

# ASEAN CUSTOMS PCA BULLETIN

VOL VIII  
MAY 2017



# CONTENTS

FROM  
THE COUNTRY  
COORDINATOR'S DESK

III

FOREWORDS OF THE CHAIRMAN  
OF THE 25<sup>TH</sup> MEETING  
OF THE ASEAN DIRECTORS-  
GENERAL OF CUSTOMS

IV

FROM  
THE CHAIRMAN'S DESK

V

## PCA CASES

BRUNEI DARUSSALAM

1

INDONESIA

3

MALAYSIA

7

SINGAPORE

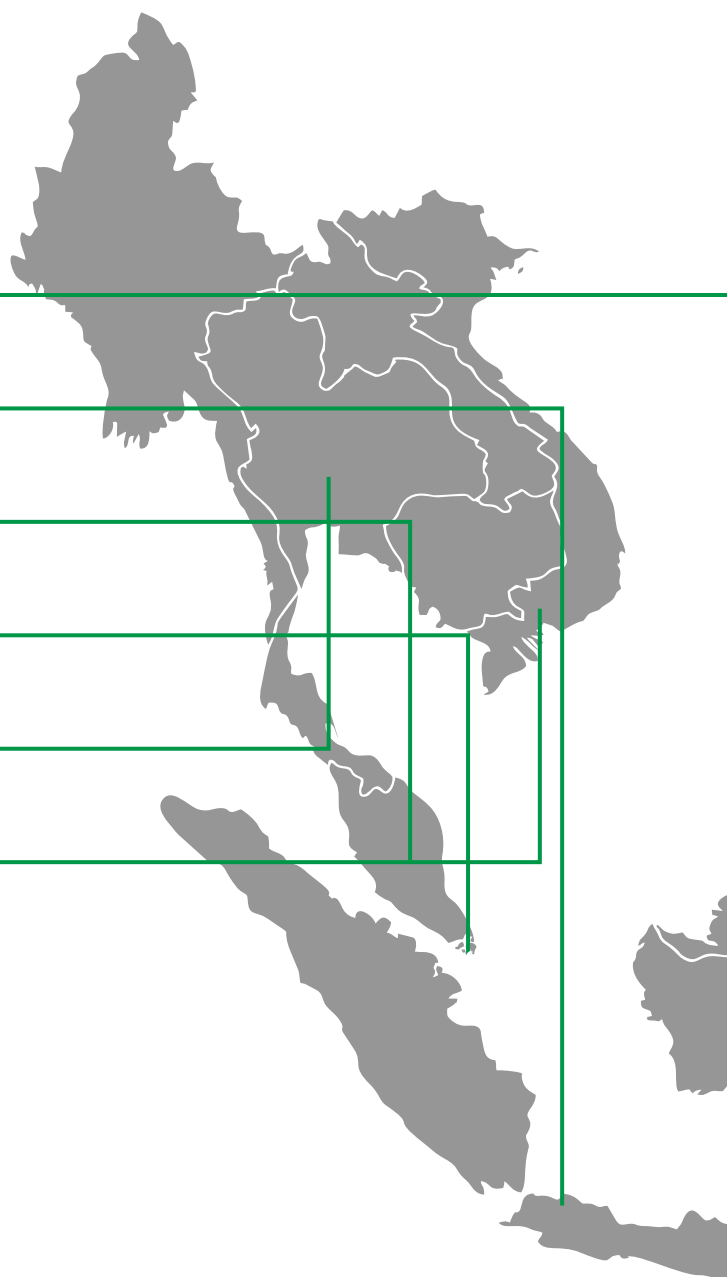
12

THAILAND

14

VIETNAM

16



# SURVEYS

## **SURVEY 1** SURVEY ON LEGISLATION AND REGULATION REGARDING PCA

## **SURVEY 2** SURVEY ON THE ORGANIZATIONAL AND ADMINISTRATIVE STRUCTURES FOR THE POST CLEARANCE AUDIT

19	<b>BRUNEI DARUSSALAM</b>	38
----	--------------------------	----

21	<b>INDONESIA</b>	39
----	------------------	----

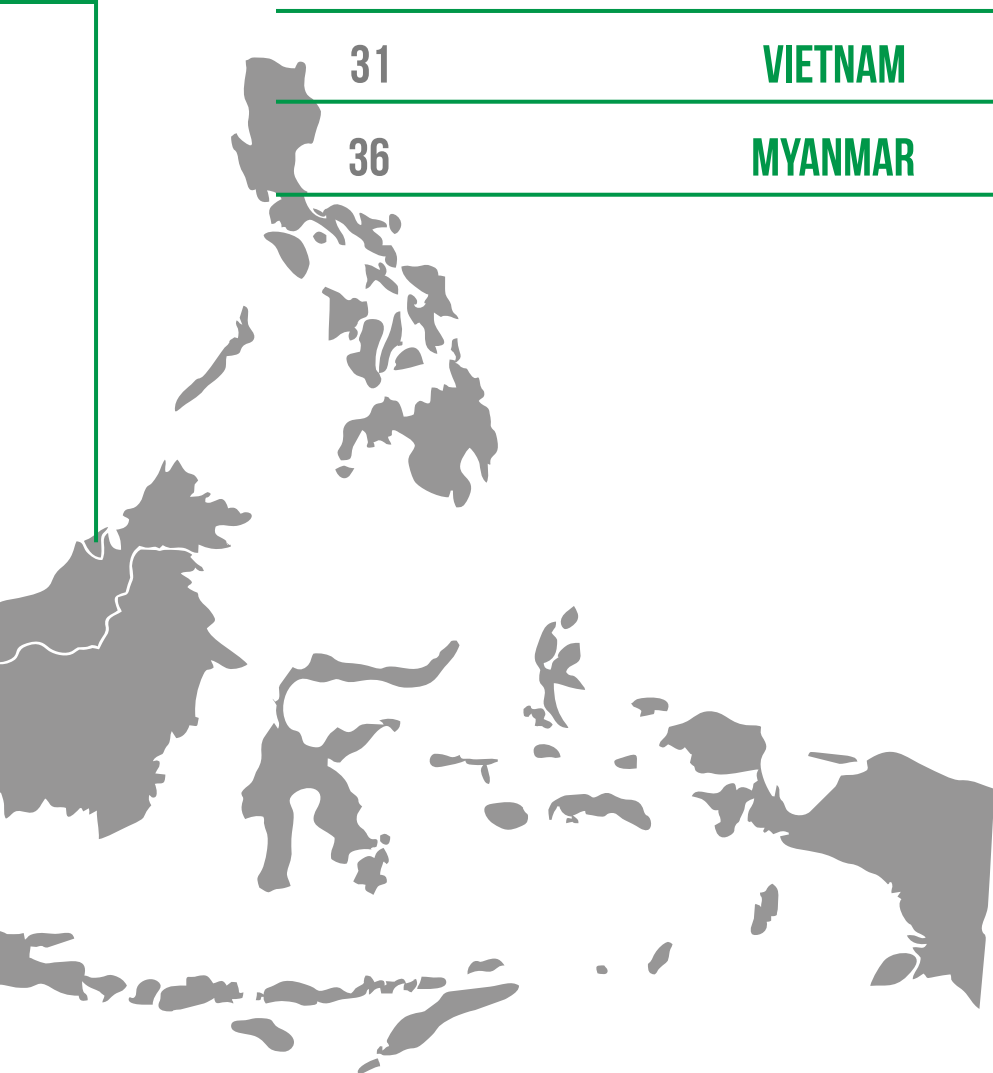
23	<b>MALAYSIA</b>	40
----	-----------------	----

25	<b>SINGAPORE</b>	41
----	------------------	----

28	<b>THAILAND</b>	42
----	-----------------	----

31	<b>VIETNAM</b>	43
----	----------------	----

36	<b>MYANMAR</b>	47
----	----------------	----



# FROM THE COUNTRY COORDINATOR'S DESK



Welcome to the eighth edition of the PCA Bulletin. As the Country Coordinator, I could not be more proud to have the opportunity to greet you again through this valuable publication for two consecutive editions. I am also delighted that after 8 years, this bulletin remains the most effective medium for ASEAN Member States to share their best practices in dealing with cases related with PCA.

Undervaluation remains the most prominent PCA-related offence, although we can also see that cases related to irregularities in Certificate of Origins begin to gain traction, a trend that is to be expected considering the ever-growing number and complexity of FTAs that ASEAN is involved in. As *modus operandi* also becomes more varied, information exchange among ASEAN Customs Community also becomes more and more crucial.

That message is what we are trying to convey through this edition of PCA Bulletin. The color “Green” in the cover is often associated with balance, harmony, and growth. I expect that through the information shared in this bulletin, we can achieve balance and narrow the gap among us, harmonize our measures in dealing with customs offences, and of course aim to grow together in the spirit of ASEAN brotherhood.

For that reason, I would like to thank the Customs Enforcement and Compliance Working Group and all the contributors in this edition of PCA Bulletin for their hard work, and, as always, I encourage all fellow ASEAN Member States to also share your case studies and best practices through this bulletin as one way of achieving our ASEAN 2025 Vision: Forging Ahead Together.

Thank you.

*Regards,*

**Heru Pambudi**

Director-General of Customs and Excise  
Ministry of Finance of the Republic of Indonesia



# FOREWORDS OF THE CHAIRMAN OF THE 25<sup>TH</sup> MEETING OF THE ASEAN DIRECTORS- GENERAL OF CUSTOMS

Amid the robust regional and global economic integration, ASEAN Member States have experienced significant increase of trades across borders. This significant increase has prompted Customs Administrations to upgrade its roles and functions as to provide more facilitation of trade, while maintaining effective control measures to secure appropriate collection of revenue, protection of society and economies.

To meet new demands and expectation of our stakeholders, Customs Administrations are required to embrace new skills, techniques and technologies, which would later on contribute to the competitiveness of each Member States and also the region.

It has been, thus far advocated by Customs Administrations and our stakeholders that Post Clearance Audit (PCA) is considered as one of effective control to strike a balance between trade facilitation and compliance of our economic operators.

Taking this opportunity, as the Chairman of the 25th ASEAN Directors-General of Customs, I would like to commend the good work made by the Customs Enforcement and Compliance Working Group (CECWG) for publishing the Eight Volume of the PCA Bulletin. This achievement would not have been realized without the able chairmanship of the CECWG, Malaysia, good leadership of Country Coordinator, Indonesia and contributions by all ASEAN Member States in sharing cases encountered at their respective administrations to be included in the PCA Bulletin.

I believe that the Eight Volume of PCA Bulletin would serve as useful reference for ASEAN Member States to learn from one another new experiences, practices and know how in order to improve the effectiveness of our administrations.

Thank you.

**Dr. Kun Nhem**

Director-General

General Department of Customs and Excise of  
Cambodia



# FROM THE CHAIRMAN'S DESK

It is with great pleasure to bring you the 8th volume of the Post Clearance Audit (PCA) Bulletin published by the Directorate General of Customs and Excise, Ministry of Finance of The Republic of Indonesia in its capacity as Country Coordinator of Strategic Plan of Customs Development (SPCD) on Customs PCA of the CECWG.

The establishment and/or enhancement of PCA capabilities within ASEAN Member States has become an emerging and growing priority area of work for the WCO. Although present to some extent in the past, it has only been in recent years that this topic has garnered momentum based on growing Members' interest and request for assistance.

As we are all aware, Customs is tasked with a common mission: being present at the border to secure and facilitate legitimate trade, realize revenues and protect society. PCA is one of the Customs operations which enable the accomplishment of this mission. Reflecting its important role, PCA is used by many Administrations as a tool to ensure the fair, efficient and effective revenue collection on imports. In some Administrations, it is also used to protect society by controlling the export of strategic goods.

I would like to take this opportunity to express my gratitude to the Editorial Team and those who have supported and contributed to this edition in terms of cases and constructive comments. Particularly, let me thank Brunei Darussalam, Indonesia, Malaysia, Singapore, Thailand and Viet Nam who have contributed to this publication. Keep up the good work!

I do hope that the ASEAN Member States will continuously giving strong support to the Editorial Team by providing cases to be published in the next volume of the PCA Bulletin.

*With warm regards.*

**Dato' Syed Mohri bin Syed Abu Bakar**

Chairman

ASEAN Customs Enforcement and Compliance Working Group





# BRUNEI DARUSSALAM



## CASE 1

### FACTS OF THE CASE

1. Importer MC Pte. Ltd. imports medical equipment and accessories for a hospital in Brunei Darussalam.
2. PCA Unit received an information from Head of Customs Seaport Branch in April 2015 with regard to a declaration made by MC Pte Ltd whereby Customs Officers at the Seaport Branch have reason to doubt the declared value.
3. The importer was audited by PCA Unit starting in June 2015.

### FINDINGS

1. PCA Unit collected and compiled relevant supporting import documentation of MC Pte. Ltd. starting with the import documents from the month of January 2015.
2. PCA Unit discovered that the declared value was lower than the actual payment to the supplier.
3. Interview with the importer revealed that the importer purposely lowered the declared value so that less Customs duties would be paid.
4. PCA Unit calculated that short paid duties were amounted to

B\$15,000.00.

### MODUS OPERANDI

The importer used falsified invoices for the undervalued declarations.

### DECISION

1. Claims for shortage customs duties amounted to B\$15,000.00 was made and promptly paid by MC Pte. Ltd.
2. Future imports by MC Pte. Ltd. are now being scrutinized at all Customs entry points.



## CASE 2

### FACTS OF THE CASE

1. Carpet Pte. Ltd. imports varieties of quality carpets and have a total of five branches in Brunei Darussalam.
2. PCA Unit doubts the declared value of the carpets as the importer afford to sell its carpets at a much lower prices compare to other companies.
3. The importer was audited by PCA Unit after doing a survey to a couple of its branches.

### FINDINGS

1. PCA Unit collected the relevant imports documentation of Carpet Pte. Ltd. in its head office.
  2. Upon investigation and assessment of the importation documents collected, PCA Unit discovered that the declared value of the goods and transportation costs was lower than the actual payment made to the supplier.
  3. PCA Unit found there was a shortage of import duties paid over B\$10,000.
- 

### MODUS OPERANDI

Carpet Pte. Ltd. used falsified invoices for the undervalued declarations of goods (double invoices).

### DECISION

1. The shortage amount of Import duties of B\$11,098 and a compound of B\$1,000.00 was paid by the importer.
1. Carpet Pte. Ltd. imports declarations for the next six months were being monitored by PCA Unit.





# INDONESIA



## CASE 1:

### INCONSISTENCY IN REGIONAL VALUE CONTENT DECLARED IN FTA AGREEMENT

#### FACTS OF THE CASE

Company A imported vehicle from country Y using AFTA preferential tariff. The OCP stated that the Regional Value Content (RCV) must be the least of 40% of the FOB value of the goods. The RCV on Form D declared by the Company A is ranging from 50%-60%.

#### FINDINGS

When audit team verify the corresponding items, it was found that the vehicle imported is numbered with Vehicle Identification Number (VIN) with three first digits that indicates the vehicle being made in South Korea, which is not covered by AFTA preferential tariff. This made the claim of RCV stated by Company A to be further investigated.

