INTERNATIONAL JOURNAL OF RESEARCH AND INNOVATION IN SOCIAL SCIENCE (IJRISS)
ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume X Issue VII July 2026

Navigating New Horizons Through the Lens of Customs Brokers

Georgemae A. Odtohan, Ily E. Abella, Judy Ann Ong Ferrater-Gimena, Yolanda C. Sayson,

University of Cebu, Cebu City, Philippines

DOI: https://doi.org/10.47772/IJRISS.2026.100700456

Received: 20 July 2026; Accepted: 25 July 2026; Published: 04 August 2026

ABSTRACT

In today's globalized world, international trade is crucial to many businesses. Customs brokers play a pivotal role in understanding and interpreting these regulations. Hence, this study explored the experiences of customs brokers at the start-up of their customs brokerage firm in Cebu City, Philippines.

This study adopted an exploratory research design to examine the experiences of customs brokers during the start-up of their brokerage firms in Cebu City, Philippines. This study was conducted at the selected emerging customs brokerage firms in Cebu City, Philippines. The research informants for this study are the ten (10) licensed customs brokers who established their own star-up customs brokerage firms in Cebu City, Philippines. This study used a researcher-made interview guide consisting of three (3) parts, which was subjected to content validation by an expert. The research protocols were submitted for review to the University of Cebu Research Ethics Committee [UCREC] to obtain the Certificate of Protocol Approval. Then, the researcher visited each office of the customs brokerage firm to inquire about the schedule of the owner/director/manager or proprietor, and to conduct an informal, short orientation prior to data collection. The research informants were interviewed individually at their offices or at any place they felt comfortable and convenient, during their free time. The interview proceedings were audio-recorded, transcribed, processed, and subjected to thematic analysis. The proceedings of this investigation adhered to the ethical principles of beneficence, non-maleficence, justice, and autonomy. To ensure the trustworthiness of the study, the following criteria were adhered to: credibility, transferability, confirmability, and dependability.

The themes created for the positive experiences of the research informants in managing customs brokerage firms are Developing Professional Competence for Entrepreneurial Readiness, Complying with Regulatory and Administrative Requirements, Building Business Network: Widen Market Reach and Business Opportunities, Building Client Trust through Quality Service and Relationship Management, Maintaining Constructive Link with Government Bodies: For Smooth Transactions, Assuming Multifaceted Responsibilities in Start-up Operations, Ensuring Accuracy and Compliance Through Systematic Document Management Early Operations: Embracing Sole Responsibility, Leveraging External Support and Independent Contractors, Financial Management: Maintaining Financial Stability Through Prudent Cash Flow Management, Multifaceted Means of Acquiring Accreditation in the Bureau of Customs, Guidance and Support to Facilitate Accreditation, Experiencing Efficient and Positive Customs Transactions, and Developing Patience and Adaptability in Managing Procedural Delays. The themes emanated for the for the negative experiences of the research informants are Regulatory Compliance and Documentation Requirements and Intricate Transactional Variation at the Bureau of Customs: Antecedents of Operational Delays. The themes developed from the narratives of the research informants on the strategies employed in addressing the challenges encountered are Managing Complex Mix of Regulatory Compliance Challenges, Enhancing Operational Efficiency Through Structured Management Practices, Leveraging Knowledge in Overcoming Operational Hindrances, Establishing Trust and Competitive Positioning in a Saturated Market, Building Trust with Client in Customs Brokerage Service through Strategic Communication and Myriad of Operational Challenges: Optimizing Processes and through Operational Resiliency. Therefore, customs brokers who manage their own customs brokerage firms faced both positive and negative experiences in getting their businesses off the ground and sustaining operations. Since they started with limited funds, they leveraged their business networks to secure customers, particularly from friends. Also, they optimize the presence of online marketing tools to promote their service to a wide market.

Keywords: Customs brokerage, start-up, market entry & client acquisition, business management and operations, Bureau of Customs, challenges, Cebu, Philippines

INTRODUCTION

International trade thrives on seamless coordination, accurate documentation, and timely compliance with regulations. At the center of these complexities lies a vital service, customs brokerage. For businesses navigating the global market, customs brokerage bridges the gap between trade aspirations and regulatory requirements. It ensures goods move efficiently across borders, avoids costly delays, and minimizes compliance risks. With international trade increasing at an unprecedented rate, understanding the significance of customs brokerage becomes imperative (Staunton, 2024).

In today's globalized world, international trade is crucial to many businesses. However, navigating the complex web of trade regulations and laws can be challenging. Customs brokers play a pivotal role in understanding and interpreting these regulations. They act as a vital link between traders and customs, bringing a wealth of expertise in customs laws and a deep understanding of the supply chain industry. Customs brokers are intermediaries between importers and exporters and the relevant customs authorities. They provide various services, including processing refunds and adjustments, completing and submitting Customs declarations, and liaising with other government agencies. Licensed Customs brokers have a specific scope of practice, which includes preparing import and export documents, submitting Customs declarations, filing duty and tax refund requests, and consulting on matters related to imports and exports (Rvi, n.d.).

Moreover, erroneous classification can lead to severe fines or elongated delays at customs, emphasizing the need for brokers' precision and expertise. Additionally, calculating duties is a precise task that requires understanding intricate fiscal policies to determine the correct taxes to be paid, thereby avoiding potential legal issues and facilitating budget planning for importers and exporters. Beyond these financial obligations, preparing a multitude of documents and ensuring strict compliance with the specific country's import/export laws remain cornerstones of their daily duties. This may include securing invoicing, certificates of origin, and other pertinent papers that verify the details of the transaction in question (Iienstitu, 2025).

Although the tasks of customs brokers have remained unchanged for years, in recent times their role has been subject to constant change driven by a rapidly evolving regulatory environment, including challenges posed by the electronic customs environment. The market for customs brokers in the European Union (EU) is shrinking owing to the introduction of the electronic customs environment. This suggests that only the best customs brokers will be able to stay in business. Ideally, customs brokers should have expertise not only in customs-related matters but also in facilitating international trade, supply chains, financing and financial operations, security matters, and compliance. That said, the customs broker profession is unlikely to decline and disappear any time soon. Although it is likely to shrink and transform, the profession will be sustained by microenterprises and SMEs (Gwardzińska, 2014).

In the Philippines, Llanto et al. (2013) found that there is a declining relevance of the customs brokers` services in an environment where customs administration is modernizing, computerization is replacing the traditional, direct interaction of brokers with the Bureau of Customs, and a more transparent customs administration is emerging to process a significantly growing volume of trade transactions efficiently. Understandably, a threatened profession such as brokering resists change.

In fact, President Rodrigo Duterte wants the Bureau of Customs (BOC) to do away with customs brokers, whom he blamed for corruption in the agency. The President unveiled the plan as he lamented that he could no longer tolerate the corruption in the agency and often considered resigning from the presidency because of it. The President has repeatedly complained about the rampant corruption in the BOC and has gone so far as to appoint ex-military officers to stamp out irregularities in the agency (Aurelio, 2019).

Due to the gross mistakes made by some customs brokers, which created negative public perception about their role in trade facilitation, Almonte (2014) said that this led to the national outrage that the fuelled law (Customs Modernization and Tariff Act) makers push for a revamp of the Customs and Tariff Act.
Beyond legal compliance, start-up customs brokerage firms in Cebu City face financial and technological challenges. Many entrepreneurs begin with limited capital, making it difficult to sustain operational costs such as office rentals, system upgrades, and personnel training (Issa, 2022).

Further, the government's digitalization initiatives, such as the Electronic-to-Mobile (E2M) Customs System, require brokers to invest in information technology (IT) infrastructure and develop digital competencies (Bureau of Customs [BOC, n.d.). This combination of financial pressure and technological demand underscores the need for strategic planning and continuous upskilling among new brokerage firms.

Cebu is a strategic geographic location, with growing trade volumes in the Province and across the Visayas, offering promising opportunities for customs brokers. The increasing demand for various goods from other countries led to the lucrative profession of customs brokers. However, various issues have arisen that threaten the customs brokerage business and the profession of customs brokers in international trade.

The various emerging challenges faced by customs brokers, both in the country and globally, prompted this investigation to explore the lived experiences of licensed customs brokers who have ventured into entrepreneurship in Cebu City.

Theoretical Background

This study is anchored on Contingency Theory of Fiedler (1967), which holds that the effectiveness of a task group or of an organization depends on two (2) main factors, the personality of the leader and the degree to which the situation gives the leader power, control, and influence over the situation or, conversely, the degree to which the situation confronts the leader with uncertainty.

According to Fiedler, because leadership behavior is fixed, effectiveness can only be improved by restructuring tasks or by changing the amount of power the leader has over organizational factors, such as salary, disciplinary action, and promotions (Nebeker, 1975). The Contingency Theory states that there is not one best style of leadership. Rather, the most effective leadership style for any given situation is one that aligns with that situation, and these can be great leaders, because a leader's effectiveness depends on the harmony between their leadership style and the situation at hand (Asana Team, 2025). This theory holds that group effectiveness depends on an appropriate match between a leader's style (essentially a trait measure) and the demands of the situation. In other words, effective leadership is contingent on matching a leader's style to the right setting. Fiedler considers situational control, the extent to which a leader can determine what their group is going to do, to be the primary contingency factor in determining the effectiveness of leader behavior (Forsyth, 2006).

In particular, the contingency theory of leadership distinguishes between task-oriented and relationship-oriented leaders. Task-oriented leaders focus primarily on ensuring that the tasks required to meet specific goals are completed effectively and on time. These leaders tend to have a more autocratic, authoritarian, or directive leadership style. They also tend to manage projects effectively, but they can stifle creativity and leave employees feeling uninspired. Relationship-oriented leaders, by contrast, focus on building strong, lasting relationships with their employees and prioritize a healthy work culture. These leaders tend to have highly motivated, engaged employees (Shonk, 2025).

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume X Issue VII July 2026

Ayman (1995) explained that situational control has three (3) components. Leader-member relations refer to the amount of cohesiveness in the work team and the team's support for the leader. Leader-member relations are the most important aspect of the situation because if the leader lacks group support, energy is diverted to controlling the group rather than toward planning, problem-solving, and productivity. Task structure is the clarity and certainty in tasks, goals, and procedures that allow leaders to guide group activities confidently. The more predictable and certain a task is, the greater the leader's sense of situational control. Position power pertains to the amount of administrative authority that an organization grants a leader. Like task structure, position power contributes to a leader's perceived situational control. Task-oriented leaders will be more successful in high- or low-control situations, and relationship-oriented leaders will be more successful in moderate-control situations.

A key determinant of leader effectiveness is a distinction between stress related to the leader's superior and stress related to subordinates or the situation itself. In stressful situations, leaders dwell on strained relationships with others and cannot focus their intellectual abilities on the job. Thus, intelligence is more effective and used more often in stress-free situations. Experience impairs performance in low-stress conditions but enhances it under high-stress conditions. As with other situational factors, for stressful situations, Fiedler recommends altering or engineering the leadership situation to capitalize on the leader's strengths (Fiedler, 1994).

Most countries are constrained by their natural resources and by their ability to produce certain goods and services. They trade with other countries to get what their population needs and demands. However, trade is not always conducted in a mutually beneficial manner between trading partners. Policies, geopolitics, competition, and many other factors can make trading partners unhappy. One way governments deal with trading partners they disagree with is through tariffs. Tariffs are taxes on specific goods or categories of goods exported from or imported into a country and are an economic barrier to trade (Nevil, 2025).

In addition, doing business with and in other countries is vital to the success of companies across nearly all sectors and sizes, and international trade is a key driver of prosperity and economic growth. Countries have developed by establishing competitive export industries, and Gross Domestic Product (GDP) growth has helped to generate the financial resources needed to improve people's living conditions. (Ameria Management Advisory, 2020).

In today's interconnected world, international trade plays a crucial role in driving economic growth, fostering global cooperation, and improving the standard of living for people around the globe. In most countries, such trade accounts for a significant share of gross domestic product. While international trade has existed throughout history, its economic, social, and political importance has been on the rise in recent centuries. Carrying out trade at an international level is more complex than domestic trade. When trade occurs between two or more states, factors such as currency, government policies, the economy, the judicial system, laws, and markets influence trade. The importance of international trade cannot be overstated, as it offers numerous benefits and opportunities for countries, businesses, and individuals (Olima, 2025).

International trade is an important aspect of the development of every country on this planet. Since the term is quite literal, it refers to the exchange of goods and services between countries. If any country attempts to produce all its goods and services by itself without importing or exporting, it will develop slowly, including its standard of living, which will be low as well (Hiscox, 2002).

Countries are most likely to import goods or services that their domestic industries cannot produce as efficiently or cheaply as the exporting country. Countries may also import raw materials or commodities that are not available within their borders. For example, many countries import oil because they cannot produce it domestically or cannot produce enough to meet demand (Segal, 2021).

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume X Issue VII July 2026

The Philippines' participation in international trade significantly impacts economic growth. The Philippines can leverage these advantages by actively participating in global markets to promote long-term development and prosperity. Participation in international trade brings many benefits to the Philippines. It stimulates economic growth, provides access to foreign technology, promotes diversification, fosters specialization, promotes cultural exchanges, and contributes to poverty alleviation. Therefore, International trade is crucial in promoting economic growth and development in the Philippines. By expanding market access, encouraging specialization, facilitating technology transfer, attracting foreign investment, and promoting diversification, trade enhances productivity, creates employment opportunities, and improves the Filipino people's overall standard of living. Participation in international trade helps diversify a country's income sources. The Philippines can reduce dependence on any industry or market by exporting a wide range of products and services (Salcedo, 2023).

An export in international trade is a good produced in one country that is sold into another country or a service provided in one country for a national or resident of another country. The seller of such goods or the service provider is an exporter; the foreign buyer is an importer (Joshi, 2014). Exporting involves producing goods at home and then shipping them to the receiving country for sale. It is mostly a strategy used by product-based companies. Many manufacturing firms begin their global expansion as exporters and only later switch to another mode for serving a foreign market (Hill, 2015).

