

# ASEAN CUSTOMS

PCA Bulletin . Volume XV . May 2024

**Customs Engaging Traditional  
and New Partners With Purpose**





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# **CONTENT I | FOREWORDS**

## Forewords from Country Coordinator's Desk



Ladies and Gentlemen,  
With great pleasure, I extend a warm welcome to the 15<sup>th</sup> edition of The Post Clearance Audit (PCA) bulletin.

As we embark on this journey through our 15<sup>th</sup> edition, we find ourselves at a significant juncture a point of transition and evolution. Just as adolescence marks the transition into adulthood, this milestone edition symbolizes a coming of age for our collaboration and for the customs practices it represents.

In 2024, customs administrations worldwide are facing numerous complex and pressing challenges: Environmental and health crises; as well as increasingly intricate geopolitical issues, demand swift responses and proactive approaches from customs authorities. To address these challenges, cooperation through various collaborative platforms becomes crucial in creating more efficient public services, transparent operations, and effective oversight.

In addition to fostering closer collaboration with business entities, customs administrations are also expected to establish new partnerships with entities such as companies and technology platforms, financial institutions, non-governmental organizations, and academia. This is a crucial step toward strengthening collaborative infrastructure capable of better addressing future challenges. Through cross-sectoral cooperation, customs administrations will have access to broader resources and

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expertise, enabling them to develop more holistic and responsive strategies to the evolving landscape. Furthermore, this approach aligns seamlessly with the overarching theme of the 2024 International Customs Day, aptly named "Customs Engaging Traditional and New Partners with Purpose".

The key to engaging both traditional and new partners lies in purposeful collaboration. Customs administrations can set clear objectives and priorities for their PCA programs, aligning them with broader national and international trade goals. By articulating shared objectives and demonstrating the mutual benefits of collaboration, customs can foster a sense of purpose among their partners, motivating them to actively contribute to the success of PCA initiatives. Overall, by engaging both traditional and new partners with purpose, customs can enhance the effectiveness, efficiency, and integrity of their PCA programs, ultimately contributing to improved trade facilitation and compliance outcomes.

In closing, my sincere wish is for this bulletin to remain a valuable resource for our readers. We are committed to ongoing innovation and evolution, striving to ensure that the bulletin remains informative and engaging. Your feedback is invaluable to us as we work towards continuous improvement. We eagerly anticipate receiving your insights and suggestions to enhance future editions.

Warm regards,

Yusmariza



## Forewords from Chairman of ASEAN- Directors - General of Customs



On behalf of the ASEAN Customs Directors General, I extend my sincere appreciation to the ASEAN Customs Enforcement and Compliance Working Group (CECWG) for their exceptional dedication in advancing enforcement practices and fostering cooperation within our regions. The tireless efforts of the CECWG have played a pivotal role in orchestrating numerous capacity-building initiatives for the ASEAN Member States (AMS), particularly in enhancing understanding and implementation of Post Clearance Audit (PCA). The efforts have significantly contributed to the improvement of our customs practices.

In the current international trade, PCA serves as a crucial tool for risk management to customs administrations worldwide. It is one key mechanism to validate the accuracy of customs declarations, assess trader compliance, and combat customs fraud and tax evasion. Beyond its

regulatory role, PCA enhances revenue collection and ensures the smooth flow of legitimate trade.

The fifteenth volume of the ASEAN PCA Bulletin showcases the progress made by Customs administrations across the ASEAN region in enhancing their audit capabilities and promoting compliance with customs regulations. This volume serves as a valuable reference that containing the nature of offenses committed, the methods used by perpetrators, as well as the approaches of technological advancements, intelligence networks, and accumulated expertise used to tackle the challenges.

This is a confirmation of our shared commitment to enhancing customs enforcement capabilities, streamlining procedures, and promoting transparency. I hope that all AMS continue in this spirit of cooperation and attentiveness. We, ASEAN member states, will achieve the best teamwork by sharing ideas, information, and methods to safeguard our nations against such illegal activities within the ASEAN region.

Finally, This Bulletin would not have been successful without the excellent publication team. Therefore, I would like to extend my gratitude to Indonesia for contributing to making this bulletin memorable and outstanding.

Sincerely,

Theeraj Athanavanich



## Forewords from Chairman of ASEAN CECWG



I would like to extend my heartfelt congratulations to Indonesia, specifically Directorate General of Customs and Excise of Indonesia, for the successful publication of Volume XV of the ASEAN Customs Post Clearance Audit Bulletin. Congratulations are also due to all member states for their contributions to case studies in the bulletin.

The increasing complexity of the global supply chain and streamlining of import/export procedures boosts the significance of post clearance audit (PCA) as opposed to traditional physical

examination. To strike a balance between trade facilitation, regulatory compliance and revenue collection, ASEAN must work together to strengthen practices and procedures of PCA and harmonise understanding of PCA mechanism.

Through this bulletin, ASEAN customs authorities are encouraged to share best practices and foster dialogues on cases of PCA in order to enhance the capacity of customs officers on PCA.

I extend my sincere appreciation to the contributors, editors, and all those involved in the production of this bulletin for their dedication and commitment to promoting excellence in customs PCA. Together, we will continue to strengthen cooperation and build mutual trust within the ASEAN customs community.

Thank you for your unwavering support and participation in our collective efforts to safeguard the prosperity and security of the ASEAN region.

Warm regards,

Mohammad Fariman Hattar

## **CONTENT II | ARTICLES**

- Indonesian Forest Ecosystem
- Effectiveness Of Use Of Benford's Law To Identify Fraud In Declaration Of Customs Value





Indonesia is one of the countries with the largest forest area, which play a crucial role in maintaining the delicate balance of the region's ecosystem. Indonesia's forest serve as vital ecosystems, providing habitats for countless species, including various flora and fauna. It is a biodiverse region, with numerous endemic species found exclusively in this area. Containing the largest expanse of rainforest in all of Asia, the Indonesia's rainforests are renowned for the unique wealth of wildlife and fascinating species including Sumatran Tigers, Pygmy Elephants, Rhinoceros and Orangutans. However, the country's forests face numerous challenges, including deforestation, forest fire, climate change, biodiversity conservation and unsustainable practices.

One of the primary threats to Indonesia's forests is deforestation. Rapid deforestation due to logging, agricultural expansion, and infrastructure development has led to significant loss of forest cover in Indonesia. The conversion of forests to agricultural lands, particularly for palm oil and pulpwood plantations has led to significant forest loss. This threat affect to the ecosystem, wildlife, and contributes to climate change. Climate change poses a significant threat to Indonesia's forests, as rising temperatures and changing precipitation patterns can alter ecosystems and increase the risk of wildfire. These fires not only damage the forests but also release large amounts of greenhouse gases, exacerbating climate change.

## Indonesian Forest Ecosystem

Biodiversity conservation in Indonesian forests is crucial due to the country's vast and diverse ecosystems. Indonesia has



(borneo forest)

established a network of protected areas, including national parks, wildlife reserves, and conservation forests. However, the effectiveness of these protected areas is often undermined by inadequate funding, poaching, and encroachment by human activities. Involving local communities in forest conservation efforts is essential for the long-term protection of Indonesia's forests. By promoting sustainable forest management practices and providing economic incentives, the government can encourage communities to adopt eco-friendly practices and reduce their



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dependence on forest resources. Indonesia has made significant strides in addressing deforestation and forest degradation through international commitments like the New York Declaration on Forests and the United Nations Framework

Addressing these challenges requires a combination of effective policies, strong governance, community involvement, and international cooperation to ensure the long-term health and preservation of Indonesia's country forests. Therefore, The Customs and Excise Organizations play an important role in ensuring the protection of forest ecosystems and encouraging sustainable practices. As a vital component of national and international trade, the organisation is responsible for enforcing laws and policies that regulate the import and export of forest products:

One of the primary responsibilities of The Customs and Excise Organisation is to monitor and regulate the trade of endangered forest species. By implementing strict import and export controls, its prevent the smuggling and trafficking of these species, which can have devastating consequences on the ecosystem. This includes the regulation of timber, wood products, and other forest-derived items that may be at risk of over exploitation. Illegal logging and deforestation are significant threats to global forest ecosystems. The Customs and Excise Organisation works closely with national and international agencies to enforce laws and policies aimed at curbing these practices. By inspecting and seizing illicit timber shipments, they discourage businesses from engaging in unlawful activities that contribute to deforestation.



To protect forest ecosystems effectively, The Customs and Excise Organisation collaborates with various stakeholders, including government, non-governmental organisations, and the private sector. These partnerships facilitate the exchange of knowledge, resources, and expertise to develop and implement forests conservation strategies and encourage sustainable practices. Raising awareness about the importance of forest conservation is a critical aspect of The Customs and Excise Organisation's work. They engage in various public education and outreach programs to inform the public and industry about the consequences of unsustainable



practices and the benefits of adopting eco-friendly alternatives. Ultimately, let us unite for the preservation and protection of hope rainforest in Indonesia, ensuring its vital role in maintaining ecosystem balance, providing habitats for diverse species, and offering invaluable benefits to our planet's well-being for generations to come.

## Effectiveness Of Use Of Benford's Law To Identify Fraud In Declaration Of Customs Value

By: Hermaz Wibisono, SE, MM, MSi., MAk., CFE

On-clearance and post-clearance supervision what Customs Authority does is important to do because of self-assessment principles in the notification of customs documents, where the importer is given the right to fill in, calculate and notify the quantity and type of imported goods, the price of imported goods as well as calculate import duties and taxes in the context of imports independently and report them to the customs office that supervises the place of entry of imported goods. Post clearance audit role, in this case post clearance audit aims to determine the level of compliance of the importers, and play a role in optimizing state revenues and increasing the flow of goods. With the number of registered importers being larger and the import intensity for each importer varying in a certain year, it is very important to have an alternative analysis tool which can be used by the Customs officers to analyze potential fraud tendencies carried out by the importer during the planning process for determining the audit object or during the customs audit conducting process.

