

WHAT IS PSI ??

Depending on your perspective, the answer to the above question might indicate an interest in automotive tire pressures or knowledge of the topical issue of pre-shipment inspection of products involved in international trade. Knowing nothing about the automotive industry, we will concentrate here on the latter.

Pre-shipment inspection of goods has become an established detail of shipping to certain countries, including, but not limited to:-

ANGOLA, ARGENTINA, BANGLADESH, BENIN, BOLIVIA, BURKINA FASO, BURUNDI, CAMBODIA, CAMEROON, CENTRAL AFRICAN REP., COLOMBIA, COMOROS, CONGO, COTE D'IVOIRE, DJIBOUTI, ECUADOR, GHANA, GUINEA, GUATEMALA, INDIA, INDONESIA, IRAN, KENYA, MADAGASCAR, MALAWI, MALI, MAURITANIA, MEXICO, NIGER, NIGERIA, PARAGUAY, PERU, RUSSIA, RWANDA, SAUDI ARABIA, SENEGAL, SIERRA LEONE, TANZANIA, TOGO, UGANDA, ZAIRE, ZAMBIA, ZANZIBAR.

It might help to understand why PSI has become fairly commonplace. It is designed primarily to prevent such trade practices as over or under invoicing, the shipment of substandard or unacceptable products and the evasion of customs duties and taxes. These are, of course, major concerns for importers and also for the governments of the countries requiring PSI.

For the exporter, PSI generally bears no direct cost, however, the process may delay the shipment of an order and thus also delay payment. It must also be remembered that most inspectors will require that they be able to physically inspect products prior to completion of export packing. In addition, it may be necessary to provide additional technical information about certain products and also price list information so that values can be verified. Many of you may already be familiar with the following independent PSI agencies:-

S.G.S. Cotecna. Bureau Veritas. Inspectorate. Inchcape Shipping Services.

We would like to stress the importance of obtaining PSI whenever it is required. Failure to have products properly inspected can result in shipment delays; costly fines; storage charges at destination; the possible return of shipments to origin and loss of business.

Finally, be aware that the World Trade Organization monitors PSI agency activity and can be approached with questions or comments.