

# Customs Administration

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Date: December 2019

## Final Exam Questions

*Please read each question carefully and briefly explain what you have learned about each topic. Answers are expected to be brief but clear. Plagiarism will be considered as serious offence and will significantly affect your course grade.*

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1. Please describe customs operational environment. What are the key factors that affect customs daily work? Arguments based on numbers will be value added.
2. Please enlist the core functions of customs administrations worldwide. How would you describe the unique role that customs plays in managing cross-border trade?
3. Please describe the international trade transaction process based on UN/CEFACT International Supply Chain Reference Model.
4. Please compare "traditional" customs management approach to modern customs management. Explain 10 building blocks from WCO Customs in 21st century document that define modern customs administration.
5. Please explain the difference between "one-step" customs clearance procedure with the "two-step" procedure.
6. How personal interrogation is different from personal examination (search)?
7. What do you understand by "self-assessment system" in customs?
8. Please explain the concept of deferred payment and write down the stipulations regarding deferred payment in customs legislation of the Republic of Azerbaijan.
9. What is customs declaration? Who can declare goods to customs and what are the rules for declaring?

10. How statistics on foreign trade in goods is collected? What are the functions of customs in terms of statistics?
11. Please share your considerations about principles of equality and neutrality in customs law.
12. Who is customs broker? What do they do and what are their core functions and responsibilities?
13. What is customs audit? What are the benefits and deficiencies of post-clearance audit practices in customs?
14. What does a transparent, predictable and prompt procedure mean in the context of customs legislation? Why it is important for trade community?
15. Please explain briefly what the customs control is. Which parameters define the form of the customs control selected by customs administration?
16. Please explain the difference between the concepts of customs territory and customs zone.
17. What are the key principles defined in the Revised Kyoto Convention regarding customs control?
18. What is customs clearance? How it has been defined in customs legislation of Azerbaijan and the Revised Kyoto Convention?
19. What are the key forms customs control?
20. When does customs clearance start and end according to the customs legislation of Azerbaijan? What could you say about the privileged and simplified customs clearance?
21. Please explain what the customs release is. What are the conditions for customs release?
22. Please explain the special customs procedure of Final Use.

23. Please explain the difference between the customs procedure of release for free circulation and re-importation.
24. How would you explain the special customs procedure of storage?
25. Please describe the key activities of the WCO. What are the key building blocks of WCO vision?
26. Please define the concept of "customs value" as compared to the "value of the goods" in general and explain where and how it is utilised in customs management.
27. What are the main pillars of IRU TIR system and what kind of benefits the use of TIR Carnet brings to trade and customs?
28. What is tax farming? What are the advantages and disadvantages?
29. Please explain how the establishment of GATT system benefited (a) international trade and (b) customs administrations in terms of tariff system management.
30. Please indicate what types of customs duties have been prescribed in the Law on Customs Tariff of the Republic of Azerbaijan?
31. Please explain the difference between specific and ad valorem rates of customs duties indicating the advantages and disadvantages of both.
32. What do you know about customs payments? What is customs debt and what are the stipulations regarding it in the customs legislation of the Republic of Azerbaijan?
33. What does "related parties" mean and how it may affect the value declared to customs?
34. Please enlist and explain the customs valuation methods as defined in WTO Valuation Agreement.
35. Please explain what the concept of "similar goods" means and how it is used in customs valuation process.

36. What are the key components of WCO Revenue Package?
37. What are the criteria for defining the country of origin of goods? How would you explain the importance of the country of origin of goods in terms of customs clearance?
38. Please explain (a) how the events of 9/11 in the US changed the customs landscape in the world. (b) How WCO reacted to the shift in the border security paradigm?
39. What are the 4 core elements established in the WCO Framework of Standards to Secure and Facilitate Global Trade?
40. Please enlist and describe briefly the 3 Pillars as defined in WCO Framework of Standards to Secure and Facilitate Global Trade (WCO SAFE FoS).
41. What does "Trojan horse containers" mean in customs context and what kind of solutions customs administrations may develop to overcome this challenge?
42. Please write down about US Container Security Initiative (CSI). What could be the pros and cons of this program for participating national customs administrations?
43. Please give the definition of trade facilitation in customs context and explain its importance in the light of the problems encountered by trade in terms of customs procedures.
44. What is WCO ECP Toolkit and how it contributes to trade facilitation worldwide? What are the key instruments included to the WCO ECP?
45. Please share your thoughts about Authorised Economic Operator (AEO) institute. Explain how the implementation of AEO program could benefit customs management in Azerbaijan.
46. Please enlist possible administrative offences in the field of customs you know. Describe at least one of them in detail.
47. Please enlist possible crimes in the field of customs you know. Describe at least one of them in detail.

48. What is smuggling? How is it different from other types of crimes in customs? What are the sanctions for smuggling according to the Criminal Code of the Republic of Azerbaijan?
49. Please describe Article 4 of the WTO Trade Facilitation Agreement. Explain why it is important to grant the rights of appeal on customs decisions. How this issue is managed under customs legislation of Azerbaijan?
50. Please describe Article 12 of the WTO Trade Facilitation Agreement. Enlist and explain any other WCO tools on customs cooperation.
51. Please describe WCO 3P's approach and explain its importance for customs modernization initiatives.
52. What is customs modernization cycle? What are the key stages and what kind of activities are carried out at each stage?
53. What do you understand by Coordinated Border Management?
54. Please describe Results-Based Management Chain and explain how it is used in modernizing customs.
55. What do you understand by strategic planning in customs? What are the key elements of the strategic plan in any customs organization?
56. What are the key strategic planning steps in customs?
57. Please describe "Smart Model" in terms of setting strategic objectives in customs.
58. What is performance measurement and how it is used in customs?
59. Please explain what performance indicator means and enlist types of indicators used in customs.
60. Please design 3 indicators related to Risk Management implementation in customs.
61. Please design 3 indicators related to AEO implementation in customs.

62. Please design 3 indicators related to Single Window implementation in customs.
63. Please design 3 indicators related to facilitating legal trade by customs.
64. Please design 3 indicators related to the effectiveness of customs enforcement activities.
65. What do you understand by Single Window in customs? How it helps to facilitate trade and ensure better controls?
66. Please describe three basic implementation models of Single Window in customs and explain the difference among them.
67. What are the possible benefits of Single Window implementation for government agencies?
68. What are the possible benefits of Single Window implementation for trade?
69. What are the key success factors in implementing Single Window in customs environment?
70. What do you know about WTO Trade Facilitation Agreement? What is the role of customs in its implementation?
71. Please describe the TFA Article 4 on customs appeals and explain its key provisions.
72. Please describe the TFA Article 1 on publication and availability of information and explain its key provisions.
73. Please describe the TFA Article 8 on border agency cooperation and explain its key provisions.
74. Please describe the TFA Article 3 on advance ruling and explain its key provisions.
75. Please describe the TFA Article 12 on customs cooperation and explain its key provisions.