Analysis tool that can be used is Benford's Law, is a law that can estimate the frequency of occurrence of a number in a series of numerical data. If the numerical data is generated without any element of

intention, then the frequency of appearance of the numbers will be in accordance with the frequency expectations in Benford's Law. This also means that if there is an element of human intention to create a combination of numbers and include them in the data set, the results of Benford's Law analysis will show that there are certain numbers that appear more often than expected. Benford's law is widely used by auditors because of its ability to detect data anomalies in a data set.

In 1881, Simon Newcomb, an astronomer and mathematician published an article in American Journal of Mathematics, which given the impression that the first pages of the logarithm book look more worn than the last pages. He concluded that there were more numbers starting with the number one (1) than larger numbers (2 to 9). This article did not receive attention because the theoretical basis was not clear enough to produce this conclusion.

Fifty years later, Frank Benford, a physicist working at GE (General Electric) came to the same conclusion when he noticed that the logarithm book he was using was more worn on pages starting with small numbers. Based on this phenomenon, Benford then collected data to prove his theory by analyzing 20,000 types of data, ranging



from atomic weights to numbers that appeared in a local magazine, namely Reader's Digest. Benford's research produced the same conclusion as the one previously proposed by Newcomb, that even though it seemed random, there was hope that the frequency of these numbers would appear.

Benford's Law or Benford's Law is a law that can estimate frequency the occurrence of a number in a series of numeric data. If the numerical data is generated without any element of intention, then the frequency of appearance of the numbers will be in accordance with the frequency expectations in Benford's Law. This also means that if there is an element of human intention to create a combination of numbers and include them in the data set, the results of Benford's Law analysis will show that there are certain numbers that appear more often than expected.

The formula contained in Newcomb's article is as follows:

$$P(d) = \log_{10} \left( 1 + \frac{1}{d} \right)$$

Where: P is probability or possibility

d is the number that is expected to appear such as 1, 2, 3, ..., 9.

Regarding to this formula, thus a table can be developed as follows:

**Table 1**  
Expected frequency according to Benford's Law

Number	1 <sup>st</sup> Digit	2 <sup>nd</sup> Digit	3 <sup>rd</sup> Digit	4 <sup>th</sup> Digit
0		0.11915	0.10779	0.10079
1	0.30103	0.15391	0.14126	0.13016
2	0.17609	0.14826	0.13097	0.12010
3	0.12494	0.14333	0.12037	0.11008
4	0.09691	0.13821	0.11610	0.10600
5	0.07918	0.13288	0.11178	0.10169
6	0.06699	0.12737	0.10740	0.09734
7	0.05799	0.12166	0.10292	0.09300
8	0.05118	0.11577	0.09844	0.08868
9	0.04679	0.10970	0.09387	0.08452

(Source: Mark J. Ziegen, 1995, "A computer-assisted application of Benford's Law",  
The Journal of the American Taxation Association 18 (Spring): 72-81)

The formula for expected frequency (expected) are as follows:

a. For 1<sup>st</sup> order number:

$$P(D_1 = d_1) = \log \left( 1 + \left( \frac{1}{d_1} \right) \right), \text{ where } d_1 = \{1, 2, 3, \dots, 9\}$$

b. For 2<sup>nd</sup> order number

$$P(D_2 = d_2) = \sum_{d_1=1}^9 \log \left( 1 + \left( \frac{1}{d_1 d_2} \right) \right) \sum_{d_1=1}^9 \log \left( 1 + \left( \frac{1}{d_1 d_2} \right) \right), \text{ where } d_2 = \{1, 2, 3, \dots, 9\}$$

c. For combination of 2 number:

$$P(D_1 D_2 = d_1 d_2) = \log \left( 1 + \left( \frac{1}{d_1 d_2} \right) \right)$$

$$P(D_2 = d_2 | D_1 = d_1) = \frac{\log \left( 1 + \left( \frac{1}{d_1 d_2} \right) \right) \log \left( 1 + \left( \frac{1}{d_1 d_2} \right) \right)}{\log \left( 1 + \left( \frac{1}{d_1} \right) \right) \log \left( 1 + \left( \frac{1}{d_2} \right) \right)}$$

Where:  $D_1$  is 1<sup>st</sup> digit,

$D_2$  is 2<sup>nd</sup> digit, etc.

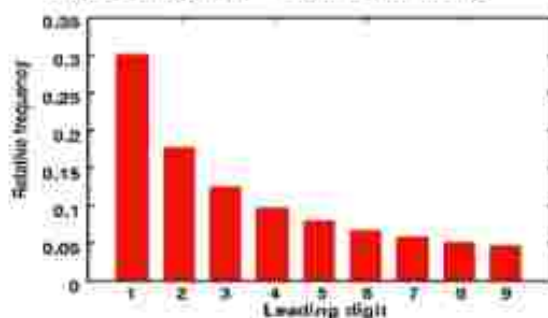
### Formula 1 Expected Frequency Logarithm Formula

On the Table 1 above, it can be seen that according to Benford's Law, numbers start with a digit 1 is expected to have a probability of occurrence of 30.1% from an existing data set and numbers starting with number 2 are expected to have a probability of occurrence of 17.6% from a data set and so on.

The expected frequency of numbers appearing can be presented in graphical form as follows:

**Picture 1**

The expected frequency of appearing in 1<sup>st</sup> order numbers



### 1. Some Important Researches Related to Benford's Law

Pinkham's (1961) research proves that if a quantitative data set is in accordance with Benford's Law multiplied by a non-zero number (0) constantly, the result is Benford's Set also. This can be the basis for moving a Benford's Set from one type of currency to another currency using the same exchange rate. The so-called phenomenon *scale-invariant* this only applied to Benford's Law.

Some other important research that supports this theory is:

- a) Nigrini (1994) published the first journal to state that Benford's Law can be used to detect fraud. Using figures from payroll fraud cases, he compared the frequency of the first two digits of the problem checks with Benford's Law. As a result, checks over a ten-year period diverged greatly Benford's Law. The biggest deviation was in the last five years, where fraud reached its peak.
- b) Nigrini (1996) developed a model *Distortion Factor* which indicates whether data has been manipulated upwards (*overstated*) or down (*understated*). He examined data on interest income and interest costs of taxpayers in the United States. In interest income, there is an excess number of occurrences of small numbers as the first digit indicating *understatement*. Meanwhile, in the interest cost data, there is an excess number of large numbers appearing as the first digit indicating

*overstatement*.

- c) Nigrini and Mittermaier (1997) proposed six digital tests that can be used by external and internal auditors. External and internal auditors can use it to determine the reasonableness of financial data and direct attention to certain groups of suspicious transactions.
- d) Zdravko Krakar and Mario Zgela (2009) apply Benford's Law in auditing payment systems. He said that analysis uses Benford's Law very effective in auditing information systems, especially over overseas payment systems.
- e) Allyn H. Haynes (2012) detects fraud (*fraud*) on local government use Benford's Law. He detected fraud in local government financial data in Jefferson County, Vallejo City and Orange County which were declared bankrupt.
- f) TN Varma and DA Khan (2014) detect fraud (*fraud*) on supply chain use Benford's Law.
- g) Mauricio S. Bugarin (2014) applied Benford's Law to analyze existence *overpricing* on the renovation project for the Maracana football stadium, Brazil.

### 2. Benford Legal Requirements and Considerations

From several studies above, it can be concluded that if a quantitative data set is not follows the pattern of frequency of appearance of numbers

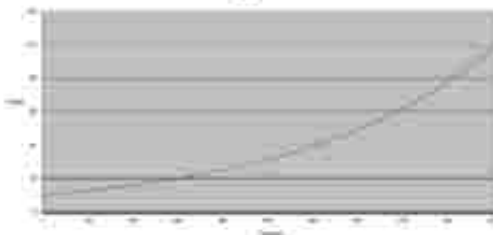


in Benford's Law, then obey Benford's Law, the data has a large tendency to contain fraud or be unreasonable. This is what makes it Benford's Law can be used as an audit tool, especially digital analysis / analytical procedures, to find indications of fraud in quantitative data.

Before using Benford's Law to analyze the risk of fraud, there are several requirements or considerations that must be met as follows:

- 1) According to the opinion of Lemons in 1986 and Raimi in 1976, if ordered from the smallest value to the largest, the data forms a geometric series or something similar to it. Below is an example of a geometric series where each element has the formula anywhere  $a = 10$  and  $r = 1.002305$ . However, as stated above, data whose graphs are similar can already be tested Benford's Law.

**Picture 2 Geometric Series Graph**



Source: Mark J. Nigrini, Digital Analysis Using Benford's Law: Test and Statistics for Auditors (Vancouver: Global Audit Publication, 2000), p. 11.

- 2) The data must describe a similar phenomenon, such as market

prices or daily share volume of companies listed on a stock exchange.

- 3) There are no minimum and maximum value limits set for the data, except for a minimum limit of zero, for example the commission promised if there is a sale with a minimum value of \$50, will automatically make the number "5" as the first digit and the number "0" as the second digit excess numbers in sales data.
- 4) The data does not consist of numbers created intentionally, for example bank account numbers, postal codes and telephone numbers.
- 5) The data must have more small value numbers than large value numbers. This reflects the natural condition that there are more small companies than large companies, and more small towns than big cities.
- 6) Data with a large size (more numbers) will be closer to the pattern Benford's Law rather than small ones. Small data will experience small set problems, where the pattern will not match Benford's Law. However, there is no standard for the ideal amount of data.
- 7) In accordance with the results of Pinkham's (1961) research above, Benford's Law can not

detect irregularities in data that has been manipulated (increased or decreased) by multiplying by a non-zero constant number; if the multiplication is carried out on the data as a whole.

- 8) Data with average values (mean) is greater than the middle value (median) and with a slope (skewness) that are positive will tend to match the pattern *Benford's Law*.

