

ALBANIAN CUSTOMS SERVICE: QUALITY OF SERVICES AND PERFORMANCE OF ALBANIAN CUSTOMS ADMINISTRATION

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Abstract

Trust and commitment are the "means" of the war which Albanian Customs (part of the national wealth of a solid state) strongly supports for the realization of its objectives, objectives that are part of a consolidated body including the entire Albanian society. The customs institution has been considered as the "Temple of Money" since ancient times until nowadays. This simple evidence, suggests in a very convincing way that the importance of this institution exceeds that of other institutions. It suggests that the tasks performed by this institution are more difficult, it suggests that the development of a nation and especially its enrichment passes through customs, the Albanian one. Adam Smith in "Wealth of nations" shows that the customs, as a common payment of obligations, has existed since immemorial times. Albania's long-term vision is the membership in the European Union (EU). Our country's relations with the EU are currently based in the Stabilisation and Association Process (SAP), which provides the framework and perspective of a future membership for the Balkan countries. Our country has made significant advances in terms of exports in recent years and this is the result of accurate and equal customs policies, which have stimulated local businesses to improve the quality of their products/services. The years have shown that this institution has been the subject of ongoing reforms such as political as well as administrative ones, to come up today, the year in which this institution has known the level of its high performance and the greatest respect of social & business community. Rightfully comes the question: - Why is it so? We will try to find the answer to this question in this task, starting with the history of development of the Albanian Customs up to its current position in relation to other European countries and its most recent achievements.

Keywords: Quality of Service, Marketing Relationship, Power of Relationship, Client Expectation and Perception, Client Satisfaction

INTRODUCTION

General Perspective of the Customs Administration

Albanian customs service activity after 1990 has improved to adapt to the European customs services. Albanian customs service work consists in the implementation of three main missions, which are: Fiscal mission; Economic Mission; Defensive Mission. But the fields of customs activity are extensive and day by day have been expanded the connections with new fields where the customs activity must be present.

Fiscal Mission

Fiscal mission is one of the main missions of the Albanian Customs which consists in collecting the customs duties of goods imported into the Republic of Albania. Besides these, the Customs collects a range of other taxes on behalf of the tax authority as VAT, excise duties, road taxes, etc., what makes the specific share of the revenue that is collected and shed by the customs in the state budget to be a significant figure. Also, the Customs' increasingly objective evidence of the value of imported goods serves as an essential clue for calculating and collecting taxes by the Tax Authority.

Economic Mission

Albanian Customs economic mission gets more and more a special importance in protecting and promoting the country's economy. The Customs, as an important State organization, by applying different tax levels, seasonal tariffs for agricultural products, by checking the licenses system, protects the local producers, stimulates imports for certain areas and encourages foreign investments in our country. Also, the implementation of the New Customs Legislation according to the European model, where a prominent place is given to the customs procedures for import, export, transit of goods and economic regimes like that of temporary importation, of active and passive processing, of customs warehouses has created favorable conditions to develop and enhance trade exchanges with abroad, as well as to stimulate domestic production. As an example for the fulfillment of this mission we can consider the Active Processing Regime which is provided, managed and controlled by the customs service. Currently in our country with this regime work about 400 companies by stimulating the processing industry and influencing significantly in solving social problems (in these companies are employed thousands of people) Our Customs Administration, in fulfilling this mission, plays the role of economic observer by guiding the actions of the Government and economic operators as the only collector, processor and distributor of external trade statistics.

Defensive Mission

Albanian Customs, as well as those of European countries, give an increasingly importance to the defensive mission. Having a strong legal support, being deployed at border crossing, having to watch the border area as well as keep track of the national road network (through the Directorate of Enforcement, at the Operative-investigative Department), customs has an important defense mission that lies in many areas, for example:

- A. The protection of national security and public order; Prohibition of illicit traffic in weapons, explosives and poisonous substances; Control of the security at the Airport and Ports in the context of the fight against terrorism; Prohibition of narcotic drugs and psychotropic substances trafficking; Control and prevention of money laundering; Prohibition of import, export and transit of written materials that endanger national security.
- B. The protection of public health. Sanitary and phytosanitary control of imported animal and plant species; Control of imported pharmaceutical products; The fight against drugs and psychotropic substances trafficking, etc.
- C. Protection of consumers; Control of the observance of the norms of production as well as the control of technical rates of insurance; Fighting against brand falsification and pirated products.
- D. Protection of the environment; Prohibition of the import of dangerous goods that disrupt or threaten the environment; Preservation of rare species of fauna and flora that are disappearing; Control of export-import of hazardous toxic waste, etc.
- E. Protection of national cultural property; Control of export of works of art and antique collections of national values and the prohibition of their clandestine export.

