



Guide to Importing & Exporting

Breaking down the Barriers

HM REVENUE & CUSTOMS WELCOME YOU TO THE

NEW IMPORTERS AND EXPORTERS STARTER PACK

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*denotes new or updated information in this version of the pack

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Introduction

Section i

Who is this publication aimed at?

This information pack is for anybody, whether already in business or not, who wishes to bring goods into the United Kingdom (UK) from outside the European Union (EU), or intends to send goods from the UK out of the EU.

The pack has been designed to help you get started on importing and / or exporting, and to help you better understand the procedures involved in these activities.

If you are engaged in selling products to customers based in a Non-EU Country, or you are buying products from a supplier based in a Non-EU Country, the information in this pack will be relevant to you. Note that certain goods need a Department for Business, Innovation and Skills (BIS) export licence even if they are being transferred to another EU Member State. These goods are all listed military goods, paramilitary goods and certain dual-use goods. See 'Do my goods need an export licence' for more information.

H M Revenue & Customs (HMRC)

When most people think about HMRC, they think mainly of the uniformed officers they encounter at ports and airports and Income Tax.

VAT registered businesses may be aware of the VAT Officer, who attends business premises to audit commercial records.

However HMRC deal with many different aspects of work, for example –

- Climate Change Levy
- Excise Duty
- Insurance Premium Tax
- Landfill Tax
- Intra-EU Movement (of goods)
- Air Passenger Duty
- Child Benefit
- Tax Credits
- Income, Corporation, Capital Gains, Inheritance, Insurance Premium, Stamp, and Land Taxes
- Enforcement of other Government Department prohibitions and restrictions on the movement of controlled goods and offences relating to arms and WMD trafficking and breaches of UN and EU sanctions.

Unless you are in business in one of the specialised areas concerned, it is unlikely you will encounter many of these.

Listed below are some of the job-titles of HMRC which you may encounter:-

- **The National Clearance Hub (NCH)** – The NCH is a single national site which has replaced Entry Processing Units (EPU) previously located at all major airports / ports.
- **International Trade Assurance Officers** – work from inland offices, visiting your business premises, to check records and goods in relation to importing and exporting.

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- **VAT Assurance Officers** – work from inland offices, visiting VAT registered business premises. They are responsible for validating VAT returns by examining business records.
- **Excise Assurance Officers** – work with the specific businesses involved with excise duties – hydrocarbon oils, alcohol, tobacco, betting and gaming.

This list is by no means exhaustive; there are many other jobs within Customs, so depending on what your business is doing you may well have contact with other Officers.

UK Border Agency (UKBA)

In 2007 the Government announced the creation of the UK Border Agency and after a year of 'shadow' running, UK Border Agency became an Executive Agency of the Home Office on 1 April 2009. The UK Border Agency has taken on the majority of Customs work at the border. In a number of areas, HMRC retains policy responsibility for border activity, and in this regard the UK Border Agency is acting as a delivery agent for HMRC. Therefore the UK Border Agency has the primary responsibility for clearing the movement of goods and people across the UK border, subject to the completion of satisfactory checks as stipulated by HMRC, and collecting relevant taxes and duties where appropriate.

HMRC is the UK Customs authority accountable for the :

- Collection / enforcement of taxes (import VAT, excise / customs duties),
- Regulation, control and facilitation of international trade
- Customs policy, procedures, systems and legislation.

Specifically HMRC has primary responsibility for processing import and export declarations and carrying out pre and post clearance controls at the National Clearance Hub.

For the purposes of this guide the work of HMRC and the UK Border Agency is entwined and as such the word 'Customs' is used to mean the work of both Departments.

Border Force (BF) Officers

If you are importing or exporting therefore, you may come into contact with Border Force Officers at the frontier. They make sure that any goods being declared for import or export are moving legally. If they find errors on documents where information is incomplete or missing, or there are discrepancies between the documents and the goods, they will need to investigate further and have any errors corrected before those goods can move.

It is perhaps an unfortunate fact that due to the volume of freight traffic at ports and airports, Border Force Officers will not be able to deal solely with your consignment. Therefore if a query does arise on your declaration they will not be able to halt all other inspections until yours has been cleared. They are obliged to move on to the next set of documents which have been presented for an import, so your consignment could be waiting until the query found on it has been resolved.

Whilst HM Revenue & Customs and the UK Border Agency have no wish to add to the burden that businesses bear, they are required by law to ensure that all movements of goods are legitimate. As delays in the movement of your goods are likely to cause you and your customers problems, we are keen to ensure that documentation is completed correctly and therefore ease the movement of goods.

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The National Clearance Hub (NCH)

The NCH responsibilities include the processing of :

- All import and export entries selected for further checks
- The inputting of manual import and export entries
- Controlling un-entered goods for inventory linked ports and airports
- Authorising and amending inventory records and removals
- Processing of ship records documentation

You can contact the NCH by phone, fax, email or letter.

Write to :	FREEPOST RRBK-CGRL-RUCA	Telephone :	+44 (0)845 001 0085
	HM Revenue & Customs	Fax :	+ 44 (0)800 496 0699
	National Clearance Hub	Email :	nch@hmrc.gsi.gov.uk
	Custom House		
	Furness Quay		
	SALFORD		
	M50 3ZZ		

Regional Business Education and Support Teams (BESTs)

Business Education and Support Teams (BESTs) can help you understand what an Officer is looking for in your import / export declaration.

Businesses can approach the Team in their geographical area and sign-up for seminars, or specialist workshops. Alternatively, an Assurance Officer or VAT Visiting Officer may either suggest to you that you would benefit from inclusion in one of the options, or put your name forward to BEST themselves.

Getting a better understanding of what Officers are looking for, can help to pre-empt some problems, thus helping your declaration to be cleared quicker.

You can contact the BEST team in your region by phoning the [VAT, Excise & Customs Helpline](#) on +44 (0)845 010 9000.

Why would I come into contact with HM Revenue & Customs and the UK Border Agency?

HM Revenue & Customs is accountable for controlling imports and exports to and from the UK, for customs purposes and on behalf of other Government Departments. All goods imported into the UK must be declared to Customs on arrival in one form or another. HMRC and the UK Border Agency's involvement with exported goods starts at the time the goods are declared for export. This could be at business premises or the Port or Airport when they leave the country. The export cannot proceed until clearance is given by Customs. They work with other Departments in order to speed up the clearance of your goods – otherwise the logistics of the importer or exporter liaising with all the relevant Departments would be difficult. If delays are to be avoided it is important to get the documents right. Errors or discrepancies may cause delays.

Can I use an Agent to act on my behalf?

You can appoint a representative to act on your behalf. The type of representation may be either Direct or Indirect.

Direct representatives act in the name of, and on behalf of, another person. Indirect representatives act in their own name but on behalf of another person.

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If you employ an agent to act as a direct representative i.e. the agent makes the customs declaration on your behalf (as the principal) acting in your name, you are deemed to be the declarant and therefore liable for any customs debt.

Where an agent acts as an indirect representative i.e. they make the customs declaration on behalf of a principal in their own name they are deemed to be the declarant. In such cases both the agent and the principal are jointly liable for any customs debt.

We strongly recommend therefore that it is in the best interests of importers / exporters to check the accuracy of any customs declarations made on their behalf. It is good practice to ensure that you request, receive and obtain copies of all declarations made to customs from your nominated agent as this will help support claims for VAT zero rating and the completion of import relief procedures.

More information on who is responsible for customs debts can be found in Section 7 of [Notice 199](#) Imported goods: Customs procedures and Customs debt.

What is an Import?

In this guide we use the term **import** to mean bringing goods into the UK from outside the European Union (EU) for personal or commercial reasons.

It is important to understand the differences in the law for the treatment of imports into the EU, as opposed to Intra European Community trade. Please be aware however that legislation controlling the importation of goods such as firearms, offensive weapons or drugs into the UK applies equally to goods from other EU Member States.

What is an Export?

An **export** is when you send goods from the UK to a destination outside the European Union for any reason. Many goods – e.g. military and paramilitary goods, radioactive sources, cultural goods and controlled drugs need a licence to be exported from the UK regardless of their destination.

Countries of the EU

At the time of going to print, the countries of the EU are:-

Austria, Belgium, Bulgaria, Republic of Cyprus, The Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, The Irish Republic (Eire), Italy, Latvia, Lithuania, Luxembourg, Malta, The Netherlands, Poland, Portugal, Romania, Slovenia, Slovakia, Spain, Sweden and The United Kingdom.

Special territories such as the Canary Islands and the Channel Islands are in the Customs territory but are not part of the Fiscal (VAT) Territory of the EU.

Why do I need to be aware of all this?

Imports and exports are subject to various UK laws and EC Regulations. You must abide by these "control" measures, so it is a good idea to know what you are getting involved with. When mistakes happen, HMRC can under the terms of the laws and Regulations impose various penalties against you, or even seize your goods.

This pack is designed to give you guidance to avoid some of the difficulties which can be encountered when importing and exporting goods.

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How to use this Pack?

To get the most out of this pack, we would suggest you start by reading either or both of the major sections on Importing or Exporting. You can move onto the sections on Transit Systems and Duty Relief Schemes if these are relevant to your business operations.

The pack is broken down into particular sections dealing with specific activities and topics and within these are the links to other areas which could impact on your movement of goods.

VAT, Excise and Customs Helpline

The [VAT, Excise & Customs Helpline](#) is the Department's telephone service that deals with all general enquiries about HMRC matters, including Value Added Tax (VAT), Customs Duties, Insurance Premium Tax, Landfill Tax, Aggregates Levy, Air Passenger Duty, Climate Change Levy and Mineral Oils Duties, both from businesses and the public. It is based at two individual sites which are linked. The single contact number is +44 (0)845 010 9000. Each call will automatically be routed to the site with the shortest call queue.

The service is open Monday to Friday from 8.00am to 6.00pm. Customers with hearing difficulties can ring the Textphone service on +44 (0)845 000 0200.

Tariff Classification Service

An electronic version of Volume 2 of the Tariff is available via the [Business Link website](#). More information on this is detailed in Section ii and iii of this guide under UK Trade Tariff. If however you are unable to find an appropriate code via the website, the Tariff Classification Service will assist you with finding the correct commodity code for your imports / exports. They can be contacted on +44 (0)1702 366077 between 9.00 and 17.00 Mondays – Thursday, 9.00 and 16.30 on Fridays (except Bank Holidays). Please see the sections in this guide on Importing and Exporting for more information on tariff classification and commodity codes.

Notices

HMRC issues Notices (leaflets or booklets) on particular subjects. A number of Notices are referred to throughout this publication. You can obtain copies of Notices by either contacting the VAT, Excise & Customs Helpline on +44 (0)845 010 9000, and requesting a copy to be sent to you in the post. You can also view [Notices](#) on our website.

Acknowledgements

HM Revenue & Customs thanks other Contributors for their valuable input to this pack.

- Department for the Environment, Food and Rural Affairs (DEFRA)
- Department for Business, Innovation and Skills (BIS)
- Rural Payments Agency (RPA)
- UK Border Agency (UKBA).

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The Tariff

The Integrated Tariff of the United Kingdom, usually referred to as **The Tariff** contains all the information to help you with Importing or Exporting. It includes references to the relevant laws and regulations.

Although the UK version is called the "Integrated Tariff of the United Kingdom", the same format is used throughout the EU. Importing and exporting are covered by EC Regulations, so regardless of the country in which you operate, the Tariff equivalent acts as a comprehensive point of reference. Please note that all EU countries have the same commodity codes, duty rates and procedures as the UK.

The Tariff consists of 3 volumes –

- **Volume 1** contains essential background information for importers and exporters. It covers – duty relief schemes, contact addresses for organisations such as Department for Business, Innovation and Skills, Department of Environment, Food and Rural Affairs and Forestry Commission. It also contains an explanation of Excise duty, Tariff Quotas and many similar topics.
- **Volume 2** contains the 16,000 or so Commodity Codes set-out on a Chapter by Chapter basis. It lists duty rates and other directions such as import licensing and preferential duty rates.
- **Volume 3** contains a box-by-box completion guide for import and export entries – the C88 form, the complete list of Customs Procedure Codes (CPCs) for importing and exporting, Country / Currency Codes, lists of UK ports and airports both alphabetically and by their legacy Entry Processing Unit (EPU) numbers, and further general information about importing or exporting.

The Tariff is available on an annual subscription. At the time of going to print the cost is £270. Each December, a complete Tariff for the coming year is despatched followed by monthly amendments which replace existing pages.

If you do not wish to obtain your own copy, the Tariff is available at some larger libraries.

Whether or not you own a Tariff, it is essential that you keep up-to-date with changes in commodity codes, rates of duty and regulations related to your products.

You can buy the Tariff in printed and CD ROM formats or subscribe to the new e-service, from:

The Stationery Office
The Publications Centre
PO Box 29
NORWICH
NR3 1GN

General enquiries and orders
Orders only
Subscriptions

Telephone	+44 (0)844 4777 414
Fax	+44 (0)870 600 5533
Email	subscriptions@tso.co.uk
Web site	www.tsoshop.co.uk

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UK Trade Tariff

A free online version of volume 2 of the Tariff is available via the [Business Link website](#). It offers a browse and search facility that enables users to classify goods and quickly find detailed information such as commodity descriptions, duty rates, Anti Dumping Duty, Quota, VAT and excise rates, preferential agreements, government controls and explanatory notes for any commodity in the UK Tariff. There are daily data updates from the European Union's TARIC database and the HMRC Customs Handling of Import and Export Freight (CHIEF) system. There is an email alert system to let you know when anything changes within the Tariff. Additionally the UK Trade Tariff allows you to quickly identify the relevant licences / certificates that are applicable for each particular commodity code.

Why are HM Revenue & Customs and the UK Border Agency interested in my goods?

Customs have an interest in imports for a number of reasons. These include:-

- Correct payment of any duties and / or VAT due.
- Trade Statistics for both the UK and the EU.
- Balance Of Trade Figures for imports / exports for the United Kingdom.
- Prohibitions and restrictions set in place by UK laws and EC Regulations.

The Single Administrative Document (SAD) – C88

Import and export details are usually collected through the electronic submission to HMRC, of the Single Administrative Document (SAD). This document, in the same format, is used throughout the EU, each country having it printed in their own language.

In the UK it is known as form C88. Copies of a completed form can be found at the end of this section. The form contains 54 boxes – not all of them need to be completed. The details of which should be completed and why, are given in the Tariff, Volume 3 part 3, paragraph 3.1.1.

Import Declaration

Currently 99 per cent of import details are collected through the submission to HMRC of an electronic import declaration (C88). You may make this yourself or use an agent to do it for you.

The import declaration gives information needed for a complete picture of what the goods are and what is happening to the shipment. Two of the most important pieces of information required are the Commodity Code (also called Tariff Heading, Tariff Code, Classification Code or Harmonised Code) and the Customs Procedure Code (CPC). Both have significant impact on duty due and how the consignment is treated.

Can I use an Agent to make an import declaration on my behalf?

You may appoint a representative to make an import declaration on your behalf. If you use a freight agent to complete your import formalities for you, he is working on your behalf only. If something in the declaration needs an explanation, we will still look to you as the legally declared importer and not the agent for clarification; it is your responsibility as the importer to ensure the accuracy of the information provided on the declaration.

If you employ an agent to act on your behalf, the type of representation may be either Direct or Indirect.

Direct representatives act in the name of, but on behalf of, another person.

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If an agent is acting as a direct representative i.e. the agent makes the customs declaration on your behalf (as the principal) acting in your name, you are deemed to be the declarant and therefore liable for any customs debt.

Indirect representatives act in their own name but on behalf of another person

Where an agent acts as an indirect representative i.e. they make the customs declaration on behalf of a principal in their own name they are deemed to be the declarant. In such cases both the agent and the principal are jointly liable for any customs debt.

We strongly recommend therefore that it is in the best interest of importers to check the accuracy of any customs declarations made on their behalf. It is good practice to ensure that you request, receive and obtain copies of all declarations made to customs from your nominated agent as this will help support claims for VAT zero rating and the completion of Import Relief procedures.

More information on who is responsible for customs debts can be found in Section 7 of [Notice 199](#) Imported goods: Customs procedures and Customs debt.

What is Economic Operator Registration Identification (EORI)?

An EORI number is a number unique throughout the European Union, assigned by a Customs authority in a Member State to economic operators or persons. By registering for Customs purposes in one Member State, an Economic Operator (EO) is able to obtain an EORI number which is valid throughout the EU. The EO will then use this number in all communications with any EU Customs authorities where a customs identifier is required. The EORI system replaces the former Trader's Unique Reference Number (TURN) system and a phased implementation of EORI began on 1 April 2009. The EORI system was fully operational by 1 July 2009.

Structure of the EORI Number

All UK EORI numbers start with the letters GB, followed by a 12 digit number based on the EO's VAT number (if registered for VAT in the UK) and suffixed with a 3 digit number usually 000 e.g. GB123456789 000.

The structure of the UK EORI number will also be the same for EO's who are not registered for VAT in the UK or are not established in the customs territory of the Community.

How to obtain an EORI number in the UK

To apply for an EORI, you must submit an EORI application form. There are two ways you can apply, either by electronic or hard copy. HMRC give priority to EORI electronic applications.