### 3. Five Main Tests of *Benford's Law*

According to Nigrini (2000), there are five main tests to determine whether a quantitative data set follows a pattern *Benford's Law* as follows:

#### a) *First Digit Test (FD Test)*

This test calculates the proportion of occurrences of the first digit except "0" in a set of quantitative data. This test is *high-level overview* who will not find oddities except those that are very real. This test is not recommended for selecting audit samples because it will produce a large number of samples so it is not efficient. Test results using formula 2 above can be seen in Table 2 below this:

Table 2  
First Digit Test Result Sample

Digit	Actual Count	Actual Proportion	Benford's Law	Deviation	Direction	Z-Stat
1	951	0.318	0.301	0.014	Over	1.744
2	824	0.172	0.178	-0.006	Under	0.439
3	422	0.134	0.125	0.009	Over	1.369
4	241	0.083	0.097	-0.014	Under	-2.587
5	328	0.073	0.079	-0.006	Under	-1.349
6	210	0.067	0.067	0.000	Over	0.000
7	175	0.058	0.058	-0.002	Under	-0.727
8	179	0.056	0.057	-0.001	Over	1.201
9	145	0.048	0.046	0.002	Over	0.544
Total	4,747	1.000	1.000	-0.001		

Source: Nigrini, J. *Applied Digital Analysis Using Benford's Law*. Test and Statistics for Auditors (Overseer, Globalaudit Publications, 2003), p. 41

Descriptions of the columns in the table above are as follows:

- Column *Digits* shows the first digit of quantitative data.
- Column *Actual Count* indicates the number of specific first digits in the data.
- Column *Actual Proportions* shows the ratio of the number of certain first digits to the total number of numbers in the data.
- Column *Benford's Law* shows the expected proportion for each first digit.
- Column *Deviation* shows the difference between columns *Actual Proportions* with *Benford's Law* by subtracting the actual proportion from the expected one in *Benford's Law*. Positive deviation means the actual proportion is too much and vice versa for negative deviation.
- Column *Directions* indicates the direction of deviation. Over means positive deviation, whereas Under means negative.
- Column *Z-Stat (Z-Statistic)* shows the significance of the deviation of the actual proportion from the expected one. The calculations will be explained in the test *Goodness of Fit (Z-Stat, Chi-Square, etc.)*

#### b) *Second Digit Test (SD Test)*

This test calculates the proportion of occurrences of the second digit in a set of quantitative data. Like the first test, this test is also *anhigh-level*



overview so it is also not recommended to select audit samples. The formula used to calculate the expected proportion of occurrences of the second digit is:

$$P(D_2=d_2) = \sum_{d_1=0}^9 \log \left( 1 + \left( \frac{1}{d_1 d_2} \right) \right)$$

Where  $d_2$  adalah number from 0 until 9, so the resulting output is ten.

c) *First Two Digit Test (F2D test)*

This test calculates the proportion of occurrences of the first two digits in a set of quantitative data except "0" as the first digit. For numbers that only have one digit, a "0" will be added after them. This test does not read commas, for example "1.25" the first two digits will be read as "12" not "1.2". This test digs deeper into possible irregularities seen and unseen in the first two tests. This test digs deeper into possible irregularities seen and unseen in the first two tests. This test is more focused than the previous two tests because it will produce a smaller audit sample target, especially for data under 10,000. The formula used to calculate the expected proportion is as follows:

$$P(D_1 D_2 = d_1 d_2) = \log \left( 1 + \left( \frac{1}{d_1 d_2} \right) \right)$$

Where  $d_1 d_2$  a combination number of the first and second digits between 10 s.d. 99 so that the resulting output is 90.

d) *First Three Digit Test (F3D Test)*

This test calculates the proportion of occurrences of the first three digits in a set of quantitative data except "0" as the first digit. For numbers that only have one digit, "00" will be added at the end to make it three digits. Likewise, with numbers that only have two digits, "0" will be added at the end to make them three digits. Just like the previous test, this test also does not read commas. This test is very focused because it provides auditors with a relatively smaller sample size. With greater accuracy than the previous two tests, this test can detect anomalous duplication. The resulting output is 900 combinations of numbers between 100 and 999, making it impractical to analyze, especially for data with sizes under 10,000.

e) *Last Two Digit Test (L2D Test)*

This test calculates the proportion of occurrences of the last two digits in a set of quantitative data including numbers ending in "0" and "00". This test also does not read commas. The purpose of this test is to find made-up numbers and rounding. This test will also produce a small audit sample target, especially for data under 10,000. there are one hundred outputs in the form of combinations between 00 and 99. The expected proportion for each combination is 0.01.





## CONTENT III | PCA CASES

*(Classification code, Customs valuation, Other)*

1. Brunei Darussalam
2. Cambodia
3. Indonesia
4. Lao PDR
5. Malaysia
6. Myanmar
7. Philippines
8. Singapore
9. Thailand
10. Vietnam





## Brunei Darussalam

### BRUNEI DARUSSALAM

#### CUSTOM VALUATION – CASE #1

##### Facts of the Case:

Ouddey Sdn Bhd is one of the companies in Brunei that deal with importation of telecommunication equipment and other related accessories such as cables, optical fibre cables, optical transmission systems, directional antennas, etc.

##### Findings:

1. The PCA Unit decided to randomly audit 23 selected import declarations of Ouddey Sdn Bhd for the period of November 2021 to November 2022.
2. From this audit, the PCA Unit found out that this company has a parent company from another ASEAN country. There were also discrepancies found in the FOB, freight charges, and other charges.

##### Modus Operandi:

The company didn't include services charges incurred during the importation of the goods for the Other Charges in the CIF calculation as mentioned under Rule 12 of the Adjustment of PAPP—Customs (Valuation of Imported Goods) Rules 2001.

##### Decision:

The shortage amount of duties was BND\$ 685,137.00. Therefore, the company was required to pay the remaining amount to cover the total duties owed.

#### CUSTOM VALUATION – CASE #2

##### Facts of the Case:

LT Company is one of the companies being assessed by PCA Unit based on common importation of productions for Plastic's

Primary Form and Other Related Plastic Products such as PET Preforms, plastic bottle mold, water pump and etc.

##### Findings:

1. PCA Unit decided to randomly audit 30 selected import declarations of LT Company for the period of March and December in year 2020 and January until December in 2021.
2. From this audit, PCA Unit found out that this company is a parent company that was importing and supplying pressed plastic water bottles on behalf of 2 other her sub-company's mineral water factory. There were also discrepancies found in the freight charges, and other charges.

##### Modus Operandi:

The company didn't include services charges incurred during the importation of the goods for the Other Charges in the CIF calculation as mentioned under Rule 12, Adjustment of PAPP – customs (Valuation of Imported Goods) Rules 2001.

##### Decision:

The shortage amount of duties and penalty for committing offence under Section 136, Customs (Amendment) Order, 2018 and Section 142, Excise (Amendment) 2018 amounting to BND\$ 15,655.00 was paid.



## Cambodia

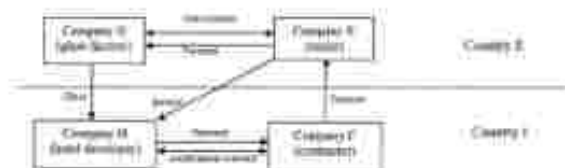
### CAMBODIA

#### CUSTOM VALUATION – CASE #1

Related party transactions

##### Facts of The Case

1. Company G is a glass manufacturer in country E.
2. Company E has purchased glass from Company G and exported it to Country I.
3. Company C has been contracted to build a hotel building for company H in country I.
4. Company H signed a construction contract with company C in country I.



5. Company H is receiving incentives from the Government for customs duty exemptions but still pay VAT. Company H is not involved in the purchase of glass. All purchases were made by Company C. Company H pay Company C based on the percentage of the building's completion.
6. All import documents are under company H's name and company E is an exporter.

##### Findings

1. In order to import glass from Country E, Company C has to create Company E in Country E. So Company E and Company C are related. This causes the customs value of the imported goods to be indeterminable.
2. Under Article 21 of Cambodian Law on Customs, the customs value of imported goods shall be the transaction value. This is the price actually paid or payable for goods when sold for export in Cambodia.
3. After reviewing the customs value of identical goods imported by other companies, we found that Company H has under-declared the customs value of its goods.

##### Modus Operandi

1. The declared customs value of the glass vary and fluctuate significantly each time they are declared.
2. PCA -Officials asked the company to provide sale contracts and bank telex transfers. This in turn proved that the customs value declared are not the actual price paid or payable.

##### Decision

Company H has to pay additional duty and tax including penalties of 2,108,402,500 KHR or approximately 511,004 USD.





## Indonesia

### INDONESIA

#### CUSTOMS VALUATION – CASE #1

##### Facts Of The Case

XYZ ID is a trading company whose one of the imported goods is the Electronic Control Unit (ECU). ECU is the central controller and heart of the engine management system. It controls the fuel supply, air management, fuel injection, and ignition. Due to the scalability of its performance, the control unit is able to control the exhaust system and integrate transmission and vehicle functions simultaneously.

As a trading company, XYZ ID imported the ECUs from its groups abroad to be sold to its customers in Indonesia. The payments matched with the invoices regarding the initially imported goods' transactions. However, the Audit Team found additional payments described as "amortization costs" which were billed after the sales of ECU that needed deeper examination of whether the amounts were supposed to be added to customs valuation.

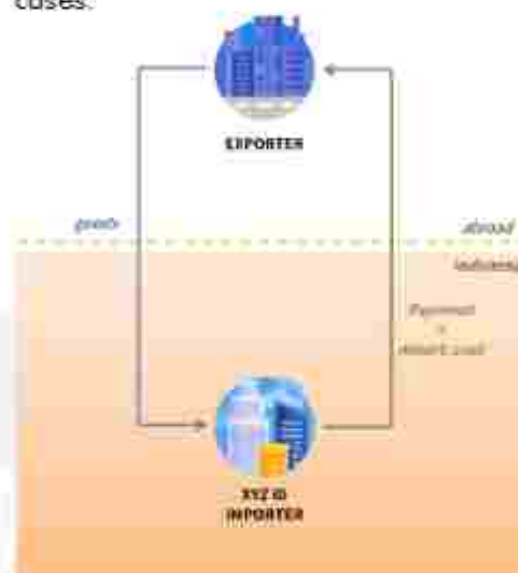
##### Findings

The Audit Team further requested and analysed the agreement related to such payments. It ended up revealing the fact that XYZ ID helped to collect the amortization costs from a particular customer. The costs were charged for the supplier's performing and completing such hardware/software development of the specific types of ECU. The payments were amortized over the sales period of the mass-produced ECU. Whereas, the costs

still had to be paid in a lump sum when they were not fully amortized during the agreed period. In conclusion, based on these facts, the costs were considered as assists and supposed to be added to customs valuation.

