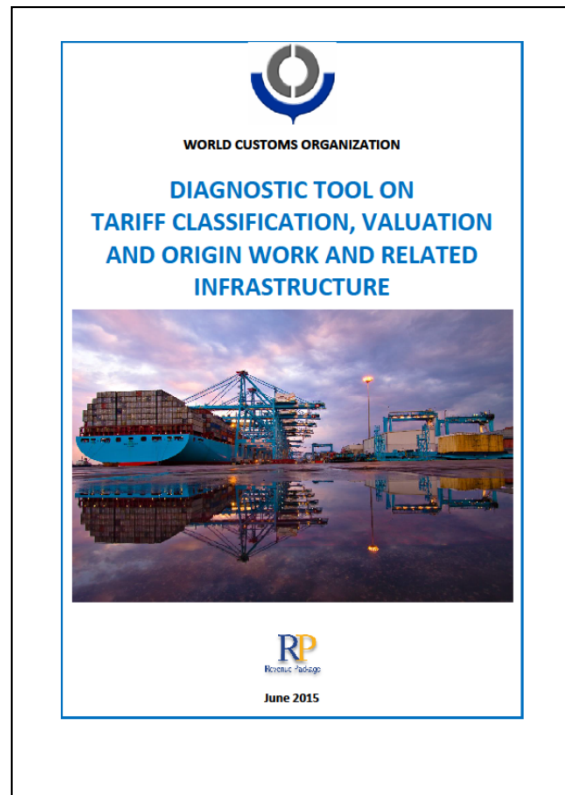


Introduction to WCO Diagnostic tool on valuation, tariff classification, and origin work and related infrastructure



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Three pillars of duty liability



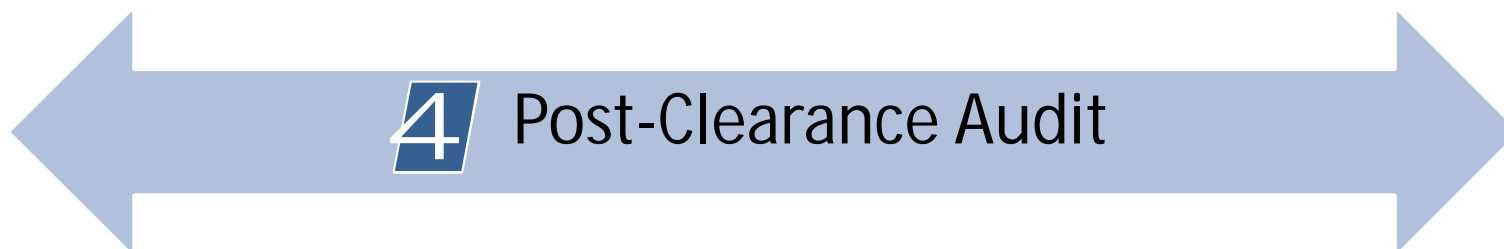
Classification



Valuation



Origin



Post-Clearance Audit

Introduction

This Diagnostic Tool

Purpose

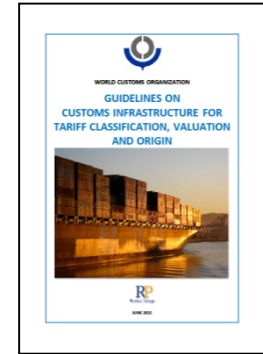
- To assist the identification, design, implementation and evaluation of capacity building project

Intended users

- Managers and senior officials in Customs administrations
- External diagnosticians

Introduction

The Diagnostic Tool



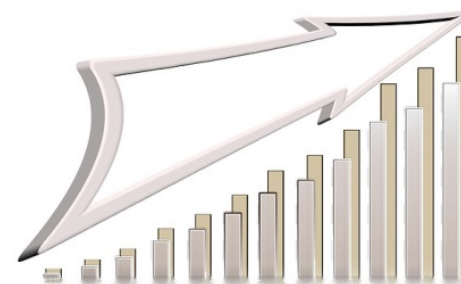
- **Developed under the WCO's Revenue Package and forms part of the WCO Customs Capacity Building Diagnostic Framework**
- **Recommended to be used together with [the Guidelines on Infrastructure for Tariff Classification, Valuation and Origin](#), as well as other relevant WCO materials.**