Countries have developed by establishing competitive export industries, and Gross Domestic Product (GDP) growth has helped to generate the financial resources needed to improve people’s living conditions. Firms and countries that open up to trade enjoy long-run growth through several impacts. There is evidence of a market-share shift towards more efficient exporters and a direct effect of trade liberalization on aggregate productivity. The market shifted toward more efficient exporters, reflecting the effect of trade liberalization on aggregate productivity. Due to the increase in international business activities through the multilateral trading system, the RA Government Program, approved in February 2019, became the objective of economic growth. The program's period was 2019-2024. Export quality is developed through increased export volumes and services (Ameria Management Advisory, 2020).

Among classification systems, Harmonized System [HS] codes are commonly used throughout the import and export process to classify goods. The Harmonized System is a standardized numerical method of classifying traded products. It is used by countries around the world to uniformly identify and describe products for purposes such as assessing duties and gathering statistics. The Harmonized System (HS) is administered by the World Customs Organization [WCO] (2016) and is updated every five years. It serves as the foundation for the import and export classification systems used in the United States and by many trading partners. The HS assigns specific six-digit codes for varying classifications and commodities. Countries are allowed to add longer codes to the first six digits for further classification. Expanding from the Harmonized System’s 6-digit level, the United States requires a 10-digit number to classify products being imported or exported (International Trade Administration, n.d.).

Importers are the parties bringing goods into a jurisdiction, especially across the border of the Philippines, which is called an import. Importers are responsible for the importation and the payment of duties and taxes levied on the imported goods. Normally, they are named either as the consignee in the shipping documents or as the buyer in the exporter`s invoice (Pastor, 2015).

A trade barrier is a restriction imposed by a government on the exchange of goods and services with other countries. These barriers are sometimes called protectionist because their main purpose is to protect specific industries or departments within an economy. It is imposed when a country feels that another country is using unfair means to sell its products in the market. Most of these barriers work on this principle: to impose a cost on trade by increasing the price or reducing the availability of products entering trade. If two (2) or more countries use trade barriers continuously, it results in a trade war. These barriers then became tariff barriers, which impose a financial constraint on imports, and non-tariff barriers, which use other means to restrict imports and,

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume X Issue VII July 2026

sometimes, exports. Some economists also agreed that trade barriers are harmful and can decrease overall economic efficiency. The main barrier to trade is tariffs, which are taxes imposed on imports. It raises the price of imported goods relative to that of domestic goods. Non-tariff barriers include subsidies, embargoes, quotas, and various kinds of restrictions. The government subsidy for a specific domestic industry is an example of a trade barrier. These subsidies enable the production of specific goods at a domestic level at lower costs than in foreign markets, making them available at lower domestic prices. Both tariffs and subsidies raise the price of foreign products relative to domestic ones, thereby reducing imports. Trade between developed and developing countries, or the trade policies of the countries, are matters to be considered. In the General Agreements on Tariffs and Trade [GATT] negotiations, it was suggested that this kind of trade would be given primary importance in any new round. Government restrictions on international trade induce trade barriers (Jain, 2019).

Tariffs are a type of trade barrier that makes imported products more expensive than domestic products. Tariffs typically take the form of taxes or duties levied on importers, which are eventually passed on to consumers. They are commonly used in international trade as a protectionist measure. Tariffs are often created to protect infant and developing economies, but are also used by more advanced economies with developed industries. Here are five of the top reasons tariffs are used (Radcliffe, 2025).

A tariff or import tax is a duty imposed by a national government, customs territory, or supranational union on imports of goods and is paid by the importer. Exceptionally, an export tax may be levied on exports of goods or raw materials and is paid by the exporter (Furceri et al., 2019). They are usually levied as a percentage of the declared value of the good, similar to a sales tax. Unlike a sales tax, tariff rates vary by good, and tariffs do not apply to domestically produced goods (Moffatt, 2025).

A tariff increases the cost of imported or exported goods and may be used when domestic producers have difficulty competing with imports. Tariffs are used to restrict imports. Simply put, they increase the price of goods and services purchased from another country, making them less attractive to domestic consumers. Tariffs may also be used to protect an industry deemed a national security concern. Some industries receive protection that has a similar effect to a subsidy; tariffs reduce the industry's incentives to produce goods more quickly, cheaply, and efficiently, making it ever less competitive (Nivel, 2015).

Governments may impose tariffs for several reasons, such as raising revenue, protecting domestic industries, protecting domestic consumers, and protecting national interests. Notwithstanding the impact of the tariff imposed by Proclamation 9705 (Adjusting Imports of Steel Into the United States), imports of steel articles from certain countries exempted from the tariff or subject to alternative agreements have increased significantly, while excess capacity in the global steel industry has begun to increase again in recent years (Federal Register, 2018).

Tariffs can be used to raise government revenue. This kind of tariff is called a revenue tariff and is not designed to restrict imports. For instance, in 2018 and 2019, President Donald Trump and his administration imposed tariffs on many items to rebalance the trade deficit. In fiscal year 2018, customs duties collected totaled $41.6 billion. In fiscal year 2019, duties received were $71.9 billion.12 (US Customs and Border Protection, n.d.).

The third basis for a tariff involves dumping. When a producer exports at a loss, its competitors may term this dumping. Another case is when the exporter prices a good lower in the export market than in its domestic market. The purpose and expected outcome of a tariff is to encourage spending on domestic goods and services rather than their imported equivalents (Moffats, 2025).

Rogowski (1990) argued that trade politics, and in particular average tariffs, are a proxy for class conflict because the distributional consequences of trade liberalization depend on whether a worker owns labor or capital.

On the one hand, it is increasingly structured by preferential trade agreements [PTAs], of which there are today close to 500 in force. There is a new one almost every month (e.g., the Rules of Origin Facilitator [ROF] World Customs Organization [WCO], n.d.). On the other hand, since 2016, many among the world's largest free trade areas have either been formed, renegotiated, or separated, namely the Comprehensive and Progressive Agreement for Trans-Pacific Partnership [CPTPP], the African Continental Free Trade Area [ACFTA], the Regional Comprehensive Economic Partnership [RCEP], the United States-Mexico-Canada (USMCA), and the European Union-United Kingdom [EU-UK] Trade Cooperation Agreement [TCA]. Against this background, the growth of intermediate goods trade now accounts for almost two-thirds of world trade (Johnson & Noguera, 2012).

Free trade agreements and tariff schedules often determine which goods and materials are cheaper to import. With globalization and the increasing prevalence of free trade agreements between the United States and other countries and trading blocs, U.S. imports of goods and services increased from $580.14 billion in 1989 to $3.1 trillion as of 2019 (U.S. Census Bureau, 2024).

Time to trade can be perceived as a fixed and a variable cost that affects both the extensive and the intensive margins. At the sectoral level, while agriculture and manufacturing are affected by time delays, fuel is not. Perishable and seasonal products are found to be more sensitive to the time-to-trade than other products. Finally, superstars are more adversely affected by trade-related administrative barriers than small- and medium-sized exporting firms (Hendy & Zaki, 2021).

Free trade agreements and reliance on imports from countries with lower labor costs are likely responsible for a large share of the decline in manufacturing jobs in the importing nation. Free trade opens the ability to import goods and materials from cheaper production zones and reduces reliance on domestic goods. The impact on manufacturing jobs was evident between 2000 and 2007, and it was further exacerbated by the Great Recession and the slow recovery afterward (Federal Reserve Bank of St. Louis, 2025).

To ease and justify the process of trade between countries of different economic standing in the modern era, some international economic organizations were formed, such as the World Trade Organization [WTO]. These organizations work to facilitate and promote international trade. Statistical services of intergovernmental and supranational organizations, as well as governmental statistical agencies, publish official statistics on international trade (Olima, 2025).

The General Agreement on Tariffs and Trade [GATT] is the foundational agreement reached among many countries after World War II to reduce tariffs, quotas, and other trade barriers. The agreement started with 23 nations signing in 1947, but had over 100 signatories by 1973. From its creation to its evolution into the World Trade Organization [WTO], GATT successfully reduced average tariffs among member countries from over 20% to around 5% or less. Prior to GATT, trade barriers were raised during the Great Depression, with many countries imposing tariffs of over 40% in the 1930s. To counterbalance the harmful effects of these tariffs and rebuild economies after World War II, many nations participated in discussions to lower trade barriers. The result of the first rounds of discussions was the GATT, which successfully lowered many trade barriers. While intended as a multilateral treaty, GATT effectively became its own organization for managing trade among members due to the failure of the International Trade Organization [ITO]. After many more rounds of negotiations, GATT increasingly facilitated more beneficial global trade among member states, culminating in the Uruguay Round, which created the WTO. The WTO became the new forum for enforcing and amending GATT provisions, with negotiations still ongoing in the Doha Round. The GATT has many key aspects. One requires member states to apply tariffs non-discriminarily, meaning they should apply to all member states equally, with limited exceptions. GATT also limits countries' ability to impose higher restrictions on goods from other member states than they impose within their own country. Other major sources of friction for international trade, such as quotas, dumping, and subsidies, are very limited under GATT, reducing the ability of countries to be singled out by another country (Legal Information Institute, n.d.).

World Trade Organization [WTO], an international organization established to supervise and liberalize world trade. The WTO is the successor to the General Agreement on Tariffs and Trade [GATT], which was created in 1947 in the expectation that it would soon be replaced by a specialized agency of the United Nations [UN] called the International Trade Organization [ITO]. Although the ITO never materialized, the GATT proved remarkably successful in liberalizing world trade over the next five decades. By the late 1980s, there were calls for a stronger multilateral organization to monitor trade and resolve trade disputes. Following the completion of the Uruguay Round (1986–94) of multilateral trade negotiations, the WTO began operations on January 1, 1995. Although the GATT was expected to be provisional, it was the only major agreement governing international trade until the creation of the WTO. The GATT system evolved over 47 years into a de facto global trade organization that eventually involved approximately 130 countries. Through various negotiating rounds, the GATT was extended or modified by numerous supplementary codes and arrangements, interpretations, waivers, reports by dispute-settlement panels, and decisions of its council (Anderson, 2025).

The European Union [EU] is a supranational political and economic union of 27 member states that are located primarily in Europe with the aims promoting peace, its values and the well-being of its citizens, offer freedom, security and justice without internal borders, while also taking appropriate measures at its external borders to regulate asylum and immigration and prevent and combat crime, establish an internal market, achieve sustainable development based on balanced economic growth and price stability and a highly competitive market economy with full employment and social progress, protect and improve the quality of the environment, promote scientific and technological progress, combat social exclusion and discrimination, promote social justice and protection, equality between women and men, and protection of the rights of the child, enhance economic, social and territorial cohesion and solidarity among EU countries, respect its rich cultural and linguistic diversity and establish an economic and monetary union whose currency is the euro (European Union, n.d.).

Containing 5.5% of the world population in 2023, EU member states generated a nominal gross domestic product (GDP) of around €17.935 trillion in 2024, accounting for approximately one-sixth of global economic output (Eurostat, 2025). Its cornerstone, the Customs Union, paved the way for establishing an internal single market based on a standardized legal framework and legislation that applies in all member states in those matters, and only those matters, where the states have agreed to act as one. EU policies aim to ensure the free movement of people, goods, services, and capital within the internal market (European Commission [EC], 2007), enact legislation in justice and home affairs, and maintain common policies on trade, agriculture, fisheries, and regional development (European Commission [EC], 2025).

Passport controls have been abolished for travel within the Schengen Area. The eurozone is a group of 20 EU member states that have fully implemented the EU’s economic and monetary union and use the euro. Through the Common Foreign and Security Policy, the union has developed a role in external relations and defense. It maintains permanent diplomatic missions worldwide and represents itself at the United Nations, the World Trade Organization, the G7, and the G20. Originally, the concept of free movement was intended to enable the European working population to travel and settle freely in any EU State (European Commission [EC], 2011).

The aims of the EU within the wider world are to uphold and promote its values and interests, contribute to peace and security and the sustainable development of the Earth, contribute to solidarity and mutual respect among peoples, free and fair trade, eradicate poverty, and protect human rights and the strict observance of international law (European Union [EU], n.d.).

The European Union has concluded free trade agreements [FTAs] and other agreements with a trade component with many countries worldwide and is negotiating with many others. The European Union negotiates free trade deals on behalf of all its member states, as the member states have granted the EU "exclusive competence" to conclude trade agreements. Even so, member states' governments control every step of the process (via the

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume X Issue VII July 2026

Council of the European Union, whose members are national ministers from each national government (European Commission [EC], n.d.).

North American Free Trade Agreement [NAFTA], a controversial trade pact signed in 1992 that gradually eliminated most tariffs and other trade barriers on products and services passing between the United States, Canada, and Mexico. The pact effectively created a free-trade bloc among the three largest countries of North America. NAFTA went into effect in 1994 and remained in force until it was replaced in 2020. NAFTA's main provisions called for the gradual reduction of tariffs, customs duties, and other trade barriers among the three members, with some tariffs removed immediately and others phased out over periods of up to 15 years. The agreement ensured eventual duty-free access for a vast range of manufactured goods and commodities traded between the signatories. National goods status was provided to products imported from other NAFTA countries, banning any state, local, or provincial government from imposing taxes or tariffs on such goods. NAFTA also contained provisions to secure intellectual property rights. Participating countries would adhere to rules protecting intellectual property and would adopt strict measures against industrial theft. Other provisions instituted formal rules for resolving disputes between investors and participating countries. Among other things, such rules permitted corporations or individual investors to sue any signatory country that violated the treaty's rules for compensation (The Editors of Encyclopedia Britannica, n.d.).

The Association of Southeast Asian Nations, or ASEAN, was established on 8 August 1967 in Bangkok, Thailand, with the signing of the ASEAN Declaration (Bangkok Declaration) by the Founding Fathers of ASEAN: Indonesia, Malaysia, the Philippines, Singapore, and Thailand. Brunei Darussalam joined ASEAN on 7 January 1984, followed by Viet Nam on 28 July 1995, Lao PDR and Myanmar on 23 July 1997, and Cambodia on 30 April 1999, making up what is today the ten Member States of ASEAN. ASEAN Trade in Goods Agreement [ATIGA] aims to achieve free flow of goods in the region, resulting in fewer trade barriers and deeper economic linkages among Member States, lower business costs, increased trade, and a larger market and economies of scale for businesses. Through ATIGA, Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand have eliminated intra-ASEAN import duties on 99.65 percent of their tariff lines. Cambodia, Lao PDR, Myanmar, and Viet Nam have reduced their import duties to 0-5 percent on 98.86 percent of their tariff lines. Today, the focus is on addressing non-tariff measures that could create non-tariff barriers to trade and business activities in the region (Association of Southeast Asian Nations [ASEAN], n.d.).

