

THE ASYMMETRY OF INFORMATION ON CUSTOMS VALUES AND ITS
EFFECTS ON REVENUE, A CASE STUDY OF THE MINING LIST AND
STATUTORY FREE AND EXEMPT GOODS

By

John Nana Kow Acquah

A Thesis submitted to the Institute of Distance Learning, Kwame Nkrumah University of
Science and Technology in partial fulfillment of the requirement for the degree of

Commonwealth Executive Masters in Business Administration,
Institute of Distance Learning

May 2009

CERTIFICATION

I hereby declare that this submission is my own work towards the CEMBA and that, to the best of my knowledge, it contains no materials previously published by another person nor material which has been accepted for the reward of any other degree of the University, except where due acknowledgement has been made in the text.

KNUST

John Nana Kow Acquah
S/N 20066055

.....
Signature

.....
Date

Certified by

Mr. Francis Quaque Kpemlie
Supervisor(s) Name

.....
Signature

.....
Date

Certified by:

.....
Head of Dept. Name

.....
Signature

.....
Date

ABSTRACT

Customs, Excise and Preventive Service (CEPS) is one of the three revenue collecting Institutions and have been contributing about 56% of national revenue. As a member of the World Customs Council and World Trade Organization (WTO), in April 2000 it adopted the WTO valuation system and abolished the Commissioner's Valuation List. Importers produced supplier's invoice which were authenticated by the accredited Destination Inspection Companies (DIC). However, with the advent of the new system of valuation, there was a hue and cry by CEPS that importer's with the connivance of the DIC, were undervaluing dutiable imports with the sole aim of paying less than expected taxes. That the Mining Companies which also enjoyed exempt on their import were inflating value to repatriate more capital than they brought in. This research therefore set to prove this allegation with facts and figures. It consequently gathered data on values on some selected items imported by mining and non-mining companies for the 2008 through the GCNet. The items were automobile battery, tyres, and Toyota Hilux pick-ups. The means of the mining companies were found to be higher than the non-mining companies. However, a t-test for the two independent means with the exception of the battery found significant differences between the means. This therefore confirmed the hypothesis that "goods that are statutory free or exempt are not valued the same as counterparts goods when dutiable". The sample size as compared to the volume of imports was small, consequently a larger sample size was recommended as well as the adoption of a uniform and standard method of describing imported goods were also suggested. This was to ensure that identical goods were described in the same manner irrespective of the entry

point that the goods were being imported for easy identification and comparison. The finding could also be used to settle the debate as to whether CEPS or the IC should perform the function of valuation and classification of imported goods.

KNUST



DEDICATION

This research work is dedicated to my wife, Helena and my children; Nana Kow, Kwesi Andoh and Araba Mensimah through whose enormous sacrifices I have made it this far in my master's programme.

KNUST



ACKNOWLEDGEMENT

It is to the Almighty God that I am most grateful for granting me the strength to get me this far. My task could not have been accomplished without His scholarly guidance.

I am grateful to Mr. Kpemlie for his supervisory role in spite of his very hectic schedule.

I am also grateful to my officers at Shia Customs Station for their support and encouragement and comporting themselves and not creating any problems in my absence whilst I was out of the station to attend lectures on weekends.

Special thanks go to my secretary, Miss Edith Yaba who did all the typing.

Mr. Fredua-Agymang, the Assistant Commissioner, Ho Collection, CEPS, your words of inspiration gladdened my heart and urged me to approach the course with the seriousness it deserved.

Data for this research would have been difficult to come by without the wonderful assistance of Mr. Peter Bakufan, Principal Collector, , Research and Monitoring, CEPS Tema.

Last but not the least, I wish to express my profound appreciation to all lecturers of the Institute of Distance Learning, KNUST, through whose efforts I have been able to produce this research paper.

God richly bless you all.

Table of Content

Page

Chapter One.....	1
1.0. Introduction	1
1.1. Background To The Study.....	1
1.2. Statement of Problem.....	2
1.3. Objective of Study.....	4
1.4. Research Question, Assumption and Hypothesis.....	4
1.5. Significance of Study.....	5
1.6. Purpose of Study.....	6
1.7. Scope of Study.....	7
1.8. Limitation of Study.....	8
Chapter Two.....	10
2.0. Review of Related Literature.....	10
2.1. Introduction.....	10
2.2. Significance of Customs Valuation.....	10
2.3. International Valuation Standards.....	12
2.4. Valuation Principles: Article VII of the GATT.....	12
2.5. Brussels Definition of Value.....	13
2.6. The Tokyo Round and The Agreement on Customs Valuation.....	14
2.7. The Uruguay Round and the Decision on Shifting the Burden of Proof.....	15
2.8. State of Implementation.....	16
2.9.0. The Agreement on Customs Valuation (ACV).....	17
2.9.1. The Transaction Value (Article 1-Primary Method).....	18
2.9.2. The Transaction Value of Identical Goods (Article 2-First Alternate Method).....	18
2.9.3. The Transaction Value of Similar Goods (Article 3-Second Alternate Method).....	19
2.9.4. The Deductive Methods (Article 5-Third Alternate Method).....	19
2.9.5. The Computed Value Method (Article 6- Fourth Alternate Method).....	20
2.9.6. The Fallback Method (Article 7-Alternate Method).....	20
2.10. Special Provisions for Developing Countries.....	22
2.11. Valuation Procedures and Control.....	23
2.12. Organizational Structure and Training.....	24
2.13.0. ACV Implementation in Developing Countries.....	24
2.13.1. Lack of Ownership.....	25
2.13.2. Revenue Loss.....	25
2.13.3. High Tariff Rates.....	26
2.13.4. Less Compliant Trading Environment.....	27
2.13.5. Administrative Limitations.....	27
2.13.6. Toward Better Customs Valuation Practices.....	30
2.13.7. Reforming the Tariff and Trade Regime.....	31
2.13.8. Modernizing Customs Administration.....	31

2.13.9. Strengthening the Organization and Infrastructure for Valuation.....	32
2.13.10. Establishing a Value Database.....	33
2.13.11. Reliable Scrutiny of Recent Import Declarations.....	34
2.13.12. Minimum Values and Reference Prices.....	36
2.14.0. Ghana's Situation.....	37
2.14.1. Historical Perspective of Valuation in Ghana.....	37
2.14.2. Classification.....	40
2.14.3. Rules of Origin.....	40
2.14.4. Why Is Valuation Important to Ghana Customs.....	42
2.14.5. Application of the Principles of WTO Valuation.....	43
2.14.6. Pre-Clearance Control.....	43
2.14.7. Post – Clearance Control.....	44
2.14.8. Process of Control.....	45
2.14.9. Investigation.....	45
2.15.0. Problems with the Valuation Process In Ghana.....	46
2.15.1. 'Petty' Purchases.....	47
2.15.2. 'Groupage' Containers.....	47
2.15.3. Used Articles.....	47
2.15.4. 'Agege' Goods.....	47
2.16. The Compliance Model.....	48
2.17. Activities of Inspection Companies (IC) in Ghana.....	49
2.18. Choice of the Mining List.....	50
Chapter Three.....	51
3.0. Research Methodology.....	51
3.1. Research Strategy.....	51
3.2. Type of Study Undertaken.....	51
3.3. Population of Interest.....	51
3.4. Data Source.....	51
3.5.0. Sampling Technique.....	52
3.5.1. Technique for Sampling Secondary Data.....	52
3.5.2. Sample Size.....	52
3.5.3. Choice of Year 2008.....	53
Chapter Four.....	54
4.0. Presentation of Research Results.....	54
4.1. Testing of Hypothesis.....	56
4.2. Interpretation of Results	57
4.3.0. Caution to Interpretation.....	59
4.3.1. Quantity Discount.....	59
4.3.2. Freight and Insurance Fees.....	59
4.3.1 Over-Invoicing.....	60
Chapter Five.....	61
5.0. Conclusions and Recommendations.....	61
5.1.0. Observations	61

5.1.1. Lack of Accurate Standard Unit of Quantity.....	61
5.1.2. Wrong Classification.....	62
5.1.3. Lack of Detailed Description of Item.....	63
5.1.4. Difference in Description at the same entry Point.....	63
5.2. Conclusion.....	64
5.2.0. Recommendations.....	65
5.2.1. Further Study by Research and Monitoring Unit.....	65
5.2.2. Adoption of Standard Description and Standard Unit of Quantity.....	65
5.2.3. Some Advantages of the Table.....	67
Appendices.....	68
References.....	73

List of Tables

Table 4.1: Distribution of Vehicle Tyres by Category and Unit Value.....	54
Table 4.2: Distribution of Vehicle battery by Category and Unit Value.....	55
Table 4.3: Distribution of Toyota Hilux Pick-up by Category and Unit Value.....	55
Table 4.4: The Summary of the p-value for each Item	57
Table 5.1: Sample of Standard Declaration Description Table.....	67
Table C Showing CIF Value Per/Kg as Shown in The Last Column.....	69
Table D: Showing an Example of the Total Unit Value and the Mean.....	70
T-Test for Two Independent Groups (Battery).....	70
T-Test for Two Independent Groups (Toyota Hilux).....	71
T-Test for Two Independent Groups (Tyres 18.00. R33).....	71
T-Test for Two Independent Groups (Tyres 26.6 R25).....	72
T-Test for Two Independent Groups (Tyres 27.00 R49).....	72
Table A: Sample of Secondary Raw Data Retrieved from GCNET (April 2009).....	75
Table B: Items Organized According to the same HS Code As In Column 2.....	76
Table E Showing the Total Value and Mean Value of Final Data on Batteries for Non-Mining Companies used in The Analysis.....	78
Table F Showing the Total Value and Mean Value of Final Data on Batteries for Mining Companies used In the Analysis.....	79
Table G showing the Total Value and Mean Value of Final Data on Toyota Hilux for Non-Mining Companies used in the Analysis.....	81
Table F Showing the Total Value and Mean Value of Final Data on Batteries for Non-Mining Companies used in the Analysis.....	117
Table H Showing the Total Value and Mean Value of Final Data on Toyota Hilux for Non-Mining Companies used in the Analysis.....	122
Table I Showing the Total Value and Mean Value of Final Data on Tyres (2700 R49) For Non-Mining Companies used in the Analysis.....	123
Table J Showing the Total Value and Mean Value of Final Data on Tyres (18.00 R33) for Mining Companies used in the Analysis.....	124
Table K Showing the Total Value and Mean Value of Final Data On Tyres (18.00 R33) For Non-Mining Companies used In the Analysis.....	125

Table L Showing the Total Value and Mean Value of Final Data On Tyres (26.5 R25) For Non-Mining Companies used In the Analysis.....	126
Table M Showing the Total Value and Mean Value of Final Data On Tyres (26.5 R25) For Mining Companies used In the Analysis.....	126

KNUST



Table A: Sample of Secondary Raw Data Retrieved From GCNet (April 2009).										
Decl No	Importer Nam	No Pkg	Hs Code	Ctr Org	CPC	Goods Des	Decl Cif Ghc	Amt Pay Ghc	Amt Exem	Unit CIF
42008199928	RANA MOTOR	2	4011200000	LT	47M00	BELSHINA	6,972.58	447.3	1,499.11	3486.29
42008199814	RANA MOTOR	4	4011200000	LT	47M00	BELSHINA	13,486.11	867.05	2,899.51	3371.53
42008200190	RANA MOTOR	8	4011200000	TR	47M00	GOODYEA	2,331.42	149.66	501.25	291.43
42008200191	RANA MOTOR	10	4011200000	TR	47M00	GOODYEA	3,648.77	234.8	784.49	364.88
42008200192	RANA MOTOR	8	4011200000	TR	47M00	GOODYEA	2,229.29	143.4	479.3	278.66
42008184214	RANA MOTOR	6	4011200000	LT	47M00	BELSHINA	32,090.02	2,064.17	6,899.36	5348.34
42008172916	RANA MOTOR	12	4011200000	LT	47M00	BELSHINA	70,012.74	4,501.47	15,052.74	5834.4
42008181475	RANA MOTOR	22	4011200000	LT	47M00	BELSHINA	73,032.90	4,695.48	15,702.07	3319.68
42008159108	RANA MOTOR	8	4011200000	LT	47M00	BELSHINA	98,914.72	6,349.63	21,266.66	12364.34
42008171829	RANA MOTOR	6	4011200000	LT	47M00	BELSHINA	35,413.92	2,275.19	7,613.99	5902.32
42008158989	RANA MOTOR	6	4011200000	LT	47M00	BELSHINA	74,186.30	4,762.24	15,950.06	12364.38
42008105054	RANA MOTOR	8	4011200000	LT	47M00	BELSHINA	95,804.79	6,156.21	20,598.09	11975.6
42008105073	RANA MOTOR	8	4011200000	LT	47M00	BELSHINA	101,767.22	6,528.45	21,879.99	12720.9
42008104987	RANA MOTOR	8	4011200000	LT	47M00	BELSHINA	95,804.79	6,156.21	20,598.09	11975.6
42008105093	RANA MOTOR	8	4011200000	LT	47M00	BELSHINA	98,586.99	6,323.13	21,196.25	12323.37
42008112934	RANA MOTOR	2	4011200000	LT	47M00	BELSHINA	25,408.23	1,630.03	5,462.86	12704.12
42008149235	ANGLOGOLD	12	4011620000	FR	40M02	ENC: 12 P	9,913.58	632.79	2,057.07	826.13
42008179012	TAYWOOD MI	6	4011630000	ES	40M02	TYRES WI	75,667.95	4,872.28	15,701.10	12611.33
42008179012	TAYWOOD MI	6	4011630000	ES	40M02	TYRES WI	75,667.92	4,872.28	15,701.09	12611.32
42008149864	CHIRANO GOL	12	4011630000	AU	40M02	TYRE 1800	49,660.19	3,198.51	10,304.49	4138.35
42008125904	TAYWOOD MI	6	4011630000	FR	40M02	MICHELIN	76,303.60	4,908.70	15,833.00	12717.27
42008181566	RANA MOTOR	4	4011940000	NL	47M00	GOODYEA	31,319.59	2,017.06	6,733.71	7829.9
42008181566	RANA MOTOR	4	4011940000	NL	47M00	GOODYEA	32,101.01	2,067.39	6,901.72	8025.25
42008188926	PUBLIC WORK	7	4011940000	NL	40M02	TYRE: 23	26,241.89	1,684.48	5,445.20	3748.84
42008199009	PUBLIC WORK	12	4011940000	NL	40M02	1 TYRES-	22,285.85	1,430.15	4,624.32	1857.15
42008176481	ANGLOGOLD	96	4011940000	ES	40M02	96 PCS.M	401,323.71	25,616.11	83,274.67	4180.46
42008149235	ANGLOGOLD	3	4011940000	FR	40M02	: 3 PKGST	14,937.75	953.47	3,099.59	4979.25

42008150094	ABOSSO GOL	6	4011940000	NL	40M02	TYRES-26	28,738.05	1,844.21	5,963.15	4789.68
42008150095	ABOSSO GOL	6	4011940000	NL	40M02	MINING T	33,938.56	2,177.93	7,042.26	5656.43
42008150096	GOLDFIELDS	3	4011940000	ES	40M02	MINING TY	73,286.03	4,702.97	15,206.85	24428.68
42008199743	RANA MOTOR	2	4011990000	BE	47M00	GOODYEA	16,031.53	1,031.92	3,446.78	8015.77
42008188924	GOLDFEILDS	2	4011990000	JP	40M02	1X40 PAR	21,122.53	1,358.86	4,382.92	10561.27
42008188925	GOLDFEILDS	6	4011990000	JP	40M02	MINING TY	23,360.15	1,502.75	4,847.23	3893.36
42008188925	GOLDFEILDS	4	4011990000	JP	40M02	STC MININ	17,770.92	1,143.19	3,687.46	4442.73
42008188925	GOLDFEILDS	18	4011990000	JP	40M02	:33 00R51	282,119.78	18,148.66	58,539.85	15673.32
42008188925	GOLDFEILDS	4	4011990000	JP	40M02	:35/65R33	35,745.94	2,299.52	7,417.28	8936.49
42008127854	NEWMONT GH	4	4011990000	GB	47P16	NEW EAR	14,769.63	60.61	3,840.10	3692.41
42008143422	GOLDFIELDS	6	4011990000	JP	40M02	TYRE: BRI	22,723.23	1,461.84	4,715.06	3787.21
42008143422	GOLDFIELDS	4	4011990000	JP	40M02	TYRE: BRI	41,116.44	2,645.10	8,531.66	10279.11
42008143422	GOLDFIELDS	8	4011990000	JP	40M02	TYRE : BR	121,967.91	7,846.46	25,308.34	15245.99
42008143422	GOLDFIELDS	2	4011990000	JP	40M02	TYRE: BRI	29,076.80	1,870.56	6,033.44	14538.4
42008160335	GOLDFIELDS	4	4011990000	ES	40M02	TYRE 33.0	99,460.02	6,382.64	20,637.96	24865.01
42008160335	GOLDFIELDS	2	4011990000	ES	40M02	TYRE: 45/6	47,897.33	3,073.74	9,938.70	23948.67
42008150096	GOLDFIELDS	7	4011990000	US	40M02	MINING TY	171,000.75	10,973.59	35,482.66	24428.68
42008160356	ABOSO GOLD	4	4011990000	ES	40M02	TYRE: 27.0	55,452.41	3,558.54	11,506.38	13863.1
42008143377	ABOSO GOLD	10	4011990000	JP	40M02	EARTH MO	102,791.56	6,612.80	21,329.25	10279.16
										419476.6
Table B: Items organized according to the same HS code as in column 2										
Pkg Type	Hs Code	Ctr Org	CPC	Goods D	Decl Cif Gh	Amt Pay G	Amt Exempt Ghc			
PK	2503100000	AU	40M02	LIQUI PO	2,715.12	175.15	563.38			
BG	2505100000	CI	40M02	195 BAG	375.26	20.7	77.87			
BG	2505100000	CI	40M02	25 BAGS	375.26	20.7	77.87			
BG	2505100000	CI	40M02	75 BAGS	375.26	20.7	77.87			