Accurate diagnosis of needs

Critical success factor for effective capacity building

Accurate diagnosis of:

- Development needs;
- Operating environment;
- Administrative competencies;
- Resource availability;
- Developmental ambitions of the Customs administrations concerned



Accurate diagnosis of needs

Use of this Tool

- **Components and sub-components of classification, origin and valuation**
- **A series of issues and questions**
 - **Not exhaustive**
 - **Nature and weight differ**
- **Assist to review and evaluate the current situation and performance of the administration**

Accurate diagnosis of needs

Structure of this tool

Diagnostic questions	Common weaknesses or problems	Potential solutions and improvement options	Useful reference Materials
Designed to collect information on the current situation and to identify priority areas for attention.	Describes the situation that may typically be found in many administrations. Assists the diagnosticians to go beyond the diagnostic question.	Suggests options and solutions based on international best practices.	Describes any useful reference materials that might be available.

Accurate diagnosis of needs



B. DIAGNOSTIC TOOL - VALUATION

Part 2 - Valuation infrastructure

Diagnostic Questions	Common Weaknesses	Potential Solutions and Improvement Options	Useful Resources
<p>Organizational infrastructure</p> <p>Describe the basic structure of the Customs administration with respect to the organization of valuation work.</p> <p>Headquarters - policy</p> <ol style="list-style-type: none"> Is there a Valuation unit in headquarters that has responsibility for national valuation policy? If so, <ul style="list-style-type: none"> what are the roles and responsibilities of this unit? does the unit have adequate expertise? What is the working relationship between the Valuation Unit and : <ul style="list-style-type: none"> Post-Clearance Audit unit Risk management unit Enforcement and investigation units Customs clearance points Regional/local offices? Is there a national/central committee or body for consultations with the private sector? If so, <ul style="list-style-type: none"> how frequently does it meet? what issues are discussed? Are valuation policies and/or administrative guidelines published to support and explain valuation procedures and policies to stakeholders (internal and external)? <p>Regional and/or local structure</p> <p>Are there one or more Valuation unit/sections at the regional/local level?</p>	<p>No strategic planning ; reactive rather than pro-active approach.</p> <p>Lack of valuation policy specialists leads to poor and inconsistent application of the Agreement at national level. This is detrimental to Customs and business.</p> <p>Lack of clear policy on valuation issues can create difficulties in operational management.</p> <p>Lack of coordination in resolving Valuation questions including disputes, issuing rulings, updating national legislation, preparing and disseminating national valuation policy. Delay in making Valuation decisions, lack of uniformity in Valuation throughout the administration, increased disputes with trade.</p> <p>Coordination with other agencies and sections of the administration may suffer without a strong central unit.</p> <p>Delays in routine clearance work, large number of cases referred to headquarters.</p>	<p>Ensure a central policy unit is established with adequate experienced staff</p> <p>Ensure central policy unit liaises with other relevant Customs departments.</p> <p>Participate in TCCV meetings where possible in order to follow and contribute to international valuation policy.</p> <p>Follow and contribute to TCCV discussions via WCO Member's website.</p> <p>Liaise with trade/foreign ministry colleagues regarding participation in WTO Committee on Customs Valuation</p> <p>Develop plan to improve the infrastructure (consider personnel, information technology tools, management commitment, training needs etc.).</p> <p>Review needs for regional/local valuation specialists, depending on</p>	

Accurate diagnosis of needs

Analysis

- **A simple yes/no answer is rarely useful**
- **Judgements require experience**
- **Individual needs, circumstances, priorities and concerns of the Customs administration should also be considered**

Thank you.

Questions?