- [Form C220 EORI application – if you are registered for VAT in the UK](#)
- [Form C220A EORI application – if you are NOT registered for VAT in the UK](#)

Once completed, the electronic application form together with any scanned supporting documents should be sent to the EORI team in Cardiff via email for processing. Email: to eorl@hmrc.gsi.gov.uk.

The completed hard copy form should be sent by post, together with any supporting documents to the EORI processing team at the following address :

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HM Revenue & Customs
EORI Team
13th Floor South
Government Buildings
Ty Glas
Llanishen
CARDIFF
CF14 5FP
Tel: Via the VAT, Excise & Customs Helpline +44 (0) 845 010 9000.

How quickly will I be notified on my EORI number?

In most cases the EORI application will be processed within three working days of receipt by the EORI team. It will take a further day to update our CHIEF and EU EORI systems. You will be notified of your new EORI number and you will be able to use your EORI number within 24 hours after receiving this notification.

Please Note : If you are VAT registered in the UK we strongly recommend that you submit your EORI application well in advance of when you wish to use the EORI number to avoid delays at import or export.

Further details about EORI can be found on the HMRC website [EORI Scheme Home Page](#). In particular the '[Frequently Asked Questions](#)' section will be of assistance.

Authorised Economic Operator (AEO)

The EU have been considering ways to raise safety and security standards within the international supply chain of goods to address the challenges of terrorism and to help protect EU borders and citizens.

The EU has developed the Authorised Economic Operator (AEO) scheme based on the World Customs Organisation SAFE Framework and in response to arrangements such as C-TPAT for imports into the USA. Benefits to those meeting the criteria include faster clearance times and preferential treatment at the EU border amongst others. More benefits will be available in the future to EU exporters when mutual recognition agreements are in place with third country trading partners, as equivalent benefits are provided under the agreements when the EU goods are imported into the third country. An agreement with Japan was signed in June 2010 and came into full effect on 24 May 2011. The US agreement is expected to be finalised in October 2011 and the Chinese agreement in 2012.

AEO also provides easier access to various customs simplifications as authorised to use the simplified customs procedures can be dependent on meeting some of the AEO criteria.

HMRC are accepting applications from eligible businesses – those that are involved in trade with countries outside of the EU and operate under customs legislation. This can include importers, exporters, freight forwarders, warehousekeepers, port operators, etc.

More detailed information on [AEO](#) can be found on the HMRC website under the Imports and Exports section, under International Trade Developments or alternatively go to the [Business Link website](#) which provides you with information and relevant links to the application pack.

What is the Commodity Code?

The Commodity Code for imports is a ten digit number which equates to a description of the item. Every item will have a code number – however diverse or obscure.

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Against each commodity code, a duty rate is set, as are any restrictions that are likely to apply e.g. BIS Import Licence may be needed. Classifying your product using the correct commodity code is very important as the code;

- describes the goods, and
- sets the duty rate.

The majority of products being imported will attract duty. It is important that the correct duty rate is paid. If you pay too much, you will be disadvantaged financially. If you pay too little, you are likely to have to pay the additional amount later, perhaps after you have sold the goods on. Ensuring your products are classified to their correct commodity code(s) is of prime importance. Commodity Codes are contained in Volume 2 of the Tariff and there are some 16,000 of them. The Tariff has monthly updates as codes can change, be removed or new ones added. There is also an electronic version of Volume 2 of the Tariff available via the [Business Link website](#), which is updated on a daily basis. More information on this is available at the beginning of Section ii of this guide under UK Trade Tariff.

If, after having studied the Tariff, you are unable to find the correct commodity code for your product, you can contact the Tariff Classification Service on +44 (0)1702 366077 between 9.00 and 17.00 Mondays – Thursday, 9.00 and 16.30 on Fridays (except Bank Holidays) Alternatively you can apply for a written Binding Tariff Information (BTI) decision. You can request a BTI application form by phoning the Tariff Classification Service or you can complete and submit the electronic version by registering for a PIN and Password via the Government Gateway at <http://www.gateway.gov.uk/> and follow the instructions given.

See also [Notice 600](#) – Classifying your Imports or Exports.

Please note – using an incorrect Commodity Code could result in an overpayment or underpayment of duty that Customs will repay to you or collect from you at a later date.

What is the Customs Procedure Code (CPC)?

The CPC describes the purpose of your shipment and informs Customs about the duty to be paid on the goods, whether it is to be –

- taken as a deposit, to be repaid when goods are re-exported,
- suspended completely because of a duty relief scheme (see Section v), or
- brought to account straightaway.

For example, are the goods coming in as samples, either to elicit orders or for you to inspect for quality, finish etc, before giving the go-ahead for full importation of the product? Commercial samples and Goods for examination, analysis or test can get relief from duty and VAT and there are specific CPCs to cover this. Please see [Notice 367](#) Importing commercial samples of negligible value free of duty and VAT and [Notice 374](#) Importing goods for test free Duty and VAT, for further information.

The Tariff (Volume 3) contains the full list of CPCs for the various import options. Once you have established the correct one, it is unlikely to change for the year.

Payment of Import Duty and VAT

Once an import declaration (usually a C88 Single Administrative Document (SAD)) has been submitted and accepted by HMRC, the goods covered by the declaration shall not be released unless the monies payable against that import have been paid or secured. The

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usual method is by use of a **Deferment Account** (see below), for you or your agent. This is the most effective and efficient way to clear your goods and pay the charges due. However, you can also pay by guaranteed cheque (by the use of guarantee form C&E307, or by individual bank endorsement), Bankers Draft, BACS, or CHAPS. These latter methods of payment will be accepted in euros.

What is the Import Value?

When you import goods, you must declare a value (known as the customs value) on the C88. It is important that this value is correct as this is the amount on which any duties and VAT due will be calculated. The customs value is also crucial to obtaining accurate trade statistics.

How do I determine the customs value of my goods?

Where the goods you are importing are subject to a sale, the customs value should be based on the CIF price (cost, insurance, freight) plus certain other costs you may have incurred in purchasing the goods (e.g. some commissions, royalty and licence fees and even the value of materials you have supplied free of charge to a manufacturer). This method of valuation is known as the transaction value and is used in the vast majority of importations.

Where no transaction has taken place (e.g. you imported the goods on loan), a hierarchy of alternative methods of valuation should be used. To help guide you through this complex area further details concerning the valuation of goods for customs purposes can be found in [Notice 252](#) Valuation of imported goods for Customs purposes, VAT & trade statistics.

Valuation Declarations

If you import dutiable goods over a certain value (currently £6500), you may be asked to complete a declaration of value as well as the C88. If you buy goods and base the customs on an earlier sale, you may be asked to register a "long term" declaration called a **General Valuation Statement** (GVS), with our GVS Registration Unit in London. The declaration will remain valid for a period of three years as long as the particulars do not change, after which it has to be renewed. Further details can be found in [Notice 252](#) Valuation of imported goods for customs purpose, VAT and trade statistics.

Rates of Exchange

If you or your suppliers issue invoices with values quoted in currencies other than sterling these will need to be converted to sterling for customs duty and VAT purposes when declaring goods at import and export.

The various rates of [exchange](#) can be accessed via the HMRC website. The monthly rates shown are checked weekly and changes made if they differ by more than 5 per cent from the last published rate. Alternatively the exchange rates are available from the [VAT, Excise & Customs Helpline](#) on +44 (0)845 010 9000.

What documentation will I have when I import?

Whenever possible and certainly for any imports coming in under "Customs Control", you need to have a copy of the import C88 form. We would also advise that a copy of the supplier's invoice accompanies the consignment, or if there has been no sale, a letter or document clearly showing what the status of the goods is.

If you have used an agent, the C88 will not necessarily look like the example at the end of this section. Agents can input your import details direct to the HMRC [CHIEF](#) (Customs Handling of Import and Export Freight) computer system and produce a "plain paper" print

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which contains all the same information as a C88. This is called 'Trader Input Plain Paper C88'.

If Customs are presented with a C88 for an import coming in under "Customs Control", we will stamp it and thereby certify the import. If the details have been input electronically (through [CHIEF](#)), Customs will not have the physical documents to stamp – therefore we issue the agent with an **Entry Acceptance Advice**. This is our way of acknowledging the entry.

If you receive a Plain Paper C88, you should also receive the Entry Acceptance Advice. This is proof that the entry was input and accepted by Customs.

All entries, whether input electronically or through submitting a C88, will, once they have been accepted by us, be issued with a unique Entry Number. Regardless of which port / airport has been used it will always follow the same format of three digits (port / airport code), followed by six digits (including zeros), followed by a letter, followed by the date of acceptance; for example 120 – 112034B 190302.

What is temporary storage?

The term 'temporary storage' applies to the status of goods imported from outside the European Union (EU) from the time they are presented to Customs until the time that they are assigned to a customs approved treatment or use, e.g. entered into free circulation. The term also applies to the special customs approved premises or facilities that are used to store such goods during the time that the goods have the 'status of goods in temporary storage'.

How does temporary storage work?

Goods imported from outside the EU must be presented to the customs authorities within three hours of their arrival at the place of unloading, and be followed by a summary declaration within twenty four hours of presentation of the goods. A full customs declaration must be made immediately or shortly after the summary declaration. However, where imported goods are put into temporary storage only the presentation and summary declaration will need to be completed within the relevant timescales. The full customs declaration and payment of the relevant duties and taxes do not need to take place until the permissible time limit for temporary storage has expired.

All importers can use temporary storage facilities but only certain types of traders can have their premises approved as a temporary storage facility. These are:

- freight forwarders
- customs agents
- warehousekeepers
- transport companies.

All of these must be involved in the movement of non-Community goods.

All goods are eligible to be kept in temporary storage although some goods such as foodstuffs and firearms are subject to special requirements.

Goods in temporary storage must be assigned to a customs approved treatment or use within:

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- forty five days from the date of the summary declaration where the goods are brought in by sea
- twenty days in the case of goods brought in by other means such as air or road.

These time limits may be extended by making a written application to HMRC at the National Clearance Hub in Salford. Such extensions will only be granted where it is justified by the circumstances. Failure to obtain approval can result in the goods being seized, destroyed or sold.

What do I need to do to be authorised as a temporary storage operator?

Application forms can be obtained from the National Frontier Approvals Unit on +44 (0)121 697 4045.

The completed application form must be submitted to:

HMRC
National Frontier Approvals Unit
2 Broadway
Broad Street
Five Ways
BIRMINGHAM
B15 1BG

The request for approval must specify the type of goods to be stored as this will enable the National Frontier Approvals Unit to advise you of other government departments that need to be contacted as part of the authorisation process. For example, the Home Office must be contacted regarding storage of firearms whilst the Department for the Environment, Food and Rural Affairs (DEFRA) must be contacted for plant health related goods.

Officers will visit the premises in question to ensure that they are suitable and meet the appropriate criteria and regulations.

Further details about temporary storage can be found in [Notice 199A](#) Temporary Storage and Approved Depositories.

What is meant by "Customs Control"?

"Customs controls" means specific acts carried out by HMRC to ensure the correct application of customs rules and other legislation governing the entry, exit, transit, transfer and end-use of goods moved between the EU and non EU countries. This may include examining goods, verifying declaration data, the existence and authenticity of electronic or written documents, examining the accounts of undertakings and other records, inspecting means of transport, inspecting luggage and other goods carried by or on persons and carrying out official inquiries and other similar acts.

If the conditions under which importation was allowed have not been fulfilled, HMRC may require payment of duty / VAT where such charges have not been paid, impose a penalty or even seize the goods.

What is a Deferment Account and how does it work?

If you intend to import on a frequent basis, a Deferment Account is an efficient method of paying the duty and VAT due. You can apply to HMRC for a Deferment Account, which will enable you to defer paying the charges (that would otherwise be due at importation) until a prescribed payment day.

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To apply, you will need to provide financial security (from a bank or insurance company approved by HMRC) to cover each and every sum you defer up to an overall maximum amount in any calendar month. This amount is your deferment limit for the month and must not be exceeded. You will also need to complete a direct debit mandate to enable us to take a payment from your bank account of the total charges deferred.

Note : Security must be provided to fully cover all import VAT, customs duties and excise duties that you defer. Import VAT however may not need to be fully secured if you apply for SIVA (Simplified Import VAT Accounting) approval.

Additionally, excise duty may not need to be fully secured if you apply for EPSS (Excise Payment Security System). Detailed SIVA and EPSS information including application forms can be found on our website.

Upon successful deferment application, you will be allocated a Deferment Approval Number (DAN) that must be quoted on the import declaration if you wish to pay for charges due by duty deferment.

The charges you defer during one calendar month (the deferment accounting period for customs duties and import VAT) must be paid as a total sum on the 15th of the next month, or if the 15th is not a working day, on the next working day after it. This means you can defer charges between 2 and 6 weeks – an average of 30 days credit. For excise duties, you still get an average of 30 days credit, but the deferment accounting period runs from the 15th of one month to the 14th of the next month. Payments must be made on the 29th of the latter month (or 28th February in non-leap years), or if the 29th (or 28th February in non leap years) is not a working day, on the working day before that.

[Notice 101](#) Deferring duty, VAT and other charges gives further guidance on this subject.

What are Preferential Rates of Duty?

The EU has trading agreements set in place with certain non-EU countries. The effect of these is to allow goods which have met specified origin rules in the country of export to be imported at a preferential or reduced rate of duty. Claims to preferential rates of duty must be supported by proof of preferential origin (a certificate, or in some cases a declaration on an invoice or other commercial document, issued in the exporting country); further information is given in [Notice 826](#) Tariff Preferences - Imports. Volume 1 Section 7 of the Tariff contains additional information in terms of which countries are involved.

The European Community also has a Customs Union with Turkey in which most products (with the exception of agricultural and coal and steel products, which are subject to the 'traditional' preferential arrangements described above) can be imported into the parties concerned without payment of customs duty. In order to qualify for this relief the products concerned must have either been wholly produced in the Community or Turkey, or if they have been imported into the parties from another country they must be in free circulation with all customs duties and other equivalent charges paid. Evidence of entitlement to the relief is provided by an ATR Movement Certificate. You can find out more about the preferential arrangements between the Community and Turkey in [Notice 812](#) European Community Preferences: Trade with Turkey.

Control measures have been set in place to address the risk of goods being imported under preference incorrectly. If a Preference Document is submitted to Customs and is found to be incorrectly issued against the consignment, the additional duty must be paid and in the most serious cases other penalties may be imposed. Therefore, in your own interest you

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should check as far as possible that any proof of preferential origin which you present to Customs is valid and that the goods covered by it are properly entitled to preference. [Notice 826](#) Tariff Preferences: Imports, tells you how you can help yourself avoid a liability to duty and how you can check that your goods have met the rules.

What are Customs Freight Simplified Procedures (CFSP)?

CFSP is a two stage electronic method of declaration. It offers the trader a variety of procedures, which may be operated in isolation or combined to best meet the traders needs. It allows authorised traders to gain accelerated removal or release of most third country imports by making a simplified declaration containing the minimum of details at the frontier.

The full statistical and fiscal details of the goods are later provided to Customs electronically within a defined timescale. However CFSP imports will still be subject to anti-smuggling and admissibility controls the same as all other goods entering the UK. Other features of CFSP include possible cash flow benefits and the use of simplified procedures in conjunction with normal entry and warehouse procedures to meet the needs of your business.

You must apply to Customs for general / specific authorisation to operate simplified import procedures. The criteria and conditions of authorisation have changed. Details can be found in [CIP \(09\) 81A](#), which provides a link to the new application form ([C&E 48](#)) and its explanatory notes. Further information about CFSP can be found in [Notice 760](#) Customs Freight Simplified Procedures (CFSP).

What are Single Authorisation for Simplified Procedures (SASP)?

SASP enables an importer to be authorised for simplified import procedures in one Member State (MS) for all their non-EU freight operations throughout the Community. This enables economic operators to make import declarations and pay customs duties for all transactions in the authorising MS, although the movement of goods takes place in another.

This approach has not proved possible for Value Added Tax (VAT). This is because VAT is a destination based tax and has to be accounted for in the MS where the goods are 'consumed'.

Similarly, the provision of trade statistics too, will continue to be a national requirement and not covered by the SASP.

For UK based authorisations the standard Customs Freight Simplified Procedures (CFSP) is used for making customs declarations. CFSP is also used for the submission of UK VAT and statistical declarations for authorisations based in other Member States.

Can I personally bring commercial goods, purchased outside the UK, back with me?

Yes. However all commercial goods, which are not in free circulation within the EU carried in your baggage or private vehicle must be declared. On arrival in the UK you must take the goods to the Red "Goods to Declare" Channel. Where no separate red channel exists you should use the Red Point phone.

The value of the goods together with the customs procedure the goods are being imported to will determine whether or not you are required to complete a formal customs declaration on a C88 SAD. Where a C88 is not required it will still be necessary to pay any customs duties and taxes due and you will be given a receipt for any monies paid.

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Where a customs declaration is required, you must complete the C88 in the same way as you would for an importation of unaccompanied freight. Further details about this can be found in [Notice 6](#) Merchandise in Baggage.

Further Information:

Further information is available in the following Notices:

[Notice 6](#) Merchandise in Baggage.

How to make a commercial import of goods, when returning from a trip abroad, if you have them in your baggage and the procedure for exporting commercial goods in your baggage.

[Notice 101](#) Deferring duty; VAT and other charges.

[Notice 117](#) Authorised Economic Operators.

[Notice 143](#) A guide for international post users and [Notice 144](#) Trade imports by post: how to complete customs documents.