The Governments of Brunei Darussalam, the Kingdom of Cambodia, the Republic of Indonesia, the Lao People's Democratic Republic (Lao PDR), Malaysia, the Union of Myanmar, the Republic of the Philippines, the Republic of Singapore, the Kingdom of Thailand and the Socialist Republic of Viet Nam, Member States of the Association of Southeast Asian Nations (hereinafter collectively referred to as member states or singularly as member state. Recalling the Leaders' decision to establish the ASEAN Community, comprising (3) three pillars, namely the ASEAN Political Security Community [APSC], the ASEAN Economic Community [AEC] and the ASEAN Socio-Cultural Community [ASCC], made in the Declaration of ASEAN Concord II signed on 7 October 2003 in Bali, Indonesia, and in the ASEAN Charter signed on 20 November 2007 in Singapore; Determined to realise the goals of establishing ASEAN as a single market and production base characterised by free flow of goods, services, investment, skilled labour and freer flow of capital envisaged in the ASEAN Charter and the Declaration on the ASEAN Economic Community Blueprint signed by the Leaders on 20 November 2007 in Singapore; Recognising the significant achievements and contribution of the existing ASEAN economic agreements and instruments in various areas in facilitating free flow of goods in the region, including the Agreement on ASEAN Preferential Trading Arrangements (1977), the Agreement on the Common Effective Preferential Tariff Scheme for the ASEAN Free Trade Area [AFTA] (1992), the ASEAN Agreement on Customs (1997), the ASEAN Framework Agreement on Mutual Recognition Arrangements (1998), the e-ASEAN Framework Agreement (2000), the Protocol Governing the Implementation of the ASEAN Harmonised Tariff Nomenclature (2003), the ASEAN Framework Agreement for the Integration of Priority Sectors (2004), the Agreement to Establish and Implement the ASEAN Single Window (2005); Desiring to move forward by developing a comprehensive ASEAN Trade in Goods Agreement which is built upon the commitments under the existing ASEAN economic agreements to provide a legal framework to realise free flow of goods in the region (Asean Trade in Goods Agreement, n.d.).

A free zone is a designated area. For the benefit of customs duties in industry, commerce, or other activities that are beneficial to the country's economy. Those wishing to establish a duty-free zone must obtain a license. From the Director-General who has been granted a license to operate in a duty-free zone, persons permitted by the Director-General to operate the industry commerce or any other activities that are beneficial to the country's economy in the free zone (Gandolfo & Trionfetti, 2014).

The primary purpose of a free-trade zone is to remove the hindrances to trade caused by high tariffs and complex customs regulations from seaports, airports, and borders. Among the advantages of the system are the quicker turnaround of ships and planes through the reduction in formalities of customs examinations and also the ability to fabricate, refinish, and store goods freely (The Editors of Encyclopedia Britannica, n. d.).)

The International Trade Group is responsible for trade policy formulation, trade advocacy, trade negotiations, and representation at the multilateral, regional, and bilateral levels, such as the World Trade Organization [WTO], Association of South East Asian Nations [ASEAN], Asia Pacific Economic Cooperation [APEC], and Indo Pacific Economic Framework [IPEF]. Under the ITG are two (2) units, to wit: the Bureau of International Trade Relations [BITR] and the Strategic Trade Management Office [STMO]. BIS is mandated to assist Philippine industries facing trade remedy actions, conduct trade remedy investigations, disseminate timely and accurate information on imports to stakeholders, and adopt sound import policies, programs, and guidelines. BITR serves as the primary agent responsible for all matters related to international trade across various fora. STMO is mandated to implement strategies, policies, and guidelines formulated by the National Security Council – Strategic Trade Management Committee [NSC-STMC] and carries out registration and authorization services for persons who engage or intend to engage in the trade of strategic goods, specifically export, re-export, re-assignment, transit, transshipment, import, and provision of related services, among others. Under ITG, as an attached agency, is the Philippine International Trading Corporation [PITC] (Department of Trade and Industry [DTI], n.d.).

In May 2025, the Philippines' total external trade in goods amounted to USD 17.87 billion, an annual increase of 2.7 percent from USD 17.40 billion in the same period of the previous year. In April 2025, total external trade in goods recorded an annual increase of 1.2 percent, while in May 2024 it registered an annual decrease of 0.4 percent. Of the total external trade in May 2025, 59.2 percent were imported goods, while the remaining 40.8 percent were exported goods. The balance of trade in goods (BoT-G) is the difference between exports and imports. The BoT-G in May 2025 amounted to USD -3.29 billion, indicating a trade deficit with an annual decrement of 30.4 percent. In April 2025, the trade deficit decreased by 15.9 percent year-on-year, while in May 2024 it increased by 7.4 percent year-on-year (Philippine Statistics Authority [PSA], 2025).

Customs is an authority or agency in a country responsible for collecting tariffs and for controlling the flow of goods, including animals, transport, personal effects, and hazardous items, into and out of a country. Traditionally, customs have been considered a fiscal subject that charges customs duties (i.e., tariffs) and other taxes on imports and exports. In recent decades, views on the functions of customs have considerably expanded and now cover three basic issues: taxation, security, and trade facilitation. The traditional function of customs has been the assessment and collection of customs duties, which are tariffs or taxes on the importation or, at times, exportation of goods. Commercial goods that have not yet been cleared through customs are held in a customs area, often called a bonded store, until processed. Authorized ports are usually recognized customs areas (Kormych, 2018).
Each country has its own laws and regulations for the import and export of goods into and out of the country, enforced by its respective customs authorities; the import/export of some goods may be restricted or forbidden entirely (Chowdhury, 1992).

Within the framework of customs legal relations, contracts of a civil law nature are considered a specific form of the state's influence in this sphere of public relations. With the participation of customs intermediaries, certain economic and legal relations are established between customs authorities and participants in foreign economic activity. The content of customs intermediary activities should be determined by the provision of services mediated by civil law agreements, representing the interests of foreign economic activity in relations with customs authorities, the provision of customs and related services, and the implementation of legally significant actions in customs procedures (Shutiak, 2020).

A more recent objective of customs has been trade facilitation, the streamlining of the processing of imports and exports to reduce trade transaction costs. The contemporary understanding of the trade facilitation concept is based on Recommendation No. 4 of the United Nations Center for Trade Facilitation and Electronic Business [UN/CEFACT] (n.d.), the National Trade Facilitation Body.

The Bureau of Customs [BOC], nonetheless, is under the supervision of Department of Finance [DOF] which has the mission to assess and collect lawful revenues efficiently; to effectively curb illicit trade and all forms of customs fraud; to facilitate trade in a secured manner; to implement relevant technology for an efficient and effective customs management aligned with the international customs best practices; and to promote professionalism and integrity in the service (Pastor et al., 2015).

Section 10 of the Republic of the Philippines stipulates that the State, to protect and enhance government revenue, institute fair and transparent customs and tariff management that will efficiently facilitate international trade, prevent and curtail customs fraud and other illegal acts, and modernize customs and tariff administration. Towards this end, the State shall a) develop and implement programs for the continuous enhancement of customs systems and processes that will harmonize customs procedures; b) adopt clear and transparent customs rules, regulations, policies and procedures, consistent with international standards and customs best practices; c) establish a regime of transparency of and accessibility to customs information, customs laws, rules, regulations, administrative policies, procedures and practices, in order to ensure informed and diligent compliance with customs practices and procedures by stakeholders; d) consult, coordinate and cooperate with other government agencies and the private sector in implementing and developing customs policy; e) provide a fair and expeditious administrative and judicial appellate remedy for customs related grievances and matters; f) employ modern practices in customs administration and utilize information and communications technology in the implementation of customs functions; and g) Institute professionalism and meritocracy in customs tax administration by attracting and retaining competent and capable customs officers and personnel to enforce the provisions of this Act (Congresss of the Philippines, 2016).

The role of customs in international trade is crucial. They ensure that goods move smoothly across borders while adhering to regulations. Customs authorities facilitate trade by streamlining processes and collecting tariffs, which contribute significantly to national revenues. The global economic landscape has evolved rapidly, with cross-border trade increasing by 25% over the past decade. This growth impacts customs operations, requiring them to adapt to changing trade patterns influenced by geopolitical events (Krasova & Ostanina, 2021).
Cargo customs complexes are located throughout the country and offer different levels of technical, technological, and organizational support, as well as limited capacity, determined by the available space to enter its territory to be served or the possibility to store goods in the required volumes and for a specified time. Therefore, when designing a logistics chain involving a cargo customs complex, these aspects must be considered to avoid service queues or outright denials. Waiting time for service or the arrangement of additional terms of cooperation will adversely affect the efficiency of the logistics chain and lead to losses and disruptions in delivery timeframes, as these aspects are not subject to regulation or forecasting (Luzhanska, 2020).

Ports are the backbone of global trade, functioning as crucial transit points where goods are transferred between sea and land transportation networks. They account for approximately 80–90% of global trade by volume,

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume X Issue VII July 2026

making them indispensable to the global economy. Ports are not just points of cargo transfer; they are dynamic economic ecosystems that generate employment, attract foreign investment, stimulate infrastructure development, and serve as hubs for industries such as shipping, logistics, manufacturing, and tourism. For developing countries, efficient ports are especially critical, they enable integration into global value chains, foster regional trade, and contribute significantly to GDP growth. Ports are not just points of cargo transfer; they are dynamic economic ecosystems that generate employment, attract foreign investment, stimulate infrastructure development, and serve as hubs for industries such as shipping, logistics, manufacturing, and tourism. For developing countries, efficient ports are especially critical, they enable integration into global value chains, foster regional trade, and contribute significantly to GDP growth. Moreover, ports play an essential role in ensuring food and energy security, as well as access to medical supplies, by facilitating the timely import and export of essential commodities (Pastor et al., 2015).

Customs brokers are intermediaries between traders and customs authorities. Their knowledge of customs laws and processes, along with their work experience in the trade, can be helpful for both (Almo et al., 2022). The expertise of customs brokers in tariff classification, customs documentation, and logistics operations is indispensable in promoting regulatory compliance and smooth cargo movement (Fan et al., 2021).

Also, customs brokers act as intermediaries between businesses and customs to perform customs clearance. They can be a valuable asset in international trade. These professionals are experts at navigating the requirements of customs and other government agencies, ensuring shipments reach their destinations smoothly and efficiently. Dealing with complex processes and handling documents with many details is a significant challenge for customs brokers. However, the ability to adapt to these challenges has even expanded their role in the supply chain by adopting new technologies, such as digitalization and advanced innovations in customs declaration systems. By doing so, they have made the clearance process more efficient and modern while still ensuring compliance with customs duties and other laws. It is impressive to see how customs brokers have kept up with industry changes and remained an integral part of the supply chain (Sitisara et al., 2023).

A customs broker, sometimes referred to as a customs agent or a customs services provider, is a company contracted to ensure that the customs declaration is correct, that duties and taxes are calculated accurately, and that payment is received so that goods can transit across borders smoothly and without disruption. On top of this, a specialized customs service provider or a strategic customs partner should also be able to provide a centralized customs solution and offer strategic consultancy and advisory services. This can help the company to continuously improve its customs operations and influence the strategic direction (Maerks, n.d.).
Lileikis and Staniūtė (2020) opined that a customs broker represents a person at customs clearance by acting on behalf of the person in his/her interests or acts as a mediator at customs clearance, acting on their own behalf and on behalf of the person. Customs brokers help customers complete general administrative documents for import, export, and transit procedures.

Section 2 of Republic Act No. 9280 declared the policy of the State to give priority attention and support to the professionalization of the customs brokers profession in the Philippines, which will be beneficial to the country in general and to the economy in particular. There is hereby created a Professional Regulatory Board [PRC] for Customs Brokers, hereinafter referred to as the Board, under the supervision and administrative control of the Professional Regulation Commission, hereinafter referred to as the commission, to be composed of a chairman and two (2) members whom the President of the Philippines shall appoint from among the list of three (3) recommended for each position submitted by the commission from a list of five (5) nominees for each position submitted by the accredited professional organization of customs brokers. In section 4, a customs broker is defined as any person who is a bona fide holder of a valid Certificate of Registration or Professional Identification Card issued by the Professional Regulatory Board and the Professional Regulation Commission [PRC] (Congress of the Philippines, 2004).

Likewise, the Customs Adminisitrative Order [CAO] No. 05-2019 explains that the customs broker practice refer to the professional services rendered by a customs brpker in the Bureau such but not limite to preparation of customs requisite document fr imports and exports and declaration of customs duties and taxes, signing, filing, lodging and processing of import and export entris; and representing importer and exporters before the Bureau in cases related to valuation and classification of imported articles (Bureau of Customs [BOC], 2019).

The general provisions of Section 4 of the Customs Administrative Order (CAO) No. 05-2019 state that the customs brokers desiring to lodge and process goods declaration at the Bureau shall register and obtain a Certificate of Registration from the Bureau. A customs broker acting as a declarant shall be presumed to be the agent of the consignee or importer and, as such, may be made accountable and liable for any violation of the Customs Modernization and Tariff Act [CMTA] and other related laws. A customs broker who is also an employee of a customs broker and acting solely fr his employer need not apply for a separate registration as long as his name appears on the Notarized List of Customs Broker's Representative submitted by the registered customs broker. The customs broker's representative authorized to act for and in-behalf of a customes broker in the processing of entries, permits and other customs documents related to the customs broker's practice of his/her profession must prossess the following minimum qualiifications: must be a Filipino citizen of legal age; of good moral character, which certificate may be secured from previous employer, if applicable, or from the educational institution if newly graduated; of good moral character, which certificate maybe secured from previous employer, if applicable, or from the educational institution if newly graduated; has complted a training program seminar for the current year by the AIPO with Certificate of Attendance; and other qualifications that the Bureau may require (Bureau of Customs [BOC], 2019).

