



THE EFFECT OF DOCUMENT MANIFEST DELAY TO CUSTOMS ADMINISTRATION PENALTY

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Abstract

This study aims to determine and analyze whether there is a significant effect of late inward manifest submission and inward manifest submission errors on the imposition of customs administration sanctions in the import airfreight division. The method of analysis uses descriptive data analysis techniques using multiple linear regression with SPSS 25. The results show there is a tendency if the delay in submitting inward manifests and the error in submitting inward manifest data together increases, then the imposition of customs administrative sanctions will also increase. There is a significant positive effect on the delay in submitting inward visible and inward manifest submission of data on customs administrative sanctions with a contribution value of 100%.

Keywords: Inward manifest, Inward Visible, freight forwarding, administration penalty



INTRODUCTION

A significant limitation in exploring the ties between transportation and trade has been the complexity in estimating the generalized costs of freight transportation. Due to the lack of publicly available disaggregated data by type of good and mode, for example, air, ground, sea, or multimodal. Despite this shortcoming, it has been observed that demand for air cargo has increased, mainly in response to the internationalization of production. In turn, it has required large volumes of freight to be transported to distant locations (Vega, 2014).

Data origin authentication ensures that messages are received from a valid trading partner. It confirms that the trading partner is authentic, real, genuine, and worthy of acceptance by reasons of conformity. Authentication requires that first, the sender can be sure that the message reaches the intended recipient, and only the intended recipient, and secondly, the recipient can be sure that the news came from the sender and not an imposter. The organization's security plan needs to include authentication procedures, as a lack of these could lead to valuable to prevent revealing sensitive information to competitors (Ratnasingam, 2015).

Recent studies in the field of big data analytics have come up with tools and techniques to make data-driven supply chain decisions. Analyzing and interpreting results in real-time can assist enterprises in making better and faster decisions to satisfy customer requirements. It will also help organizations to improve their supply chain design and management by reducing costs and mitigating risks (Transportation Research, 2018).

In shipping imported goods, an inward manifest transfer process is required to submit import data to customs. The purpose of the evident inward transfer is to obtain SPPB (Letter of Approval of Goods Expansion) so that the process of releasing imported goods from the original warehouse can be carried out. However, there are problems when submitting inward manifest data to customs, including because the origin has not updated the data to the system or late sending emails to the destination has caused delays in pre-alerts. Also, an application system that has errors due to a corrupted or disconnected server prevents inward manifest submission online and must be delivered offline. Then the lack of accuracy of available resources such as not checking data regularly in the system and e-mail is also one of the causes of late inward manifest submission.

Delays and errors in submitting inward manifests are violations of the Minister of Finance Regulation No. 158 of 2017, which results in companies being subjected to administrative sanctions, which can be in the form of administrative penalties and administrative service sanctions. In Article 26 PMK 158 of 2017, it is stated that transporters who submit RKSP (Carrier Means Arrival Plan) notifications, inward manifest, and/or outward manifest notifications, past the time specified in the Customs Law, are subject to sanctions in accordance

with Customs Law. In the management of redress risk (improvement) inward manifest PMK 158 in 2017 it is said that the growth of manifest on the error of the number of packaging/containers, the number of bulk goods, manifest items canceled or added potentially subject to administrative sanctions (Ministry Of Finance, 2017).

But in practice, the regulations has not been implemented correctly. The rules are still in the period of adjustment with freight forwarders in the customs area. This is found in Article 32 paragraph 1 of PMK 158 of 2017 which states that, in the context of improving the business process for submission, merger, administration, improvement and cancellation of RKSP notifications, inward manifest notifications, and outward manifest notifications, as well as the closing of posts and / or subheadings inward manifest notification, carried out in stages the application of delivery of notification of the planned arrival of the transport facility, manifest of the arrival of the transport facility, and manifest of the departure of the transport facility.

LITERATURE REVIEW

The Customs Department, which falls under the jurisdiction of the Ministry of Finance, issued a policy, as part of that was included in the 2015 economic policy package, to promote the growth of SMEs. The package included incentives in the form of the Import Facility for Export Purpose (Kemudahan Import Tujuan Eksport (KITE)) for SMEs, which abolished the requirement for cash guarantee, bank guarantee, or customs bond. This facility was previously applicable to small and medium industries (SMIs) only. To supervise this facility, the Indonesian Customs uses an IT inventory system.

