Revised KYOTO Convention
Revised KYOTO Convention

CHAPTER 2
DEFINITIONS

CHAPTER 3
CLEARANCE AND OTHER CUSTOMS FORMALITIES

SPECIFIC ANNEX A
ARRIVAL OF GOODS IN A CUSTOMS TERRITORY
FORMALITIES PRIOR TO THE LODGEMENT OF THE GOODS DECLARATION
TEMPORARY STORAGE OF GOODS

SPECIFIC ANNEX B
CLEARANCE FOR HOME USE
RE-IMPORTATION IN THE SAME STATE
RELIEF FROM IMPORT DUTIES AND TAXES

SPECIFIC ANNEX C
OUTRIGHT EXPORTATION

SPECIFIC ANNEX D
CUSTOMS WAREHOUSES
FREE ZONES

SPECIFIC ANNEX E
CUSTOMS TRANSIT
TRANSSHIPMENT
CARRIAGE OF GOODS COASTWISE

SPECIFIC ANNEX F
INWARD PROCESSING
OUTWARD PROCESSING
DRAWBACK
PROCESSING OF GOODS FOR HOME USE

SPECIFIC ANNEX G
TEMPORARY ADMISSION
SPECIFIC ANNEX H
OFFENCES

SPECIFIC ANNEX J
TRAVELLERS
POSTAL TRAFFIC
MEANS OF TRANSPORT FOR COMMERCIAL USE
STORES
RELIEF CONSIGNMENTS

SPECIFIC ANNEX K
RULES OF ORIGIN
DOCUMENTARY EVIDENCE OF ORIGIN
CONTROL OF DOCUMENTARY EVIDENCE OF ORIGIN
KYOTO Convention

CHAPTER 2
DEFINITIONS

For the purposes of the Annexes to this Convention:

E1./ F23.

“appeal” means the act by which a person who is directly affected by a decision or omission of the Customs and who considers himself to be aggrieved thereby seeks redress before a competent authority;

E2./ F19.

“assessment of duties and taxes” means the determination of the amount of duties and taxes payable;

E3./ F4.

“audit-based control” means measures by which the Customs satisfy themselves as to the accuracy and authenticity of declarations through the examination of the relevant books, records, business systems and commercial data held by persons concerned;

E4./ F15.

“checking the Goods declaration” means the action taken by the Customs to satisfy themselves that the Goods declaration is correctly made out and that the supporting documents required fulfil the prescribed conditions;

E5./ F9.

“clearance” means the accomplishment of the Customs formalities necessary to allow goods to enter home use, to be exported or to be placed under another Customs procedure;

E6./ F10.

“Customs” means the Government Service which is responsible for the administration of Customs law and the collection of duties and taxes and which also has the responsibility for the application of other laws and regulations relating to the importation, exportation, movement or storage of goods;

E7./ F3.

“Customs control” means measures applied by the Customs to ensure compliance with Customs law;

E8./ F11.
“Customs duties” means the duties laid down in the Customs tariff to which goods are liable on entering or leaving the Customs territory;

E9./ F16.

“Customs formalities” means all the operations which must be carried out by the persons concerned and by the Customs in order to comply with the Customs law;

E10./ F18.

“Customs law” means the statutory and regulatory provisions relating to the importation, exportation, movement or storage of goods, the administration and enforcement of which are specifically charged to the Customs, and any regulations made by the Customs under their statutory powers;

E11./ F2.

“Customs office” means the Customs administrative unit competent for the performance of Customs formalities, and the premises or other areas approved for that purpose by the competent authorities;

E12./ F25.

“Customs territory” means the territory in which the Customs law of a Contracting Party applies;

E13./ F6.

“decision” means the individual act by which the Customs decide upon a matter relating to Customs law;

E14./ F7.

“declarant” means any person who makes a Goods declaration or in whose name such a declaration is made;

E15./ F5.

“due date” means the date when payment of duties and taxes is due;

E16./ F12.

“duties and taxes” means import duties and taxes and/or export duties and taxes;

E17./ F27.

“examination of goods” means the physical inspection of goods by the Customs to satisfy themselves that the nature, origin, condition, quantity and value of the goods are in accordance with the particulars furnished in the Goods declaration;

E18./ F13.

“export duties and taxes” means Customs duties and all other duties, taxes or charges which are collected
on or in connection with the exportation of goods, but not including any charges which are limited in amount to the approximate cost of services rendered or collected by the Customs on behalf of another national authority;

E19./ F8.

“Goods declaration” means a statement made in the manner prescribed by the Customs, by which the persons concerned indicate the Customs procedure to be applied to the goods and furnish the particulars which the Customs require for its application;

E20./ F14.

“import duties and taxes” means Customs duties and all other duties, taxes or charges which are collected on or in connection with the importation of goods, but not including any charges which are limited in amount to the approximate cost of services rendered or collected by the Customs on behalf of another national authority;

E21./ F1.

“mutual administrative assistance” means actions of a Customs administration on behalf of or in collaboration with another Customs administration for the proper application of Customs law and for the prevention, investigation and repression of Customs offences;

E22./ F21.

“omission” means the failure to act or give a decision required of the Customs by Customs law within a reasonable time on a matter duly submitted to them;

E23./ F22.

“person” means both natural and legal persons, unless the context otherwise requires;

E24./ F20.

