



ValueQuest®
Customs
Valuation
Services

COTECNA

Valuation support

Valuation challenges

Customs authorities face increasing challenges in the execution of their mission to primarily secure revenue, prevent capital flight and facilitate legitimate trade. They have to make swift and accurate decisions regarding the value of consignments, either prior to Customs clearance or at the post clearance stage. However, the frequent lack of information hampers Customs authorities from making reliable decisions and consequently, from collecting the correct duties and taxes.

The problem is further complicated by frequent high levels of fraud in goods valuation and tariff classification, both having a significant impact on revenue collection and capital flight.

Customs authorities must comply with international regulations in the domain of Customs valuation, such as the WTO Agreement on Customs Valuation (ACV) which establishes a set of guidelines and provisions for the determination of the Customs value. The ACV was primarily designed to foster trade globalization, facilitation and security but does not include any guidance in the prevention of fraud.

Customs authorities must also consider other recommendations such as the WCO Guidelines for the set up of a national valuation database, the WCO SAFE Framework of Standards and other applicable governing national legislations.



ValueQuest® solution

Cotecna's answer to these challenges is ValueQuest®: a comprehensive, modular and customizable solution, designed for and with Customs authorities, to assist in verifying the accuracy of the declared value of goods. ValueQuest® aims at supporting Customs in protecting state revenues, preventing capital flight, promoting trade facilitation and capacity building in Customs valuation through the systematic application of transparent and objective processes for the valuation of goods. ValueQuest® is fully compliant with ACV requirements.

The ValueQuest® solution comprises software and services, which develop and maintain a higher standard of quality in valuation practices. By providing user-friendly functionalities as well as business intelligence information, ValueQuest® enhances Customs operational efficiency while allowing rapid and accurate decision-making.

The ValueQuest® software system is designed to be self-operated by Customs authorities and is accessible to other government agencies. It also contains an external interface called Cotecna's Privileged Access Programme (PAP) that includes transaction classification and valuation, investigation/verification in the country of origin or destination to support post-clearance audits, market research and capacity building in valuation methods.

The ValueQuest® solution is built around national valuation databases that are continuously enriched and updated. They are designed to comply with the WCO Data model and other guidelines, thus forming an important component of a Customs risk management and trade facilitation strategy.



Benefits

- Secure and enhance revenue collection
- Facilitate trade
- Prevent capital flight
- Comply with WTO and WCO guidelines
- Promote accurate and faster valuation decisions
- Boost risk management
- Build capacity

The ValueQuest® solution

ValueQuest® deliverables

ValueQuest® software components include:

- A national valuation reference database
- User friendly modules designed to support ValueQuest® processes
- An executive reporting system - a web portal providing Customs management with dashboards and reports on system performance and trade statistics
- An interface with Cotecna's network for valuation assistance services

Services provided through ValueQuest®:

- Transaction classification and valuation
- Transaction or stakeholder investigation and verification
- Market research and intelligence information gathering
- User training and capacity building

Self-operated and interoperable

The customized ValueQuest® system is installed and deployed within the Customs IT environment as a stand-alone solution operated by Customs. In addition, ValueQuest® EDI (Electronic Data Interchange) built-in capabilities allow its full interoperability with Customs and risk management systems. The ValueQuest® stand-alone system is also linked to the Cotecna network through the PAP module that allows online requests for Cotecna's technical support on valuation matters.

ValueQuest® operates within various Customs process flows such as pre- and post-clearance. By automating valuation procedures and administrative tasks, ValueQuest® allows Customs to speed up clearance.

ValueQuest's accurate price analysis and audit trail guarantee that:

- The analysis methods adhere to the methodologies and processes laid down in the ACV rules
- Valuation decisions are supported by concrete evidence
- Processes and regulations are applied responsibly

The setup of transparent and objective processes generally contributes to the reduction of the number of claims and disputes by allowing proper collection and recording of evidence.



Tailor-made and transferable

Each ValueQuest® implementation is configured to meet the specific Customs authority's objectives, environment and constraints.

A feasibility study is systematically executed to guide the scope and implementation plan. The study includes:

- Understanding the Customs organization needs and objectives
- A review of the existing tools and systems
- A definition of the ValueQuest® system customization needs in terms of functionalities and IT architecture

This process leads to a unique combination of customized modules and services.

Cotecna proposes alternative project financing models, such as fixed fee per transaction, licensing, or concession schemes such as Build, Operate and Transfer (BOT).

ValueQuest® is offered with a training and capacity building programme, the objective being to transfer ownership of the solution to the client. Hence, while the system is gradually rolled out, Customs teams are increasingly empowered as their level of experience and know-how grows. At the client's request, Cotecna transfers the entire management of ValueQuest® to fully trained Customs teams.