Individual Performance Evaluation in Customs Administration

Having established an evaluation system it is intended to improve the effectiveness of customs service in all the aspects. This will be achieved through the use of a system, which maximizes the contribution of individuals to achieve the overall objective, by ensuring that each individual works efficiently and best uses his abilities.

More specifically, the system will be used to provide information for: The general progress of individuals, which will be used in the contributions payment system by submitting the annual work as a whole; Transfer or promotion of individuals according to their abilities to adapt, which they have shown at work, estimated on the basis of basic skills; Training needs of individuals; Identifying and highlighting the non satisfactory progress; Ensuring that the staff in the probation period fully meets the requirements for the work progress before their final appointment is made; In general, the system will allow individuals to be assessed fairly and on

an equal basis, taking into account their different tasks and difficulties in performing them. The system shall give everyone a clear idea of the tasks to be performed, the objectives set for the implementation of these tasks and the required standards. Indicators of the quality of customs services based on evaluations of the World Bank according to Performance Indicators.

For measuring the performance and quality of Customs Service, the World Bank annually reports the report "Doing Business", which determines the ranking of Albania in this assessment based on the methodology followed by it.

The methodology used by the World Bank to assess the performance of Customs Service is made on the basis of customs clearance procedures by means of shipping. All procedures and accompanying documentation, as well as time and cost, are recorded starting from the agreement of both parties to the final procedures of extracting goods. The procedure measurements for the import of goods start from the arrival of the vehicle at the port to the extraction of goods in customs. The procedure measurements for the export of goods start from the packaging of goods in the factory to the launch of their vessel from the port. The required documents start from customs declarations and official documents exchanged between the two parties during transaction. Time is marked in calendar days from the beginning to the end of each procedure. Costs include payments beginning on a 20-foot container in US dollars. All payments related to the completion of import and export procedures are included, such as costs for documents, administrative fees for customs clearance and technical control, terminal dues and internal transport. These costs do not include customs duties and taxes.

The quality of customs service according to the World Bank is measured by the factors: Time for export, time for import, cost of export, cost of import, number of documents that appear in the import, number of documents that appear in the export.

Economies that have efficient customs service, good transport network and less requirements on submission of documentation, making import procedures faster and cheaper, are the most favorable and competitive economies globally. They direct you to more exports, which are associated with faster growth and more work. The request for submission of more documents from entities is associated with the highest level of corruption. Faced with long delays and requests for bribe, many traders avoid confrontation with customs and try to pass the border introducing contraband goods. This reduces the main purpose of controlling the border and the ensurance of a quality service by introducing goods with very high quality.

METHODOLOGY AND SURVEY

For the development of this survey, are taken into account some assumptions on the business and the goods that are traded: Business with average measures; business has 60 employees;

business is located in urban areas and in the most developed city; business is private and is registered and operates under the local laws and economy regulations; Goods traded are regular, legally manufactured and transported in a 20 foot container FC.

Historic data

Table 1: Trade through the border in Albania

Data for marketing across borders	Doing Business in 2012	Doing Business in 2013	Doing Business in 2014
Ranking	-----	83	66
Cost to export (US per container)	745	770	725
Cost of import (US per container)	750	775	710
No of export documents	7	7	7
No of import documents	9	9	9
Time Export (per day)	21	21	19
Time of import (per day)	22	22	18

Here there are expressed graphically the indicators and the ranking of Albania in the last 3 years:

Figure 1: Number of documents for export

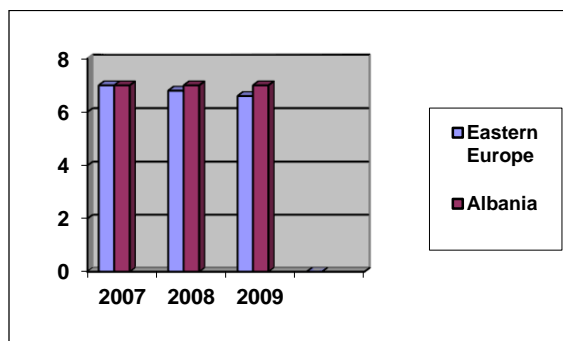


Figure 2: Time for export (days)