“release of goods” means the action by the Customs to permit goods undergoing clearance to be placed at the disposal of the persons concerned;

E25./ F24.

“repayment” means the refund, in whole or in part, of duties and taxes paid on goods and the remission, in whole or in part, of duties and taxes where payment has not been made;

E26./ F17.

“security” means that which ensures to the satisfaction of the Customs that an obligation to the Customs will be fulfilled. Security is described as “general” when it ensures that the obligations arising from several operations will be fulfilled;
“third party” means any person who deals directly with the Customs, for and on behalf of another person, relating to the importation, exportation, movement or storage of goods.
CHAPTER 3
CLEARANCE AND OTHER CUSTOMS FORMALITIES

Competent Customs offices

3.1. Standard

The Customs shall designate the Customs offices at which goods may be produced or cleared. In determining the competence and location of these offices and their hours of business, the factors to be taken into account shall include in particular the requirements of the trade.

3.2. Standard

At the request of the person concerned and for reasons deemed valid by the Customs, the latter shall, subject to the availability of resources, perform the functions laid down for the purposes of a Customs procedure and practice outside the designated hours of business or away from Customs offices. Any expenses chargeable by the Customs shall be limited to the approximate cost of the services rendered.

3.3. Standard

Where Customs offices are located at a common border crossing, the Customs administrations concerned shall correlate the business hours and the competence of those offices.

3.4. Transitional Standard

At common border crossings, the Customs administrations concerned shall, whenever possible, operate joint controls.

3.5. Transitional Standard

Where the Customs intend to establish a new Customs office or to convert an existing one at a common border crossing, they shall, wherever possible, co-operate with the neighbouring Customs to establish a juxtaposed Customs office to facilitate joint controls.

The declarant

(a) Persons entitled to act as declarant

3.6. Standard

National legislation shall specify the conditions under which a person is entitled to act as declarant.

3.7. Standard
Any person having the right to dispose of the goods shall be entitled to act as declarant.

(b) Responsibilities of the declarant

3.8. **Standard**

The declarant shall be held responsible to the Customs for the accuracy of the particulars given in the Goods declaration and the payment of the duties and taxes.

(c) Rights of the declarant

3.9. **Standard**

Before lodging the Goods declaration the declarant shall be allowed, under such conditions as may be laid down by the Customs:

a. to inspect the goods; and
b. to draw samples.

3.10. **Standard**

The Customs shall not require a separate Goods declaration in respect of samples allowed to be drawn under Customs supervision, provided that such samples are included in the Goods declaration concerning the relevant consignment.

---

**The Goods declaration**

(a) Goods declaration format and contents

3.11. **Standard**

The contents of the Goods declaration shall be prescribed by the Customs. The paper format of the Goods declaration shall conform to the UN-layout key.

For automated Customs clearance processes, the format of the electronically lodged Goods declaration shall be based on international standards for electronic information exchange as prescribed in the Customs Co-operation Council Recommendations on information technology.

3.12. **Standard**

The Customs shall limit the data required in the Goods declaration to only such particulars as are deemed necessary for the assessment and collection of duties and taxes, the compilation of statistics and the application of Customs law.

3.13. **Standard**

Where, for reasons deemed valid by the Customs, the declarant does not have all the information required to make the Goods declaration, a provisional or incomplete Goods declaration shall be allowed to be lodged, provided that it contains the particulars deemed necessary by the Customs and that the declarant
undertakes to complete it within a specified period.

3.14. **Standard**

If the Customs register a provisional or incomplete Goods declaration, the tariff treatment to be accorded to the goods shall not be different from that which would have been accorded had a complete and correct Goods declaration been lodged in the first instance.

The release of the goods shall not be delayed provided that any security required has been furnished to ensure collection of any applicable duties and taxes.

3.15. **Standard**

The Customs shall require the lodgement of the original Goods declaration and only the minimum number of copies necessary.

(b) *Documents supporting the Goods declaration*

3.16. **Standard**

In support of the Goods declaration the Customs shall require only those documents necessary to permit control of the operation and to ensure that all requirements relating to the application of Customs law have been complied with.

3.17. **Standard**

Where certain supporting documents cannot be lodged with the Goods declaration for reasons deemed valid by the Customs, they shall allow production of those documents within a specified period.

3.18. **Transitional Standard**

The Customs shall permit the lodgement of supporting documents by electronic means.

3.19. **Standard**

The Customs shall not require a translation of the particulars of supporting documents except when necessary to permit processing of the Goods declaration. *Lodgement, registration and checking of the Goods declaration*

3.20. **Standard**

The Customs shall permit the lodging of the Goods declaration at any designated Customs office.

3.21. **Transitional Standard**

The Customs shall permit the lodging of the Goods declaration by electronic means.

3.22. **Standard**
The Goods declaration shall be lodged during the hours designated by the Customs.

3.23. **Standard**

Where national legislation lays down a time limit for lodging the Goods declaration, the time allowed shall be sufficient to enable the declarant to complete the Goods declaration and to obtain the supporting documents required.

3.24. **Standard**

At the request of the declarant and for reasons deemed valid by the Customs, the latter shall extend the time limit prescribed for lodging the Goods declaration.

3.25. **Standard**

National legislation shall make provision for the lodging and registering or checking of the Goods declaration and supporting documents prior to the arrival of the goods.