BG	2505100000	CI	40M02	28 BAGS	375.26	20.7	77.87			
BG	2505100000	CI	40M02	6 BAGS	375.26	20.7	77.87			
BG	2505100000	CI	40M02	45 BAGS	262.68	14.47	54.52			
CT	2505100000	CI	40M02	17 CTN	375.26	20.7	77.87			
BG	2505100000	ZA	40M02	SILICA F	132.05	8.47	27.41			
BG	2505100000	CI	40M02	91 BAGS	375.26	20.7	77.87			
BG	2505100000	CI	40M02	65 BAGS	375.26	20.7	77.87			
CT	2505100000	CI	40M02	17 CTNS	375.26	20.7	77.87			
BG	2505100000	CI	40M02	68 BAGS	387.7	21.39	80.45			
BG	2505100000	CI	40M02	85 BAGS	375.26	20.7	77.87			
PK	2508100000	ZA	40M02	BENTON	458.81	29.55	95.2			
BG	2508100000	IN	40M02	25 TON	2,707.31	172.02	561.77			
BG	2513200000	ZA	40M05	BLASTIN	5,404.80	130.16	1,351.20			
PK	2516120000	US	40M02	GRANIT	86.52	5.4	17.95			
BG	2516120000	CI	40M02	35 BAGS	112.58	6.2	23.37			
CT	2517490000	NG	40M02	ROCK S	281.77	17.85	86.64			
CT	2517490000	NG	40M02	ROCK S	276.91	17.55	85.15			
PK	2517490000	NG	40M02	ROCK S	281.99	17.87	86.71			
CT	2517490000	NG	40M02	ROCK S	262.33	16.68	80.67			
CT	2517490000	NG	40M02	ROCK S	274.47	17.4	84.39			
CT	2517490000	NG	40M02	ROCK S	276.91	17.55	85.15			
PK	2517490000	NG	40M02	ROCK S	216.68	13.7	66.64			
CT	2517490000	NG	40M02	ROCK S	1,089.90	66.96	335.14			
PK	2517490000	NG	40M02	ROCK S	259.9	16.54	79.91			
PK	2517490000	NG	40M02	ROCK S	269.61	17.12	82.91			
PK	2517490000	NG	40M02	ROCK S	281.77	17.85	86.64			
PK	2517490000	NG	40M02	ROCK S	203.53	12.93	62.58			
PK	2517490000	NG	40M02	ROCK S	218	13.79	67.03			
PK	2517490000	NG	40M02	ROCK S	276.91	17.55	85.15			

PK	2517490000	NG	40M02	ROCK S	228.71	14.43	70.32			
PK	2517490000	NG	40M02	ROCK S	212.63	13.46	65.39			
PK	2517490000	NG	40M02	ROCK S	875.21	56.18	269.12			
PK	2517490000	NG	40M02	ROCK S	875.21	56.18	269.12			
CT	2517490000	NG	40M02	ROCK S	755.27	46.31	232.25			
PK	2517490000	NG	40M02	ROCK S	875.21	56.18	269.12			
PK	2517490000	NG	40M02	ROCK S	230.08	14.51	70.76			
PK	2517490000	AU	40M02	ROCK S	1,607.27	101.02	494.23			
PK	2517490000	NG	40M02	ROCK S	875.21	56.18	269.12			
CT	2517490000	NE	40M02	DRILL C	265.45	15.98	81.63			
Table E showing the total value and mean value of final data on batteries										
for non-mining companies used in the analysis.										
HS Code	Quantity	Country	Description	CIF	Non-Mining					
8507100000	200	TH	200 CARTO	10446	52.23					
8507100000	180	TH	180 CARTO	9420.5	52.34					
8507100000	75	TH	75 CARTON	4229.8	56.4					
5807100000	280	TH	280 CARTO	9793.5	34.98					
5807100000	190	TH	190 CARTO	6678.3	35.15					
8507100000	60	AE	60 PCS CAI	1481	24.68					
8507100000	220	LB	220 PC AU	5235.4	23.8					
8507100000	252	KR	252PCS AU	6167.3	24.47					
8507100000	16	AE	16 PCS CAI	366.52	22.91					
8507100000	385	KR	385PCS AU	8990	23.35					
8507100000	170	KR	170 PCS AU	3478.1	20.46					

8507100000	348	KR	348 PCS AU	6766.7	19.44					
8507100000	200	CN	200 PCS CA	3945.8	19.73					
8507100000	100	AE	100 PCS CA	1724.8	17.25					
8507100000	50	US	50 PLS AU	829.93	16.6					
8507100000	100	CN	CAR BATT	1629.5	16.29					
8507100000	100	CN	CAR BATT	1597.5	15.97					
			Total		476.05					
			Mean		28					
Table F showing the total value and mean value of final data on batteries										
for mining companies used in the analysis.										
Hs Code	No Pkg	Ctr Org	Description	Cif Ghd	Mining					
8506800000	1320	AU	BATTERY	3805	2.88					
8507800000	1026	AU	BATTERY	3011	2.93					
8506101100	24	CA	24 UNITS B	83.45	3.48					
8507800000	150	AU	BATTERY	3244.6	21.63					
8507100000	20	GB	BATTERY	433.96	21.7					
8507800000	40	FR	BATTERY	2263.3	56.58					
8518900000	42	AU	BATTERY	2625.6	62.51					
8507800000	2	ZA	BATTERY	142.37	71.19					
8507800000	2	AU	BATTERY	183.92	91.96					
8507100000	1	CA	1 PC BATT	107.32	107.32					
8507800000	10	US	BATTERY	1144.7	114.47					
8507800000	20	US	BATTERY	2293.7	114.69					
8507800000	25	GB	BATTERY	2892	115.68					

8507800000	22	BE	BATTERY	2959.9	134.54					
8507800000	40	GB	BATTERIE	5387.5	134.69					
8507100000	42	BE	BATTERY-	6079.3	144.74					
8507100000	21	BE	BATTERY	3253	154.9					
8507100000	21	BE	BATTERY	3384.3	161.16					
8507100000	31	BE	BATTERY	5118.8	165.12					
8507100000	10	ZA	VEHICLE B	1850.2	185.02					
8507800000	292	GB	BATTERIE	55569	190.31					
8507800000	2	ZA	BATTERIE	402.89	201.45					
8507100000	16	BE	BATTERY	3828	239.25					
8507100000	16	BE	BATTERY	4495.7	280.98					
8507100000	16	BE	BATTERY	4640.2	290.01					
8507100000	1	CA	1 PC BATT	317	317					
8507100000	1	ZA	BATTERIE	330.08	330.08					
8507100000	6	ZA	VEHICLE B	2144.6	357.43					
8507800000	4	GB	BATTERY(1603.9	400.98					
8507800000	6	AU	BATTERY/	2607.3	434.56					
8507800000	10	GB	BATTERY.	4622.3	462.23					
8507800000	5	AU	BATTERY(2978.4	595.68					
8506800000	1	GB	BATTERY	631.27	631.27					
8507800000	1	SE	BATTERY	1282.8	1282.84					
8507800000	1	DK	BATTERY	1937	1936.98					
8507800000	1	GB	BATTERY	3507.9	3507.94					
8504400000	1	ZA	5KVA UPS	5778.3	5778.31					
8507800000	1	ZA	ENC: 1 CRT	9626	9626					
8512300000	1	DK	BATTERY	21588	21588.22					
				Total	50315.82					
				Mean	32.89					

Table G showing the total value and mean value of final data on Toyota Hilux for non-mining companies used in the analysis.										
HS Code	Quantity	Packaging	Ctry of Imp	Descript	Non-Mining					
8704211920	1	NE	ZA	TOYOTA	17861.08					
8704211920	1	NE	ZA	TOYOTA	17918.15					
8704211920	1	NE	ZA	TOYOTA	17918.16					
8704211920	1	NE	ZA	TOYOTA	17958.63					
8704211920	1	NE	ZA	TOYOTA	17958.63					
8704211920	1	NE	ZA	TOYOTA	17958.63					
8704211920	1	NE	ZA	TOYOTA	17960.74					
8704211920	1	NE	ZA	TOYOTA	18006.94					
8704211920	1	NE	ZA	TOYOTA	18073.09					
8704211920	1	NE	ZA	TOYOTA	18243.04					
8704211920	1	NE	ZA	TOYOTA	18243.04					
8704211920	1	NE	ZA	TOYOTA	18243.04					
8704211920	1	NE	ZA	TOYOTA	18833.21					
8704211920	1	NE	ZA	TOYOTA	18833.21					
8704211920	1	NE	ZA	TOYOTA	18833.22					
8704211920	1	NE	ZA	TOYOTA	18949.23					
8704211920	1	NE	ZA	TOYOTA	18949.23					
8704211920	1	NE	ZA	TOYOTA	18949.23					
8704211920	1	NE	ZA	TOYOTA	18949.23					
8704211920	1	NE	ZA	TOYOTA	18949.23					
8704211920	1	NE	ZA	TOYOTA	18981.1					
8704211920	1	NE	ZA	TOYOTA	18981.1					

8704211920	1	NE	ZA	TOYOTA	18981.1					
8704211920	1	NE	ZA	TOYOTA	18981.11					
8704211920	1	NE	ZA	TOYOTA	19044.77					
8704211920	1	NE	ZA	TOYOTA	19044.77					
8704211920	1	NE	ZA	TOYOTA	19044.77					
8704211920	1	NE	ZA	TOYOTA	19044.77					
8704211920	1	NE	ZA	TOYOTA	19044.77					
8704211920	1	NE	ZA	TOYOTA	19044.77					
8704211920	1	NE	ZA	TOYOTA	19044.77					
8704211920	1	NE	ZA	TOYOTA	19044.77					
8704211920	1	NE	ZA	TOYOTA	19044.77					
8704211920	1	NE	ZA	TOYOTA	19044.77					
8704211920	1	NE	ZA	TOYOTA	19044.78					
8704211920	1	NE	ZA	TOYOTA	19044.78					
8704211920	1	NE	ZA	TOYOTA	19076.8					
8704211920	1	NE	ZA	TOYOTA	19076.8					
8704211920	1	NE	ZA	TOYOTA	19076.8					
8704211920	1	NE	ZA	TOYOTA	19076.8					
8704211920	1	NE	ZA	TOYOTA	19076.8					
8704211920	1	NE	ZA	TOYOTA	19076.8					
8704211920	1	NE	ZA	TOYOTA	19076.8					
8704211920	1	NE	ZA	TOYOTA	19076.8					
8704211920	1	NE	ZA	TOYOTA	19076.8					
8704211920	1	NE	ZA	TOYOTA	19076.8					
8704211920	1	NE	ZA	TOYOTA	19076.8					
8704211920	1	NE	ZA	TOYOTA	19076.8					
8704211920	1	NE	ZA	TOYOTA	19190.78					

[illegible]

8704211920	1	NE	ZA	TOYOTA	19526.4					
8704211920	1	NE	ZA	TOYOTA	19526.4					
8704211920	1	NE	ZA	TOYOTA	19578.16					
8704211920	1	NE	ZA	TOYOTA	19635.05					
8704211920	1	NE	ZA	TOYOTA	19635.05					
8704211920	1	NE	ZA	TOYOTA	19635.05					
8704211920	1	NE	ZA	TOYOTA	19635.05					
8704211920	1	NE	ZA	TOYOTA	19635.05					
8704211920	1	NE	ZA	TOYOTA	19635.05					
8704211920	1	NE	ZA	TOYOTA	19635.05					
8704211920	1	NE	ZA	TOYOTA	19751.31					
8704211920	1	NE	ZA	TOYOTA	19751.31					
8704211920	1	NE	ZA	TOYOTA	19751.31					
8704211920	1	NE	ZA	TOYOTA	19751.31					
8704211920	1	NE	ZA	TOYOTA	19751.31					
8704211920	1	NE	ZA	TOYOTA	19751.31					
8704211920	1	NE	ZA	TOYOTA	19751.31					
8704211920	1	NE	ZA	TOYOTA	19755.33					
8704211920	1	NE	ZA	TOYOTA	19755.33					
8704211920	1	NE	ZA	TOYOTA	19756.62					
8704211920	1	NE	ZA	TOYOTA	19756.62					
8704211920	1	NE	ZA	TOYOTA	19756.62					
8704211920	1	NE	ZA	TOYOTA	19765.19					
8704211920	1	NE	ZA	TOYOTA	19765.19					
8704211920	1	NE	ZA	TOYOTA	19766.19					
8704211920	1	NE	ZA	TOYOTA	19766.19					
8704211920	1	NE	ZA	TOYOTA	19766.19					
8704211920	1	NE	ZA	TOYOTA	19766.19					

8704211920	1	NE	ZA	TOYOTA	19766.19					
8704211920	1	NE	ZA	TOYOTA	19766.19					
8704211920	1	NE	ZA	TOYOTA	19766.19					
8704211920	1	NE	ZA	TOYOTA	19766.19					
8704211920	1	NE	ZA	TOYOTA	19766.19					
8704211920	1	NE	ZA	TOYOTA	19766.19					
8704211920	1	NE	ZA	TOYOTA	19766.19					
8704211920	1	NE	ZA	TOYOTA	19783.54					
8704211920	1	NE	ZA	TOYOTA	19797.68					
8704211920	1	NE	ZA	TOYOTA	19797.68					
8704211920	1	NE	ZA	TOYOTA	19797.74					
8704211920	1	NE	ZA	TOYOTA	19797.74					
8704211920	1	NE	ZA	TOYOTA	19797.74					
8704211920	1	NE	ZA	TOYOTA	19803.8					
8704211920	1	NE	ZA	TOYOTA	19803.8					
8704211920	1	NE	ZA	TOYOTA	19803.8					
8704211920	1	NE	ZA	TOYOTA	19803.8					
8704211920	1	NE	ZA	TOYOTA	19803.8					
8704211920	1	NE	ZA	TOYOTA	19803.8					
8704211920	1	NE	ZA	TOYOTA	19803.8					
8704211920	1	NE	ZA	TOYOTA	19805.77					
8704211920	1	NE	ZA	TOYOTA	19805.82					
8704211920	1	NE	ZA	TOYOTA	19805.82					
8704211920	1	NE	ZA	TOYOTA	19817.94					
8704211920	1	NE	ZA	TOYOTA	19817.94					
8704211920	1	NE	ZA	TOYOTA	19845.18					
8704211920	1	NE	ZA	TOYOTA	19845.18					
8704211920	1	NE	ZA	TOYOTA	19845.18					
8704211920	1	NE	ZA	TOYOTA	19845.18					

8704211920	1	NE	ZA	TOYOTA	19845.18					
8704211920	1	NE	ZA	TOYOTA	19845.18					
8704211920	1	NE	ZA	TOYOTA	19845.18					
8704211920	1	NE	ZA	TOYOTA	19845.18					
8704211920	1	NE	ZA	TOYOTA	19845.18					
8704211920	1	NE	ZA	TOYOTA	19845.18					
8704211920	1	NE	ZA	TOYOTA	19845.18					
8704211920	1	NE	ZA	TOYOTA	19845.18					
8704211920	1	NE	ZA	TOYOTA	19845.19					
8704211920	1	NE	ZA	TOYOTA	19845.19					
8704211920	1	NE	ZA	TOYOTA	19845.19					
8704211920	1	NE	ZA	TOYOTA	19845.19					
8704211920	1	NE	ZA	TOYOTA	19845.19					
8704211920	1	NE	ZA	TOYOTA	19845.19					
8704211920	1	NE	ZA	TOYOTA	19845.21					
8704211920	1	NE	ZA	TOYOTA	19849.24					
8704211920	1	NE	ZA	TOYOTA	19849.24					
8704211920	1	NE	ZA	TOYOTA	19849.24					
8704211920	1	NE	ZA	TOYOTA	19849.24					
8704211920	1	NE	ZA	TOYOTA	19849.24					
8704211920	1	NE	ZA	TOYOTA	19849.24					
8704211920	1	NE	ZA	TOYOTA	19849.24					
8704211920	1	NE	ZA	TOYOTA	19849.24					
8704211920	1	NE	ZA	TOYOTA	19849.24					
8704211920	1	NE	ZA	TOYOTA	19849.24					
8704211920	1	NE	ZA	TOYOTA	19875.59					
8704211920	1	NE	ZA	TOYOTA	19875.59					

8704211920	1	NE	ZA	TOYOTA	19875.59					
8704211920	1	NE	ZA	TOYOTA	19875.59					
8704211920	1	NE	ZA	TOYOTA	19875.59					
8704211920	1	NE	ZA	TOYOTA	19875.59					
8704211920	1	NE	ZA	TOYOTA	19875.59					
8704211920	1	NE	ZA	TOYOTA	19875.59					
8704211920	1	NE	ZA	TOYOTA	19875.62					
8704211920	1	NE	ZA	TOYOTA	19875.62					
8704211920	1	NE	ZA	TOYOTA	19877.58					
8704211920	1	NE	ZA	TOYOTA	19877.58					
8704211920	1	NE	ZA	TOYOTA	19877.58					
8704211920	1	NE	ZA	TOYOTA	19877.58					
8704211920	1	NE	ZA	TOYOTA	19891.78					
8704211920	1	NE	ZA	TOYOTA	19891.78					
8704211920	1	NE	ZA	TOYOTA	19891.78					
8704211920	1	NE	ZA	TOYOTA	19891.78					
8704211920	1	NE	ZA	TOYOTA	19891.78					
8704211920	1	NE	ZA	TOYOTA	19891.78					
8704211920	1	NE	ZA	TOYOTA	19891.78					
8704211920	1	NE	ZA	TOYOTA	19891.78					
8704211920	1	NE	ZA	TOYOTA	19891.78					
8704211920	1	NE	ZA	TOYOTA	19891.78					
8704211920	1	NE	ZA	TOYOTA	19891.78					
8704211920	1	NE	ZA	TOYOTA	19891.78					
8704211920	1	NE	ZA	TOYOTA	19891.78					
8704211920	1	NE	ZA	TOYOTA	19891.78					
8704211920	1	NE	ZA	TOYOTA	19891.78					
8704211920	1	NE	ZA	TOYOTA	19897.86					
8704211920	1	NE	ZA	TOYOTA	19897.86					

8704211920	1	NE	ZA	TOYOTA	19897.86					
8704211920	1	NE	ZA	TOYOTA	19897.86					
8704211920	1	NE	ZA	TOYOTA	19897.86					
8704211920	1	NE	ZA	TOYOTA	19899.9					
8704211920	1	NE	ZA	TOYOTA	19899.9					
8704211920	1	NE	ZA	TOYOTA	19899.9					
8704211920	1	NE	ZA	TOYOTA	19899.9					
8704211920	1	NE	ZA	TOYOTA	19899.9					
8704211920	1	NE	ZA	TOYOTA	19899.9					
8704211920	1	NE	ZA	TOYOTA	19899.9					
8704211920	1	NE	ZA	TOYOTA	19899.9					
8704211920	1	NE	ZA	TOYOTA	19899.9					
8704211920	1	NE	ZA	TOYOTA	19899.9					
8704211920	1	NE	ZA	TOYOTA	19899.9					
8704211920	1	NE	ZA	TOYOTA	19899.92					
8704211920	1	NE	ZA	TOYOTA	19899.93					
8704211920	1	NE	ZA	TOYOTA	19901.07					
8704211920	1	NE	ZA	TOYOTA	19901.07					
8704211920	1	NE	ZA	TOYOTA	19901.07					
8704211920	1	NE	ZA	TOYOTA	19901.07					
8704211920	1	NE	ZA	TOYOTA	19901.85					
8704211920	1	NE	ZA	TOYOTA	19901.88					
8704211920	1	NE	ZA	TOYOTA	19901.88					
8704211920	1	NE	ZA	TOYOTA	19901.9					
8704211920	1	NE	ZA	TOYOTA	19911.99					
8704211920	1	NE	ZA	TOYOTA	19912					
8704211920	1	NE	ZA	TOYOTA	19914.51					
8704211920	1	NE	ZA	TOYOTA	19914.51					