These two notices take you through how to make an import by Post (not Courier Services).

[Notice 199](#) Imported goods: Customs procedures & Customs debt.

An overview of general import procedures.

[Notice 199A](#) Temporary storage and Approved Depositories.

[Notice 600](#) Classifying your Imports or Exports.

This tells you how to classify your Imports and Exports.

[VAT Notice 702](#) Imports, gives general information on imports from a VAT aspect.

The [Transit Manual](#) on the European Commission website.

The [Transit Manual Supplement](#) provides guidance on transit procedures in the UK and can be found within the Imports and Exports section of the HMRC website.

Business Link website

The [Business Link website](#) brings together previously fragmented and disjointed information from government and trade associations into 196 plain English easy to understand guides and 8 interactive tools which guide users through the complexities of trading internationally.

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An Example of a completed C88 Form

EUROPEAN COMMUNITY						1 DECLARATION							
6	2 Consignor/Exporter No <input type="checkbox"/> MR A K SMITH GORDON & GORDON PAIGN AVENUE AUSTRALIA					IM		D					
	8 Consignee No GB 111 2222 33 000 BRIGGS BOOTS LTD 14, BRIGHT DRIVE READING, BERKS RG1 5B8 UNITED KINGDOM					3 Forms		4 Loading lists					
	14 Declarant/Representative No * [GB 222 3333 44] BODDINGTON'S FREIGHT SERVICE PETERBROOKE AVENUE, COLNBROOK SL3 0HJ					5 Items 1		6 Total packages 10		7 Reference number INV. 664411/99			
	18 Identity and nationality of means of transport at departure/on arrival					19 Ctr.		20 Delivery terms					
	21 Identity and nationality of active means of transport crossing the border BA 1064					GB		22 Currency and total amount invoiced AUD 5,480-00		23 Exchange rate		24 Nature of transaction	
	25 Mode of transport at the border 4					26 Inland mode of transport		27 Place of loading/unloading		28 Financial and banking data			
6	29 Office of exit/entry					30 Location of goods GBLHRBAC							
	31 Packages and description of goods Marks and numbers Container No(s) - Number and kind 1 x BOX [BX] CONTAINING 10 BOXES CONTAINING ADULT MALE LEATHER FOOTWEAR IN PAIRS BOX MARKED "1 TO UK c/o BDFS" CONTAINER NO:					32 Item 1 No		33 Commodity Code 64035995 00					
						34 Country origin code a AU b		35 Gross mass (kg)		36 Preference 100			
						37 PROCEDURE 4000 000		38 Net mass (kg) 8.000		39 Quota			
						40 Summary declaration/Previous document Z-380-664411/99							
						41 Supplementary units 10.000		42 Item price 5,480-00		43 V/M Code 1			
44 Additional Information Documents produced/Certificates and authorisations N934-[AE]							A.I. Code		45 Adjustment B0		46 Statistical value £2,116-16		
47 Calculation of taxes		Type	Tax base	Rate	Amount	MP	48 Deferred payment		49 Identification of warehouse				
		A00	2116.16	F	169.29	A							
		B00	2285.45	S	399.95	A							
		Total:			569.24	A							
50 Principal No					Signature:		C OFFICE OF DEPARTURE						
51 Intended offices of transit (and country)		represented by			Place and date:								
52 Guarantee not valid for					Code		53 Office of destination (and country)						
D CONTROL BY OFFICE OF DEPARTURE					Stamp:		54 Place and date:**						

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An Example of a completed C88 Form

Result:	COLNBROOK 29-08-07
Seals affixed: Number: Identity:	Signature and name of declarant/representative: <i>S Boddington</i>
Time limit (date):	MRS S BODDINGTON
Signature:	
C88A	

* There is a requirement to enter the code for the type of representation in square brackets at the beginning of the No field. You are advised to refer to the Tariff completion notes for Box 14.

** More information is required but this is dependent on who is signing the declaration. You are advised to refer to the Tariff completion notes for Box 54.

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Am I likely to need an import licence or permit?

When you import, you may come across a number of licensing requirements, these include;

- Common Agricultural Policy (CAP) Licences
- Department for Business, Innovation and Skills (BIS) Licences
- Department for Environment, Food & Rural Affairs (DEFRA) Documents
- Convention for the International Trade in Endangered Species of Wild Fauna and Flora (CITES) Permits
- European Commission Licences
- Office for Civil Nuclear Security (OCNS) Licences
- Forestry Commission Licences
- Health and Safety Executive (HSE) controls
- Office of Communications (Ofcom) Licences and
- Health certificates for certain High Risk Feed and Food products.

What are Common Agricultural Policy (CAP) Licences?

If you import agricultural produce, whether as raw materials or processed goods, CAP Licences are usually needed. They are issued and controlled by The Rural Payments Agency (RPA). The HMRC National Clearance Hub, in conjunction with the UK Border Agency are responsible for the policing of the licences at the time the goods are imported.

How will I know if I need a CAP licence?

When you have established the commodity code or codes relevant to your product, the RPA can advise you whether a licence is needed. If a licence is needed and is not presented at the time of importation, the goods will not be allowed to move from the port / airport. It is worth remembering that CAP goods being imported from one country may need a licence, whereas the same goods coming from another country may not.

CAP licences can be issued to control certain aspects of imports, e.g. restrict the quantity of a certain type of goods being imported from a certain country, or to restrict the quantity of a product which gets a preferential rate of import duty.

You can contact the RPA on their general helpline number +44 (0)191 226 5050 or visit the [RPA website](#).

What are Department for Business, Innovation and Skills (BIS) Licences?

You may need to apply to BIS for a licence to import a small range of products, currently certain textiles, iron and steel products, firearms and ammunition, anti personnel mines, torture equipment and military equipment originating in or consigned from North Korea. They are issued by the BIS and enforced by HMRC and the UK Border Agency.

When you have established the commodity code or codes relevant to a product falling to the above list, BIS will be able to advise you whether you will need to apply to BIS for a licence. If a licence is needed and is not presented at the time of importation, the goods will not be allowed to move from the port / airport. It is worth remembering that goods being imported from one country may need a licence, whereas the same goods coming from another country may not.

The import of nuclear materials is administered by the Office of Civil Nuclear Security (OCNS) (part of the HSE) and the import of chemical weapons by the Chemical Weapons Authority part of the Department for Energy and Climate Change (DECC) using BIS's import legislation. These import licences are issued by these bodies respectively and not by BIS's import licensing branch. Further details on OCNS can be found at the end of this section.

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BIS import licences are usually issued to implement an International, European and UK domestic wide licensing requirement such as restriction on the quantity that is allowed to be imported e.g.

- for textiles originating in Belarus
- for monitoring purposes, iron and steel

or to implement prohibitions and restrictions on :

- torture equipment and firearms.

The import licensing branch at the BIS can be contacted on +44 (0)1642 364333 / 334, or visit the [BIS website](#).

What are Department for the Environment, Food & Rural Affairs (DEFRA) Documents?

If you import meat, poultry, dairy products, some other foodstuffs, livestock, blood, plant or plant products, endangered species or fur, a DEFRA licence, permit, certificate of conformity and / or a Common Veterinary Entry Document (CVED) will usually be required.

When will I need a Department for Environment, Food & Rural Affairs (DEFRA) Document?

Goods such as meat, poultry, and their products, dairy products (including milk and eggs), animal bones or blood, sausage skins and fishery products are required to undergo veterinary health checks at a Border Inspection Post (BIP) on arrival in the UK. In addition to the veterinary documents required by the BIP, a Common Veterinary Entry Document (CVED) issued by the BIP will normally be required to obtain customs clearance.

Certain fish and fishery products require under the Illegal Unreported and Unregulated Regulation (IUU) a valid catch certificate for consignments entering the EU.

Full details of all of the above controls can be found on the [DEFRA website](#).

The Convention for the International Trade in Endangered Species of Wild Fauna and Flora (CITES) implemented by EC Regulation prohibit the import and export of certain endangered species and products made from them or contained in them without a valid CITES permit or notification. Endangered species include tigers, rhinos, monkeys, parrots, birds of prey, crocodiles, tortoise, turtles, tortoise shell, orchids and cacti. Items made from or including endangered species are also subject to the same controls such as bags, belts, shoes made from the skins of endangered species, caviar, ivory carvings or statues and Traditional Asian Medicines that contain ingredients such as tiger bone, bear bile and orchids. This is not an exhaustive list and further information can be obtained from DEFRA or on the [CITES website](#). You should be aware that some species are not listed in the CITES convention but are still protected and prohibited under the EC Regulations, therefore you should always check with DEFRA before importing. The presentation of a valid CITES permit does not permit the by-pass of other import controls on live animals or plants.

Under national legislation rabies susceptible animals require a UK import licence. Certain pets may be imported without the need to undergo quarantine if they comply with the conditions of the Pet Passport Scheme. The pet passport scheme only applies to pet cats, dogs and ferrets.

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Certain plants, plant produce and plant products are prohibited from entering the UK from non-EU countries. It may be possible to import and keep prohibited material for trial or scientific purposes or for work on varietal selections, subject to strict quarantine and containment conditions under the authority of a licence issued by the Food and Environment Research Agency (FERA) – now incorporating Plant Health but formally part of DEFRA / National Assembly for Wales (NAW) / SGRPID (formerly SEERAD) for Scotland and DARD for Northern Ireland.

In general, all plants and some plant produce and products that are permitted to enter England, Wales and Northern Ireland from non-EU countries must be accompanied by a phytosanitary certificate.

In Scotland, all plants and some plant produce and products that are permitted to enter Scotland from non-EU countries must be accompanied by a phytosanitary certificate and a quarantine release certificate (QRC). The QRC is issued by SGRPID (formerly SEERAD).

All imports of fresh fruit, vegetables and nuts subject to EU Marketing Standards required a recognised certificate of conformity before release into free circulation within the European Union, until new EC legislation which came into force on 1 July 2009 relaxed HMI conformity controls at import on a range of Fruit and Vegetables. This legislation also removed the requirement for a processing certificate for all Fruit and Vegetables. RPA Horticultural Marketing Inspectorate will continue to issue conformity certificates for importations controlled under Special Marketing Standards (SMS) entering England or Wales, SGRPID (formerly SEERAD) for Scotland and DARD for Northern Ireland.

The Automatic Licence Verification System (ALVS) provides an interface between Government systems enabling lead government departments, initially the RPA (HMI) and DEFRA (FERA), to be responsible for providing their import control decisions (hold, release, refuse) directly to HMRC, thereby removing the need for manual documentary checks by Customs officers.

ALVS is dependent upon Advance Notification being made into DEFRA's PEACH system, before traders (and their agents) submit an import declaration to HMRC's CHIEF system. ALVS was fully launched on 16 February 2010.

Feed and Food products of non-animal origin (e.g. grain) imported into the EU must also comply with feed and food safety requirements. High Risk Feed and Food products have to be pre-notified to health authorities and can only be imported through approved ports and airports. A Common Entry Document (CED) endorsed by the Port Health Authority will be required to obtain customs clearance.

A list of the high risk products, country of origin can be found at Annex 1 of Commission Regulation (EC) 669/2009 as amended by Commission Regulation (EC) 433/2011.

Further information can be found on the [Food Standards Agency Website](#).

Aflatoxins

From 1 January 2010, a new Commission Regulation (EC) No 1152/2009 imposed special conditions governing the import of nuts, figs, dried fruit and certain products made from those food items from certain non-EU countries due to contamination risk by aflatoxins, and repeals and replaces Commission Decision 2006/504/EC.

These special conditions include that these specified products have to be pre-notified to health authorities and can only be imported through approved ports and airports. A

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Common Entry Document (CED) endorsed by the Port Health Authority will also be required to obtain customs clearance.

Information about the specific foodstuff and country of origin can be found at Article 1 of Regulation 1152/2009.

The furs of all harp and hooded seal pups are prohibited under national legislation. From 20 August 2010, all products from pinnipeds (seals, sea-lions and walruses) will be prohibited. The only exceptions will be products that :

- Are for personal use, of travellers or where there is a change of residence;
- Result from traditional hunts conducted by Inuit and other indigenous communities and contribute to their subsistence; or
- Result from hunts regulated under national law with the sole purpose of the sustainable management of marine resources and where the products are marketed on a non-profit basis.

The last two exceptions will need to be covered by a seal attestation issued by the country where the animal was killed.

The fur of certain other animal species may only enter the European Union (EU) if accompanied by evidence of their humane capture and legal origin. EU legislation also bans the import of cat and dog fur and any products made from such fur.

Imports of fertiliser where the consignment is MORE than 500KG and has an Ammonium Nitrate content of MORE than 28% should have a valid Exemption Certificate issued by the Health and Safety Executive or a valid Detonation Resistance Test Certificate (DRT) in English. These imports should be advised to DEFRA prior to import taking place. Further information on this is available from the [DEFRA website](#).

You should contact DEFRA on their general helpline number +44 (0)20 7238 6951 or +44 (0)845 933 5577 or visit the [DEFRA website](#) for details of the specific import requirements for all of the above goods.

When will I need a Forestry Commission Inspection Document?

Certain types of timber and forestry products must be covered by an inspection document issued by the Forestry Commission to be cleared by customs.

You can contact the Forestry Commission on +44 (0)131 334 0303 or +44 (0)845 367 3787, or visit the [Forestry Commission website](#).

When will I need a European Commission Licence?

The import of certain ozone depleting substances (ODS), fluorinated greenhouse gases (Fgas) and products which contain them (for example certain fridges or aerosols) is either prohibited or requires the authority of an import licence issued by the European Commission.

For further information see F gases and ODS – How do I comply?, on the [DEFRA website](#).

What are Health & Safety Executive (HSE) controls?

HSE are the UK Competent Authority for administering approvals for imports of many chemical and explosive substances. These include :

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- Explosives – The importation of explosives is prohibited unless accompanied by a transfer document (or a certified true copy) known as a Recipient Competent Authority (RCA) document. These documents are issued by HSE. The prohibition applies to all countries – EU Member States and non EU countries.
- Chemicals that are subject to “Prior Informed Consent” (PIC) legislation;
- Chemicals subject of “Persistent Organic Pollutants” legislation – pesticides / herbicides etc.
- “Carcinogenic Substances” – the importation of certain carcinogenic substances, covered by the Control of Substances Hazardous to Health (COSHH) 1988 Regulations are banned unless covered by an exemption certificate, but otherwise are covered by PIC requirements.
- Asbestos – the importation of the vast majority of asbestos products is banned under the Control of Asbestos Regulations 2006 but otherwise subject to “Prior Informed Consent” (PIC) legislation.
- REACH – (Registration, Evaluation, Authorisation and Restriction of Chemicals)
- Ammonium Nitrate – Imports exceeding 500kgs of Ammonium Nitrate (AN) from outside the EU must be accompanied by a valid Detonation Resistance Test (DRT) certificate or HSE exemption certificate. If you manufacture, import, supply or keep ammonium nitrate which is to be used other than as a fertiliser, you can apply for an exemption certificate by writing on your company’s letter headed paper to :

Mines Quarries and Explosives Policy
Health and Safety Executive
Rose Court
2 Southwark Bridge
LONDON
SE1 9HS

Tel : +44 (0)20 7717 6262
Fax : +44 (0)20 7717 6690
Email : explosives.policy@hse.gsi.gov.uk

You can contact the HSE Information line on +44 (0)845 345 0055, or visit the [HSE website](#).

When will I need an Office of Communications (Ofcom) Licence?

The import of certain radio equipment (particularly if it transmits the human voice) may be prohibited except with the authority of an import licence issued by the Office of Communications.

You can visit the [Ofcom website](#) or contact them by phone on +44 (0)845 456 3000 or +44 (0)20 7981 3040.

When will I need a Health Certificate?

Imports of certain feed and food products of non-animal origin on the basis of known or emerging risk are to be subject to an increased level of official controls at approved point of entry. A Common Entry Document (CED) endorsed by Port Health Authority will be required to obtain customs clearance.

Further information is available via the [Food Standards Agency website](#).

What are Environment Agency controls?

Environment Agency is the UK competent authority for enforcement of Transfrontier Shipment of Waste (TFS) legislation applying to import of waste shipments for disposal,

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recovery or recycling etc. Such consignments can require notification or consent procedures.

You can contact the EA TFS helpline on +44 (0)1925 542265 or email NATTFS@environment-agency.gov.uk or visit the International shipments of waste page on the [Environment Agency website](#).

When will I need a Kimberley certificate?

The import of rough diamonds from outside the EU requires an original Kimberley certificate. Original certificates must be presented on import and will be forwarded to the Government Diamond Office. Failure to do this may result in the diamonds being detained or seized, and losing their conflict-free status under the Kimberley Process.

You can contact the Government Diamond Office at the Foreign and Commonwealth Office on +44 (0)20 7008 6903 / 5797 or via email GDO@gtnet.gov.uk or visit the [Foreign & Commonwealth office website](#) and enter 'Government Diamond Office' in the search engine.

When will I need a Catch Document?

The imports of all types of Dissostichus species of fish (sometimes known as Patagonian Toothfish, Chilean Seabass or Antarctic toothfish / Antarctic Cod) require Catch documentation. To find out about the catch document scheme, visit the [CCAMLR](#) (Convention on the Conservation of Antarctic Marine Living Resources) website.

When will I need an Office for Civil Nuclear Security (OCNS) Licence?