##### Modus Operandi

According to the agreement, the supplier would receive the payments of the amortization costs periodically referring to the supply volume of ECU sales. It clarified the different invoicing rather than the imported goods invoices. In addition, the term "amortization costs" might camouflage the includable extra payments to the customs valuation. Therefore, a wider point of view is needed to reveal such cases.



### Decision

In this case, the state revenue of IDR1,525,918,000 (approximately USD 97,778) was secured due to the shortages of import duties, taxes, and penalties.

### CUSTOM VALUATION – CASE #2

#### Facts Of The Case

AA is one of the world's leading mining companies. The company's product portfolio primarily consists of copper, gold, and molybdenum. AAA imported materials from COMPANY LYZ in country X.

#### Findings

In customs value examination, the audit team found some other payments to Company LYZ based on Bank Ledger and it has not been added to the customs value. The differences found between examination transaction value declared on import declaration and price actually paid are defined as Assist.

According to article 8 paragraph 1 (b) (ii) WTO Valuation Agreement, Assist can be defined as the value, apportioned as appropriate, of the following goods and services where supplied directly or indirectly by the buyer free of charge or at reduced cost for use in connection with the production and sale for export of the imported goods, to the extent that such value has not been included in the price actually paid or payable.

In this case this payment is connected with imported goods and there is a record that clearly relates the costs incurred by the assembly cost to certain products, then Team Audit concluded the assembly cost must be added directly. Thus the amount of payment that is made toward LYZ, needs to be added into the calculation of customs value.

#### Modus Operandi

1. It is known that the payment refers to the value of assist.
2. There was a cost that must be added in order to receive imported goods related to assembly cost.
3. Payment that supposedly related to the import goods as an "other Payment". Hoping it won't get recognised and do not have to be added into the customs value.

### Decision

In determining the customs value, the value of assists shall be added to the price actually paid or payable for imported goods. There is a shortage of import duties, tax and administration fines that AAA must pay with a total of USD (approximately USD 1,000,000).

### CLASSIFICATION AND IDENTIFICATION – CASE #1

#### Facts of The Case

DAP is one of the assembly industries engaged in the automotive and manufacturing fields. This company imported four-wheel vehicles in completely knocked down (CKD) condition from suppliers.

Based on articles 10 & 14, Regulation of the Industry Minister No.5 of 2018 concerning Amendments to the Regulation of the Industry Minister No. 34/M-IND/PER/9/2017 concerning Industry of Four or More Wheel-Motor, imports of CKD vehicle must meet the requirements of at least a motor vehicle assembly process and be equipped with testing and quality control.

Based on examinations, each CKD vehicle set was not reported in the same import declaration and it did not meet the minimum requirement for importing CKD motor vehicle sets. The company declared



the CKD vehicles as with HS Code 87032229:

**Motor cars and other motor vehicles principally designed for the transport of persons (other than those of heading 87.02), including station wagons and racing cars.**

- Other vehicles, with only spark-ignition internal combustion piston engine:
- - Of a cylinder capacity exceeding 1,000 cc but not exceeding 1,500 cc:
- - - Completely Knocked Down:
- - - - Other motor cars (including station wagons and sports cars, but not including vans):
- - - - - Other

### Findings

The audit team discovered this irregularity from an analysis of inconsistencies in the price per unit of imported CKD components. Based on this fact, The Audit Team carried out an examination of Goods Received Documents and aligned it to the Regulation of Industry Minister concerning Import of CKD vehicles.

Based on Article 11 of Regulation of Industry Minister, it is stated that:

1. Importation of CKD motor vehicles must fulfil:
  - a. Minimum decomposition and
  - b. Minimum completeness.
2. Minimum decomposition as referred to in paragraph (1) letter a includes the condition of the body that has not been assembled and has not been painted.
3. Minimum completeness for CKD motor vehicles as referred to in paragraph (1) letter b may be exempted for imports of goods included in other parts and equipment, if:
  - a. the goods have been made domestically; and/or
  - b. the goods are not required in the motor vehicle to be produced.

4. Minimum decomposition and minimum completeness for four or more wheeled motor vehicles are listed in Table I-A in Appendix I which is an integral part of this Ministerial regulation.

In addition, Article 12 of its amendment in 2018, states that the importation of each set of CKD motor vehicles must be submitted in 1 (one) customs declaration. Since the company did not meet this requirement, the importation could not be classified under the declared HS Code. Instead, its classification should refer to General Interpretative Rules (GIR) 2a, i.e.:

*"Any reference to a heading to an article shall be taken to include a reference to that article incomplete or unfinished, provided that, as presented, the incomplete or unfinished article has the essential character of the complete or finished article. It shall also be taken to include a reference to that article complete or finished (or falling to be classified as complete or finished by virtue of this Rule), presented unassembled or disassembled."*

In line with GIR 2a, Explanatory Notes of Chapter 87 states the supporting idea, i.e.:

*"An incomplete or unfinished vehicle, whether or not assembled, is classified as the corresponding complete or finished vehicle provided it has the essential character of the latter (see General Interpretative Rule 2 (a)), as for example:*  
(A) A motor vehicle, not yet fitted with the wheels or tyres and battery.  
(B) A motor vehicle not equipped with its engine or with its interior fittings.  
(C) A bicycle without saddle and tyres.  
This Chapter also covers parts and accessories which are identifiable as being suitable for use solely or principally with the vehicles included therein, subject to the provisions of the Notes to Section XVII (see the General Explanatory Note to the Section)"

In conclusion, the imported four-wheel vehicles should be classified as the



corresponding or finished complete vehicles.

### Modus Operandi

The Audit Team found that DAP did not meet the minimum requirements for importing CKD motor vehicle sets in 1 (one) customs declaration. Therefore, in accordance with GIR 2A, Audit Team corrected the classification under HS Code 87032259 with description below:

**Motor cars and other motor vehicles principally designed for the transport of persons (other than those of heading 87.02), including station wagons and racing cars.**

- Other vehicles, with only spark-ignition internal combustion piston engine:

-- Of a cylinder capacity exceeding 1,000 cc but not exceeding 1,500 cc:

--- Other:

---- Other motor cars (including station wagons and sports cars, but not including vans):

----- Other

### Decisions

There is a shortage of import duties and taxes that DAP must pay with a total of IDR 213.000.000.000 (approximately USD 13.862.408)

## CLASSIFICATION AND IDENTIFICATION – CASE #2

### Facts of The Case

XYZ is a trading company engaged in supplying materials for various industries concerning pharmacy, feather meal, food, and chemical products. During audit period, the company imported chemical products such as L-Threonine, Niclosamide Anhydrous, and Cyromazine. Based on preliminary analysis, those were indicated to be wrongly declared as follows:

Imported Goods	Tariff	Tariff Description	Tariff Preferential
L-Threonine/ HS Code: 2922.50.10	0%	p-Aminosalicylic acid and its salts, esters and other derivatives	No (MFN)
Niclosamide Anhydrous/ HS Code: 2942.00.00	0%	Other organic compounds	Yes (ACFT A)
Cyromazine/ HS Code: 2921.30.00	0%	Cyclanic, cyclenic or cycloterpenic mono- or polyamines, and their derivatives; salts thereof	Yes (ACFT A)

### Findings

The Audit team conducted deep analyses towards the imported products. Furthermore, to strengthen the facts and in regards to the authorization, the Audit team requested Customs Laboratory Department to perform such laboratory tests needed. The result revealed that indeed, they were misclassified to the incorrect HS code with different import duty tariff.

### Modus Operandi

- Referring to the International Non-proprietary Names (INN) WCO, the HS Code of L-Threonine (CAS RN 72-19-5) is 2922.50. However, in Indonesian Customs Tariff Book, the complete eight-digit HS Code should be 2922.50.90 with 5% import duty tariff. The reason is that L-Threonine has aliphatic structure and is genuinely different from p-Aminosalicylic acid and its salts, esters and other derivatives with their cyclic structure as

## ASEAN CUSTOMS

reported initially in the import declaration.

2. Niclosamide Anhydrous (CAS RN 50-65-7) has its own specific pos tariff under Cyclic amides and their derivatives which is 2924.29.90 with 5% preferential tariff (ACFTA).
3. Cyromazine (CAS RN 66215-27-8) is an organic compound containing triazine /piperazine ring and is a cyclopropyl derivative of melamine. Thus, the correct HS code should be 2933.69.00 with 5% preferential tariff (ACFTA).

### Decision

Regarding on the audit facts and the laboratory test results, the company should pay the shortage payments of import duty and taxes in total amount of IDR 1,5 billion or approximately USD 119.000.

## COOPERATION BETWEEN CUSTOMS AND TAX AUTHORITIES - CASE #1

### Facts of The Case

ABCD is a company that operates in the bicycle and bicycle equipment components industry and is one of the companies that receives bonded zone facilities. It means that ABCD gets a suspension of import duties during their importation process. Their primary imported commodities are floor-rolled products from non-alloy iron and steel (Hot Rolled), chemicals, and bicycle components for further processing. Their primary transactions are export transactions in bicycle components such as Headsets, Bottom Brackets, Axles, Hubs, and Finished Parts. However, ABCD is allowed to sell their products domestically for a certain amount apart from their primary export transactions.

### Findings

During the inspection of ABCD bonded area, the audit team found multiple

differences between the local sales value reported in the customs documents (BC 2.5) and the domestic VAT report.

