An Institutional Performance Framework Linking Customs Policy Implementation to Supply Chain Performance: The Role of Formal Entry Division at the Bureau of Customs, Port of Manila

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Abstract

This study examined the institutional performance framework linking customs policy implementation and supply chain performance at the Bureau of Customs. As international trade continues to expand, efficient customs administration has become a critical factor in ensuring seamless movement of goods, reducing logistics costs, and enhancing national competitiveness. The study specifically assessed the influence of policy enforcement, customs duty and tariff rates, regulatory compliance, documentation processing time, and efficiency of goods movement on overall supply chain performance. A quantitative descriptive-correlational research design was employed. Data were collected through a structured survey questionnaire administered to customs personnel, logistics service providers, importers, exporters, customs brokers, and other trade facilitation stakeholders operating within the Port of Manila. Descriptive statistics, weighted mean analysis, Pearson correlation, and other appropriate inferential statistical tools were utilized to determine the extent of customs policy implementation and its relationship with supply chain performance indicators. Findings revealed that customs policy implementation significantly influences supply chain efficiency. Delays in documentation processing, inconsistent policy enforcement, and complex regulatory requirements were identified as major factors contributing to longer cargo clearance times, increased operational costs, and disruptions in the movement of goods. Conversely, streamlined customs procedures, improved regulatory compliance, and enhanced inter-agency coordination were found to positively affect supply chain responsiveness, reliability, and cost efficiency. The results further demonstrated that digital transformation initiatives, including automated customs processing systems, electronic documentation, and real-time cargo monitoring, contribute substantially to operational efficiency and transparency. The study concludes that institutional effectiveness within customs operations is a crucial determinant of supply chain performance and trade facilitation outcomes. Strengthening customs modernization programs, investing in digital technologies, enhancing workforce capabilities, and fostering collaboration among customs authorities, logistics providers, and government agencies are essential for improving port efficiency and sustaining competitive trade operations. The proposed institutional performance framework provides a strategic guide for policymakers and customs administrators in advancing customs reforms and strengthening the Philippines' position in global trade and logistics networks.

Keywords: customs policy implementation, supply chain performance, trade facilitation, customs modernization, institutional performance framework.