For safety and security reasons, nuclear materials are amongst those commodities that may not be imported under the Open General Import Licence (OGIL) unless consigned from a Member State of the European Community and therefore require individual import licences.

Until recently the Import Licensing Branch (ILB) of the Department for Business, Innovation and Skills (BIS) were responsible for issuing these individual licences, however since 26 March 2007, OCNS (Office for Civil Nuclear Security) has assumed this responsibility. Therefore importers must now apply to OCNS for a licence to import the following nuclear materials from outside of the European Community.

- Tariff Heading 2612 – Uranium Ore concentrates
- Tariff Heading 2844 – Plutonium, Uranium 233, Uranium enriched in the isotopes 233 or 235, natural Uranium and mixtures, compounds and alloys containing any of the foregoing, including spent or irradiated nuclear reactor fuel elements (cartridges)

It should be noted that in order for the UK to meet its international obligations, it is unlikely that a licence would be granted to import nuclear materials from a state not party to the Convention on the Physical Protection of Nuclear Material.

Further information on this is available from the [HSE Website](#).

When will I need a Department for Energy and Climate Change (DECC) import licence?

For chemical weapons. Schedule 1 and 2 chemicals listed in the Chemical Weapons Convention (CWC) other than those imported for Organisation for Prohibition of Chemical Weapons (OPCW) exercises must be accompanied by the appropriate Department for Energy and Climate Change (DECC) import licence. DECC is the national authority for the CWC. You should contact :

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The Chemical Weapons Convention National Authority
Department of Energy and Climate Change
Room G.01
3 Whitehall Place
LONDON
SW1A 2AW

Tel : +44 (0)300 068 5939
Fax : +44 (0)300 068 6772
Email : cwcna@decc.gsi.gov.uk
Website : www.decc.gov.uk

Offensive Weapons

It is prohibited to import flick and gravity knives as per the Restriction of Offensive Weapons Act 1959 (ROWA). There are also restrictions on the import of a number of weapons covered by Section 141 of the Criminal Justice Act 1988 (CJA 1988) as set out below.

The list of prohibited Offensive Weapons as per Section 141 of the Criminal Justice Act 1988 as amended apply to the following descriptions of weapons, other than weapons of those descriptions which are antiques:

- (a) a knuckleduster, that is, a band of metal or other hard material worn on one or more fingers, and designed to cause injury, and any weapon incorporating a knuckleduster;
- (b) a swordstick, that is, a hollow walking-stick or cane containing a blade which may be used as a sword;
- (c) the weapon sometimes known as a "handclaw", being a band of metal or other hard material from which a number of sharp spikes protrude, and worn around the hand;
- (d) the weapon sometimes known as a "belt buckle knife", being a buckle which incorporates or conceals a knife;
- (e) the weapon sometimes known as a "push dagger", being a knife the handle of which fits within a clenched fist and the blade of which protrudes from between two fingers;
- (f) the weapon sometimes known as a "hollow kubotan", being a cylindrical container containing a number of sharp spikes;
- (g) the weapon sometimes known as a "footclaw", being a bar of metal or other hard material from which a number of sharp spikes protrude, and worn strapped to the foot;
- (h) the weapon sometimes known as a "shuriken", "shaken" or "death star", being a hard non-flexible plate having three or more sharp radiating points and designed to be thrown;
- (i) the weapon sometimes known as a "balisong" or "butterfly knife", being a blade enclosed by its handle, which is designed to split down the middle, without the operation of a spring or other mechanical means, to reveal the blade;

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- (j) the weapon sometimes known as a "telescopic truncheon", being a truncheon which extends automatically by hand pressure applied to a button, spring or other device in or attached to its handle;
- (k) the weapon sometimes known as a "blowpipe" or "blow gun", being a hollow tube out of which hard pellets or darts are shot by the use of breath;
- (l) the weapon sometimes known as a "kusari gama", being a length of rope, cord, wire or chain fastened at one end to a sickle;
- (m) the weapon sometimes known as a "kyoketsu shoge", being a length of rope, cord, wire or chain fastened at one end to a hooked knife;
- (n) the weapon sometimes known as a "manrikigusari" or "kusari", being a length of rope, cord, wire or chain fastened at each end to a hard weight or hand grip;
- (o) a disguised knife, that is any knife which has a concealed blade or concealed sharp point and is designed to appear to be an everyday object of a kind commonly carried on the person or in a handbag, briefcase, or other hand luggage (such as a comb, brush, writing instrument, cigarette lighter, key, lipstick or telephone);
- (p) a stealth knife, that is a knife or spike, which has a blade, or sharp point, made from a material that is not readily detectable by apparatus used for detecting metal and which is not designed for domestic use or for use in the processing, preparation or consumption of food or as a toy;
- (q) a straight, side-handled or friction-lock truncheon (sometimes known as a baton);
- (r) a sword with a curved blade of 50 centimetres or over in length; and for the purposes of this sub-paragraph, the length of the blade shall be the straight line distance from the top of the handle to the tip of the blade.

In order to legally import the weapons listed within a-r above, you should ensure that you have a valid defence as set out the Section 141 of the CJA 1988. Failure to satisfy the import restrictions will result in the weapons being seized. Further information regarding the weapons and valid defences can be obtained from the Home Office, Violent Crime Unit +44 (0)20 7035 1807.

Firearms

Importers of firearms and ammunition will normally require a BIS import licence. The licensing regime is a back up to the UK domestic control on the possession of firearms.

The import licensing branch at the BIS can be contacted on +44 (0)1642 364333 / 334, or visit the [BIS website](#).

Realistic Imitation Firearms (RIFs)

With effect from October 2007 Section 36 of the Violent Crime Reduction Act 2006 (VCRA) prohibited the import of RIFs unless the importer has a valid defence set out in Section 38 of the VCRA. The defences include amongst others membership of an Airsoft Club or member of a re-enactment group.

Realistic imitation firearm means an imitation firearm which :

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- has an appearance that is so realistic as to make it indistinguishable, for all practical purposes, from a real firearm; and
- is neither a de-activated firearm nor itself an antique.
- an imitation firearm is not to be regarded as distinguishable from a real firearm for any practical purpose if it could be so distinguished only
 - by an expert;
 - on a close examination; or
 - as a result of an attempt to load or to fire it.

In determining whether an imitation firearm is distinguishable from a real firearm :

- the matters that must be taken into account include any differences between the size, shape and principal colour of the imitation firearm and the size, shape and colour in which the real firearm is manufactured;
- the imitation is to be regarded as distinguishable if its size, shape or principal colour is unrealistic for a real firearm. The dimensions specified as unrealistic are a height of 38 millimetres and a length of 70 millimetres. The colours specified as unrealistic are bright red; bright orange; bright yellow; bright green; bright pink; bright purple; and bright blue.

Further information regarding RIFs and valid defences can be obtained from the [Home Office](#), Public Order Unit +44 (0)20 7035 1786.

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What are Tariff Quotas?

A Tariff Quota is a pre-set value or quantity of given goods, which may be imported into the European Union (EU) during a specified period with a reduction of the normal customs duties, and beyond which an additional quantity of the goods can still be imported by paying normal Customs duties.

The Tariff Quota will most usually be expressed in net weight (kg) but other quantities may be applied (value, volume, number of pieces etc). While most quotas are open for a full calendar year some quotas may be seasonal or may straddle two years (e.g. July to June). The quota will be available within its validity period for as long as the quota balance allows. The duties relieved can be customs duty and / or agricultural charges but also increasingly quota is used as the mechanism to control additional duties levied for market or trade control purposes.

Who imposes Tariff Quotas?

A quota is put in place by the EU usually in the form of a Council or Commission Regulation published in the Official Journal of the European Union.

Once an individual quota has been used up, then any further import must be made at the appropriate non-quota rate. This will most usually be at the full Common Customs Tariff rate but may be at an intermediate rate such as GSP or Preference if available. In certain circumstances outside of the quota additional duties may be levied.

Importers wishing to benefit from Tariff Quotas must make a claim in accordance with Community and national requirements. Tariff Quotas are identified in Commission documents by their Order Number (a six digit number starting 09).

Will I be involved in Tariff Quotas?

To know whether a quota has been put in place against goods you wish to import, you need to refer to the commodity code(s) listed in the Tariff and check if "TQ" is shown in the first column following the commodity code.

If TQ is shown, you will need to check the additional information given at the back of the specific Tariff Chapter for that commodity code – remember to check the country of origin. If your goods are listed and you wish to import under the benefit of the quota, you will need to note the TQON shown.

How do I request a share of the Quota?

Tariff Quotas are allocated on a first come first served basis with respect to the date of entry, there is no national share, all quotas are available equally across all Member States. In accordance with Community provisions, the Customs services register the date when they accept each Customs declaration. Management of Tariff Quotas on a first come first served basis means that, when more than one claim on the same Tariff Quota is being considered, priority is given to the claim which results from the Customs declaration(s) accepted first (this is in respect to date not time). Claims that have the same priority are given equal treatment. This is *usually* done at the time of import when the TQON is declared on the import declaration. You will not know immediately if your request has been successful – all the requests received throughout the EU are collated and apportioned by the European Commission and allocated two working days after receipt.

It is worth remembering that it is quite feasible for a quota *not* to open on the date shown, or for a quota to become available before its details appear in the Tariff.

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What happens to my request?

An available quota can be given either an Open Status or Critical Status. Where a quota is Open no security is required to protect the duty when a valid claim is made, and traders / economic operators can usually assume that quota benefit has been allowed. When however the starting balance is small, the quota has a history of rapid exhaustion, the remaining balance falls below or at the discretion of Member States, the quota may be set at **Critical**. Quota requests for critical quotas must include security at the appropriate non-quota rate. Where the quota is allowed in full, the security will be released automatically, however should the quota exhaust, some or all of the security will be retained. You can put in a claim after your import has taken place (known as a belated claim), the date of the claim will still be the original entry date but if the quota has closed in the meantime, your back-dated claim will not be successful.

Under UK Charter Standards our target is to repay any duty overpaid (or held as security pending the outcome of your claim to a quota), within 30 working days. This is not always possible however, because we cannot control the time needed by the Commission to process all the quota claims and issue the results.

Your claim could be –

- **Allowed in full** – so the whole of your consignment benefits from a lower rate of duty
- **Partially allowed** – so only a set amount of your consignment can benefit from a lower duty rate or
- **Refused** – so your whole consignment will have duty at the full rate.

[Notice 375](#) Tariff Quotas and the Tariff Volume 1 Part 8 contain further details about quotas.

Where can I get further advice?

Quotas are administered in the UK by the Central Tariff Quota Unit (CTQU), part of HMRC. This team can provide you with up-to-date information on specific Tariff Quota Order Numbers (TQON). You can contact the CTQU between the hours of 9.30 to 16.00 on +44 (0)1702 367963, 366787 or 361930, or by facsimile on +44 (0)1702 367342. Their address is:

HM Revenue & Customs
Central Tariff Quota Unit (CTQU)
10th Floor South East
Alexander House
21 Victoria Avenue
Southend on sea
ESSEX
SS99 1AA

Details of Duty rates, the most up to date quota balances and other tariff information can be found on the [European Commission DDS website](#). Where the order number is known (see the additional information pages in the Tariff for the order number), users can go direct into the quota pages. Alternatively there is a link to quota from Taric where only the Commodity code or description is available.

What are Import Preferences?

The EU has set-up trading agreements with certain countries around the world. The agreements are in place to allow products originating in particular countries to be imported into the EU at a reduced or nil rate of duty. Such preferences are very specific and are subject to the satisfaction of a number of conditions, the most important being compliance in the exporting country with the appropriate preferential rules of origin. Proofs of preferential origin (certificates or in some cases declarations on invoices or other commercial documents) are issued in the country of origin and submitted in the country of import. These proofs of preferential origin accompany individual consignments.

What are the Import Preference Schemes?

There are two major types – Autonomous or Non-Reciprocal (Import only) and Reciprocal. The schemes are covered by the trade agreements signed by the EU and various partner countries.

- ***AUTONOMOUS OR NON-RECIPROCAL - Generalised System of Preferences (GSP)***

Only those GSP beneficiary countries who have notified the EU Commission of the authorities which will stamp their preference certificates and have provided it with a specimen of the stamp concerned are able to benefit from the preferential arrangements. A full list can be found in the Tariff Volume 1, Part 7.

Claims to preferential rates of duty under the GSP must normally be supported by a GSP Form A. It is a certificate of preferential origin and **must be stamped and signed** by the competent authority within the country – usually (but not always) the Customs Authority. The relevant authority has to be notified to the European Commission in advance of the implementation of the preferential arrangement, but there is the possible alternative for the exporter to use a declaration on the Invoice - see below concerning declarations on an invoice.

The certificate covers *one* consignment. If however the consignment is expected to be broken down into a series of entries over a period of 3 months or less, then you may exceptionally apply to Customs at the port / airport where the goods will be imported, to allow one certificate to cover these entries. Customs will look to ensure that all entries will be eligible. [Notice 826](#) Tariff Preferences: Imports, gives more detail about this facility.

The GSP Form A has a limited period of validity from the date of issue. At present this is ten months. If a certificate is not fully completed, it can be rendered invalid, so you are advised to check the document for completeness prior to importation. Please remember that any corrections must be made by the supplier.

As an alternative, exporters in “GSP” Countries can use declarations on a commercial invoice up to a maximum goods value of £5700 (6000 Euros).

- ***RECIPROCAL - EUR Preferences***

Reciprocal agreements apply to both import to the EU and export from the EU. There are two ways to support a claim to preference on imported goods or to prove the preferential origin of goods which are being exported under preference. The most commonly used document is a Form EUR 1.

If the consignment is under a stated value, then a declaration on the invoice or other commercial document with a legally approved form of words can be used as an

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alternative. In addition, many reciprocal Agreements enable exporters to become approved to issue invoice declarations regardless of the values involved. See [Notice 826](#) Tariff Preferences: Imports and [Notice 827](#) European Community Preferences: Export Procedures, for further details.

Each form EUR1 or invoice declaration covers one consignment and the documents again have a limited period of validity of 4, 5, 10 or 12 months depending upon the particular preferential trade agreement concerned.

What is meant by the "origin" of the product / goods?

The entitlement to a preferential rate of duty, depends on the product meeting its relevant Origin Rule. These rules vary according to the product and the preferential trade agreement concerned. They require either that the product is wholly produced in the preference country or that it has been manufactured there in accordance with particular rules. More guidance on the specific rules can be found in our [Notice 812](#) European Community Preferences: Trade with Turkey, [Notice 828](#) Tariff Preferences – rules of origin for various countries including Albania, [Notice 830](#) Tariff Preference – new GSP Rules of origin and [Notice 832](#) Tariff Preferences – rules of origin for Mexico. The exceptions for South Korea may be found in our guide to the [EU's New Reciprocal Preferential Trade Agreement](#) with South Korea. This Agreement came into force on 1 July 2011.

Roles and Responsibilities

If the supplier states he is able to send a preference document confirming the preferential origin of your consignment, it is in your interest to check the authenticity and accuracy of the documentation.

Your supplier will have had to get the preference certificate stamped by their competent authority – but this does not in itself guarantee that the certificate will have been issued correctly. As the legally declared importer, you are responsible if an invalid claim to preference is made when your goods are imported. This carries with it the likelihood of a duty demand – which can be issued up to three years from the date of importation, as well as the possibility of a fine in more serious cases. [Notice 826](#) Tariff Preferences: Imports, suggests checks you can make prior to importation to ensure that your goods meet the rules.

What if my goods are not transported directly to the UK?

As a general rule ALL consignments on which preference will be claimed upon import to the EU should be transported direct from the preference country to the Community. However, exceptions are allowed whereby goods can travel via other countries and still claim preference at their intended destination, so long as the goods concerned remain under customs control in the country of transit and are not processed or altered in any way.

Can certificates be obtained retrospectively or replacements obtained?

Both GSP and EUR 1 Certificates can be issued retrospectively, but this **must** be considered an exception.

If a certificate is lost, destroyed or stolen a duplicate can be issued. A duplicate certificate is the top copy of a certificate only. It must be stamped and signed by the competent authority and will be valid from the date on which the original was issued – photocopies of the original form are not acceptable. [Notice 826](#) Tariff Preferences: Imports, provides additional guidance.

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What happens if I cannot get a certificate in time?

If the goods you are importing do not have a preference certificate covering them at that time, the full rate of duty will be required as security. This security covers the possibility of no certificate being issued or the claim to preference being rejected.

A valid documentary proof of origin should be produced within four months from the date the entry is accepted (see [Notice 826](#) Tariff Preferences: Imports). If at the end of this period the proof of origin is not available, the duty secured will be brought to account. However, if the certificate then arrives, you may be entitled to submit a belated claim to preference and a refund of duty.

Can I claim a preference for every import?

The answer is no – not all goods attract a preferential rate of duty and quotas may be in place for certain goods from particular countries. This has the effect of limiting the quantity of the product that can be brought in under preference. Once the quota limit is full, the goods can still be imported but at the full rate of duty.

What if the quota is used up?

If claiming a preference is important to your pricing structure, you may want to place your goods in a Customs Warehouse. This effectively defers liability for payment of duty and VAT, until such time as the preference quota is available again.

You can then remove the goods from warehouse and present the correct certificate for the preference under the new quota. It must be noted however that there is no guarantee a new quota will be issued or that your claim under it will be allowed. You must also bear in mind that the preference certificates and invoice declarations covering the goods have a limited period of validity.