Following free-market principles means that engaging the services of a customs broker or a similar entity is a commercial decision for traders. Free market principles apply in their respective countries. Fees are either fixed or monitored in some way (e.g., by setting minimum fees or flat rates) by a government authority, mainly a customs administration, and, in some instances, by customs in concert with a private-sector body. Such practices may have been adopted to avoid brokers overcharging for their services or to prevent cartels or monopolies (World Customs Organization [WCO], 2016).

Customs brokerage firms facilitate the shipment and delivery across geographical borders for individuals and organizations. The general public is often unaware of the sheer volume of goods and raw materials that cross international borders every day, and of what is involved in clearing them through customs in different countries. Each country operates under a different set of rules and regulations regarding the transfer of goods entering or leaving its borders. Customs regulations and laws governing the import and export of goods are constantly changing worldwide, sometimes even daily. A customs brokerage firm is responsible for knowing all these rules and regulations and ensuring they are followed to streamline the shipping process as much as possible for the individual or organization. In effect, customs brokers alleviate the stress of dealing with customs officials and navigating shipping regulations, so their clients can spend more time on what they do best – managing their core business. Customs brokers serve, in effect, as translators, communicating with agencies and government entities throughout the shipping process to ensure that all proper procedures are followed (Farrow Admin, 2016).

Customs brokerage services are provided in accordance with the written contract concluded with a person or in accordance with the person's written mandate for a fee or free of charge (it is specified in the written contract) (Lileikis & Staniūtė, 2020).

Customs brokerage refers to the professional services provided to facilitate the clearance of goods through customs for importers and exporters. A customs broker acts as a mediator between businesses and government customs authorities, ensuring that goods meet all regulations and arrive without unnecessary delays. These professionals stay up to date on constantly changing trade policies and tariff classifications. Businesses can trust customs brokers to handle the intricacies of international trade documentation, tariff calculations, and duty

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume X Issue VII July 2026

payments. This expertise allows companies to focus on their core operations rather than navigating the labyrinth of customs compliance alone (Rvi, n.d.).

Customs brokers are intermediaries between traders and customs authorities. Their knowledge of customs laws and processes, along with their work experience in the trade, can be helpful for both (Almo et al., 2022).

They continue to play a significant role in international trade, especially among small and medium-sized enterprises (SMEs). They provide a means of ensuring trade compliance, thereby helping protect the financial interests of the European Union (EU) and its individual Member States (Gwardzińska, 2014).

Trade agreements offer significant advantages, such as reduced tariffs or preferential market access, but leveraging them requires detailed compliance. Customs brokers help businesses identify opportunities within these agreements and ensure proper documentation to claim benefits. They analyze certificates of origin and other relevant records to confirm eligibility. Without this guidance, companies may miss out on potential savings or face challenges in claiming benefits. Customs brokers bridge the gap, allowing businesses to maximize the benefits of trade agreements and stay compliant without added stress (Rvi, n.d.).

Various pieces of literature and studies related to customs and customs brokerage are reviewed to provide deeper knowledge and insights into the current situation and practices in international trade.

Nguyen et al. (2021) identified the enablers (drivers) and inhibitors (barriers) influencing e-customs implementation in Vietnam (known as a developing country with a lower technological environment), along with determining the impact of e-customs on firm performance, in which there were two significant drivers (enablers), relative advantages and national culture, while compatibility and ease of use are the barriers.

Pokrzywniak (2022) analyzed the transparency of the Philippines' customs regulatory framework. The study revealed that while progress has been made in digital systems and documentation, significant challenges remain in terms of balancing regulation and business agility. The role of brokers is to bridge the gap between strict compliance and practical business execution, especially in complex trade environments.

The study by Drinkwater and Robinson (2023) used data from the World Bank Enterprise Surveys to investigate the extent to which customs and trade regulations are perceived as an obstacle to the operations of establishments in Africa. It examined variations in responses to a question about the impact of customs and trade regulations across establishments in a range of African countries. It investigates the factors that determine these differences. The regression models focus particularly on three sets of influences. The results indicate that small establishments that engage internationally are less likely to report customs and trade regulations as an obstacle. In contrast, such obstacles were deemed to be more severe in establishments that also considered corruption and political instability to be obstacles.

Objectives of The Study

This study explored the experiences of customs brokers at the start-up of their customs brokerage firm in Cebu City, Philippines. Specifically, this study aims to present the following: 1) experiences of the informants in operating their customs brokerage firm in Cebu, Philippines; and 2) the strategies employed by the informants in addressing the challenges encountered ?

RESEARCH METHODOLOGY

Research Design

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume X Issue VII July 2026

This study adopted an exploratory research design to examine the experiences of customs brokers during the start-up of their brokerage firms in Cebu City, Philippines.

Research Environment

This study was conducted at the selected emerging customs brokerage firms in Cebu City, Philippines, such as Tagaloguin Customs Brokerage, Manalo Customs Brokerage, De Los Reyes Customs Brokerage, Arrowtop Customs Brokerage, PathFinder Customs Brokerage, BLOC Customs Brokerage, Metafora Logistics Services, Bohol Customs Brokerage, Rivera Customs Brokerage, and Alfante Customs Brokerage.

As a premier economic center in the Visayas, Cebu City hosts a dynamic trade and logistics establishment that supports the movement of goods across domestic and international markets. Its strategic location, alongside well-established port facilities such as the Cebu International Port, positions the city as a central hub for customs-related transactions.

Research Informants

The research informants for this study are the licensed customs brokers who established their own customs brokerage firms in Cebu City, Philippines. The inclusion criteria include those who passed the Customs Brokers Licensure Examination by the Professional Regulation Commission [PRC] (preferably in the year 2022 to 2023), accredited at the Bureau of Customs [BOC], own and managed their own brokerage firm in which the principal office is located within the jurisdiction of Cebu City, Philippines, at the brokerage firm their own is within 3 years (start-up stage). Those customs brokers employed in customs brokerage, logistics offices, and other government agencies, such as the Bureau of Customs, and those who operate outside Cebu City are excluded from this investigation.

Using the purposive sampling technique, ten (10) informants were chosen based on the inclusion criteria mentioned above.

Research Instrument

The research instrument for this study was designed by the researcher based on the objectives of the study. The questions in the interview guide were structured. There are three (3) parts of the interview guide. The first (1st) part pertains to questions about the informant's background and the customs brokerage firm he/she operates. The second (2nd) part relates to the experiences in operating customs brokerage firms in the areas of market entry and client acquisition, business management and operations, and transacting with the Bureau of Customs [BOC].

The third (3rd) part concerns the strategies the informants used to address the challenges they encountered. To enhance the reliability and validity of the researcher-designed research instrument, the interview guide underwent expert validation.

The expert holds a Doctor of Business Administration (DBA) and is an expert in qualitative research. The expert's feedback was used to refine the instrument, ensuring that the questions are clear, relevant, and capable of eliciting rich, informative responses that relate to the objectives of the study and are well-suited to the background of the research participants. Any necessary revisions were made before the full implementation of the data collection process

Research Procedures

The research protocols were submitted for review to the University of Cebu Research Ethics Committee [UCREC] to obtain the Certificate of Protocol Approval. The researcher sent a transmittal letter to each management of the customs brokerage

Then, the researcher visited each office of the customs brokerage firm to inquire and ask for the schedule of the owner/director/manager or proprietor of the customs brokerage firm to conduct an informal and short orientation about the objectives of the study, contents of the Informed Consent Form (ICF), benefits of the study, probable risks of their participation and to inform them their participate is generally voluntary in nature. This activity was conducted to establish transparency and build the informants' trust, ensuring they would willingly share their experiences in operating their customs brokerage. Informed consent forms were provided, outlining the voluntary nature of participation, confidentiality measures, and the right to withdraw at any stage without any repercussions. After that, they were asked about their willingness to participate in the study. To those target informants who responded positively to the request, they were also asked to sign the Informed Consent Form [ICF]. After affixing their specimen to the ICF, they were asked about their available schedule for the interview, ensuring that it would not disrupt their operations or transactions with clients and at the Bureau of Customs [BOC]. Also, the informants were given the option to decide on the place, date, and time of the interview to ensure their rights were protected and that they were comfortable during the interview. Each interview lasted for approximately 40 to 60 minutes.

Once approval and consent were secured from the management of the selected customs brokerage firms, the researcher scheduled and arranged interviews. The interview schedule was flexible to accommodate the availability of the informants, minimizing disruption to their professional commitments and activities. During the interview, the researcher asked each informant for permission to use a cellular phone to audio-record the interview. For those who chose the online or video-conferencing interview mode, the proceedings were recorded. The research informants were interviewed individually at their offices or at any place they felt comfortable and convenient, during their free time. The questions asked during the interview were based primarily on the interview guide to ensure their relevance to the objectives and scope of this investigation. Also, the researcher adhered to the ethical principles in conducting the study and maintained a respectful atmosphere during the interview. She ensured a professional demeanor while attentively listening to each informant's narratives and answering each question. Anonymity was ensured by using codes or pseudonyms instead of real names when presenting the findings. Any sensitive information that could potentially identify an informant was excluded from the final report. The research procedures were ultimately designed to ensure the credibility, validity, and trustworthiness of the study, thereby contributing valuable knowledge to the fields of customs brokerage and entrepreneurship.

The audio recordings of each informant interview were transcribed for data analysis. All documents and records about the study were kept on the researcher's personal laptop to ensure data privacy and confidentiality, including the identity of each research informant, in accordance with the provisions of the Data Privacy Act of 2012. The audio recordings of the interviews and the transcript will be destroyed 5 years after the finalization of the study report.

Data Analysis. Data analysis is central to credible qualitative research. Indeed, the qualitative researcher is often described as the research instrument insofar as his or her ability to understand, describe, and interpret experiences and perceptions is key to uncovering meaning in particular circumstances and contexts. While much has been written about qualitative analysis from a theoretical perspective, novice and even experienced researchers often grapple with the 'how' of qualitative analysis (Maguire & Delahunt, 2017).

The first step in the research analysis involved data transcription. The transcript was then subjected to appropriate data analysis.

Moreover, the narratives of the research informants regarding their experiences operating their customs brokerage firm in Cebu, Philippines, and the strategies they employed to address the challenges encountered were subject to thematic analysis.

Braun and Clarke (2006) provide a six-phase guide, which is a very useful framework for conducting this kind of analysis. The first (1st) step is to become familiar with the data. The second (2nd) step is to generate initial codes. The third (3rd) is to search for themes. The fourth step is to review the theme. The fifth (5th) step is to define themes, while the sixth (6th) step is to write the report.

Ethical Considerations

Ethical considerations are essential to any research, ensuring that participants' rights, dignity, and confidentiality are respected throughout the study. In this exploratory analysis of the experiences of customs brokers at the start-up stage of their customs brokerage in Cebu City, various ethical principles were strictly adhered to, ensuring that the process of data collection, analysis, and reporting was carried out in a manner that was fair, transparent, and respectful of the informants. This section discusses the key ethical considerations implemented during the study in the areas of beneficence, non-maleficence, justice, and equity.

This research can significantly benefit the owners of customs brokerage firms by providing valuable insights into the intricacies and tenets of operating this type of business. Data on the experiences of customs brokers in starting a customs brokerage can serve as a basis for formulating practical implications for aspiring customs brokers to use when starting their own firm and to avoid potential threats and issues that could be detrimental to their success.

In the aspect of non-maleficence, any concerns or questions raised by participants during the study were addressed promptly and thoroughly. Participants were encouraged to ask questions about the research at any stage, and the researcher provided clear and honest answers. This open line of communication fostered an atmosphere of transparency. It ensured that participants were fully informed about the research process, enhancing their sense of control over their involvement in the study.

RESULTS AND DISCUSSIONS

There are three (2) parts presented in this chapter. The first (1^{st}) part presents the profile of the research informants. The second (2^{nd}) part pertains to the strategies employed by the informants in addressing the challenges encountered in the customs brokerage business.

I. **Experiences of the Informans in Operating their Customs Brokerage Firms in Cebu, Philippines**
The following are the themes emanated from the experiences of the research informants in operating their customs brokerage firm in Cebu, Philippines.

Start-Up Experience

1. **Developing Professional Competence for Entrepreneurial Readiness**. After obtaining a professional customs broker license, it is necessary to gain knowledge in running a brokerage firm, including promotion, operations, particularly the processing of export and import documents, and financial management. The informant emphasized the value of learning business operations from experience and previous setbacks. Informants 1 and 7 divulged that:

“When I took up BS Customs Administration, I already knew that my path was to eventually start a customs brokerage firm. That’s why, during my OJT, I made it a priority to learn as much as I could. I observed from the

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume X Issue VII July 2026

business operations, accounting, and the basics of import lodgements. I know I still have much to learn, especially in the processing and releasing side of the business, but I'm eager to continue improving and gaining experience along the way, and then the permits/accreditation follows."

"For this question, the initial steps are moving forward with the failed experience. You need to move forward because your goal is to have your own business. Somehow, the good service that can be provided to clients or shareholders. Create on my own, and the best experience from that, the lesson learned from the previous one is that I need to do it on my own as a sole proprietor."

As customs brokers who operated their own newly-established brokerage firms they put into action the model, theories, principles, concepts and related business knowledge they learned from the class. They also disclosed that there is a need for hands-own experience from established customs brokerage firms, particularly in processing customs documents for the payment of duties. Hence, mastering the technical competencies in brokerage services and documentation procedures is a must.

2. **Complying with Regulatory and Administrative Requirements**. It is necessary to comply with regulatory requirements when starting any type of business, from registration, acquiring a business permit until payment of fees and taxes. For customs brokerage, accredition from the Bureau of Customs is a must to be able to lodge documents. It important to seek guidance from experienced professionals on how to comply these documentary regulations. Informants 4, 5, 6 and 10 disclosed that:

"First and foremost, I processed the documentary requirements for my accreditation. I went to BIR (Bureau of Internal Revenue), I accomplished the Bureau of Customs form for the application of a new customs broker, and I also surveyed which area I can put up my office in. I asked my friends about how to ease the process, if there were any shortcuts, and what I needed to perfect in order to expedite the processing of my new accreditation because I heard that it takes time, so I really asked and consulted those experts in the field about it.