#### MODUS OPERANDI

The Audit Team found that the company A put unrelated production cost that is non-material, e.g. Research and Development cost, administrative cost, overhead cost, etc. These cost are divided equally on each imported vehicles unit. Under further accounting examination, it was found that some of the item imported, doesn't have any related R&D cost, dies cost, and molding cost, and tooling cost. Company A is in fact manipulate the financial reporting to fulfill the RVC requirement of 40%.

#### DECISION

AFTA Preferential Tariff is deemed invalid by Indonesian Customs for not fulfilling the RVC requirement of 40%.

## CASE 2:

### FEATHER MEAL HS CODE REPORTING

#### FACTS OF THE CASE

Indonesian Customs found that the feather meal industry, in particular Company B, importing feather meal that is listed under HS code of 2309.90 for Preparations of a kind used in animal feeding with import tariff of 0%.

#### FINDINGS

The feather meal imported were found to be just chicken feathers with no additional ingredients on it. The feathers were processed using the method of hydrolysis to change the feathers to powder-like substance. The only additional ingredient added is water for textures.

#### MODUS OPERANDI

Further inspection found that the

correct HS code for the feather meal should be declared under the HS code of 0505.90 for Skins and other parts of birds, with their feathers or down, feathers and parts of feathers (whether or not with trimmed edges) and down, not further worked than cleaned, disinfected or treated for preservation; powder and waste of feathers or parts of feathers with import tariff of 5%. The HS code of 2309.90 is used when the feathers had underwent substantial changes in form with additional ingredients that made them a preparations of a kind used in animal feeding, while on contrary this particular feather meal is just a beat-down feathers added with a mere water that turned them to powder. It is suspected that the company B listed the feather meal under the HS code of 2309.90 to avoid import tariff.

#### DECISION

The aforementioned feather meal will be listed under the HS code of 0505.90 with customs rate of 5%.

## CASE 3:

### INCOMPLETE DECLARATION OF CUSTOMS VALUE

#### FACTS OF THE CASE

Company A is an apparel company that trades goods with its parent company in Australia. The goods are being produced in Vietnam and Bangladesh, then sent to their warehouse in China, which then distributed around the globe, including Indonesia. The invoice on

this particular item is sent from China since it's the country where the shipment originated.

#### FINDINGS

When audit team verify the Bank Statement, it was later found that the value being paid to Company A acting as parent company in Australia is higher than the one declared to Indonesian Customs, due to the declared value does not include:

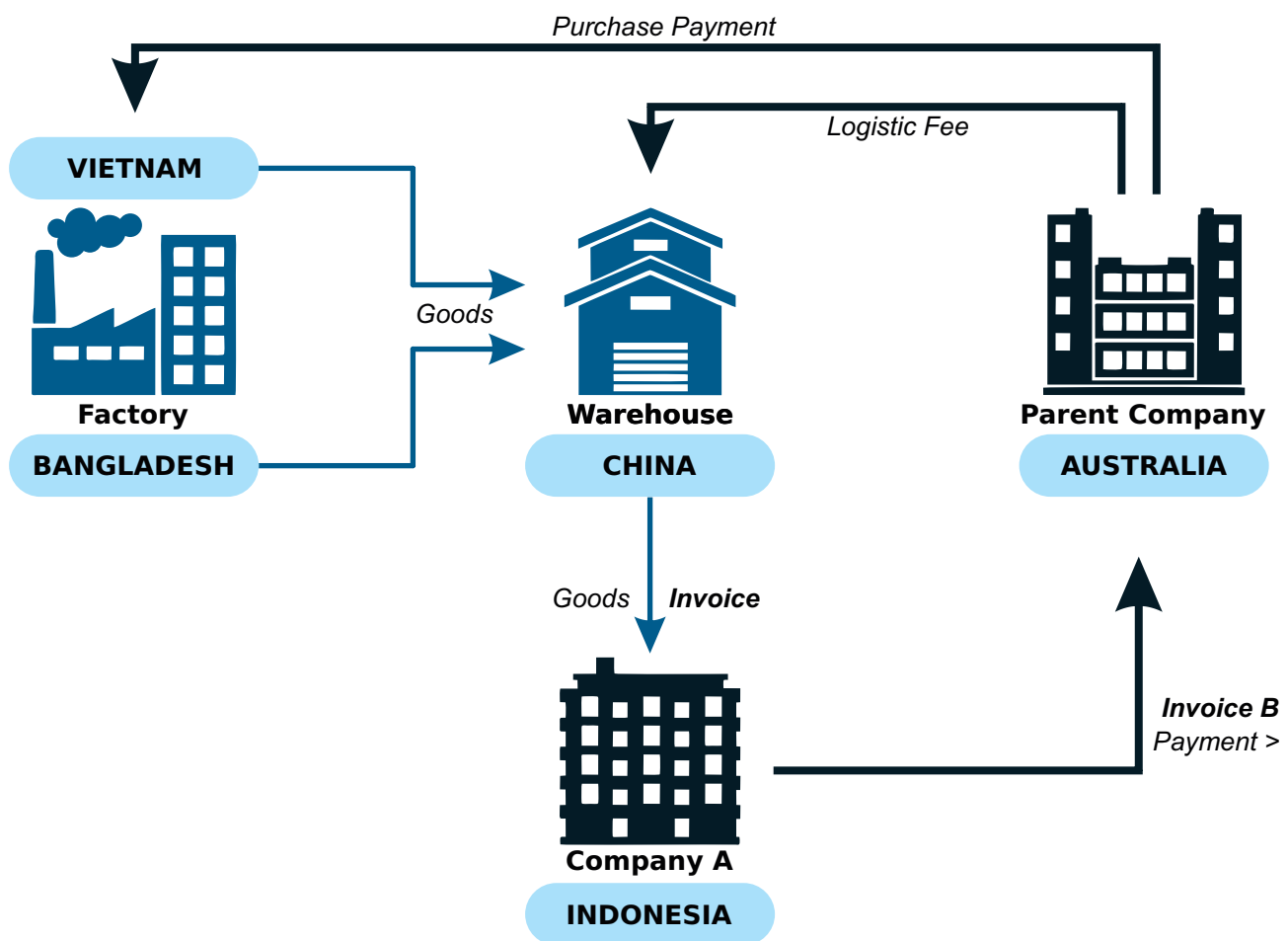
- Warehouse fee in China
- Freight from Vietnam and Bangladesh to China

## MODUS OPERANDI

The Audit Team found that the company A create an incomplete invoice that does not include the aforementioned fee that resulted in a lower value declared for customs purpose. Company A should use invoices which the actual value was paid.

## DECISION

The Audit Team need to include the fees to the declared values to determine the actual value being paid to its parent company. The declared value cannot be accepted as the customs value because it is not the actual value paid to the parent company in Australia.



Pict 1. Modus Operandi

## **CASE 4:**

### **FALSE DECLARATION UNDER CERTIFICATE OF ORIGIN**

#### **FACTS OF THE CASE**

Indonesia and country J create an agreement to promote trading between both countries. This agreement resulted in a platform of preferential rate of duty and tax for certain importation of goods. One of the criteria of which an importation can use the preferential rate is that the goods contain raw material originated from country J, proven by certificate of origin published by the authority. Company M is one of the biggest player in automotive industries and trading in Indonesia. The company imported knockdown parts for production and assembly purposes, including engine, and spare parts for after sales purposes, from country J. However, certificate of origin cannot be issued for engine, because country J doesn't have steel as the main raw material for the manufacturing of engine. In this case, company M trying to get a lower rate for engine by divide the engine into parts, which each part has a lower rate of duty and tax compared with engine as a whole.

#### **FINDINGS**

Audit were scheduled and based on examination of good receipt documents compared with the company bill of material data, the documents revealed that there were engine assy importation which reported as parts of engine, meanwhile the auditors found that those parts can be easily plugged and assembled to form a working

engine. Moreover, those parts are clearly stated as the mains component to build an engine thus, based on regulation, should be declared to customs authority as an engine.

#### **MODUS OPERANDI**

The Audit Team found that the company M divide their engine importation into several parts in order to get lower duty and tax rate as part of their tax planning, as the company consultant believe that once there is one of the engine component produced locally, the importation cannot be considered as an engine. Meanwhile the auditor found that the engine component said to be produced locally is only bolt and others minor component which can be considered as common used parts so that the company importations are still considered as engine due to those parts are the main component of engine, such as: head sub assy cylinder, block sub assy cylinder, crankshaft and camshaft. Those parts can be easily plugged and assembled to form an engine without further process.

#### **DECISION**

Indonesian Customs Audit office decides that company M requires to pay duty and tax shortage plus some fines for the different classification of their importation.



# MALAYSIA



## CASE 1:

### DOUBLE INVOICES AND SPLIT PAYMENTS

#### FACTS OF THE CASE

1. G.T. Co. ("the Company") is involved in the business of importation and marketing of high quality tyres for luxury cars. These goods were imported from China.
2. Payments to the supplier/ exporter were made based on CIF delivery term and through telegraphic transfer (TT).

#### FINDINGS

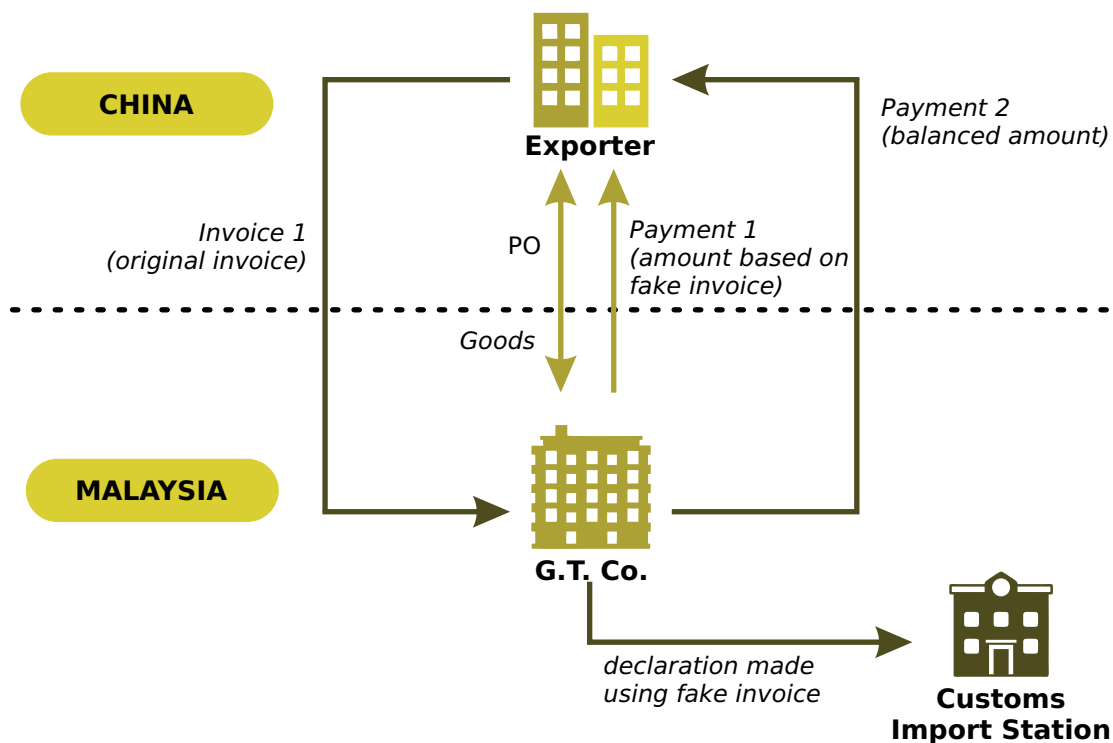
Upon Inspection it is noted that ABC Co:

1. Preliminary cross-examination on Customs Declaration Forms, invoices, bills of lading, packing lists and proofs of payments found that the customs value matched with the payment made to the supplier/ exporter. Further examination on accounting records found another payment made to the particular supplier/ exporter.
2. The discovery of another set of invoices (original invoices) and TT confirmed the existence of double invoices and split payments made by the

Company. The lower value invoices were presented to Customs for declaration and the original invoices were kept by the Company for payments to the supplier/ exporter.

#### MODUS OPERANDI

1. Purchase orders were made directly to the supplier/ exporter in China. The importations of goods were declared using fake invoices created by the Company.
2. Payments to the supplier/ exporter were made based on the original invoices (Invoice 1) and paid through TT in two split payments. Actual cost or value of the goods were recorded in the purchase ledger.
3. An example of the false declaration is as follows:
  - Customs Form No. : B1X-10900272X
  - Exporter : F.R. Co. Ltd., China
  - Fake Invoice No. : 9L22X7a
  - Declared value : 5,500.00 c.u.
  - Original Invoice No. : 9L22X7
  - Actual value : 11,000.00 c.u.
  - Payment made : 1<sup>st</sup>. (15 March 2015) - 5,500.00 c.u.
  - 2<sup>nd</sup>. (30 April 2015) - 5,500.00 c.u.
  - Under declaration value of imported goods: 5,500.00 c.u.



**Pict 2. Modus Operandi**

## DECISION

1. The Company did not comply with the Regulation 4(1) of the Customs (Rules of Valuation) Regulations 1999, that is not declaring the actual value of transactions in which the customs value of imported goods shall be their transaction value, or the price actually paid or payable for the goods when sold for export to Malaysia.
2. A bill of demand for tax disputes of 75,000.00 c.u. was issued to the Company and the Company was compounded for 3,000.00 c.u. for committing an offense under Section 133(1)(c) of the Customs Act 1967, that is, making false declarations and on falsifying documents. Both claim and compound have been paid accordingly.

## CASE 2:

### ARM CO. FAILURE TO COMPLY WITH THE CONDITIONS OF IMPORT DUTY EXEMPTION FACILITY

## FACTS OF THE CASE

1. Duty exemption is a form of facilities or incentives provided by the Government to the manufacturing sector aimed at lowering their cost of production in order to become more competitive in the global market. In order to encourage the export market, it is the government's policy to grant full duty exemption on raw materials and components used in the manufacturing of the finished goods.
2. In the case of ARM Co. ("the Company"), a company which is principally engaged in the business of manufacturing and sale of pressed metal tiles and its accessories, and the coated steel roofing tiles. The Company currently is enjoying under Section 14(2) of the Customs Act 1967, the exemption of import duty for the importation of raw materials



used directly in the manufacturing activities of the Company. The exemption however is subject to the following conditions:

- i) The importation of raw materials must not exceed the approved quotas;
- ii) The exemption is given for a period that is stipulated in the exemption approval letter; and
- iii) The finished products must be exported.

## **FINDINGS**

1. Auditors have conducted a full audit on the Company.
2. Examination has been done on importation documents; Customs Declaration Forms, invoices, packing lists, bills of lading and proofs of payment. This at the same time is to establish that the customs value declared is the correct value.
3. A cross-examination was conducted on the importation data (obtained from the Customs Information System "CIS"), purchase order and raw materials inventory records, and it is established that the Company has imported special pressed blank more than the approved quota using the import duty exemption.
4. Auditors have conducted interviews with the relevant personnel of the Company from each departments, namely; Commercial Manager, Operation Manager, Production Manager, Sales Admin Manager, Management Accountant and Supply Chain Manager. This was done to get a clearer understanding on the process of purchasing/ importation raw materials and also the process of selling the finished goods. From the interviews conducted, it is discovered that the finished goods have not been exported, instead the finished goods were sold to the local market, including a company related to the Company (ARM Co.).