[illegible]

[illegible]

[illegible]

8704211920	1	NE	ZA	TOYOTA	20075.46					
8704211920	1	NE	ZA	TOYOTA	20098.86					
8704211920	1	NE	ZA	TOYOTA	20098.86					
8704211920	1	NE	ZA	TOYOTA	20098.87					
8704211920	1	NE	ZA	TOYOTA	20111.02					
8704211920	1	NE	ZA	TOYOTA	20111.02					
8704211920	1	NE	ZA	TOYOTA	20189.37					
8704211920	1	NE	ZA	TOYOTA	20194.4					
8704211920	1	NE	ZA	TOYOTA	20194.4					
8704211920	1	NE	ZA	TOYOTA	20194.4					
8704211920	1	NE	ZA	TOYOTA	20194.4					
8704211920	1	NE	ZA	TOYOTA	20194.4					
8704211920	1	NE	ZA	TOYOTA	20194.4					
8704211920	1	NE	ZA	TOYOTA	20194.4					
8704211920	1	NE	ZA	TOYOTA	20194.4					
8704211920	1	NE	ZA	TOYOTA	20194.4					
8704211920	1	NE	ZA	TOYOTA	20194.4					
8704211920	1	NE	ZA	TOYOTA	20194.4					
8704211920	1	NE	ZA	TOYOTA	20194.4					
8704211920	1	NE	ZA	TOYOTA	20194.4					
8704211920	1	NE	ZA	TOYOTA	20194.4					
8704211920	1	NE	ZA	TOYOTA	20194.4					
8704211920	1	NE	ZA	TOYOTA	20194.4					
8704211920	1	NE	ZA	TOYOTA	20194.44					
8704211920	1	NE	ZA	TOYOTA	20194.44					
8704211920	1	NE	ZA	TOYOTA	20206.6					
8704211920	1	NE	ZA	TOYOTA	20206.6					
8704211920	1	NE	ZA	TOYOTA	20228.36					
8704211920	1	NE	ZA	TOYOTA	20305.31					
8704211920	1	NE	ZA	TOYOTA	20305.31					
8704211920	1	NE	ZA	TOYOTA	20448.44					

[illegible]

[illegible]

[illegible]

8704211920	1	NE	ZA	TOYOTA	20949.08					
8704211920	1	NE	ZA	TOYOTA	20949.08					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.36					
8704211920	1	NE	ZA	TOYOTA	20959.38					
8704211920	1	NE	ZA	TOYOTA	20959.38					
8704211920	1	NE	ZA	TOYOTA	20959.38					

[illegible]

8704211920	1	NE	ZA	TOYOTA	21080.73					
8704211920	1	NE	ZA	TOYOTA	21080.73					
8704211920	1	NE	ZA	TOYOTA	21080.73					
8704211920	1	NE	ZA	TOYOTA	21080.73					
8704211920	1	NE	ZA	TOYOTA	21080.73					
8704211920	1	NE	ZA	TOYOTA	21080.73					
8704211920	1	NE	ZA	TOYOTA	21080.73					
8704211920	1	NE	ZA	TOYOTA	21080.73					
8704211920	1	NE	ZA	TOYOTA	21080.73					
8704211920	1	NE	ZA	TOYOTA	21080.73					
8704211920	1	NE	ZA	TOYOTA	21080.74					
8704211920	1	NE	ZA	TOYOTA	21080.74					
8704211920	1	NE	ZA	TOYOTA	21080.74					
8704211920	1	NE	ZA	TOYOTA	21080.74					
8704211920	1	NE	ZA	TOYOTA	21080.74					
8704211920	1	NE	ZA	TOYOTA	21080.74					
8704211920	1	NE	ZA	TOYOTA	21080.74					
8704211920	1	NE	ZA	TOYOTA	21080.74					
8704211920	1	NE	ZA	TOYOTA	21080.74					
8704211920	1	NE	ZA	TOYOTA	21080.74					
8704211920	1	NE	ZA	TOYOTA	21080.74					
8704211920	1	NE	ZA	TOYOTA	21231.12					
8704211920	1	NE	ZA	TOYOTA	21231.12					
8704211920	1	NE	ZA	TOYOTA	21231.12					
8704211920	1	NE	ZA	TOYOTA	21288.23					
8704211920	1	NE	ZA	TOYOTA	21288.23					
8704211920	1	NE	ZA	TOYOTA	21288.23					
8704211920	1	NE	ZA	TOYOTA	21338.1					

[illegible]

[illegible]

[illegible]

8704211920	1	NE	ZA	TOYOTA	22125.58					
8704211920	1	NE	ZA	TOYOTA	22161.95					
8704211920	1	NE	ZA	TOYOTA	22177.41					
8704211920	1	NE	ZA	TOYOTA	22177.41					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.63					
8704211920	1	NE	ZA	TOYOTA	22208.63					
8704211920	1	NE	ZA	TOYOTA	22212.94					
8704211920	1	NE	ZA	TOYOTA	22247.52					
8704211920	1	NE	ZA	TOYOTA	22247.52					
8704211920	1	NE	ZA	TOYOTA	22247.52					
8704211920	1	NE	ZA	TOYOTA	22247.52					
8704211920	1	NE	ZA	TOYOTA	22247.52					
8704211920	1	NE	ZA	TOYOTA	22247.54					
8704211920	1	NE	ZA	TOYOTA	22265.7					
8704211920	1	NE	ZA	TOYOTA	22265.7					
8704211920	1	NE	ZA	TOYOTA	22265.7					

8704211920	1	NE	ZA	TOYOTA	22265.7					
8704211920	1	NE	ZA	TOYOTA	22265.7					
8704211920	1	NE	ZA	TOYOTA	22265.7					
8704211920	1	NE	ZA	TOYOTA	22265.7					
8704211920	1	NE	ZA	TOYOTA	22265.7					
8704211920	1	NE	ZA	TOYOTA	22265.7					
8704211920	1	NE	ZA	TOYOTA	22265.7					
8704211920	1	NE	ZA	TOYOTA	22265.7					
8704211920	1	NE	ZA	TOYOTA	22265.7					
8704211920	1	NE	ZA	TOYOTA	22265.7					
8704211920	1	NE	ZA	TOYOTA	22265.7					
8704211920	1	NE	ZA	TOYOTA	22265.7					
8704211920	1	NE	ZA	TOYOTA	22265.7					
8704211920	1	NE	ZA	TOYOTA	22265.72					
8704211920	1	NE	ZA	TOYOTA	22265.72					
8704211920	1	NE	ZA	TOYOTA	22265.72					
8704211920	1	NE	ZA	TOYOTA	22271.16					
8704211920	1	NE	ZA	TOYOTA	22271.16					
8704211920	1	NE	ZA	TOYOTA	22271.16					
8704211920	1	NE	ZA	TOYOTA	22271.16					
8704211920	1	NE	ZA	TOYOTA	22271.16					
8704211920	1	NE	ZA	TOYOTA	22271.16					
8704211920	1	NE	ZA	TOYOTA	22271.16					
8704211920	1	NE	ZA	TOYOTA	22271.16					
8704211920	1	NE	ZA	TOYOTA	22271.16					
8704211920	1	NE	ZA	TOYOTA	22271.16					
8704211920	1	NE	ZA	TOYOTA	22271.17					

[illegible]

[illegible]

8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.27					
8704211920	1	NE	ZA	TOYOTA	22353.28					
8704211920	1	NE	ZA	TOYOTA	22353.28					
8704211920	1	NE	ZA	TOYOTA	22353.28					
8704211920	1	NE	ZA	TOYOTA	22353.28					
8704211920	1	NE	ZA	TOYOTA	22353.28					
8704211920	1	NE	ZA	TOYOTA	22353.28					
8704211920	1	NE	ZA	TOYOTA	22377.35					

[illegible]

8704211920	1	NE	ZA	TOYOTA	22600.46					
8704211920	1	NE	ZA	TOYOTA	22600.48					
8704211920	1	NE	ZA	TOYOTA	22600.52					
8704211920	1	NE	ZA	TOYOTA	22600.52					
8704211920	1	NE	ZA	TOYOTA	22600.53					
8704211920	1	NE	ZA	TOYOTA	22609.55					
8704211920	1	NE	ZA	TOYOTA	22715.94					
8704211920	1	NE	ZA	TOYOTA	22723.51					
8704211920	1	NE	ZA	TOYOTA	22723.52					
8704211920	1	NE	ZA	TOYOTA	22723.52					
8704211920	1	NE	ZA	TOYOTA	22723.52					
8704211920	1	NE	ZA	TOYOTA	22723.52					
8704211920	1	NE	ZA	TOYOTA	22723.52					
8704211920	1	NE	ZA	TOYOTA	22723.52					
8704211920	1	NE	ZA	TOYOTA	22723.52					
8704211920	1	NE	ZA	TOYOTA	22764.38					
8704211920	1	NE	ZA	TOYOTA	22764.38					
8704211920	1	NE	ZA	TOYOTA	22764.38					
8704211920	1	NE	ZA	TOYOTA	22764.38					
8704211920	1	NE	ZA	TOYOTA	22764.38					
8704211920	1	NE	ZA	TOYOTA	22764.38					
8704211920	1	NE	ZA	TOYOTA	22764.38					
8704211920	1	NE	ZA	TOYOTA	22764.38					
8704211920	1	NE	ZA	TOYOTA	22764.38					
8704211920	1	NE	ZA	TOYOTA	22764.38					
8704211920	1	NE	ZA	TOYOTA	22764.38					
8704211920	1	NE	ZA	TOYOTA	22764.38					
8704211920	1	NE	ZA	TOYOTA	22870.37					

[illegible]

8704211920	1	NE	ZA	TOYOTA	22927.57					
8704211920	1	NE	ZA	TOYOTA	22997.2					
8704211920	1	NE	ZA	TOYOTA	22997.2					
8704211920	1	NE	ZA	TOYOTA	23043.46					
8704211920	1	NE	ZA	TOYOTA	23043.46					
8704211920	1	NE	ZA	TOYOTA	23115.04					
8704211920	1	NE	ZA	TOYOTA	23115.04					
8704211920	1	NE	ZA	TOYOTA	23115.04					
8704211920	1	NE	ZA	TOYOTA	23115.04					
8704211920	1	NE	ZA	TOYOTA	23115.04					
8704211920	1	NE	ZA	TOYOTA	23115.04					
8704211920	1	NE	ZA	TOYOTA	23115.04					
8704211920	1	NE	ZA	TOYOTA	23115.04					
8704211920	1	NE	ZA	TOYOTA	23115.04					
8704211920	1	NE	ZA	TOYOTA	23115.05					
8704211920	1	NE	ZA	TOYOTA	23115.05					
8704211920	1	NE	ZA	TOYOTA	23128.08					
8704211920	1	NE	ZA	TOYOTA	23128.08					
8704211920	1	NE	ZA	TOYOTA	23128.08					
8704211920	1	NE	ZA	TOYOTA	23128.08					
8704211920	1	NE	ZA	TOYOTA	23131.35					
8704211920	1	NE	ZA	TOYOTA	23474.74					
8704211920	1	NE	ZA	TOYOTA	23503.84					
8704211920	1	NE	ZA	TOYOTA	23503.84					
8704211920	1	NE	ZA	TOYOTA	23506.48					
8704211920	1	NE	ZA	TOYOTA	23511.5					
8704211920	1	NE	ZA	TOYOTA	23555.98					
8704211920	1	NE	ZA	TOYOTA	23555.98					

8704211920	1	NE	ZA	TOYOTA	23555.98					
8704211920	1	NE	ZA	TOYOTA	23555.98					
8704211920	1	NE	ZA	TOYOTA	23555.98					
8704211920	1	NE	ZA	TOYOTA	23590.45					
8704211920	1	NE	ZA	TOYOTA	23590.45					
8704211920	1	NE	ZA	TOYOTA	23590.45					
8704211920	1	NE	ZA	TOYOTA	23590.45					
8704211920	1	NE	ZA	TOYOTA	23590.45					
8704211920	1	NE	ZA	TOYOTA	23590.45					
8704211920	1	NE	ZA	TOYOTA	23590.45					
8704211920	1	NE	ZA	TOYOTA	23590.45					
8704211920	1	NE	ZA	TOYOTA	23590.45					
8704211920	1	NE	ZA	TOYOTA	23590.45					
8704211920	1	NE	ZA	TOYOTA	23590.45					
8704211920	1	NE	ZA	TOYOTA	23590.45					
8704211920	1	NE	ZA	TOYOTA	23590.45					
8704211920	1	NE	ZA	TOYOTA	23590.45					
8704211920	1	NE	ZA	TOYOTA	23590.45					
8704211920	1	NE	ZA	TOYOTA	23590.45					
8704211920	1	NE	ZA	TOYOTA	23590.45					
8704211920	1	NE	ZA	TOYOTA	23590.45					
8704211920	1	NE	ZA	TOYOTA	23590.45					
8704211920	1	NE	ZA	TOYOTA	23590.45					
8704211920	1	NE	ZA	TOYOTA	23590.45					
8704211920	1	NE	ZA	TOYOTA	23590.45					
8704211920	1	NE	ZA	TOYOTA	23590.45					
8704211920	1	NE	ZA	TOYOTA	23590.48					
8704211920	1	NE	ZA	TOYOTA	23590.49					
8704211920	1	NE	ZA	TOYOTA	23590.49					
8704211920	1	NE	ZA	TOYOTA	23590.49					
8704211920	1	NE	ZA	TOYOTA	23590.49					
8704211920	1	NE	ZA	TOYOTA	23615.55					

8704211920	1	NE	ZA	TOYOTA	23615.55					
8704211920	1	NE	ZA	TOYOTA	23615.55					
8704211920	1	NE	ZA	TOYOTA	23615.55					
8704211920	1	NE	ZA	TOYOTA	23615.55					
8704211920	1	NE	ZA	TOYOTA	23615.55					
8704211920	1	NE	ZA	TOYOTA	23615.55					
8704211920	1	NE	ZA	TOYOTA	23615.55					
8704211920	1	NE	ZA	TOYOTA	23615.55					
8704211920	1	NE	ZA	TOYOTA	23615.55					
8704211920	1	NE	ZA	TOYOTA	23615.55					
8704211920	1	NE	ZA	TOYOTA	23615.55					
8704211920	1	NE	ZA	TOYOTA	23615.55					
8704211920	1	NE	ZA	TOYOTA	23615.55					
8704211920	1	NE	ZA	TOYOTA	23615.55					
8704211920	1	NE	ZA	TOYOTA	23615.63					
8704211920	1	NE	ZA	TOYOTA	23615.63					
8704211920	1	NE	ZA	TOYOTA	23618.22					
8704211920	1	NE	ZA	TOYOTA	23618.22					
8704211920	1	NE	ZA	TOYOTA	23618.22					
8704211920	1	NE	ZA	TOYOTA	23618.22					
8704211920	1	NE	ZA	TOYOTA	23618.22					
8704211920	1	NE	ZA	TOYOTA	23654.92					
8704211920	1	NE	ZA	TOYOTA	23654.92					
8704211920	1	NE	ZA	TOYOTA	23654.92					
8704211920	1	NE	ZA	TOYOTA	23654.92					
8704211920	1	NE	ZA	TOYOTA	23654.92					
8704211920	1	NE	ZA	TOYOTA	23654.92					
8704211920	1	NE	ZA	TOYOTA	23654.92					
8704211920	1	NE	ZA	TOYOTA	23654.92					
8704211920	1	NE	ZA	TOYOTA	23667.96					

[illegible]

[illegible]

8704211920	1	NE	ZA	TOYOTA	24107.81					
8704211920	1	NE	ZA	TOYOTA	24107.81					
8704211920	1	NE	ZA	TOYOTA	24107.81					
8704211920	1	NE	ZA	TOYOTA	24107.81					
8704211920	1	NE	ZA	TOYOTA	24107.81					
8704211920	1	NE	ZA	TOYOTA	24107.82					
8704211920	1	NE	ZA	TOYOTA	24107.82					
8704211920	1	NE	ZA	TOYOTA	24107.82					
8704211920	1	NE	ZA	TOYOTA	24278.23					
8704211920	1	NE	ZA	TOYOTA	24371.35					
8704211920	1	NE	ZA	TOYOTA	24371.35					
8704211920	1	NE	ZA	TOYOTA	24371.35					
8704211920	1	NE	ZA	TOYOTA	24371.39					
8704211920	1	NE	ZA	TOYOTA	24385.41					
8704211920	1	NE	ZA	TOYOTA	24462.27					
8704211920	1	NE	ZA	TOYOTA	24462.27					
8704211920	1	NE	ZA	TOYOTA	24462.27					
8704211920	1	NE	ZA	TOYOTA	24549.22					
8704211920	1	NE	ZA	TOYOTA	24549.22					
8704211920	1	NE	ZA	TOYOTA	24549.22					
8704211920	1	NE	ZA	TOYOTA	24549.22					
8704211920	1	NE	ZA	TOYOTA	24549.24					
8704211920	1	NE	ZA	TOYOTA	24931.6					
8704211920	1	NE	ZA	TOYOTA	24931.61					
8704211920	1	NE	ZA	TOYOTA	24931.63					
8704211920	1	NE	ZA	TOYOTA	24937.91					
8704211920	1	NE	ZA	TOYOTA	25047.34					
8704211920	1	NE	ZA	TOYOTA	25047.34					

[illegible]

[illegible]

[illegible]

[illegible]

8704211920	1	NE	ZA	TOYOTA	21741.97					
8704211920	1	NE	ZA	TOYOTA	23115.04					
8704211920	1	NE	ZA	TOYOTA	23115.04					
8704211920	1	NE	ZA	TOYOTA	23115.04					
8704211920	1	NE	ZA	TOYOTA	23115.04					
8704211920	1	NE	ZA	TOYOTA	23115.05					
8704211920	1	NE	ZA	TOYOTA	23115.04					
8704211920	1	NE	ZA	TOYOTA	23115.04					
8704211920	1	NE	ZA	TOYOTA	23115.04					
8704211920	1	NE	ZA	TOYOTA	23115.04					
8704211920	1	NE	ZA	TOYOTA	23115.05					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	22208.63					
8704211920	1	NE	ZA	TOYOTA	23555.98					
8704211920	1	NE	ZA	TOYOTA	23555.98					
8704211920	1	NE	ZA	TOYOTA	23555.98					
8704211920	1	NE	ZA	TOYOTA	23555.98					
8704211920	1	NE	ZA	TOYOTA	23555.98					
8704211920	1	NE	ZA	TOYOTA	22208.62					
8704211920	1	NE	ZA	TOYOTA	24371.35					
8704211920	1	NE	ZA	TOYOTA	24371.35					
8704211920	1	NE	ZA	TOYOTA	24371.35					

8704211920	1	NE	ZA	TOYOTA	24371.39					
8704211920	1	NE	ZA	TOYOTA	23043.46					
8704211920	1	NE	ZA	TOYOTA	23043.46					
8704211920	1	NE	ZA	TOYOTA	23511.5					
8704211920	1	NE	ZA	TOYOTA	24937.91					
				Total	3239001					
				Mean	22493.06					

Table H showing the total value and mean value of final data on tyres (27.00-49)

for non-mining companies used in the analysis.