In contrast to large companies that already possess their equipment, SMEs will be asked to fill out a report as part of a raw material management module so that there is a record of activities. The modules will be associated with CEISA (Customs-Excise Information and Automation), customs-excise information technology, and information system for KITE facilities. With this technology, the SMEs are just required to key in live input data to the system (Risydan, Anshori, & Ahamat, 2016).

Post-clearance audit means audit-based custom control performed after the release of the cargo from Customs' custody. The purpose of such reviews is to verify the accuracy and authenticity of declarations and covers the control of traders' economic data, business systems, records, and books (Hossain & Yusuf, 2013).

(Ministry Of Finance, 2017) The Inward Manifest Arrivals Manifest is a list of goods transported using transport by sea, air, and land upon entering the customs or other places after obtaining the permission of the Head of Customs Office overseeing the site.

Customs administrations have a large amount of data on trade and financial flows. However, the quantity of data available is less important than what the administrations do with it. Only robust analyses can make this data useful and usable in the decision-making processes. Cognisant of this importance, the World Customs Organization (WCO) dedicated the year 2017 to data analysis and used the slogan 'Data Analysis for Effective Border Management.' The aim was to encourage member countries to promote further their efforts and activities in a vital and indispensable sector of the customs modernization process: data collection and analysis (Chermiti, 2012).

Mirror analyses are a priori more suitable for post-clearance audits, as intelligence services must investigate their insights before it triggers a control and as there is a time lag between the clearance of declarations and the collection of mirror data. However, the immediate operational implementation of mirror data analyses could prove to be useful for first-line controls for customs administration with no database on the previous inspection of the frontline controls. Such studies indeed do not have any particular IT requirements other than the automated clearance system, which is already present in almost all customs administrations, nor additional data requirements, such as feedback from physical controls. The use of mirror analyses can thus allow to initiate risk-based targeting for frontline control and ensure that declarations targeted for physical inspection are identified in an objective manner (Grigoriou, 2013).

METHODOLOGY

This study adopted descriptive research methodology. A population is a group of objects that can be used as a source of research. The population of this study is the delay in submitting inward manifest, error in submitting inward manifest, and customs administration sanctions. The analysis technique used to test hypotheses is the method of multiple linear regression analysis, correlation coefficient, coefficient of determination, t-test, f test, and interpretation. Unstructured observation is a data collection technique used where the researcher does not prepare what will be observed (Sugiyono, 2014). In conducting inspections, researchers do not use standardized instruments, but only in the form of observation signs. Therefore, the researcher can make free observations, record what is interested, do an analysis, and then make conclusions. Data collection in this study is to use secondary data, namely, data from XYZ company with a total sample of 40 data. Data processing uses Microsoft Excel and Statistical Product and Service Solutions (SPSS) version 25 programs.

RESULTS

The number of delays in submitting manifest is 4979 within 40 weeks. Wherefrom the observation results obtained several factors that affect the delay, including (a) Late or no pre-alerts (notification of upcoming imported goods), (b) System application error, and (c) Employee error (human error).

Table 1. Inward Manifest Delay Factor Data for July 2018 - March 2019 (Weekly)

No.	Delay Factors	Total Delay Submit
	Submit Inward Manifest	Inward Manifest
1	Delay or No pre-alert	1886
2	Application system Error	249
3	Human error	2844
	Total	4979

From the data collected as a sample, shown the delay inward manifest data due to late or no pre-alert factors from origin as much as 1886 with a percentage of 37.88%, then the inward manifest delay due to application system error as many as 249 (5.00%), and delay inward manifest due to human error as much as 2844 (57,12%).

The number of inward manifest submissions errors is 227 in 40 weeks. Wherefrom the observation results obtained several factors that affect the error, including: (a) Revision of pre-alerts from the origin that were not informed of the destination or system error, (b) Revisions of uninformed airlines, (c) Employee errors (human error).