### Modus Operandi

1. The company purchases imported raw materials using bonded zone facilities to be further processed into bicycle components ready for sale.
2. Based on the results of the examination and in-depth comparison of customs documents (BC 2.5) with the details of tax invoices, sales invoices issued, and bank statements, it was found that the types and quantities of the goods were different between the goods issued for sale based on tax invoices which are reported to Tax Authorities and invoices and those declared in customs documents (BC 2.5) which are reported to Customs Authorities.
3. From this investigation, it is known that the invoice declared in customs documents (BC 2.5) and the billing invoice for the tax invoice are two different invoices. The buyer in customs documents (BC 2.5) is only notified as one buyer, whereas in the tax invoice, it is known that there are several buyers.
4. The multiple differences in value in data between the local sales value reported in customs documents (BC 2.5) and the domestic VAT report to the Tax Authorities is a trigger flag for the audit team to do an inspection. We believe there is an ulterior motive to do Tax Evasion that could result in imported



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goods being released without fulfilling the obligation to pay Customs Duties



### Decision

In the end, the audit team found there needs to be more payment of Import Duties and administrative sanctions in fines amounting to final amounts of IDR 2,499,593,000.00 or the equivalent of USD 166,640. The Audit Team also recommends that The Company pay attention to the types and quantities of goods stated in customs documents (BC 2.5) and those issued on tax and billing invoices.

## COOPERATION WITH TAX AUTHORITY – CASE #2

### Facts of The Case

XYZ is a company engaged in importing and wholesale trading lubricant, fuel, and bitumen products as well as the petrol retailing business. The main import commodities are fuel, lubricants, and bitumen.

XYZ has made a Voluntary Declaration and Voluntary Payment of import duty and taxes on royalty payment to the Licensor. But the Audit Team found that based on Income Tax Article 26 data (income tax imposed on income received by foreign taxpayers from Indonesia other than a permanent

establishment in Indonesia), financial reports, and the attachment to the Corporate Income Tax Return, the actual amount of royalty is greater than those declared in the Voluntary Declaration and paid in the Voluntary Payment. The differences on this royalty payment reports were then investigated by the Audit Team.

### Findings

The audit team found that there is some amount of royalty that should be added to the price actually paid or payable.

### Modus Operandi

1. The company paid royalty on imported goods to the Licensor.
2. The royalty payment has met the requirements to be added to the transaction value in customs valuation.
3. The amount of royalty reported in the Voluntary Declaration and the import duty and taxes paid in the Voluntary Payment, are based on the amount of royalty in the previous financial year period. While the amount of royalty reported in Income Tax Article 26, financial reports, and attachments to the Corporate Income Tax Return is the actual amount of royalty paid in the current year.
4. The calculation of royalty that is related to the imported goods should use the actual value as reported in the Income Tax Article 26, the financial report, and the attachment to the Corporate Income Tax Return.

### Decision

The company should pay the shortage payment of import duty, taxes, and penalties of IDR 538,000,000 or equivalent to USD 35,000.





## Lao PDR

### LAO CUSTOMS DEPARTMENT CUSTOM VALUATION - CASE #1

#### Facts of the case

An importer imported goods under HS code declaration 870332 (Vehicle). HS Code 8703 considers as one of the high-risk codes that PCA Division will closely observe and audit.

Company GG in Laos purchased the commodity from Company MM in country (B).

#### Findings

1. Company GG declared Importation declaration through ASYCUDA System with customs valuation of 9000USD (CIF). Local Market price about 30,000 USD.
2. Double invoices were found
3. Company GG in Laos assigned a money exchange agent to transfer the money to Company MM in Country B

#### Modus Operandi

1. PCA team conducted field audit initially. It didn't work well as the Managing Director was always absent.
2. Transaction audit was questioned during Desk audit took place, several time later, with Company GG's officers.
3. At the same time PCA contact a commercial bank and the money exchange agent where Company GG often did international payment with and exchanging.

#### Result/ Decision

1. Remittance transaction shared from the bank were useful and found details of transaction with attachment of proforma invoice from Company MM in Country (B).
2. Information sharing from the commercial bank and a money exchange agent assisted PCA team to collect discrepancies of 1 billion KIP or equivalent to 45,500 USD and find 2,455 USD from Company GG. Noted that every 15% of each fine went to PCA team as an award and intelligence.

### OTHER - CASE #1

#### Facts of the case

1. An importer imported goods under HS 220890 (3900 cartons)
2. Liquor importation for this declaration form, paid tariff and tax
3. Tariff 0%
4. Excise tax 60% and Value Added Tax 7%

#### Finding

1. Liquor importation for this declaration form, should be paid tariff and tax
2. Tariff 0%
3. Excise tax 62.70 % and Value Added Tax 7%

#### Modus Operandi

1. PCA team conducted desk audit at PCA Division
2. Explain the discrepancies for importer

#### Result/ Decision

Importer paid discrepancy of excise tax, equivalent to 50,000,000 kip.



## Malaysia

### MALAYSIA

#### CLASSIFICATION AND IDENTIFICATION - CASE #1

##### Fact of The Case

1. The importer is a Private Limited Company and was incorporated on 23 January 2003 under the Companies Act 1965.
2. The audit period took place from October 2015 to September 2018.
3. The principal activities were importation and a general trading business, supplying tumblers and household items from China.
4. The following are the tariff codes used by the importer during the declaration of Customs No. 1 Forms:

Types of Imported Goods	TRITAN / WATER TUMBLER
Declared by The Importer	Tariff Code: 3926.90.9999 Import Duty : 20% GST : 6% ACFTA : 0%
Customs Ruling (Sec 22 Customs Act 1967)	Tariff Code: 3924.10.0000 Import Duty : 20% GST : 6% ACFTA : 20%

Table: Tax Rate by Type of Goods

##### Findings

1. The Importer made false statements on the customs declaration form, specifically regarding an inaccurate tariff code.
2. The State Compliance Division applied for a custom ruling under Section 22 of the Customs Act 1967 to the Technical Service Division to determine the

appropriate tariff code for the importer's goods before issuing the BOD bill of demand.

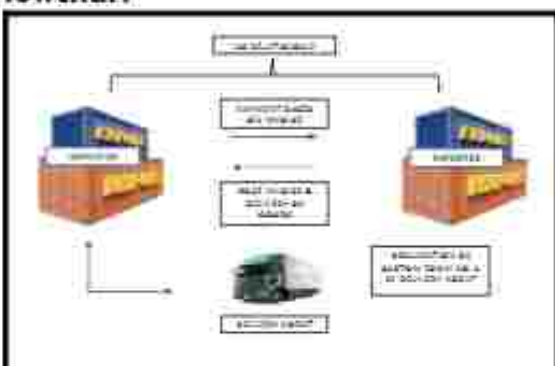
3. The results of the customs ruling from the Technical Services Division, Customs Headquarters, found that the tariff code proposed by the audit officer was correct and appropriate for the imported goods.
4. The wrong tariff code used affected the import duty exemption engaged by the importer through the use of Form E under the Customs Duty Order Agreement (Goods Under the Comprehensive Economic Cooperation Framework Agreement Between Asean and China) (Asean Harmonized Tariff Nomenclature) 2014.
5. The importer was ineligible to benefit from the import duty exemption granted for the original tariff code due to the changes of the new tariff code.
6. The Importer was also found not to comply with sub-paragraph 5(1)(a)(vii) of the Customs Regulations (Method of Valuation) 1999 for not pledging the freight value in the customs declaration form.

##### Modus Operandi

1. Importers deliberately misclassify a tariff code that carries a lower import duty rate than the correct classification.
2. Importers manipulate documentation, such as invoices and bills of lading, by providing incomplete or inaccurate information.



### Flowchart



### Decision

The Importer has committed an offence under:

1. Paragraph 133(1)(a) of the Customs Act 1967 - making an incorrect declaration
2. A bill of demand (BOD) amounting to RM1.4 million (USD298,889) has been issued for the audit period to claim back the leakage of revenue detected.

Year 2020					
Srl	Customs Form No.1	Good Description	HS Code Customs Duties Order (2017)	Import Duty	Sales Tax
1.	8182018110010420	Used Solid Road Roller R2 Used Dynapac Road Roller Model: CS12	8429.40.9000 **	5%	Nil
2.	8102020111013773	Escorts Road Roller Model: HD85-NSDD			
3.	8102020111026011	Escorts Road Roller Model: EC3212 DD			
Year 2019					
Srl	Customs Form No.1	Good Description	HS Code Customs Duties Order (2009) ASEAN-India Free Trade Agreement (AIFTA)	Import Duty	Sales Tax
1.	8182019103016567	Escorts Road Roller Model: HD85-NSDD	8429.40.110 *	5%	Nil
2.	8182019104040601				
3.	8182019104040803				

## CLASSIFICATION AND IDENTIFICATION - CASE #2

### Facts of the Case

1. Established in 1991, GCSB conducts a business involving trading new and used equipment, renting, repairing, and maintaining machinery and construction equipment.
2. Based on the review of documents, records, and related importation information in 2020, it was evident that GCSB had imported and declared three (3) Customs Forms No. 1 involving the importation of four (4) road roller units, consisting of three (3) brands.
3. Meanwhile, based on the audit results in the previous year in 2019, found that GCSB had imported and declared only three (3) Customs Form No. 1 separately. The details of the imported and pledged road rollers are as follows:





## Notes \*:

HS Code (AIFTA 2009)	Imported Good Description (AIFTA 2009)
84.29	Self-propelled bulldozers, angledozers, graders, levellers, scrapers, mechanical shovels, excavators, shovel loaders, tamping machines and road rollers
8429.40	- Tamping machines and road rollers:
8429.40.110	Road rollers: <b>vibratory</b>

Table 1 : Comparison K1 form (Import Declaration) for 2019 and 2020

## Notes \*\*:

HS Code (Customs Duties (2007))	Imported Good Description (Customs Duties Order (2017))
84.29	Self-propelled bulldozers, angledozers, graders, levellers, scrapers, mechanical shovels, excavators, shovel loaders, tamping machines and road rollers
8429.40	- Tamping machines and road rollers:
8429.40.90.00	- - Other

