

Customs Compliance in International Retail

emma SYSTEMS

A practical guide to customs data, visibility and control

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The customs reality behind international retail

International retail creates a demanding customs compliance environment.

Large product portfolios, frequent range changes, new suppliers and sourcing countries, and goods moving through different entities and markets create both high transaction volumes and constant variation in trade flows.

Customs data is generated across that environment. It includes declaration data on classification, origin, customs value, procedure, preference, duties and taxes, together with supporting records such as invoices, origin evidence and other documentation.

That data may also be spread across different customs representatives, systems and parts of the business. Each broker sees the declarations they handle, while you need a wider view of how goods are being treated across markets, entities and trade flows.

The declaration itself is only the end result. The information behind it comes from product data, sourcing, logistics, finance, tax and customs processes. If those sources are disconnected, it becomes harder to identify errors, explain differences and produce the right evidence when needed.

The challenge is not simply getting declarations submitted. It is just as much about using customs data to understand what has been declared, identify compliance risks and support the treatment with the right evidence.

Seeing the full customs picture

Customs data is most useful when it gives you a clear view across markets, entities and customs representatives, rather than leaving you to look at declarations one by one.

For a retailer, that means being able to answer three practical questions:

1: Do you have the customs records you should have?
Can expected imports and exports be matched to declarations? Can missing declarations, documents or unexpected customs representatives be identified?

2: Does what was declared make sense?
Can you compare classification, origin, customs value, procedure and preference across similar products and trade flows? Can you see where something differs from what you expected?

3: Can you support what was declared?
Can you trace a declaration back to the underlying transaction and find the invoice, origin evidence and other supporting records when needed? Can you see how an issue was investigated and, where necessary, corrected?

For retailers dealing with large product ranges and high transaction volumes, customs compliance cannot rely on checking every declaration individually.

You need a structured way to use customs data to identify where attention is needed, understand why and retrieve the evidence behind what was declared.



Do you know how the same products are being treated across markets?

International retailers often sell the same or similar products in several markets, while suppliers, sourcing and product ranges continue to change.

That does not mean the customs data should always look identical.

A product may legitimately have different full tariff codes because countries apply their own tariff subdivisions beyond the international Harmonised System. Origin may change with sourcing or production. Customs value may differ because the underlying transaction or valuation adjustments differ. Preferential treatment depends on the relevant trade agreement and whether its conditions are met.

For a retailer operating across several markets, useful comparisons include:

- Classification across comparable products and markets
- Declared origin against known sourcing or production
- Customs value across comparable transactions
- Preference use and supporting evidence
- Recurring differences by market, customs representative or trade flow

The aim is not to make every declaration look the same. It is to understand why differences exist and whether they are properly supported.





Can you see the differences that matter?

When the same or similar products move across several markets, look closer when you see:

- Classification differences across comparable products
- Origin that does not match known sourcing or production
- An unexpected currency
- Unexplained customs value differences
- Unexpected duty outcomes
- Inconsistent preference use
- Recurring patterns linked to a market or customs broker

Line-level customs data matters. Differences can disappear when declarations are viewed only as totals, particularly where a single declaration covers many products, classifications, origins or values.

Being able to compare declaration lines across products and markets gives you a much better basis for finding the differences that need attention.



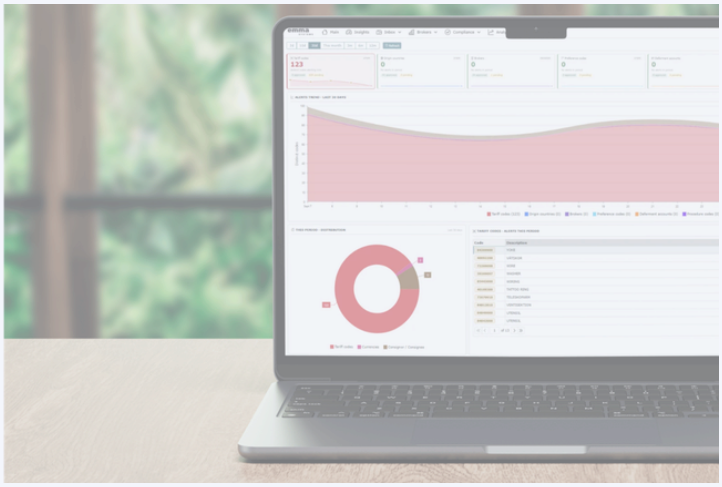
One SKU. Multiple markets. Do you know why the customs data differs?