3.26. **Standard**

When the Customs cannot register the Goods declaration, they shall state the reasons to the declarant.

3.27. **Standard**

The Customs shall permit the declarant to amend the Goods declaration that has already been lodged, provided that when the request is received they have not begun to check the Goods declaration or to examine the goods.

3.28. **Transitional Standard**

The Customs shall permit the declarant to amend the Goods declaration if a request is received after checking of the Goods declaration has commenced, if the reasons given by the declarant are deemed valid by the Customs.

3.29. **Transitional Standard**

The declarant shall be allowed to withdraw the Goods declaration and apply for another Customs procedure, provided that the request to do so is made to the Customs before the goods have been released and that the reasons are deemed valid by the Customs.

3.30. **Standard**

Checking the Goods declaration shall be effected at the same time or as soon as possible after the Goods declaration is registered.

3.31. **Standard**

For the purpose of checking the Goods declaration, the Customs shall take only such action as they deem
essential to ensure compliance with Customs law.

**Special procedures for authorized persons**

### 3.32. Transitional Standard
For authorized persons who meet criteria specified by the Customs, including having an appropriate record of compliance with Customs requirements and a satisfactory system for managing their commercial records, the Customs shall provide for:

- release of the goods on the provision of the minimum information necessary to identify the goods and permit the subsequent completion of the final Goods declaration;
- clearance of the goods at the declarant's premises or another place authorized by the Customs; and, in addition, to the extent possible, other special procedures such as:
- allowing a single Goods declaration for all imports or exports in a given period where goods are imported or exported frequently by the same person;
- use of the authorized persons’ commercial records to self-assess their duty and tax liability and, where appropriate, to ensure compliance with other Customs requirements;
- allowing the lodgement of the Goods declaration by means of an entry in the records of the authorized person to be supported subsequently by a supplementary Goods declaration.

**Examination of the goods**

*(a) Time required for examination of goods*

### 3.33. Standard
When the Customs decide that goods declared shall be examined, this examination shall take place as soon as possible after the Goods declaration has been registered.

### 3.34. Standard
When scheduling examinations, priority shall be given to the examination of live animals and perishable goods and to other goods which the Customs accept are urgently required.

### 3.35. Transitional Standard
If the goods must be inspected by other competent authorities and the Customs also schedules an examination, the Customs shall ensure that the inspections are co-ordinated and, if possible, carried out at the same time.

*(b) Presence of the declarant at examination of goods*

### 3.36. Standard
The Customs shall consider requests by the declarant to be present or to be represented at the examination of the goods. Such requests shall be granted unless exceptional circumstances exist.

3.37. **Standard**

If the Customs deem it useful, they shall require the declarant to be present or to be represented at the examination of the goods to give them any assistance necessary to facilitate the examination.

*(c) Sampling by the Customs*

3.38. **Standard**

Samples shall be taken only where deemed necessary by the Customs to establish the tariff description and/or value of goods declared or to ensure the application of other provisions of national legislation. Samples drawn shall be as small as possible.

**Errors**

3.39. **Standard**

The Customs shall not impose substantial penalties for errors where they are satisfied that such errors are inadvertent and that there has been no fraudulent intent or gross negligence. Where they consider it necessary to discourage a repetition of such errors, a penalty may be imposed but shall be no greater than is necessary for this purpose.

**Release of goods**

3.40. **Standard**

Goods declared shall be released as soon as the Customs have examined them or decided not to examine them, provided that:

- no offence has been found;
- the import or export licence or any other documents required have been acquired;
- all permits relating to the procedure concerned have been acquired; and
- any duties and taxes have been paid or that appropriate action has been taken to ensure their collection.

3.41. **Standard**

If the Customs are satisfied that the declarant will subsequently accomplish all the formalities in respect of clearance they shall release the goods, provided that the declarant produces a commercial or official document giving the main particulars of the consignment concerned and acceptable to the Customs, and that security, where required, has been furnished to ensure collection of any applicable duties and taxes.

3.42. **Standard**

When the Customs decide that they require laboratory analysis of samples, detailed technical documents or expert advice, they shall release the goods before the results of such examination are known, provided
that any security required has been furnished and provided they are satisfied that the goods are not subject to prohibitions or restrictions.

3.43. **Standard**

When an offence has been detected, the Customs shall not wait for the completion of administrative or legal action before they release the goods, provided that the goods are not liable to confiscation or forfeiture or to be needed as evidence at some later stage and that the declarant pays the duties and taxes and furnishes security to ensure collection of any additional duties and taxes and of any penalties which may be imposed.

**Abandonment or destruction of goods**

3.44. **Standard**

When goods have not yet been released for home use or when they have been placed under another Customs procedure, and provided that no offence has been detected, the person concerned shall not be required to pay the duties and taxes or shall be entitled to repayment thereof:

- when, at his request, such goods are abandoned to the Revenue or destroyed or rendered commercially valueless under Customs control, as the Customs may decide. Any costs involved shall be borne by the person concerned;
- when such goods are destroyed or irrecoverably lost by accident or force majeure, provided that such destruction or loss is duly established to the satisfaction of the Customs;
- on shortages due to the nature of the goods when such shortages are duly established to the satisfaction of the Customs.