Table 2 : Declared Tariff Code

## PCA Findings

- Under the investigation, declared K1 form have been reviewed and check accordingly. Based on that information, it was found out that the Escorts Road Roller Model HD85-NS DD was imported in both years by using different description. This have raised a red flag on the possibility of under-declared and paid import duty and sales tax.
- Based on PCA findings above, the auditor has applied for custom ruling decision from technical department to identify the correct classification of goods imported for four (4) unit road rollers for the imported year 2020. The catalogues of goods were forwarded to the classification division for

classification purposes. A study made by the technical department discovered that the trade was wrongly declared as it should have been declared as follows:

Imported Good Description (Road Roller)	Audit Period (Year 2020)					
	Customs Ruling (Date: 07.09.2021)			Declared		
	Tariff Code (PDK 2017)	Imp Duty	Sales Tax	Tariff Code (PDK 2017)	Imp Duty	Sales Tax
Unit Road Roller Model EC	8429.40.90.00	3%	10%	8429.40.90.00	3%	10%
Unit Road Roller Model EC12	8429.40.90.00	3%	10%	8429.40.90.00	3%	10%
Escorts Road Roller Model HD85-NS DD	8429.40.90.00*	25%	10%	8429.40.90.00	5%	10%
Escorts Road Roller Model EC 3212 DD	8429.40.90.00*	25%	10%	8429.40.90.00	5%	10%

## Notes \*:

HS Code (Customs Duties Order)	Imported Good Description (Customs Duties Order (2017))
84.29	Self-propelled bulldozers, angledozers, graders, levellers, scrapers, mechanical shovels, excavators, shovel loaders, tamping machines and road rollers
8429.40	- Tamping machines and road rollers:
8429.40.40.00	- - Vibratory smooth drum rollers, with a centrifugal force drum not exceeding 20t by weight
8429.40.50.00	- - Other vibratory road rollers

Table 3 : Actual Tariff Code After Custom Ruling Decision

- Referring to the four (4) Customs Rulings, it was observed that the tariff codes declared in 2020 for the Escorts Road Roller Models HD85-NS DD and EC 3212 DD were incorrect. As a result of this decision, GCSB's eligibility for privileges under the Preferential Tariff Treatment – Preferential Tariff Certificate of Origin, as per AIFTA 2009, has been revoked. This revocation is due to the absence of a valid Form AI during the importation and pledging process for these two imported goods. Consequently, under

the Customs Duties Order (2017), the import duties of 25% rate and sales tax at 10% will be re-imposed and collected from the importer. On the other hand, the importation and declaration of the Escorts Road Roller Model HD85-NS DD in 2019, using tariff code 8429.40.110 under AFTA 2009 with an import duty rate of 5%, were accurate and correct. That was because GCSB possessed a valid Form A1, thus RCMD allowed the importer to benefit the preferential rate under AFTA.

### Modus Operandi

There had been an indication of shifting HS Code intentionally.

### Decision

1. GCSB has committed offences under Paragraph 133(1)(a) of the Customs Act 1967 by making a false declaration on the declaration form for imported goods. This false declaration resulted from the failure to declare the correct tariff code during the importation of both road roller units branded Escorts in 2020.
2. A bill of demand was issued for MYR 78,882.54 (USD 18,774.85), which consists of MYR 48,543.11 for Import Duty and MYR 30,339.43 for Sales Tax.

### Flowchart



## CLASSIFICATION AND IDENTIFICATION - CASE #3

### Facts of the case

1. The importer is a Private Limited Company and was incorporated on 28 June 2000 under the Companies Act 1965.
2. The importer is principally engaged in styling, manufacturing, distribution and installation of leather car seat covers, supply of leather cut pieces to the automotive upholstery industry and other services related to the automotive upholstery industry.
3. The post clearance audit was carried out by the State Compliance Division. The audited period was from January 2018 until February 2019.
4. The importer has claimed preferential tariff treatment on importation of **two types of leather** which are **PVC Leather** (Artificial Leather) and **PU Leather** (Microfiber Leather) originated from China by producing a Preferential Certificate of Origin (**Form E**) respectively under the ACFTA facility.
5. The tariff codes based on import declarations are as in Table 1 below :

No.	Audit Period	Type of Goods	Tariff Code of Customs Duties AFTA Order	Import Rate of Duty	Import Rate of GST	Import Rate of Sales Tax
i.	Jan 2018 - Feb 2019	PVC Leather	5903.10.00	0%	0%	10%
ii.	Dec 2018 - Jan 2019	PU Leather	5903.10.00	0%	—	10%

### Findings:

1. The audit officer found that the import declarations were inaccurate due to misclassification of preferential tariff codes as shown in the Table 1.
2. The State Compliance Division applied for a customs ruling on classification of goods as provided under section 22 of the Customs Act 1967 to the Technical



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Service Division, Customs Headquarters to determine the appropriate tariff code.

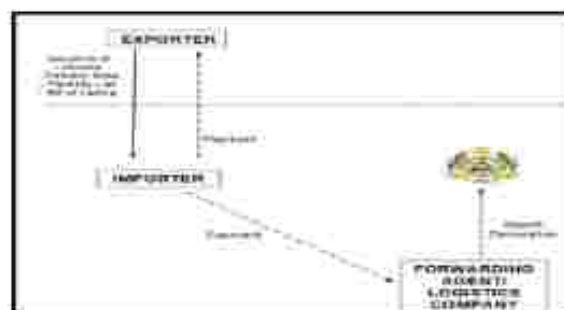
- As a result, the audit findings were supported by customs ruling made by the Director General (DG) of Customs who has decided that the tariff classification codes provided by the importer for customs form declarations were inaccurate.
- The appropriate tariff codes based on the customs ruling made by DG are as in Table 2 below :

NO	Types of Imported Goods	Order	Tariff Code	Import rate of Duty
i	PVC Leather	Customs Duties ACFTA Order	3921.12.00 00	5%
		Customs Duties Order	3921.12.00 00	20%
ii	PU Leather	Customs Duties ACFTA Order	3921.13.90 10	0%
		Customs Duties Order	3921.13.91 00	20%

- Based on the DG's decision, the audit officer has decided that the importer was ineligible to claim and enjoy the preferential rate of duty under the ACFTA due to misclassification of preferential tariff codes.
- However, the Customs Legal Division has ruled that the misclassification shall not automatically, invalidate the Form E, if it does in fact correspond to the products submitted unless if it is suspected that fraudulent acts in connection with the Form E have been committed as provided to Rule 17 and Rule 24 of Revised Operational Certification Procedure (OCP) for Rules of Origin under the ACFTA, Attachment A, First Schedule.
- Refer to the aforementioned, the importer still eligible to claim and enjoy the preferential rate of import duty

under the ACFTA which is at 5% for PVC Leather (tariff reduction) and 0% for PU Leather (tariff exemption) respectively based on the preferential tariff codes as shown in the Table 2.

### Flowchart



### Decision

- The importer has committed an offence under section 133(1)(a) of the Customs Act 1967 due to failure for making true or correct declaration.
- Three Bills of Demand (BOD) which comprised import duty, GST and ST amounting to RM500,000.00 (USD105,716.35) were issued under their respective laws to claim back the leakage of government revenue detected.

## CLASSIFICATION AND IDENTIFICATION - CASE #4

### Facts of the case

- The importer is an Enterprise and was incorporated on 18 Mei 2007 under the Registration of Businesses Act 1956. 1.2 The importer is principally engaged in importing, exporting, sourcing and supplying a variety of tropical fruits.
- The full post clearance audit was carried out by the State Compliance Division. The audited period was from Mei 2019 until October 2019.
- The importer has claimed preferential tariff treatment on importation of a **variety of fruits** originated from



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Thailand by producing a Preferential Certificate of Origin (**Form D**) under the ATIGA facility.

4. The import rate of duty **under Customs Duties ATIGA Order** based on import declarations are as in **Table 1** below:

No.	Types of Imported Fruits	Tariff Code of Customs Duties ATIGA Order	Import Rate of Duty	Import Rate of Sales Tax
1.	Young coconut	0801.19.10.00	0%	0%
2.	Lady's finger banana	0803.90.10.00	5%	0%
3.	Pineapples	0804.30.00.00	5%	0%
4.	Gujavas	0804.50.10.00	5%	0%
5.	Mangoes	0804.50.20.00	5%	0%
6.	Mangosteens	0804.50.30.00	5%	0%
7.	Watermelons	0807.11.00.00	5%	0%
8.	Papayas	0807.20.00.00	5%	0%
9.	Apples	0808.10.00.00	0%	0%
10.	Durians	0810.60.00.00	5%	0%
11.	Persimmons	0810.70.00.00	0%	0%
12.	Longans	0810.90.10.00	0%	0%
13.	Lychees	0810.90.20.00	0%	0%
14.	Rambutan	0810.90.30.00	5%	0%
15.	Jackfruit	0810.90.50.00	5%	0%
16.	Snake fruit	0810.90.91.00	5%	0%
17.	Dragon fruit	0810.90.92.00	5%	0%
18.	Ciku fruit	0810.90.93.00	5%	0%
19.	Pomegranate	0810.90.94.00	5%	0%
20.	Tai	0810.90.99.00	0%	0%

Table 1 Import Rate of Duty Under Customs Duties ATIGA Order

### Findings

- The audit officer found several issues or audit findings, such as:
  - The Form D number declared in the import form does not exist. Cross-checking the Form D

number declared through the Malaysia Exchange Hub system (MEH) shows a "no record found" indicator and through the Thailand Certificate On-line Inquiry System (TCOIS) shows that the reference number of the Form D "cannot be found";