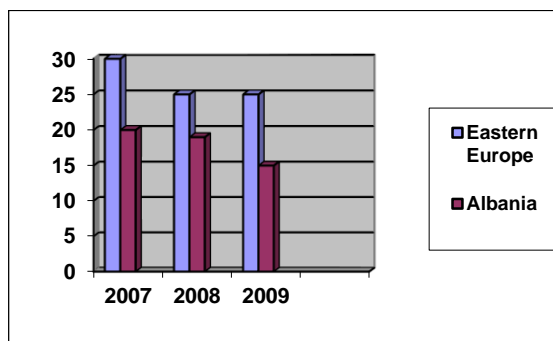


Figure 3: Costo of export (US \$ per barrel)

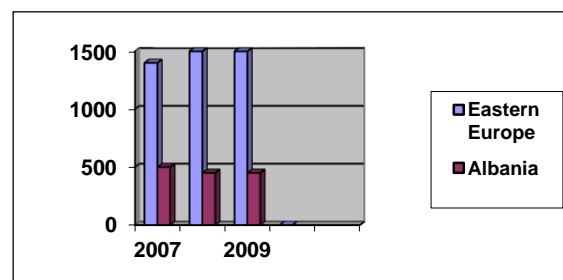


Figure 4: Number of documents for import

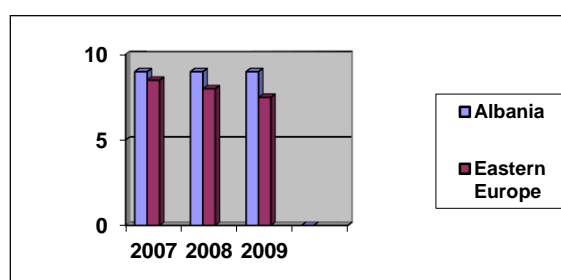


Figure 5: Time for import (days)

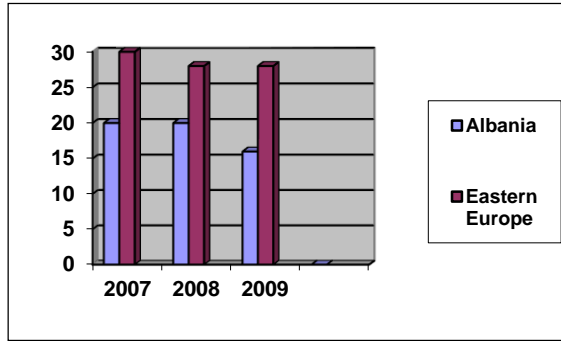
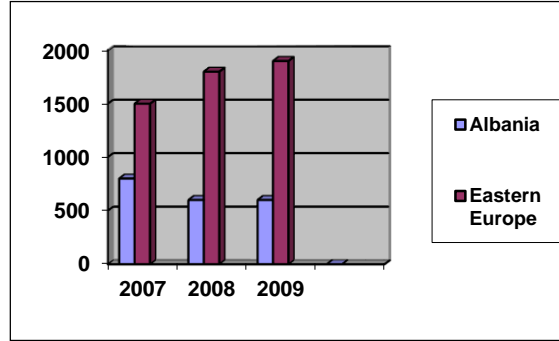


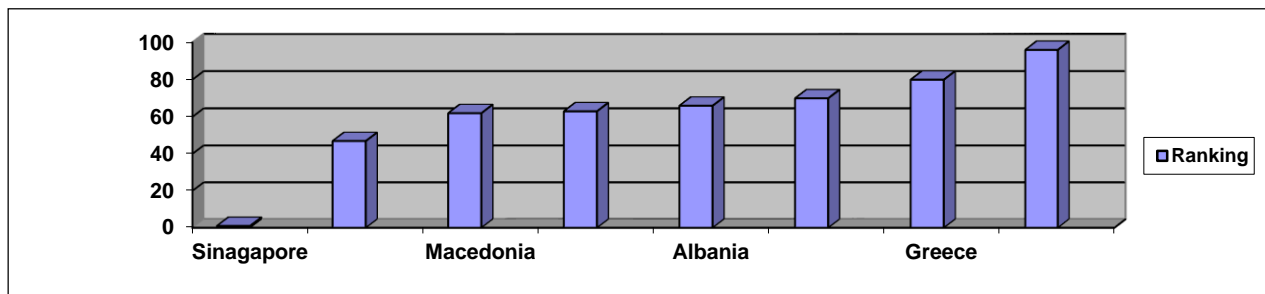
Figure 6: Cost of import (US \$ per container)



