



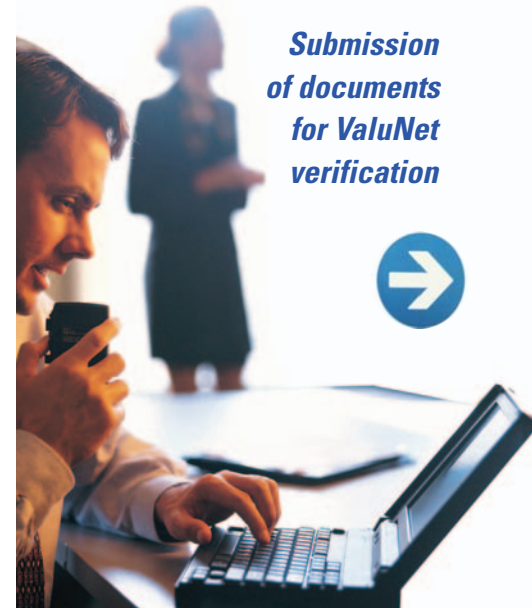
VALUNET®

A verification and investigation service

SGS

ValuNet®, adds value to Customs Valuation

A verification and investigation service supporting countries' fight against valuation fraude



Submission of documents for ValuNet verification

Objectives

Most emerging economies and developing countries are liberalising their trade regime to boost economic growth and improve their competitiveness in the global marketplace.

Governments committed to protect customs revenues while promoting fair and transparent application of customs rules, must rely on accurate and timely information.

ValuNet® assists the client administration in verifying declared transaction information in the country of sale and/or production. Moreover, the service ensures compliance with the WTO Agreement on Customs Valuation (ACV) and the prevailing national legislation.

ValuNet aims to provide the maximum benefit of reliable and verified transaction information, without disruption to the routine Customs process. Customs Administrations are thus enabled to take prompt and knowledgeable decisions.

Principles

Enhanced trade facilitation

SGS has created a seamless process parallel to the regular Customs practices. ValuNet transaction verification information can be implemented:

- As part of a pre or post-entry Customs process. In most cases SGS verification will take place once the goods have been cleared through Customs. Thus, no visible disruption to the process can be the cause of delays.
- Without direct contact with the trade in the client country. All information is received from and provided to Customs directly.

Facilitated information flow

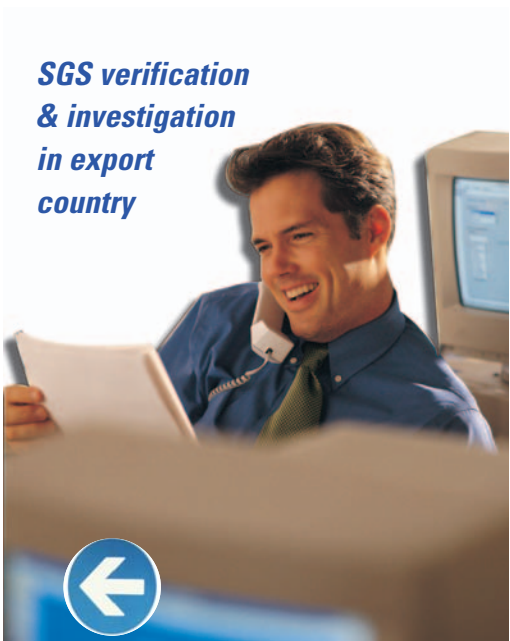
ValuNet relies on an electronic information flow. SGS receives electronic copies of information from Customs, to the extent possible. Conversely, the output of SGS investigations is made available in a secure electronic format. There are no hard copies of reports or certificates issued.

Selective programme

ValuNet targets categories of goods which have been identified by the client as sensitive, and most likely to be exposed to fraud and misdeclaration. The list of such goods is agreed upon by the client and SGS, and is periodically revised to reflect changing conditions on trade markets.

SGS can also carry out in-depth verifications and investigations based on risk analysis, using SGS' risk management service Profiler®.

SGS Technology focuses on efficiency



SGS verification & investigation in export country



Transmission of valuation findings to Customs & integration into ValuNet

SGS valuation findings assist to:

- Manage valuation risk
- Increase trade compliance
- Protect national industries
- Reduces revenue losses

Key Elements

Transaction verification and investigation

SGS investigation and trade experts in the country of sale and/or production gather market intelligence and specific transaction information. Through direct contacts, site visits, market research and records investigation, they aim to ascertain:

- The existence of the seller/producer
- The authenticity of transaction documentation and information
- The goods specifications
- The elements of transaction value
- The ACV conditions

Transaction reference system

All gathered information and documentation are consolidated in a client transaction reference system accessible to Customs in electronic form or via Internet through a highly secure IT interface.

User training/capacity building

SGS experts provide training on the optimal use of the information supplied by ValuNet. SGS supports Customs' efforts to develop investigation and valuation capacities by offering continuous on-the-job coaching and experience sharing.

Client Benefits

Revenue Enhancement for national customs administrations, and Trade facilitation for compliant trade participants.

ValuNet aims to achieve these benefits by:

- Providing transaction specific findings and alerts for suspicions of fraud and under-invoicing, which can be used to assess duties and taxes.
- Consolidating transaction information and data in a single database, accessible to Customs whenever doubts arise on past or future transactions.
- Assessing valuation appeal cases by providing support information to back up Customs' valuation decisions, when SGS opinion is accepted.
- Providing historical information on entities and transactions for Customs to detect behavioral patterns of fraud attempts and target post-audit investigation.

TRADE ASSURANCE SERVICES

regroups the SGS programmes to governments and international organisations aiming at:

- Revenue enhancement;
- Trade compliance and facilitation;
- Sustainable use of natural resources;
- Improved accountability of partners in aid development programmes.

Contacts

*For more information on our world-wide services and office locations, please visit:
<http://www.sgs.com>*

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WHEN YOU NEED TO BE SURE

SGS