5. Auditors also requested for accounting records; sales ledger, raw materials inventory record, list of customers (local and foreign), and payment received ledger. From the examination of these accounting records, it is discovered that the Company has breached the duty exemption condition by selling the finished goods in local market.

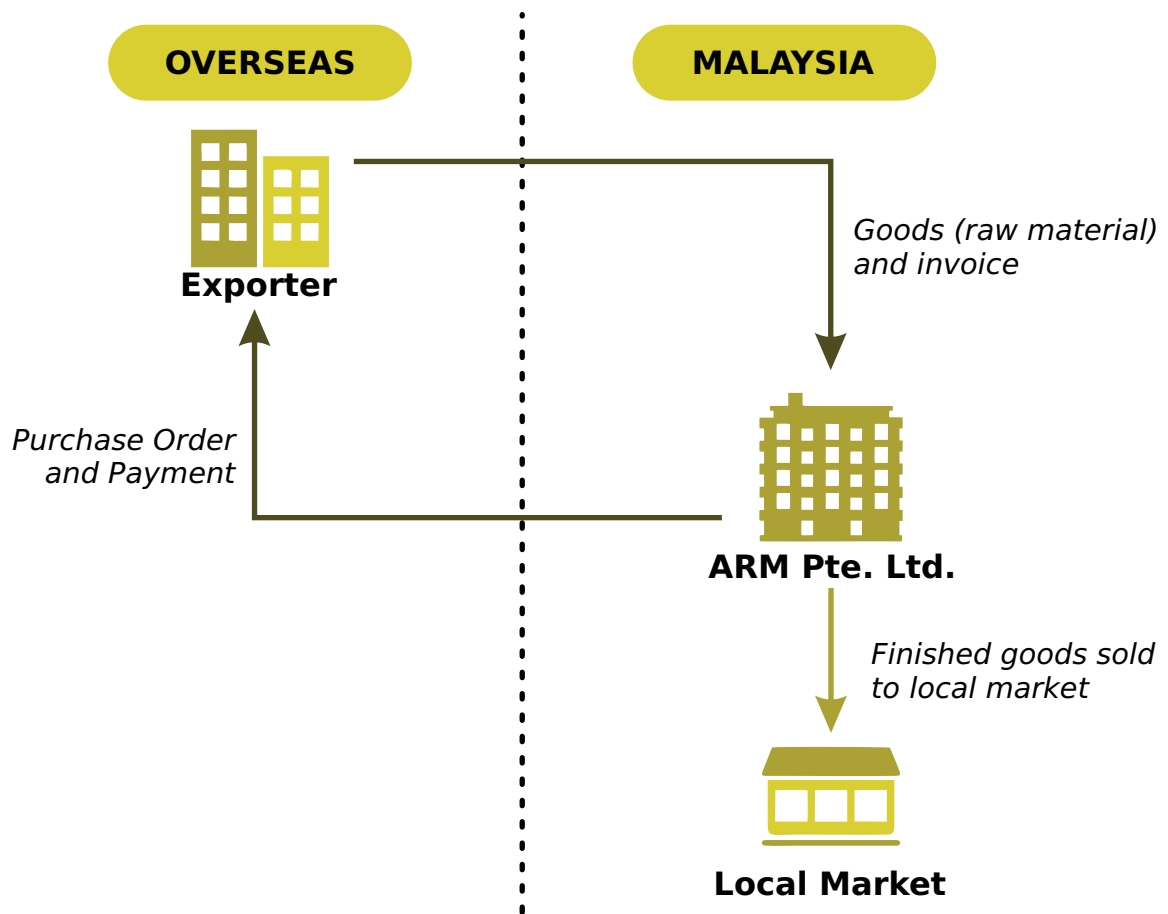
## **MODUS OPERANDI**

1. Purchase orders were made directly to the overseas supplier/ exporter. Raw materials will then be sent to the Company and will be used to manufacture finished goods.
2. The finished goods are supposed to be exported but the Company has sold them locally.

## **DECISION**

1. The Company has acted against the provision which govern the import duty exemption under Section 14(2) Customs Act 1967.
2. It is found that the Company has imported raw materials using the duty exemption facility more than approved quota. In addition, auditors discovered that finished goods have been sold locally and to a related company.
3. A claim of tax disputes of 236,000.00 c.u. was issued to the Company and the Company was fined for 20,000.00 c.u. for the offence committed.





*Pict 3. Modus Operandi*

## CASE 3:

### E.V. CO. (FALSIFICATION OF INVOICES)

#### FACTS OF THE CASE

1. The main activities of the Company is importing and supplying daily necessities, food and drink, clothing, and toys. The goods were imported from China.
2. The term of delivery is CIF and the method of payment is via telegraphic transfer.
3. Goods imported by the Company were sold to its subsidiaries, in which the goods will then be sold to the local consumers. nce committed.

#### FINDINGS

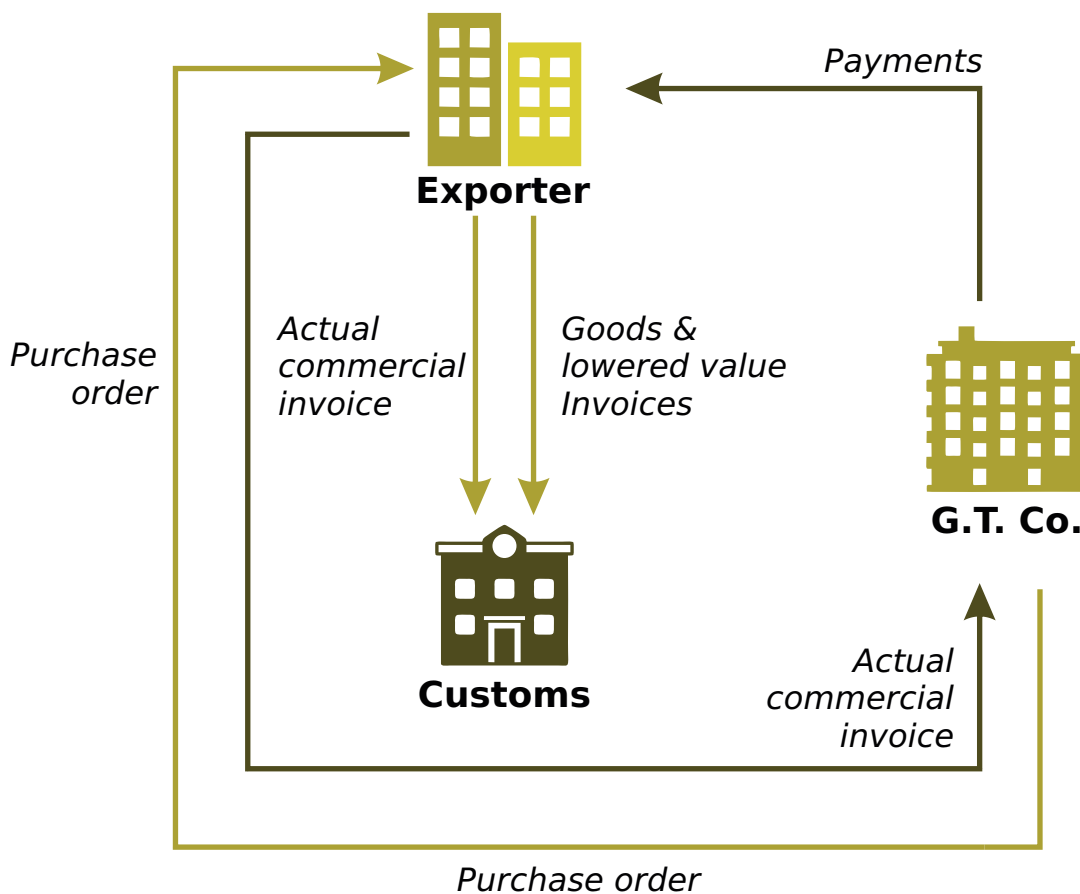
1. An inspection of the accounting records showed that the total payment is more than the declared invoice value. The auditor discovered two invoices; namely invoice pledge for the purpose of importation, and actual invoice for payments and for the account.
2. It was discovered during the inspection that the abovementioned invoices were attached together. The invoice were similar except for the value where the auditors made further inspection and notice that the lower value was used for declaration to customs, whilst the higher value (actual invoice) was for payment purposes.

## MODUS OPERANDI

1. Purchase order will be made directly to the exporter.
2. E.V. Co. received the commercial invoice from the exporter.
3. For the purpose of the declaration and the clearance of goods from customs, the company uses invoice value that has been lowered. Invoice number used is the same as the actual invoice.
4. Payments to exporters using actual invoice via telegraphic transfer.

## DECISION

1. The Company committed an offense under Section 133(1)(c) of the Customs Act 1967 for having falsified invoices for the purpose of evasion of duties/taxes.
2. Bill of demand for underpaid on import duties of 62,000.00 c.u. under Section 14(1) of the Customs Act 1967 and the underpaid sales tax of 150,000.00 c.u. under Section 30(1) of the Sales Tax Act 1972 was issued.
3. The company has been offered a compound of 5,000.00 c.u. for an offense under Section 133 (1)(c) of



**Pict 4.** Modus Operandi



# SINGAPORE

## CASE 1:

### IMPORTER FINED \$156,000 FOR FRAUDULENT EVASION OF GST

#### FACTS AND FINDINGS

In a case of fraudulent evasion of GST, a man, aged 29 was sentenced by the State Courts on 9 September 2015 to a fine of \$156,000 for under-declaring the values of the pool tables, cameras and camera accessories he imported from Hong Kong, Japan and China on 49 occasions.

Singapore Customs' suspicion was aroused when the values of pool tables declared appeared to be much lower than the market price. The goods were therefore targeted for inspection where an offence was established. Further analysis was conducted on all past imports by the importer which revealed that the values of cameras and camera accessories declared by him were similarly lower than the known value of similar goods. Subsequent investigation by Singapore Customs revealed that the importer had instructed his suppliers to create fake invoices which indicated a lower

value of the goods imported. These fake invoices were subsequently submitted with the import declarations to Singapore Customs. The under-declaration of the import values of the goods resulted in a shortfall of more than \$42,500 in GST payment. The importer pleaded guilty to 16 charges. Another 33 charges were taken into consideration in the sentencing.

#### MODUS OPERANDI

The values of the goods were under-declared in fake invoices submitted.

#### DECISION

He was fined \$156,000.

## **CASE 2:**

### **CAR IMPORT FIRM MANAGER SENTENCED TO FOUR WEEKS' IMPRISONMENT AND FINED \$594,399 FOR UNDER-DECLARING VALUES OF 47 IMPORTED CARS**

#### **FACTS AND FINDINGS**

A manager of a car import company was sentenced by the State Courts on 27 May 2016 to four weeks' imprisonment and a fine of \$594,399 for fraudulently underdeclaring the values of 47 imported cars.

The offender, a 35 year old male, pleaded guilty to 28 charges of incorrect declarations of the values of imported cars under the Customs Act. Another 52 similar charges were taken into consideration in the sentencing.

In addition, the offender pleaded guilty to 15 charges under the Road Traffic Act for providing the said incorrect information on the values of the imported cars, or commonly known as Open Market Value (OMV), which affected the amount of Additional Registration Fees (ARF) payable for these cars. Another 32 charges were taken into consideration in the sentencing. The offender was also ordered by the Court to pay the ARF shortfall for the 47 imported cars to the Land Transport Authority (LTA).

Singapore Customs and the LTA began investigating the offender's company in Jul 2013.

Between January 2012 and June 2013, the offender submitted to Singapore Customs such incomplete or fictitious invoices for 47 imported cars. The total duty, GST and ARF evaded as a result of the under-declaration amounted to more than \$74,000, \$31,000, and \$370,000 respectively.

#### **MODUS OPERANDI**

The offender asked his overseas suppliers to split the value of each vehicle into two invoices, of which only one was submitted to Singapore Customs for the assessment of duty and Goods and Services Tax (GST) payable. In some cases, he asked the overseas exporters to create fictitious invoices with lower values of the imported vehicles and submitted them to Singapore Customs.

#### **DECISIONS/OPINIONS**

The offender was sentenced to four weeks' imprisonment and fined \$594,399 for under-declaring values of 47 imported cars.



# THAILAND

## CASE 1: UNDervalued IMPORT DECLARATIONS

### FACTS

1. Company Q in Thailand imported a labeling machine with accessories from parent company in Country Y. The machine and its accessories were separately imported 3 shipments.
2. According to term and conditions of sale, additional premium insurance fee should be required, even insurance already was applied.
3. 3 months later, parent company informed by email that there was additional rebranding fee of imported machine; the rebranding process happened before import.
4. Two years then, the company was audited by officers from PCA Bureau of Thai Customs Department.

### FINDINGS/MODUS OPERANDI

PCA unit found some suspected invoices for additional charges with unfamiliar titles; 'Rebranding charge' and 'monthly charge for property' during inspection.

First of all, representative of

the company refused that the documents were not for this shipment. However, PCA officers requested for more details to clarify about the charges.

Finally, the company provided a copy of premium insurance contract (not in English) revealed that the insurance must cover import and export shipment to/from Thailand. Moreover, the additional charge for 'Rebranding charge' is a mistake by parent company for upgrading the machine before export to Thailand without notice, so the additional charge never be declared as a part of the price actually paid or payable.

### DECISION

1. The value declared on declarations for imported machine is not included the additional premium insurance fee. According to the Section 11 of the Customs Acts BE 2469, the cost of insurance should be a part of the price actually paid or payable.
2. The provisions of Articles 9-12 of the Ministerial Regulation No 132 B.E. 2543 which is based on the principles of the Agreement on the Implementation of Article VII of the GATT defines "Transaction Value" as the price actually paid or payable should be adjusted to include all the costs and services, at

this point, the cost of rebranding (machinery modification) also should be applied as a part of the price actually paid or payable.

3. Since the company acknowledged all the additional costs and not declared them for duty reassessment by

Customs, the declared value on declarations should be rejected and reassessment for correct price, duty and VAT. For the offence committed, there was a fine of two times the price actually paid or payable including duty.

## CASE 2:

### FAILURE TO DECLARE ADDITIONAL COST

#### FACTS

1. Company X is overseas headquarter company of Company A, locates in Thailand.
2. Company X has technical contract with Company Z, locates in same country, in case of maintaining and repairing any products under license of Company X.
3. Company A re - exported a machine for repairing to Company Z, according to condition of headquarter company, then re - imported and declared repairing fee for import duty in the time of importation.
4. The payment of repairing and freight

will be charged by headquarter company.