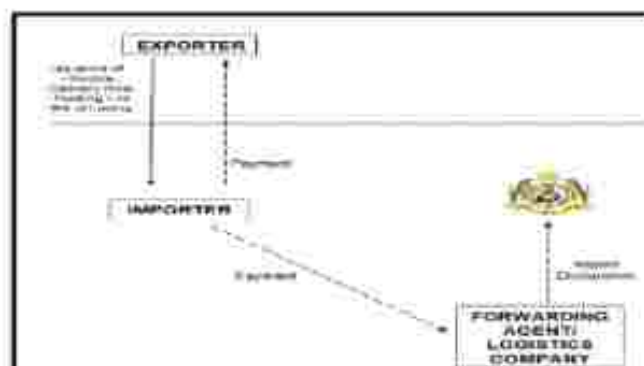
- The invoice number in Form D does not match the invoice number declared in the import form; and
  - The same Form D is used repeatedly in several import transactions and exceeds the quantity approved in the Form D.
- The audit findings mentioned above were major issues or substantial errors which cannot be treated as minor discrepancies pursuant to Rule 16 of Operational Certification Procedure (OCP) for Rules of Origin under the ATIGA.
  - As a result, the full import duty has been imposed in accordance with relevant laws and regulations of the importing country which was at the import rate of duty under Customs Duties Order on the imported goods as shown below in the **Table 2**. The importer was ineligible to claim and enjoy the preferential rate of import duty under the ATIGA as shown in the **Table 1**.
  - The import rate of duty **under Customs Duties Order of the Customs Act 1967** for the imported goods are as in **Table 2** below:

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NO	Types of Imported Fruits	Tariff Code of Customs Duties Order	Import Rate of Duty	
			Ad Valorem	Specific MYR/KG
1.	Young coconut	0801.19 10 00	5%	-
2.	Lady's finger banana	0803.90 10 00	5%	1.30
3.	Pineapples	0804.30 00 00	-	0.60
4.	Guavas	0804.50 10 00	5%	0.40
5.	Mangoes	0804.50 20 00	5%	0.20
6.	Mangosteens	0804.50 30 00	5%	0.40
7.	Watermelons	0807.11 00 00	5%	0.65
8.	Papayas	0807.20 00 00	5%	0.65
9.	Apples	0808.10 00 00	5%	-
10.	Durians	0810.60 00 00	5%	0.30
11.	Persimmons	0810.70 00 00	30%	-
12.	Longans	0810.90 10 00	30%	-
13.	Lychees	0810.90 20 00	30%	-
14.	Rambutan	0810.90 30 00	5%	0.65
15.	Jackfruit	0810.90 50 00	5%	0.30
16.	Snake fruit	0810.90 91 00	5%	0.65
17.	Dragon fruit	0810.90 92 00	5%	0.65
18.	Ciku fruit	0810.90 93 00	5%	0.65
19.	Pomegranate	0810.90 94 00	5%	0.65
20.	Tai	0810.90 99 00	30%	-

Table 2 Import Rate of Duty Under Customs Duties Order of Customs Act 1967

## Flowchart



## Decision

1. The importer has committed an offence under section 133(1)(a) of the Customs Act 1967 due to failure for making true or correct declaration.
2. A Bill of Demand (BOD) amounting to RM600,000.00 (USD126,853.80) was issued to claim back the leakage of government revenue detected.



## Myanmar

### MYANMAR CUSTOMS

#### Custom Valuation – CASE #1

##### Facts of The Case

Company **X** is a product **G** importing company and which is largest trade volume of product **G** importer.

##### Findings

It was found that according to the contract agreement Freight and Insurance cost are not included in Customs Declaration. Transaction is described as payable.

##### Modus Operandi

Incoterm is declared as CIF in Import Declaration and Customs Valuation is based on CIF in our country. Payable is described in cash flow statement when seller was purchased and transaction was found in indirect payment.

##### Result

Contract agreements for all importations in “Y” period are audited and Customs Duty Kyats (6.86) millions was collected. The information to collect Short Tax Kyats (56.76) millions was exchanged to Internal Revenue Department.

##### Findings

It was found that the price to the customs had been under declared after PCA team had found out invoice and sales contract.

##### Modus Operandi

The declared invoice included only FOB price before the audit while the sales contract mentioned freight charges to be included and to add more additional charges for extending credit period of LC (deferred payment) as a sales condition. As a result of it, freight charge and additional charges for deferred payment were added to the customs value.

##### Result

All of the importations in “Y” period were audited and Customs Duty Kyats about (91) millions was collected. The information on collecting Short Tax Kyats about (757) millions was exchanged to Internal Revenue Department.

#### CUSTOM VALUATION- CASE #2

##### Facts of The Case

Company **X** is importing product **G** which have been imported as its main commodity.





## Philippines

### PHILIPPINES

#### CUSTOM VALUATION – CASE #1

##### Facts of the Case

Company B is a corporation primarily engaged in the business of manufacturing, importing, exporting, marketing, buying, selling, or otherwise dealing in, at wholesale or retail basis, all kinds of goods, commodities, wares and merchandise of every kind and description, such as, but not limited to, clothing and wearing apparel, footwear, shoes and shoe products and bags, cosmetics, skin care, and hair care products, accessories.

##### Findings

During the audit, the assigned Audit Team was able to establish that the royalty being paid by the Company is a condition of sale of the products being sold by the parent company, although the said royalty payments were being remitted to the regional office of their parent company.

##### Modus Operandi

The Company has different suppliers for its imported products, the said suppliers were found to have been contracted by the auditee's parent company that caters and manufactures all the orders of the companies under the management of the parent company. Although the Company has different suppliers for its imported products, the said suppliers were found to have been contracted by the auditee's parent company to cater and manufacture all the orders of the companies under the management of the parent company. Consequently thereto, the Company remits a monthly royalty

payment, equal to a percentage of the net sales of imported products sold in the Philippines, to the regional office of their parent company.

Hence, considering the above-gathered information and documents that indicate that the Company's royalty payments to its regional office indeed a condition of the products being sold by the parent company, and therefore should be added to price actually paid or payable of the auditee's importations.

##### Decision

Company B was found to be liable for the deficiency duties and taxes, including penalties for negligence, and legal interests due thereon in the total amount of Php 40,780,000.00 (792,768.27 USD) arising from the adjustment of the dutiable value of the covered importations under the audit due to the royalty remittances the Company has paid to its regional office.

#### CLASSIFICATION AND IDENTIFICATION – CASE #1

##### Facts of the Case

Company A is a partnership organized under the laws of the Philippines and registered with the Philippine Securities and Exchange Commission. The Company engages in the manufacturing of steel products, such as, but not limited to, roofing and roofing accessories, steel towers, wall assemblies, and ceiling assemblies, c-purlins, wall panelling and hardware accessories.

### Findings

During the audit proper, the assigned Audit Team has determined that the Company only made twenty-two (22) importations for the entire period covered by the audit. However, two (2) out of those importations were found to have issues on tariff classification. The Company should have utilized proper Tariff Heading AHTN Code 7210.70.91 which pertains to flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated, specifically under with description as painted, and a 10% Duty rate for the subject import entries.

### Modus Operandi

The Company has utilized AHTN Code 7208.90.90, which pertains to flat-rolled products of iron or non-alloy steel of a width of 600 mm or more, hot-rolled, not clad, plated or coated, for its importations that has been described as Hot Rolled Steel Coils (with various colours indicated, e.g., choco brown, red, green, blue, charcoal grey, etc.) in its submitted invoices.

### Decision

With the above findings, the Audit Team was able to compute a total amount of Php 12,620,000.00 (245,334.37USD) deficiency in duties and taxes, including penalties for negligence, and legal interest as a result of the tariff reclassification of the two (2) importations. The audit of Company A was concluded with a demand for payment of the above-assessed deficiency in customs duty, penalty, and interest.

## OTHER – CASE #1

### Facts of The Case

1. Company AAA is a corporation organized operating inside an ecozone as UTILITIES ENTERPRISE governed by a special law including its taxation.
2. Its registered activity is to develop and operate a power supply and

distribution facility in the ecozone located in Pampanga, Philippines.

### Findings

1. During the examination of Company AAA's Sales Journal and Accounts Receivable subsidiary ledger for the audit period, It was found out that 80% of its total sales is sales to custom's territory.
2. Under the existing and applicable law, sales to customs territory by a locator shall be subject to national tax.

### Modus Operandi

Company AAA used its privilege and incentives given to locators such as duties and tax exemption in its sales transactions to customs territory which not aligned with the company's registered activity which is primarily to distribute power supply to entities inside the ecozone.

### Decision

The company paid P350 Million (USD7M) and offered compromise under the CMTA to settle its tax liability comprising of customs duties and VAT deficiency, plus penalty and interest.

## OTHER – CASE #2

### Facts of the Case

1. Company BBB is a domestic corporation organized engaged in the business of manufacturing iron and steel products such as pipes, tubes, sheets, steel bars, etc.
2. It is an accredited Customs Bonded Warehouse (CBW) which granted it a fiscal incentive to import duty and tax free in accordance with the relevant provisions of the Customs Modernization and Tariff Act (CMTA).



### Findings

Examination and validation of company's liquidation documents submitted during the course of the compliance audit, reveal:

1. discrepancy in the declarations of wastages it incurred during the manufacturing of its finished product, and;
2. that the VAT due thereon was erroneously assessed 10% instead of 12%.

### Modus Operandi

Company BBB was grossly negligent in liquidating the goods declarations covering bonded raw materials it imported under warehousing scheme in violation of the rules and regulations prescribed by the BOC on CBW operations.

### Decision

As such, Company BBB paid the customs duties and taxes amounting to P1.2M (USD24,000), to settle its tax liability with the BOC.



## Singapore

### SINGAPORE CUSTOM VALUATION – CASE #1

#### **Singaporean man fined for evading duty and Goods and Service Tax on imported motor vehicles**

##### **Facts/Findings**

Singapore Customs launched an investigation into a motor vehicle importer after suspecting that the values of motor vehicles submitted to Singapore Customs for assessment of duty and Goods and Services Tax (GST) were under-declared. Between April 2017 and June 2021, 1,828 motor vehicles were imported and declared with suppressed values resulting in the short payment of duty and GST amounting to about S\$3,263,280.

##### **Modus Operandi**

The motor vehicle importer had suppressed the values of the imported motor vehicles by creating false invoices or requesting his suppliers to issue multiple invoices with partial values to conceal the actual values of the imported cars. Besides this, the motor vehicle importer had also instructed his employee to falsify invoices with suppressed values determined by him. These invoices were then submitted to Singapore Customs for assessment of duty and GST payable.