Table 2. Inward Manifest Error Factor Data for July 2018 - March 2019 (Week)

No.	Delay Factors	Total Delay Submit
	Submit Inward Manifest	Inward Manifest
1	Revision pre-alert from origin does not inform to destination or system error	130
2	Revision from airline not informed	59
3	Human error	38
	Total	227

The total value of pre-alerts from origin does not inform to the destination, or system error is 130 (57.27%). The revision factor of the airline that was not reported is 59 (25.99%), and inward manifest mistakes due to human error factors are 38 (16.74%).

The amount of imposition of customs administrative sanctions is 5030 within 40 weeks. Wherefrom the observation results obtained several factors that affect the imposition of sanctions, including (a) Late submission inward manifest, (b) Error submitting inward manifest.

Table 3. Customs Administration Sanction Data for July 2018 - March 2019 (Week)

No.	Delay Factors	Total Delay Submit
	Submit Inward Manifest	Inward Manifest
	Delay submit inward manifest	
1		4979
	Mistaken from submit inward manifest	
2		227
	Total	5206
	Total In Charges	5030
	Total Not In Charges	176

Customs administration penalty due to late submission of inward manifest as much as 4979 with a percentage of 92.25%, then customs administrative sanctions due to factors submitting inward manifest errors as much as 227 (4.37%), and of the two factors above who were not subject to customs sanctions as much as 176 with a percentage of 3.38%.

DISCUSSION

While analyzing the effect of delay in inward manifest submission on customs administration using the t-test results, it can be seen that the t value is higher than t table that is $510,542 > 2,026$ with the significance value obtained is less than 0.05 which is equal to 0,000. So it can be concluded that H_0 was rejected and H_a was accepted, meaning that Delay in Submission of Inward Manifest partially had a significant effect on the level of the imposition of Customs Administration Sanctions. The most significant factor that influences the delay in submitting inward manifest is human error or error in the employees is 2844 (57.12%).

The effect of error submit inward manifest, on customs administration penalty is analyzed using t-test where t value is smaller than the t table that is $1.573 < 2.026$ with a significance value obtained greater than 0.05, which is equal to 0.124. So it can be concluded that H_0 was accepted, and H_a was rejected, meaning that the Inward Manifest Submission

Error partially had no significant effect on the level of the imposition of Customs Administration Sanctions. The most significant factor influencing the error in submitting inward manifest is the revision of pre-alerts from the origin that was not informed to the destination or system error as many as 130 with a percentage of 57.27%.

Effects of late submission of inward manifest and error of submitting inward manifest on customs administration sanctions is last analyzed. From the results of statistical calculations with SPSS 25 predictions, the F test results show that the calculated F value is higher than the F table that is $397380.501313 > 3.23$ with a significance value obtained less than 0.05, which is equal to 0.000. So it can be concluded that H_0 is rejected and H_a is accepted, which means that Delay in Inward Manifest Submission and Inward Manifest Submission Error together have a significant effect on the level of the imposition of Customs Administration Sanctions. The most significant influencing factor in the imposition of customs administration sanctions is the delay in submitting manifest by 4979 with a percentage of 92.25%.

CONCLUSION

The delay of the Inward Manifest variable significantly influences the imposition of Customs Administration Sanctions. Increasing Delays in Submitting Inward Manifest will increase the taxation of Customs Administration Sanctions in the import airfreight division of XYZ company in July 2018 - March 2019.

The Error Variable Submit Inward Manifest does not significantly influence the imposition of Customs Administration Sanctions. Whatever the increase in Error Submit Inward Manifest does not have a significant effect on the rise in the imposition of Customs Administration Sanctions on the import airfreight division in July 2018 - March 2019.

The Late Variable Submission of Inward Manifest and the Submission of Submitting Inward Manifest together have a significant effect on the imposition of Customs Administration Sanctions. Increasing Delays in Submitting Inward Manifest and Submitting Inward Manifest Mistakes will increase the taxation of Customs Administration Sanctions in the import airfreight division of XYZ company in July 2018 - March 2019.

RECOMMENDATIONS

The results of this study can be used as additional information useful for companies in improving the performance of their employees by training all relevant employees in the field and conducting periodic monitoring and evaluation. Also, it is necessary to improve the system and communication with the origin so that the flow of goods flows smoothly, and the imposition of Customs Administration Sanctions can be minimized.

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