



OVERSEAS MERCHANDISE INSPECTION CO., LTD.  
Preshipment Inspection Services

---

**OMIC**

**Pre-shipment Inspection (PSI) Guide**  
**for Exporters**

**In Accordance with**  
**Article 2.6.1 of IFIA Code of Practice 1001:2002(E)**

**Overseas Merchandise Inspection Co., Ltd.**

**15-6, Nihonbashi Kabuto-cho, Chuo-ku, 103-0026**  
**Tokyo, Japan**

**Tel: (03) 3669-5181    Fax: (03) 3669-5190**



**INDEX :**

**GUIDELINES FOR EXPORTERS**

**Introduction**

**List of Abbreviations**

**PSI Procedures**

**Physical Inspection**

**Price Analysis and HS Code Classification**

**Issuance of Report of Findings**

**Exporter's Appeal**

**Internal Appeal Procedures**

**Independent Review Procedures**

---

---



## GUIDELINES FOR EXPORTERS

**Introduction:** These guidelines have been provided by Overseas Merchandise Inspection Co., Ltd. (OMIC) for the purpose to advise exporters and related parties who intend to export goods under the WTO PSI Program.

The exporter who wishes a per-shipment inspection (WTO PSI) to be carried out by OMIC on “Quality”, “Quantity”, “Price Verification” and “HS code Classification” may request it to the OMIC in the country of export, for which please visit [List of the Companies of OMIC Group](#).

These guidelines comply with both the provisions of the Multilateral Agreement on Preshipment Inspection of the World Trade Organisation and the Code of Practice for government mandated PSI services as produced by the International Federation of Inspection Agencies (IFIA).

OMIC is not only a member of the IFIA, but also a member of the IFIA PSI Committee.

### **ABBREVIATIONS:**

ACV:	WTO Agreement on Customs Valuation
CRF:	Clean Report of Findings
DR:	Discrepancy Report
FCL:	Full Container Load
HS:	Harmonized System
IFIA:	International Federation of Inspection Agencies
I.O.:	Inspection Order
PSI:	Pre-shipment Inspection
WTO:	World Trade Organisation



## PSI PROCEDURES:

**Physical Inspection:** The OMIC Office in the country of export carries out, on the date mutually agreed, the quality, quantity and packing inspection and review of the test / analysis certificate, where applicable. The exporter is kindly requested to make arrangements at the exporter's own cost for presentation, handling, testing, sampling, unpacking and re-packing as deemed necessary by the OMIC inspector.

Usually, the container of FCL (Full Container Load) has to be sealed by the inspector after completion of stuffing, thus the inspection has to be carried out at the time of the stuffing of the FCL container.

When the goods are found, during the inspection, to be defective and/or discrepant from the requirements and specifications of the contract, the exporter or supplier is requested to rectify them at the presence of the inspector. Failure to do it on the same day of the inspection under the inspector's witness may cause re-inspection with the re-inspection fees to be paid by the exporter or rejection with the issuance of the Discrepancy Report (DR) instead of the Clean Report of Findings (CRF).

**Price Verification and HS Code Classification:** Based on the physical identification of the goods and obtainable price information, the OMIC Office in charge carries out the value assessment of the goods for the customs purposes on the basis of the requirements of the "WTO Agreement on Customs Valuation" (ACV), which is same as the "Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994".

The OMIC Office, which carries out the PSI in the country of export, classifies the HS codes of the goods, on the basis of the physical identification obtained through the inspection, in accordance with the latest Harmonized System Tariff Classification Code as the one used by the Customs Authority. The classified HS codes of the goods inspected are reported as the opinion of the Office to the Customs Authority for their finalization.



**Issuance of Report of Findings:** Following to the satisfactory inspection results and upon receipt of the exporter's final settlement invoice concerning the goods, the shipping documents and information deemed necessary by the OMIC Office, the OMIC Office issues original Clean Report of Findings (CRF) printed and signed on the OMIC's security papers to the parties concerned.