"The very first thing I did was to register my name. So I did all the documentation like going to BIR to get my TIN, also my books of accounts, my journals, my registration, and register with the BOC in order to process my documents there."

The first thing I did was to register the business name and get the necessary permits from the local government. I prepared the documents needed for accreditation with the Bureau of Customs. I also studied the cost of rent, utilities, and basic equipment to start my own business."

"The first step is to have enough capital and clients, followed by securing business permits and clearances."

The research informants opined that before they could start their customs brokerage business, they ensured that they complied with the business permit requirements. They started by registering either with the Department of Trade and Industry [DTI] for sole proprietorship or with the Securities and Exchange Commission [SEC] for partnership or corporation. Then, securing the business permit from the Local Government Unit (LGU) where the office is located. Now, since business entails transactions at the Bureau of Customs [BOC], they obtained accreditation with the BOC to ensure legal, smooth transactions when processing documents for the exportation and importation of various commodities.

Market Entry and Client Acquisition

1**. Building Business Network: Widen Market Reach and Business Opportunities**. To be able to start getting and adding more clients in the customs brokerage business, the owners had to establish their network of friends, acquaintances, and business partners. It is important to understanding client needs and market expectations to be able to have established market. Informants 1, 2, 3, 4, 5, 6,7, 8, and 10 divulged that:

"During my planning phase, I used my experience as an importer and talked with other business owners and suppliers to understand their needs. I found that many importers wanted brokerage that were fast, reliable and transparent. I initially built my client network by leveraging my existing business network and personal connections. Since most of our initial clients were business friends, trust played a big role, and I focused on assuring them of hands-on service and continuous communication. I gathered information about potential clients through my existing business network and personal connections."

"I could only research Cebu-based importers, those importers, their cargo is fast moving. First thing is probably that money, that you have funds, that's the first thing because you can't start operating your service if you don't have funds. know who the clients were or anything. What I did was search for the commodity, like who imports plywood, steel, etc., here in Cebu so I could identify the importers."

"Before I started that customs brokerage, I didn't decide to start it directly because I didn't have any clients but an agent encouraged me to start up, that's why... he gave me clients which is like third-party and that's why, I started a customs brokerage. My service is just to speed up the release of their containers or cargo. On social media, I post containers I've released so they can see and have a reference that my service is good."

"My friends really helped me in that process because I trusted in the referral of my peers and acquaintances in the field, whenever they have clients, they want me to process, then I accepted that and also, maintained good relationships with them to build trust and confidence so that after I process the client, they will keep coming back to me."

"In determining my market and the market demand, currently, importations in the Philippines are very rampant, especially prefabricated buildings. Since I have friends from the industry who import those kinds of things, that's how I decided that they are my target market because the importation of that type of cargo is huge. As I have mentioned, I have a few friends from the industry dealing with prefabricated cargoes, and they are the ones who helped me get clients through referrals. Convincing clients is difficult, but because of the help from my friends, since they referred me, dealing with my clients or proposing my business became easier because the person referring me is reliable."

"I talked with importers, freight forwarders, and truckers to ask about their needs. I also observed how busy the port was and how many shipments were coming in. From these talks, I saw that there was still space for one more brokerage firm in Cebu. I called them, visited their offices, and introduced myself and my new firm. I did a lot of explanation about my services and the terms and answered their questions about the cost and timelines. Then I gave a written proposal with my service rates and contact details if they were interested. I started by contacting friends and former clients from my previous work. They introduced me to other importers who might need a broker like me. I also check public records and company lists to know which firms regularly import goods."

"During my time with my previous company, I observed that a significant number of shipments were being lodged with the Bureau of Customs. This experience opened my eyes to the vast opportunities within the industry. It made me realize that beyond the daily operations, there is enormous potential for growth, innovation, and professional advancement in this field. That realization motivated me to explore new possibilities and prepared me to take on greater responsibilities in my career. Most of my initial clients came through referrals from fellow customs brokers, as well as through my own research into potential prospects within the area. In securing these first engagements, I prepared tailored business proposals designed to align with the specific needs and expectations of each client, ensuring clarity on the services we could provide and the value we aimed to deliver We secure their commitment by carefully addressing the shortcomings they experienced with their previous broker and demonstrating how our approach ensures improved service delivery and greater client satisfaction. brokers, as well as through my own research into potential prospects within the area"

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume X Issue VII July 2026

"I assessed demand by studying import volume trends in Cebu ports, observing competitors, and consulting industry contacts. Consistent quality of service, referrals, and maintaining strong relationships were the key. I used personal networks, contacted importers directly, and used referrals. I presented proposals highlighting my expertise, fast processing, transparency in charges, lower rates, and personalized service."

Building a network of business clients and associates is necessary in the course of operating customs brokerage business, as the nature of operations is service to exporters and importers. Thereby widening business reach and opportunities is the tool to become sustainable. The informants emphasized the importance of referrals from family members, friends, and other social environemnt in developing a professional network and acquiring clients. Also, they highlighted participation in various social and professional activities as a means to broaden industry connections and increase visibility among stakeholders. The value of professional affiliations and active participation in industry-related activities enhance visibility and credibility within the customs brokerage industry.

2. **Building Client Trust through Quality Service and Relationship Management**. It is a primordial requirement in business to provide excellent service, particularly in customs brokerage, to attract and retain clients. It is al vital to foster genuine relationships with clients by assisting with business transactions. Informants 2 , 3, 5, 6, 7 and 10 divulged that:

"I don't treat them as clients—I treat them like friends because when they have problems, I offer free consultation and help. It's not just chasing sales. It's more like we're just friends."

"Here in Cebu City, there are many clients and many customs brokerage services offering services. What I offer is fast and reliable service to avoid penalties because their cargo can't be released late."

"Just build good relationships with them."

"I tend to be present especially when there are activities where I can deal with new clients. I join those events and bring my friends along, and they really help me with this business."

"I focus on giving clear updates and fast service so that clients would trust me. When the client was satisfied, I would politely ask them to refer me to their friends. Over time, these referrals slowly drew my client list. That's basically how I got my clients right now."

"Building a network of clients is like building trust from one to another. If your current client trusted you much, they will endorse you to others and do the marketing for you."

"Consistent quality of service, referrals, and maintaining strong relationships were the key."

Delivering excellent service to customers has been an undeniable secret to business success and sustainability, especially in the service industry, such as customs brokerage. This time-tested business strategy enabled the owners to retain the business successfully in the long-run. It directly drives revenue, builds brand loyalty, and lowers marketing costs by turning satisfied customers into brand advocates.

Maintaining Constructive Link with Government Bodies: For Smooth Transactions. Customs brokers need to maintain harmonious and beneficial relationships with government agencies to ensure the smooth flow of transactions in the processing of exports and imports. It was emphasized how consistent interactions with government agencies and industry partners contributed to the gradual development of trust and professional relationships. Informants 1, 5, 6, 7 and 10 highlighted that:

"Establishing relationships with other industry players, particularly government agencies, has been an ongoing process through our day-to-day transactions and regular interactions with them. I believe that these consistent

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume X Issue VII July 2026

interactions will help us gradually build familiarity, trust, and working relationships with relevant agencies and partners in the industry."

"Building relationships is very important, not just with government agencies like the BOC or others like the FDA for food products. Building relationships with them is difficult, but as much as possible, I approach these people in a friendly way. If ever they need something from me, I'm approachable and friendly. The same goes for people at the BOC—once I approach them, I'm respectful so they reciprocate. Also, since we're dealing with shipping lines for delivery orders to release goods, once I endorse and get delivery orders from shipping lines, I also befriend them so the procedure and process become easier."

"I do believe that good relationships with government offices and other partners, like shipping lines and truckers, helped me a lot. When they processed documents and cargoes smoothly, my clients were also happy. Because of that, they were more willing to stay with the firm."

"With these kinds of relationships in the industry, in terms of government agencies like Customs, there are certain documents that we need to follow. Some of our clients have concerns, and we always meet halfway. That's the primary approach. In terms with shipping companies, we approach them politely, especially for demurrage and so on."

"I regularly coordinated with BOC customs officials, shipping lines, port operators, and government agencies to ensure smooth transactions and compliance."

The informants emphasized that it had been essential for them to maintain healthy and friendly relations with the regulatory agencies, including the Bureau of Customs and other government bodies that have authority over imported and exported cargoes entering and leaving the Philippine borders. This action was essential to ensure compliance with the latest regulations, policies, and procedures for document processing.

Business Management and Operations

1. **Assuming Multifaceted Responsibilities in Start-up Operations**. At the start of a customs brokerage service, informants must leverage their own time, knowledge, energy, and competence to commence operations. There are challenges of handling all operational responsibilities alone due to the absence of employees and limited start-up funds. Informants 1, 2, 3, 4, 5, 6, 7, 9 and 20 shared that:

"Daily operations were limited due to a small client base. I focused mainly on preparing documentation, coordinating with the processor, and ensuring compliance, while also using the time to build systems and plans on how to gain hands-on experience for future growth."

"As a start-up, it's kind of difficult because firstly, you don't have employees, so you're the one who does everything—you're the sales, you're the office work, and you're also out in the field. That's also one of the struggles of start-up companies—they don't have funds yet to pay employees, so you do everything in the operations."

"First 3 weeks, I was alone. Then after shipments increased, I hired two people—one to process, one to release and endorse."

"It was a one-man show, so I did everything. I did the documentation, the lodgement, the processing—all by myself, so basically to start the first few months."

"In the early stage, it was kind of difficult, especially since I was on my own. I was the only customs broker, but I had an external team helping me, so it was still challenging."

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume X Issue VII July 2026

"In the beginning, I did almost everything by myself. I checked emails, prepared entries, submitted documents at Customs, and followed up on releases. It may take enough hours of the night. I also answered client calls and prepared invoices and updates."

"As a customs broker, my daily operations include getting up early. You need to get ahead, so you need to wake up at 5 or 5:30 in the morning, clear out your mind, and think about the rest of the day and what to do. That's your daily operation—start your day early, before sunrise."

The first thing I do is check emails. Then I call clients and follow up on whatever needs to be followed up on. After that, I go to the Bureau of Customs to process or release shipments if there are any. If there are no client matters that day, I head to a coffee shop or wherever potential clients are likely to be."

"Daily tasks included monitoring/checking emails for shipments, preparing documents for processing in the BOC, coordinating with clients, lodging entries, and addressing customs queries."

The informants revealed that at the early stage of operations, they had to face limited personnel, business resources, and contacts in the business and the government. On a positive note, as more clients were successfully served and social media promotion was used, the scale of operations increased with addition of new clients from time to time.

Ensuring Accuracy and Compliance Through Systematic Document Management. During document filing at the Bureau of Customs (BOC), the customs brokerage firm has to be careful with the entries they lodge to avoid complex transactions and delays in release of cargoes. Hence, using of daily planning and workflow monitoring was essential to ensure that documentation and operational processes run smoothly. Informants 2, 5, 7, 9 and 10 was divulged that:

"I set daily goals like, in the morning, I check my emails, prepare documents, update clients, and meet with operations about the workflow to make sure everything runs smoothly and to check on incoming shipments).

"In managing my day-to-day tasks, I made sure that I commit no mistakes because when I commit mistakes, that means another cost or additional cost. I kept asking my friends, I kept calling them what to do, what to do next, how to perfect this, this, and all that, so basically, I was careful and accurate with all that I did, all by myself."

"For the first question about how I file my documents relating to imports, first and foremost, I tend to analyze the cargo first and then look for permits related to the cargo so that when it comes to processing, the filing of documents becomes easier and faster."

"Daily, I wake up early and prepare the documents for filing at Customs."

"When filing documents, first, I gather all the required documents from the client — like BL, Invoice, Packing List, CO, and others depending on the commodity. After it is complete, I classify the tariff, compute the duties and taxes, then lodge it in the system — E2M or E-Trade — electronically. If there are regulated items, it is necessary to secure the clearances or permits first before lodging. After lodging, I monitor the assessment. If there are discrepancies or questions from the BOC, I will address them immediately. It is really simple as long as the documents are complete and the classification is correct."

"Documents are prepared, verified, and electronically lodged through E-Trade/Intercommerce, ensuring accuracy in tariff classification and valuation."

In filing documents for the release of cargoes at the Bureau of Customs (BOC), the customs brokers needed to check the contents of the documents for accuracy, including attachments, such as bill of lading, invoices and others from the shippers or country of origin. This action aims to ensure that the processing for the release of shipments will not be delayed and to avoid further complications, or worse, the holding or confiscation of the cargoes by the authorities.

Early Operations: Embracing Sole Responsibility. In terms of team structure and strategy, the firm had limited funds, and the owners of the start-up customs brokerage firms had to handle the business on their own to limit expenses due to few clients and limited income. There was gradual transition from solo operations to the employment of personnel as operational demands increased. Informants 2, 3, 4, 6, and 7divulged that:

"My first client—I was operating solo, no employees, nothing yet. But as time went on, I hired people to process things, so they handle the processing while I handle the documents."

"I do everything myself—I lodge, then I process at customs and release. First, I check emails, check documents sent by the client. After checking, I send a quotation proposal, and if accepted, I start lodging, processing, then release. First 3 weeks, I was alone. Then after shipments increased, I hired two people—one to process, one to release and endorse."

"It was a one-man show, so I did everything. I did the documentation, the lodgement, the processing—all by myself, so basically to start the first few months. Since I started from nothing, in fact, I borrowed my capital from the bank. I was not open to hiring anyone. I did it all by myself."

"At first, I worked alone for several months. When shipments increased, I hired one assistant to help me with document processing and errands. Later, I added another staff to help with encoding and updates. That's basically how the company grew."

"At first, I'm doing the 3 in 1—I do everything, I lodge entries, file a release, and endorse. When hiring staff, you need to train them thoroughly and explain thoroughly. You also need to explain regulations, technicalities, and possible results or outcomes of your work."

