

EXECUTIVE SUMMARY

Sri Lanka Customs is the key border agency in international trade. Contribution to the government by Customs department is very high as more than half of the government tax revenue is being collected by this department. Besides, there exist the prime duty of facilitating the trade and protecting the society. Further, providing trade statistics is also an important function of Customs department. This project intended to develop a mechanism to reduce smuggling activities via sea, thereby reducing the existing impact on country's economy and society.

Chapter 01 examined the background of Sri Lanka Customs department and the area to be focused. Thereafter the intention of this project was explained. Thereafter the project was explained in detail including the problem and the expectation of execution. Significance of this project was discussed along with the methodology. Identification of the appropriate methodology has been illustrated and the methods of extracting relevant data has also discussed in this chapter. Finally, the limitations of this project have explained and the review of other chapters has illustrated.

Chapter 02 of this project focused on organizational analysis and identification of the problem. For this, a detailed organization analysis was conducted to obtain the micro and macro picture. SWOT and PESTEEL analysis were used for that. Based on the data gathered from the available sources and from interviews, key problem was identified and further, a pictorial representation of facts has been included along with the description of the problem. On a conclusion note, summary of the chapter was included.

Chapter 03 of this project was dedicated to the literature review of this project. Initially, the theoretical background to the problem was discussed and then the relevant studies associated with the subjected topic have been discussed. For this, information sources of journals, books, web sites, electronic books, etc. have referred. After reviewing the literature, project components had identified. Based on the identified project components, study framework was developed. For this project, there were three project components included.

Chapter 04 of this project had discussed the core of the project. The main objective of the project has noted as well as the sub objectives. Apart from the identified project components, current situation analysis also illustrated in this chapter. For current situation analysis, cause and effect diagram has been used for effective display of causes and for

more details; data gathered from field visits have been included. In addition, the resource allocation for conducting this project has displayed in a table and finally the cost benefit table has depicted. Every project component has given the expected output and outcome by viewing the holistic picture.

Final chapter focused on detail discussion of the project components after analyzing them in previous chapter. To achieve the desired main objective and sub objectives, recommendations were given under the IRTOO (Issues, Recommendations, Time Period, Output, and outcome) format to reduce the smuggling activities in territorial waters.