Hs Code	Quantity	Pkg Type	Ctr Org	Description	Cif Ghs	Non-Mining				
4011200000	12	NKPK	DK	27.00-49	68138.88	5678.24				
4011200000	12	NKPK	LT	27.00-49	68138.88	5678.24				
4011200000	12	NKPK	LT	27.00-49	68138.88	5678.24				
4011200000	12	NKPK	DK	27.00-49	68931.2	5744.27				
4011200000	12	NKPK	LT	27.00-49	72282.18	6023.52				
4011200000	2	NKPK	LT	27.00-49	12479.64	6239.82				
4011200000	2	NKPK	LT	27.00-49	12479.64	6239.82				
4011200000	2	NKPK	LT	27.00-49	12152.22	6076.11				
4011200000	12	NKPK	LT	27.00-49	73031.72	6085.98				
4011200000	10	NKPK	LT	27.00-49	61391.19	6139.12				
4011200000	4	NKPK	LT	27.00-49	25335.9	6333.98				
4011990000	2	NKPK	JP	27.00R4	21579.83	10789.92				
4011990000	2	NKPK	JP	27.00R4	25800.81	12900.41				
4011990000	2	NKPK	JP	27.00R4	25806.71	12903.36				
4011990000	2	NKPK	JP	27.00R4	25806.71	12903.36				

4011990000	2	NKPK	JP	27.00R4	25806.71	12903.36				
4011990000	2	NKPK	JP	27.00R4	21359.76	10679.88				
4011990000	4	NKPK	JP	27.00R4	42784.88	10696.22				
4011990000	8	NKPK	JP	27.00R4	119675.85	14959.48				
4011200000	4	NKPK	JP	27.00R4	54375.7	13593.93				
4011200000	6	NKPK	GA	27.00-49	36329.91	6054.99				
4011200000	6	NKPK	LT	27.00-49	34055.36	5675.89				
4011200000	6	NKPK	GA	27.00-49	34936.21	5822.7				
				Total		195800.8				
				Mean		8513.08				
Table I showing the total value and mean value of final data on tyres (2700 R49)										
for non-mining companies used in the analysis.										
HS Code	Quantity	Packaging	Ctry of Org.	Descript	Cif Value	Gh Mining				
4011940000	8	NKPK	BY	27.00-49	54048.19	6756.02				
4011990000	12	NE	GB	2700 X 4	89,442.56	7453.55				
4011990000	12	NE	GB	2700 X 4	89,442.56	7453.55				
4011990000	12	PK	JP	2700R49	101,325.54	8443.8				
4011990000	12	PK	JP	2700 R4	102,526.80	8543.9				
4011990000	18	PK	JP	2700R49	155,336.04	8629.78				
4011990000	12	PK	JP	2700R49	103,557.39	8629.78				
4011990000	4	PK	JP	2700R49	35,439.12	8859.78				
4011990000	4	PK	JP	2700R49	41,116.44	10279.11				
4011990000	10	PK	JP	2700R49	102,791.56	10279.16				
4011990000	2	PK	JP	2700R49	21,545.57	10772.79				
4011990000	12	PK	JP	2700R49	130,135.84	10844.65				

4011990000	6	PK	JP	2700R49	67,478.95	11246.49				
4011990000	4	NE	ES	27.00 R4	45,494.31	11373.58				
4011990000	12	NE	ES	27.00 R	138,290.07	11524.17				
4011990000	11	PK	JP	2700R49	127,715.65	11610.51				
4011990000	11	PK	JP	2700R49	127,715.65	11610.51				
4011990000	6	PK	JP	2700R49	70,591.56	11765.26				
4011990000	3	PK	JP	2700RNI	35,295.79	11765.26				
4011990000	6	PK	JP	2700R 4	72,114.79	12019.13				
4011630000	6	NE	FR	27.00 R4	73,005.34	12167.56				
4011630000	6	NE	FR	27.00 R4	73,005.34	12167.56				
4011630000	6	NE	ES	27.00 R	75,667.92	12611.32				
4011630000	6	NE	ES	27.00 R	75,667.95	12611.33				
4011630000	12	NE	FR	27.00 R4	157,952.63	13162.72				
4011630000	5	NE	FR	27.00 R4	65,813.60	13162.72				
4011990000	6	PK	ES	2700R49	82,816.70	13802.78				
4011990000	4	PK	ES	27.00R4	55,452.41	13863.1				
			Total			303409.9				
			Mean			10836.07				
Table J showing the total value and mean value of final data on tyres (18.00 R33) for mining companies used in the analysis.										
Description (Minin	Cif Value GhC	Mining								
18.00R33 NEW BS	15,595.96	7797.98								
18.00R33 VSDL EN	14,288.76	7144.38								
18.00R33 VSDL EN	14,684.94	7342.47								
18.00R33 BST VSD	35,745.94	8936.49								

18.00 R 33WITH S	41,316.66	10329.17
18.00R33 NEW BS	24,678.57	12339.29
18.00R33 NEW BS	24,678.57	12339.29
18.00R33 FBEL-28	23573.43	5893.36
18.00R33 FBEL-28	11817.52	5908.76
18.00R33 FBEL-28	23949.36	5987.34
18.00R33 FBEL-28	72868.02	6072.34
18.00R33VSDL D2A	44920.08	11230.02
18.00R33 NEW MIC	68433.78	11405.63
18.00R33,30 524 L	23263.81	11631.91
18.00R33 NEW MIC	26907.95	13453.98
18.00R33 NEW MIC	27159.61	13579.81
18.00R33 NEW MIC	27296.63	13648.32
Total		165040.5
Mean		9708.26

Table K showing the total value and mean value of final data on tyres (18.00 R33) for non-mining companies used in the analysis.

Description (Non-mine)	Cif Value	Non-Mining
18.00R33 RT-4A **	18335.03	4583.76
18.00R33 RT-4A **	18335.03	4583.76
18.00R33 RT-4A **	18335.05	4583.76
1800 R33	2603.74	650.94
Total		14402.21
Mean		3600.55

Table L showing the total value and mean value of final data on tyres (26.5 R25)										
for non-mining companies used in the analysis.										
HS Code	Quantity	Packaging	Country	Descript	CIF Value	Non-Mining				
4011200000	6	NKPK	CN	26.5 - 25	6158.85	1026.48				
4011200000	6	NKPK	CN	26.5 - 25	6172.36	1028.73				
4011200000	15	NKPK	CN	26.5 - 25	16051.75	1070.12				
4011200000	5	NKPK	CN	26.5 - 25	5163.95	1032.79				
4011100000	10	NKPK	CN	26.5 - 25	10757.93	1075.79				
4011100000	10	NKPK	CN	26.5 - 25	10993.22	1099.32				
4011200000	1	NKPK	CN	26.5-25-	1217.15	1217.15				
4011200000	2	NKPK	CN	26.5-25-	2434.33	1217.17				
				Total		8767.54				
				Mean		1095.94				
Table M showing the total value and mean value of final data on tyres (26.5 R25)										
for mining companies used in the analysis.										
HS Code	Quantity	Packaging	Country	Descript	CIF Value	Mining				
4011200000	6	NKPK	CN	26.5 - 25	6158.85	1026.48				
4011200000	6	NKPK	CN	26.5 - 25	6172.36	1028.73				
4011200000	15	NKPK	CN	26.5 - 25	16051.75	1070.12				
4011200000	5	NKPK	CN	26.5 - 25	5163.95	1032.79				
4011100000	10	NKPK	CN	26.5 - 25	10757.93	1075.79				
4011100000	10	NKPK	CN	26.5 - 25	10993.22	1099.32				
4011200000	1	NKPK	CN	26.5-25-	1217.15	1217.15				

4011200000	2	NKPK	CN	26.5-25-	2434.33	1217.17				
				Total		8767.54				
				Mean		1095.94				



CHAPTER ONE

1.0 INTRODUCTION

1.1 Background to the Study

The Customs, Excise and Preventive Service (CEPS) was established under the provisions of PNDC Law 144, otherwise referred to as The Customs, Excise and Preventive Service Law 1986 as an autonomous Public Service Institution to replace the Customs and Excise Department which had existed since 1839.

The Customs, Excise and Preventive Service as a government agency is tasked with the responsibility of collecting revenue in the form of import duties, import Vat, Export Duty, Petroleum Tax and other taxes. CEPS collects about 56%¹ of total government revenue which is used to finance the country's recurrent budget and development projects in the health , education, housing and the transport sector and so on

CEPS also ensured the protection of the revenue by preventing smuggling; this is done by physically patrolling the borders and other strategic points. They also undertake the examination of goods and premises as well as documents relating to goods to ensure that prohibited goods were not brought into the country and that restricted goods were covered by the appropriate permits. These responsibilities CEPS has discharged over the years creditably. However, as the country grows with increase in population, the demand on government to provide more facilities for the citizens also increases. Hence, it behooves on government to find the necessary resources to discharge its responsibility. Governments all

¹ Source: Daily Graphic, January, 21 2009, Pg.48

over depend on revenue through taxes for the performance of this assignment. This pressure on government was therefore transferred to the revenue collecting agencies to also improve upon their performance. It was for this reason that CEPS will have to ensure that all loopholes in the tax collecting systems were closed and closed tight. Hence, any suspicion that there were some leakages along the line should be taken seriously.

1.2. Statement of the Problem

Before April 2000, when CEPS adopted the World Trade Organization principles of valuing imported goods, the valuation system in place was that, importers produced attested invoices from their suppliers as evidence of value for imported items. The Customs Commissioner's Order (No.4/1998) prescribed that the invoice prices/values were compared to similar items on a list called the Commissioner's Valuation ²List (CVL) and the higher of the two values was then used as a basis for assessing the duties and other taxes to be paid.

However, in April 2000, CEPS adopted the WTO Agreement on Customs Valuation of Imported Goods whereby all imported goods should be valued according to six methods of valuation. With the adoption of the WTO principles of valuation, the CVL was abolished and importers rather sent their invoices to accredited inspection companies who gave an independent opinion on the true and genuineness of the values stated on invoices for the purpose of assessing how much tax should be exacted on the imported goods.

Nonetheless, this new system of valuing imported goods came with its own challenges especially amongst developing countries who adopted the system. One school of thought (made up of CEPS and other revenue agencies) had it that, because the new system

² The act of deciding how much money an imported item is worth for Customs tax purpose.

of valuation allowed self assessment by importers, they adopted all manner of tricks to suppress the values of their goods especially when the goods were dutiable³.

Furthermore, this school said that it was only when the goods were statutory free⁴ or exempted⁵ that they presented a genuine invoice reflecting the true and correct value of the goods. In the case of the mining companies whose imports meant for the mining operations were 100% statutory exempt from import duty⁶, were also accused of inflating their values so that they could get the opportunity to repatriate more capital than they brought in.

The other school; comprising the Importers, Clearing Agents and the Inspection Companies claimed that genuine invoices were presented irrespective of whether the goods were statutory free, exempt or dutiable. Technically speaking no imported item was absolutely free of any tax or levy. All imported items would be subjected to the payment of one tax, levy or the other. For example, even though imports of the mining companies were exempted from import duties and other taxes, they paid inspection fees and these taxes, fees and levies were percentages of the Cost, Insurance and Freight (CIF) which combined to form the value of an imported item. For this reason they had no incentive to increase the values of free or exempt goods or temper with the values of dutiable goods.

These arguments between these two “combating schools” had become only war of words and no one school was supporting its claim and counter-claim with facts and figures.

³ Imported goods which are deemed to attract import tax as per the tariff schedule.

⁴ Imported goods which are unconditionally free from import tax i.e. zero rated.

⁵ Imported goods which are dutiable but, can be non-taxable as per tariff schedule or by an Act of Parliament.

⁶ Source: H. S. Code 2007, Pg. 686:3C2.14

1.3. Objectives of the Study

From the above discussion, CEPS was worried that the WTO system of valuing imported goods which was adopted to facilitate trade was rather being exploited by importers and their agents to deprive the state of needed revenue. And the researcher was wondering if this apprehension was grounded in facts or imaginations. Hence the objectives of this research were to:

- i. To investigate if there was uniformity in information volunteered by importers to CEPS with respect to valuation using the WTO valuation system.
- ii. To find out to what extent if any, such differences in valuation affect revenue collection.
- iii. Suggest remedies where appropriate to improve upon the system.

1.4. Research Question, Assumption and Hypothesis

Since the adoption of the WTO system of valuation for imported goods, where importers were required to provide the merchants invoices, Customs has had the suspicion that importers in coalition with Inspection Companies or on their own have manipulated the values of their goods with the sole aim of paying lower taxes where applicable. This study was therefore based on the assumption that importers would not give consistent information (value) for a given imported item depending on whether at the time of importation, the goods were dutiable or not. Thus, the hypothesis couched out to be verified was of the form “goods that were statutory free or exempt would not be valued the same as counterparts goods when dutiable”.

1.5. Significance of Study

Was the state losing revenue or not? If the first claim was true, then the state had been losing a lot of revenue. On the other hand, if the second claim was right, then CEPS and for that matter the state could go to sleep with both eyes closed. They were only shouting wolf when there was none.

National development is undertaken partly by internal revenue generated by the revenue collecting agencies of which CEPS was a significant partner. The study therefore would be of great significance in the following respect:

- i. The Ministry of Finance and Economic Planning would be interested to know it was getting the maximum internally generated revenue to discharge its development programme.
- ii. CEPS had a yearly revenue target of which its achievement meant a lot to management and staff. A percentage of the target was given to the Service to undertake her operations, payment of salaries, annual bonuses and other developments projects. So, the more taxes they collected meant bigger money for them to spend.
- iii. The Import VAT which was collected by CEPS on behalf of the VAT Service also formed a large chunk of their annual target, so they would also pray CEPS collected more import VAT for them because their operating capital and annual bonus depended on they also achieving their yearly targets.
- iv. The same principle applied to the Internal Revenue Service. Importers paid a percentage on the CIF of imported items as down payment towards their

annual income tax and these monies paid upfront at the ports and other entry points formed a large chunk of their annual revenue target.

- v. At time of this study, government was contemplating giving back to Customs their core function of valuation and classification of imported goods as was the practice the world over. I hope the result of this study would help the government to take a firm and final decision on this matter.

Thus far, the positive performance of all the Revenue Institutions were tied to the “apron strings” of correct valuation of imported goods.

1.6. Purpose of Study

The State of Ghana (represented by CEPS) and their importers development partners in revenue collection with the clearing agents and the inspection companies acting as intermediaries. It was therefore important that, there existed good working relationships amongst them. The government needed all the internally generated revenue to pursue its programmes. Any hindrance, be it perceived or otherwise should be taken seriously. Consequently, the suspicion that one of the partners was not playing it fair according to the WTO rules on valuation of imported goods should be cleared once and for all, thereby paving the way for good rapport leading to maximum revenue collection. The purpose of this study therefore, was to settle the debate once and for all with facts and figures for an improved working relationship among them to argue well for maximum revenue mobilization for the state.

1.7. Scope of the Study

The Mining List (8th edition) of 2000 contained 252 items which when imported by a registered mining company did not attract import duty.

Some of the items found on the mining list were peculiar to the mining industry which an individual might not import for personal use or for sale. In other words, only the mining company would import for use in the extraction process. There were also others on the list which individual and other companies would import for their own use or for sale. For example, vehicle outer covers (tyres) when imported by a mining company would be free of duty but when imported by an individual or non mining company would attract import duty. Thus, the study selected only items which were common to the mining and non-mining importers for value comparison. It meant that when a mining company imported such an item, it would be exempt from import duty but, when a non mining company imported the same item, it would pay import duty. Accordingly, the study was about values that these two categories of importers presented to CEPS independent of each other, when the items were imported at about the same time and about the same quantity. So, the study limited itself to values of identical and similar items when imported and the taxes each would attract independent of each other.

The study limited itself to the year of 2008 because of the imports which satisfied the selected samples were gotten, i.e. imports by mining and non-mining companies. The study was interested in the value of the items and not the companies or individuals involved in the importation. Consideration was not given to the country of origin even though distance had a significant effect on values. Data was collected from the two ports of Tema,

Takoradi and Kotoka International Airport because they were the major ports of imports to Ghana.

1.8. Limitations of the Study

In the normal buying and selling activities the price of any given items depended on a lot of factors. Some included the quantity one was buying, the relationship between buyer and seller and others. For example, the unit price for a consignment of 5000 pieces tyres of a particular size would be lower than 50 pieces of the same item irrespective of where the item was imported from. Besides, different brands produced by the same company or different companies could account for differences in price and for that matter differences in value. This study however, considered the sizes of items only and not the brand. Two examples were tyre of size 175/80R14 and 225/90R18. Introducing the variable brand like “Firestone” or “Goodyear” would make comparison very difficult and therefore complex to analyse. Ignoring these details placed some limitations on the conclusions of the study. The ideal was to compare the value of “Firestone” brand of the same size imported by a mining company and the identical by a non-mining company.

The items under study came from different countries and regions of the world and all these factors affected the price quoted for same item, hence it accounted for the differences in values for the same item. The normal trade practices affected the accuracy of the findings.

There was also nothing like as internationally agreed and accepted price/value for any item traded in on the international market for which one can use to draw a conclusion that the price/value quoted on an invoice was low or high than this standard price.

In Ghana, importation could be done through four entry points. Through the land frontier, parcel post, airport and seaport. Secondary data was collected only from the two seaports and the airport. The conclusion drawn could not therefore be generalized for the whole country.

KNUST



CHAPTER TWO

2.0. REVIEW OF RELATED LITERATURE

2.1. Introduction

The lack of understanding of Customs Valuation and its supporting procedures were two of the principal factors minimizing the efficiency of Customs administrations in many developing countries. The absence of effective Customs Valuation systems affects the outcome of a country's Customs and trade policies. This endangers its revenue mobilization performance and aggravates integrity issues. Customs Valuation systems have been the subject of international agreements because they can constitute barriers to trade. The World Trade Organizations (WTO) Agreement on Customs Valuation (ACV) mandates the use of the ACV for all WTO members. The ACV establishes that the Customs value of imported goods, to the greatest extent possible, was the transaction value that was, the price actually paid or payable for the goods. Despite receiving substantial technical assistance (TA), many developing countries have not succeeded in adequately implementing the WTO valuation standard.⁷

2.2. Significance of Customs Valuation

Most import tariffs were based on ad valorem duties, that were a rate expressed as a percentage of the value of the imported goods. Customs officials consequently needed to know the value of the goods in order to work out the amount of duty the goods were subject to.

⁷ WTO external link <http://www.wto.org/>

Customs valuation therefore was the procedure used by Customs officials to determine the value of the imported goods for the purposes of calculating the right import duty. The Customs value was essentially the transaction value that an importer pays for the goods bought, but could include other additional costs such as commission, packaging and royalties. Customs Valuation then, was the determination of the amount upon which the rate of duty was calculated. While these rates were unambiguously fixed by statute in a tariff schedule which was the Harmonized System and Customs Tariff Schedules of 2007, issued under the authority of the Ministry of Finance and Economic Planning in Ghana, the declared value of imported goods may differ from transaction to transaction. This has three important implications for tariff policy.