The research informants divulged that, at the start of operations with limited financial resources, they were on a one-person operation to survive, since they only had few clients to cater to. As time passed by, the number of clients and transactions increased, necessitating additional personnel. Also, division of labor with more people became possible.

Leveraging External Support and Independent Contractors. The owners of new customs brokerage firms who maintained a loss partnership with other customs brokerage firms and part-time workers to streamline the operations due to limited financial resources. They had independent contractors rather than full-time employees to support operational requirements during the early stages of the business. Informants 1, 5, 8, 9 and 10 shared that:

"During the start-up phase, I did not hire full-time staff and handled most of the lodgement and relied on independent contractors to assist with transaction processing in the BOC.

"As I said earlier, I was individual—I was the only employee in my company, and then I have external people who work for processing. Different people handle processing, different people handle release, different people handle delivery. I just coordinate with external people."

"I collaborate with freelance individuals who assist me whenever there are incoming shipments at the Port of Cebu."

"In the starting phase, I handled everything in the office myself like preparing documents, lodging, and endorsing. However, I do hire sub-contractors to process entries and handle releases."

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume X Issue VII July 2026

"I didn't hire staff but only relied on independent contractors."

As the business operations of the customs brokerage of the informants grew gradually, they needed more people to process the documents. However, hiring them for full-time was not yet feasible. So they have hired part-time employees or other free lance customs brokers who have the competence and qualifications to process documents at the Bureau of Customs.

5. **Financial Management: Maintaining Financial Stability Through Prudent Cash Flow Management**. In financing the business at the start-up stage, one of the inherent requirements in managing a business, including the operation of customs brokerage, is appropriate and effective management of funds and control. It is important to have internal control to sustain the business. Informants 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10 divulged that:

"I managed finances by keeping overhead costs low and focusing only on essential expenses. I monitored cash flow closely and aligned spending with incoming payments. For larger expenditures, we negotiated advance payments with clients (since most of them are business friends) to ensure sufficient working capital and maintain financial stability."

"One of the struggles of start-up businesses is insufficient funds, making it necessary to establish payment arrangements that ensure adequate working capital and coverage of port charges."

"My first client is the one who pushed me to start solo customs brokerage because he requested full payment first since I didn't have extra funds. Then after that, I accumulated enough to only require 50% down payment."

"That was a very tough time for me because the capital I had was borrowed, as I have mentioned, so I made sure from the very beginning that my shipment would be cleared in time because as practiced in the brokerage profession, we advance the payment and then a week later, or 2 weeks or a month if worse, that's the only time the clients will pay me so I made sure that my shipments are released in time, accurate and it will not be pending in the port or will not be sanctioned by the Customs in case that they found out something so I made sure that everything is streamlined to reduce costs."

"That was one of the struggles for start-ups—not having enough funds. I can't take on clients with payment terms like a 50% down payment before delivery or full payment for the next shipment because I need funds for that and to pay port charges."

"I kept a simple record of all income and expenses and reviewed it every week. I tried to keep fixed costs low so that the business could survive "slow" months. I hired only a small number of staff and used independent truckers to avoid heavy expenses."

"Managing finances is tough. You need to give the right salary, so you need to provide a good salary for your employed staff. What you need to do is make sure you comply with what the clients demand, so in return, they will give you good payment."

"The budget for my startup operations is being sourced from my personal savings."

"The money in the business keeps rolling, and whatever the business earns stays in the business — it's never touched, so the business is always financially secure."

"During the start-up phase, I managed my finances by ensuring that I had sufficient capital reserves, including extra funds to cover unforeseen expenses such as additional charges that may arise from the Bureau of Customs. This contingency fund was crucial in maintaining smooth operations and preventing delays in processing shipments. In terms of budgeting and cash flow management, I implemented a structured payment scheme for clients. I required a 50% down payment before the processing of documents and handling of shipments, and the remaining 50% balance upon delivery of the container. This arrangement helped sustain operational expenses, ensured liquidity, and minimized financial risk while the business was still establishing its client base."

The informants who owned the new customs brokerage business faced limitations of capitalization. So they have to be prudent in managing the inflows and outflows of money. Meaning, they had to effect controls over expenses and even the personal use of business funds to manage financial risks effectively.

Transacting with the Bureau of Customs

The primary aspect in the operations of customs brokerage firms is about acquiring accreditation from the Bureau of Customs.

Multifaceted Means of Acquiring Accreditation at the Bureau of Customs. Processing the accreditation with the Bureau of Customs [BOC] is difficult for those unfamiliar, including new entrants to the industry. So there were new customs brokers who opened their own customs brokerage firms and demonstrated initiative by obtaining accreditation through independent action, research, and procedural compliance. Informants 2, 3, 5, 6, 8, and 10 divulged that:

"I got accredited, of course. How do I acquire it? I applied for accreditation personally."
"First, I researched what requirements are needed to be accredited in the Bureau. Then I gathered all the documents. If complete, I passed them to the AMO (Accounts Management Office) in Manila and waited for how many months until it was activated."

"In acquiring my accreditation, I processed the accreditation myself. It was very difficult at the very beginning. As I said earlier, I got papers and documents from DTI or BIR. After BIR, I submitted all documents to BOC. It was a lot of compiling documents, but it was difficult and processing took a while. It took me 2 months to process my accreditation. I started filing and collecting documents in February, filed in April/May, and finished in June."

"I gathered all required documents including my PRC license because it's very important to be a broker in order to be accredited by the Bureau of Customs. I also have the NBI clearance and business permits. After this, I submitted them to the Bureau of Customs Accreditation Office and followed their instructions. After a few weeks and follow-up visits, my accreditation was approved."

"I comply with the requirements set by the Bureau of Customs for accreditation as a customs broker. The complete list of requirements, along with the step-by-step process, is available through their official portal."
"I complied with documentary requirements, submitted applications, and underwent evaluation procedures set by the AMO, Bureau of Customs."

The owners of the selected start-up customs brokerage businesses in Cebu revealed that they utilized various methods to comply with the requirements from the Bureau of Customs to acquire accreditation. Some informants used their own initiative to navigate the complexities of the credentialing process, while others conducted thorough research into the documentary requirements and critical procedures.

2. **Leveraging Guidance and Support to Facilitate Accreditation**. To manage complexity of securing accreditation from the Bureau of Customs (BOC), the firm's owners sought guidance from experts. Informants 1, 4 shared that:

"I hired someone experienced in the accreditation process."

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume X Issue VII July 2026

"I just followed the procedure and the documentary requirements and I also asked for help from my friends in the industry."

"I acquired accreditation from complying the requirements, you just need to comply everything."

"You need to comply with all requirements for accreditation."

The informants revealed that they were able to acquire BOC accreditation through the help of those who experienced in the accreditation process, while ensuring that all necessary documenet are complied with based on the guidelines.

Experiencing Efficient and Positive Customs Transactions. The informants disclosed that their transactions with the Bureau of Customs were successful and that they had no tax problems, as they were able to manage and comply with the requirements. Informant 1, 2, 3, 5, 7, and 8 shared that:

"So far, my experience has been with MICP, which I think is more straightforward compared to Cebu. One of my plans for 2026 is to handle transactions at the BOC Cebu office to broaden my experience."

"So far, so good—there are problems but they're not that big."

"The BOC experience is manageable as long as documents are complete, though valuation discrepancies and declaration queries can cause delays, making constant preparedness a non-negotiable practice."

"Before establishing my own practice, I worked in customs brokerage for two years. During that time, I gained the knowledge and experience necessary to confidently begin operating independently."

"So far, in transacting with BOC, I think I had a very good experience because my transactions with them were generally fast."

The experience of the owners from existing brokerage firms is very important to be able to know what are the operational mechanisms. There might be problems that will arise every now and then, but they were able to manage it appropriately.

Developing Patience and Adaptability in Managing Procedural Delays. Dealing with the government agencies in the Philippines is quite tedious and stressful. Nevertheless, it requires a lot of patience and acceptance that this is really the reality in transacting with the Bureau of Customs. Informants 4, 6 and 7 narrated that:

"I would say that it really took time. I don't know, maybe I needed to put up or give out some budget for them so that it would be hastened, but still, I was—I will accredit it but it just takes—it took longer than expected."

"Okay, some transactions were smooth and fast when the system was working well and documents were complete. However, there were also days with long lines, system errors or clarification of rules. These experiences taught me to be patient and always bring extra copies of the documents."

"My experience in transacting with the Bureau of Customs has been challenging but valuable. It requires strict compliance with its regulations, complete documentation, and patience due to possible delays in processing."

Having transactions at the Bureau of Customs for both the exportation and release of import goods involved significant procedures and delays and complications, might arise anytime. The customs brokers who managed the transactions have to comply faithfully, accept and adapt the procedures. Although it causes stress amid client pressure of immediate release, they have to be patient and resilient as they deal with more documents asked by the BOC examiners.

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume X Issue VII July 2026

Negative Experience

This section shows the themes developed on the negative or challenging experiences of the informants in operating their customs brokerage firms in Cebu, Philippines.

Regulatory Compliance and Documentation Requirements. The bulk of a customs brokers' work is to ensure that the customs declaration is correct, that duties and taxes are calculated accurately, and that payment is received so that goods. When there were deviations, transactions at the BOC can be challenging. Informants 1, 2, and 3 shared that:

"My main challenges with the BOC include being flagged by EVRIS despite having accurate and truthful documents and dealing with unaccounted payments, as proper accounting classification and transparency is very important to private business owners."

"The most common is valuation, the value. If a problem arises, I add supporting documents, I coordinate with the client and also with the customs official so the problem gets solved that day."

"BIR registration and BOC accreditation are identified as the most challenging regulatory requirements, characterized by complex documentation demands and a restart-from-zero policy for incomplete submissions, which the informant navigated through extensive self-directed research and peer guidance."

"The challenges I encountered in transacting with the BOC were the delays in processing, document discrepancies, and evolving regulations."

The work of new licensed customs brokers was highly technical and required adherence to the Harmonized System for the classification of traded goods worldwide. Aside from that, they must comply with the additional requirements imposed by the Bureau of Customs [BOC] when they transact or lodge shipment. They faced problems with customs codes during document declaration, processing, document discrepancies, and constantly changing trade and customs regulations.

2. **Intricate Transactional Variation at the Bureau of Customs: Antecedents of Operational Delays**. The success of the customs brokerage service business depends on several factors, including the competition, technicalities of the customs declaration. How the Bureau of Customs assesses the documents processed at their end basically determines when the transaction can be fully completed. Informants 2, 3, 4, 5, 6, 7, 8 and 10 divulged that:

"In terms of market demand, from what I've observed, it's not that there aren't many people offering this kind of service here in Cebu City — there actually are quite a few. That's what makes finding clients so difficult. It's a competitive space, and you're not the only one offering this service."

"First, because you're new, you're not known in the Bureau, so your processing takes long because they don't know you yet."

"The biggest challenge really was that, look at the requirements of the Bureau of Customs because sometimes, even if my shipment is a straight shipment, let's just say, it's accurate, it's honest, it's rightful still they find a mistake and for me, that didn't make sense, and that took time and it confused me. Another challenge was that I learned that they did that in order to ask for "grace money" so that's troublesome for me because I advance payment of my clients so whenever I pay more then that means, I will also have to ask more from my clients and what if they questioned me? "Why is too much? Why is it too big?" So, that really was the struggle for me at the start especially when I haven't established a deeper connection with those who are inside the Bureau of Customs. The way to address that, those problems was first, I established my reputation inside the Bureau of Customs, that I am accurate when it comes to my declaration, I am trustworthy when it comes to the value I

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume X Issue VII July 2026

declare and then, I made friends with those inside the Bureau of Customs so by the time that I kept transacting with them, although they still ask me "grace money" — I give but not that significant compared to the start-up days of my brokerage."

"This also happens at BOC—there are times when we get tagged as "red" because of selectivity. Once we file our documents at BOC, there are times when we get tagged "red" because the selectivity colors are random—tagged "red," "orange," or "yellow." If we get tagged "red," the client has additional expenses. "Why red? Why is there another expense when before there wasn't?" Without them knowing, we explain, "Ma'am, this is red, so there are different expenses for red. Another challenge at BOC—once we file our documents, sometimes processing takes long, or releasing takes long. That's the point I want to emphasize."

"That's a big problem because I experienced long queues, system downtimes, and locational differences in the implementation of rules. Sometimes new policies are not immediately clear, which causes confusion on my part. These issues sometimes delayed the release of my cargoes."

"I think some of the implementation differs across ports. For Cebu, we follow CMTA across the Philippines, but each port has different interpretations. Sometimes this regulation is okay at Port of Cebu, but when you go to Davao or Cagayan, these regulations are not applicable. That's the challenge."

"There are public officials who are not customs graduates and who rely solely on the systems in place, rather than conducting a proper assessment of the imported goods."

"Transacting with the Bureau of Customs can sometimes be difficult because there are personnel who are particularly strict, so you always have to put in your best effort in every transaction."

The challenges experienced by the owners of the newly-established customs brokers in Cebu highlight the complexity of dealing with the documentary and transactional requirements imposed by the Bureau of Customs (BOC). Aside from the documents, there were instances when customs examiners reached different findings during the assessment and legality of the cargoes, which required further investigation. Further, they have to contend with strict customs officers, who have somehow delayed the processing and release of shipments.

There are two (2) themes that are developed regarding the strategies employed in addressing the challenges encountered.

1. **Cultivating Professional Networks for Business Sustainability**. The research informants disclosed that the bread and butter of their customs brokerage firms comes from clients they obtained through their friends from the profession and business network. If they can maintain this network of business owners who export and import goods, then they can operate in the long term. Informants 1, 4, 5, 8 and 9 opined that:

I tackled these challenges by relying on my network and word-of-mouth referrals."

"Two things, learning and connecting. I learned, I restudied, I joined seminars and then I connected to my potential clients and to my potential referrals from the field also, I made sure that my business would be sustainable because I am an overthinker. I have spent a lot in establishing that business, and I have worked—let's just say—five years of education and experience in order to put up that business, so there's no way for it to fail. I made sure it was sustainable through making connections, joining seminars or activities or fun runs, whatever event it is to make connections and also make friends, in and out of the field, because in one way or another, it will contribute to the business I have started."