Any waste or scrap remaining after destruction shall be liable, if taken into home use or exported, to the duties and taxes that would be applicable to such waste or scrap imported or exported in that state.

3.45. **Transitional Standard**

When the Customs sell goods which have not been declared within the time allowed or could not be released although no offence has been discovered, the proceeds of the sale, after deduction of any duties and taxes and all other charges and expenses incurred, shall be made over to those persons entitled to receive them or, when this is not possible, held at their disposal for a specified period.

**Specific Annex A**

*Arrival of goods in a Customs territory*

**Chapter 1**

*Formalities prior to the lodgement*
Definitions

For the purposes of this Chapter:

E1./ F1.

“cargo declaration” means information submitted prior to or on arrival or departure of a means of transport for commercial use that provides the particulars required by the Customs relating to cargo brought to or removed from the Customs territory;

E2./ F3.

“carrier” means the person actually transporting goods or in charge of or responsible for the operation of the means of transport;

E3./ F2.

“Customs formalities prior to the lodgement of the Goods declaration” means all the operations to be carried out by the person concerned and by the Customs from the time goods are introduced into the Customs territory until goods are placed under a Customs procedure.

Principles

1. Standard
Customs formalities prior to the lodgement of the Goods declaration shall be governed by the provisions of this Chapter and, insofar as applicable, by the provisions of the General Annex.

2. Recommended Practice
Customs formalities prior to the lodgement of the Goods declaration should apply equally, without regard to the country of origin of the goods or the country from which they arrived.

Introduction of goods into the Customs territory

(a) Places at which goods may be introduced into the Customs territory

3. Standard
National legislation shall specify the places at which goods may be introduced into the Customs territory. Only when they consider it necessary for control purposes shall the Customs specify the routes which must be used to convey the goods directly to a designated Customs office or other places specified by the Customs. In determining these places and routes the factors to be taken into account shall include the particular requirements of the trade.

This Standard shall not apply to goods on board vessels or aircraft crossing the Customs territory that do not call at a port or airport situated in that Customs territory.
(b) Obligations of the carrier

4. Standard
The carrier shall be held responsible to the Customs for ensuring that all goods are included in the cargo declaration or are brought to the attention of the Customs in another authorized manner.

5. Standard
The fact of having introduced goods into the Customs territory shall entail the obligation for the carrier to convey them directly using designated routes, where required, and without delay to a designated Customs office or other place specified by the Customs. In doing so the nature of the goods or their packaging shall not be altered nor shall any seals be interfered with.

This Standard shall not apply to goods on board vessels or aircraft crossing the Customs territory that do not call at a port or airport situated in that Customs territory.

6. Standard
Where the conveyance of the goods from the place of their introduction into the Customs territory to a designated Customs office or other specified place is interrupted by accident or force majeure, the carrier shall be required to take reasonable precautions to prevent the goods from entering into unauthorized circulation and to advise the Customs or other competent authorities of the nature of the accident or other circumstance which has interrupted the journey.

Production of goods to the Customs

(a) Documentation

7. Recommended Practice
Where the Customs office at which the goods are to be produced is not located at the place where the goods are introduced into the Customs territory, a document should be required to be lodged with the Customs at that place only when the Customs consider it necessary for control purposes.

8. Standard
Where the Customs require documentation in respect of the production of the goods to the Customs, this shall not be required to contain more than the information necessary to identify the goods and the means of transport.

9. Recommended Practice
The Customs should limit their information requirements to that available in carriers’ normal documentation and should base their requirements on those set out in the relevant international transport agreements.

10. Recommended Practice
The Customs should normally accept the cargo declaration as the only required documentation for the production of the goods.

11. Recommended Practice
The Customs office responsible for the acceptance of the documentation required for the production of the goods should also be competent for acceptance of the Goods declaration.
12. **Recommended Practice**  
Where the documents produced to the Customs are made out in a language which is not specified for this purpose or in a language which is not a language of the country into which the goods are introduced, a translation of the particulars given in those documents should not be required as a matter of course.

*(b) Arrival outside working hours*

13. **Standard**  
The Customs shall specify the precautions to be taken by the carrier to prevent the goods from entering into unauthorized circulation in the Customs territory when they arrive at a Customs office outside working hours.

14. **Recommended Practice**  
At the request of the carrier, and for reasons deemed valid by the Customs, the latter should, insofar as possible, allow the Customs formalities prior to the lodgement of the Goods declaration to be accomplished outside the designated hours of business of the Customs.

**Unloading**

*(a) Places of unloading*

15. **Standard**  
National legislation shall specify the places which are approved for unloading.

16. **Recommended Practice**  
At the request of the person concerned, and for reasons deemed valid by the Customs, the latter should allow goods to be unloaded at a place other than the one approved for unloading.

*(b) Commencement of unloading*

17. **Standard**  
The commencement of unloading shall be permitted as soon as possible after the arrival of the means of transport at the place of unloading.

18. **Recommended Practice**  
At the request of the person concerned and for reasons deemed valid by the Customs, the latter should, insofar as possible, allow unloading to proceed outside the designated hours of business of the Customs.

