Blue Line. What is the percentage of observance of obligations by the procedure’s users, and what are the main difficulties of conducting subsequent inspection procedures of qualified companies.

Summary and concluding remarks

Blue Line shows the alignment of Brazilian customs legislation with the best international practices in terms of trade facilitation, without ignoring required customs controls. Created fifteen years ago, Blue Line, Brazilian model of practicing a voluntary observance of rules (Brazilian example of customs compliance), is useful to have a more competitive Customs, in a scenery of increased imports and commercial practices that have been called “global value chains”.

Nowadays, industrial production has been spread throughout the planet, with management practices called outsourcing and offshoring. The increase of volume of intermediate goods, which will be used to manufacture final goods, is a practice that generates value in international supply chains. In this context, the export and import activities are vital for competitiveness of an economy.

Brazilian customs has strived for over a decade to slowly improve mechanisms such as Blue Line, which enable a better inclusion of the country in the global economy. The greatest challenge in the current scenery, mainly considering the Bali Round achievements, is widening the universe of

qualified companies, while keeping the quality level in customs control. Such improvements must be addressed by both customs and benefiting corporations.

From this study, it is recommended to be complemented¹³ by an internal research of the Customs Authority itself on the effectiveness of control mechanisms adopted in Blue Line.

It is possible to conclude that the improvement of Blue Line undeniably lies in a widening of qualified companies, with criteria that preserve the advantages obtained by Customs (essentially the best labor use) and private sector (especially speed and costs reduction). Therefore, other studies must be followed by impact projections in allocation of customs human resources and about the real speed provided, not forgetting about composition of costs in their entirety (which includes biennial reports normatively required, that could be slowly provided by periodical inspections made by Customs itself).

Endnotes

1.Appels, T & Struye de Swilande, H 1998, 'The International Journal of Logistics Management', *Rolling Back the Frontiers: The Customs Clearance Revolution*, vol. 9, no.1, p.111-118

2.Bandeira de Mello, Celso Antônio 2009, *Curso de Direito Administrativo*, Malheiros, 26. ed, São Paulo

3.Basaldua, Ricardo Xavier 1988 (reed. 2008), *Introducción al Derecho Aduanero*, Abeledo-Perrot, Buenos Aires

4.Juan Patricio, 'El derecho aduanero y la Organización Mundial del Comercio', in Cotter, Juan Patricio (coord.) 2007, *Estudios de Derecho Aduanero: homenaje al Dr. Juan Patricio Cotter Moine*, LexisLexis, Buenos Aires, pp. 3-26

5.'La Aduana: Concepto y Funciones Esenciales y Contingentes', 2007, *Revista de Estudios Aduaneros*, vol.18, Instituto Argentino de Estudios Aduaneros, Buenos Aires

6.Batista Junior, Onofre Alves 2001, *O pode de política fiscal*, Mandamentos, Belor Horizonte

7.Coelho, Flavio José Passos 2008, *Facilitação comercial: desafio para uma Aduana moderna*, Aduaneiras, Sao Paulo.

8.Engman, M, 'The Economic Impact of Trade Facilitation', in The Organisation for Economic Co-operation and Development 2009, *Overcoming border bottlenecks: the costs and benefits of trade facilitation*, OECD

9.Freitas, H, Oliveira, M, Saccol, A. Z & Moscarola, J 2000, 'O método de pesquisa survey', *Revista de Administração*, vol. 35, no. 3, pp. 105-112, Sao Paulo

10.Haughton, M. A & Desmeules, R 2001, 'Recent reform in customs administrations', *The international Journal of Logistics Management*, vol.12, no.1, pp. 65-82

11.Lawrence, R, Hanouz, M & Doherty, S (eds) 2012, 'The Global Enabling Trade Report: reducing supply chain barriers', *World Economic Forum*, Committee to Improving the State of the World

12.Matsuda, S 2012, 'The Time Release Study as a performance measurement tool for a supply chain and an international corridor', *World Customs Journal*, vol. 6, no.1, pp. 79-92

13.Moise, E, 'Trade Facilitation Reform in the Service of Development' in The Organisation for Economic Co-operation and Development 2009, *Overcoming border bottlenecks: the costs and benefits of trade facilitation*, OECD

14.Morini, C, 'A facilitação comercial como ferramenta de inserção da indústria nacional nas redes de produção internacionais' in Sá Porto, P. C (org) 2013, *Organização Mundial do Comércio – temas contemporâneos*, Leopoldianum, Santos

15.Morini, C & Leoce, G 2011, *Logística Internacional Segura: Operador Econômico*

¹³ It was not analyzed here the control aspects of Blue Line under point of view of Customs agents responsible for direct inspection of Blue Line.

Autorizado (OEA) e a Gestão de Fronteiras no Século XXI. Atlas, São Paulo

16. Organization for Economic Cooperation and Development 2013, 'Aid-for-trade case stories: trade facilitation', OECD, France, <http://www.oecd.org/aidfortrade/48323804.pdf>.

17. Organization for Economic Cooperation and Development 2005, 'The economic impact of trade facilitation', *Trade Policy Working Paper*, OECD, no. 21

18. Organization for Economic Cooperation and Development 2009, *Overcoming Border Bottlenecks: the costs and benefits of trade facilitation*, OECD Trade Policy Studies, OECD.

19. Portugal Perez, A & Wilson, J.S. 2010, 'Export Performance and Trade Facilitation Reform: Hard and Soft Infrastructure', *World Bank Policy Research Working Paper 5261*

20. Receita Federal Brasileira 2012. Study Document. 'Visão de Futuro para a Aduana Brasileira', RFB, <http://www.dsbh.org.br/docs/documentoaduana.pdf>

21. Shepherd, B & Wilson, J.S. 2009, 'Trade facilitation in ASEAN member countries: Measuring progress and assessing priorities', *Journal of Asian Economics*, vol. 20, no. 4, pp. 367 – 383

22. Silva, E. L. & Menezes, E. M. 2005, *Metodologia de Pesquisa e Elaboração de Dissertação*, UFSC, 4th ed, Florianópolis

23. Souza, M.J.P. & Burnquist, H.L. 2011, 'Facilitação do comércio e impactos sobre o comércio bilateral', *Est. Econ.*, vol. 41, no. 1, pp. 91-118, jan./mar, Sao Paulo

24. Trevisan, Rosaldo, 'Direito Aduaneiro e Direito Tributário – Distinções Básicas', in Trevisan, Rosaldo (org.) 2008, *Temas atuais de Direito Aduaneiro*, Lex Editora, São Paulo, pp. 11-55

25. Van Den Bossche, Peter 2005, *The Law and Policy of the World Trade Organization: text, cases and materials*, Cambridge University Press, Cambridge.

26. Walkenhorst, P & Yasui, T, 'Quantitative Assessment of the Benefits of Trade Facilitation', Organization for Economic Cooperation and Development 2009, *Overcoming border bottlenecks: the costs and benefits of trade facilitation*, OECD

27. Wilson, N, 'Examining the Effect of Certain Customs and Administrative Procedures on Trade' in Organization for Economic Cooperation and Development 2009, *Overcoming border bottlenecks: the costs and benefits of trade facilitation*, OECD

28. World Customs Organization, 'Glossary of international customs terms', viewed 12 October -2011, <http://www.wcoomd.org/en/topics/facilitation/instrument-and-tools>