For further information about Import Preferences you should read [Notice 826](#) Tariff Preferences: Imports.

For information about the special preferential arrangements between the EU and Turkey which are based on the free circulation status of goods, rather than the traditional rules of origin mentioned above, you should read [Notice 812](#) European Community Preferences: Trade with Turkey.

[Notice 826](#) Tariff Preferences: Imports, is available on our website, latest version July 2010.

[Notice 828](#) Tariff Preferences – rules of origin for various countries including Albania is available on our website, latest version December 2010.

[Notice 830](#) Tariff Preference – new GSP Rules of Origin, latest version November 2010..

Our guide to the [EU's New Reciprocal Preferential Trade Agreement](#) with South Korea is available on our website.

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The Tariff

The Integrated Tariff of the United Kingdom, usually referred to as **The Tariff** contains all the information to help you with Importing or Exporting. It includes references to the relevant laws and regulations.

Although the UK version is called the "Integrated Tariff of the United Kingdom", the same format is used throughout the EU. Importing and exporting are covered by EC Regulations, so regardless of the country in which you operate, the Tariff equivalent acts as a comprehensive point of reference. Please note that all EU countries have the same commodity codes, duty rates and procedures as the UK.

The Tariff consists of 3 volumes –

- **Volume 1** contains essential background information for importers and exporters. It covers – duty relief schemes, contact addresses for organisations such as Department for Business, Innovation and Skills, Department of Environment, Food and Rural Affairs and Forestry Commission. It also contains an explanation of Excise duty, Tariff Quotas and many similar topics.
- **Volume 2** contains the 16,000 or so Commodity Codes set-out on a Chapter by Chapter basis. It lists duty rates and other directions such as import licensing and preferential duty rates.
- **Volume 3** contains a box-by-box completion guide for import and export entries – the C88 form, the complete list of Customs Procedure Codes (CPCs) for importing and exporting, Country / Currency Codes, lists of UK ports and airports both alphabetically and by their legacy Entry Processing Unit (EPU) numbers, and further general information about importing or exporting.

The Tariff is available on an annual subscription. At the time of going to print the cost is £270. Each December, a complete Tariff for the coming year is despatched followed by monthly amendments which replace existing pages.

If you do not wish to obtain your own copy, the Tariff is available at some larger libraries.

Whether or not you own a Tariff, it is essential that you keep up-to-date with changes in commodity codes, rates of duty and regulations related to your products.

You can buy the Tariff in printed and CD ROM formats or subscribe to the new e-service, from :

The Stationery Office
The Publications Centre
PO Box 29
NORWICH
NR3 1GN

General enquiries and orders
Orders only
Subscriptions

Telephone +44 (0)844 4777 414
Fax +44 (0)870 600 5533
Email subscriptions@tso.co.uk
Website www.tsoshop.co.uk

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UK Trade Tariff

A free online version of volume 2 of the Tariff is available via the [Business Link website](#). It offers a browse and search facility that enables users to classify goods and quickly find detailed information such as commodity descriptions, duty rates, Anti Dumping Duty, Quota, VAT and excise rates, preferential agreements, government controls and explanatory notes for any commodity in the UK Tariff. There are daily data updates from the European Union's TARIC database and the HMRC Customs Handling of Import and Export Freight (CHIEF) system. There is an email alert system to let you know when anything changes within the Tariff. Additionally the UK Trade Tariff allows you to quickly identify the relevant licences / certificates that are applicable for each particular commodity code.

Why are HM Revenue & Customs and the UK Border Agency interested in my goods?

Customs have an interest in exports for a number of reasons. These include:-

- Collecting export trade statistics for the UK and the EU
- Enforcing export prohibitions and restrictions
- Ensuring that export licensing requirements are met
- Ensuring that EU Regulations for export relief schemes are correctly implemented
- Preventing the unauthorised return of duty-free or VAT zero-rated goods to the home market and
- Acting as an agent for Other Government Departments such as RPA, DEFRA etc
- Confirming the exit of Exports starting from the UK, exiting via another Member State and the exit of other Member States exports from the UK.

Export Declaration

Export details are collected through the submission to Customs of an electronic export declaration. The data is captured on the [CHIEF](#) (Customs Handling of Import / Export Freight) mainframe computer system. Permission to progress (P2P) must be granted before goods may be exported.

Details of the current requirements can be found in Volume 3, Part 1.9 of the UK Tariff.

There are now additional Safety and Security items included in the export declarations. Exceptionally, for travellers manual declarations are submitted via a new form that incorporates the Safety and Security details called the ESS (Export Safety and Security).

What happens if I use an Agent to make an export declaration on my behalf?

You may appoint a representative to make an export declaration on your behalf. If you use a freight agent to complete your export formalities for you, he is working on your behalf only. If something in the declaration needs an explanation, we will still look to you as the legally declared exporter and not the agent for clarification; it is your responsibility as the exporter to ensure the accuracy of the information provided on the declaration.

If you employ an agent to act on your behalf, the type of representation may be either Direct or Indirect.

Direct representatives act in the name of, but on behalf of, another person.

If an agent is acting as a direct representative i.e. the agent makes the customs declaration on your behalf (as the principal) acting in your name, you are deemed to be the declarant and therefore liable for any customs debt.

Indirect representatives act in their own name but on behalf of another person.

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Where an agent acts as an indirect representative i.e. they make the customs declaration on behalf of a principal in their own name they are deemed to be the declarant. In such cases both the agent and the principal are jointly liable for any customs debt.

We strongly recommend therefore that it is in the best interest of exporters to check the accuracy of any customs declarations made on their behalf. It is good practice to ensure that you request, receive and obtain copies of all declarations made to customs from your nominated agent as this will help support claims for VAT zero rating. As a minimum, HMRC would be looking for a Movement Reference Number (MRN) when auditing claims for VAT zero rating.

More information on who is responsible for customs debts can be found in Section 7 of [Notice 199](#) Imported goods: Customs procedures and Customs debt.

What is Economic Operator Registration Identification (EORI)?

An EORI number is a number unique throughout the European Union, assigned by a Customs authority in a Member State to economic operators or persons. By registering for Customs purposes in one Member State, an Economic Operator (EO) is able to obtain an EORI number which is valid throughout the EU. The EO will then use this number in all communications with any EU Customs authorities where a customs identifier is required. The EORI system replaces the former Trader's Unique Reference Number (TURN) system and a phased implementation of EORI began on 1 April 2009. The EORI system was fully operational by 1 July 2009.

Structure of the EORI Number

All UK EORI numbers start with the letters GB, followed by a 12 digit number based on the EO's VAT number (if registered for VAT in the UK) and suffixed with a 3 digit number usually 000 e.g. GB123456789 000.

The structure of the UK EORI number will also be the same for EO's who are not registered for VAT in the UK or are not established in the customs territory of the Community.

How to obtain an EORI number in the UK

To apply for an EORI, you must submit an EORI application form. There are two ways you can apply, either by electronic or hard copy. HMRC give priority to EORI electronic applications.

- [Form C220 EORI application – if you are registered for VAT in the UK](#)
- [Form C220A EORI application – if you are NOT registered for VAT in the UK](#)

Once completed, the electronic application form together with any scanned supporting documents should be sent to the EORI team in Cardiff via email for processing. Email: to eorl@hmrc.gsi.gov.uk.

The completed hard copy form should be sent by post, together with any supporting documents to the EORI processing team at the following address :

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HM Revenue & Customs
EORI Team
13th Floor South
Government Buildings
Ty Glas
Llanishen
CARDIFF
CF14 5FP
Tel: Via the VAT, Excise & Customs Helpline +44 (0) 845 010 9000.

How quickly will I be notified on my EORI number?

In most cases the EORI application will be processed within three working days of receipt by the EORI team. It will take a further day to update our CHIEF and EU EORI systems. You will be notified of your new EORI number and you will be able to use your EORI number within 24 hours after receiving this notification.

Please Note : If you are VAT registered in the UK we strongly recommend that you submit your EORI application well in advance of when you wish to use the EORI number to avoid delays at import or export.

Further details about EORI can be found on the HMRC website [EORI Scheme Home Page](#). In particular the '[Frequently Asked Questions](#)' section will be of assistance.

Authorised Economic Operator (AEO)

The EU have been considering ways to raise safety and security standards within the international supply chain of goods to address the challenges of terrorism and to help protect EU borders and citizens.

The EU has developed the Authorised Economic Operator (AEO) scheme based on the World Customs Organisation SAFE Framework and in response to arrangements such as C-TPAT for imports into the USA. Benefits to those meeting the criteria include faster clearance times and preferential treatment at the EU border amongst others. More benefits will be available in the future to EU exporters when mutual recognition agreements are in place with third country trading partners, as equivalent benefits are provided under the agreements when the EU goods are imported into the third country. An agreement with Japan was signed in June 2010 and came into full effect on 24 May 2011. The US agreement is expected to be finalised in October 2011 and the Chinese agreement in 2012

AEO also provides easier access to various customs simplifications as authorisation to use the simplified customs procedures can be dependent on meeting some of the AEO criteria.

HMRC are accepting applications from eligible businesses – those that are involved in trade with countries outside of the EU and operate under customs legislation. This can include importers, exporters, freight forwarders, warehousekeepers, port operators, etc.

More detailed information on [AEO](#) can be found on the HMRC website under the Imports and Exports section, under International Trade Developments or alternatively go to the [Business Link website](#) which provides you with information and relevant links to the application pack.

How do I make an export declaration?

You may make a full or simplified export declaration. A full declaration should be in the form of an electronic declaration under the National Export System (NES) or in exceptional

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circumstances e.g. a traveller, may submit a manual Export Safety and Security (ESS) form for Customs to input.

A simplified declaration, using either the local clearance procedure or simplified declaration procedure, must be made electronically under NES into our central computer, [CHIEF](#) (Customs Handling of Import / Export Freight). Both of these procedures require prior authorisation by Customs (see below).

There are other simplified procedures that do not require prior authorisation by Customs. These are the low value and non-statistical procedures. These should be made electronically quoting the appropriate Customs Procedure Code. Normal rules concerning obtaining Permission to Progress (P2P) still apply.

National Export System (NES) Export Declarations

In support of the Government's initiative to develop electronic services, all exports must be captured electronically on [CHIEF](#). Details about [NES](#) can be found on our website, including [NES Technical Information](#).

Export details are collected through the submission to Customs of EU coded data. This is captured on the Customs mainframe computer system, CHIEF, and may be submitted via a variety of electronic routes. Exporters may choose from Email, Web, XML, CSP or Customs Input to make declaration (see below).

Once the goods have arrived at an approved frontier location an arrival message is sent to CHIEF. The data is then processed and, providing the goods are not selected for examination or any further checks, the goods will receive Permission to Progress. This positive method of control can avoid some goods being loaded in advance of shipment.

When are the declarations made?

Occasionally, at the time of export, all the details for the consignment may not be available. Sometimes goods need to be shipped at short notice, traders who handle this type of consignments may be authorised to submit abbreviated details to [CHIEF](#) and then supply the final, correct details within 14 days of shipment. This is called **Simplified Declaration Procedures (SDP)**.

Some exporters find that being able to control their exports from their own premises suits their business needs better. Exporters may therefore be approved to operate under **Local Clearance Procedures (LCP)**.

If you wish to be considered for either SDP or LCP an application on form [C&E 48A](#) should be submitted to Customs. This can be downloaded from our website. Most SDP and LCP declarations also require supplementary declarations and the conditions of your authorisation should be fully discussed with your control officer before final approval is given.

If all details concerning the export are available before shipment then they should be declared on a full export declaration. In these circumstances, a post shipment supplementary declaration will not be required.

Exceptionally e.g. for travellers, a manual declaration C88 / ESS can be used (see [CIP \(09\) 09](#)). A completed manual ESS form is faxed to Customs for input to the CHIEF system. This is only carried out at the National Clearance Hub so, at busy periods, delays may occur. Customs have a 12 hour window in which to process manual submissions, subject to the correct details being supplied. For this reason, most exporters employ freight agents to

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complete the declaration on their behalf. If something in the electronic declaration sent to Customs needs an explanation, we may still look to you as the legally declared exporter and not the agent for clarification.

How is an export declaration made?

In advance of the electronic declaration, information may be given to freight agents in a variety of forms. It is important to note that the only document that Customs will key information from is the C88 / ESS form.

Once received, the details are sent via a variety of methods to CHIEF. These include:-

- Details sent via Community Systems Providers (CSPs). These are Customs approved inventory systems that capture data for Customs to carry out their checks on CHIEF.
- Other electronic routes – including Web form, Email and XML. Access to CHIEF is gained by first obtaining a digital certificate and using passwords. Details can be found on our [website](#) regarding these options.
- Customs inputting the declaration (CIE). This method may be subject to delays but we aim to process the declarations within 12 working hours subject to the paperwork being correct.

CHIEF therefore offers a standard validation process across the UK and, immediate clearance for export can usually be achieved within seconds of the data being transmitted.

What details need to be declared?

Customs require various data for their records. The absence of required data will produce a series of electronic messages to guide the declarant through their entry making process.

Details submitted will include the origin of the goods, the country to which the goods are being sent, commodity codes, Customs Procedure Codes and values. The most important piece of information is the Unique Consignment Reference. Safety and Security information must be supplied within the export declaration.

Declaration Unique Consignment Reference (DUCR)

The UK is a world leader in the use of Declaration Unique Consignment References (DUCR) which are mandatory for all electronic declarations. The DUCR is the means by which you and Customs can identify your goods to your records, especially when using SDP or LCP. If a DUCR is not provided by the declarant, one will be assigned by CHIEF. The DUCR consists of up to 35 (alpha / numeric) characters and is split into four parts. It is based on the World Customs Organisation Standard.

By quoting the DUCR at various freight locations, CHIEF is able to record the movement of consignments. As goods arrive at a port or airport an arrival message is sent to CHIEF by approved loaders quoting the DUCR. For direct export movements, i.e. goods shipped from the UK and not sent via the EU, a Goods Departure Message will also be required.

The Declaration Unique Consignment Reference is made up using the guide below:

- 1st part – the year in which the DUCR was allocated
- 2nd part – the country code for the country in which the DUCR was allocated (GB)
- 3rd part – the identity of the authorised trader (we are using the EORI number)
- 4th part – a dash (hyphen) followed by a unique series of characters which provides an audit trail within their commercial records. For air consignments the Airway Bill

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reference is often used and, for other consignments, the fourth part often relates to the export invoice number. The easier it is to cross reference numbers at audit assists with granting VAT zero rating and export refunds.

In addition, to allow several export declarations to have the same core Declaration UCR (DUCR) as well as providing a check letter calculation facility (to prevent miss-keying), a further optional field of 4 characters has been created.

If a DUCR is used on an entry under the SDP or LCP procedures the same reference **must** be used on the Pre-shipment advice and its matching Supplementary Declaration.

WCO Recommendation for DUCR

Where a consignment consists of more than one DUCR, CHIEF allows exporters to amalgamate these references under a Master UCR - (MUCR). Details of the [format of MUCRs](#) can be found on our website.

What is a Commodity Code?

The Commodity Code for exports is an eight-digit number which equates to a description of the item. No matter how diverse or obscure, all goods will have a unique code number. A commodity code is required on all full export declarations and may be required on certain simplified procedures. It is to be entered in box 33 of the declaration.

All Commodity codes can be found in the Tariff, Volume 2. There is also an electronic version of Volume 2 of the Tariff available via the [Business Link website](#), which is updated on a daily basis. More information on this is available at the beginning of Section iii of this guide under UK Trade Tariff.

If, after having studied the Tariff you are unable to identify the correct commodity code for your product, you can contact the Tariff Classification Service on +44 (0)1702 366077, between 9.00 and 17.00 Mondays – Thursday, 9.00 and 16.30 on Fridays (excluding Bank Holidays). Alternatively you can apply for a written Binding Tariff Information (BTI) decision. You can request a BTI application form by phoning the Tariff Classification Service or you can complete and submit the electronic version by registering for a PIN and Password via the Government Gateway at <http://www.gateway.gov.uk/> and following the instructions given.

See also [Notice 600](#) Classifying your Imports or Exports.

What is a Customs Procedure Code (CPC)?

The CPC describes the procedure and / or economic regime under which the goods are to be exported. It is required on all export declarations whether using an electronic or exceptionally a manual export declaration. It is to be entered in box 37 of the declaration or in the relevant data field. A list of procedure codes for exports can be found in Appendix E1 of volume 3 of the Tariff.

In addition to a straightforward sale to a customer overseas, there can be a number of reasons why goods are exported. Examples include –

- Goods going out on long-term loan / hire, to be returned eventually
- Goods being temporarily exported for a repair to take place
- Goods being re-exported after processing by a UK / EU country.

Goods being exported temporarily may be eligible for a relief from duty when they are subsequently reimported to the UK / EU – as long as they were exported under outward

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processing relief (OPR) using a CPC in the 21 series. Unless you are using the simplified repair system, you will require prior authorisation to use OPR. If the Goods being exported will be Duty free at re-import, you do not need to use OPR – and should export the Goods using CPC 22 00 000. Similarly, goods re-exported after processing by a UK / EU trader **must** use the appropriate CPC to notify Customs otherwise the relief may not be allowed. More information on OPR can be found in Section V of this guide.

A CPC declaring a straight forward, UK originating export is important if you are VAT registered as this forms part of your official evidence to support zero rating of the transaction.