##### **Decisions**

The motor vehicle importer was sentenced to a fine of S\$6,000,000 for fraudulent evasion of duty and GST. He pleaded guilty to two charges under the Customs Act for fraudulent evasion of duty amounting to about S\$1,819,865 for the import of 1,141 motor vehicles. Another two charges of

fraudulent evasion of GST amounting to about S\$763,343 involving the same motor vehicles; six charges of fraudulent evasion of duty and GST for the imports of 687 motor vehicles, with a total evaded amount of about S\$679,072, and five charges of causing an incorrect declaration to be made were taken into consideration during sentencing.

The employee was sentenced to a fine of S\$10,000 for falsification of documents. He pleaded guilty to one charge of falsification of documents, while another similar charge was taken into consideration during sentencing.

### OTHER – CASE #1

#### **Director fined S\$41,000 for falsely declaring origin of goods**

##### **Facts/Findings**

Between March and December 2021, the Singaporean director of a company dealing in the wholesale of scrap metals, junk and wastes, with businesses in local and overseas markets, made false declarations in his applications for Preferential Certificates of Origin (PCOs).

Singapore Customs' investigations revealed that the Singaporean director had purchased scrap metals from Indonesia and local companies and packed them together to meet the quantity ordered by the customers in India, before exporting them to India, falsely declaring that the country of origin for the scrap metals as Singapore, when in fact they were from both Indonesia and Singapore.



### **Modus Operandi**

The Singaporean director oversaw sales, operations and management of the company. The Indian customers had requested him to obtain PCOs for the scrap metals so that they could enjoy preferential tariff treatment under the ASEAN-India Free Trade Area (AIFTA).

Despite knowing that only goods manufactured in Singapore or wholly obtained from Singapore were eligible for PCOs under the AIFTA, the Singaporean director falsely declared in the applications for the PCOs that the country of origin for the scrap metals was Singapore, when they were in fact from both Indonesia and Singapore.

### **Decisions**

The Singaporean director pleaded guilty to five charges of making false statements in five applications of PCOs for goods valued at about S\$790,000 and was fined S\$41,000 by the State Courts on 31 July 2023. Another 19 similar charges involving 19 applications of PCOs for goods valued at about S\$1,720,000 were taken into consideration during sentencing.



## Thailand

### THAI CUSTOMS DEPARTEMENT OTHER – CASE #1

#### Facts of the case

1. Company A, located in Rayong Province, has imported several medical devices.
2. The majority of imported products is disposable adult diapers.

#### Findings

1. PCA team decided to make an audit for this company.
2. The team found that disposable adult diapers are medical devices.
3. According to Notification of Ministry of Public Health (Issue no.34): Prescription medical devices that are restricted from being imported requesting permission from Food and Drug Administration, Ministry of Public Health.

#### Modus Operandi

Company A must have license and obtain the permission from Food and Drug Administration, Ministry of Public Health before importation.

#### Decision

When Company A does not have a related license submitting to customs at the time of importation Therefore, it should be considered as an unauthorized importation of medical devices.

Company A, that violate or fail to comply with Section 202, 244, 252 under Customs Act B.E. 2560 (2017), is liable to a fine 15,000,000 THB approximately.

### OTHER – CASE #2

#### Facts of the case

1. Company A, located in Bangkok Province, has imported several medical devices.
2. Mask Premium was the majority of imported product.
3. Type of Mask that imported is Cellreturn Led Mask Platinum – White

#### Findings

1. PCA team decided to audit this company.
2. The team found that Mask Premium is medical devices.
3. According to Notification of Ministry of Public Health (Issue no.34): Prescription medical devices that are restricted from being imported requesting permission from Food and Drug Administration, Ministry of Public Health.

#### Modus Operandi

Company A must have license and obtain the permission from Food and Drug Administration, Ministry of Public Health before importation.

#### Decision

When Company A does not have a related license submitting to customs at the time of importation Therefore, it should be considered as an unauthorized importation of medical devices.

Company A, that violate or fail to comply with Section 202, 244, 252 under Customs Act B.E. 2560 (2017), is liable to a fine 12,000 THB approximately.





## Vietnam

### GENERAL DEPARTMENT OF VIETNAM CUSTOMS

#### CLASSIFICATION AND IDENTIFICATION – CASE #1

##### **Fact of the case:**

Company X operates in the field of marketing and selling products related to health and wellness lifestyle.

Health protection food products constitute a group of goods with complex ingredients and compositions, which leads to difficulties for the Company in determining the HS code of the goods.

##### **Findings:**

Through post-clearance inspections, the team detected discrepancies in the declaration of commodity codes and the application of tax rates by The Company X. Specifically, the company inaccurately or incompletely declared, inadequately described goods, leading to incorrect classification or misdeclaration of commodity codes compared to the goods' descriptions.

##### **Modus Operandi:**

The Company X imported health protection food products named 'Unimate'. The Company X declared the Unimate products as health-supporting beauty food, reducing the risk of aging, with declaration code 2106.90.72, subject to tax rate of 15%.

Through inspection, review, and clarification of the nature, components, composition, and function of the imported goods, it is revealed that: The nature of the Unimate is a product with the basic ingredient extracted from Paraguay tea (Mate tea), in powder form, suitable for

classification under HS code 2101.20.90, with an import tax rate of 30%.

##### **Decision:**

Based on the investigation results and collected documents, the Director of the Post-Clearance Audit Department determined that the company is required to pay the full amount of the deficient taxes and fined 20% on the shortfall in taxes due to being discovered during the inspection of the cleared goods according to the Tax Management Law and the Law on Administrative Violations.

The total amount of fixed taxes, administrative violation fines, and late payment fines is over 30 billion VND.

#### OTHER – CASE #1

##### **Fact of the case:**

Company X is a cashew nut production enterprise, which produce and process cashew nuts for exporting.

Vietnam is exempting tax on both raw and cashew nut imports for processing and export in condition that the imported raw and cashew nut must use for export production (Type E31 in Code table of export and import types issued by the General Department of Customs in Decision 1357/QĐ-TCHQ, effective from June 1, 2021).

The Company X opened 8 customs declarations at a Customs Branch (A Customs Department) according to the type of importing raw materials for export

## ASEAN CUSTOMS

production (type E31) to import more than 1,000 tons of dry cashew nuts in shell originating from other Africas, with a total value of goods of more than 25.4 billion VND.

### Findings:

The Company X produced and processed 265 tons of cashew nuts and exported 53 tons of cashew kernels to the United States and China. The remaining cashew nuts of more than 834 tons, worth more than 19 billion VND, The Company X arbitrarily consumed by selling to a number of customers inside and outside A province without declaring it to the Customs authority according to regulations.

### Modus Operandi:

Based on the investigation results and collected documents, the team determined that The act of arbitrarily consuming imported raw materials for export production into the domestic market without completing customs procedures according to regulations of Company X is an act of illegal consumption - smuggling of goods into the Vietnamese market, showing signs of smuggling as prescribed in Article 188, Penal Code.

### Decision:

Post Clearance Audit Department (General Department of Vietnam Customs) transferred the file of the case above to the Police Investigation Agency (A Provincial Police) to investigate and handle according to regulations.





## **CONTENT IV | REPORTS**

### **Coaching Clinic**







*\*)KITE (Kemudahan Import Tujuan Ekspor) is an acronym of Ease of Imports for Export Purposes. KITE is a facility provided for imported goods and materials that will be processed, assembled or installed on other goods with the aim of being exported and is provided with exemption or relief from import duties and is not subject to VAT and Luxury Tax. To put it briefly, this is one of the government's initiatives to support Indonesian exporters. Stakeholders who wish to import goods for their production and then export the final products overseas are the primary target audience for KITE. In light of this, KITE's purpose is to lower exporters' production costs. So they are able to boost production capacity as a result.*

Coaching Clinic of Audit Results is a program initiated by the Directorate of Customs and Excise Audit (DGCE) to provide feedback and input to DGCE vertical units and DGCE Stakeholders on the results of customs and excise audits that have been carried out previously with a certain theme every year. In 2023, the theme raised is The Evaluation of Audit Results on Companies Receiving Import Facilities for Export Purposes (KITE).

Feedback on the Audit Results Report submitted at the Coaching Clinic Event is a conclusion resulting from the evaluation of the audit results and is a summary of the analysis containing violations committed by companies receiving KITE facilities due to non-compliance with applicable Customs regulations. Therefore, it is necessary to foster companies receiving KITE facilities so that companies can understand Customs regulations, especially KITE facilities



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provided by the government to increase company compliance with applicable customs regulations, and so that companies that have never been audited can prepare themselves if one day a customs audit examination is carried out.

During 2023, this Audit Result Coaching Clinic has been successfully implemented three times in three different locations. The first was held in Semarang on Thursday, May 25th, 2023, with the presence of 78 Companies under the guidance of the Regional Office of DGCE Central Java & DIY, the second was held in Surabaya on Thursday, July 13rd, 2023, with the presence of 77 Companies under the guidance of the Regional Office of DGCE East Java I, and the third was held in Jakarta on Wednesday, November 29th, 2023 with the presence of 81 Companies under the guidance of the Regional Office of DGCE Jakarta.

The stakeholders greatly appreciated the program and they expected this activity to become a routinuity carried out by the Directorate General of Customs and Excise. By conducting The



Coaching Clinic, it is hoped that the stakeholders can further improve the understanding of Customs regulations, especially in understanding the Post Clearance Audit business process to avoid violations that often occur to increase KITE Company compliance with applicable Customs regulations.





## **CONTENT V | GALLERIES**

Customs Enforcement and Compliance Working Group  
(CECWG)



*Customs Enforcement and Compliance Working Group (CECWG) 34th in Davao City, Philippine  
October 3rd to 5th, 2023*



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*Customs Enforcement and Compliance Working Group (CECWG) 34th in Davao City, Philippine, October 3rd to 5th, 2023*





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Customs Enforcement and Compliance Working Group (CECWG) 35th meeting held in Jakarta, February 20th to 22nd, 2024







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