By comparing the above data expressed graphically, we observe that the methodology of measuring quality by the World Bank is based on the indicators: 1) Number of document for export, 2) Time of export, 3) Cost to export, 4) Number of documents for import, 5) Time of import, 6) Cost of import. As small are these figures, as effective and high is the quality of service. It is noted from the above data that Albania, in comparison to Eastern European countries, is positioned lower in terms of the number of document for export and import to be submitted to customs, although there is a decreasing trend over the years. This shows that entry and exit procedures from the border will require more time to control documents. But in terms of export and import times, Albania is positioned higher compared to Eastern European countries having fewer days for entry and exit from the territory of the Republic of Albania. This shows that Albania is in advantage and that the quality of service is increasing. The same goes for the cost of import and export, where Albania has a lower cost than other Eastern European countries, which suggests that the quality of Albanian customs service is improving according to the required standards.

The chart below expresses graphically the ranking of Albania globally in terms of quality of service. It is noted in the graphic that Albania is ranked 66th, a higher ranking than Macedonia, Montenegro and Bosnia Hersegovina. Also it is noted that Albania is only 4 degrees below Hungary and 14 degrees below Greece.

Figure 7



Questionnaire on the Evaluation of the Quality of Customs Service, based on Public Opinion (business and citizens)

In assessing the quality of Customs Service it ia carried out a survey in the form of a questionnaire which was distributed to businesses and citizens on obtaining their opinion for the quality of service received into Albanian customs. The aim of this questionnaire was to obtain evaluation by citizens, who are often faced with Albanian customs, by expressing how satisfied they are with the service they receive from customs and evaluate the professionalism of employees of customs administration.

The questionnaire is composed of 12 questions. This questionnaire has been distributed to citizens who continuously face the customs administration or at least once. They are distributed in total 50 questionnaires. Below shall be submitted all the questions as well as the statistics and percentages of all answers received from citizens:

Question 1

In general, how much satisfied are you with the quality of service you get in Customs Administration: a) Very satisfied b) Not at all satisfied

To this question, 33 of 50 persons, or 66% of the interviewed chose point b, not at all satisfied; 17 persons or 34% for point a, very satisfied.

Question 2

Can you say that the quality of service has improved since the last time that you have performed actions in customs? 1. I cannot say, it is the first time I perform services at the customs; 2. No, it was many times worse than the last time; 3. No, it was almost the same as last time; 4. Yes, it was better this time than last time

To this question, 9 out of 50 persons or 18% of the interviewed chose point a: I cannot say, it is the first time we perform services at the customs. 25 of 50 persons or 50% of the interviewed chose point b: No, it was many times worse than last time. 10 of 50 or 20% for point c: No it was almost the same; While 6 of 50 or 12% for point d: it was better this time than last time.

Question 3

Can you tell us specifically why the service was better or worse than last time?

This question has been answered by only 10 of the 25 persons who chose point b to the question above, or only 20% of the interviewed. Most of the answers consisted of: High bureaucracy for carrying out a customs action, increase of corruption by employees of

administration, intentional delays for clearance of goods for reasons of giving bribes, non professionalism of customs officers at the border.

Question 4

Please describe in your own words the nature of the problems you have with the Customs Administration?

The question is answered 15 out of 50 people or 30% of the interviewed. 12 of the 15 people who answered the question or 80% of them, described as a major problem the incorrect behavior of customs employees causing intentional delays in taking actions for the purpose of giving bribes. These people showed as a major problem the high level of corruption in the customs points. While 2 of the 15 people who answered the question or 20% of them showed satisfaction of the customs service comparing it to the service they received years ago. These people highlight the significant reduction of corruption compared to 2004 -2005.