First an importer may engage in under invoicing and not declare the full value of the shipment to reduce his duty liabilities. Unless the under invoicing was detected, government revenue was lost, and the importer receives an unfair advantage compared to its competitors.

Second, governments can take advantage of the valuation system to increase or decrease duty liabilities for revenue or protective purposes, thereby offsetting tariff concessions made under multilateral or bilateral trade agreements.

Third, undervaluation and overvaluation were used for capital flight.

For these reasons, a valuation standard was needed both at national and international levels to ensure that the correct duty was levied and a level playing field exists for all importers. It was also needed to enhance transparency and predictability of international transactions. Good valuation standards and practices enhance trade facilitation and contribute to the preparation of good trade statistics.

2.3. International Valuation Standards

Customs Valuation system have been the subject of a number of International Harmonization and Standardization efforts toward harmonization began in the early 20th century, but significant results did not come until the 1947 General Agreement on Tariffs and Trade (GATT). This Agreement was followed by the 1950 Convention on the Valuation of Goods for Customs purposes, establishing the Brussels Definition of Value (BDV) and the 1979 Agreement on Implementation of article VII of the GATT (ACV), resulting from the Tokyo Round. At the 1994 Uruguay Round, a decision (based on Article 17 of the GATT valuation Agreement) was reached regarding the cases where Customs administrations have reasons to doubt the truth or accuracy of the declared value⁸.

The first significant international agreement on Customs Valuation was reached at the 1947 General Agreement on Trade and Tariff (GATT) negotiations that established principles to be adhered to by trading partners. These principles, embodied in GATT's Article VII, ([external link to the WTO website, GATT, Article VII](#)) emphasized that Customs value should not be arbitrary, fictitious, or based on value of indigenous goods. It should be real and based on the actual of the imported goods or liked goods. Customs value should derive from a sale or offer of sale in the ordinary course of business under fully competitive conditions. If the actual value was not ascertainable, Customs value should be based on the nearest ascertainable equivalent of such value using prescribed criteria. These principles have remained the basis for Customs Valuation since then.

⁸ Source: Agreement on Implementation of Art. VII of ACV and Customs Code of Instructions, vol. II part 2.pg 33-46.

2.5. Brussels Definition of Value

The first international standard based of the GATT valuation principles, the BDV, was introduced in 1950. The BDV was based on the concept of “normal price”, the price that the goods would obtain under open market conditions between unrelated buyers and sellers under specified conditions of time and place. (Goorman, 2005) In practice, as the bulk of imports were the subject of a bona fide sale affected in conditions consistent with terms of the definition, the transaction or invoice price can be taken as a valid basis for valuation for the majority of imports. The BDV recommended that the invoice price be used to the greatest extent possible. Where the invoice price could not be used, such as with transaction that were not arm’s length with goods on consignment, with importations by agents and concessionaries, or when the declared price was suspiciously low. Customs can use another suitable basis to construe the normal price, using available information and taking into account the actual conditions relating to the transaction being valued. This flexibility was severely restricted under the ACV.

BDV acceptance represented substantial progress toward the international standardization of valuation system by 1970, about 100 countries applied the BDV (many on a de facto basis), and several economic associations had adopted it as their valuation standard the European Economic Community (EEC), Customs Union of Central African States (UDEAC), and Caribbean Common Market (CARICOM). However, a number of important trading countries (the United States and New Zealand, among others) did not adopt the BDV and continued to apply their own system, largely based on the positive concept of value. Some others adopted the BDV when it was extended to cover free on board (FOB) countries (Australia, for example) whereas Canada continued to use a fair

market value in the export country, leading it to undertake investigations in the country of export. Moreover, the BDV itself was not always applied uniformly, and exporters complained about discretionary and unjustified rejection of the invoice price and uplifting of the declared value by customs, which used to be the case in Ghana. In addition, many countries relied on reference prices for protective purposes and for facilitating Customs clearance without endangering budget revenues. Negotiations on Customs Valuation were therefore included in the negotiations on non tariff barriers at the Tokyo Round GATT negotiations (1973-1979).

2.6. The Tokyo Round and the Agreement on Customs Valuation:

The purpose of the negotiations on Customs Valuation at the Tokyo Round was to arrive at a fair, uniform, and neutral standard of value that precludes the use of arbitrary or fictitious value, conforms to commercial realities, and does not act as a barrier to trade. Following difficult negotiations between industrialized and developing countries, agreement was reached on a new valuation standard, the Agreement on Implementation of Article VII of the GATT.

Developing countries entered the negotiations by fully supporting the EEC valuation draft proposal, mainly based on the BDV, but the EEC following separate understandings with the United States, dropped its support for the BDV and opted for the positive concept of valuation. This concept provided that, with few exceptions, the value should be determined on the basis of the price actually paid or payable for the imported goods. The exceptions were listed, as were the five alternate methods that were to be applied in

strict hierarchical order when the primary method, the transaction value, could not be applied.

Developing countries objected strongly to the new proposal, particularly to its failure to provide sufficient authority to Customs to reject transaction prices that were substantially out of line with those related to transaction in like goods when the differences were not accounted for. They argued that the draft agreement would not enable them to take action against under invoicing, which was more prevalent in their countries than in developed ones. They also argued that adopting the ACV would increase the risk of fraud and would result in revenue losses. These objections were partly addressed by introducing provision for special and differential treatment (SDT). The most important provision allowed the countries more time to fully implement the ACV. However, as membership in the GATT did not require member countries to implement the individual GATT codes, there was no obligation for members to introduce the valuation code.

2.7. The Uruguay Round and the Decision on Shifting the Burden of Proof

According to Finger et al (1999) the Uruguay Round negotiations led to the adoption of the “Decision regarding cases where Customs administrations have reasons to doubt the truth or accuracy of the declared value” That decision came to be known as the SBP (shifting the burden of proof) and was appended to the ACV to clarify the intent of the original valuation provisions. The SBP determines that in cases where Customs has reasonable doubts as to the truth or accuracy of the importer’s declaration, the burden of proof could be shifted to the importer to prove that the declared value represent the total

amount actually paid or payable for the goods. In this process Customs discusses with the importer their reasons for doubting the declared value, allows the importer to respond, and informs the importer of their final decision. The decision might be that Customs still has reasonable doubts, that was it deem that the Customs value of the goods could not be determined on the basis of the transaction value, and thus could proceed to use the alternate valuation methods of the ACV, which must be followed in strict order.

2.8. State of Implementation

All industrialized countries apply the ACV. The Uruguay Round made its implementation mandatory for all World Trade Organization members.⁹ Developing countries that had not yet adopted the ACV were given five years to introduce it or until January 1, 2000, at the latest, under the SDT provision of the ACV. For countries joining the WTO at a later date, the five year period begins from their date of accession to the WTO. The WTO Committee on Customs Valuation may agree to an extension at a country's request. Since the conclusion of the Uruguay Round 58 developing countries have requested the five year implementation delay. Of these, only two introduced the ACV before 2000. The delay period expired for 29 countries on January 1, 2000 and for 25 more during 2000 and 2001. Twenty-two countries had been either granted an extension to five-year delay or their request for extension was under consideration. And 13 countries implemented the ACV (with reservation as to the use of minimum values). In addition 23 countries, mostly among the poorer of the developing countries neither invoked the five year delay, not notified the WTO about the passing of

⁹ Source: WTO 1994 Marrakesh Agreement

legislation. It thus appears that many developing countries have problems with implementation of the ACV despite substantial TA received.

2.9.0. The Agreement on Customs Valuation (ACV)

The ACV (external link to the WTO website : Customs Valuation, Technical Information) establishes that Customs value (also referred to as the Rules of Valuation) should, to the greatest extent possible, be based on transaction value, that is, the price actually paid or payable for the goods being valued, subject to certain adjustments. Where the transaction value could not be used because there was no transaction value or the price has been influenced by certain conditions or restrictions the ACV provides five alternate methods, to be applied in prescribed order.

This meant that all imported goods should be valued according to the six methods of valuation or the hierarchical methods of valuation. (Source: GATT Valuation Code, Art.VII 1979).

- a) Method 1-Transaction value.
- b) Method 2-Value based on the identical goods.
- c) Method 3-Value based on the similar goods.
- d) Method 4- Value based on the deductive method.
- e) Method 5- Value based on the computed method.
- f) Method 6-Value based on the fall back method.

The importer has the choice to reverse the order of methods 4 and 5. A Customs Officer could not decide to reverse the order unless at the request of the importer.

2.9.1. The Transaction Value (Article 1-Primary Method).

The price actually paid or payable for the goods when sold for export to the country of importation subject to adjustments for certain costs and considerations in accordance with Article 8 of the ACV. The possible adjustments include commissions, containers, packing, certain goods and services, royalties, and license fees. Buying commissions were not to be included, and legitimate discounts to sole agents and sole concessionaries were to be accepted. Article I also stipulates that if the buyer and seller were related in business, this does not in itself constitute grounds for rejecting the transactions value. Such values needed to be accepted provided that the relationship did not influence the price.

2.9.2. The Transaction Value of Identical Goods (Article 2-First Alternate Method).

What happens when the declared Customs value was in doubt? Customs administrations have the right to request further information in cases where they doubt the accuracy of the declared value of the goods. If customs officials were still in doubt, despite the extra information, the agreement provides them with a number of options to ensure the declared customs value was correct or reasonably correct, hence other alternative methods were applied.

The first alternative method for value of identical goods can be used to ascertain the transaction value if the goods were the same in all respects. This includes physical characteristics, quality and reputation, production in the same country as the goods being valued and production by the producer of the same goods being valued. If these

conditions were met, slight differences in appearance of goods do not necessarily disqualify the goods being used in a comparison to calculate the transaction value.

2.9.3. The Transaction Value of Similar Goods (Article 3-Second Alternate Method).

Customs officials can also use the transaction value of similar goods when the transaction value of imported goods was in doubt. Customs officials have recourse to this option if the similar goods:

- i. closely resemble the goods being valued in terms of component materials and characteristics
- ii. were capable of performing the same functions
- iii. were commercially interchangeable with the goods being valued
- iv. were being sold to the same country of importation as the goods being valued.

2.9.4. The Deductive Methods (Article 5-Third Alternate Method).

If there was still doubt after the above two options have been applied, the customs value can be determined on the basis of the unit price at which the imported goods (or identical or similar goods) were sold to an unrelated buyer in the greatest aggregate quantity in the country of importation. The greatest number of units sold at one price represents the greatest aggregate quantity. To determine the greatest aggregate quantity,

all sales at a given price were taken together and the sum of all the units of goods sold at the price compared with the sum of all the units of goods sold at any other price.

Because this method entails using the sale price of imported goods, deductions were necessary to reduce the price to the appropriate customs value. Examples of deductions that must be made include commission, the sum of profits and general expenses added in connection with sales, transport costs and corresponding insurance costs.

2.9.5. The Computed Value Method (Article 6- Fourth Alternate Method).

Computed value determines Customs value on the basis of the cost of production of the goods being valued, plus an amount for the profit and general expenses usually reflected in sales from the country of exportation to the country of importation of goods of the same class or kind. Computed value was the sum total of production costs plus profit, general and other expenses.

2.9.6. The Fallback Method (Article 7-Alternate Method).

If the Customs value of the imported goods could not be determined on the basis of any of the previous methods, it should be determined using “reasonable means consistent with the principles of the ACV.” This implies that the previous methods should be applied in a flexible way. Article 7 prohibits the determination of value on the basis of

- (a) The selling price of goods produced in the importing country.
- (b) A system based on acceptance of the higher of two alternative values.
- (c) The price of goods on the domestic market of the exporting country.

- (d) The cost of production other than the computed value as determined in line with the computed value method.
- (e) The price of the goods for export to a country other than the importing one.
- (f) Minimum values.
- (g) Arbitrary or fictitious values.

The ACV includes provisions concerning the treatment of transport and insurance costs, currency conversion, right of appeal, publication of laws and regulations concerning Customs Valuation, and prompt clearance procedures. It also stipulates that upon written request the importer has the right to a written explanation as to how the Customs value was determined. It states that nothing in the ACV should be construed as restricting the right of Customs administrations to satisfy themselves as to the truth or accuracy of any statement, document, or declaration presented for valuation purposes. Provision was also made for administration, consultation, and dispute settlement, and for the establishment of two committees to oversee its implementation: the Committee on Customs Valuation at the WTO, and the Technical Committee on Customs Valuation under the auspices of the WCO.

It should be reiterated that according to the ACV; it was only when a transaction value for an imported could not be established using a higher method that the other recommended processes should be applied. What this meant was that once the first method establishes a value, you do not move to the next method but stop and use what has been established. In the same way you move to the third method only when the second has failed to produced a result.

It was envisaged that by strictly following this procedure of valuation, a level playing field would be created for all importers of a particular item. For example if five people bought an item within same month but at different times would all things being equal should have the same value for the item.

Difference in value should be accounted for by instances like one importer was buying a large quantity and for that matter would enjoy some quantity discount. In this case his value would be lower than another who was buying a smaller quantity. Again, depending on your source of procurement, i.e. buying through an agent and not direct from the supplier would mean paying agency commission which would be added, thereby increasing the value of the import.

2.10. Special Provisions for Developing Countries

The ACV contained special provisions for developing countries. These stipulated that under certain conditions developing countries might do the following:

- a) Delay ACV application for a maximum of five years and, under specified conditions, request an extension of that period.
- b) Delay application of the computed value method for a period of three years following their application of all other provisions.
- c) Using officially established minimum values, made a reservation to retain such values on a limited and transitional basis.
- d) Made a reservation to allow importers to reverse the order of application of the deductive method and the computed method of valuation, dependent on the approval of the Customs administration.

- e) Made a reservation to value imported goods subject to processing after importation on the basis of the deductive method, whether or not the importer so requested.

An associated decision stipulated that developing countries experiencing problems with importations into their countries by sole agents and concessionaries might request a study of this question. The ACV also detailed the procedures that should be followed in cases where Customs administrations have reasons to doubt the truth or accuracy of the declared value. The texts made it clear that these procedures should not prejudice the legitimate interest of traders.

2.11. Valuation Procedures and Control

The valuation function should be fully integrated into Customs, overall operational structure and practices. This implied the following.

- a) It was the importer's responsibility to declare the import value in accordance with ACV.
- b) Value checks should be limited and selective at the time of clearance, and shipments should not be detained because of value disputes, but cleared with reservation as to value and under security for additional duties that might be at stake.
- c) Selective post-release verification and audit would be applied with selection of goods or importer based on information from the risk management system.

Customs needed to maintain a comprehensive information system and database. Information and data were needed to help detect cases of under invoicing and over

invoicing,¹⁰ to compare values for application of Article 2 (identical goods) and Article 3 (similar goods), to develop and update the risk analysis and management system, and to enable the central and regional offices to respond to queries from the clearance offices.

2.12. Organizational Structure and Training

The recommended organizational structure for valuation required the establishment of a central valuation office complemented with regional and local offices as needed in relation to country size and the overall Customs department organization. The central valuation office was to be responsible for establishing valuation policy, developing procedures, supervising, correct and uniform implementation by all offices ensuring adequate training, and monitoring international developments in valuation. It should develop a value database and could be made responsible for the value-related risk management system. The local and regional office had an operational role. The complexity of the ACV and the control strategy (post-clearance review and audit) required the service of valuation specialist trained in value legislation procedures and auditing of company accounts. Ghana in 2008 has completed the necessary needed infrastructure in other to operationalise this requirement.

2.13.0. ACV Implementation in Developing Countries

Many developing countries including Ghana faced serious difficulties in implementing the ACV. The more challenging ones as discussed by Goorman Adrien and Wulf Luc De in the Customs Handbook (2005) were presented below.

¹⁰ Deliberating inflating prices on commercial invoices.

2.13.1. Lack of Ownership

As noted, empirical evidence indicated that the concerns of developing countries regarding the valuation system to be adopted in the WTO were not fully taken into account, and were even largely ignored. For instance, commitments made by the countries' Ministers of Trade/Commerce, who represented their countries at the WTO, were often poorly communicated to the countries' Ministers of Finance, who were responsible for implementing the ACV. As a result the ACV was poorly internalized. The SDT provided some flexibility as to the timetable for ACV introduction, but was widely perceived as inadequate in taking into account the special difficulties of developing countries. Furthermore, poor internalization was also often reflected in inaccurate or incomplete incorporation of the ACV provision into domestic legislation, resulting in the system no longer being WTO-compliant. This was the case, for instance, when the WTO requirement that the importers have the right to launch a complaint through their trade representative to the WTO was omitted.

2.13.2. Revenue Loss

Developing countries were deeply concerned with revenue loss. Low taxpayer compliance and administrative inadequacies in Customs made it difficult to effectively check under invoicing¹¹. Under invoicing becomes attractive to the importer because of the high level of taxes levied at the import stage. There was no empirical proof that supported this concern and knowledgeable observers pointed to countries that have implemented the ACV without suffering revenue losses. It was also difficult to determine such losses under the ACV because countries that have officially subscribed to it adopted

¹¹ Quoting a lower price of an item other than sales price on a sales invoice

valuation ones, precisely to protect revenues. This issue frequently reappeared at ACV discussions, reflecting the concerns of Customs managers whose main responsibility was revenue performance, and whose job security was dependent on it. The heavy dependence on Customs revenue certainly had a bearing on their concerns that ACV implementation might lead to potentially significant revenue losses. For example, as stated earlier on Ghana Customs contributes about 56% of internally generated government revenue. It was this fear of revenue leakages that was leading to the accusation of under-invoicing or over-invoicing by importers which was the reason this study was undertaken to verify the legitimacy of the cry by Customs.

2.13.3. High Tariff Rates

While tariff rates had been lowered in many countries within the context of multilateral and regional agreements, their average level remained regional agreements; their average level remained substantially higher in developing countries than in developed ones. Data for 2001 show that in the Organization for Economic Co-operation and Development (OECD) countries average import duties amounted to 1.1 percent of the import value compared to 11.8 percent in non OECD countries. For developing countries the average collected tariff fell in the range of 7 percent to 17 percent. Even when the average tariff rate of a given country was relatively low, tariff peaks created incentives to undervalue imports of these goods. To the extent that the avoidance of high duty rates tends to contribute to tax evasion practices, under invoicing becomes more attractive to importers in developing countries than elsewhere.

2.13.4. Less Compliant Trading Environment

Often large shares of imports were accounted for by an informal sector that uses unreliable invoices, has poor bookkeeping standard or maintains bookkeeping standards or maintains no bookkeeping at all, has no fixed business address, or has frequent changes in the name of their business. Especially in Ghana majority of the goods e.g. wax prints found on the market were smuggled, thus substantial revenue was also lost in this direction. Under these circumstances, valuation control based on post-release audit was hardly applicable. Customs officials in many countries were aware of the ease with which import invoices were falsified at the point of export or even produced in the destination country. Some of these falsified invoices were easy to detect. Others display a high degree of sophistication and were prepared by medium and large-scale importers. Only a well-developed Customs organization has a chance of detecting such fraud. Over reliance on invoices was often seen as complicating efforts to address the under invoicing issue.