"Documentary requirements, it's a headache, especially permits. However, we try if there's no permit, we talk to the agencies that can accept an undertaking or something like that.""

"You must remain professional at all times, regardless of the circumstances. This is essential for building and maintaining strong relationships with both clients and public officials."

"The strategies or approach I have taken is to make friends with examiners and appraisers, and all personnel at the BOC for the next transaction, it's not difficult."

"First, you really need to get to know and build friendships with BOC personnel, so they won't give you a hard time and at the same time, they can advise you on what to do when a transaction gets complicated or tricky. You'll know how to handle it. And second, work smart, not hard."

Building contacts and network of friends in the business industry is significant for the customs brokers to survive with the tenets of managing new customer brokerage business. They have to maintain effective business relationships with existing clients and achieve more through various channels.

2. **Enhancing Operational Efficiency Through Structured Management Practices**. It was not easy to operate a start-up business, including a customs brokerage service, due to the many pre-operating and operational requirements to start. Aside from that, they had to identify an effective business strategy to survive the challenges and maintain operational and technical mechanisms. Informants 4, 6, 7, 8, and 10 narrated that:

"I've handled it by learning by teaching myself online because there are YouTube tutorials on how to file, because I couldn't afford a bookkeeper at the start of my business so I learned in order for me to handle them."

"I created a simple step-by-step procedures for each type of transaction, I use spreadsheets and reminders to track shipments and tasks. I also gave clear instructions and regular feedbacks to my staff so that they could improve. I use a simple notebook and keep it with me, and a spreadsheet to list all the timelines and deadlines. Each morning, I check what I have to be done first and last. This helps me avoid missing cut-off times or forgetting important documents needed to submit to Customs. I kept all documents labeled in a folder, both in hard copy and in the computer. For every shipment, I need one folder with the invoice, the packing list, the bill of lading, any permits, and the entry. This made it easy to trace a file if there's a question or audit."

"The most significant challenges I encountered is how to manage it because it's not that easy. What I did is I need to do step-by-step, so I need to monitor prior to the arrival so I don't have to rely on my staff or employees. What I did was prepare prior to the arrival, then during the processing. That's part of the early stages of business—you need to provide what is really needed during the processing. I think the most significant ones are time and finances. To address challenges in management and operations, you need to be part of every performance. If you do lodgment, be part of it because some brokers hire people to lodge, so you need to be part of it since that's the most technical part at the start. Also in processing, you need to be part of it, especially on the assessment side. In releasing and delivery, you also need to participate."

"I dedicated time to learning the processes involved in operating a business, including the necessary permits required to establish one. Following this, I prepared a business proposal and quotation, which I presented to prospective clients. In the early stages, much of the work focuses on preparing business proposals and meeting with various clients to promote the services offered, with the goal of gaining their trust and securing engagements."

"I minimized risks through careful planning, continuous learning of regulations, and maintaining professional integrity. BOC AMO accreditation was complex. I managed it by thorough preparation and consulting experienced brokers. Breaking into a competitive market and gaining trust without an established reputation was difficult."

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume X Issue VII July 2026

The owners of start-up customs brokerage entities in Cebu, Philipines opined that they adapted to the changes in the customs authority's regulations. In doing so, they advanced their professional capabilities by continuously learning from transactions in the industry. Much of the early-stage work involved preparing business proposals and meeting prospective clients to build trust and secure engagements. They highlighted the importance of organized record-keeping and timeline monitoring to prevent delays and ensure document accessibility. Through this, they were able to develop operational procedures to maintain their operations in the long run.

3. **Managing Complex Mix of Regulatory Compliance Challenges**. Managing and operating a customs brokerage firm is complicated, since they have to comply with the clearance requirements, payment of taxes, particularly at the Bureau of Internal Revenue (BIR), the Bureau of Customs (BOC), and other government agencies, depending on the products exported and imported from and to other countries. Also, it is an inherent problem among customs brokerage businesses that they experienced delays in the processing of commodities, as they do not have control over the Bureau of Customs's examiners decision. Informants 2, 3, 4, 6, 7, and 9 divulged that:

"The most common is, as I said earlier, the regulated importations that need clearance, and also funding. I seek help from my colleagues in the same start-up industry, and we help each other out."

"Like items that need FDA approval and they didn't provide it, then you need assistance from the FDA which is not here in Cebu, it's in Manila. The challenge is that the FDA people reply very slowly through e-mail, so you just have to wait for when they reply because we can't release the container if you don't provide it."

"I really found the BIR thing a tedious process for me because not only the fact that I woke up early in order to queue in the long line there in the BIR somewhere in Mandaue but also, I'm not familiar with their documents, I'm not familiar with their validity or how to fill it out or even how to maintain it so I reckoned that I need a bookkeeper about that."

"Frequent changes in customs rules and documentary requirements were challenging. To manage this, I regularly read new orders, circulars, and memorandum orders. I always make sure to politely ask customs officers or check with fellow brokers. When there was a delay or error, I inform the client honestly and explain what happened, then I work quickly to correct the problem and avoid extra charges. I learned that clear communication and double-checking documents are very important."

"If this refers to processing documents or import documents, I find the Department of Energy very challenging because they have very strict compliance. It's not just about papers, you must confirm that the company has good standing with businesses. If you're referring to what I encountered aside from entry processing, not much at BIR."

"Yes, there are many, especially in the BIR that is part of the accreditation and etc, but you can't do it, you have to do it because the requirements to start-up are the same. Regulatory and licensing barriers. For example, you have to get permits or etc., because for this shipment, you need to take the time you need and the budget is really big to be fast. There are also some clients who refer a broker who is already famous, or referred from shipping lines or forwarders."

"BOC AMO accreditation was complex. I managed it by thorough preparation and consulting experienced brokers."

In operating a new customs brokerage, the challenges in transacting with the Bureau of Internal Revenue (BIR) was time-consuming and tiring. Also, they had to deal with different government agencies depending on the type of cargo they process. Aside from transacting with the BIR, they also have to transact with the Bureau of Customs (BOC) to pay taxes, and with the Department of Energy for fuel and lubricant products, which is quite tedious.

4. **Leveraging Knowledge in Overcoming Operational Hindrances**. The research participants disclosed that they faced myriad of challenges in managing their start-up customs brokerage business, not only in meeting government requirements but also in responding to client demands and the lack of documents needed to process at the Bureau of Customs [BOC]. The absence of significant regulatory difficulties advesely affected the release of the cargoes. Informants 1, 5, and 7 shared that:

“So far, I haven’t face major regulatory challenges. Applying for business permits, BIR registration and BOC accreditation went smoothly.”

“The regulatory, maybe DTI permits, things like that in getting the DTI, it's okay but there are times when our clients don't have documents, they don't have permits on-hand, it's like that, there's a problem because how do you communicate with the regulatory agencies, because they can't import without permits, so what are the possible undertakings to do, we talked to the agencies. How I handled, I communicated with the agencies, I talked to them, I asked what my possible alternatives were if the client didn't have a permit, should I submit an undertaking or something like that and what I learned, this relationship, building relationship with the government agencies, it's good that we're amicable, we're friendly because once we're like that and if ever we have concerns related to our permits, we can quickly process it, we can quickly resolve the challenges regarding that.”

“You need to be knowledgeable in handling setbacks, not on everything, but most of the time. You have to be knowledgeable of your work—not an expert.”

The informants emphasized that they can comply with the requirements to run their customs brokerage firms, such as registering with the Department of Trade and Industry (DTI) and the Bureau of Customs, and paying business taxes. However, during the operation, they have to deal with the client's availability for documents relating to the shipment that are necessary for processing customs clearance and duty payments at the Bureau of Customs (BOC).

5. **Establishing Trust and Competitive Positioning in a Saturated Market**. In reality, there were already many customs brokerage firms in Cebu, with so many licensed brokers opting to manage and operate their own brokerage businesses. Thereby, when handling setbacks, it can be very challenging to compete with existing and large firms that handle more clients. As entrants in the industry, gaining client trust was difficul, which they addressed by relying on networks and referrals. Informants 1, 3, 5, 7, 9, 10, uttered that:

“The main difficulties were gaining trust from client as a new brokerage. I tackled these challenges by relying on my network and word-of-mouth referrals. I managed uncertainties by starting small, keeping costs low, and continue learning the business hands-on.”

“Breaking into an established market was the informant's primary difficulty, as potential clients' existing broker loyalties created a significant barrier to switching, compelling the informant to offer differentiated value in order to attract new clientele.”

“I have experienced on clients who take a very long time to provide documents. At the same time, when they do provide them, they're still incomplete, and when they arrive, they're wrong, the documents are complicated. That's the most difficult challenge I experienced. However, since it's expected, especially from different countries, different interpretations, you have to expect it and be flexible. Be good at that just be flexible with what they might give you. Don't just stick to what you're used to. If something arrives that you didn't expect, try to analyze and be flexible. If you have questions, ask the client. If customs ask you something about what you filed, at least you can answer because you know what the client explained to you, and you can explain it to them.”

“Breaking into a competitive market and gaining trust without an established reputation was difficult. I offered competitive rates, personalized service, and transparency to attract clients.”

“Getting clients was the hardest part in the early stages. At the same time, competing with other brokerages — especially the large, well-established ones — is a real challenge. They already know the shortcuts and strategies, so for example, they can find ways to lower the duties for their clients. If a client was originally going to come to me, but I calculate the duties properly and the amount is higher, they might go inquire with a bigger brokerage that quotes them a lower price, and just like that, the client switches. Some clients also want cash-on-delivery arrangements, but if your capital can't cover that, they'll end up going to another brokerage. That's really the core difficulty — the competition.”

“Uncertainties and risks associated with starting up—uncertainties include not having clients the next day. The risk is starting up and managing when some clients don't pay you, so you really need a backup. There are clients who just use you as a stepping stone—some of them get accredited, and then the next following months or the next shipment, they go to another brokerage. That's the most difficult part—you start with them, and then they leave for another one.”

For a newbie in the customs brokerage service business, it was understandably a challenge for owners with limited business experience to compete with established customs brokerage firms. Getting clients was also a challenge, as it was a big question of how to convince prospective clients to switch to their service when existing brokerage firms had already served them. They will naturally question their credibility, reliability, and ability to handle cargo release processing from the Bureau of Customs [BOC]. So, the customs brokerage owners developed effective strategies to enable market entry and survive.

6. **Building Trust with Client in Customs Brokerage Service through Strategic Communication**. In serving clients who export or import goods to and from other countries, there are inherent risks, delays, and constraints. These hurdles create problems for clients eager to have their transactions completed as soon as possible. Hence, there is a need to be honest and transparent in telling the truth to clients to avoid complaints and misunderstandings. Honesty is important when explaining delays, especially given that processing timelines are often unpredictable due to external factors such as system shutdowns and customs-related issues. Informants 2, 3, 5, 6, 8 and 10 uttered that:

“You must be transparent with your client, because not all the time your entry is released quickly, like in 3 days, there are times when it takes 4-5 days because there are problems with customs that we can't handle, like when there's no power, like the system shutting down. So what we do is, ahead of time, prepare the docs if there are clearances needed, just comply with them to avoid delaying the release of the entry.”

“I addressed him by saying that I only provide consistent service. Like, if I promise to release their shipment on a specific date, I will do everything to fulfill it. Because that is the best marketing, their own experience. If they are satisfied, they themselves will recommend me to others. It's just word of mouth, I don't need to spend a big budget on advertising.”

“During the early stages, since we're new to the industry, we have clients who trusted us because of referrals. But if there are clients we want to acquire, it is hard for them to trust us, especially if we're new, just starting, new names in the industry. In that phase, it's hard to build our name in the industry and gain trust from other clients. How did we address the challenges? Since we have clients, we built relationships with, once you have a good relationship with your present client, that client will recommend you to other importers. Our services were good, timely releasing, good background with BOC so they took care of recommending our background and we built relationships.”I kept good communication with customs officers and stayed respectful even when situations were stressful. I also made sure that all documents were complete and accurate to avoid unnecessary questions.”

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume X Issue VII July 2026

"A better understanding of both parties' needs and expectations allows us to propose and present more effective remedies to resolve issues and achieve mutually beneficial outcomes."
"To address these challenges, I implement strict monitoring and scheduling of shipments, and maintain clear communication with clients regarding possible additional charges from the Bureau of Customs."

Providing customs brokerage services to the various types of business clients is complex and taxing. This means that in customs brokers' work, the document process often causes physical and mental strain due to the pressure to complete the transaction for shipment or for release from the Bureau of Customs (BOC). Moreover, in doing so, they faced myriad challenges that delayed the transaction. These problems will adversely affect the promises made to clients and their expectations in return. So they have to relay such an issue to them and explain the real situation.

CONCLUSION

The customs brokers who manage their own customs brokerage firms faced both positive and negative experiences in getting their businesses off the ground and sustaining operations. Since they started with limited funds, they leveraged their business networks to secure customers, particularly from friends. Also, they optimize the presence of online marketing tools to promote their service to a wide market. It is worth noting that transacting with the Bureau of Customs requires technical knowledge to ensure that entries in documents are accurate, thereby avoiding delays in the release of shipments.