Question 5

Did you get the help requested or needed your last time at the customs? a) Yes, b) No

This question was answered by all the interviewed. 37 of 50 persons or 74% answered YES, while 13 or 26% answered NO.

Question 6

How would you assess the employees of Customs Administration (customs officers)?

The interviewed must choose one for each indicator in the following table the assessment they had for each. The 50 persons interviewed answered this question with the relevant assessments according to the following table:

	Excellent	Very good	Good	Fair	Bad
Professionalism		2/50 (4%)	4/50 (8%)	28/50 (48.2%)	16/50 (32%)
Accuracy		2/50 (4%)	2/50 (4%)	10/50 (20%)	36/50 (72%)
Ready to provide assistance		2/50 (4%)	2/50 (4%)	30/50 (60%)	16/50 (32%)
Fast					

Question 7

Do you think the employees of the Customs Administration (customs officers) have the right knowledge and experience to deliver quality services to you? 1. Yes, they had experience; 2. Yes, they had knowledge but not at professional level; 3. No, they had neither knowledge nor

experience to provide quality service, however the service was provided; 4. No, the knowledge and experience was very low and were not even able to provide service properly; 5. I am not able to answer this question.

This question was answered by all persons interviewed: point **b** was chosen by 6 of 50 persons or 12% of the interviewed. Point **c** was chosen by 27 of 50 persons or 54%. Point **d** was chosen by 13 of 50 or 26% of the interviewed; While 4 of 50 or 8% chose point **f**.

Question 8

Do you think that the employees of the Customs Administration (customs officers) had all the resources to get knowledge, information, or means needed to give a better service?

a) Yes b) No

29 of 50 of the interviewed or 58% answered to this question with point **b** NO, while 21/50 or 42% answered with point a YES.

Question 9

Please describe what specific knowledge, expertise or other quality should customs officers have to provide more qualitative service?

This question was answered by 9 out of 50 persons, or 18% of the interviewed. Almost all answered at increasing the professionalism of customs officers, increasing the correctness and the knowledge of the customs legislation.

Question 10

The experience at the customs, have it made you feel irritated in some kind of way?

a) Yes, b) No

29 of 50 persons or 58% of the interviewed answered YES to this question, while 21 of 50 persons or 48% answered NO.

Question 11

If you were in charge of the Customs Administration, would you be proud of the service offered by this administration? a. Yes, very proud; b. No, not at all proud; c. No, we would actually feel humiliated and embarrassed

Of 50 or 8% chose point **a** at this question, yes very proud. 32 of 50 or 64% chose point **b**, Not at all proud. While 14 of 50 or 28% for point **c**, No, we would actually feel humiliated and embarrassed.

Question 12

What would you do to improve the service provided by the Customs Administration?

This question was answered only by 13 of the 50 people interviewed. About 80% said that one of the reforms that they would undertake if they were in charge of the Customs Administration was to reduce the level of corruption in the customs points. Also, the improvement of the customs personnel by increasing the number of skilled persons and professionals in the customs points is one of the actions they would undertake for improving the customs service.

CONCLUSION

Viewing the results obtained in this survey, we can conclude that more than 60% of citizens who face customs administration feel dissatisfied by the service. According to the survey, one of the main concerns of all citizens is the high level of corruption of customs and bureaucracies which prolong the clearance procedures and the endless delays in these points. Regarding the comparison that the citizens make to services offered 5 years ago, they appreciate that the service has improved compared to previous years. Despite this, according to the public opinion, the Customs Administration needs a reform that consists more in the increase of professionalism of employees of customs administration, particularly at customs points.

From the above analysis, based on 4 assessments made on the quality of the customs service, we reach these conclusions: The Customs administration is a vast field, where many factors affect the quality of its service. Quality of service is based on the basis of its performance indicators, legislation according to EU standards, infrastructure, improved information systems, qualified and trained personnel, professionalism of employees, etc. Given these factors and their detailed analysis, we reach the conclusion that the customs service is increasing its quality compared to previous years; this is shown by the performance statistics and the World Bank. Regarding the public opinion for the service you receive from the customs administration, according to the survey conducted, the quality of service continues to be low and the highest percentage of citizens feel dissatisfied by the service offered.

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