2.13.5. Administrative Limitations

The administrative capacity to effectively implement the ACV system was lacking in many developing countries. The enormous variety of goods traded, widely differing prices for similar goods, continuously changing prices, as well as different levels of transaction and sale conditions complicate the correct valuation of imports. Much of the information needed to value a transaction was not readily available because it remains with the foreign supplier. For instance, cross-checking the outgoing invoices of the seller (exporter) with the incoming invoices of the buyer (importer) or performing simple check such as determining the existence of the exporter was normally not possible

or excessively cumbersome. That valuation fraud needed to be dealt with not as a valuation matter but as a fraud investigation activity also present implementation problems.

Applying the alternate methods of the ACV in strict order was burdensome, costly, and time consuming. It requires updated information on values of identical and similar goods, and information that was not readily available or that requires complicated calculation. To apply the computed value would require investigations in exporting countries, a procedure that was simply not feasible in most developing countries because of lack of budgetary resources and staff. Strict application of these rules would lead to clearance delays, particularly in cases where post-clearance audit were not yet in place. As a result, many developing countries resort to the fallback method for a substantial part of their imports. Clearly, this was far from an ideal situation for a valuation system that was supposed to facilitate trade. The main developing country limitations stem from the following:

- i. inadequate value data and poor means of information gathering and communication that result in Customs having little or no access to price information and little means to verify declared values.
- ii. Heavy administrative constraints such as lack of qualified personnel; poor or nonexistent training facilities; and public service salaries, substantially lower than those in the private sector that often does not pay a living wage, or were insufficient to attract the best.
- iii. Limited and often ill-managed computerization with only statistical functions, or non-automated clearance processes with too many manual functions and

excessive room for discretion inadequate organization and poor management resulting in unavailability of operating manuals, poor hierarchical supervision, and weak or non-existent internal audits, as well as inadequate management information systems, and unavailability of basic equipment.

- iv. Complex SBP procedures-in case of reasonable doubt about the declared value, Customs has to request further explanations and documents from the importer in support of the declared value, notify the importer in writing if requested, allow the importer to respond, and communicate its final decision in writing.

These differences have led to less than proper implementation in some of the countries that have introduced the ACV. Empirical evidence confirm that Customs frequently does not comply with the requirement of informing importers on what grounds they dispute declared value, nor do they provide written justification for their claim. In other cases Customs somehow misleads importers, telling them that if they do not increase declare values, the goods will not release. This led to conditional release and importers often have difficulties getting back their deposits. Altogether, there was a situation where importers know that their declared value will almost inevitably be challenged, so they were encouraged to under declare; and Customs considers that all imports were therefore undervalued. This vicious circle should be broken, but little effort has been made so far in that direction. A frequent error made in many countries was the idea that physical examination was essential to verify value. In fact, valuation owes little to examination, except in some obvious cases where the characteristics of the goods were not adequately or sufficiently described in the documentation. In fact in many instances, goods imported in containers through our port on examination have been found to bear

different descriptions from what were stated on the documents. These therefore affect the risk-management approach to Customs.

2.13.6. Toward Better Customs Valuation Practices

There were a number of policies and approaches that could lead to better Customs Valuation practices in developing countries. These would also protect revenue, provide for increased transparency, and minimize interference with trade flows. Some measures would require consideration at WTO and WCO levels; others would require TA, while the most important ones would require action by the concern governments.

Goorman and Wulf (2005) again proposed some measures which in their view when adopted by the developing countries could solve some of the identified challenges associated with the implementation of the ACV in developing countries. These include a number of policies and approaches that in their view could lead to better Customs Valuation practices in developing countries. These would also protect revenue, provide for increased transparency, and minimize interference with trade flows. They asserted that some of the measures would require consideration at WTO and WCO levels; others would require technical assistance (TA), while the most important ones would require action by the concern governments.

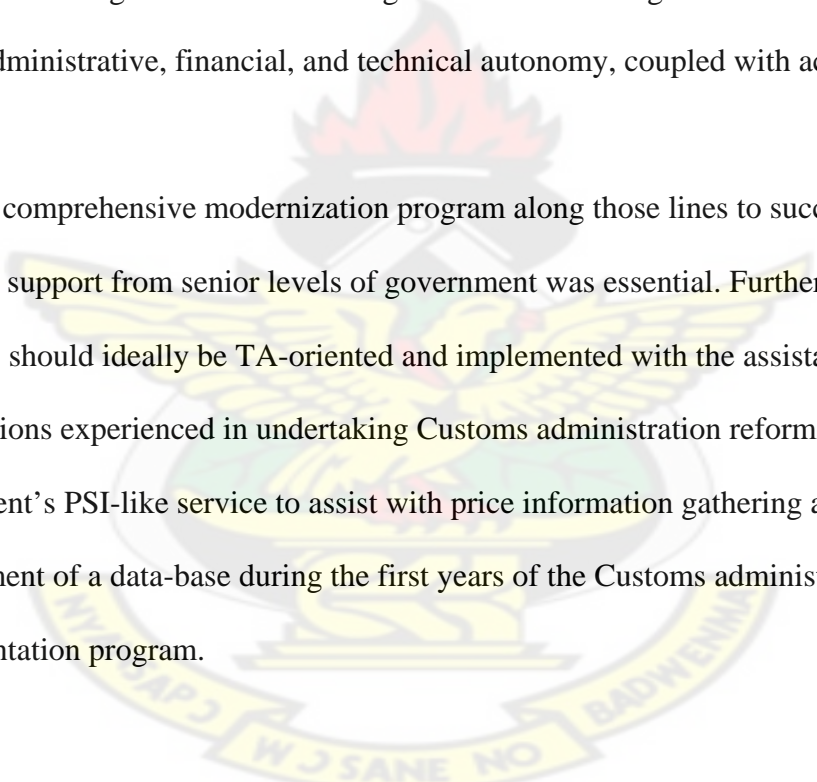
Some of their suggested solutions to ameliorate the challenges as discussed in the Customs Handbook 2005 are presented as follows:

2.13.7. Reforming the Tariff and Trade Regime

Incentives to under invoice or otherwise evade duties originate mainly from high tariff levels and trade restrictions. For example, the import restriction of African textile by the Ministry of Trade in Ghana through only the Takoradi port has led to an astronomical increase in textile smuggling through our eastern frontier. It was on record that the Ho Collection seized a total of 35,000 pieces of wax print for the years 2007 and 2008. (Source: Seizure Register at CEPS Regional Office, Ho.) Lower import taxes and a more liberal import regime would alleviate the problem of under invoicing resulting revenue loss. Strengthening the indirect tax regime (value added tax or VAT) could help make up for revenue loss arising from lower tariffs. VAT was also levied at the import stage and runs the risk of undervaluation, but any revenue loss can usually be recaptured when these transactions were taxed at later stages of the production and distribution chain through Inland Revenue or Customs post-clearance audit. However, when these goods were not included in future taxed transaction (informal trade, for example), the VAT proceeds were not recovered.

2.13.8. Modernizing Customs Administration

The key action needed in modernizing a Customs administration consists of designing and implementing a comprehensive Customs modernization program. Customs Valuation does not operate in isolation from the overall Customs operational and management system. The ability to effectively undertake a valuation function was directly related to the administration's overall quality. A modernization program should include the following key elements.

- 
- i. Streamlining and computerizing operational procedures.
 - ii. Introducing modern clearance strategies, that was, selective checking based on risk analysis and management, and post-clearance review
 - iii. Professionalizing Customs through appropriate personnel recruitment, development, and management policies; better salaries; adequate and sustained training; and internal controls.
 - iv. Introducing modern forms of organization and management based on administrative, financial, and technical autonomy, coupled with accountability.

For a comprehensive modernization program along those lines to succeed, strong and sustained support from senior levels of government was essential. Furthermore, such programs should ideally be TA-oriented and implemented with the assistance of organizations experienced in undertaking Customs administration reform projects. Some government's PSI-like service to assist with price information gathering and also with the development of a data-base during the first years of the Customs administration's implementation program.

2.13.9. Strengthening the Organization and Infrastructure for Valuation

Effective ACV implementation requires an efficient Customs administration, and any initiative to modernize Customs should take this into account. When there were delays in undertaking comprehensive reform, the valuation function still can and should be strengthened. Such a thrust requires the following:

- a) provision of the necessary legislative framework including in the area of foreign exchange conversion rate, treatment of transport and insurance costs (CIF or FOB system), right of appeal, and so forth
- b) Development of value declaration and checking procedure, including self-assessment, selective checking, risk analysis and management, post-clearance review, and audit
- c) Setting up a central valuation office and regional valuation offices, including post-clearance review or audit unit(s)
- d) Training of valuation officers in the ACV system and in post-release review and audit procedures
- e) Establishment of a value information system and database.

Providing importers with an advance ruling on valuation can also speed up the valuation procedure. Such a ruling can be obtained in advance when the importer submits transaction-related documentation to customs. Once granted a ruling, the importer notes the registration number of the ruling on his declaration at the importation stage, and no further valuation work needed to be undertaken, thus speeding up the clearance procedure.

2.13.10. Establishing a Value Database

Effective ACV implementation also requires Customs to have information on prices to permit it to eliminate reasonable doubt on the accuracy of declared values and to derive the import value using the alternate valuation methods provided in the ACV. It was sometimes argued that when Customs deals with an almost fully compliant trading

environment in which the few cases of fake invoicing can be dealt with outside the valuation system (such as fraud cases) there would be no need for a valuation database. Yet quite a few development countries still feel the need to equip their service with a valuation database. For developing countries in which, for a substantial share of imports, the invoice price could not be accepted out of hand as the true representation of the price actually paid or payable for the goods, the development of a computerized database was a priority, without which proper operation of the ACV system could not be expected. A valuation database used as a source of information and guidance was compatible with ACV implementation; and the possibility of undertaking this on a regional basis should be explored. Indeed, a database would allow Customs to make more informed decisions and thus would enhance its capability to properly implement the ACV. However, experience has shown that these databases tend to evolve into minimum price lists, which was obviously contrary to the ACV.

The WCO was now preparing a document that will provide guidelines for the development and use of a national valuation database as a risk assessment tool. Some observers suggest that such a database could focus on the 100 most important imported items, and thus would cover the largest share of total imports. The creation of such a database should be within the means of nearly all developing countries. Possible sources for building up a database include the following:

2.13.11. Reliable Scrutiny of Recent Import Declarations.

- a) This was the primary source for building a database and should be supplemented with data from price lists, catalogues, trade publications, market research, and

various other sources. Good examples of such database were the ones that the Peruvian and Pakistani Customs authorities have on the Internet.

- b) Certificates of verification from the PSI service providers. This could be a good reference for the PSI-user countries. Countries using PSI services may want to build support for the creation of a valuation database into their PSI contract.
- c) International databanks, already existing or being developed, in particular by information technology companies that specialize in establishing data warehouses on world prices. Diligent use for Internet sites can provide valuation data that could provide useful valuation –related information. Customs can even make available to the importing community the references to the sites they consult, as in Pakistan. Developed countries that operate databanks for valuation purposes could assist developing ones by providing information from their databases.
- d) Increased use of electronic data interchange suggests that there exists technology to obtain valuation information. Use of this procedure would provide internationally recognized and standard product descriptions. It was tied to prices at even stage in the distribution cycle. This approach could also detect counterfeit products (using the barcode of the original product but made by unlicensed producers and thus cheaper) that could rightfully be valued at the price of the original product. Uganda has initiated some research on this topic. This approach, based on the use of bar codes and electronic chips that use radio frequency identification (RFID) technology to keep track of items and automatically discriminate between various types of information through a wireless exchange of

data between the built-in memory and the Reader (also called IC tags), deserves further experimentation and the lessons learned would need to be disseminated

2.13.12. Minimum Values and Reference Prices

Many developing countries use minimum values to cope with import valuation problems in cases of fraud-sensitive goods and border traffic regulation in those cases, invoices were either not available or reliable, and post-clearance verification was impractical. Some countries also use such procedures to circumvent collusion between Customs officers and importers, while other countries use this mechanism to protect national production.

ACV provisions allow the use of minimum values on a limited and temporary basis. Would the trading world be better off if greater latitude were allowed for a wider use of administered minimum values or reference price systems, rather than implementation of a transaction-based value system, which it could not do properly? Some observers reply positively—certainly for standardized imports (raw material, vehicles, and so forth) that rely on world prices that were readily available or on widely used price lists (used cars, for example). The option of making such lists available to the trading community could be considered, but this would require high levels of transparency in establishing these lists for protective purposes. Such lists would have to be periodically reviewed with full disclosure of how the data were collected. An interagency group could be involved in the preparation of the lists, and an independent contract group could be charge with its maintenance (See Finger and Schuler 1999). This initiative merited further discussion in international forums.

2.14.0. Ghana's Situation

Having discussed the WTO system of valuation and its attendant challenges to developing countries which adopted it, attention would now be focused on Ghana since it is the country of interest to the researcher.

2.14.1. Historical Perspective of Valuation in Ghana

Kofi Danquah in an article in the Daily Graphic of Monday, June 16 2009 gave some historical viewpoint of Customs Valuation since the colonial days. He said that and I quote extensively, "During the colonial days, values for imported goods were based on invoices supplied by traders and the definition of customs value were contained in an Ordinance of 1855.

The Brussels definition of value were adopted by the Customs Co-operation Council (CCC) in 1953 and were fully adopted and incorporated into the Ghanaian Customs laws in 1972. The Brussels Tariff Nomenclature (BTN) which formed the basis for the classification of goods was adopted by Ghana Customs in 1966.

Danquah further wrote that 'before the introduction of the BTN, almost all items imported into the country were covered by genuine attested invoices and the items were classified under only 34 tariff headings which were a scheduled to the Customs Ordinance. This was the period of the traditional importers like UAC, UTC, CFAO, Bartholomew, PZ, and SCOA. Goods imported during this period were finished products such as food items, textiles, beverages, gunpowder, building materials, etc.

It should be noted again that most of the goods came from Western Europe, where the major suppliers could be easily identified and contacted for the confirmation of the

correct values. It was also easy to detect fraud regarding value differentials for goods from the same source because of the customs system of “indexing” for all imported goods.”

“What happened next?” he asked and answered that “Customs started having problems with classification and valuation when the country’s industrialization programme started in the 1970s with the importation of raw materials, coupled with the importation of cheap and inferior finished-goods from some eastern European countries and the Far East.”

He continued that “the period saw, to mention a few, matches being declared as machetes, complete belts being imported with the leather separated from the hook as raw materials for the manufacture of belts, the importation of bed sheets as shirting materials, the importation of mosquito nets as fishing nets, the valuation of head kerchiefs as half cent the piece, the declaration of goods of western European origin as being of Hong Kong origin, etc. The clearance of second-hand vehicles also became a problem as importers falsified the logbooks which were used to determine the ages of vehicles. To bring about certainty, convenience and equity, and to facilitate the clearance of goods from the port, the Customs Administration introduced what was called the Commissioner’s Values. That was the minimum values to be accepted for all imported goods. But this system of valuation did not work, because it did not take into consideration the quality and the source of importation.”

“About 90 per cent of invoices submitted to customs by traders were doctored, as traders instructed their suppliers to prepare invoices based on established Commissioner’s value. The government decided to institute in 1990 or thereabouts, the “Pre-shipment Inspection” of goods before export to Ghana. By appointing inspection agencies for all

the geographical areas to verify their quality and values and ensure that the correct quantities were packaged, sealed and exported into Ghana. The system also failed because, the performance of some of the inspection agencies fell below expectation. Certificates for goods which had not been inspected were issued in Ghana.”

Danquah finally concluded that “Later, customs adopted the World Trade Organization (WTO) system of valuation which was based on the Transaction Value concept. That was “the value actually paid or payable for goods when sold in the country of origin for export into Ghana”. In the contract with the government, it was stated that the inspection companies should use their technology to verify prices, capture and store them to build a Price Data for all imported goods and after a stipulated period to hand over their activities and technology to customs.” End of quote.

Judging from the above discussion there was no doubt that Ghana as a developing country was also faced with some challenges as she implements the Agreement on Customs Valuation. Some of which include fear of revenue loss during the implementing stages, less compliant trading environment because of the large informal sector and others. She contracted a number of Inspection Companies (IC) to help to overcome some of the anticipated teething problems over the years. Initially, inspection was done in the country exporting the imported goods i.e. pre-shipment inspection. However, due to some of the problems encountered since the pre-inspection regime, Ghana resorted to destination inspection. Here, the IC performs the same functions except that inspection was done when the goods reach its final destination i.e. Ghana, hence the name Destination Inspection.

Thus, as stated earlier on, with the adoption of the ACV in April 2000, the CVL which was the source for valuing imported goods was abolished and importers were rather to send their invoices to accredited Destination Inspection Companies who were to give an independent opinion on the true values stated on invoices for the purpose of assessing how much taxes should be exacted on imported goods. Thus, the basis for collection of taxes was based on valuation, classification and the origin of the imported goods.

2.14.2. Classification

For Customs purpose, classification was concern with goods that traded on the international trade and commerce. Classification was designed to ensure, with the aid of the General Interpretative Rules and notes to the section and chapters of the Harmonized System and Customs Tariff Schedules that each item falls in one place and in one place only. (Source: H.S. Code, 2005)

2.14.3. Rules of Origin

Brento and Imagawa (2005) described rules of origin as the criteria used to define where a product was made and this had become necessary because a manufactured product in one country could have several or all of its component parts coming from different countries. Also for technical or economic reasons semi finished goods were exported to another country for completion and returned to the first country before final exportation. So, it important such rules were set to forestall any controversy as to origin of a particular imported item. Consequently, they were an essential part of trade rules

because a number of policies discriminate between exporting countries: quotas, preferential tariffs, anti-dumping actions, countervailing duty (charged to counter export subsidies), and more. Rules of origin were also used to compile trade statistics, and for “made in ...” labels that were attached to products. This was complicated by globalization and the way a product can be processed in several countries before it was ready for the market.

According to the Technical Committee’s Report on the Rules of Origin (WTO 2003)¹² the agreement required WTO members to ensure that their rules of origin were transparent; that they do not have restricting, distorting or disruptive effects on international trade; that they were administered in a consistent, uniform, impartial and reasonable manner; and that they were based on a positive standard (in other words, they should state what does confer origin rather than what does not).

In Ghana the rule of origin was importation for valuation purposes because goods from certain parts of the world were considered inferior and for that matter should as a matter of course attract lower price/value, e.g. goods coming from the Far East. At the same time goods from this area also attract high freight charges. Thus, depending on which option gave the importer an advantage, he would present goods as coming from a country in the Far East to enjoy lower price/value or Far East goods as not coming from there to avoid high freight which constitute a component when valuing imported goods.