**Charges**

19. **Standard**  
Any expenses chargeable by the Customs in connection with:

- accomplishment of Customs formalities prior to the lodgement of the Goods declaration outside the designated hours of business of the Customs;
- unloading goods at a place other than the one approved for unloading; or
- unloading goods outside the designated hours of business of the Customs, shall be limited to the approximate cost of the services rendered.
Chapter 2
Temporary storage of goods

Definitions
For the purposes of this Chapter:

E1./F1.

“cargo declaration” means information submitted prior to or on arrival or departure of a means of transport for commercial use providing the particulars required by the Customs relating to cargo brought to or removed from the Customs territory thereon;

E2./F2.

“temporary storage of goods” means the storing of goods under Customs control in premises and enclosed or unenclosed spaces approved by the Customs (hereinafter called temporary stores) pending lodgement of the Goods declaration.

Principles
1. Standard
Temporary storage of goods shall be governed by the provisions of this Chapter and, insofar as applicable, by the provisions of the General Annex.

2. Standard
The Customs shall authorize the establishment of temporary stores whenever they deem it necessary to meet the requirements of the trade.

3. Recommended Practice
Temporary storage should be allowed for all goods irrespective of quantity, country of origin or country from which they arrived. However, goods which constitute a hazard, which are likely to affect other goods or which require special installations should be admitted only into temporary stores specially equipped and designated by the competent authorities to receive them.

Documentation
4. Standard
The only document to be required when goods are placed under temporary storage shall be that used to describe the goods when they are produced to the Customs.

5. Recommended Practice
The Customs should accept the cargo declaration or another commercial document as the only document to be required to place the goods under temporary storage, provided that all the goods mentioned in that cargo declaration or that other commercial document are placed in a temporary store.

Management of temporary stores
6. Standard
The Customs shall lay down the requirements as regards the construction, layout and management of temporary stores and the arrangements for the storage of goods, for stock-keeping and accounting and for Customs control.

**Authorized operations**

7. Standard
Goods under temporary storage shall be allowed, for reasons deemed valid by the Customs, to undergo normal operations necessary for their preservation in their unaltered state.

8. Recommended Practice
Goods under temporary storage should be allowed, for reasons deemed valid by the Customs, to undergo normal operations necessary to facilitate their removal from the temporary store and their further transport.

**Duration of temporary storage**

9. Standard
Where national legislation lays down a time limit for temporary storage, the time allowed shall be sufficient to enable the importer to complete the necessary formalities to place the goods under another Customs procedure.

10. Recommended Practice
At the request of the person concerned, and for reasons deemed valid by the Customs, the latter should extend the period initially fixed.

**Goods deteriorated or damaged**

11. Recommended Practice
Goods deteriorated, spoiled or damaged by accident or force majeure before leaving the temporary store should be allowed to be cleared as if they had been imported in their deteriorated, spoiled or damaged state provided that such deterioration, spoilage or damage is duly established to the satisfaction of the Customs.

**Removal from a temporary store**

12. Standard
Any person having the right to dispose of the goods shall be entitled to remove them from a temporary store subject to compliance with the conditions and formalities in each case.

13. Standard
National legislation shall specify the procedure to be followed when goods are not removed from a temporary store within the period allowed.
Specific Annex B

Chapter 1

Clearance for home use

Definitions

For the purposes of this Chapter:

E1./ F2.

“clearance for home use” means the Customs procedure which provides that imported goods enter into free circulation in the Customs territory upon the payment of any import duties and taxes chargeable and the accomplishment of all the necessary Customs formalities;

E2./ F1.

“goods in free circulation” means goods which may be disposed of without Customs restriction.

Principle

1. Standard
Clearance for home use shall be governed by the provisions of this Chapter and, insofar as applicable, by the provisions of the General Annex.

Documentation

2. Recommended Practice
National legislation should provide that goods may be declared in an alternative manner to the standard Goods declaration on the condition that it provides the necessary particulars relating to the goods to be cleared for home use.

Chapter 2

Re-importation in the same state

Definitions

For the purposes of this Chapter:

E1./ F3.

“clearance for home use” means the Customs procedure which provides that imported goods enter into free circulation in the Customs territory upon the payment of any import duties and taxes chargeable and the accomplishment of all the necessary Customs formalities;
E2./ F5.

“compensating products” means the products resulting from the manufacturing, processing or repair of the goods for which the use of the inward processing procedure is authorized;

E3./ F2.

“goods exported with notification of intended return” means goods specified by the declarant as intended for re-importation, in respect of which identification measures may be taken by the Customs to facilitate re-importation in the same state;

E4./ F1.

“goods in free circulation” means goods which may be disposed of without Customs restriction;

E5./ F4.

“re-importation in the same state” means the Customs procedure under which goods which were exported may be taken into home use free of import duties and taxes, provided they have not undergone any manufacturing, processing or repairs abroad and provided that any sums chargeable as a result of repayment or remission of or conditional relief from duties and taxes or of any subsidies or other amounts granted in connection with exportation must be paid. The goods that are eligible for re-importation in the same state can be goods that were in free circulation or were compensating products.

Principle

1. Standard
Re-importation in the same state shall be governed by the provisions of this Chapter and, insofar as applicable, by the provisions of the General Annex.

Field of application

2. Standard
Re-importation in the same state shall be allowed even if only a part of the exported goods is re-imported.

3. Standard
When circumstances so justify, re-importation in the same state shall be allowed even if the goods are re-imported by a person other than the person who exported them.