Can you see where customs data differs from what you expect?

For large retailers, reviewing every transaction manually is rarely realistic.

A more scalable approach is to use customs data to identify activity that falls outside what you expect to see and focus review where attention is most likely to be needed. That works well for unusual or changing patterns. But it has limits.

A systematic error may look completely normal in the data if the same mistake is repeated consistently. Exception monitoring should therefore sit alongside targeted reviews of areas such as classification, origin, valuation and preference.





Emma Compliance lets you set alerts around the exceptions that matter to your organisation, helping your team focus on what needs review

When you spot a deviation

Ask:

- Is there a valid customs reason for the difference?
- Is the treatment supported by the right evidence?
- Is it an isolated case or part of a wider pattern?
- Which products, markets, flows or customs representatives may be affected?
- Is there a duty, import VAT or other financial impact?
- Does anything need to be corrected or changed going forward?

The aim is not only to explain the individual exception. It is to understand whether it points to a wider compliance issue.



A deviation is not automatically an error. It is a reason to investigate.

Mark Jamieson, VP of Operations, Emma Systems

Emma Compliance makes deviations and recurring patterns easier to spot across customs data, giving you a clearer starting point for investigation

Can you connect customs data to the financial transaction?

Customs data should not sit separately from Finance.

The declaration contains information such as customs value, currency, duty and import VAT, while Finance holds the invoice, accounting records and other details behind the transaction. Being able to connect those views is important for both customs compliance and financial reconciliation.

The numbers will not always be identical. Customs value may include adjustments that are not reflected in the same way on the invoice, and pro forma invoices may be used for returns, samples, replacements or other movements where there is no ordinary sale.

What matters is that you can explain and support how the transaction resulted in the value and treatment declared.

Useful checks include:

- Can each declaration be matched to the relevant invoice or financial record?
- Can you explain how the declared customs value was determined?
- Where pro forma invoices are used, is the customs value properly supported?
- Are duty and import VAT reflected correctly in the relevant financial or tax records?
- Can Customs and Finance work from the same evidence when something needs to be explained?

Errors in classification, origin, valuation or preference can also lead to underpayment or overpayment of duty, and relatively small differences can become significant when repeated across large transaction volumes.

A clear audit trail from the customs declaration to the underlying transaction makes errors easier to identify and customs, VAT and financial reconciliation easier to manage.



Are all your customs declarations actually accounted for?

For international retailers, keeping a complete customs record becomes harder as the business grows.

Declarations may be handled by different customs representatives across markets, entities and trade flows, while supporting documents arrive through different channels and systems.

The result is that you may have a functioning customs process without having a complete view of the customs data and records behind it. That creates a basic compliance question: Can you be confident that you have a complete customs record, and can you retrieve the evidence behind it when needed?

You should be able to answer:

- Do we have all the declarations we should have?
- Can each declaration be linked to the relevant supporting documents?
- Can missing declarations or records be identified?
- Can the evidence still be retrieved years later?

This becomes particularly important when suppliers, sourcing countries, products or customs representatives change over time.

A complete customs record should not depend on manually checking broker portals, shared folders and individual systems.

Can you reconcile your customs records against official customs data?

In some markets, customs authorities provide traders with reports or access to data showing the declarations recorded against them.

Comparing that official data with the declarations and documents you have received gives you an independent way to check whether your customs record is complete.

The reconciliation can help identify:

- Declarations recorded by Customs but missing from your own records
- Supporting documents that have not been received
- Unexpected declarations or customs representatives
- Activity recorded against an unexpected entity or reporting period





Emma Compliance can reconcile your customs records against official customs reports or authority data, helping you identify declarations or supporting documents that appear to be missing

Can you see what is happening across all your customs brokers?

Most companies work with multiple customs representatives across their operations, often spread across different markets, entities and trade flows. The total number can also be much higher than central teams realise.

Each broker sees the declarations they handle. You need a wider view of the customs data, declarations and documentation being handled across the business.

Using a customs representative does not mean that customs responsibility can simply be outsourced. Whether you handle customs clearance internally or through a representative, you still need to control the information, instructions and decisions behind the declarations made on your behalf.