The Tariff (Volume 3) contains the full list of CPC's for the various export options. Once you have established the correct one, it is unlikely to change for the year.

Updates to the Tariff will include any procedural changes to the requirements to CPCs and a correlation table showing the old CHIEF format and the revised SAD H CPC formats.

Are there any export taxes?

Currently there are no export taxes, duties or levies in force on goods being exported from the EU. Please note that the EU Commission may impose export taxes on certain CAP goods at very short notice. This can occur for various reasons, but is most likely to happen at times of shortage of particular products, e.g. due to a poor harvest, etc. When this happens, Customs and the RPA will issue joint publicity advising Exporters how to declare their goods and account for the tax due. However, you should be aware that there may be import duties to pay in the country of destination. To find out what may be required by the Customs Authority in the country of destination, we would suggest you contact either the Embassy or High Commission representing the country to which you are exporting, or Department for Business, Innovation and Skills Overseas Desks in London.

Any goods re-exported from the UK must be identified and properly declared. This will include goods that have been previously imported to be worked on or repaired and that are now being re-exported from the EU. There is a series of Customs Procedure Codes (CPC) in the Tariff. Volume 3 contains export CPC codes, including re-exports and these procedures **must** be adhered to at the time of re-export as post shipment amendments may render the goods liable to the original, suspended import duties.

What if my goods don't go directly from the UK to outside the EU?

For Customs purposes goods, which leave the Community via other Member States, are known as “indirect exports”.

Under ECS, exports are processed through CHIEF, any indirect exports will be identified and electronic messages will generate to the intended office of EXIT. As goods leave the EU, electronic messages will be returned to the UK and CHIEF will be updated.

The export formalities completed in the other Member States, now allow the goods to travel to a UK Office of Exit. At a UK Office of Exit e.g. Heathrow, the EAD from the ECS system will be presented along with an electronic C21 entry (IECR under SAD H). The EAD is endorsed on the reverse with the CHIEF entry number and then forwarded to the ECS Helpdesk in Harwich. The ECS Helpdesk scan the bar-coded Movement Reference Number and an electronic message is sent back to the Office of Export in the originating Member State, completing the export procedure.

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From July 1 2009, under ECS1b, the UK started to issue EADs at export. Further details can be obtained from our [website](#).

Can I personally take goods directly to the customer?

You may wish to personally take your goods to a prospective customer based outside the EU. As you are hoping to sell the goods, this is still a commercial export. You will need to declare that export at your port / airport of departure. This type of export is called Merchandise In Baggage (MIB). You must take the goods and declaration to the MIB Officer at the Port / Airport from which you are leaving. The entry may be in the form of a manual C88 / ESS or a screen dump of an electronic entry to CHIEF. In order to verify the export, the officer may need to see both the declaration and the goods. See [Notice 6](#) Merchandise in Baggage, for specific details. **You should allow extra time if you are travelling with MIB so that any formalities can be dealt with before you depart.**

For MIB exports which,

- have a value of less than £867, and
- weigh less than 1000 kg, and
- do not require an export licence, and
- are not subject to export duties or export levies when in force, and
- are not restricted,

there is a "low value goods procedure" available. This procedure can be used for both MIB or freight exports and you can complete either a C88 / ESS, use your commercial invoice or make an electronic declaration. See [Notice 275](#) Export procedures, for specific details.

Do I have to keep any documents?

For any commercial export you will need to keep your records for six years from the date of export. This is the required period for VAT purposes. If this will cause problems, please contact the VAT, Excise & Customs Helpline on +44 (0)845 010 9000.

What are Single Authorisation for Simplified Procedures (SASP)?

SASP enables an exporter to be authorised for simplified export procedures in one Member State (MS) for all their non-EU freight operations throughout the Community. This enables economic operators to make export declarations in the authorising MS, although movement of goods takes place in another.

This approach has not proved possible for trade statistics which continue to be a national requirement and not covered by the SASP.

For UK based authorisations the National Export System (NES) is used for making customs declarations. NES is also used for the submission of UK statistical declarations for authorisations based in other Member States.

Further Information

Following the introduction of the National Export System (NES) new exporters are encouraged to look at details on our website, to a host of [NES](#) related documents.

Contact with the Unit of Expertise (UoE) for Exports may also help resolve export related problems. The UoE may be contacted through the VAT, Excise & Customs Helpline on +44 (0)845 010 9000.

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Information contained in the website may also refer to specific types of exports for which agreements have been made with the trade.

Further information on exports is available in the following Notices:

[Notice 6](#) Merchandise In Baggage.

[Notice 60](#) The Intrastat General Guide. This explains the movement of goods to other EU countries.

[Notice 101](#) Deferring duty; VAT and other charges.

[Notice 117](#) Authorised Economic Operators.

[Notice 143](#) A Guide to International Post Users.

[Notice 235](#) Outward Processing Relief.

[Notice 266](#) Rejected Imports, repayment / remission of duty and VAT.

[Notice 275](#) Export Procedures. (This notice incorporates former Notice 276 National Export Procedures (NES))

[Notice 600](#) Classifying Your Imports or Exports.

[Notice 703](#) VAT: Exports of Goods from the United Kingdom. This is a VAT notice and explains the VAT aspects of exporting.

The [Transit Manual](#) on the European Commission website.

The [Transit Manual Supplement](#) provides guidance on transit procedures in the UK and can be found within the Imports and Exports section of the HMRC website.

Business Link website

The [Business Link website](#) brings together previously fragmented and disjointed information from government and trade associations into 196 plain English easy to understand guides and 8 interactive tools which guide users through the complexities of trading internationally.

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Am I likely to need an export licence?

An export licence may be needed for a wide range of goods. These include live animals, animal products, endangered species and cultural goods such as antiques over 50 years old. Also there are licensing controls on military, dual-use and cultural goods and controls on the export of ozone depleting substances, are also to be considered. A CAP licence will probably be required whenever export refund is being claimed (see below for more details).

How do I know if I need a licence?

You should always check with the various Other Government Departments (OGDs) as to whether a licence is required.

What types of licences are there?

Licences may be issued in electronic or paper form or concessions may be granted to exporters under various Open licences.

These may be open general licences where exporters may export any quantity of specified goods to specified destinations. Open individual licences may be granted to regular exporters of licensable goods to agreed consignees. Additional conditions may be set out on the licence.

The appropriate document code (as set out in Appendix C11 of the SAD Harmonised Tariff) followed by the licence type and number must be declared in box 44 of the customs declaration. Paper licences must be presented to HMRC's National Clearance Hub (NCH) in Salford.

With the development of electronic services various OGDs are linking their computer system into CHIEF. This will avoid the manual handling of paper licences and also allows exporters to export goods from the UK at various locations at the same time. Where an OGD interface with CHIEF is in place, CHIEF holds details of OGD licences and will validate licence data transmitted to CHIEF against information entered on the Export declaration and will automatically update those licences controlled by quantity. The first OGD to link to CHIEF was the RPA followed in April 2008 by BIS Export Control Organisation (ECO). BIS's online Export Licence Application System SPIRE controls the issue of Standard Individual Export Licences (SIEL's), Open General Export Licences (OGEL's) and Open Individual Export Licences (OIEL's).

The UK Border Agency and HMRC process the licences and enforce the controls created by EU Regulations and BIS UK legislation. If a licence is required and is not presented / quoted, the goods may be seized and the exporter and / or his agent liable on conviction to a penalty of three times the value of the goods or £1,000 if greater. Deliberate breaches of the regulations covering export prohibitions and restrictions can result in prosecution, with a maximum penalty of seven years imprisonment, ten years in the case of BIS export licences and an unlimited fine.

Further information on export licensing is given below:

- **Common Agricultural Policy (CAP) Licences** are usually needed for the export of agricultural produce, whether as raw materials or processed products. They are issued and controlled by the Rural Payments Agency (RPA) and policed by the HMRC National Clearance Hub, in conjunction with the UK Border Agency. The RPA will be able to tell you if a licence is required. Their general contact number is +44 (0)191 226 5050, or visit the [RPA website](#).

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An export licence is mandatory if you are exporting certain products. If a licence is required and is not presented at the time of export, the consignment will not be able to leave. It is worth remembering that CAP goods declared for one country of destination may need a licence, whereas the same consignment going to another country may not.

If you wish to claim a CAP export refund, there is an option available to **advance fix** the refund against the issue of a particular type of export licence. The RPA can tell you more about this.

- **Department for Business, Innovation and Skills (BIS) export Licences** are needed for the export of :
 - Military, security and paramilitary goods, firearms, ammunition, related material and explosive related goods and dual use goods to all destinations, including other EU Member States;
 - Radioactive sources to all destinations, including destinations within the customs territory of the Community;
 - Dual-use goods (a wide range of civil goods that can have a military application) to destinations outside the customs territory of the Community;
 - Very sensitive, or nationally controlled, dual-use goods to all destinations, including destinations within the customs territory of the Community;
 - Goods that you are aware, or have been informed, may be for use in connection with chemical, biological or nuclear weapons or their means of delivery systems (missiles, UAV's, aircraft);
 - Specific additional goods to certain destinations, covered by sanctions orders.

Many less sensitive goods to less sensitive destinations are covered by open general export licences. You can contact BIS on the export licensing helpdesk on eco.help@berr.gsi.gov.uk, or visit the [BIS website](#).

- **Department for Environment, Food and Rural Affairs (DEFRA) Licences** cover fertilisers, animals and animal products, and endangered species and are issued and controlled by DEFRA. If a licence is required and not presented with the export, the goods will not be able to leave. Current controls also involve the export of ozone depleting substances (see [DEFRA website](#)).

If you are intending to export Fertiliser, DEFRA are able to provide an export certificate to support your product overseas. Further information is available from the [DEFRA Website](#).

DEFRA will be able to advise if a licence is required. Their general contact number is +44 (0)20 7238 6951 or +44 (0)845 933 5577 or visit the [DEFRA website](#). EU legislation also prohibits the export of cat and dog fur and any products that contain such items.

- **Department for Culture, Media and Sports (DCMS) Licences** issued by the Museums Libraries and Archive Council, are required for the export of certain valuable heritage items (works of art, antiques and collectors' items etc), from the UK.

More information on export licensing for cultural goods is available from the [Museums, Libraries and Archive Council website](#).

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If a licence is required and is not presented / quoted, the goods may be seized. Deliberate breaches of the regulations covering export prohibitions and restrictions can result in prosecution, with a maximum penalty of 7 years imprisonment and an unlimited fine.

- **Health and Safety Executive (HSE) controls.**

The export of certain chemicals may require export notification, or Prior Informed Consent (PIC) from the country of destination. Other chemical Exports may be prohibited outright.

You should contact the HSE before you export explosives. More information on movements of civil explosives – whether import, export, or movements within Great Britain is available from the [HSE website](#).

You can contact the HSE Information Line on +44 (0)845 345 0055, or visit Export and Import of dangerous chemicals (PIC) on the [HSE website](#).

- **Environment Agency controls**

Environment Agency is the UK competent authority for enforcement of Trans-frontier Shipment of Waste (TFS) legislation applying to export of waste shipments for disposal, recovery or recycling etc. Such consignments can require notification or consent procedures and some categories of waste are subject to export prohibitions.

You can contact the Environment Agency TFS helpline on +44 (0)1925 542265 or email NATTFS@environment-agency.gov.uk or visit the [International shipments of waste page](#) on the [Environment Agency website](#).

When will I need a Kimberley certificate?

The export of rough diamonds from the EU requires an original Kimberley Certificate to travel with the goods. Original certificates must be presented on import when requested. Failure to do this may result in the diamonds being detained or seized, and losing their conflict-free status under the Kimberley Process.

You can contact the Government Diamond Office at the Foreign and Commonwealth Office on +44 (0)20 7008 6903 / 5797 or via email GDO@gtnet.gov.uk or visit the [FCO website](#) and enter 'Government Diamond Office' in the search engine.

When will I need a Catch Document?

The exports of all types of *Dissostichus* species of fish (sometimes known as Patagonian Toothfish or Chilean Seabass or Antarctic toothfish / Antarctic Cod) require Catch documentation.

You can visit the [CCAMLR](#) (Convention on the Conservation of Antarctic Marine Living Resources) website.

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What are Export Preferences?

In order to help the export trade of the EU, trading agreements with certain countries have been set in place. These allow originating exports from the EU to enter the destination country at a reduced or nil rate of duty. These arrangements are not in place with every country – the destination country has to be a signatory to these agreements. See [Notice 812](#) European Community Preferences: Trade with Turkey, [Notice 827](#) European Community Preferences: Export Procedures, [Notice 828](#) Tariff Preferences – rules of origin for various countries including Albania, [Notice 830](#) Tariff Preference – new GSP Rules of origin (relevant for any EU exports to GSP countries under Donor Country content provisions) and [Notice 832](#) Tariff Preferences – rules of origin for Mexico for further details. Also, for South Korea please see our guide to the [EU's New Reciprocal Preferential Trade Agreement](#) with South Korea. This Agreement came into force on 1 July 2011.

What is meant by the "origin" of the product / goods?

In order for exported products to qualify, they must have EU preferential origin and therefore have met the required origin rule.

The rules vary according to the product **and** the preferential trade agreement concerned. They require either that the product is wholly produced in the preference country or that it has been manufactured there in accordance with particular rules. More guidance on the specific rules can be found in [Notice 812](#) European Community Preferences: Trade with Turkey, [Notice 827](#) European Community Preferences: Export procedures, [Notice 828](#) Tariff Preferences – rules of origin for various countries including Albania and [Notice 832](#) Tariff Preferences – rules of origin for Mexico. The exceptions for South Korea may be found in our guide to the [EU's New Reciprocal Preferential Trade Agreement](#) with South Korea.

GSP countries are allowed to use EU originating materials in products they manufacture for export to the EU under the GSP scheme. This is called Donor Country content ([Notice 830](#) rules apply).

What evidence is required?

There are two different ways to declare preferential origin. The most commonly used is an EUR 1 Certificate. Detailed guidance on how to complete a Certificate is contained in [Notice 827](#) European Community Preferences: Export Procedures.

There is also a facility to use a declaration on the invoice with a legally approved form of words as an alternative. This can either be a low value declaration available to any exporter or one for Approved Exporters where no value limit applies. [Notice 827](#) European Community Preferences: Export Procedures provides specific information relating to the facilities available for exporters to each country. For South Korea please see our guide to the [EU's New Reciprocal Preferential Trade Agreement](#) with South Korea.

What happens to my EUR1 once it has been completed?

EUR1 Certificates have to be stamped prior to being despatched to your overseas customer. They can either be sent to the National Clearance Hub (NCH) at Salford, or be stamped by your local British Chambers of Commerce or the Institute of Chartered Shipbrokers.

When an exporter presents an EUR1 for authorisation, the accuracy of the claim may be checked by Customs, the Institute of Chartered Shipbrokers or the British Chambers of Commerce who have been appointed by Customs to issue certificates on their behalf.

They may ask for evidence when the certificate is actually submitted in order to ensure the Origin Rules have been adhered to. Customs may also be required to verify origin up to three years after the issue of the certificate by the receiving country, so you are required by law to retain any evidence you may hold for at least that period of time.

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What if an error is made?

If a request for verification from the authorities in the receiving country is made, and it is found that the goods were not entitled to preference, Customs have to report this fact to the authority. This will result in your customer having to pay the full customs duty, which in turn could affect your future trade.

Also, there is the possibility of a penalty being imposed, so it is important that you ensure prior to export that certificates are issued only when all the conditions are met.

What happens if documents are lost?

If an EUR 1 is lost, destroyed or stolen, a duplicate can be issued from the office where the original was authenticated. You need to apply in writing stating why you need a duplicate. You need to supply a copy of the invoice and any supporting evidence. The duplicate will be issued with the same date of issue of the original – it will therefore have the same period of validity.

What if a preference document is not issued at the time of export?

Exceptionally a retrospective EUR 1 can be issued. Your customer will have to put the full amount of duty on deposit until the Certificate arrives.

What if I act as an intermediary – obtaining goods from one party for supply to another?

You may decide to buy materials / products from another firm in the EU to include in your final product to be exported to a customer in a preference-giving country. If this is the case, then you need the assurance that these bought-in materials / products are of EU preferential origin. Failure to obtain this would mean that such materials will be regarded as non-originating.

This assurance must come from your supplier. They need to furnish you with a "Suppliers Declaration" – this is a form of words, declaring their products meet the appropriate rules of origin.

This declaration can either be a one-off or a "long term" declaration (twelve months maximum). You should not attempt to count such materials / products as originating, unless you have such a Supplier's Declaration in place.

[Notice 826](#) Tariff Preferences: Imports, is available on our website, latest version July 2010.

[Notice 827](#) European Community Preferences: Export Procedures, gives additional guidance on the issue / use of Suppliers Declarations and the latest version January 2007, is available on our website.

[Notice 828](#) Tariff Preferences – rules of origin for various countries including Albania, is available on our website, latest version December 2010.

[Notice 830](#) Tariff Preference – new GSP Rules of origin, latest version November 2010.

Our guide to the [EU's New Reciprocal Preferential Trade Agreement](#) with South Korea is available on our website.

Transit Systems Section iv

What is Community Transit (CT)?

Community Transit is a customs procedure that allows goods that are not in free circulation, (and in certain cases, Community goods) to move between two points in the EU (including two points within a single Member State) with the Customs duties and other charges suspended. The procedure is also used to control the movement of certain goods to and from Andorra, San Marino and the “special territories” of the Community (such as the Channel Islands).