4. Standard
Re-importation in the same state shall not be refused on the grounds that the goods have been used or damaged or have deteriorated during their stay abroad.

5. Standard
Re-importation in the same state shall not be refused on the grounds that, during their stay abroad, the goods have undergone operations necessary for their preservation or maintenance provided, however, that
their value at the time of exportation has not been enhanced by such operations.

6. **Standard**
Re-importation in the same state shall not be limited to goods imported directly from abroad but shall also be granted for goods already placed under another Customs procedure.

7. **Standard**
Re-importation in the same state shall not be refused on the grounds that the goods were exported without notification of intended return.

### Time limit for re-importation in the same state

8. **Standard**
Where time limits are fixed beyond which re-importation in the same state will not be granted, such limits shall be of sufficient duration to take account of the differing circumstances pertaining to each type of case.

### Competent Customs offices

9. **Standard**
The Customs shall only require that goods re-imported in the same state be declared at the Customs office through which they were exported where this will facilitate the re-importation procedure.

### Goods declaration

10. **Standard**
No written Goods declaration shall be required for the re-importation in the same state of packings, containers, pallets and means of transport for commercial use which are in use for the international transport of goods, subject to the satisfaction of the Customs that the packings, containers, pallets and means of transport for commercial use were in free circulation at the time of exportation.

### Goods exported with notification of intended return

11. **Standard**
The Customs shall, at the request of the declarant, allow goods to be exported with notification of intended return, and shall take any necessary steps to facilitate re-importation in the same state.

12. **Standard**
The Customs shall specify the requirements relating to the identification of goods exported with notification of intended return. In carrying this out, due account shall be taken of the nature of the goods and the importance of the interests involved.

13. **Recommended Practice**
Goods exported with notification of intended return should be granted conditional relief from any export duties and taxes applicable.

14. **Standard**
At the request of the person concerned, the Customs shall allow exportation with notification of intended return to be converted to outright exportation, subject to compliance with the relevant conditions and
15. Recommended Practice
Where the same goods are to be exported with notification of intended return and re-imported in the same state several times, the Customs should, at the request of the declarant, allow the declaration for exportation with notification of intended return that is lodged on the first exportation to cover the subsequent re-importations and exportations of the goods during a specified period.

Chapter 3
Relief from import duties and taxes

Definitions
For the purposes of this Chapter:

E1./ F2.
“clearance for home use” means the Customs procedure which provides that imported goods enter into free circulation in the Customs territory upon the payment of any import duties and taxes chargeable and the accomplishment of all the necessary Customs formalities;

E2./ F1.
“relief from import duties and taxes” means the clearance of goods for home use free of import duties and taxes, irrespective of their normal tariff classification or normal liability, provided that they are imported in specified circumstances and for specified purposes.

Principle

1. Standard
Relief from import duties and taxes in respect of goods declared for home use shall be governed by the provisions of this Chapter and, insofar as applicable, by the provisions of the General Annex.

Field of application

2. Standard
National legislation shall enumerate the cases in which relief from import duties and taxes is granted.

3. Standard
Relief from import duties and taxes shall not be limited to goods imported directly from abroad but shall also be granted for goods already placed under another Customs procedure.

4. Recommended Practice
Relief from import duties and taxes should be granted without regard to the country of origin of the goods or the country from which they arrived, except where an international instrument provides for reciprocity.

5. Standard
National legislation shall enumerate the cases in which prior authorization is required for relief from
import duties and taxes and specify the authorities empowered to grant such authorization. Such cases shall be as few as possible.

6. Recommended Practice
Contracting Parties should consider granting relief from import duties and taxes for goods specified in international instruments under the conditions laid down therein, and also give careful consideration to the possibility of acceding to those international instruments.

7. Recommended Practice
Relief from import duties and taxes and from economic prohibitions and restrictions should be granted in respect of the following goods under the conditions specified, and provided that any other requirements set out in national legislation for such relief are complied with:

a. therapeutic substances of human origin, blood grouping and tissue typing reagents, where they are consigned to institutions or laboratories approved by the competent authorities;

b. samples of no commercial value which are regarded by the Customs to be of negligible value and which are to be used only for soliciting orders for goods of the kind they represent;

c. removable articles other than industrial, commercial or agricultural plant or equipment, intended for the personal and professional use of a person or members of his family which are brought into the country with that person or separately for the purpose of removal of his residence to the country;

d. effects inherited by a person who, at the time of the death of the deceased, has his principal residence in the country of importation and provided that such personal effects were for the personal use of the deceased;

e. personal gifts, excluding alcohol, alcoholic beverages and tobacco goods, not exceeding a total value to be specified in national legislation on the basis of retail value;

f. goods such as foodstuffs, medicaments, clothing and blankets sent as gifts to an approved charitable or philanthropic organization for distribution free of charge to needy persons by the organization or under its control;

g. awards to persons resident in the country of importation subject to the production of any supporting documents required by the Customs;

h. materials for the construction, upkeep or ornamentation of military cemeteries; coffins, funerary urns and ornamental funerary articles imported by organizations approved by the competent authorities;

i. documents, forms, publications, reports and other articles of no commercial value specified in national legislation;

j. religious objects used for worship; and

k. products imported for testing, provided that the quantities imported do not exceed those strictly necessary for testing, and that the products are used up during testing or that remaining products
Specific Annex C

Chapter 1

Outright exportation

Definition

For the purposes of this Chapter:

E1./ F1.

