



TECHNICAL COMMITTEE ON
CUSTOMS VALUATION

-
43rd Session
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VT1062E1a
(+ Annex)

O. Fr.

Brussels, 28 June 2016.

QUESTIONS RAISED DURING THE INTERSESSION

VALUATION OF IMPORTED GOODS PURCHASED IN 'FLASH SALES' :
SUBMITTED BY MAURITIUS

(Item VI (a) on the Agenda)

I. BACKGROUND

1. During the intersession, Mauritius sent the Secretariat a text setting out its question concerning the valuation of goods purchased electronically in 'Flash Sales'. The text is set out in the Annex to this document.

II. CONCLUSION

2. The Technical Committee is invited to examine the question submitted by Mauritius in order to determine whether it can be accepted as a Specific Technical Question for review from its 44th Session onwards and, if need be, to decide on the appropriate type of Technical Committee instrument containing information and opinions on this question.

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VALUATION OF IMPORTED GOODS PURCHASED IN 'FLASH SALES'

THE ISSUE

1. Given that e-commerce is developing quite fast, the Mauritius Revenue Authority is seeking advice from the WCO Technical Committee on Customs Valuation to clarify the issue of the valuation method to be applied to goods purchased electronically in 'Flash Sales'.

CASE

2. Person X bought a smartphone on an e-commerce platform. The amount paid at a 'Flash Sale' is \$ 11.99 instead of \$ 200 when sold by the same exporter to any buyer in normal circumstances. The payment has been effected through PayPal. Customs has confirmed that the payment of \$ 11.99 is correct. It is to be noted that there is no contract of sale in such type of sales, except the proof of payment.
3. Customs has information that when an identical smartphone is imported into Mauritius, not through e-commerce, the value approximates to \$ 200.

ANALYSIS

4. In the case of Customs accepting the declared value as per the 'Flash Sales' of \$ 11.99, it would also have to use this value, namely the lowest price, when determining the value of identical or similar goods for which there is no transaction value. Can Customs consider the 'Flash Sales' price as a discounted price?

MEMBER'S VIEW

5. In view of the above, the Customs Administration is of the opinion that such a transaction cannot be considered as a normal sale for export and therefore Customs should not accept the 'Flash Sale value' as the transaction value. Moreover, such goods are limited in quantity and offers are normally for a short period of time and therefore not available to every purchaser.
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