The Community transit procedure is extended to the European Free Trade Association (EFTA) countries (Iceland, Norway, Liechtenstein and Switzerland) by an agreement known as ‘The Common Transit Convention’. Goods moving under transit to, through, from or between these countries travel under common transit legislation.

Status of the goods

Goods are divided into two categories:

‘*Non-Community goods*’ are goods that do not wholly originate in the EU and are therefore liable to Customs duty and / or other charges. These goods are not in free circulation whilst in the EU and need to be identified and controlled to ensure that either the duty is paid or the goods are re-exported.

The **external CT procedure (T1)** allows goods not in free circulation to move between two points in the Community.

‘*Community goods*’ are goods that wholly originate in the EU and are therefore free of Customs duty or goods imported from outside the EU on which all import formalities have been completed and duties paid. Community goods are described as being in ‘free circulation’. They do not therefore *normally* require CT declarations or evidence of Community status to move within the EU. Goods arriving in one EU member state direct from another are regarded as Community goods in the absence of any evidence to the contrary.

The **internal CT procedure (T2)** *may* be used for Community goods moving:

- From one point to another within the EU via a Common Transit country
- From an EU member state to a Common Transit country
- To or from San Marino, (except for goods in HS Tariff chapters 72 & 73)
- To or from the Principality of Andorra and are in HS Tariff chapters 25-97.

The **internal CT procedure (T2F)** *is required* for the movement of Community goods to or from ‘special territories’ which includes the Channel Islands except for direct movements between the UK and the Channel Islands, where simplified arrangements apply.

What is the New Computerised Transit System (NCTS)?

The New Computerised Transit System (NCTS) is a European wide system, based upon electronic declaration and processing. It involves all Member States and the Common Transit countries.

Since the NCTS became mandatory on 1 July 2005, paper transit declarations can only be accepted in the following circumstances :

- Traders moving goods directly between the UK and the Channel Islands under simplified arrangements using commercial documentation

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- Private travellers carrying goods in excess of personal allowances and
- Where use of the fallback procedures is appropriate.

NCTS is not required for :

- Traders who are approved to use the air, sea, rail and pipeline simplifications
- Traders who are approved to use UK national simplifications where the goods are moved under the control of an electronic procedure solely within the UK.

Each national administration has developed its own NCTS processing system. They are connected, through a central domain in Brussels, to all the other Member States and Common Transit countries.

The UK, like many other national administrations uses the Minimal Common Core (MCC) software developed by the European Commission, which provides all the basic data capture and messaging functionality for effective connection to the European network.

Combined Community Transit / Safety and Security (S&S) Declarations

The EU Commission have provided an upgrade to the NCTS for a combined Community Transit / Safety and Security declaration which became available from the 1 July 2009.

We anticipate that there will be very few instances in the UK where traders will be required to present the S&S data in a combined CT or TIR declaration on the NCTS. We believe this would only occur in cases where goods are being moved via a third country to a customs office of destination in another Member State.

The EU has negotiated a derogation with both the Swiss and Norwegian governments which negates the need to provide S&S data for goods transiting their territory.

How can I submit NCTS declarations?

To submit electronic transit declarations you must have access to a computer and an Internet connection. If you wish to be authorised to have your Transit Accompanying Document (TAD) and List of Items (LoI) printed at your designated premises you will also need a laser printer capable of printing the declaration barcode in the required format.

In the UK there are three access routes to NCTS:

- E-mail via Electronic Data Capture Services (EDCS)
- HM Revenue and Customs NCTS web channel
- NCTS XML (Extensible Mark-up Language) declaration channel.

E-mail via EDCS

To use the e-mail service, you must be able to make declarations to the NCTS by Electronic Data Interchange (EDI) and to exchange the necessary messages with the system. You also need specialist software to construct and translate the messages that the NCTS requires. The e-mail route can process up to 999 items per declaration.

HM Revenue and Customs NCTS web channel

To use the web service you need a UK Economic Operator Registration and Identification (EORI) number and a UK postcode. You must register for a Government Gateway account and then enrol for online service. The web-based route can process up to 99 items per declaration.

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NCTS XML (Extensible Mark-Up Language) declaration channel

To use the XML service you must register for a Government Gateway account. You will also need to purchase or develop your own XML wrapping tool for delivering of messages direct from your organisation, or use a service provider that will perform the XML wrapping on your behalf.

Location of the goods

Unless you are an Authorised Consignor or Consignee, there are two distinct types of location where the goods must be made available to Customs at departure and destination :

- Customs offices and
- Approved Customs sub-places.

A list of UK Customs sub-places appears in the UK Integrated Tariff Volume 3 Appendix C.

If you are an Authorised Consignor or Consignee, you may designate the premises where you will make the goods available to Customs.

What are the control procedures?

All transit movements are the responsibility of a “Principal” who is the person or company who undertakes to ensure that the goods are delivered to the office of destination or approved customs sub-place within the prescribed time limit. The Principal must usually put up a guarantee to secure the relevant duties and other charges in case the goods do not arrive intact at the office of destination.

The guarantee can be individual (covering a single operation) or (for approved principals) comprehensive. An individual guarantee can be cash (lodged at the office of departure), or vouchers (purchased from a guarantor such as a bank or insurance company).

To start a transit movement the trader inputs an electronic declaration to the NCTS. Customs at the office of departure may prescribe an itinerary and will set a time limit for presentation of the goods at the Customs Office of Destination or to an Authorised Consignee. Customs at departure may also seal the goods. The NCTS will generate a Transit Accompanying Document (TAD), and will send an electronic Anticipated Arrival Record to the Office of Destination. Where a trader's printer can reproduce barcodes, they may print the TAD at their own premises.

The Transit Accompanying Document (TAD) must travel with the goods. Where goods are to transit a non-EU country during a CT operation, an office of transit will control the movement at the point of exit and re-entry to the EU. The TAD must be presented at each office of transit noted on the declaration. The results of any checks are noted on the NCTS before the operation is allowed to proceed to the office of destination.

The TAD and the goods must be presented to customs at the office of destination / customs sub-place. Customs at destination will input an arrival message to the NCTS, control the end of the transit operation and record the results of the controls on the NCTS. A message is sent back to the office of departure and if the control results are satisfactory the transit operation is discharged.

If the control results are not satisfactory or if they are not received within the time limit the Principal is contacted and asked to provide proof that the procedure has ended correctly. If proof is not provided the enquiry procedure is initiated to recover the potential debt.

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What is simplified transit?

There is a range of transit simplifications available for use by compliant and reliable traders. These include:

- Use of a comprehensive guarantee, or guarantee waiver
- Use of seals of a special type
- Exemption from a prescribed itinerary
- Authorised Consignor status
- Authorised Consignee status
- Procedures specific to certain modes of transport (goods carried by rail, air, sea, pipeline)
- Other national or bi-lateral simplifications based on Art 97 of the Community Customs Code / Article 6 of the Common Transit Convention.

These simplifications are subject to authorisation by the National Simplifications Team at the Central Community Transit Office (CCTO) in Harwich.

Further Information

Further information on transit procedures can be found on the HMRC website under the [Community / Common Transit and TIR](#) section, under the Imports and Exports section.

Further details about transit can be found in [The Transit Manual](#) on the European Commission website.

Guidance on transit procedures in the UK is provided in the [Transit Manual Supplement](#) found within the Imports and Exports section of the HMRC website.

More detailed information on Community transit simplifications and various aspects of the NCTS, including fallback can be obtained by contacting :

HMRC NCTS helpdesk at UK Central Services (UKCS), Harwich
Monday to Friday 08:00 – 17:00
Tel : +44 (0)1255 244709.

Community status documents

Community status documents have no transit function but are required where the Community status of the goods needs to be proved e.g. where the goods are moving from one EU member state to another, via a third country (other than a Common Transit country). There are various documents that can be used to prove Community status. These include :

- a T2L (copy 4 or 4/5 of the SAD)
- a commercial document such as an invoice or a transport document or a shipping company's manifest
- a T2LF where proof of Community status is required for goods consigned to or from the special territories
- a T2M form to prove the Community status of sea fishing products caught by Community fishing vessels in certain circumstances.

Documents used to prove Community status have to be authenticated by customs (except for commercial documents where the value of the goods does not exceed EUR 10 000). The documents may be issued retrospectively.

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If you use status documents on a regular basis you can become an authorised consignor for Community status purposes. Otherwise, if your T2L/T2LF status document requires authentication, it must be sent, with a stamped self-addressed envelope, to Salford National Clearance Hub (NCH) at the following address :

HMRC
The National Clearance Hub
Custom House
Furness Quay
Salford
MANCHESTER
M50 3XN
Tel : +44 (0)161 261 7000 (Main Office)

A full list of documents and rules used for providing Community status and guidance on the use of Community status documents can be found in the Transit Manual.

Transports Internationaux Routiers (TIR)

TIR is an international Convention that provides for goods to move across one or more international borders with minimal customs interference. The movement must essentially be by road to, via and from European countries and some North African and Asian countries. However, for the purposes of TIR, the European Union is regarded as a single territory. TIR cannot be used to move goods between Member States of the EU unless they go via a third country.

Anyone who has travelled on European roads may recognise the familiar blue and white TIR plates affixed to thousands of lorries and trailers using TIR.

TIR can be operated in fifty-six countries, all of whom have signed the Convention on the International Transport of Goods under cover of TIR Carnets. Goods that are moved under TIR can pass to and through these countries with any customs duties and other taxes under suspension and without the need for unloading / reloading at international frontiers.

With effect from 1 January 2009, traders who move goods under the cover of a TIR Carnet are required to submit a TIR declaration to the NCTS for that part of the journey within the territory of the European Union. The NCTS will generate the Transit Accompanying Document (TAD) which will be affixed to the TIR Carnet.

It is important to note that the paper TIR Carnet remains the legal instrument and will be required to be presented along with any accompanying documents, the vehicle and the goods.

There are five main principles to the TIR system:

- Access to the system is controlled by the national guarantee associations and customs authorities. In the UK operators must apply for authorisation to use TIR Carnets to one of the two national guarantee associations – either the Freight Transport Association (FTA) or the Road Haulage Association (RHA)
- The goods must be listed on, and accompanied by, an internationally recognised document, the TIR Carnet. The Carnet is taken into use in the country of departure and serves as the control document in the countries of departure, transit and destination
- The duties and taxes at risk are covered by an internationally valid guarantee

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- The goods must travel in approved secure vehicles and containers and
- Customs control measures taken in the country of departure should be accepted by the countries of transit and destination.

Procedure at the Office of Entry into the Community

The TIR carnet holder or his / her representative is responsible for lodging the TIR carnet data in the computerised system (NCTS). The Carnet travels with the goods and is presented to Customs at the office of entry into the Community.

Customs at the office of entry will :

- Check the vehicle / container and approval certificates as appropriate
- Check the seals and
- Check that Box 22 of Voucher No. 1 contains the name of the office of destination.

The officer will then :

- Complete the relevant details on the next pair of vouchers 1 and 2
- Remove Voucher No 1 (white) from the carnet and complete the corresponding counterfoil; print out an Office Copy TAD, attach it to voucher no 1 and
- Return the carnet to the holder or representative.

Procedure at the Office of Destination

The principal (or his / her authorised representative) present the goods, the vehicle, the TIR carnet and the TAD to Customs at the office of destination or to an EU authorised consignee approved to receive TIR consignments.

At the office of destination, Customs will :

- Check that the seals are intact and – unless an irregularity is found – endorse the Carnet with the rectangular office date stamp
- Use the MRN to retrieve the data from the NCTS system and send the appropriate 'Control Results' message to the office of departure and
- Detach and retain Voucher No 2.

If the goods are delivered to an authorised consignee;

- The consignee will check that the seals are intact and – unless an irregularity is found – send the documents to the office of destination to be endorsed as above and
- The officer will use the MRN to retrieve the data from the NCTS system and send the appropriate 'Control Results' message to the office of departure.

Further details about TIR can be found on the HMRC website.

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What are Duty Relief procedures?

Duty Relief procedures can:

- provide relief from, or delay payment of, duty and / or VAT
- allow reduced or nil rates of duty to be applied to goods, if they are permanently or temporarily imported under specific conditions and / or imported to a specific location
- Provide relief from duty and / or VAT for goods temporarily exported from and returned to the EU.

When might they be of use?

They can be used in the following circumstances:

- When you import goods temporarily for use, process, or repair within the EU
- When you re-import goods which have been used, processed or repaired outside the EU
- When you return / reject goods to a supplier outside the EU because they are damaged or are not to the required specification
- When you re-import goods returned by a customer outside the EU because they are damaged or are not to the required specification
- If you have difficulty at the time of import in meeting particular conditions (such as certain import licensing requirements) or want to re-export non-Community goods.

What are the schemes?

There can be many different reasons why an import is made and there are various procedures to fit specific circumstances, these include:

- Inward Processing Relief (IP)
- Outward Processing Relief (OPR)
- Returned Goods Relief (RGR)
- Temporary Admission (TA)
- Customs Warehousing (CW)
- End Use Relief
- Processing under Customs Control (PCC)
- Free Zones (FZ)
- Rejected Imports Relief
- Community System of Duty Reliefs (CSDR)
- Onward Supply Relief (OSR).

What is Inward Processing Relief (IP)?

IP provides relief in order to promote exports from the EU and assist Community processors to compete on an equal footing in the world market.

If you import non-EU goods to be used in the processing of products which are intended to be re-exported outside the EU, IP allows the customs duties to be relieved for the time required for you to enter, process and dispose of the goods.

How does IP work?

There are two methods of IP, suspension and drawback.

Under **IP suspension** customs duties are suspended when the goods are first entered to the procedure in the EU. The duty liability is discharged when the goods are re-exported

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from the EU or subject to another form of eligible disposal. However, if the goods are released into the EU, import VAT will also become due and compensatory interest will be charged on the duty suspended.

Under **IP drawback**, customs duties and import VAT are paid when the goods are entered. The customs duty can be claimed back when the goods are exported and you may be able to reclaim the import VAT as input tax. There are some restrictions on the type of goods that can use IP drawback. The examples below, which are not exhaustive, include goods that are subject to :

- quantitative import restrictions
- Tariff measures
- most CAP goods
- goods subject to an export refund or tax applies to a product that will be produced.

Do I need to be authorised to use IP?

Yes. There are a number of types of authorisation and you will need to consider which one best suits your needs.

Most require you to make a prior application to HM Revenue and Customs using form [C&E 810](#). Applications for authorisation usually take a month to process before you can import any goods using the procedure.

If you only occasionally import goods for processing, and the operation is carried out entirely in the UK, you can apply for a simplified authorisation on the C88 (SAD) entry at the point of import. On your entry you will need to quote the appropriate IP CPC in the '51' series for IP suspension or the '41' series for drawback.

If you use IP you will need to keep records with details of all imports, processing operations, transfers and disposal of your goods entered to this procedure.

Further information can be found in the Tariff, Volume 3, Part 3, [Notice 221](#) Inward Processing Relief and [Notice 221A](#) Inward Processing Relief using a simplified authorisation, which is available via the HMRC website.

What is Outward Processing Relief (OPR)?

Outward Processing Relief provides duty relief on imports from 3rd countries of goods which have been produced from previously exported EU goods. When you re-import the goods you may be able to pay import duty and VAT on a reduced value subject to certain conditions. You should normally be the person arranging for the process / repair to be carried out but if you are not you may be able to obtain specific authorisation to enable you to export and re import the goods.

The processing work can range from the very simple through to involved manufacturing. In some instances goods which have gone out for repair can be replaced instead under the Standard Exchange System if it is not practicable to have the exported goods repaired. However, the replacements must be of equivalent commercial value. Replacement goods will also be subject to import VAT on the full value of the goods.

Dispatches in one consignment can be re-imported over a period of time in smaller amounts. In addition, goods originally exported from the UK do not have to return to the UK – the re-importation can be to another EU country.

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How does OPR work?

Customs are required to check that the re-imported goods have been manufactured from the items exported. In the case of repairs it is necessary to show e.g. by serial number, that the part exported is the part returned. You will be required to keep adequate records to show that the goods exported have been used in the re-imported product.

Do I need to be authorised to use OPR?

Yes, there is a Simplified authorisation which is applied for at the point of export, which can be used if you occasionally need to export goods for repair. It cannot be used for any other type of process (exceptionally replacement could be allowed).

Alternatively you can apply for the relevant authorisation by making an application to HMRC on form [C&E 1153](#) prior to exporting the goods. You will be issued with an authorisation number to quote on all your OPR entries. You can make regular exports and the operation can be anything from simple processing to involved manufacturing – on the application form you state in detail what processes will be carried out on your goods.

Further details about OPR can be found in [Notice 235](#) Outward Processing relief.

What is Returned Goods Relief (RGR)?

If you import goods that were previously exported from the customs union (the EU, Turkey, San Marino and Andorra), then returned goods relief could be of use. The goods must be reimported in the same condition as at export from the customs union, with no processing having been carried out on them outside the union, apart from routine maintenance or unforeseen running repairs.

How does RGR work?

RGR can be used for goods exported temporarily, which you know will eventually be returned to you. In addition RGR can be used if your overseas customer needs to return the goods i.e. they are broken or you have sent the wrong specification. You can also use RGR if you purchase goods abroad which were exported from the customs union by others.