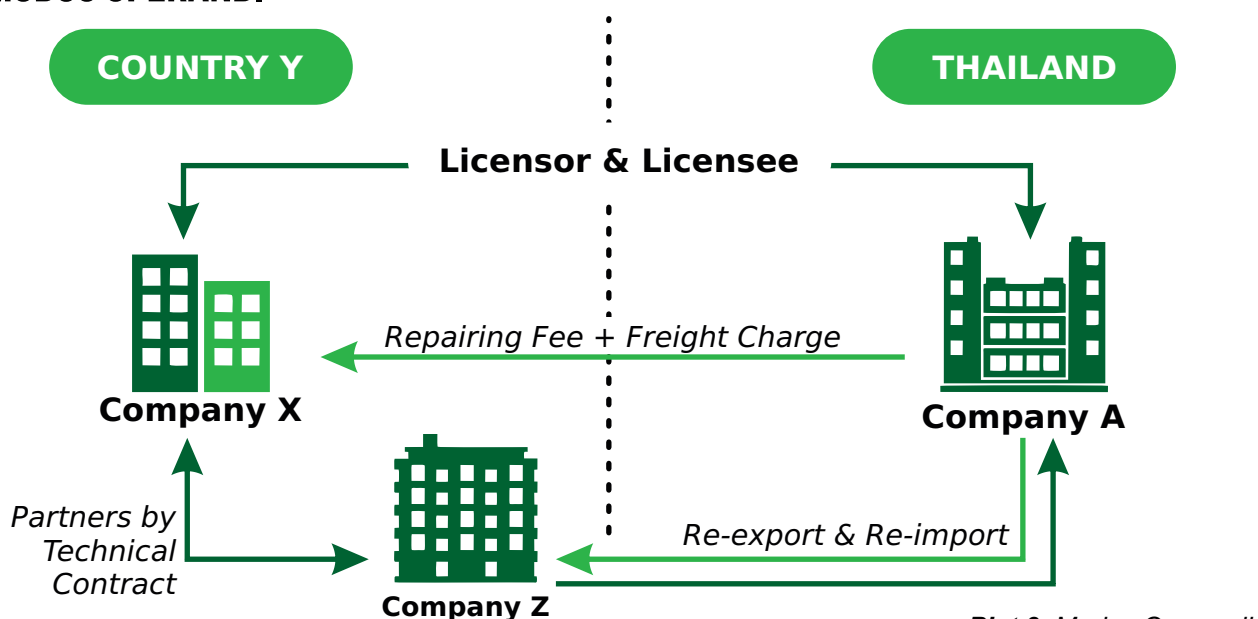
#### FINDINGS

PCA Unit conducted audit at Company A's premise and gathered some sets of document. The invoice "difference for express delivery (name of machine)", issued by Company X, was found in a set of documents with 2 payment receipts, one with amount of repairing fee and the other with amount similar to the difference. It is found that declared value in re-import declaration from Company Z is repairing fee and not found additional evidence on declaring the additional charge to customs.

#### DECISION

It is found that Company A was claimed the shortage amount of import duties, based on difference, and compound, double from short - paid duties for the offence committed.

#### MODUS OPERANDI



Pict 3. Modus Operandi



## CASE :

### EXAMINATION METHODS APPLIED TO CERTIFICATE OF ORIGIN (C/O)

***The imported goods from Japan to Vietnam are not satisfied the conditions of Annex 2 Product specific rules of AJCEP (Asean Japan comprehensive economic partnership agreement)***

## FACTS

### ***Facts of company***

- Company A imported parts and accessories of cars from Japan to Viet nam and customs declaration: "part of seat with HS code: 9401..."
- Company submitted to the customs office some documents of the customs dossiers with C/O FORM AJ: Product specific rules showed that LVC, tariff item number 870829...

### ***Regulations***

- Asean Japan comprehensive economic patrneship agreement.  
(Article 4, Appendix 1 and Appendix 2: goods under heading 9401 must satisfy the criteria CC (change chapter) conversion commodity code

but the company only satisfy criteria LVC. So the company's products do not meet the criteria in order to enjoy preferential tax rates)

- Decision 44/2008/Q -BCT dated 08/12/2008 of the Ministry of Industry and Trade on implementation of the rules of origin provided in the agreement between the ASEAN and Japan for economic partnership.

## FINDINGS

Company imported goods of heading 8708... that have preferential tax rate due to the origin of goods form JV and the name of goods: parts of seats with criteria LVC by Japan customs.

However, in Viet nam these goods have HS Code 940109... with criteria CC (Change chapter) that detail in Appendix 2 and above regulations, these goods meet general, do not meet specific criteria.

## MODUS OPERANDI

- Examination of customs declaration: C/O, PSR (Product specifc rules), HS code
- Comparision between customs documents and reality of goods.
- Comparision differences between documents in the



## DECISION

-The imported goods do not entitle special preferential tariff.

*In addition in recent years, Vietnam customs inspection C / O form D, E have found some irregularities:*

- C / O form E forgery (not true): The verification procedures in china, the competent governmental authority of China answers these C/O is not true.*
  - C / O Form D: wrong form, lack of information, lack of signature of the applicant.*
-



**SURVEYS**

# SURVEY 1 :

## SURVEY ON LEGISLATION AND REGULATION REGARDING PCA

### COUNTRY : BRUNEI DARUSSALAM

1.The legal framework regarding the application of PCA (List all of the respective regulation and legislation regarding PCA)

**Section 93 - Customs Order, 2006**

***Documents to be produced on demand.***

On demand of the proper officer of customs, the importer or exporter of any goods, or his agent, shall produce to such officer all invoices, bill of lading, certificates of origin or of analysis and any other documents, which such officer may require to test the accuracy of any declaration made by such importer to any officer of customs.

**Section 94 - Customs Order, 2006**

***Keeping of business records.***

Every importer and exporter must keep or cause to be kept in Brunei Darussalam business records for a period of at least 7 years.

Any person who fails to comply with this section shall be guilty of an offence and liable on conviction to a fine not exceeding \$50,000.

**Section 96 - Customs Order, 2006**

***Audit or examination of business records.***

An officer of customs may at all reasonable times enter any premises or place where business records are kept pursuant to section 94 (Customs Order) / section 100 (Excise Order) and audit or examine those records either in relation to

specific transactions or to the adequacy and integrity of the manual or electronic system or systems by which such records are created and stored.

**Section 110 - Customs Order, 2006**

***Access to places or premises.***

Any senior officers of customs shall, for the purposes of this Order, at all times have access to any place or premises where an importer carries on his business or where any person who has dealings with such importer carries on his business.

**Section 116 - Customs Order, 2006**

***Retention of documents obtained during search.***

Where an officer of customs or any person authorized under this Order carries out any lawful search, inspection, audit or examination under this Order and has reasonable cause to believe that any document coming into his possession during such search, inspection, audit or examination is evidence of the commission of an offence against this Order or is intended to be used for the purpose of committing any offence against this Order, such officer or authorized person may take possession of and retain the document.

## 2.The process of PCA

(Please explain the process of PCA starting from the planning, conducting and reporting)

### **Planning**

1. PCA Unit conducts assessment through reports received from Valuation Division, Declaration Processing Division and Control Posts.
2. PCA Officers will gather information and documentation of the company/companies.
3. The management of the assessed company will be notified and invited to the headquarters to discuss the importation and any other business activities conducted by the company.

### **Conducting the audit**

4. The company will be requested for relevant importation documentation, if early assessment by the PCA officers required those information and documentation.
5. The company will be given a timeframe of two weeks to give PCA officers the required documentation.
6. After receiving all the required

information, PCA officers will analyse them, and make report to Head of PCA Division on the result of their initial audit.

7. If no discrepancies are found, the company will be given a briefing on Customs procedures, laws and regulations (especially on penalties).
8. If discrepancies are found, the company will be asked to pay the short paid duty, and will be blacklisted for a timeframe of one (1) year. Every importation of the company will be scrutinized. Audit visit will also be conducted.

### **Reporting**

9. PCA Division will inform the relevant Customs Divisions on the outcome of the audited company/companies.
10. For blacklisted companies, the relevant Customs Divisions will be requested to scrutinize their importation activities. Those companies will also be given a written warning.

## 3. The follow-up of PCA

(Please explain of the follow-up action after the report of PCA)

PCA Unit are focusing more on blacklisted companies whether, within the timeframe of one (1) year, those companies are improving and making good progress on complying with Customs procedures, rules and regulations.

### **ADDITIONAL QUESTIONS**

4. a. The legal framework regarding maximum period after importation that Customs (PCA) could legally demand underpaid duty and the maximum period itself  
b. The differences in maximum period after importation that Customs (PCA) could legally demand underpaid duty, if any, for example due to the differences in PCA's scope of examination

**a. Section 16(a) - Customs Order, 2006 / Section 17(a) - Excise Order, 2006**

**Payment of duty etc. short paid.**  
Whenever through inadvertence, error, collusion, misconstruction on

the part of any officer of Customs, or through misstatement as to value, quantity or description by any person, or for any other reason, the whole or any part of customs/excise duties or other moneys payable

*under this Order have not been paid; the person liable to pay such customs duties or other moneys or the person to whom such refund has erroneously been made, as the case may be, shall pay the deficiency or repay the amount paid to him in excess, on demand being made within one year from the date on which customs duty was payable or deficient customs duty was paid or*

*refund was made, as the case may be, and without prejudice to any other remedy for the recovery of the amount due, any dutiable goods belonging to such person which may be in any customs warehouse or licensed warehouse may be detained until such customs duty or deficiency be paid or the refund be paid, as the case may be.*  
b. Not applicable

## 5. The period of of auditees' keeping books, records and documents, including electronic data based on customs laws and regulations (please list the laws and regulations)

### **Section 94 - Customs Order, 2006 / Section 100 - Excise Order, 2006** **Keeping of business records.**

Every importer and exporter must keep or cause to be kept in Brunei Darussalam business records for a period of at least 7 years.

Any person who fails to comply with this section shall be guilty of an offence and liable on conviction to a fine not exceeding \$50,000.

### **Section 96 - Customs Order, 2006 / Section 102 - Excise Order, 2006** **Audit or examination of business records.**

An officer of customs may at all reasonable times enter any premises or place where business records are kept pursuant to section 94 (Customs Order) / section 100 (Excise Order) and audit or examine those records either in relation to specific transactions or to the adequacy and integrity of the manual or electronic system or systems by which such records are created and stored.

## COUNTRY : CAMBODIA

### 1.The legal framework regarding the application of PCA (List all of the respective regulation and legislation regarding PCA)

#### **a) LAW on Customs:**

Base on law on Customs article 18, 19, 20, 21, 24, 26, 51, 52, 74, and 75.

#### **b) Ministerial Regulations:**

- Ministry of Economic and Finance Prakas No. 388 on Post Clearance Audit by Customs and Excise Department
- Guidance No. 583 on Initial Post Clearance Audit Manual
- Ministry of Economic and Finance Prakas No. 387 on Customs Valuation of Imported Good
- Ministry of Economic and

Finance Prakas No. 113 on Management of Documents, Books, Records, and Other Information on Import and Export  
- Ministry of Economic and Finance Prakas No. 105 on Management of Good that Exempt Duties and Taxes

## 2.The process of PCA

(Please explain the process of PCA starting from the planning, conducting and reporting)

*(Cambodia at the current PCA just starting with Factory Audit)*

*Planning:*

- Data/Statistic of Import and Export of Raw Material comparison.
- Listing the priority factory discrepancy by selecting the top discrepancy to be audit first and following from the big to small discrepancy.
- Issuing the notification letter to the selected Factory.

*Conducting:*

- Brief related Law and regulation of PCA to the Owner/GM of Factory
- Documentary Check
- Issue Primary Audit result
- Final Meeting for acceptance Audit result.

*Reporting:*

- Report the result Audit to DG of Customs
- Process to pay duty and Tax affected

## 3. The follow-up of PCA

(Please explain of the follow-up action after the report of PCA)

- Send result PCA Audit to Risk Management Section for further action.

## ADDITIONAL QUESTIONS

4. a. The legal framework regarding maximum period after importation that Customs (PCA) could legally demand underpaid duty and the maximum period itself
- b. The differences in maximum period after importation that Customs (PCA) could legally demand underpaid duty, if any, for example due to the differences in PCA's scope of examination

- a. Based on Article 18 of Law on Customs of the Kingdom of Cambodia dated 27 July 2007 stated: The maximum period after importation that Customs (PCA) could legally demand underpaid duty and the maximum

period is one Year from the Customs declaration.

- b. If later one year period is subject to PCA but traders still can adjust their declared by additional small amount of penalty.

## 5. The period of of auditees' keeping books, records and documents, including electronic data based on customs laws and regulations (please list the laws and regulations)

- a. Based on Article 51 of Law on Customs of the Kingdom of Cambodia dated 27 July 2007 stated: The period of auditee keeping books, records and other related documents shall be kept for 10 years at their business

premises.

- b. Ministry of Economic and Finance Prakas No. 113 on Management of Documents, Books, Records, and Other Information on Import and Export.

## COUNTRY : MALAYSIA

### 1.The legal framework regarding the application of PCA (List all of the respective regulation and legislation regarding PCA)

#### **Records of imported goods**

##### *SECTION 100A.*

- (1) Every person who has possession of documents and records pertaining to valuation of goods imported shall preserve for a period of six years following the importation of the goods all records that relate to the purchase of, cost of, value of, payment for and disposal of the goods.
- (2) Any person who contravenes subsection (1) shall be guilty of an offence and—
  - (a) where the value of the goods can be ascertained, shall be liable to a fine of not less than two times and not more than ten times the value of the goods; or
  - (b) where the value of the goods cannot be ascertained, shall be liable to a fine of not less than one hundred thousand ringgit and not more than five hundred thousand ringgit

#### **Access to place or premises**

##### *SECTION 106A.*

- (1) Any senior officer of customs shall for the purposes of this Act at all times have access to any place or premises where an importer carries on his business or where any person who has dealings with such importer carries on his business.
- (2) Where any senior officer of customs enters upon any premises in accordance with the provisions of this section, then—
  - (a) he may require the importer or the person who has dealings with such importer, as the case may be, to produce any book, data, document or other record, or thing which such importer or person is required to keep under the provisions of this Act, or which relate to any imported goods;
  - (b) he may examine any book, data, document or other record, or thing and make copies of or take extracts from any such book or document;
  - (c) he may seize and detain any book, data, document or other record, or thing if in his opinion it may afford evidence of the commission of any offence under this Act;
  - (d) he may require the importer or the person who has dealings with such importer or any person employed by such importer or person to answer questions relating to—
    - (i) any book, data, document or other record, or thing;
    - (ii) any entry in any book, data, document or other record; or
    - (iii) any imported goods;
  - (e) he may require any container, envelope or other receptacle in any such premises to be opened;
  - (f) he may at the risk and expense of the importer or the person who has dealings with such importer open and examine any package, or any goods or materials, in any such premises.

#### **Power of Investigation**

##### *SECTION 106B.*

A proper officer of customs shall have all the powers necessary to carry out an inspection and to investigate the commission of any offence under this Act.



## 2.The process of PCA

(Please explain the process of PCA starting from the planning, conducting and reporting)

### **Planning**

Risk Assessment Units within PCA will profile and select companies for post clearance audit.

PCA at respective states will prepare the schedule of companies to be audited every quarterly and submits the list to PCA Headquarters for monitoring and record purposes.

The audit team comprising minimum two senior officers will analyse information regarding past importation before conducting the audit.