That requires more than knowing who your customs representatives are. You need to be able to see how they are handling your declarations, whether agreed instructions are being followed, and where issues are recurring.

A consolidated view can help you monitor:

- Which brokers are being used, where and for which parts of the business
- How declarations and supporting documents are being received
- How consistently agreed customs instructions are being followed
- Where corrections, deviations or data-quality issues recur
- Which problems continue after they have been raised

Good broker management is not just about finding individual errors. It is about spotting patterns, understanding the root cause and checking whether corrective action has actually worked.

Bringing customs data from all your representatives together and analysing it over time gives you a stronger basis for managing broker performance, comparing patterns across representatives and following up recurring issues and corrective actions.



CUSTOMS BROKERS

Sometimes that is the reality within a single organisation

DID YOU KNOW?

Our customers are often surprised by how many customs brokers and representatives are actually being used across their organisation.

When customs data is brought together in Emma Compliance, the full broker landscape becomes visible. In some customer environments, we have identified 70 to 80 customs brokers across a single organisation.

Without a consolidated view, it can be difficult to know how many representatives are involved, where they are being used and which parts of the business they support.

Emma Compliance gives you a consolidated view across your customs representatives and helps you monitor data quality, automation, activity and recurring issues, so you can focus attention where it is needed

If Customs asked tomorrow, could you provide the evidence?

A customs audit or enquiry may require much more than finding the declaration itself. You may need to show what was declared, explain why that treatment was used and provide the evidence that supported it at the time.

For international retailers, the challenge is often the historical trail. A request may concern a product, supplier, classification, origin, customs value or preference claim from several years ago. By then, the product may have left the range, sourcing may have changed, and the people or customs representatives involved may no longer be the same.

That is why customs data and supporting records need to stay connected.

You should be able to retrieve:

- The relevant declaration
- The supporting invoice or transaction record
- Classification or product information
- Origin or preference evidence
- Valuation support where relevant
- Records of corrections or follow-up

CHECK BEFORE YOU'RE CHECKED

Customs data can also help you target internal reviews towards areas where the compliance or financial risk is greatest.

For example:

- High-duty or high-volume product categories
- New or changed classifications
- Preference claims
- Unusual origins, values or procedures
- Returns, repairs and re-imports
- Recurring corrections or deviations

Regular self-audits can help you identify issues earlier, correct them where needed and build a stronger audit trail before Customs asks for it.



What happens when goods come back?

For retailers, goods do not always move in one direction. Products may be returned, sent for repair, moved back after a season or re-imported after previously being exported.

These movements can have different customs implications from a standard import. Depending on the circumstances, different procedures, reliefs or valuation rules may apply.

The key is often the movement history. To support the customs treatment used on re-import, you may need to link the new declaration back to the original export and the supporting records behind it.

Ask:

- Can you identify which imports relate to previously exported goods?
- Can you link the re-import to the original export declaration?
- Can you see how returns and repairs have been declared?
- Is the evidence needed to support the treatment easy to retrieve?

If that history cannot be traced, you may struggle to support the treatment claimed and could pay more duty than necessary.

For returns, repairs and re-imports, the earlier movement can be just as important as the latest declaration.

Emma Compliance gives you the historical customs data and audit trail needed to trace these movements and review how they have been treated

Emma Compliance: From customs data to compliance insight

Emma Compliance brings customs declarations, supporting documentation and other relevant customs data together across markets, entities and customs representatives.

Creating one structured source of customs data is only the starting point. The value comes from being able to use that data to monitor customs compliance, investigate issues and find the evidence behind what was declared.

With Emma Compliance, you can:

- Analyse customs data across products, markets, entities and brokers
- Monitor for deviations and exceptions using dashboards and alerts
- Manage customs representative activity and performance
- Reconcile your customs records against official customs reports or authority data, where available
- Identify declarations or supporting documents that appear to be missing
- Match customs data with invoice and financial information
- Carry out targeted self-audits and internal customs checks
- Maintain a clear audit trail and retrieve historical evidence when needed

Instead of treating customs data as something to just store and retrieve, Emma Compliance gives you a practical basis for ongoing customs compliance, investigation and control.







Where to go next

See how Emma Compliance helps international retailers use customs data for analysis, control and audit readiness.

Book a Walkthrough

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