The OMIC Office issues "Discrepancy Report (DR)" to all parties concerned, in such cases that the physical inspection results are unsatisfactory and the discrepancies are not rectified by the exporter or not accepted by the importer or where applicable by the Authority; or the OMIC Office does not receive the final documents although the inspection results are satisfactory.

#### **EXPORTER'S APPEAL:**

- (1) Exporters with any complaints concerning PSI activities may contact the appropriate department manager of the OMIC office in the country of export giving details of the cases.
- (2) The appropriate department manager who received a complaint is responsible to undertake to investigate it expeditiously.
- (3) If the exporter is not satisfied with the response from the OMIC office, the exporter may proceed to an Appeal in accordance with the following procedures.
- (4) Exporters who have grievance concerning PSI activities, which have not been resolved by discussion with the appropriate department manager of the OMIC office under the complaints procedure mentioned above, may appeal to the senior management of the OMIC office by completing and submitting a "Preshipment Inspection Internal Appeal Form" giving details of the case. The "PSI Internal Appeal Form" and detailed procedures are available from the [Internal Appeal Procedures](#).
- (5) Independent Review Procedures: When the exporters cannot resolve the case by the procedures mentioned above within the reasonable time frame, the exporters may request for an independent review to the Independent Entity set up under Article 4 "[Independent Review Procedures](#)", of the WTO Agreement on Preshipment Inspection, and further details are available from the which are issued by the WTO Secretariat.



## INTERNAL APPEALS TO PSI CONTROLLING OFFICES OF OMIC:

### Procedures :

Overseas Merchandise Inspection Co., Ltd. (OMIC) designate one or more officials, at each PSI Controlling Office of OMIC in the country of export, who are available during normal business hours in each city or port in which they maintain a pre-shipment inspection administrative office to receive and give sympathetic consideration to, and render decisions on, exporters complaints or appeals which shall be carried out in accordance with the procedures mentioned below. For the details of OMIC Offices, please visit the [List of Companies of OMIC Group](#).

#### 1. Complaints to PSI Controlling Offices of OMIC :

- (i) In the first instance, exporters with any complaints concerning pre-shipment inspection activities are requested to contact the appropriate Department Manager of the OMIC office in the country of export giving details of the case.
- (ii) The Office in the country of export undertakes to investigate the complaint expeditiously.
- (iii) If the exporter is not satisfied with the response from the Office, the exporter may proceed to an "Appeal" in accordance with the procedures of Article 2 below.

#### 2. Appeals to OMIC :

- (i) Exporters who have grievances concerning pre-shipment inspection activities, which have not been resolved by discussion with the appropriate department manager of the Office, under the complaints procedure of Article 1 above, may appeal to the senior management of the Office or the PMD of OMIC Headquarters, Tokyo by completing and submitting a "Preshipment Inspection Internal Appeal Form" giving details of the case. This form shall be issued by the OMIC Office based on [Internal Appeal Form](#), attached hereto, which also takes into consideration the requirements of the WTO Agreement on Preshipment Inspection. The exporter shall send the completed form to the Senior Manager(s) of the appropriate OMIC Office or the PMD of OMIC Headquarters.
- (ii) The designated Senior Manager of OMIC Office or the PMD of OMIC Headquarters, Tokyo undertakes to investigate the dispute and responds to the exporter in writing, normally within two working days of receipt of a fully completed "Preshipment Inspection Appeal Form", by either (a) giving the result of the Appeal, with detailed explanations, or (b) advising that further investigation is required and that the result will follow as soon as possible but not later than within 10 days of receipt of the Appeal. For disputes on price analysis the Result of the Appeal should set forth the basis of the opinion of OMIC Office by reference to the specific applicable elements of the price analysis criteria.

#### 3. Further Detailed Appeal Procedures:

Details of the procedures are made available to exporters in accordance with Article 2.6 and 2.7 of the IFIA Code of Practice.