### **Conducting the audit**

- Notice of visit
- Audit visit
- Initial discussion with company's personnel regarding companies business, organization structure, custodian of relevant documents.
- Check accuracy of Customs

declarations

- Inspect invoices, payment records, importation documents, accounting records and other relevant documents
- Gather evidence of non-compliance
- Look out for incorrect declarations, non-declaration and any other non-compliance and incriminating evidence
- Seizure of documents/exhibits, if necessary
- Seizure notice
- Search warrant (if necessary) and make a police report
- Recording statements from Company Directors (non-compliance cases)

### **Report Findings**

Prepare audit report

## 3. The follow-up of PCA

(Please explain of the follow-up action after the report of PCA)

- If there is short collection, to issue notice of claim
- If there is non-compliance then issue compound notice or prepare to initiate criminal action.
- For non-compliance cases to revisit the company within 1-3 years (depending on the extent of non-compliance)

## ADDITIONAL QUESTIONS

4. a. The legal framework regarding maximum period after importation that Customs (PCA) could legally demand underpaid duty and the maximum period itself

b. The differences in maximum period after importation that Customs (PCA) could legally demand underpaid duty, if any, for example due to the differences in PCA's scope of examination

### **a. Customs Act 1967 , Section 17(1)**

- Person liable to pay customs duties or other moneys shall pay the deficiency on demand being made within three years from the date on

which customs duty was payable or deficient customs duty was paid.

**b. Not applicable.**

**5. The period of of auditees' keeping books, records and documents, including electronic data based on customs laws and regulations (please list the laws and regulations)**

**Customs Act 1967. Records of Imported goods.**

**Section 100A.**

(1) Every person who has possession of documents and records pertaining to valuation of goods imported shall preserve for a period of six years following the importation of the goods all records that relate to the purchase of, cost of, value of, payment for and disposal of the goods.

(2) Any person who contravenes

subsection (1) shall be guilty of an offence and—

(a) where the value of the goods can be ascertained, shall be liable to a fine of not less than two times and not more than ten times the value of the goods; or

(b) where the value of the goods cannot be ascertained, shall be liable to a fine of not less than one hundred thousand ringgit and not more than five hundred thousand ringgit.

---

## **COUNTRY : SINGAPORE**

### **1.The legal framework regarding the application of PCA (List all of the respective regulation and legislation regarding PCA)**

**Section 88 of the Customs Act** empowers the Director-General or any officer of customs authorized by him to have full and free access to all buildings, places, books, documents and other records for any of the purposes of this Act, and may inspect, copy or make extracts from any such books, documents or records.

**Section 90 of the Customs Act** requires every importer/exporter of dutiable goods or their agent to keep the documents and records relating to invoices, books of accounts, bills of lading, packing lists, et cetera for 5 years. Our officers are empowered to require the company to submit these documents for verification and investigation purposes.

### **2.The process of PCA**

**(Please explain the process of PCA starting from the planning, conducting and reporting)**

Risk Assessment Branch and Intelligence Branch will profile and select companies for post clearance audit. If the company is high risk, it will be referred to Trade Investigation Branch for planned operations to search for evidence of evasion of duty/GST payable and non-compliance of Customs rules and regulations by traders. Else, the company will be referred to Company Compliance Branch to conduct informed/surprised field audit.

Upon receiving the target, Company Compliance Branch will check on the import/export/transshipment history of the target and plan for a suitable day to visit the company. If the approach is informed audit, the target will be notified.

### **Preparing the Audit and Investigation**

- Company profile
- Past records of Customs offences
- Past shipments
- Establish a prima facie case of fraud

### **Conducting the audit**

- *Audit visit*
- Notice of visit or search warrant
- Gather evidence of non-compliance
- Seizure of documents/exhibits, if necessary
- Identify computer and electronic storage devices for imaging
- Detention receipt
- Police report
- *Consult other Branches*

- Valuation, classification
- Permit requirements
- Strategic Goods control matters.
- *Reconcile trade documents*
- Invoices
- Bills of Lading/AWBs
- Accounting records
- And other relevant documents
- *Check accuracy of Customs declarations*
- *Look out for incorrect declarations, non-declaration and any other non-compliance and incriminating evidence*
- *Interview employees and declaring agents*

### **Report Findings**

Prepare audit report

## **3. The follow-up of PCA**

**(Please explain of the follow-up action after the report of PCA)**

If discrepancies are found, the company will be referred for further investigation. Else, the company will be informed of the close of the audit.

## **ADDITIONAL QUESTIONS**

**4. a. The legal framework regarding maximum period after importation that Customs (PCA) could legally demand underpaid duty and the maximum period itself**

**b. The differences in maximum period after importation that Customs (PCA) could legally demand underpaid duty, if any, for example due to the differences in PCA's scope of examination**

- |   |                        |
|---|------------------------|
| a. There is no maximum period under the law for the recovery of duties owing to the government if the trader is found to have made an | incorrect declaration. |
|   | b. Not applicable.     |

**5. The period of of auditees' keeping books, records and documents, including electronic data based on customs laws and regulations (please list the laws and regulations)**

The law requires every importer, exporter or his agent keep all documents relating to the goods for period of not less than 5 years. The means of record-keeping can be by hard copy or by electronic means.

### **Customs Act, Chapter 70**

### **Preservation of records**

### **87.**

—(1) Any duty under this Act to keep or preserve any books of account, register, stock book or other records may, after the goods to which such records relate have been removed from customs control, be discharged by

the preservation of the information contained therein by such means as the Director-General may approve.

- (2) Where the information referred to in subsection (1) is so preserved, a copy of any document forming part of the records shall, subject to subsections (3) and (4), be admissible in evidence in any proceedings, whether civil or criminal, to the same extent as the records themselves.
- (3) The Director-General may, as a condition of approving under subsection (1) any means of preserving information contained in any books of account, register, stock book or other records, impose such reasonable requirements as appear to him necessary for securing that the information will be as readily available to him as if the books of account, register, stock book or records themselves had been preserved.
- (4) A statement contained in a document produced by a computer shall not by virtue of subsection (2) be admissible in evidence whether in civil or criminal proceedings except in accordance with the Evidence Act (Cap. 97).

### **Retention of trade documents**

#### **90.**

- (1) Every importer or exporter of dutiable goods or his agent shall keep the following documents and records relating to the goods:
  - (a) invoices;
  - (b) books of accounts;
  - (c) bills of lading;
  - (d) packing lists;
  - (e) certificates of origin;
  - (f) certificates of analysis;
  - (g) certificates of insurance;
  - (h) any document or record on the terms of trade relating to the purchase, importation, sale or exportation of the goods by the importer or exporter or his agent; and
  - (i) such other documents or records as may be prescribed.
- (2) The documents and records referred to in subsection (1) shall be retained -
  - (a) in relation to goods in a Government warehouse or licensed warehouse, for a period of not less than 5 years from the date those goods are removed from the Government warehouse or licensed warehouse, as the case may be; or
  - (b) in any other case, for a period of not less than 5 years from the date on which the goods are released by the proper officer of customs.
- (2A) The duty under this section to retain documents and records may be discharged by the keeping, or preservation of the information contained therein, in accordance with section 87.
- (2B) Subsection (2A) is without prejudice to any obligation relating to the retention of any document or record under such treaty, memorandum of understanding or other agreement between Singapore and the government of a country or territory outside Singapore, as may be prescribed.
- (3) Any person who fails, without reasonable excuse, to comply with this section shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding 3 years or to both.

## COUNTRY : THAILAND

### 1.The legal framework regarding the application of PCA (List all of the respective regulation and legislation regarding PCA)

#### - **Customs Act Section 113 Bis**

An importer, exporter, agent of a vessel, agent of such person or a relevant person as specified by the Director-General shall have the duty to keep and maintain the accounts, documents, evidences and data in any form used by such persons in connection with any particles passing or having passed through the customs at the place of business or other places as specified by the Director-General for a period of time of not less than five years as from the date the goods were imported or exported.

In the case where a person or juristic person under paragraph one terminates business, the person or juristic person or a liquidator of such juristic person shall have the duties of keeping and maintaining the accounts, documents, evidences and data at the place prescribed by the Director-General for period of two years as from the date of termination of business.

The Director-General shall have the power to prescribe the kind of documents which the persons under paragraph one are under a duty to keep and maintain, including the rules, procedure and conditions of keeping and maintaining such accounts, documents, evidences and such data.

Any person who fails to comply with paragraph one or paragraph two, or violates or fails to comply with the rules, procedure and conditions under paragraph three, shall be liable to imprisonment for a term of not exceeding six months or to a fine of not exceeding fifty thousand Bath, or to both.

#### - **Announcement of Customs Department No.26/2543** (Documents to be kept)

#### - **Customs Act Section 115 Bis**

In the case where there are reasonable grounds to suspect that there has been a violation or non-compliance with any provisions of this Act or other laws relating to the customs, the Director-General or a person authorized by the Director-General, or a competent official authorized by the Director-General or a person authorized by the Director-General by a written order, shall have the duties of inspection with the following powers:

- (1) To enter the place of business of an importer, exporter, agent of a vessel, agent of such persons or a relevant person or other places relevant with such person, in the period between sunrise and sunset or during official working hour. In such case there shall also be the power to order such person or other persons in such place to perform any act necessary for the inspection;
- (2) To inquire the facts or require the production of accounts, documents, evidences or data in any form or other things involved in the commission of an offence from the importer, exporter, agent of vessel, agent of such persons or a person involved in the importation or exportation;

- (3) To seize or attach accounts, documents, evidences or data in any form or other things that may be used to prove an offence under this Act or other laws relating to the customs.

Any person who obstructs or fails to comply with the order or the Director-General or a person authorized by the Director-General or a competent official under paragraph on shall be liable to imprisonment for a term of not exceeding one year or to a fine of not exceeding on hundred thousand Bath, or to both

**- Customs Act Section 115 quinqué**

In the performance of duties of the Director-General, the person authorized by the Director-General or a competent official under this Act shall be rendered all reasonable assistance by the persons concerned.

Any person who does not assist the competent official under paragraph one shall be liable to a fine of not exceeding twenty thousands Baht.

**- Customs Act Section 115 ter**

In the case where there are reasonable grounds to suspect or there is a detection of an offence under this Act or other provisions of law relating to the customs, for the purposes of conduction and investigation in connection with the offence, the competent official shall have the power to order the importer, exporter, agent of such person or a person involved in the importation or exportation, to give and oral statement or facts or a written statement or order such persons to send the accounts, documents, evidences and data in any form or other things involved in the commission of the offence for inspection whereby a period of time not exceeding seven days as from the date of receipt of the order shall be given to such person.

Any person who violates or fails to comply with paragraph one shall be liable to imprisonment for a term of not exceeding one year or to a fine of not exceeding one hundred thousand Bath, or to both.

**- Customs Act Section 115 quarter**

In the case where an offender liable to a penalty under this Act is a juristic person, a managing director, a managing partner or a person responsible for the operation of such juristic person shall be liable to the penalties provided for such offence unless it can be proven that such offense was committed without his knowledge or consent or he has acted reasonably in preventing such offence.

## 2.The process of PCA

**(Please explain the process of PCA starting from the planning, conducting and reporting)**

- |   |   |
|---|---|
| 1. Assess risk in order to request for approval on POST CLEARANCE AUDIT. Prepare audit plan + gather data/necessary document. | time, and place of audit will be specified.   |
| 2. Notify trader at least 10 days in advance from the date of written notification where date,                                | 3. Officials dress politely at least 3 persons (Head of the group must not be lower than Professional Level) showing civil servant ID and provide "Official Introductory Letter". |



- |  |  |
|--|--|
| <p>4. Conduct the audit and finish it within 10 working days (Extension is allowed NOT more than 3 times. Each time will not exceed 10 day)</p> <p>5. If there is no inquiry/no offence, issuing "Note on Post Clearance Audit at Premise.</p> <p>6. If offence is found or there are reasonable grounds to suspect that there has been a deficiency on tax payment, audittee ought to certify such matter by signing/stamping with company's seal official will bring back the document bearing offence and</p> | <p>related document to the Customs Department for further audit.</p> <p>7. If there are inquiry/ suspicion/ inconvenience to the extent to be believable that truth is being concealed/document evidence are being hidden, official will seek an approval on search by filing for search warrant Keep records as historical data of trades on their past offenses for up-dating risk assessment data base.</p> |
|--|--|

### 3. The follow-up of PCA

(Please explain of the follow-up action after the report of PCA)

The follow-up of the PCA should be measured, assessed and evaluated for example amount of revenue collected, performance report as compared to the target(audited cases, arrested cases and customs revenue), number of offenders against Customs Law and regulations etc.

### ADDITIONAL QUESTIONS

4. a. The legal framework regarding maximum period after importation that Customs (PCA) could legally demand underpaid duty and the maximum period itself

b. The differences in maximum period after importation that Customs (PCA) could legally demand underpaid duty, if any, for example due to the differences in PCA's scope of examination

- |   |  |
|---|--|
| <p>a. If the tax paid is less than the actual amount payable, the Customs Department has the right to collect the deficient</p> | <p>amount in a limitation period of ten years from the date of importation or exportation.</p> <p>b. Not applicable.</p> |
|---|--|

5. The period of of auditees' keeping books, records and documents, including electronic data based on customs laws and regulations (please list the laws and regulations)

#### Customs Act Section 113 Bis

An importer, exporter, agent of a vessel, agent of such person or a relevant person as specified by the Director-General shall have the duty to keep and maintain the accounts, documents, evidences and data in any form used by such

persons in connection with any articles passing or having passed through the customs at a place of business or other places as specified by the Director-General for a period of time of not less than five years as from the date the goods were imported or exported.



## COUNTRY : VIETNAM

### 1.The legal framework regarding the application of PCA (List all of the respective regulation and legislation regarding PCA)

#### **- Customs Law No 42/2005/QH11 dated 14/6/2005:**

##### **"Article 32** Post-customs clearance inspection

1. Post-customs clearance inspection means the conduct of an inspection by Customs aimed at:
  - (a) Evaluation of the accuracy and truthfulness of the contents of documents which any goods owner, person authorized by a goods owner, organization or individual having directly imported or exported goods has declared, paid or presented to the customs office in respect of imported or exported goods which have cleared customs;
  - (b) Evaluation of observance of law on customs during the process of conducting customs clearance procedures for imported or exported goods.
2. Post-customs clearance inspection shall be conducted in the following cases:
  - (a) Upon discovery of indications of tax fraud, commercial fraud or a breach of the provisions on administration of import and export;
  - (b) With respect to cases not in the category stipulated in Clause 2(a) of this Article, a decision on post-customs clearance inspection shall be based on the results of an analysis of information from the database processing system; from a reconnaissance by Customs; and on information from bodies, organizations, individuals and Customs in other countries.
3. Within five years from the date of registration of the customs declaration in respect of imported or exported goods which have cleared customs, the director of a Customs Department of a province, inter-province or city under central authority shall be entitled to make a decision on post-customs clearance inspection. Where necessary, the General Director of the General Department of Customs shall make a decision on post-customs clearance inspection.
4. Based on the decision on post-customs clearance inspection, State employees of Customs shall inspect directly books of account, accounting vouchers and other documents relating to the consignment of imported or exported goods which has cleared customs at the enterprise concerned and compare them against the customs declaration and documents included in the customs file; and where necessary and possible, shall carry out inspection of actual goods.
5. During an inspection, the concerned bodies, organizations and individuals shall facilitate and make available any accounting vouchers, information and documents necessary for the inspection at the request of the customs office.

The Government shall provide specific regulations on post-customs clearance inspection."