For the longer term, the agreement aims for common (“harmonized”) rules of origin among all WTO members, except in some kinds of preferential trade — for

¹² Report of the 21st Session of the Technical Committee on Rules of Origin. Document no. OC0085E2, February 24-25 2003, Brussels.

example, countries setting up a free trade area were allowed to use different rules of origin for products traded under their free trade agreement. The agreement establishes a harmonization work programme, based upon a set of principles, including making rules of origin objective, understandable and predictable. The work was due to end in July 1998, but several deadlines have been missed. It was being conducted by a Committee on Rules of Origin in the WTO and a Technical Committee under the auspices of the World Customs Organization in Brussels. The outcome will be a single set of rules of origin to be applied under non-preferential trading conditions by all WTO members in all circumstances.

The rules of origin was significant because it was suspected that importers transit goods from long distance areas like the far east to Europe before importing to Ghana. The intention was to make it look as if the goods were origination from Europe. With this decoy, an importer could have a lower freight rate quoted on his invoice and authenticated by an Inspection Company assigned to the country. This was done especially when the freight forms a larger quantum of the CIF value of the goods from the original country of importation.

2.14.4. Why Is Valuation Important to Ghana Customs?

Most of Ghana's taxation and tariff policies rely very much on valuation. In situations where tariffs were based on specific rates, valuation becomes insignificant, e.g. GH¢1, 000.00 per one kilogram of towels. However, in situations where rates were ad

volarem¹³, i.e. in proportion to the estimated value of goods, valuation was very important;

- a) Valuation serves as a source of revenue generation, e.g. the higher the prices quoted, the greater the revenue accruing to the government.
- b) Valuation serves as a means of encouraging and protecting domestic industries.
- c) Valuation provides statistics (in form of money) in local and international trade.
- d) Valuation provides the basis for analyzing quota and licensing agreements.

2.14.5. Application of the Principles of WTO Valuation

- a) Customs duties levied on ad volarem basis (e.g. 15% of the value of imported goods) meant the actual incidence of duty depend on how Customs determines dutiable value.
- b) The WTO Agreement on Customs Valuation requires Customs to determine the value on the basis of the price actually paid or payable by the importer in the transaction that was being dealt with.

2.14.6. Pre-Clearance Control

The information should provide the Customs with all the data necessary for the establishment of the Customs value. An indication of circumstances in which the price paid or payable may not provide an adequate basis for valuation (relationship between buyer and seller). Danquah (2007) therefore urged that the Customs administration may carry out a scrutiny of documents which comprises:

- a) Whether the goods' declaration has been completed in due form.

¹³ A tax rate which is based on a percentage of the value of the imported item.

- b) Whether the required supporting documents were appended thereto;
- c) whether the details of the declaration of facts correspond to these documents;
- d) whether the calculations were correct (multiplication of prices; application of the conversion rates of foreign currency);
- e) Whether the value has been declared in accordance with standing decisions, e.g. as regards adjustments.

Pre-clearance control also includes opportunities to:

- a) ascertain any necessary facts which were not contained in the document
- b) examine the goods, when necessary, in order to check the facts which have a bearing on the value;
- c) determine whether the buyer and seller were related; and, if so, whether the transaction value was acceptable for the purpose of Article 1;
- d) decide whether the declared value should be adjusted, and if so, to what extent.

2.14.7. Post – Clearance Control

This includes carefully checking whether the information on valuation was accurate; whether valuation has been properly carried out on the basis of the documents presented inclusive of freight, acceptance or rejection of royalties, currency conversions.

Post-clearance control may be exercised at local, regional or central level.

Customs can reject a transaction value when it has reason to doubt the truth or accuracy of the value declared by importers or of the documents submitted by them. As a protection for importers in such situation (iii), Customs was required to provide those (importers) with an opportunity to justify their price.

In cases where Customs was not satisfied with the justifications given, it (Customs) was obliged to give the importer in writing its reasons for not accepting the transaction value declared by them.

The Agreement limits the discretion available to Customs in determining dutiable value when the transaction value was not accepted by laying down specific methods for establishing value.

In determining value on the basis of these methods, Customs was required to consult the importer and take his views into account. There was the need for an independent body within the country to resolve disputes arising from valuation or taxation (Tax Tribunal).

2.14.8. Process of Control

Article 17 of WTO Agreement on Customs Valuation recognized that in applying the Agreement, Customs administration may need to make enquiries concerning the truth or accuracy of invoices; to verify the correctness of the elements of the value declared.

2.14.9. Investigation

Customs may carry out investigation – on suspected fraud. Disputes may be settled under a Tax Tribunal or a like body. Release on Security Goods may be released

on the execution on a bond, pending full appropriate clearance at a later time. Duty Underpaid may be redeemed after post-clearance verification or investigation with or without penalty depending on the circumstances of clearance. Duty Overpaid may be restored at the earliest opportunity and with the least inconvenience.

2.15.0. Problems with the Valuation Process in Ghana

Prices vary from time to time, e.g. price of cotton skirts in winter may be lower than in summer in the UK. Prices vary from place to place (e.g. cost of production – labour may raise prices at particular places; also freight charge may affect price);

Prices vary from brand to brand. Price may be influenced by popularity or advertising strategy including packaging of the commodity). Prices vary according to the quantity of goods purchased or the level/volume of trade (e.g. wholesale or retail). Prices may vary upon other considerations: Honesty and reliability of buyer; various forms of direct/indirect assistance provided by the buyer to the supplier; (e.g. sales promotion/advertising) period of partnership.

Hence, admittedly, it would be a difficult task designing a system of valuation that would suit all categories of goods, every type of transaction, all countries, and still be easy to apply.

A lot of the problems associated with valuation in Ghana may not be peculiar to this country in particular and to the developing world in general. Some of them as identified by Danquah (2007) and Owusu-Ansah (1999) were analyzed below.

2.15.1. 'Petty' Purchases

Some traders purchase 'petty' items in various shops and in the open market overseas. Receipts may or may not be obtained for them, even where receipts were obtained, they may not obtain a single invoice to cover all the goods. On Landing in Ghana, valuation may become a problem.

2.15.2. 'Groupage' containers

The problem was related to that highlighted in (1) above. Such goods were put in one container, but belong to several importers.

2.15.3. Used Articles

A good percentage of the imported goods that land in Ghana were used. Customs valuation of such goods may not be easy on account of the following:

- a) there may be various degrees of usage (the extent of usage may differ from one particular item to the other
- b) some parts of particular items may be missing;
- c) there may be confusion among used, damaged, refurbished, rehabilitated goods.

2.15.4. 'Agege' Goods

Goods purchased in the shops and the open market in neighboring West African countries. They were usually of various kinds and belong to several individual traders, most of whom have neither invoices nor receipts. Valuation of such goods was not simple.

It suggested that in all of the above numerated problems, importers, freight forwarders and CEPS should discuss and adopt an acceptable formula for valuing such goods.

With respect to leaves (Of Plants) Cattle and Other Agricultural Products, it was suggested that valuation and tariff should follow the ECOWAS Protocol.

2.16. The Compliance Model

The underpinning theory of revenue collection was the Compliance Model. With this model, the importer armed with the Final Classification Valuation Report (FCVR) issued by the IC then uses the Tariff Schedules to self-assess how much taxes and levy he/she was pay. he makes a declaration to CEPS electronically through the GCNET. When the declaration was accepted, he prints a hard copy to make payment at an accredited bank and goes to the freight station where the goods were released to the importer.¹⁴

By the model the importer was expected to present a genuine invoice, declare the right quantities and correct description of his goods to Customs and assess the right duties and taxes he has to pay in prescribe manner. When Customs verifies that, all the information given tallies with goods on physical examination, the goods were released to the importer and cleared out of Customs charge. In that case Customs was satisfied the exact duties and other taxes due thereon have been to the state and no revenue was said to have been lost. Customs will then have no cause to play any delay tactics whatsoever.

However, has the situation been smooth sailing? Mr. Harry Owusu, the former Executive Chairman of the Revenue agencies Governing Board is story by Charles

¹⁴ Customs, Excise and Preventive Service Guide for Importers and Exporters, August 2002, pg. 12-13

Benoni Okine was quoted by the Daily Graphic of January 21 2009 as saying “for the post-event activity, he said after the imports had been valued out again to ensure that there were no underhand dealing. He said such audits revealed instance where many importers had under declared and were made to pay penalties.”

The clearance procedure was such that all invoices from importers must go through the scrutiny by an inspection company for authentication of the values. So one was at a lost as to why a post-event audit found some values way below acceptable levels? Were such instances genuine oversights or a conspiracy between importers and inspection companies to under-value imported goods? Inspection agencies were to value imported goods according to the WTO principles of valuing goods. So, if they followed the rules religiously, all things being equal, one should not expect any significant differences in values between imports of identical goods within a short period of time.

2.17. Activities of Inspection Companies (IC) in Ghana

There were four registered inspection companies and each has been assigned some countries whose imports the company can inspect. The rule was that you were to inspect goods coming from your zone/region only and under no circumstance should one stray into another’s territory. But there have been instances where importers and their agents have circumvented this procedure and have gotten other companies not assigned the country of shipment to inspect their consignment and issued final classification and valuation report (FCVR’s) to cover them, sometimes without Customs detecting the deception. The reason accounting for this switch was to get a lower value. Maybe, because, the first report issued by the rightful IC was too high, perhaps due to high freight

or insurance as a result of where the goods were coming from. For example, goods from the Asian countries bear high sea freight because of distance. But why would an IC accept to issue a report on goods which was not coming from his territory?

So in summation if one considers incidents like unfavourable post audit reports, switching of IC and other enumerated above, there were some reasons for Customs to cry foul that revenue was leaking somewhere. Thus, this study intends to make a small contribution by way of searching to see what the actual situation was and recommended some remedies. If on the other hand it was “much ado about nothing” then the authorities would be assured that “there was no water under the bridge” after all.

2.18. Choice of the Mining List

The choice of the mining companies as an area of study with respect to valuation of goods was significant. This was so because to reasonable a degree, the companies were consistent with the items they import. The industry uses specialized equipments and spare and these plant and machinery were produced by some few manufacturers from some few countries. They buy same spares and equipments from the same suppliers over a long period of time. They also import regularly therefore within a year or so they might have done a lot of import, enough to assemble some valuation data about them for analysis, hence the choice of them by this study.

Again the non mining companies and individual who import mining spares and other mining equipments might obtain their supplies from similar sources, even though they do not enjoy exempt from Customs. What types of values would they present on identical or similar goods to Customs? It would be interesting to know.

CHAPTER THREE

3.0. RESEARCH METHODOLOGY

3.1. Research Strategy

The choice of the research strategy was influenced by the formulation of the research problem and research questions and the study was intended to review values of some selected imported goods. I used historical data which were already in the Ghana community Network (GCNet) database at Takoradi and Tema ports as well as those from the Kotoka International Airport.

3.2. Type of Study Undertaken

This research was basically a case study where values presented by importers and confirmed by Inspection Companies on imported goods cleared from the ports were studied for consistencies in the values of same items.

3.3. Population of Interest

It was intended to generalize the results on values which have been issued by the Inspection Companies since Ghana adopted the WTO valuation system for imported goods in April 2000.

3.4. Data Source

The source of information was secondary data which have been kept in the GCNet. Even though the main data for the research was collected from secondary sources, an informal chat with some known agents to illicit responses on how and why an importer would want to suppress values of imported goods. These were not recorded. They were meant to give the researcher some background information to the topic.

3.5.0. Sampling Technique

The sampling technique used in selecting the sample size was discussed below.

3.5.1. Technique for Sampling Secondary Data

Every imported consignment goes to an Inspection Company for a valuation report called Final Classification and Inspection Report (FCVR). Some of the vital information found on the Report includes the following:-

1. Exporter's name and address.
2. Importer's name and address.
3. Port of loading.
4. Quantity and description of the items.
5. Tariff number.
6. Cost, Freight and Insurance (CIF) value of the items.

All these and other information about the consignment were stored in the GCNet electronically and this was my source of data for this study. All imports by the mining companies and that of other which for the purpose of this study I would call “non-mining” for the year 2008 through the GCNET were pulled out.

3.5.2. Sample Size

First a sample size of ten items on the M L was selected using the simple random sampling technique. The following items were selected: outer covers (tyres), vehicles, distribution board, vehicle battery and grinding balls. The rest were sodium cyanide, hydrochloric acid, caterpillar parts, rubber hose and caustic soda chemical. Since the

main trust of the research was to compare values of identical imported goods when dutiable and values presented for same imported item when free, a careful study of the selected items showed that three items had sufficient data available that satisfied the conditions of being free when imported by a mining company and at the same being dutiable when imported by a non mining company or an individual. These were vehicle batteries, vehicle tyres, Toyota Hilux 4WD pick-ups, so they were purposively selected for the study.

3.5.3. Choice of Year 2008

Prices of manufactured goods were affected by increase in cost of labour, raw materials, utilities, profit margins and other overheads. So the study restricted itself to just one year i.e. 2008. It was expected that price increases of goods on the international markets due to the above mentioned factors within a year would not be very significant. Ideally comparison of values should have been done within three month as inferred from ACV Principles. Hence collecting values over long period of time would have been rendered useless since differences observed would have been attributed largely to change in prices and human manipulation of some sort.

The full data collected for the study is presented in the appendix.

CHAPTER FOUR

4.0. PRESENTATION OF RESEARCH RESULTS

Below are the summary of the total unit value and the means of the various selected items used to analyse the results of the research.

Table 4.1: Distribution of Vehicle Tyres by Category and Unit Value

Category	Unit Value Gh. ¢	
	Total Gh ¢	Mean
Mining:18.00 R33	165,040.49	9,708.26
Non-Mining:18.00 R33	14,402.21	3,600.55
Mining:27.00 R49	303,409.87	10,836.07
Non-Mining:27.00 R49	195,800.79	8,513.08
Mining:26.6 R25	181,228.90	4420.22
Non-Mining 266.6 R25	27,398.50	1095.94

Source: GCNet Tema, April 2009.

The above table 4.1 is a summary of the total sample unit value and mean values of various tyre sizes. These figures were used in the t-test analysis to derive the p-value of each item for decision making on the hypothesis.

Table 4.2: Distribution of Vehicle battery by Category and Unit Value

Category	Unit value Gh. ¢	
	Total	Mean
Non-mining	474.05	28.00
Mining	50,318.70	1,290.22

Source: GCNet Tema, April 2009.

The above table 4.2 is a summary of the total sample unit value and mean values of vehicle battery. These figures were used in the t-test analysis to derive the p-value for decision making on the hypothesis.

Table 4.3: Distribution of Toyota Hilux Pick-up by Category and Unit Value

Category	Unit value Gh ¢	
	Total	Mean
Mining	3,239,000.97	2,2493.06
Non-Mining	22,259,107.17	21527.18

Source: GCNet Tema, April 2009.

The above table 4.3 is a summary of the total sample unit value and its mean values of Toyota Hilux. These figures were used in the t-test analysis to derive the p-value for decision making on the hypothesis.

4.1. Testing of Hypothesis

The research topic and hypothesis alluded to the fact that there would be no consistency in information with respect to valuation of imported goods. That is, goods which were statutory free or exempt, would not be valued the same as counterpart goods when dutiable.

The test of the hypothesis began by analysing the values of same items cleared on the mining list in the year under view and from the results as shown in the tables 4.5, 4.6 and 4.7 above, the mean values for the selected mining imports were higher than that of the non-mining imports.

Thus, in order to test the hypothesis to show significant statistical differences using the means of the values, they were subjected to a t-test for two independent groups using the two-tailed test to get the p-values which was used for the decision criteria. The level of significance of the test was 0.05 or 5%.

The test was to help the researcher take a decision on the hypothesis. The theory behind testing the difference between the two means was to prove statistically that the observed differences in the means were significant enough to accept the stated hypothesis. If the difference was not significant enough, then we reject the hypothesis that “goods that were statutory free or exempt were not valued the same as counterparts goods when dutiable”.

So the p-value of the means of each item was calculated. A p-value of a test of statistical hypothesis was the smallest value of means that would lead to the rejection of the null hypothesis. (Bluman 2001). The p-value was a way to express the likelihood that the null hypothesis was not true. So the decision criteria was if the p-value was greater than the level

of significance, reject the null hypothesis which meant there was evidence not in favour of the null hypothesis. In other words a smaller p-value than the level of significance indicated that there was evidence to support the null hypothesis. The t-test for the two independent groups for the various items was presented below. The full results of t-test would be found in the list of tables

Table 4.4: The summary of the p-values for each item are present in the table below

ITEM	p-VALUE	SIGNIFICANT LEVEL
Battery	0.1781	0.05
Toyota Hilux	3.66E-12	0.05
Tyre 18.00 R33	0.0010	0.05
Tyre 26.5.25	5.39E-09	0.05
Tyre 27.00 R.9	0.0037	0.05

4.2. Interpretation of Results

Apart from the battery, the p-values for the other items were lower than the level of significance. It meant four items out of the five items tested, supported the null hypothesis that “goods that were statutory free or exempt were not valued the same as counterparts goods when dutiable”.

And in the opinion of the researcher the ratio of four significant differences to one marginal difference in the case of batteries, was enough basis to accept the stated hypothesis.

In fact, in the data on battery, the mining companies did not in put their description according to their size of 11 plate 12 V, 17 plates 24 V, etc. Thus, the strict matching of identical item with same physical features and performance levels could not be captured well for two groups nevertheless the researcher proceeded with the data all the same. Whilst the non-mining imports gave the detailed description of each battery in terms of the number of plates and power i.e. voltage levels, the mining companies in most cases stated “batteries.

Thus instead of comparing for example a 12 plate 12 volt batteries imported by a non-mining companies to the same by mining companies, I rather compared values of batteries imported by each group irrespective of the size and voltage. I believe that could explain the lack of precision in data collection resulted in something else and this was a flaw noticed by the researcher.

Again the finding could also mean that for every five items imported by the two groups, four items would vary significantly in terms values presented to Customs. Nonetheless, so far as the result of the research was concerned, there was some iota of truth in the thinking by CEPS that some revenue was leaking through under valuation by importers of non-mining items/goods. Importers indeed with assistance of the IC significantly under value imported goods when they are dutiable and for that matter the state was losing revenue in this direction. it was in the light of these that the researcher would propose some recommendations in the next chapter.

4.3.0. Caution to Interpretation

In spite of the finding, some caution should be attached to the interpretation of the finding for the following reasons.

There 12,000 items in the H.S. Code and only five items were researched into for valuation differences. Thus, the selected items or sample size was too small for the results to be generalized, so a further research with a larger sample size to if it reveal the same trend.

4.3.1. Quantity Discount

In using per unit value for the items, the researcher ignored the quantity discount factor and assumed that all things being equal, unit value of item was the same. It was possible that a non mining company importing an item which was meant for sale to the general public would buy larger quantity than a mining company which was buying the same item for her own use. For example, a non-mining company would import more tyres of various sizes than a mining company which would import a smaller quantity for only company use. So in this instance, if they were buying from the same supplier, the one buying more would enjoy some quantity discount thus making his values lower i.e. the non-mining importer. That could in the long run bring differences in their values.

