

# ***STATE CUSTOMS COMMITTEE OF AZERBAIJAN REPUBLIC***

## **Risk management and post-clearance audit**

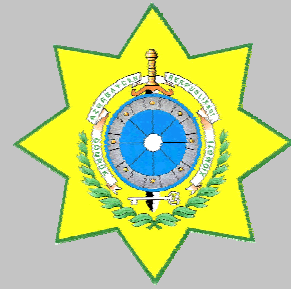


*Shenzhen  
June 2005*

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## ***Criteria to determine risk areas***



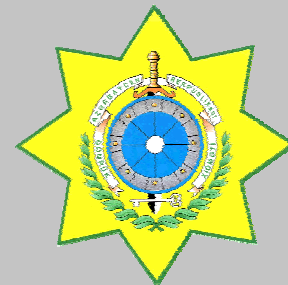
### ***□ First group***

#### **➤ Criteria to determine risk groups**

- ✓ Goods on which high customs tariffs are applied
- ✓ On excise goods – imbalance between imports, production and consumption



## ***Criteria to determine risk areas***



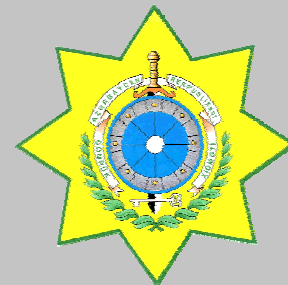
### ***□ Second group***

#### **➤ Criteria to determine “cover” goods**

- ✓ Imports of VAT exempted goods**
- ✓ Goods that enjoy tax exemption tariff preferences**



## ***Criteria to determine risk areas***



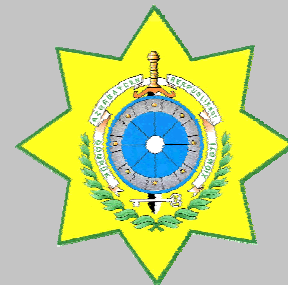
### ***□ Third group***

#### **➤ Criteria to determine risks based on country of origin**

- ✓ Imports of high volumes of goods originating from country with tariff preferences**



## ***Criteria to determine risk areas***



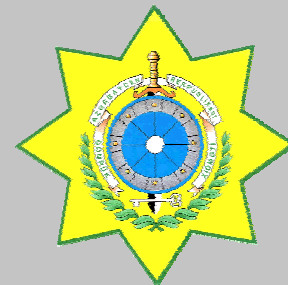
### ***□ Fourth group***

#### **➤ Criteria used in customs clearance and control**

- ✓ Variations between information recorded at border and in CCD
- ✓ Declaration of one consignment in several declarations
- ✓ Unit weight is not characteristic compared to identical or similar goods
- ✓ Risk goods and “cover” goods are simultaneously moved on the same means of transport
- ✓ Clearance of vehicles at border customs post exceeds the put-through capacity of the facility
- ✓ Information on violations by persons (carrier) moving the goods
- ✓ Country of origin is known as a drug business country
- ✓ Not logical route of transportation
- ✓ Consignor, seller and consignee are the same person



## ***Criteria to determine risk areas***



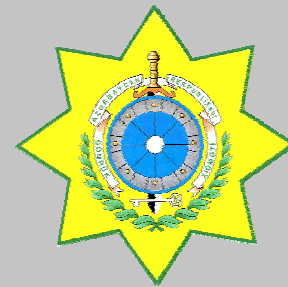
### ***□ Fifth group***

#### **➤ Criteria associated with customs value of goods**

- ✓ Major variation between the price of imported commodity and price for similar commodity from the same country of origin
- ✓ Systematic presentation of a fax copy of invoice



## ***Criteria to determine risk areas***



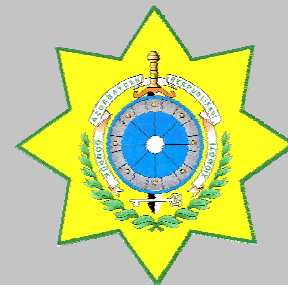
### ***□ Sixth group***

#### **➤ Criteria associated with customs payments**

- ✓ Customs payments per unit of goods is lower than level envisaged in legislation**



## ***Criteria to determine risk areas***



### ***☐ Seventh group***

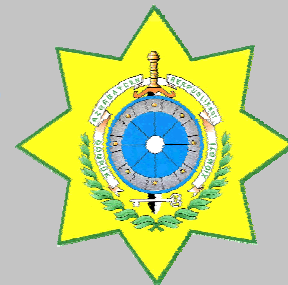
#### **➤ Criteria associated with foreign economic relations**

- ✓ Contracts do not describe delivery terms, explain content of goods, and do not show list of goods and their prices
- ✓ Parties that entered into contract are affiliated persons
- ✓ One of the parties to the contract is registered in one of the off-shore zones





# Form of primary information



## 1. General information.

Date	Customs officer's name	Position occupied	Structural subdivision's name	Source of information
Detailed description of conditions causing the risk.				
Place of occurrence:				
Criteria used to determine risk areas				
Required actions proposed by customs.				

## 2. Clarified data

- 2.1 List of suspicious units and reasons for suspicion
- 2.2 Information on persons (name, passport data, address, date of birth, nationality, reason for suspicion, any violations)
- 2.3 Used means of transport with corresponding description

## 3. Relations observed between the units.

## 4. Routes of suspicious units.

Customs officer

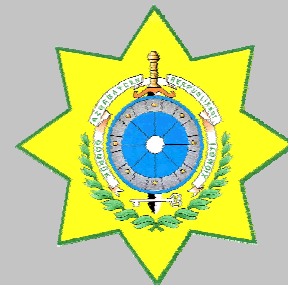
\_\_\_\_\_  
(name)  
(date and signature)

Head of structural subdivision

\_\_\_\_\_  
(name)  
(date and signature)



# ***Risk profiles***



***Risk profile entirely includes the form of primary information and also the below sections:***

- Results of risk evaluation;
- Adopted form of customs control;
- Foreign economic profile of an entity that caused a risk situation;
- Observation interval and risk indicators;
- Statistics for efficient application of the selected forms of customs control.



# Functional scheme of an Automated risk management system