***PRESHIPMENT INSPECTION - INTERNAL APPEAL FORM***

**NOTES :** A. Exporters with complaints about preshipment inspection (PSI) activities are, in the first instance, requested to discuss the matter with the appropriate department manager of the PSI company. If, following discussions, an exporter is dissatisfied with the result, he is invited to appeal to the PSI company's senior management by completing and submitting this form.

B. The PSI company's senior management undertake to investigate the grievance and will respond to the exporter, normally within 2 working days of receipt of this form fully completed, by either (a) giving the result of the appeal or (b) advising that further investigation is required and that the result will follow as soon as possible.

*(These procedures take into consideration the WTO Agreement on Preshipment Inspection, Article 2.21)*

**1. EXPORTER**

Company Name : \_\_\_\_\_

Address : \_\_\_\_\_

Telephone No. : \_\_\_\_\_

Telefax No. : \_\_\_\_\_

E-mail Address : \_\_\_\_\_

Telex No. : \_\_\_\_\_

Contact Person : \_\_\_\_\_

**2. EXPORTER'S COMPLAINT DISCUSSIONS**

*Prior to completion of this form, the complaint should already have been discussed with the PSI company. Please advise :*

PSI company office location .....

.....

Person with whom complaint discussed :

**3. REFERENCE NUMBERS**

Inspection Order Reference No. : \_\_\_\_\_

*(as advised by the preshipment inspection company)*

Contract/Order/Proforma Invoice/Final Invoice No. : \_\_\_\_\_

*(delete as applicable)*

**4. DESCRIPTION OF GOODS**

\_\_\_\_\_

**If you wish to appeal that the action of the PSI company is not in accordance with the WTO agreement on Preshipment Inspection, please complete Section 5. If not applicable, please proceed to Section 6.**

**5. NATURE OF GRIEVANCE WITH THE PRESHIPMENT INSPECTION COMPANY**

*Please indicate, by marking an X in the appropriate box(es) below, which article of the WTO Agreement on Preshipment Inspection (\*API\*) have, in your opinion, not been complied with by the Preshipment Inspection Company.*

<u>Category</u>	<u>API Article No.</u>	<u>Category</u>	<u>API Article No.</u>
* Non-discrimination	2.1	* Delays	2.15
* Site of inspection	2.3		2.16
* Standards	2.4		2.17
* Transparency	2.5		2.18
	2.6		2.19
	2.7	* Price Verification	2.20 (a)
* Protection of Confidential	2.9	(For export market price :	2.20 (b)
Business Information	2.11	not customs valuation	2.20 (c)
	2.12	purposes)	2.20 (d)
* Conflicts of Interest	2.14 (a)		2.20 (e)
	2.14 (b)	* Appeals Procedures	2.21
	2.14 (c)		2.21 (a)
			2.21 (b)

**Notes :** If your grievance : \_\_\_\_\_

- (i) Does not concern the above mentioned categories, please proceed to Section 6.
- (ii) Concerns the above mentioned categories and also relate to PSI carried out in a WTO member country of goods for importation into a WTO member country : you are entitled to submit the dispute to an Independent Review, at least two working days after submission of this form to the PSI company, in accordance with Article 4 of the WTO Agreement on Preshipment Inspection. Further details are available from the PSI company upon request.

***PRESHIPMENT INSPECTION - INTERNAL APPEAL FORM***

**6. SUMMARY OF GRIEVANCE**

*Please advise the facts of the case and summarize the reason why, in your opinion, decision of conduct of the preshipment inspection company is not acceptable. Please attach copies of relevant documents.*

**7. PROPOSED SOLUTION TO THE GRIEVANCE**

*Please state your proposed solution to the grievance.*

**8. EXPORTER'S DECLARATION**

*I hereby declare that :*

- a. I am an authorized employee of the exporter
- b. The information contained herein is, to the best of my knowledge, correct.

*FULL NAME :* ..... *POSITION :* .....

*COMPANY NAME :* .....

*SIGNED :* ..... *DATE :* .....