4.3.2. Freight and Insurance Fees

The value of an item in Ghana was made up of the cost, Insurance and freight. It was a known fact that non-mining importer more often do not insure their cargo.

Where insurances was not stated on invoices Customs applied a standard rate or a formula to arrived at the insurance while most mining company insured their cargo, therefore reflecting the true insurances charges which were found to be higher than the standard insurance charges. So it was possible, the higher values presented by the mining companies could be as a result of true and high insurances charges.

Again freight in term of where the goods were coming from could also account for the difference in values for the two groups.

4.3.3. Over-Invoicing

There was also the perception of over-invoicing on the path of the mining companies and the researcher was wondering if the higher values found with the mining companies was not due to this phenomenon. This also gave the researcher another instance of caution in generalizing the results.

CHAPTER FIVE

5.0. RECOMMENDATIONS AND CONCLUSIONS

5.1.0. Observations

The researcher set out to see if he could provide some answers to a raging battle between revenue institutions and its stakeholders about the perception that these stakeholders were conniving to deprive the state of Ghana its needed revenue for development and in the process observed a serious anomalies with respect to the capturing of data by CEPS. Below were some of them and some suggested solution were discussed as well.

5.1.1. Lack of Accurate Standard Unit of Quantity

One of the reasons why ICT was applied in every facet in our economy was to capture information accurately and have the advantage of recall or retrieval of information at the snap of our fingers. But it seems this philosophy has been lost on CEPS.

The last column in the H.S. Code was headed “standard unit of quantity” This required every imported item to be described in a quantity of unit befitting the items. For example rice should be in kilogram. Liquids or spirits should be in litres. Others were “meter square” for textile; kilowatts for electric energy/power and vehicles in unit of one, two and so on. But it was observed that quantity and description on declaration were not capture accurately.

Here were some examples seen on Mining declarations. The chapter 73 of the H.S. Code with the heading ‘Articles of iron or steel’ had the standard unit of quantity to

be kilograms. Except the code 73 08.30.00.00 which required the quantities to be in unit, none of the items imported by the mining companies falling under heading 73 08 was quantified in kilograms but was in either package, bags, case or cartons which were not the required standard unit of quantity.

In fact, most of the items imported by the Mining Company should have weight as their unit of quantity, yet a few like passenger vehicles and some chemicals had the unit of quantity being stated correctly. The consequences of this non-compliance to standard unit of quantity were that CEPS would not at any particular in time produce statistics on a particular quantity of item imported into the country.

No accurate information meant no proper planning or decision making becomes difficult.

Investors would be in a quagmire as to which areas of the economy to invest in. If CEPS could produce information on the volume/quantities of items that have been imported into the country at in time, it could give a clue to investors as to which areas of the economy to put their capital in for some returns. No wonder the economy was dominated by the imports of food and other consumer goods to the advantage of manufacturing. Nobody wants to venture into the unknown and lose. The safest investments were the ‘buy and sell businesses’.

5.1.2. Wrong Classification

Another observation was the wrong classification of items. For example, Declaration No. 42008395682 which was declared as “valve” has the H.S. Code No 40 17.00.00.00 thus, the heading was 40 17. Valves were under the heading 84 81. Thus,

wrong classification affected accurate information. The wrong classification of items could once again affect accurate statistics.

5.1.3. Lack of Detailed Description of Item

The heading 84.81 of the H.S. Codes has the description of “taps, cocks, valves and similar appliances for pipes, boiler shells, tankers vats or the like, including pressure reducing valves and thermostatically controlled valves. “ (H.S. Code page 545)

This meant there were different kinds of valves, yet the mining companies just stated “value” at the description column. What types of value they were talking about; nobody could tell.

Could CEPS use such vague description to classify the different types of valves that were imported into the country in 2008?

One was of the view that the GC Net has a way of checking and making sure that the H.S. Code was description specific and for that matter rejected all imprecise description. So if we repeatedly see such wrong classification then one would ask if the system was performing the task for which it was set up to do. If on the other hand the system was not designed to perform such audit, then the customs officer at the compliance seat should see to it that descriptions on declaration were accurately stated on declarations.

5.1.4. Difference in Description at the same entry Point

There were differences in the description of the same item at the same entry point. For example; at Tema, declaration number 42008387257 described a battery consignment

as “60 pcs used car batteries 9 volts” and declaration number 42008382495 said “60 pcs used car batteries 6 plates” Another declaration number 42008417401 wrote “2pcs car batteries”. In another instance, declaration number 42008413736 wrote “30 NKPK car batteries 13 plates 12 VT Yuasa”.

Meanwhile the declaration 42008417407 classified “car battery” under H.S. Code number 850680 00.00 which the Tariff schedule describes as “other primary cells and primary batteries. Certainly “primary cells and primary battery” could not be car battery, thus each declarant was inputting a description that his /she thought should describe an item. No uniformity or standardization. We do not know which and what type of car battery were being referred to.

5.2. Conclusion

Even though the researcher had thrown some caution to the findings of this research, in its setting, the research provided an in-depth insight into the problem area. It offers new perspective to the government to consider employing inspection companies or allow CEPS to do valuation of imported goods. The work can also be used as a basis for further studies about the topic since according to the officer in charge of research and monitoring Tema Port; this was the pioneer research into valuation inconsistencies.

There was also the raging battle between importers represented by the clearing agent and government on the issue of allowing Customs to perform its core function of valuation and classification of imported goods. If the findings of the study are anything to go by despite its limitations, government should stop dragging its feet and take a bold decision by allowing CEPS to performing the core function of valuation and

classification of imported goods. That is if government was really serious about maximum revenue mobilization for development of our dear nation.

5.2.0. Recommendations

The following recommendation were made by the researcher to the institutions which were to benefit from the results of the study in other to arrive at a concrete evidence to support their claim of under invoicing and over invoicing allegations on importers.

5.2.1. Further Study by Research and Monitoring Unit

The researcher set out to settle a raging battle between a revenue collecting institution and her stake holders. So far there was some evidence pointing to the fact there was some under-valuation on imported goods and/or the mining companies were involved in over-invoicing to facilitate capital flight. The sample size used by the researcher as compared to the volume of imports was negligible. It was therefore recommended that the Research and Monitoring of CEPS should be charged with the responsibility to do further studies to unearth the extent of this malfeasance for appropriate remedies to be adopted.

5.2.2. Adoption of Standard Description and Standard Unit of Quantity

The researcher has also stumbled upon a whole lot of things as numerated in the observation above which did not make CEPS a reliable Institution when it came to import information. This observation added more credence to the computer adage that “garbage

in garbage out.” If inaccurate data were fed into the system, then naturally inaccurate information would be churned out.

CEPS has a vision that says that she was striving to become “a world class Customs Service” and a mission “to collect, account and protect Customs, Excise and other assigned indirect tax revenue in a timely manner whilst facilitating trade, investment and the movement of people and goods across and within the borders of Ghana.” The Service has also set out as one of its goals for some time now to obtain ISO Certification.

It was against this background that the researcher recommended to the Service to improve upon her record keeping and services in to the general public. CEPS should have a standard format of describing each item as required by each heading in the H.S. Code. This would ensure that the standard unit of quantity would always be stated in the description. For example, the heading 69 03 refers to “other refractory ceramic goods...” and its standard unit of quantity was kilograms.

So an import under H.S. Code 69 03.10.00.00 should have a standard quantity and description. Whether, the items were packed in metal drums, plastic drum, wooden cases, wooden boxes, polysack or any other kind of packaging. A sample table of standard quantity and description which is titled “Standard Declaration Description Table” was suggested.

Table 5.1: Sample of Standard Declaration Description Table

HS CODE	QUANTITY OF ITEM/GOODS	KIND OF PACKAGING	CONDITION OF ITEM/GOODS	DESCRIPTION OF ITEM/GOODS	STANDARD UNIT OF MEASURE	SIZE OF ITEM/GOODS	BRAND OF ITEM/GOODS
8507.10.00.00	40	Cartons	New	Lead-acid of a kind used for starting piston engine	1 pc per carton	11 plate, 24 volts	Bosch
8418.30.00.00	3	Cartons	Used	Chest deep freezer	1 pc per carton	500 litres	Samsung

5.2.3. Some Advantages of the Table

1. It reduces incidence of misdescription and misclassification.
2. It is easier to extract information to calculate per unit value of imported goods in order to study for variations in values presented by importers over a period of time.
3. Information and standard format can be a big boost toward CEPS ISO Certification process.

The researcher is hoping that the revenue institutions that were the prime reason for choosing this topic area for investigation would find time and space to read this work and more so, try to consider some of the finding and recommendations as they develop new strategies and policies for an improved revenue mobilization for the state towards national development.

APPENDICES

The secondary data retrieved from the GCNet was in the format as depicted in Table A (list of tables)

The headings and explanations for each column were as follows:

- a. Declaration number (Decl. No). Every electronic declaration was given a unique number.(col. 1)
- b. Office Code (office Code) was for the customs office where the declaration was being made. TMA2 for Tema, Elu for Elubo, KIA Kotoka International Airport; TKDI for Takoradi. .(col. 2)
- c. Import Name. .(col. 3)
- d. No pkg for the number of packages.(col. 4)
- e. Package type for Package Type e.g. CT for cartons; BG for bag etc.(col. 5)
- f. H.S. Code for Harmonized system Code, i.e. classification of items into codes for identification. .(col. 6)
- g. Ctr Org.: The country of Origin of the imported item. .(col. 7)
- h. CPC. col. 8)
- i. Goods Description i.e. the describing the imported good. (col. 9)
- j. CIF Ch i.e. the Cost, Insurance and Freight which make up the value of the item. (col. 10)
- k. The last two columns show other taxes and levies but not including Import Duty.(col. 11)
- l. Duty, VAT and NHIS that were paid and example respectively. (col. 12)

Each row in the table represents a consignment of imports. The research was interested in columns 4, 5, 6, 7, 9 and 10 for the first phase of extracting information for the analysis of the data. Thus all imports by the various mining companies through the Ghana Community Network (GCNet) for the year 2008 was recalled.

Then out of this data using column 6 i.e. HS code, the items with the same commodity code were grouped together thus generating the Table B (list of tables)

After table B, further elimination of other columns was done leaving HS Code, country of origin and CIF. Two additional columns were added. Information in columns 4, 5 and 9 in table B were used to get the total weight, volume or measurement of the consignment to arrive at the grant total of the imported item which was shown in column 4 in table C below.

Table C showing CIF value per/kg as shown in the last column

HS Code	Country	CIF (Cedis)	Quantity(Kg)	Value per/Kg
3802100000	PH	91,026.73	66000	1.38
3802100000	PH	91,026.73	66000	1.38
3802100000	PH	30,212.88	22000	1.37
3802100000	PH	60,382.62	44000	1.37
3802100000	PH	60,382.62	44000	1.37
3802100000	PH	60,382.62	44000	1.37
3802100000	PH	60,382.62	44000	1.37
3802100000	PH	60,382.62	44000	1.37
3802100000	PH	60,382.62	44000	1.37
3802100000	PH	60,426.38	44000	1.37
3802100000	PH	60,426.38	44000	1.37

Then column 3 of table C was then divided by column 4 to get column 5 which showed the CIF value for a kilogram in column 5 or whatever unit appropriate to the

items being dealt with in the column. Therefore Table 4.3 finally had the H.S. Code, country of Origin, CIF value, quantity and value per kilogram.

Table D: Showing an example of the total unit value and the mean.

HS Code	Description	Cif Value	Unit value
4011930000	18.00R33 RT-4A ** 6S E4 TL	18335.03	4583.76
4011930000	18.00R33 RT-4A ** 6S E4 TL	18335.03	4583.76
4011930000	18.00R33 RT-4A ** 6S E4 TL	18335.05	4583.76
4011200000	18.00 R33	2603.74	650.94
	Total		14402.21
	Mean		3600.553

Results of t-test for two independent groups for the sampled items:

t-test for two independent groups (battery)

	Non-Mining	Mining
Mean	28,00296	1,290.22319
Standard deviation	13.00296	3,794.29336
Sample size	17	39

54 df
-1,262,22023 difference (Non-Mining – Mining)
10,131, 038.12708 pooled variance
925.04791 standard error of difference
0.00000 hypothesized difference
-1.36 t
.0890 p-value (one-tail)
.1781 p-value (two-tail)

t-test for two independent groups (Toyota Hilux)

	Non-Mining	Mining
Mean	21,527.18295	22,493.06229
Standard deviation	1,617.81141	868.00855
Sample size	11034	144

1176 df

-965.87934 difference (Non-Mining – Mining)
 2,390,669.10412 Pooled variance
 137.52792 standard error of difference
 0.00000 hypothesized difference
 -7.02 t
 1.83E-12 p-value (one-tail)
 3.66E-12 p-value (two-tail)

t-test for two independent groups (tyres 18.00. R33)

	Non-Mining	Mining
Mean	3,600.55313	9,708.26426
Standard deviation	1,966.41208	2,959.52634
Sample size	4	17

19 df

-6,107.71114 difference (Non-Mining – Mining)
 7,986,371.99528 pooled variance
 1,570.47114 standard error of difference
 0.00000 hypothesized difference
 -3.89 t
 .0005 p-value (one-tail)
 .0010 p-value (two-tail)

t-test for two independent groups (Tyres 26.6 r 25)

	Non-Mining	Mining
Mean	1,095.94229	4,420.21716
Standard deviation	79.10435	1,309.13523
Sample size	8	41

47 df
-3,324.27487 difference (Non-Mining – Mining)
1,459,514.99647 pooled variance
466.94464 standard error of difference
0.00000 hypothesized difference
-7.12 t
2.70E -09 p-value (one-tail)
5,39E-09 p-value (two-tail)

t-test for two independent groups (Tyres 27.00 R49)

	Non-Mining	Mining
Mean	8,513.07798	10,836.06665
Standard deviation	3,377.33632	2,006.18280
Sample size	23	28

49 df
-2,322.98867 difference (Non-Mining –Mining)
7,338,971.18441 pooled variance
762.35938 standard error of difference
0.00000 hypothesized difference
-3.05 t
.0019 p-value (one-tail)
.0037 p-value (two –tail)

REFERENCE

- Anson, J., Oliver, C., and Marcelo, O.** (2003). "Tariff Evasion and Customs Corruption. Does Pre-shipment Inspection Help?" Policy Research Working Paper No.3156. Washington, D.C.: The World Bank.
- Brenton, P. and Imagawa, H.** (2005) "Rules of Origin, Trade and Customs", A paper contributed to the Customs Modernization Handbook (2005)
- Blumam, A. G.** (2001) Elementary Statistics: A Step Bu Step Approach 4th edition. New York: McGraw-Hill Co. Inc. pg 399-405.
- Commissioner's of Customs Order**, No. 4 of 1998 issued in amplification of Order No. 6 of 1996
- Customs Cooperation Council.** (1985). "Customs Valuation, Economic Considerations," Document 31906E. Brussels.
- Danquah, K. (2007)**, Indirect Taxation, International Customs Regimes, Laws and Procedures, First Edition, Pg. 155-177, Sakoa Press Ltd, Tema.
- Danquah, K. (2009)** "Destination Inspection Companies Facts And Figures" The Daily Graphic, No.17943, Page 7, June 15 2009.
- Finger, M. J. and Philip S.** (1999), "Implementation of Uruguay Round Commitments: The Development Challenge." Policy Research Working Paper No 2215. Washington, D.C.: The World Bank.
- GATT's Article VII**, (external link to the WTO website, GATT, Article VII)
- Goorman, A.,** (2004). "Peru." In Luc De Wulf and Jose B. Sokol, eds. "Customs Modernization Initiatives." Washington, D. C.: The World Bank.
- Goorman Adrien Wulf Luc De (2005).** "Customs Valuation in Developing Countries and the World Trade Organization Valuation Rules." Paper contributed to the Customs Modernization Handbook by Luc De Wulf and Jose` Pg 155-181, B. Sokol. The World Bank. Washington, D.C
- G:\NZ and the WTO-Customs Valuation.NZ Ministry of Foreign Affairs and Trade.mht
www.newzealand.govt.nz Friday 25 January 2008 18:12 NZDT.
- G: SICE – Canada** Position on Rules of Origin and Customs Valuation.Mht
 Rules of Origin and Customs – Information Paper – Department Of Foreign Affairs and International Trade – Canada.
- Harmonized System and Customs Tariff Schedules**, 2007 Ghana. Issued under the Authority of the Ministry Of Finance and Economic Planning.
- Low, P.,** (1995), "Pre-Shipment Inspection Service. "World Bank Discussion Paper", No. 278 Washington, D.C.: The World Bank
- MINING LIST** 8th Edition, 2000
- Ministry Of Trade and Industry Public Notice** 1st January, 2003
- Okine, C.B.** "Revenue Agencies to Rake in More Funds" Daily Graphic, January 21 2009, No.17820, Pg. 48.
- Owusu-Ansah, A. Chief Collector- GD, KIA** (20/09/99-24/09/99). WTO Valuation. Lecture Notes presented at a refresher Customs Excise & Preventive Service Course.
- Rege, V.,** (2002). "Customs Valuation and Customs Reform" In Bernard Hockman, Aaditya Mattoo, and Philip English, eds. Development, Trade, and the WTO: A Handbook Washington, D.C.: The World Bank.

World Customs Organization (1996). “Brief Guide to the Customs Valuation Code.” Brussels; WCO.

-1997. Compendium: Customs Valuation, with Amending Supplement Brussels: WCO

- Various Years. Legal Texts on Customs Valuation. See WCO Web site at www.WCOOMD.org/.

World Trade Organization. Various years. Customs Valuation Agreement, technical information, discussion papers, minutes of meetings working documents decisions and recommendation, and other work of the Committee on Customs Valuation See WTO Web site at <http://www.wto.org/>.

- 1993. Agreement on Pre-shipment Inspection. Geneva. www.wto.org/english/docs-e/legal-e/21-psi.pdf.

World Customs Organization,(1977). “The International Convention on Mutual Administrative Assistance for the Preventive, Investigation and Repression of Customs Offences.” Signed in Nairobi on June 9, 1977.

www.wcoomd.org/ie/EN/Recommendedations/naireng.pdf.

Customs Valuation in Developing Countries and the World Trade Organization Valuation Rules

-1996. “Brief to the Customs Valuation Agreement”. Brussels.

World Trade Organization,(1990). GATT Document MTN.GNG/NG8/W/73. Geneva.

-1993, “ Agreement on Pre-Shipment Inspection.” Geneva. www.wto.org/english/docs-e/legal-e/21-psi.pdf.

-1994. Agreement on Customs Valuation. Decision 6.1 Geneva.

-2001. “Implementation-Related Issues and Concerns”. WTO Documents WT/MIN(01)/17. November 20.

- 2002. Compilation of Discussions in Various WTO Bodies on Implementation-Related Issues Concerning Customs Valuation-Background Note by the Secretariat. Document G/VAL/W/97 of March 26, 2002. Geneva.