“outright exportation” means the Customs procedure applicable to goods which, being in free circulation, leave the Customs territory and are intended to remain permanently outside it.

Principle

1. Standard
Outright exportation shall be governed by the provisions of this Chapter and, insofar as applicable, by the provisions of the General Annex.

Documentation

2. Recommended Practice
National legislation should provide that goods may be declared in an alternative manner to the standard Goods declaration on the condition that it provides the necessary particulars relating to the goods to be cleared for outright exportation.

Evidence of arrival at destination

3. Standard
The Customs shall not require evidence of the arrival of the goods abroad as a matter of course.
Specific Annex D

Chapter 1

Customs warehouses

Definition

For the purpose of this Chapter:

E1./F1.

“Customs warehousing procedure” means the Customs procedure under which imported goods are stored under Customs control in a designated place (a Customs warehouse) without payment of import duties and taxes.

Principle

1. Standard

The Customs warehousing procedure shall be governed by the provisions of this Chapter and, insofar as applicable, by the provisions of the General Annex.

Classes of Customs warehouses

2. Standard

National legislation shall provide for Customs warehouses open to any person having the right to dispose of the goods (public Customs warehouses).

3. Standard

National legislation shall provide for Customs warehouses to be used solely by specified persons (private Customs warehouses) when this is necessary to meet the special requirements of the trade.

Establishment, management and control

4. Standard

The Customs shall lay down the requirements for the establishment, suitability and management of the Customs warehouses and the arrangements for Customs control. The arrangements for storage of goods in Customs warehouses and for stock-keeping and accounting shall be subject to the approval of the Customs.

Admission of goods

5. Recommended Practice

Storage in public Customs warehouses should be allowed for all kinds of imported goods liable to import duties and taxes or to prohibitions or restrictions other than those imposed on grounds of:

- public morality or order, public security, public hygiene or health, or for veterinary or phytosanitary considerations; or
• the protection of patents, trade marks and copyrights,

irrespective of quantity, country of origin, country from which arrived or country of destination.

Goods which constitute a hazard, which are likely to affect other goods or which require special installations should be accepted only by Customs warehouses specially designed to receive them.

6. Standard
The Customs shall specify the kinds of goods which may be admitted to private Customs warehouses.

7. Recommended Practice
Admission to Customs warehouses should be allowed for goods which are entitled to repayment of import duties and taxes when exported, so that they may qualify for such repayment immediately, on condition that they are to be subsequently exported.

8. Recommended Practice
Admission to Customs warehouses, with a view to subsequent exportation or other authorized disposal, should be allowed for goods under the temporary admission procedure, the obligations under that procedure thereby being suspended or discharged.

9. Recommended Practice
Admission to Customs warehouses should be allowed for goods intended for exportation that are liable to or have borne internal duties or taxes, in order that they may qualify for exemption from or repayment of such internal duties and taxes, on condition that they are to be subsequently exported.

Authorized operations

10. Standard
Any person entitled to dispose of the warehoused goods shall be allowed, for reasons deemed valid by the Customs:

   a. to inspect them;
   b. to take samples, against payment of import duties and taxes wherever applicable;
   c. to carry out operations necessary for their preservation; and
   d. to carry out such other normal handling operations as are necessary to improve their packaging or marketable quality or to prepare them for shipment, such as breaking bulk, grouping of packages, sorting and grading, and repacking.

Duration of stay

11. Standard
The Customs shall fix the authorized maximum duration of storage in a Customs warehouse with due regard to the needs of the trade, and in the case of non-perishable goods it shall be not less than one year.

Transfer of ownership

12. Standard
The transfer of ownership of warehoused goods shall be allowed.

**Deterioration of goods**

13. **Standard**
Goods deteriorated or spoiled by accident or force majeure while under the Customs warehouse procedure shall be allowed to be declared for home use as if they had been imported in their deteriorated or spoiled state, provided that such deterioration or spoilage is duly established to the satisfaction of the Customs.

**Removal of goods**

14. **Standard**
Any person entitled to dispose of the goods shall be authorized to remove all or part of them from one Customs warehouse to another or to place them under another Customs procedure, subject to compliance with the conditions and formalities applicable in each case.

15. **Standard**
National legislation shall specify the procedure to be followed where goods are not removed from the Customs warehouse within the period laid down.

**Closure of a Customs warehouse**

16. **Standard**
In the event of the closure of a Customs warehouse, the persons concerned shall be given sufficient time to remove their goods to another Customs warehouse or to place them under another Customs procedure, subject to compliance with the conditions and formalities applicable in each case.

---

**Chapter 2**

**Free zones**

**Definition**

For the purpose of this Chapter:

E1./F1.

“free zone” means a part of the territory of a Contracting Party where any goods introduced are generally regarded, insofar as import duties and taxes are concerned, as being outside the Customs territory.

**Principle**

1. **Standard**
The Customs regulations applicable to free zones shall be governed by the provisions of this Chapter and, insofar as applicable, by the provisions of the General Annex.
Establishment and control

2. Standard
National legislation shall specify the requirements relating to the establishment of free zones, the kinds of goods admissible to such zones and the nature of the operations to which goods may be subjected in them.