#### **- Decree No 154/2005/ND-CP dated 15/12/2005 detailing the implementation of a number of articles of the Customs Law Regarding Customs procedures, inspection and supervision (Article from 64 to 71):**

Article 64.- Cases of post-customs clearance inspection

Article 65.- Contents of post-customs clearance inspection

Article 66.- Inspection methods

Article 67.- Competence to decide on inspection

Article 68.- Inspection duration

Article 69.- Processing of inspection results

Article 70.- Rights and obligations of inspectors

Article 71.- Rights and obligations of inspected units

**- Circular No 128/2013/TT-BTC dated 10/9/2013 On customs procedures, customs supervision and inspection; export tax, import tax, and administration of tax on exported goods and imported goods (Section 1: from Article 139 to 147):**

Article 139. Objects of post-clearance inspection

Article 140. Principles, purposes, and time limit for post-clearance inspection

Article 141. Scope of post-clearance inspection

Article 142. Contents of post-clearance inspection

Article 143. Verification during post-clearance inspection

Article 144. Post-clearance inspection at the customs authority

Article 145. Post-clearance inspection on company premises

Article 146. Tasks and entitlements of the chief of the inspectorate

Article 147. Management and work allocation of during post-clearance inspection on company premises

**- Customs Law No 54/2014/QH13 dated 23/6/2014 (shall be valid from 1/1/2015): from Article 77 from 82.**

The new Customs Law define more detail of Cases of post-customs clearance inspection; Rights and obligations of inspector; Rights and obligations of inspected units; The maximum period of inspection at customs authority is increased from 02 to 05 working days; the maximum period of planned inspection at the company premises is reduced from 15 to 10 working day.

## **2.The process of PCA**

**(Please explain the process of PCA starting from the planning, conducting and reporting)**

The process of PCA is attached to Decision No 3550/QĐ-TCHQ dated 1/11/2013 of Director general of General Department of Vietnam.

The process of PCA including 2 period: Post-clearance inspection at the customs authority and Post-clearance inspection on company premises. They can be connected or independent.

### **2.1.Post-clearance inspection at the customs authority:**

Post-clearance inspection at the customs authority inspect the customs dossiers, exported and imported goods that are granted clearance within 60 days from the clearance date.

- To select a the company/good and the scope of post-clearance inspection;

- To collect, analyse the information about the objects of inspection; after that issuing a decision of inspection;

- To request the company to provide documents related to the customs dossier, exported or imported goods being inspected, provide relevant explanation, and physically inspect the goods that are granted clearance

where necessary. The maximum inspection period is 02 working days.

- After inspection is finished, the customs officer shall report the contents, and result of the inspection, suggest contents of the notification of inspection result, and necessary measures. in particular:

- + If the company provides explanation, information and documents proving that the export, import, the tax stated and paid are proper, the customs dossier is accepted.

- + If the company fails to prove that the tax stated is correct and agree with the inspection result given by the customs authority, the company shall make additional tax statement and tax payment within 10 days from the day on which the inspection result is notified. If the company fails to make additional statement and tax payment as prescribed the customs authority shall make a decision to carry out an inspection on company premises.

- + If the company fails to prove that the tax stated is correct but does not concur with the inspection result given by the customs authority, the customs authority shall make a decision to carry out an inspection on company premises.

- + If the company fails to provide explanation and documents, or refuses to provide, or delay providing documents at the request of the customs authority, the customs authority shall impose penalties for administrative violations as prescribed by law and update them on the database of the customs to inspect the next imported or exported shipment of the company, consider making a decision to impose tax as prescribed by law, or make a decision to carry out inspection on company premises if the basis for tax imposition is not ample.

The head of the units that carries out the inspection shall sign and issue the notification of inspection result to the company or make a decision to carry out the inspection on company premises.

## 2.2. Post-clearance inspection on company premises:

- Perform preparatory tasks before issuing the decision under the procedure established by the General Department of Customs. The customs authority shall carry out a survey at the company before deciding the inspection where necessary.

- Making and announcing the decision on post-clearance inspection on company premises. In case of inspection (a) that transferred by inspection at customs authority, finding signs of violations of the company, be a Thematic post-clearance inspection under the guidance of the head of a superior customs authority, the maximum period of inspection is 05 working day. In case of planned inspection to assess the observance of customs law by customs declarants (b), the maximum period of inspection is 15 working day. Where necessary, the inspection shall extend this period once. The extended period shall not exceed the length in this case a and case b. The reasons for extension and length of extension shall be written on the decision on extension.

If the company fails to comply with the decision on inspection, the customs authority shall impose administrative penalties, update information on the risk management system to take measures for inspecting the next exported and imported shipments of the company, and impose tax as prescribed.

- Carrying out post-clearance inspection on company premises: announce

the decision on inspection; carry out the inspection in accordance with scope, contents, and time on the decision; record in writing the contents during the inspection; report the inspection result with the head of the inspecting unit and the person that decides the inspection.

- Conclusion about post-clearance inspection on company premises: Examine the explanation of the company; sign and issue the official conclusion; If the case is complicated and beyond the competence of the customs authority, the conclusion shall be issued after having opinions of specialized agencies.

### **3. The follow-up of PCA**

**(Please explain of the follow-up action after the report of PCA)**

After the inspection finish, the following tasks must be done:

- Issue a decision on tax imposition (if any).
- Issue a decision on administrative penalties (if any);
- If tax evasion that constitutes a criminal offence is discovered, Clause 2 Article 75 of the Law on Tax administration and legislation on criminal proceedings shall apply.
- Update information about tax inspection result on the database system to serve further management.
- Request competent authorities to make amendments or promulgate legislative documents to prevent violations.
- Collect tax and urge companies to pay tax and late payment interest (if any) under decision on tax imposition in accordance with law.
- Monitor and update data on accounting programs; make decision and compel companies to pay tax in accordance with law.
- Report tax collection result to the person that issues the decision on tax imposition.

### **ADDITIONAL QUESTIONS**

**4. a. The legal framework regarding maximum period after importation that Customs (PCA) could legally demand underpaid duty and the maximum period itself**

**b. The differences in maximum period after importation that Customs (PCA) could legally demand underpaid duty, if any, for example due to the differences in PCA's scope of examination**

a. The legal framework regarding maximum period after importation that Customs (PCA) could legally demand underpaid duty and the maximum period itself:

“Article 110 Limitation period for applying penalties for breach of the law on tax (Law no 21/2012/QH13 dated on 20 november 2013, amending and supplementing a number of

articles of the law on tax administration:

1. In the case of a breach of tax procedures, the limitation period for applying penalties shall be two years from the date on which the breach was committed.
2. In the case of acts of tax evasion or tax fraud not serious enough to warrant prosecution for criminal liability, declaration of lower

amount of tax payable or increasing of tax refundable, the limitation period for applying penalties shall be five years from the date on which the breach was committed

3. Upon expiration of the limitation period for applying

penalties for a breach of the law on tax, a taxpayer shall not be penalized but must still pay in full the shortfall of tax, or evaded or defrauded amount of tax into the State budget within ten years from the date on which the breach was committed"

## 5. The period of of auditees' keeping books, records and documents, including electronic data based on customs laws and regulations (please list the laws and regulations)

The period of of auditees' keeping books, records and documents, including electronic data based on customs laws and regulations shall be **within 5 years from the registration date of the customs declaration.** If the company commits a similar violation beyond the time limit, the company shall make additional statement and tax payment as prescribed.

### **The laws and regulations related:**

- The Law on Customs No. 29/2001/QH10 dated June 29, 2011 and the Law on the amendments to The Law on Customs No. 42/2005/QH11 dated June 14, 2005:

*"Article 32 Post-customs clearance inspection:*

*2. Within five years from the date of registration of the customs declaration in respect of imported or exported goods which have cleared customs, the director of a Customs Department of a province, inter-province or city under central authority shall be entitled to make a decision on post-customs clearance inspection. Where necessary, the General Director of the General Department of Customs shall make a decision on post-customs clearance inspection."*

- Decree No 154/2005/ND-CP dated 15/12/2005 detailing the implementation of a number of articles of the Customs Law Regarding Customs procedures, inspection and supervision:

*"Article 68.- Inspection duration"*

- Circular No 128/2013/TT-BTC dated 10/9/2013 On customs procedures, customs supervision and inspection; export tax, import tax, and administration of tax on exported goods and imported goods

*"Article 140. Principles, purposes, and time limit for post-clearance inspection"*

- Customs Law No 54/2014/QH13 dated 23/6/2014 (shall be valid from 1/1/2015)

*"Article 77: Post-customs clearance inspection"*

- Decree No 08/2015/ND-CP dated 21/01/2015 (valid from 15/03/15) detailing the implementation of a number of articles of the Customs Law Regarding Customs procedures, inspection and supervision:

*"Article from 97 to 100 in Chapter VI PCA"*

## COUNTRY : MYANMAR

### 1.The legal framework regarding the application of PCA (List all of the respective regulation and legislation regarding PCA)

Already enacted for PCA on 17-3-2015 as follow

Sea Customs Law(Amended)

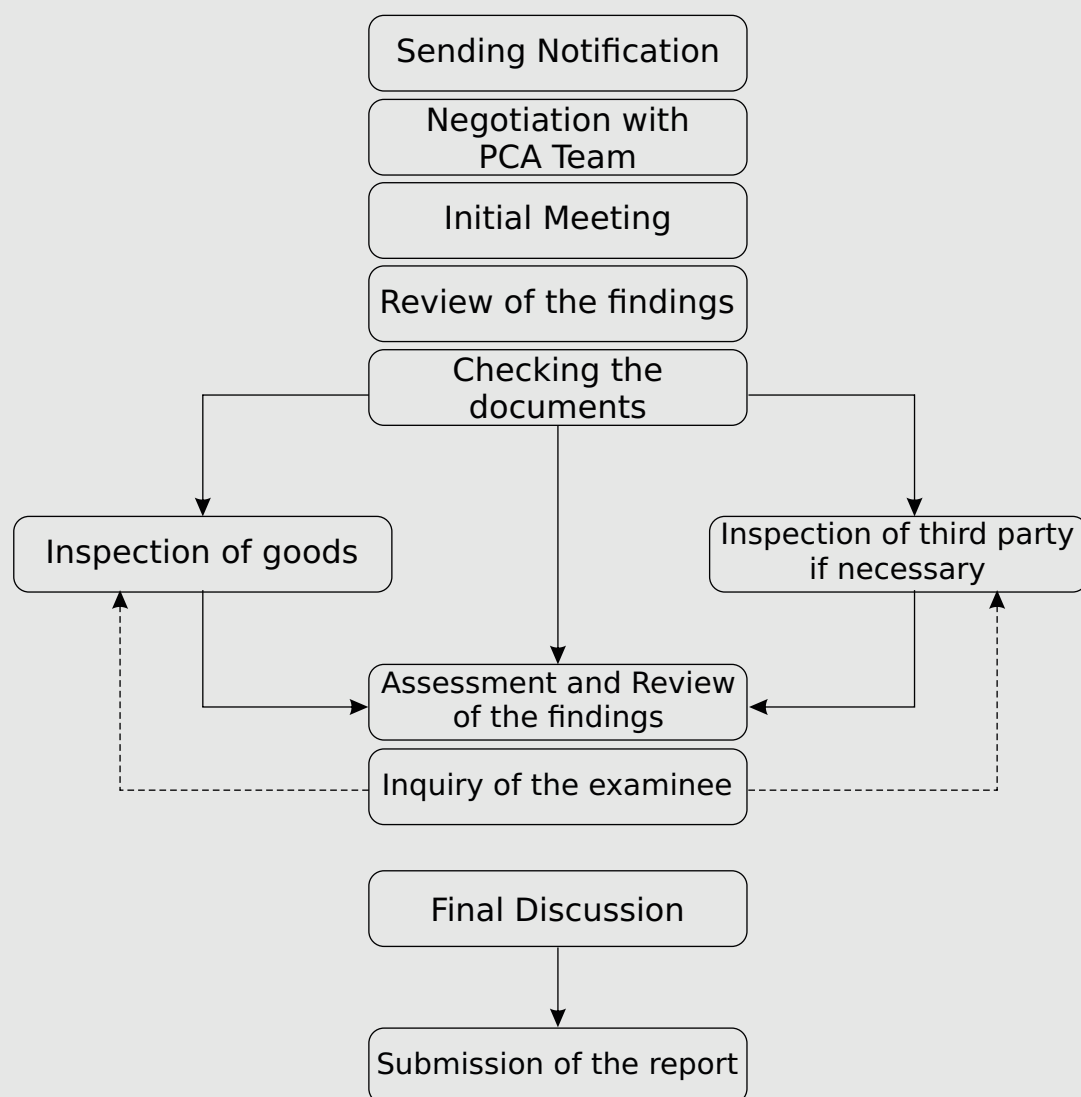
(a) Para:194-A(1) (2) (3) (4)

(b) Para:167 (78-A,78-B,78-C,78-D)

### 2.The process of PCA

(Please explain the process of PCA starting from the planning, conducting and reporting)

According to our strategic plans of our department, developing PCA procedure is expected to complete at the time from August to December, 2016, conducting awareness within the period of January – March, 2017 and Applying it in April, 2017.





### **3. The follow-up of PCA**

**(Please explain of the follow-up action after the report of PCA)**

Myanmar Customs Department monitor compliance status of auditees after audit report. Always encourage the auditees to comply with the customs law and regulation.

