

3.4 Planning Phase

Exhibit I – Client Concerns

Document Name	Client Concerns
Document Number	3.4I
When/How Used	Identify all concerns and issues that need to be clarified and addressed. All concerns identified must be addressed.
Created on	May 12, 2003
Last Updated On	February 28, 2007
Document Owner	
Division	Compliance Management HQ
Contact	Contact your local compliance verification office at: http://cbsa.gc.ca/contact/listing/indexpages/index-e.html
Other Stakeholders	

Exhibit I – Client Concerns

Prior to moving to the execution phase of the verification, it is important to review the client's submitted documents, as requested in the notification letter, and the completed Systems Questionnaire. All of this information may raise specific concerns and issues that need to be clarified and addressed during the execution phase. From the questionnaire, the teams should identify the key systems and significant types of transactions relevant to import and export activity and the key accounting, customs and systems people. All concerns identified must be addressed. Some may be short lived, but taking note of them ensures that questions raised are then satisfactorily answered.

Concerns

- Invoice descriptions that are too complex or too vague may lead to misclassification;
- Intelligence data (complaints, results of past verifications or current border exams, prosecutions, seizures may have identified goods, clients or vendors that have a history of non-compliance;
- New policy/requirements may have a risk because they are new;
- First time imports may have a risk because the goods have never been imported;
- First time clients may have a risk because they do not know the rules;
- The number of regions the client imports through;
- The nature of the commodity (high value for duty, high revenue risk/duty, high volume);
- The number of different commodities, classifications imported;
- Existence of high season shipments may have correlating higher errors;
- Goods which previously were the object of a negative ruling i.e. one that resulted in additional duties owing;
- Number and type of DASs issued;
- Number and type of B2s issued;
- Whether the entries are completed in-house or by a broker/consultant;
- Whether or not the client is related to the vendor;
- The company has experienced rapid growth and has not been able to keep up with CBSA requirements;
- Whether the company is its own carrier; and
- Comparisons of the value for duty of imports of the current year to past years.