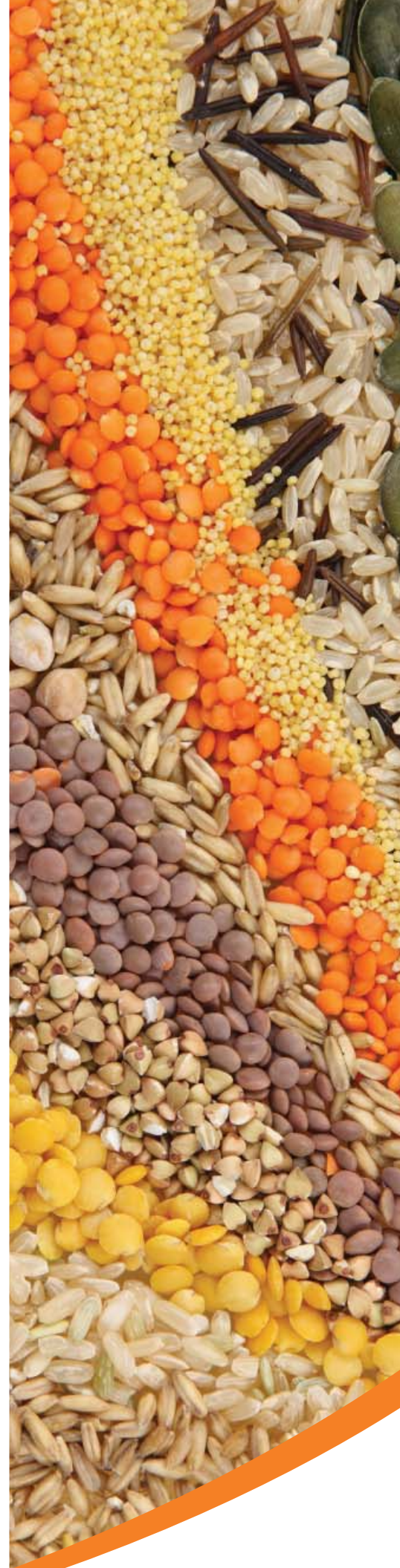
On-demand expertise

A key feature of Cotecna's ValueQuest® solution is the on-demand external expertise available through the "Privileged Access Programme" (PAP) module. This enables Customs to submit assistance requests to Cotecna's worldwide network of valuation centres, such as:

- Requests for the classification and valuation of a specific transaction
- Requests for investigation and verification of transactions, in the country of origin or in the country of destination, to support post-clearance audits
- Requests for market research on specific commodities or countries
- Requests for market and stakeholder intelligence

Requests can be addressed on-demand or automated in ValueQuest® or in Customs' risk management systems.

Cotecna reports are returned to Customs via the PAP module and are automatically integrated into the ValueQuest® database thus immediately available for use.



The Cotecna advantage

An integrated solution

Cotecna's Customs valuation services, as proposed in ValueQuest®, offer a unique combination of features:

- An incremental and scalable solution
- Fully operated by Customs
- Continuously enriched by both internal and external input
- Access to independent expertise
- Training and capacity building programmes

The benefits of ValueQuest® highly increase when used in conjunction with our **Computerized Risk Management Solution (CRMS®)**, a powerful software-based solution that collects and analyses trade transactions to help Customs assign the appropriate level of risk. CRMS® focuses ValueQuest® processes on high-risk transactions. This assists Customs to efficiently manage large volumes of transactions, thus enabling trade facilitation. Likewise, ValueQuest® can be used to help populate the CRMS® fraud database using well-defined indicators that serve to compute risk criteria and parameters.

In addition to risk management, Cotecna's portfolio includes other services such as cargo scanning, transit monitoring and supply chain security. These can also be seamlessly integrated into ValueQuest® to enhance its performance and maximize efficiency.



References in valuation services

Cotecna has over 35 years experience in providing valuation services. In 2010, Cotecna holds 14 government contracts that cover inspection, valuation and risk management services.

ValueQuest® and its related services are being customized and used by Customs authorities on different continents.

About Us

Cotecna is the worldwide leader in government inspection services, a pioneer and recognized authority in risk management programmes using scanning technologies.

Founded in Switzerland in 1974, as a privately owned company, Cotecna was first established to meet the demand for professional inspection services in the Middle East. Our entrepreneurial spirit and excellent understanding of emerging economies have enabled us to become a leading supplier of trade security and facilitation services with international credibility in inspection and testing.

Our Group offers a wide range of Customs support services, combining state-of-the-art technology and knowledge transfer with innovative, tailor-made solutions to improve and secure trade environments around the world. In addition to risk management, destination inspection and scanner integration projects, we also offer Customs modernization and valuation assistance, verification of conformity and commercial inspections.

With strong revenue growth over the past 10 years, the Cotecna group has a combined workforce of 4 000 employees and agents in close to 100 offices around the world. Our tried and tested experience is drawn from over 35 contracts in government inspection services.



TRIED AND TRUSTED



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