

e-commerce, customs valuation and data quality in the postal stream: achievements, challenges ahead and potential solutions

World Customs Organisation

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**LA POSTE
GROUPE**

Why customs valuation is becoming so important but complex to get in an e-commerce environment?

Switching from Lettermail to parcels and small packets business



Defining new routes for postal shipments (coming mainly now from asian countries)



Delivering high volumes of low value small packets



EU import customs rules require data from non EU postal operators

Import Control Systems 2

Obligation to declare for safety/security purposes

Low value consignment

Obligation to declare regardless the value of goods for clearance purposes

VAT eCommerce package

Obligation to collect data for taxation purposes

Embargos & denied parties

Obligation to analyse data prior to transport

- Compliance to these 4 regulations requires that electronic data is exchanged between non EU and EU postal operators
- Data exchanges are made through ITMATT (ITem ATtributes) messages which are mandatory since January 2021 for all goods contained in a postal shipment

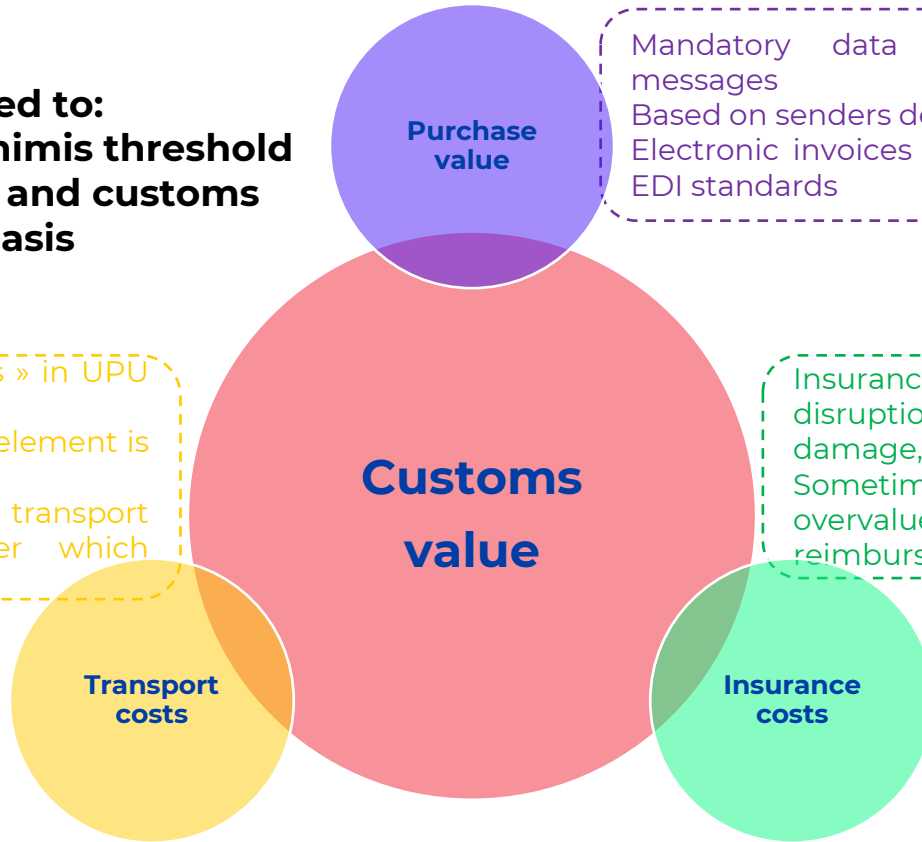


Measurement of customs valuation data

Customs values are used to:

- **evaluate the de-minimis threshold**
- **apply the right VAT and customs duties calculation basis**

Represented by « postal fees » in UPU forms
Even if mandatory, this data element is not often filled in
Covers the international transport costs part only (whatever which incoterm is used)



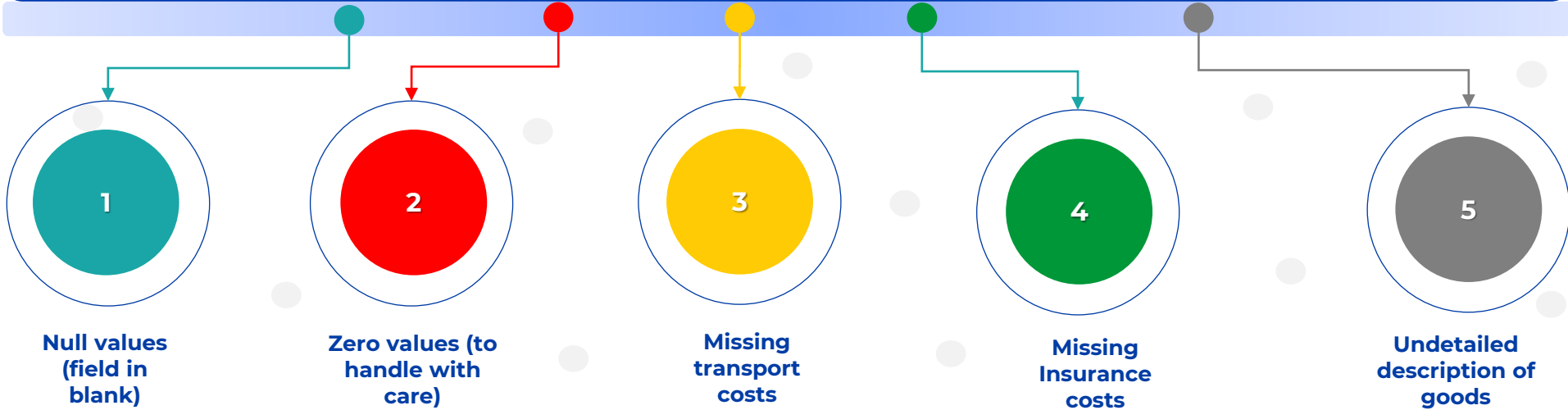
Mandatory data element in ITMATT messages
Based on senders declaration
Electronic invoices are not yet included in EDI standards

Insurance fees are to cover any disruption of the supply chain (robbery, damage,...)
Sometimes, insurance costs are overvalued by consumers for reimbursement purposes



Data quality issues on valuation

Quality issues on customs values



- The right measure of **undervaluation** of imported goods is very **complex to assess**
- The current customs (electronic declarations) and tax (de minimis removal) **regulations** have **reduced the impacts** of undervaluation but have not made them disappeared



Some solutions are to be explored

In partnership with

e-retailers on checking genuine goods values, transmitting invoices,...
origin posts to check the relevancy and accuracy of data on prices, transport and insurance costs



...but also with usage of technology

Artificial Intelligence algorithms to make sure that values are aligned with the type of goods
Existing or upcoming blockchain based solution to ensure that all mentioned values are relevant and consistent with invoices