LITERATURE CITED

1. Almo, J. R. V., Alves, J. L., Bautista, G. V., & Kagaoan, M. A. C. (2022). The role of customs brokers in mediating transactions between manufacturing companies and the BOC. LPU-Laguna Journal of Business and Accountancy, 4(2). Retrieved from https://shorturl.at/1TQ2h.
2. Almonte, L. (2013, May 23). About customs brokers. Retrieved from http://www.bestcustomsbroker.com/.
3. Ameria Management Advisory. (2020). Armenia's export of goods and services. America Advisory. Retrieved from https://tinyurl.com/5ycr5s3t.
4. Anderson, K. (2025). World trade organization. Britanicca. Retrieved from https://www.britannica.com/topic/World-Trade-Organization.
5. Asana Team. (2025). Fiedler's contingency theory: Why leadership isn't uniform. Asana. Retrieved from https://tinyurl.com/yr4uuf7u.
6. Asean Trade in Goods Agreement. (n.d.). Invest in ASEAN. Retrieved May 25, 2025 from https://tinyurl.com/2wkr6ywk.
7. Association of Southeast Asia Nations [ASEAN]. (n.d.). Free trade agreements with dialogue partners. Retrieved April 25, 2025 from https://tinyurl.com/3a4mrbn6.
8. Aurelio, J. M. (2019). Remove brokers, Duterte orders customs. Inquirer.Net. Retrieved May 1, 2025 from https://tinyurl.com/3p5mf2p6.
9. Ayman, R. (1995). The contingency model of leadership effectiveness: Its levels of analysis. The Leadership Quarterly. https://doi.org/10.1016/1048-9843(95)90032-2.
10. Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. Qualitative Research in Psychology, 3, 77-101.
11. Bureau of Customs [BOC]. (2019). Rules and regulations governing the registration of customs brokers transacting with the bureau of customs and for other purposes. Customs Administrative Order [CAO] No. 05-2019. Retrieved from https://tinyurl.com/mva8vf6d.
12. Bureau of Customs [BOC]. (n.d.). Boc e2m system is now connected to the pass6. Department of Finance [DOF]. Retrieved from https://tinyurl.com/3ku3fwmv.

13. Chowdhury, F. L. (1992). Evasion of customs duty in Bangladesh. (Unpublished MBA dissertation, Monash University, Australia).
14. Congress of the Philippines. (2004). An act regulating the practice of customs brokers profession in the Philippines, creating for the purpose a professional regulatory board for customs brokers, and appropriating funds therefor. Republic Act No. 9280. Retrieved from https://tinyurl.com/53k6nakx.
15. Congress of the Philippines. (2016). Customs modernization and tariff act (CMTA). Republic Act No. 10863. Retrieved from [Official Philippine Government Website]. Retrieved from https://tinyurl.com/5cds89bt.
16. Coulibaly, R., Moreno, H., Suwa-Eisenmann, A., & Traore, N. (2023). African firms in global value chains: What can we learn from firm-level data in Cameroon and Côte d'Ivoire? World Economy, 46(11). Doi: https://doi.org/10.1111/twec.13506.
17. Department of Trade and Industry [DTI]. (n.d.). International trade group. Retrieved from https://tinyurl.com/wdtrsphk.
18. Drinkwater, S., & Robinson, C. (2023). The impact of customs and trade regulations on the operations of African firms. Journal of Business Research, 165. https://doi.org/10.1016/j.jbusres.2023.114046.
19. European Commission [EC]. (2007). The Eu single market: Fewer barriers, more opportunities. Retrieved from https://tinyurl.com/2yb4j5k6.
20. European Commission [EC]. (2011). Schengen Europe without internal borders. Retrieved May 25, 2025 from https://tinyurl.com/yspmrf8r.
21. European Commission [EC]. (2025). Regional policy. Retrieved April 25, 2025 from https://tinyurl.com/yhp8kpkh.
22. European Commission [EC]. (n.d.). Negotiations and agreements. Trade and Economic Security. Retrieved from https://tinyurl.com/yfhp5sec.
23. European Union. (n.d.). Aims and values. Retrieved from https://tinyurl.com/ssj3pha9.
24. Fan, H., Hu, Y., & Tang, L. (2021). Labor costs and the adoption of robots in China. Journal of Economic Behavior and Organization, 186. Doi: https://doi.org/10.1016/j.jebo.2020.11.024.
25. Farrow Admin. (2016). What is customs brokerage. Retrieved May 25, 2025 from https://tinyurl.com/2jpcv72v.
26. Federal Register. (2018). Adjusting imports of steel into the United States. The Daily Journal of the United States Government. Retrieved May 25, 2025 from https://tinyurl.com/5yh6y3j9.
27. Federal Register. (2022). Increasing duties on certain articles from the Russian Federation. The Daily Journal of the United States Government. Retrieved from https://tinyurl.com/3ef8kyyf.
28. Federal Reserve Bank of St. Louis. (2025). All employees, manufacturing. (MANEMP). Retrieved from https://tinyurl.com/35zas8ku.
29. Fiedler, F. E. (1967). A theory of leadership effectiveness. New York: McGraw-Hill.
30. Fiedler, F. E. (1994). Leadership experience and leadership performance. Alexandria, VA: US Army Research Institute for the Behavioral and Social Sciences.
31. Forsyth, D. R. (2006). Leadership. In Forsyth, D. R., Group dynamics. (5th ed.), pp. 245–277. Belmont: CA, Wadsworth, Cengage Learning.
32. Furceri, D., Hannan, S. A., Ostry, J. D., & Rose, A. K. (2019). Macroeconomic consequences of tariffs. International Monetary Fund.
33. Gandolfo, G., & Trionfetti, F. (2014). International trade theory and policy. Berlin, Heidelberg, New York: Springer.
34. Gwardzińska, E. (2014). The role of customs brokers in facilitating international trade. World Customs Journal, 8(1), 63-70. Doi:10.55596/001c.93042.
35. Hendy, R., & Zaki, C. (2021). Trade facilitation and firms exports: Evidence from customs data. International Review of Economics and Finance, 75. Doi: https://doi.org/10.1016/j.iref.2021.03.023.
36. Hill, C. (2015). International business: Competing in the global marketplace (10th ed.). McGraw-Hill Education.
37. Hiscox, M. J. (2001). Class versus industry cleavages: Inter-industry factor mobility and the politics trade. International Organization, 55(1), 11-46.

38. Hiscox, M. J. (2002). International trade and political conflict: Commerce, coalitions, and mobility. Princeton University Press.
39. Iienstitu. (2025). Exploring the role and importance of customs brokerage. Retrieved from https://tinyurl.com/2s4cceya.
40. International Trade Administration. (n.d.). Understanding the hs codes and the schedule b. United States of America Department of Commerce. Retrieved from https://tinyurl.com/mr3njxf6.
41. Issa, B. R. (2022). Jurisprudence rules and their applications in codifying the provisions of Islamic financial transactions. Al Qasimia University Journal of Islamic Economics, 2(2). Doi:https://doi.org/10.52747/aqujie.2.2.145.
42. Jain, N. (2019). Introduction to trade barriers. International Journal of Foreign Tade and International Business, 1(1), 09-12. Retrieved from https://shorturl.at/f2Qp9.
43. Johnson, R. C., & Noguera, G. (2012). Accounting for intermediates: Production sharing and trade in value added. Journal of International Economics, 86, 224–36.
44. Joshi, R. M. (2014). International marketing. New Delhi and New York: Oxford University Press.
45. Kormych, B. (2018). The modern treands of the foreign trade policy implementation: Implications for customs regulations. Lex Portus, 5(5), 27-45. Doi: 10.26886/2524-101X.5.2018.2.
46. Krasova, E. V., & Ostanina, V. M. (2021). Role and challenges of customs representative institute in foreign economic activity development. Vestnik of Astrakhan State Technical University. Series: Economics, 2. Doi: https://doi.org/10.24143/2073-5537-2021-2-108-118.
47. Laajaj, R., Eslava, M., & Kinda, T. (2023). The costs of bureaucracy and corruption at customs: Evidence from the computerization of imports in Colombia. Journal of Public Economics, 225. Doi: https://doi.org/10.1016/j.jpubeco.2023.104969.
48. Legal Information Institute. (n.d.). Gatt. Retrieved from https://tinyurl.com/533674tc
49. Li, S., Chien, S. W. D., & Honda, M. (2022). FlexPort: Transport scale-out with modern NICs. CoNEXT-SW ’22: Proceedings of the 3rd International CoNEXT Student workshop, 15-16. Doi: https://doi.org/10.1145/3565477.3569146.
50. Lileikis, S., & Staniūtė, G. (2020). Port customs brokerage services: Partial reconceptualization of the company. Journal of Management, 36(1). Doi: https://doi.org/10.38104/vadyba.2020.06.
51. Luzhanska, N. (2020). Impact of the cargo customs complex efficiency on the supply chain reliability. Journal of Sustainable Development of Transport and Logistics, 5(1). Doi: https://doi.org/10.14254/jsdtl.2020.5-1.9.
52. Maerks. (n.d.). What is the role of customs broker? Retrieved from https://tinyurl.com/yeympwky.
53. Maguire, M., & Brid Delahunt, B. (2017). Doing a thematic analysis: A practical, step-by-step guide for learning and teaching scholars. All Ireland Journal of Teaching and Learning in Higher Education (AISHE-J), 8(3). Retrieved from http://ojs.aishe.org/index.php/aishe-j/article/view/335.
54. Mailani, D., Huhu, M. Z. T., Simamora, M. R., & Kesuma, S. A. (2024). Resource-based view theory to achieve a sustainable competitive advantage of the firm: Systematic literature review. International Journal of Entrepreneurship and Sustainability Studies, 4(1), 1-15. https://doi.org/10.31098/ijeass.v4i1.2002.
55. Mangini, M. D. (2023). Escape from tariffs: The political economies of protection and classification. Economics and Politics, 35(3). https://doi.org/10.1111/ecpo.12244.
56. Medin, H. (2021). Customs brokers as intermediaries in international trade. Review of World Economics, 157(2), 295-322. https://doi.org/10.1007/s10290-020-00396-w.
57. Miller, Z., Madhani, A., & Boak, J. (2025). Canada, Mexico and China on Trump says hel’ll place tariffs on Saturday. AP News. Retrieved from https://tinyurl.com/5hdv4bap.
58. Moffatt, M. (2025). The economic effect of tariffs. ThoughtCo. Retrieved from https://tinyurl.com/yuz8fes6.
59. Montuori, A. (2011). Systems approach. In Encyclopedia of creativity. pp. 414–421. Academic Press. Doi:10.1016/B978-0-12-375038-9.00212-0.
60. Nebeker, D. (1975). Situational favorability and perceived environmental uncertainty: An integrative approach. Administrative Science Quarterly, 20(2), 281–294. https://doi.org/10.2307/2391700.

ISSN No. 2454-6186 | DOI: 10.47772/IJRISS | Volume X Issue VII July 2026

61. Nevil, S. (2025). What is a tariff? Retrieved from https://tinyurl.com/2s3kenfd.
62. Nguyen, H. T., Grant, D. B., Bovis, C., Nguyen, T., Le, T., & Mac, Y. T. H. (2021). Factors affecting efficiency of electronic customs and firm performance in Vietnam. Journal of Asian Finance, Economics and Business, 8(2). https://doi.org/10.13106/jafeb.2021.vol8.no2.0151.
63. Olima, K. (2025). The relationship between economic growth and international trade. Journal of Innovation in Education and Social Research, 3(6). Retrieved from https://shorturl.at/UCP8W.
64. Pastor, C. B., Nieva, J. G., & Palomares, F. L. T. (2015). Customs brokers: Their vital role in mediating transactions between selected importers in metro manila and the Bureau of Customs. Presented at the DLSU Research Congress 2015 De La Salle University, Manila, Philippines March 2-4, 2015. Retrieved from https://tinyurl.com/5n99fewy.
65. Philippine Statistics Authority [PSA]. (2025). International merchandise trade statistics of the Philippines, May 2025 (Preliminary). Highlights of the Philippine export and import. Retrieved from https://tinyurl.com/y473st77.
66. Pokrzywniak, J. (2022). Good practices in brokerage activity-Selected dilemmas. Prawo Asekuracyjne, 1(110). Doi: https://doi.org/10.5604/01.3001.0015.8054.
67. Radcliffe, B. (2025). The basics of tariffs and trade barriers. Investopedia Top Stories. Retrieved April 25, 2025 from https://shorturl.at/DwrUX.
68. Rogowski, R. (1990). Commerce and coalitions: How trade affets domestic political alignments. Princeton University Press.
69. Rvi, R. (n.d.). Understanding the role and importance of customs brokers in international trade in India. Retrieved from https://www.taxtmi.com/article/detailed?id=12605.
70. Salcedo, J. C. (2023). Philippine international trade participation: Key to boost economic growth. SSRN. Retrieved from http://dx.doi.org/10.2139/ssrn.4454229.
71. Segal, T. (2021). Import: Definition, examples, and pros and cons. Economy. Retrieved from https://tinyurl.com/3m2kpxcs.
72. Shonk, K. (2025). The contingency theory of leadership: A focus on fit. The Program on Negotiation at Harvard. Retrieved from https://tinyurl.com/bddfh6hm.
73. Shutiak, D. (2020). Peculiarities of civil law status of customs intermediary under the legislation of Ukraine and the EU. University Scientific Notes. https://doi.org/10.37491/unz.75-76.24.
74. Sitisara, S., Rattanawong, W., & Vongmanee, V. (2023). Revolutionized customs declaration documents preparation process. 27th International Computer Science and Engineering Conference 2023, ICSEC 2023. https://doi.org/10.1109/ICSEC59635.2023.10329700.
75. Staunton, N. (2024). The role of customs brokerage in facilitating international trade. European Business Magazine. Retrieved from https://shorturl.at/M7syL.
76. The Editors of Encyclopaedia Britannica. (n.d.). North American free trade agreement. Canada-United States-Mexico [1992]. Retrieved from https://tinyurl.com/bddz5bbx.
77. U.S. Census Bureau. (2024). U.S. trade in goods and services- Balane of payments (BOP) basis. Foreign Trade Statistics. Retrieved from https://tinyurl.com/5b32pvcm.
78. United Nations Centre for Trade and Electronic Business [UN/CEFACT. (n.d.). The trade facilitation implementation guideline. Retrieved from https://tinyurl.com/4y2fndbm.
79. US Customs and Border Protection. (n.d.). Trade statistics. Retrieved from https://tinyurl.com/4m75wvva.
80. World Customs Organization [WCO]. (2016). WCO study report on customs brokers. WCO News. Retrieved May 1, 2026 from https://tinyurl.com/wc3xkmbv.
81. World Customs Organization [WCO]. (n.d.). Rules of origin facilitator. Your gateway to trade agreements. Retrieved from https://findrulesoforigin.org/.