### **ADDITIONAL QUESTIONS**

**4. a. The legal framework regarding maximum period after importation that Customs (PCA) could legally demand underpaid duty and the maximum period itself**

**b. The differences in maximum period after importation that Customs (PCA) could legally demand underpaid duty, if any, for example due to the differences in PCA's scope of examination**

- (a) Seven years
- (b) Between one year to seven years

**5. The period of of auditees' keeping books, records and documents, including electronic data based on customs laws and regulations (please list the laws and regulations)**

Under Sea Customs amended law Para

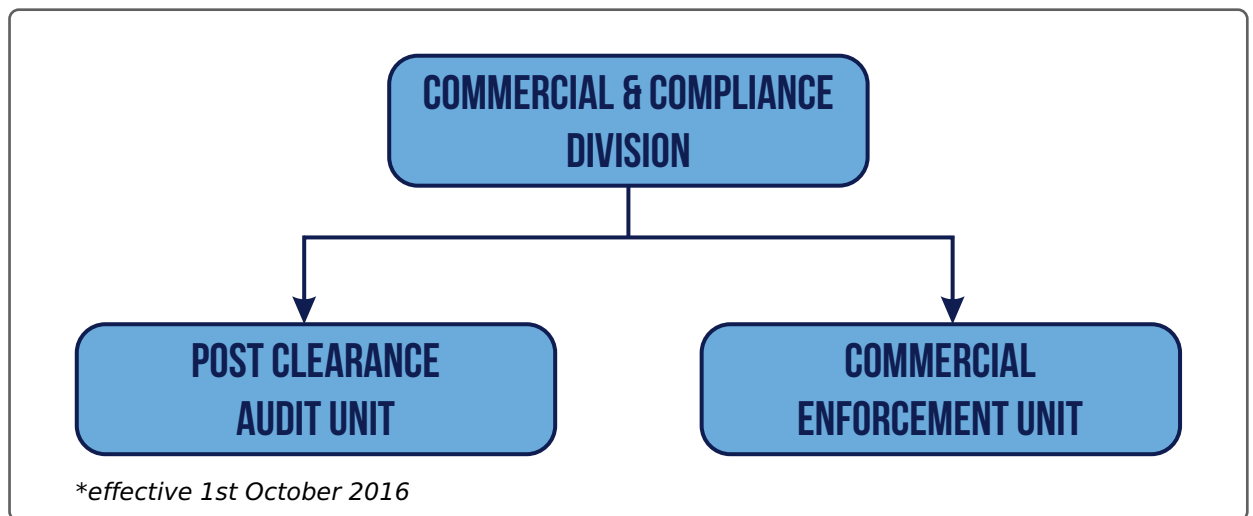


# SURVEY 2 :

## SURVEY ON THE ORGANIZATIONAL AND ADMINISTRATIVE STRUCTURES FOR THE POST CLEARANCE AUDIT

### COUNTRY : BRUNEI DARUSSALAM

1.The organizational and administrative structures for the Post Clearance Audit (Put the diagram for the Post Clearance Audit)



2.Brief description about the function of each part in the above diagram

#### **PCA Unit :**

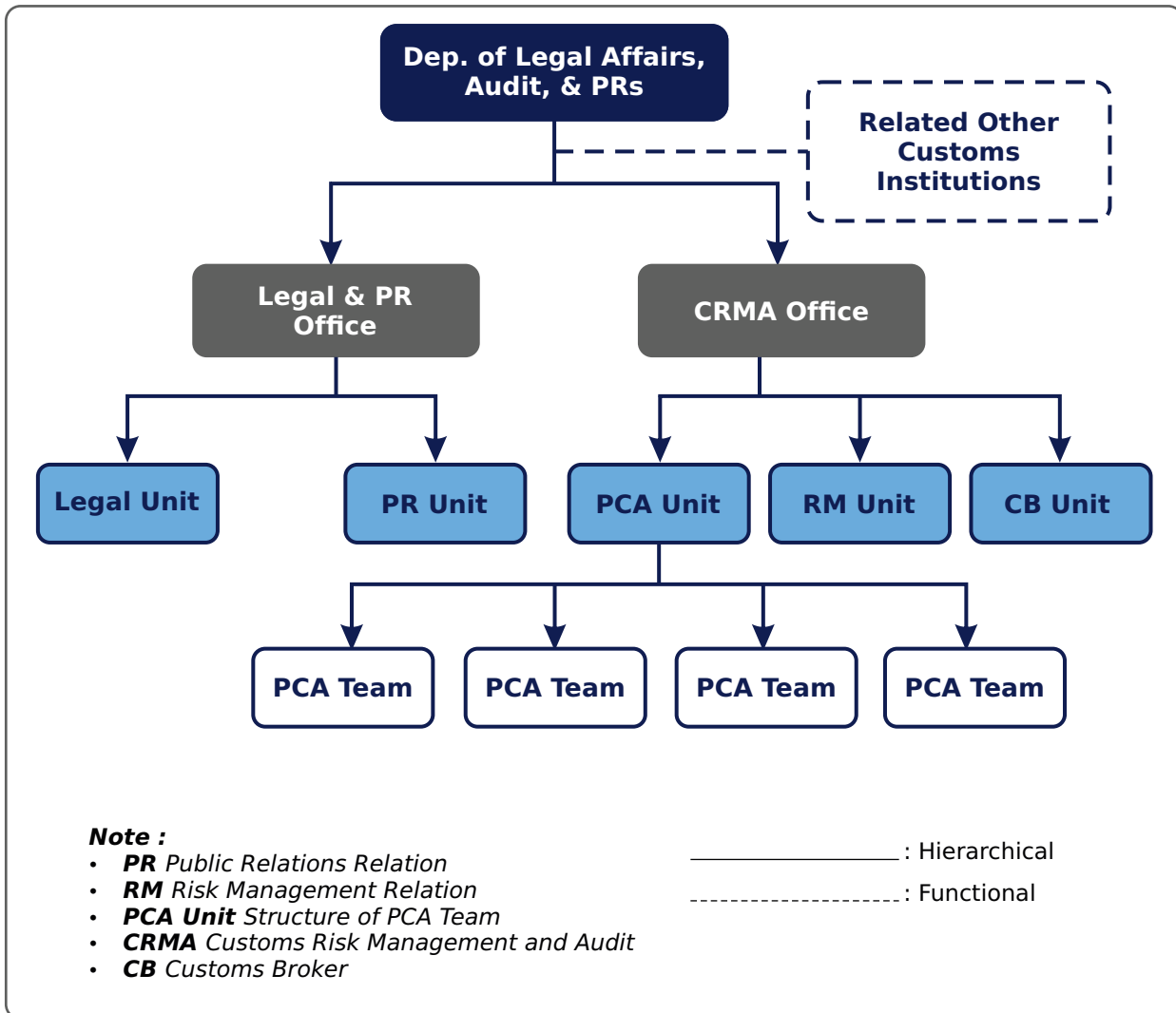
- 1) to conduct audits and examinations of documents on selected importers and companies related to the import/export of goods;
- 2) to detect duties evasion and frauds (to safeguard Customs revenue);
- 3) to verify accuracy and authenticity of Customs declarations in the past period.

#### **CE Unit:**

- 1) to conduct audits on focused importers and companies on-site examination of documentations.
- 2) to assess and do a survey on reported or targeted importers and companies.
- 3) to enhance compliance of importers and companies with Customs laws and regulations

## COUNTRY : CAMBODIA

### 1.The organizational and administrative structures for the Post Clearance Audit (Put the diagram for the Post Clearance Audit)



### 2.Brief description about the function of each part in the above diagram

#### - CRMA

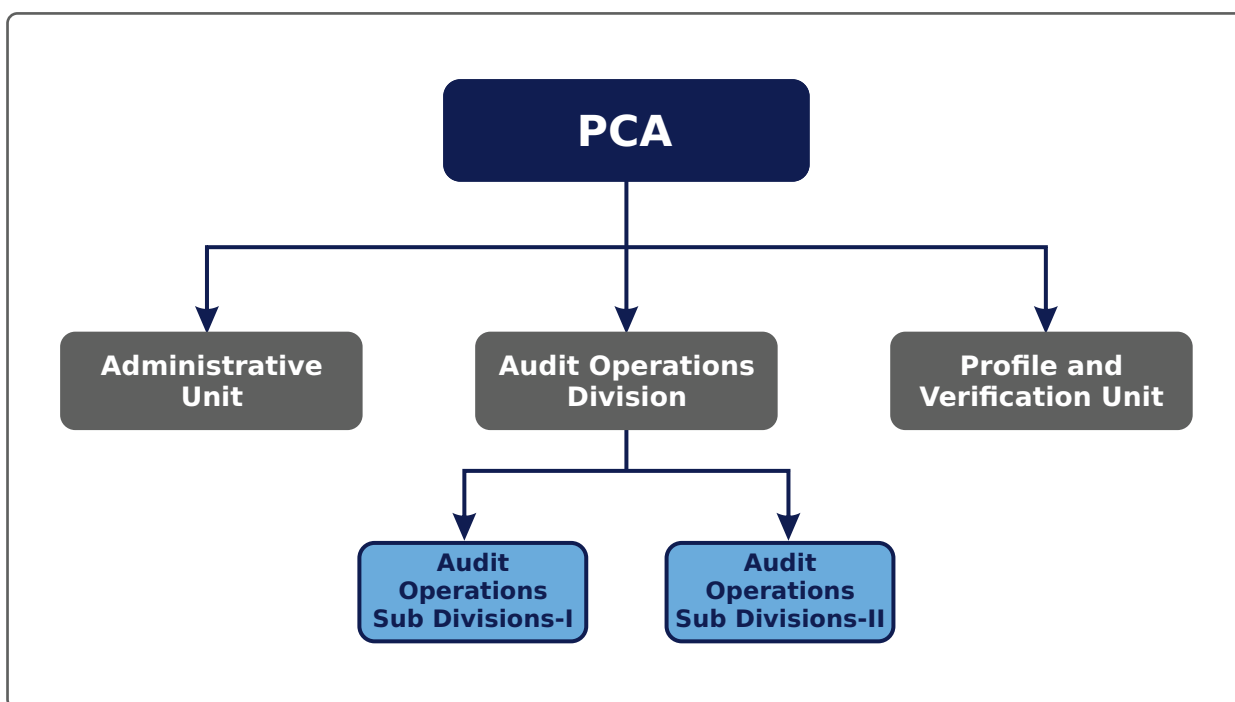
Data Collection, Planning, Public awareness, Human Resource development, and Monitoring PCA work and after audit follow up.

#### - PCA Unit

Conduct audit on selected companies.

## COUNTRY : MALAYSIA

### 1.The organizational and administrative structures for the Post Clearance Audit (Put the diagram for the Post Clearance Audit)



### 2.Brief description about the function of each part in the above diagram

PCA is responsible to ensure compliance to the Customs Act 1976 (Law and Regulations) on matters pertaining to customs declarations. Information and data from other custom's branch i.e. Import/Export , Preventive, Technical Branches are shared with the PCA Branch in order to profile, plan and schedule companies to be audited.

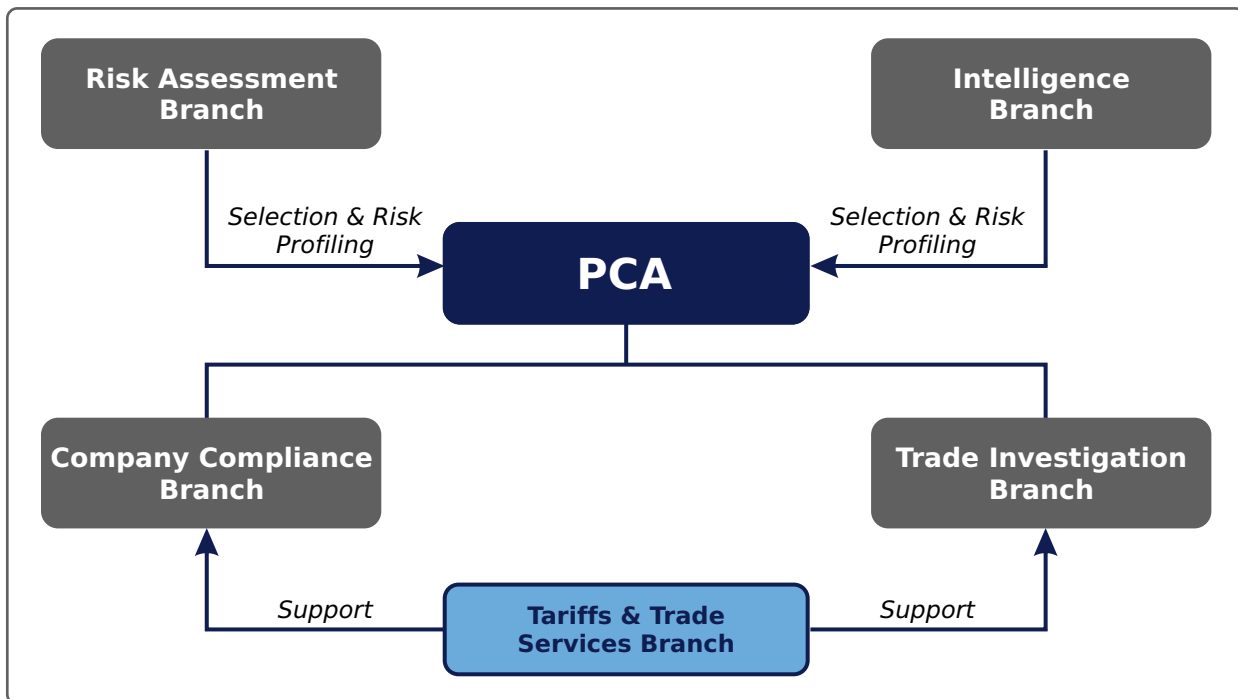
**Administrative Unit** is responsible for general administrative work, compilation of statistics, manage assets i.e. office vehicles for audit purposes, budgeting and carry out other tasks.

**Audit Operations Division** is responsible audit proper, reporting, issuance of short collections and compound notice.

**Profile and Verification Unit** is responsible for the preparation of importer's profile, verification of importers premises/location and directors

## COUNTRY : SINGAPORE

### 1.The organizational and administrative structures for the Post Clearance Audit (Put the diagram for the Post Clearance Audit)



### 2.Brief description about the function of each part in the above diagram

PCA is a trade facilitation measure that aims to safeguard revenue interest while providing the necessary support in the implementation of trade facilitating measures and simplified procedures for the movement of goods across borders. It is conducted by teams of CUSTOMS officials after the clearance of goods to uphold trade integrity and to prevent customs duty and tax evasions, as well as to detect false declarations by traders. Through this measure, CUSTOMS aims to enforce CUSTOMS legislations and ultimately, maximize traders' self-compliance and eliminate future errors.

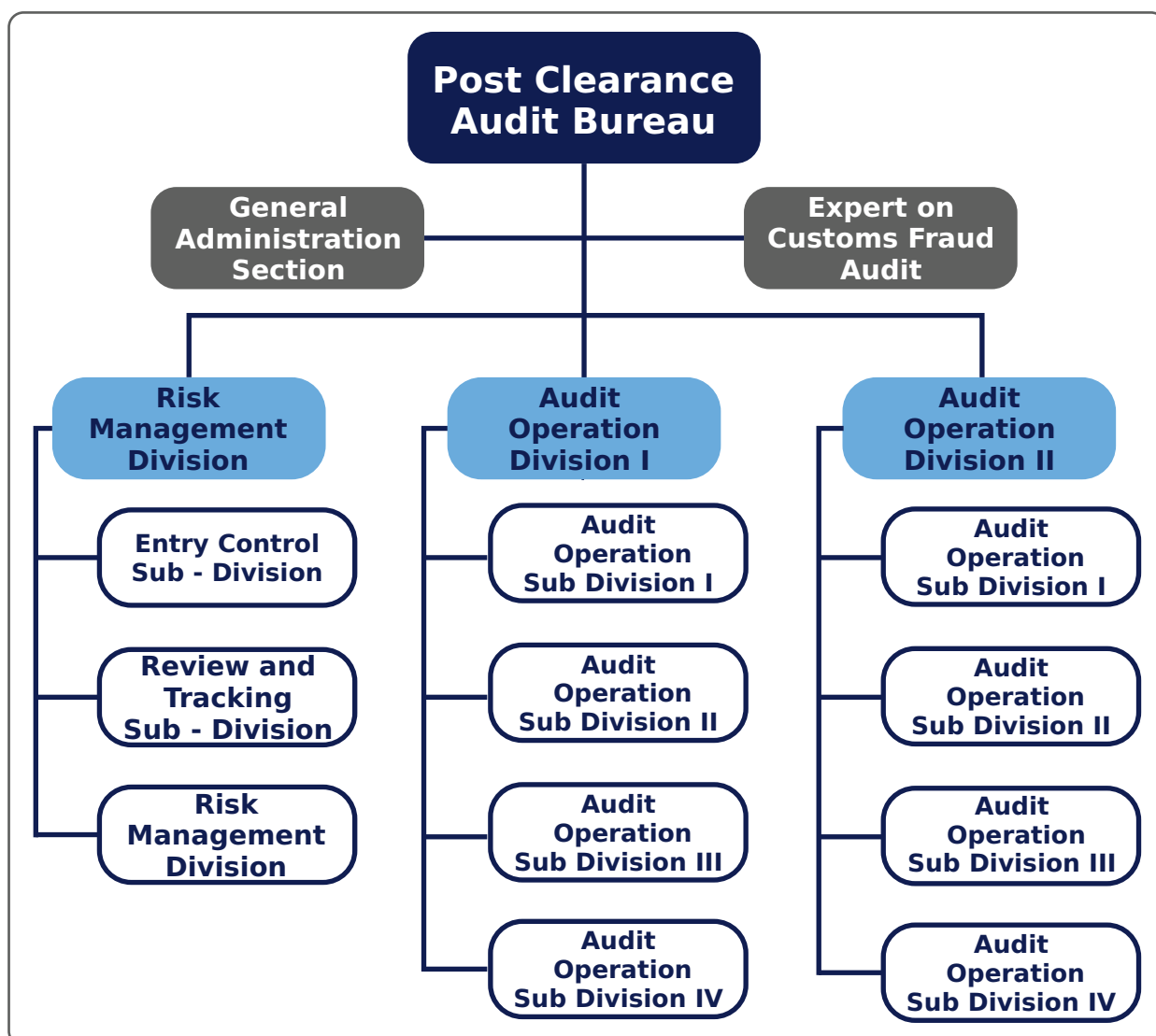
The Risk Assessment Branch and Intelligence Branch are responsible for selection and risk profiling of companies for PCA.