In all these situations HMRC would normally treat these as an import of non-EU goods and therefore duty and VAT would be due. By declaring the consignment at import to RGR, you can get total or partial relief from the import duty and in some cases the VAT, subject to certain conditions.

Do I need to be authorised to use RGR?

In most circumstances you would not need to be authorised to use RGR. However to support your claim for RGR, you must be able to prove to HMRC that the goods were those originally exported from the customs union and establish their “duty status” at the time of original export. If you did not export the goods, you will probably need to seek help from the original exporter in getting this information.

More details about RGR can be found in [Notice 236](#) Customs: Importing returned goods free of duty and tax.

What is Temporary Admission (TA)?

Temporary Admission generally allows you to import goods for temporary use with relief from customs duties and import VAT. Goods must not be processed or repaired other than routine maintenance necessary to preserve them in the condition in which they were imported.

There are several different TA reliefs. Some examples of these are:

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- goods coming in for an exhibition
- goods coming in for your company to test (but not to destruction)
- sample goods to show to prospective buyers
- animals coming in for training / breeding / veterinary treatment or competitions.

Some of the reliefs will require that the goods remain in non EU ownership and / or restrict how they may be used. Goods must also be re-exported within the prescribed time-limits.

How does TA work?

TA must be claimed in the EU country where the first TA use takes place, for example if you import non EU goods to the UK enroute for an exhibition in Ireland the application for TA must be made in Ireland.

For most importations security (either by cash deposit, or bank guarantee) equal to the full amount of duty and import VAT potentially due will be required. This may be reclaimed when the goods have been re-exported or entered to another customs relief and the correct official documentary evidence can be provided.

Do I need to be authorised to use TA?

Yes. You can apply for authorisation at the time you import your goods:

- using a simplified authorisation by quoting the appropriate TA relief CPC in the '53' series (further information on this can be found in the Tariff volume 3 part 3), on your C88 entry; or
- for **limited** types of goods and uses only
 - by 'oral declaration' supported by an inventory document (form [C108](#) is the UK inventory document, if you will subsequently use the goods for the same purpose in other EU countries you should use an [EU model inventory document](#) instead of form C108)
 - by 'declaration by any other act' where declaration and application for authorisation is accepted to have been made by going through the 'nothing to declare' channel or its equivalent (for example non EU travellers personal effects).

You can also make a prior application for TA authorisation to HMRC using form [C&E 1331](#). This can be used where regular imports are to be made and can cover different types of goods and uses. You will be issued with an authorisation number to quote on all your TA entries. Goods can also be imported for use from outside the EU or from a Special Territory of the EU such as the Channel Islands, on which VAT only is due e.g. yachts or civil aircraft.

More details about Temporary Admission can be found in [Notice 200](#) Temporary Admission; [Notice 306](#) Temporary Admission – temporarily importing non EU containers and pallets; [Notice 308](#) Temporary Admission – temporarily importing non EU means of transport.

ATA Carnets

ATA Carnets can be used to import certain non EU goods for use under Temporary Admission or to cover certain UK / EU goods exported for temporary use outside the EU. The ATA carnet is a document containing vouchers that can be completed as declarations in place of formal customs declarations normally required at the time of import and export. The ATA carnet system is operated worldwide under the ATA and Istanbul Conventions. Cover of the duties and other charges which may be at risk is provided as part of the issuing conditions of the Carnets and this is secured through an international guarantee chain. In

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the UK, ATA carnets are issued by Chambers of Commerce and Industry. Further information on ATA Carnets and details of Chambers of Commerce and Industry in other countries can also be obtained from :

The London Chamber Of Commerce and Industry
Export Documents – Carnets
33 Queen Street
LONDON
EC4R 1AP

Tel : +44 (0)20 7248 4444
Fax: +44 (0)20 7203 1921 / (0)20 7248 0391
Email: aallan@londonchamber.co.uk
www.londonchamber.co.uk

Further details about ATA carnets can be found in [Notice 104](#) ATA and CPD Carnets.

What is Customs Warehousing?

Customs warehousing is a storage procedure whereby the payment of customs duties and / or import VAT can be suspended or delayed when non-Community goods are stored in a defined location (premises or place) or under an inventory system authorised as a customs warehouse.

The normal rules relating to import and export prohibitions and restrictions apply to goods imported into and exported from customs warehouses. Therefore, licences are needed in the normal way.

How does Customs Warehousing work?

There are different types of warehouses, depending on the responsibilities you wish to assume. Private warehouses (known as types C, D and E) are for the storage of goods deposited by an individual trader, authorised as the warehousekeeper who need not own the goods but who must take on the responsibilities of the depositor. A public warehouse (Type A) is authorised for use by a warehousekeeper whose main business is the storage of other trader's goods. A Type A warehousekeeper does not take on the responsibilities of the depositor.

The depositor has the responsibility of being bound by the declaration placing the goods under the customs warehousing procedure and will be liable for any duties and taxes.

Do I need to be authorised to use Customs Warehousing?

Yes, an application on a [C1410](#) form has to be made to HMRC. Your authorisation number must be quoted on all declarations that you make entering or removing goods from the customs warehouse procedure.

Further details about customs warehousing can be found in [Notice 232](#) Customs Warehousing.

What is End-Use Relief?

End-use provides relief to promote certain EU industries and trades. To qualify for relief the following must apply:

- the goods and / or processes must be eligible for end-use
- you must be authorised for the relief and

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- the goods must be put to their prescribed end-use within agreed time limits. The length of time an end-use authorisation can be issued for depends on the type of goods and the processing involved. The period of authorisation does not normally exceed 3 years from the date the authorisation takes effect. Renewal can be considered for exceptional circumstances.

How does End-Use Relief work?

End-use relief applies only to duty. VAT if due, must be paid unless any separate VAT relief applies. End-use does not include relief from Excise duty or Anti dumping duty (ADD).

Do I need to be authorised to use End-Use Relief?

You need to be authorised to import or receive end-use goods. Authorisations are issued to the person importing or having the goods imported. To be eligible to apply for any of the authorisations below you must be established in the EU.

If you are a processor of end-use goods you must be authorised to receive such goods from importers, either in your own right or as a named processor in the importer's authorisation.

There are four different types of end-use authorisation:

- **Simplified authorisation** used to import goods on a one-off basis for simple operations within the UK. A trader using the simplified end-use facility cannot make use of it more than three times in a calendar year. Simplified declaration procedures, e.g. Customs Freight Simplified Procedure (CFSP) cannot be used in association with simplified end-use.
- **Authorisation within the UK** using form [C1317](#). This type of authorisation can cover processing on your behalf by other companies where operations are solely within the UK.
- **Single Community authorisation**, where processing or transport of goods involves more than one Member State. Application is made on the model form (Annex 67) in Commission Regulation 2454/93.
- **Integrated Authorisation**. This is for traders to import and process goods which require authorisation for end-use and another customs procedure, for example Inward Processing Relief. Application is made using form [C1317](#).

Further details about End Use Relief can be found in [Notice 770](#) Imported goods: end-use relief.

What is Processing under Customs Control (PCC)?

PCC allows certain raw materials or components to be imported from outside the EU under duty suspension arrangements for processing and subsequent release to free circulation in the EU. If you intend to export the processed products you should apply for inward processing relief.

How does PCC work?

After processing the finished products may be declared to free circulation at the lower duty rate that applies to the processed goods rather than the rate that applied to the raw materials.

Do I need to be authorised to use PCC?

There is a simplified authorisation available at the time of import for goods being processed in the UK only and which fall in Part A of Annex 76 of EC Regulation 2454/93. For all other types of process you will need to apply for an authorisation on form [C&E 1321](#). You will be

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issued with an authorisation number which must be quoted on all import documents. If your goods do not fall within Part A of the Annex your application will also be subjected to an economic test. No authorisation can be issued until the test has been concluded by BIS / DEFRA. If your goods fall within Part B of the Annex, this test will be carried out by the relevant section of the Customs Code Committee in Brussels.

Further details about PCC can be found in [Notice 237](#) Processing under Customs Control (PCC).

What is Free Zone?

A Free Zone is a designated area in which non-Community goods are treated as being outside the customs territory of the Community for the purpose of import duties.

Please note:

Free Zone provision within the UK will cease to exist in August 2012, before the new modernised Customs Code comes into effect. Anyone considering the use of Free Zones will be encouraged to look at alternative options such as Customs Warehousing.

How does Free Zone work?

Free Zone goods mean that import duties (including agricultural charges) are not due provided the goods are not released for free circulation. Import VAT is also suspended until the goods are removed to the UK market or used or consumed within the Free Zone.

UK Free Zones are controlled principally on the basis of the requirements of customs warehousing procedures, on an audit basis rather than physical checks on arrival.

The normal rules relating to import and export prohibitions and restrictions apply to goods imported into and exported from free zones. Therefore, licences are needed in the normal way.

There are no special reliefs in Free Zones from other taxes, excise duties or local authority (council tax) rates.

There are currently four free zones in the UK located at Liverpool, Prestwick, Sheerness and Tilbury. An additional Free Zone is in operation in the Isle of Man.

Do I need to be authorised to use Free Zone?

To be a Free Zone Operator within a UK Free Zones you will need prior authorisation from HMRC, and a supporting letter from the Free Zone Manager. You should apply in writing to the office responsible for the free zone.

Further details about Free Zones can be found in [Notice 334](#) Free Zones.

What are Rejected Imports?

As the customer of an overseas supplier, you will be unaware in many cases if goods are correct until you open the packages. By that time the import has taken place and duty / VAT will have been paid. If the goods are not acceptable, for example they are broken or the wrong specification has been sent, it is likely that you will want to send the goods back to your supplier, i.e. you reject the import.

Your supplier may send a credit note for the value of your order, but you will still need to recover the duty and possibly VAT. If you are VAT-registered, you will receive a VAT

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Certificate to use with your VAT Return as usual. Under these circumstances, the Rejected Imports procedure can be of use to reclaim the duty.

Do I need to be authorised to use the Rejected Imports procedure?

No, you do not need to be authorised to use the procedure. However if you have received goods you cannot use, for instance, because they were defective or damaged, you can make a claim for repayment of duty, plus VAT if you are not VAT registered. This is provided that you inform your local HMRC Business Centre before you dispose of the goods – for example by re-export, or destruction. You need to be able to prove why you are rejecting the import, and have a copy of the import entry showing the duty and VAT paid against the consignment.

You can reject part of a consignment, and the duty and VAT would be apportioned accordingly.

More details about Rejected Imports and the procedure for making claims can be found in [Notice 266](#) Rejected imports: repayment or remission of duty and VAT.

What is the Community System of Duty Reliefs (CSDR)?

CSDR is the collective term for a number of different conditional reliefs designed to promote educational, scientific, social and cultural advancement by allowing certain goods to be imported free of customs charges. Examples of goods which may qualify for relief include :

- those items imported by charities for the benefit of needy people
- specifically tailored goods for use by the disabled
- museum and gallery exhibits
- capital goods brought back from third country locations
- specific items for medical research and diagnosis
- scientific research equipment
- commercial samples and
- goods imported for examination, analysis and testing.

Each relief has its own set of Customs Procedure Codes (CPCs) and relevant conditions to be met.

How does CSDR work?

Importers must maintain proper records to show clear audit trails in respect of those goods imported under CSDR arrangements, in order to facilitate possible assurance visits and to demonstrate that the eligibility criteria have been met and that the goods have been put to the prescribed use. For some of the CSDR reliefs, there are specific post-importation disposal restrictions as well.

Do I need to be authorised to use CSDR?

In some cases prior authorisation is necessary. Imports to museums and art galleries are covered by general authorisations for the premises themselves. Other imports such as goods for the disabled and goods for scientific research are covered by specific authorisations that cover the actual single import declaration. Imports of Goods for Test do not require prior authorisation but you will need to make a declaration on when the testing procedure will be completed. The use of some of the CSDR arrangements also requires prior agreement or approval from other Government Departments (e.g. Department of Health, Home Office) before any import declarations can be made.

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Most authorisations are granted by the National Imports Relief Unit (NIRU), Enniskillen. Their contact details are :

National Imports Relief Unit (NIRU)
HM Revenue & Customs
Abbey House
Head Street
Enniskillen
Co Fermanagh
NORTHERN IRELAND
BT74 7JL

Telephone : +44 (0)2866 344 557
Fax : +44 (0)2866 344 571
E-mail : NIRU@hmrc.gsi.gov.uk

In certain circumstances, private establishments must be authorised by other Government Departments such as the Home Office and Department of Health in order to use some of the CSDR arrangements.

Further details about the CSDR reliefs can be found in Volume 1, Part 10 of the Tariff, and in the various relevant Notices in the 300 series.

What is Onward Supply Relief (OSR)?

OSR is for use by a UK VAT registered trader who imports goods from outside the EU into the UK in the course of an onward supply directly to another EU country. OSR involves putting the goods into free circulation in the UK which is done by paying any applicable customs duties in the UK, while claiming OSR relief from the immediate payment of import VAT, the VAT is then accounted for by the consignee in the country of receipt. OSR can be used by a UK importer, or an agent appointed to act as importer on behalf of a non UK consignor or consignee.

What are the criteria and conditions of OSR?

As an importer you must :

1. be a UK VAT registered importer. Note – you cannot claim OSR if you use a non VAT EORI number or the code GBPR

And

2. complete a C88 Customs Import Declaration using the appropriate OSR Customs procedure code (CPC) and correctly complete box 44

And

3. make the onward supply of the goods to another EU country within one month of the date of importation (which is the date when the goods enter into free circulation). If you cannot meet this deadline you can apply to NIRU for an extension

And

4. complete an [EC sales list](#) (if an ESL is not sent to you it is your responsibility to print one off and submit it), record the transaction on your VAT return, and record EC Intrastat trade figures

And

5. be making a zero-rated supply of goods to a taxable person in another EU country by raising and issuing a VAT invoice in the same way you would for any other supply of goods you make; the invoice must identify the consignee and the goods, show the goods as a zero rated supply, and be issued to the EU consignee

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And

6. dispatch the same goods as imported. Note – you cannot process them first

And

7. retain proof of the onward supply and produce it if required by HMRC.

If you are an agent appointed to act as an importer, as well as the above conditions, you must also :

8. have a written agreement between you and the non UK consignor / consignee stating that they are asking you to act as principal in the importation / supply of their goods, and clearly identifying the consignment (or future consignments).

Completion of box 44 of the Import Declaration C88 (SAD)

Under EU legislation you must provide, at the time of import, the VAT identification numbers of both the taxable person importing the goods into the Member State of import and of the customer in the Member State for which the goods are bound. These numbers should be entered in box 44 of the form C88 SAD using specific types codes (if these VAT identification numbers are not indicated as part of the Economic Operator Registration and Identification (EORI) numbers in boxes 8 or 14).

You should use the following codes to indicate the VAT identification numbers in box 44 of the SAD:

Y040 – the VAT identification number issued in the Member State of importation for the importer designated or recognised under Article 201(1) of the VAT Directive as liable for payment of VAT. The number should be prefixed with the ISO alpha-2 country code of the Member State assigning the VAT number for example, Y040GB123456789: Y040 is to be used for an importer that is established and VAT registered in the UK, it cannot be used by a non VAT registered person.

Y041 – the VAT identification number of the customer who is liable for the VAT on the intra-Community acquisition of goods in accordance with Article 200(1) of the VAT Directive. The number should be prefixed with the ISO alpha-2 country code of the Member State assigning the VAT number for example, Y041FR123457845: Y041 is to be used for the customer in the Member State for which the goods are bound; it cannot be used by a non VAT registered person.

Y042 – the VAT identification number issued in the Member State of importation for the tax representative. The number should be prefixed with the ISO alpha-2 country code of the Member State assigning the VAT number for example, Y042GB987654321: Y042 is to be used for a UK VAT registered / established agent appointed to act as importer by a trader who is not established and VAT registered in the UK. The appointed agent / importer will be treated as importing and supplying the goods as the principal (see [Public Notice 702](#), section 2.7 for the UK agent tax responsibilities); it cannot be used by a non VAT registered person.

Possible combinations on a customs import entry are Y041 with Y040, or Y041 with Y042; it is not possible for Y040 and Y042 to be used on the same entry.

Please note : If the VAT identification numbers of the taxable person (Y040 or Y042) importing the goods into the Member State of import and / or of the customer in the Member State (Y041) for which the goods are bound form part of the C88 box 8 or 14 EORI numbers, then the corresponding 'Y0' code in box 44 may be left blank.

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What OSR Customs Procedure Code (CPC) can you use on the C88?

The CPC applicable to your particular OSR importation (and the conditions that apply) can be found by referencing the Integrated Tariff of the United Kingdom, Volume 3, Customs Freight Procedures, New part 4 (Details of how to make a harmonised declaration in accordance with Regulation 2286/2003).

How do you account for the goods in your VAT records?

Whether you are the importer, or an agent appointed to act as importer, the import of the consignment into the UK and the onward supply must be accounted for in your VAT records as follows:

1. Raise and then issue a VAT invoice for the onward Supply to the EU consignee
And
2. Record the import and onward supply values on your VAT return
And
3. Record the onward supply on your EC sales list.

What other relief schemes are there?

Our catalogue of Publications ([Notice 999](#)) has a full listing of the Notices covering other Duty Relief Schemes such as Inherited Goods, Goods for Test to Destruction, Commercial Samples etc.