



PREPARING FOR MEMBERSHIP

INFORMATION SHEET No. 07

CUSTOMS WAREHOUSING

WHAT IS THE PURPOSE AND SCOPE OF THE PROCEDURE?

1. The Customs warehousing procedure allows the storage of (Art. 98 CC)
 - Imported non-Community goods without subjecting them to import duties, VAT and excise duties, as well as commercial policy measures,
 - Goods destined for export or re-export in order to allow already the application of measures attached to export, such as export refunds, drawback, repayment or remission of import duties (Arts 128, 238, 239 CC and Art. 900 CCIP).

WHICH TYPES OF CUSTOMS WAREHOUSES EXIST UNDER COMMUNITY LAW?

2. Art 99 of the CC differentiates between
 - Public warehouses which are available for use by any person, and
 - Private warehouses which are reserved for the use of the person authorised to operate the customs warehouse (the warehousekeeper), and where the responsibility always lies with the authorisation holder (Arts 101, 102 CC).

There are six types of customs warehouse which can be distinguished (Art 525 CCIP).

WHEN AND HOW IS AN AUTHORISATION GRANTED FOR THE USE OF THE PROCEDURE AND THE OPERATION OF A CUSTOMS WAREHOUSE?

3. Art 100 of CC subjects the operation of a customs warehouse to the issue of an authorisation by the customs authorities.
4. The application for an authorisation must be submitted in writing according to the form set out in Annex 67 CCIP and must be submitted to the competent customs authorities of the Member State where the customs warehouse is situated or the warehousekeeper's main accounts are kept where operations in more than one Member State is requested.
5. The application must be accompanied by supporting evidence or documents necessary (Arts 104, 105 CC, Arts 531, 532, 534, 511-514, 535 CCIP). Certain conditions must be satisfied before an authorisation is granted (Arts 86, 100 CC).

HOW ARE GOODS ENTERED FOR THE PROCEDURE?

6. The entry of goods for the customs warehousing procedure is governed by Arts 59 – 78 CC and Arts 198 – 274 CCIP.

WHAT ARE THE RECORD KEEPING REQUIREMENTS?

7. In order to facilitate customs supervision, the warehousekeeper is obliged to keep stock records of all the goods placed under the procedure (Arts 105, 107 CC, Arts 516, 528, 529 CCIP).

WHICH FORMS OF HANDLING CAN BE PERMITTED UNDER THE PROCEDURE?

8. Though the customs warehousing procedure is primarily intended for storage purposes, the customs authorities may authorise that the goods undergo treatment in order to (Arts 106, 109 CC, Annex 72 CCIP)
 - Preserve them
 - Improve their appearance or marketable quality, or
 - Prepare them for distribution or resale.

UNDER WHICH CIRCUMSTANCES CAN RETAIL SALE, TEMPORARY REMOVAL AND TRANSFER OF GOODS BE AUTHORISED?

9. The use of a customs warehouse for the purposes of retail sale is prohibited except as provided for in Art 527 CCIP. Goods may with the permission of the customs authorities be removed from the premises of a customs warehouse e.g. to show them to a client or carry out usual forms of handling (Arts 532, 533 CCIP). It is also possible to transfer goods between different warehouses (Arts 511 – 514 CCIP and Annex 68 CCIP).

HOW DOES THE PROCEDURE END AND IS DISCHARGED?

10. The customs warehousing procedure ends when a new customs-approved treatment or use is assigned to the goods. The customs warehousing procedure is discharged when the customs authorities have ascertained that the prescribed conditions have been fulfilled; otherwise the customs authorities take the measures necessary to regularise the situation (Art 89 CC).

UNDER WHICH CIRCUMSTANCES IS A CUSTOMS DEBT INCURRED AND HOW CAN FAILURES BE REDRESSED?

11. For goods placed under the customs warehousing procedure a customs debt can be incurred through
- Unlawful removal from customs supervision (Art 203 CC)
 - Non-fulfilment of one of the obligations arising from the use of the procedure (Art 204 CC)
 - Non-compliance with a condition governing the placing of the goods under the procedure (Art 204 CC).
12. Possibilities to redress failures are covered by Arts 859, 862, 863, 892, 899 – 904 CCIP and Arts 206, 238, 239 CC. Such possibilities include :
- Failure has no significant effect on the correct operation of the procedure
 - Loss or destruction results from unforeseeable circumstances, force majeure or authorised by the customs authorities
 - Loss results from the nature of the goods (e.g. from evaporation)

http://europa.eu.int/comm/taxation_customs/law_en.htm#customs

http://europa.eu.int/eur-lex/en/consleg/main/1992/en_1992R2913_index.html (for Customs Code)

http://europa.eu.int/smartapi/cgi/sga_doc?smartapi!celexapi!prod!CELEXnumdoc&lg=EN&numdoc=31993R2454&model=guichett (for Customs Code Implementing Provisions)

<http://customs.business-line.com> (Malta Customs Web site)

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