PCA done by the following 2 branches:

- Company Compliance Branch
- Trade Investigation Branch (Fraud)

## COUNTRY : THAILAND

### 1.The organizational and administrative structures for the Post Clearance Audit (Put the diagram for the Post Clearance Audit)



### 2.Brief description about the function of each part in the above diagram

Post Clearance Audit Bureau is responsible for intelligence activities and field audits whether tariff nomenclature, tax and duty incentives and import/export formalities applied are compliant with relevant laws and regulations; maintaining post clearance documents and conducting post clearance review; auditing records, accounts, and documents on imports and exports at the importer's / exporter's premises or related parties; and analyzing risks on imports, exports, and tax and duty incentives, including establishing and updating the Central Profile. It composes of 3 divisions, 1 sub-division and 1 expert on Customs Fraud Audit.

**Expert on Customs Fraud Audit** give advice for officers on the tasks both auditing and legal.

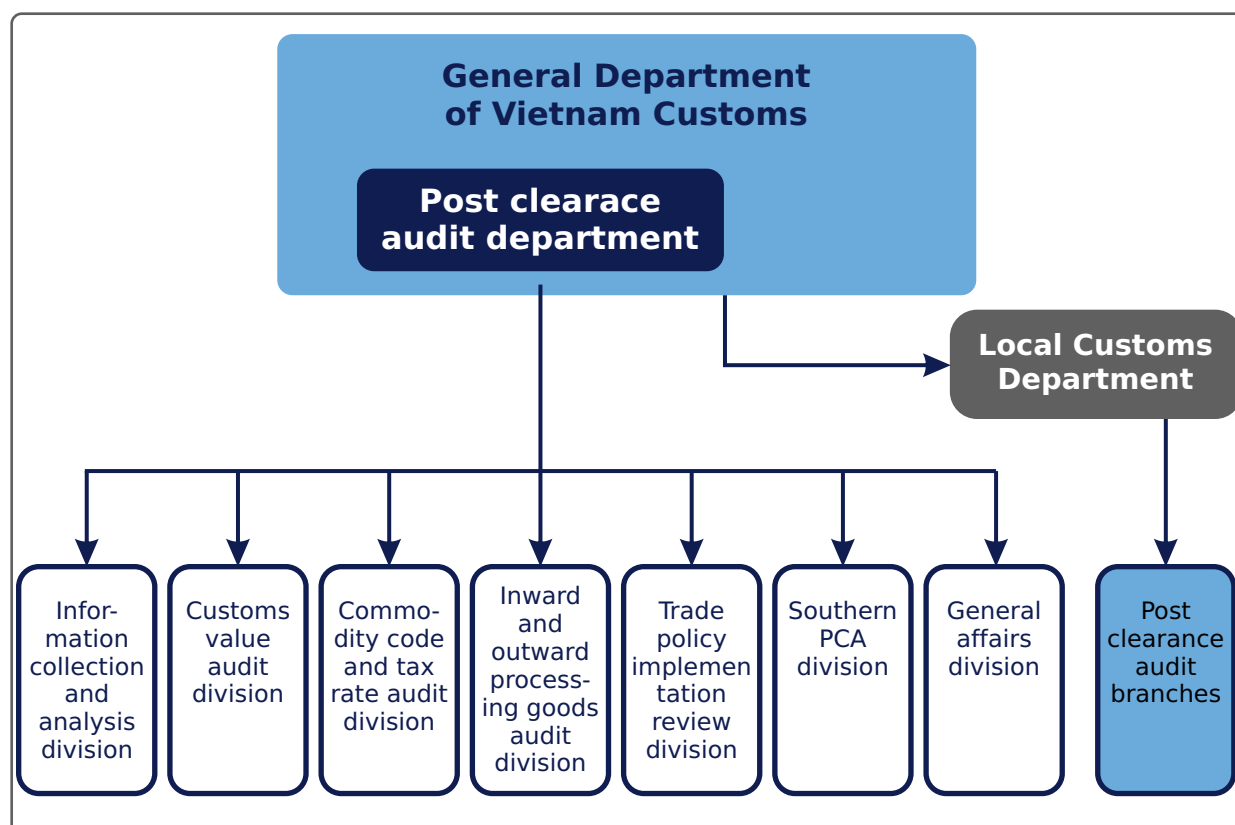
**General Administrative Sub-division** is responsible for correspondence/general administrative works, PR and dissemination of Bureau's performance, coordination and provide general services, forming projects in accordance with strategy, manage and develop human resources, budgeting and office supply control and carry out other tasks as assigned.

**Risk Management Division** is responsible for planning and specify guidelines or measures on auditing tax collection, gather and analyze import/export data for risk assessment, planning, evaluating developing, improving and working on Central Profile, auditing document after customs clearance, valuation, duty and tax calculation an issue statement required a payment of deficit tax, store import/export declaration and carry out other tasks as assigned.

**Audit Operation Division I,II** are responsible for planning and specify guidelines or measures on auditing tax collection, pre-audit Survey, planning, auditing records accounting books, record, and documents, verify if tariff classification tariff role have been correct, and all requirements to qualify for tax incentives have been completed and carry out other tasks as assigned.

## COUNTRY : VIETNAM

### 1.The organizational and administrative structures for the Post Clearance Audit (Put the diagram for the Post Clearance Audit)



## 2. Brief description about the function of each part in the above diagram

### **1. PCA department:**

According to **Decision No. 1015/QĐ-BTC** dated 11/5/2010 by the Ministry of Finance, Post-Clearance Audit Department which is under the General Department of Customs has position and functions, duties and powers, organizational structure, as follows:

#### **Position and function**

Post-Clearance Audit Department, a unit of General Customs Department, which functions is to advise and assist the Director General of General Customs to manage, direct, guide, inspect the units in the implementation of PCA laws; directly implement PCA within the tasks and powers prescribed by law.

#### **Duties and powers**

1. To submit to the General Department of Customs to the Minister of Finance:
  - a) legal documents, written regulations on customs clearance audit promulgated under the authority of the Minister of Finance;
  - b) The projects, programs and plans for post-clearance audit decisions under the authority of the Minister of Finance;
  - c) Suggestions and proposals to the competent authorities to consider the amendment and supplement of legal documents for PCA;
  - d) Solve problems related to post-clearance audit exceeded decisions power of the General Department of Customs.
2. To submit to the General Department of Customs:
  - a) Written instructions internal business processes and organizational measures for post-clearance inspection;
  - b) A written response policies, regulations and procedures, post-clearance inspection under the authority of the General Department of Customs;
  - c) make recommendations to the ministries of solving problems related to post-clearance inspection;
  - d) Decision retrospective collection of tax refund after customs clearance inspection;
  - e) Dealing with problems related to post-clearance inspection beyond the competence of the Director-clearance inspection.
3. Directing, guiding, inspection activities in post-clearance audit of units under the provincial, inter-provincial cities under central authority as prescribed by law.
4. To collect, synthesize, analyze and process information in service of customs clearance inspection. Applying professional measures, conduct transactions with other organizations and individuals inside and outside the country or organization to receive information, allegations, requested agencies and units concerned to provide information and documents for inspection for customs clearance.
5. Direct the work of post-clearance inspection in accordance with the law.
6. Handling administrative violations on post-clearance inspection according to their jurisdiction to settle complaints handling decisions of administrative violations and other administrative decisions on customs clearance examination of competence.



7. Application of coercive measures to implement administrative decisions under the authority prescribed by law.
8. Perform the tasks of international cooperation on customs clearance inspection in accordance with the law and assigned by the General Department of Customs.
9. Organization of research and application of science and technology in the post-clearance inspection.
10. Participate in program development, content and teaching profession of post-clearance inspection for officials and employees of the General Department of Customs.
11. Statistics, review, reporting, and evaluating the results of the reexamination of customs dossiers, the inspection of the Customs clearance.
12. Recordkeeping organizations and documents related to the post-clearance inspection in accordance with the law and the General Department of Customs.
13. Management officials, public servants and financial management, asset allocation in accordance with the law and the decentralization of the Ministry of Finance.
14. Perform other duties assigned by Director General Department of Customs Affairs and in accordance with the law.

#### **Structures:**

1. General affair division
2. Customs value audit division
3. Commodity code and tax rate audit division
4. Inward and outward processing goods audit division
5. Trade policy implementation review division
6. Southern PCA division
7. Information collection and analysis division

#### **II. Divisions of PCA department:**

According to **Decision No. 1252/QĐ-TCHQ** dated 16/6/2010 by the General Director, divisions of PCA department have duties and powers, as follows:

1. General affair division
  - To help Director of PCA department to advice General Director to build, amend, supplement legal documents, written instructions internal business processes on PCA; help Director of PCA department to manage, direct, guide, inspect the implementation of those documents.
  - To help Director to handle administrative violations on post-clearance inspection according to their jurisdiction to settle complaints handling decisions of administrative violations and other administrative decisions on customs clearance examination of competence.
  - To help Director to perform planning, implementation, plan implementation inspection; modernization, reform of administrative procedures; training for PCA workforce; personnel management; filling...
2. Customs value audit division
  - To help Director of PCA department to advice General Director to build, amend, supplement legal documents, written instructions internal business processes on customs value and Customs value audit.

- To collect, combine, analyse information about customs value to do the work of post-clearance inspection.
- 3. Commodity code and tax rate audit division
  - To help Director of PCA department to advise General Director to build, amend, supplement legal documents, written instructions internal business processes on Commodity code and tax rate.
  - To collect, combine, analyse information about Commodity code and tax rate to do the work of post-clearance inspection.
- 4. Inward and outward processing goods audit division
  - To help Director of PCA department to advise General Director to build, amend, supplement legal documents, written instructions internal business processes on Inward and outward processing goods.
  - To collect, combine, analyse information about Inward and outward processing goods to do the work of post-clearance inspection.
- 5. Trade policy implementation review division
  - To help Director of PCA department to advise General Director to build, amend, supplement legal documents, written instructions internal business processes on Trade policy implementation.
  - To collect, combine, analyse information about Trade policy implementation to do the work of post-clearance inspection.
- 6. Southern PCA division
  - To collect, combine, analyse information about import and export activities in the south of Vietnam do the work of post-clearance inspection.
  - Direct the work of post-clearance inspection in the area.
- 7. Information collection and analysis division
  - To collect, combine, analyse customs internal and external information to supply PCA.
  - To perform Risk management
  - Supply IT solution for PCA inspection.

### **III. PCA branch**

#### *Function of PCA branch:*

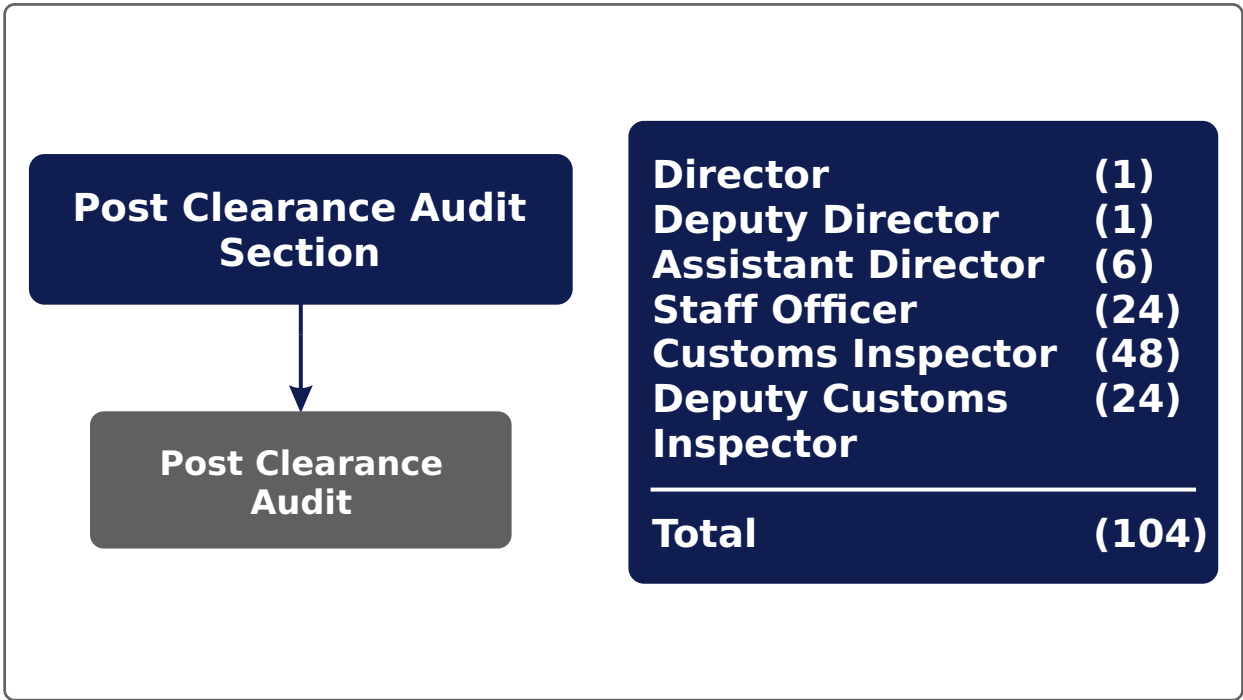
1. Management, directing, guiding post-clearance inspection
2. Direct the work of post-clearance inspection.

#### *Duties and power of PCA branch:*

1. Construct, organize PCA programs.
2. Manage, direct, guide and implement reexamination of customs dossiers and PCA.
3. To collect, synthesize, analyze and process information in service of customs clearance inspection
4. Direct the work of post-clearance inspection
5. Handling administrative violations on post-clearance inspection.

COUNTRY : MYANMAR

1.The organizational and administrative structures for the Post Clearance Audit (Put the diagram for the Post Clearance Audit)



2.Brief description about the function of each part in the above diagram

- (1) Selected Auditees
- (2) Preaudit Survey (collecting of information)
- (3) Field Audit
- (4) Analysis of Company
- (5) Audit Report



**PREPARED AND PRINTED BY THE  
DIRECTORATE GENERAL OF CUSTOMS AND EXCISE  
MINISTRY OF FINANCE OF THE REPUBLIC OF INDONESIA**