3. Standard
The Customs shall lay down the arrangements for Customs control including appropriate requirements as regards the suitability, construction and layout of free zones.

4. Standard
The Customs shall have the right to carry out checks at any time on the goods stored in a free zone.

Admission of goods

5. Standard
Admission to a free zone shall be authorized not only for goods imported directly from abroad but also for goods brought from the Customs territory of the Contracting Party concerned.

6. Recommended Practice
Admission to a free zone of goods brought from abroad should not be refused solely on the grounds that the goods are liable to prohibitions or restrictions other than those imposed on grounds of:

- public morality or order, public security, public hygiene or health, or for veterinary or phytosanitary considerations; or
- the protection of patents, trade marks and copyrights,

irrespective of country of origin, country from which arrived or country of destination.

Goods which constitute a hazard, which are likely to affect other goods or which require special installations should be admitted only to free zones specially designed to receive them.

7. Standard
Goods admissible to a free zone which are entitled to exemption from or repayment of import duties and taxes when exported shall qualify for such exemption or repayment immediately after they have been introduced into the free zone.

8. Standard
Goods admissible to a free zone which are entitled to exemption from or repayment of internal duties and taxes when exported shall qualify for such exemption or repayment after they have been introduced into the free zone.

9. Recommended Practice
No Goods declaration should be required by the Customs in respect of goods introduced into a free zone.
directly from abroad if the information is already available on the documents accompanying the goods.

**Security**

10. **Recommended Practice**
The Customs should not require security for the admission of goods to a free zone.

**Authorized operations**

11. **Standard**
Goods admitted to a free zone shall be allowed to undergo operations necessary for their preservation and usual forms of handling to improve their packaging or marketable quality or to prepare them for shipment, such as breaking bulk, grouping of packages, sorting and grading, and repacking.

12. **Standard**
Where the competent authorities allow processing or manufacturing operations in a free zone, they shall specify the processing or manufacturing operations to which goods may be subjected in general terms and/or in detail in a regulation applicable throughout the free zone or in the authority granted to the enterprise carrying out these operations.

**Goods consumed within the free zone**

13. **Standard**
National legislation shall enumerate the cases in which goods to be consumed inside the free zone may be admitted free of duties and taxes and shall lay down the requirements which must be met.

**Duration of stay**

14. **Standard**
Only in exceptional circumstances shall a time limit be imposed on the duration of the stay of goods in a free zone.

**Transfer of ownership**

15. **Standard**
The transfer of ownership of goods admitted to a free zone shall be allowed.

**Removal of goods**

16. **Standard**
Goods admitted to or produced in a free zone shall be permitted to be removed in part or in full to another free zone or placed under a Customs procedure, subject to compliance with the conditions and formalities applicable in each case.

17. **Standard**
The only declaration required for goods on removal from a free zone shall be the Goods declaration normally required for the Customs procedure to which those goods are assigned.

18. **Recommended Practice**
Where a document must be produced to the Customs in respect of goods which on removal from a free zone are sent directly abroad, the Customs should not require more information than already available on the documents accompanying the goods.

Assessment of duties and taxes

19. Standard
National legislation shall specify the point in time to be taken into consideration for the purpose of determining the value and quantity of goods which may be taken into home use on removal from a free zone and the rates of the import duties and taxes or internal duties and taxes, as the case may be, applicable to them.

20. Standard
National legislation shall specify the rules applicable for determining the amount of the import duties and taxes or internal duties and taxes, as the case may be, chargeable on goods taken into home use after processing or manufacturing in a free zone.

Closure of a free zone

21. Standard
In the event of the closure of a free zone, the persons concerned shall be given sufficient time to remove their goods to another free zone or to place them under a Customs procedure, subject to compliance with the conditions and formalities applicable in each case.

Specific Annex E

Chapter 1

Customs transit

Definitions

For the purposes of this Chapter:

E1./ F4.

“authorized consignee” means a person empowered by the Customs to receive goods directly at his premises without having to present them at the office of destination;

E2./ F5.

“authorized consignor” means a person empowered by the Customs to send goods directly
from his premises without having to present them at the office of departure;

E3./ F1.

“control office” means the Customs office responsible for one or more “authorized consignors” or “authorized consignees” and, in this respect, performing a special control function for all Customs transit operations;

E4./ F7.

“Customs transit” means the Customs procedure under which goods are transported under Customs control from one Customs office to another;

E5./ F6.

“Customs transit operation” means the transport of goods from an office of departure to an office of destination under Customs transit;

E6./ F2.

“office of departure” means any Customs office at which a Customs transit operation commences;

E7./ F3.

“office of destination” means any Customs office at which a Customs transit operation is terminated;

E8./ F8.

“transport-unit” means:

a. containers having an internal volume of one-cubic metre or more, including demountable bodies;
   road vehicles, including trailers and semi-trailers;
b. railway coaches or wagons;
c. lighters, barges and other vessels; and
d. aircraft.

**Principle**

1. **Standard**
   Customs transit shall be governed by the provisions of this Chapter and, insofar as applicable, by the provisions of the General Annex.

**Field of application**

2. **Standard**
The Customs shall allow goods to be transported under Customs transit in their territory:

a. from an office of entry to an office of exit;
b. from an office of entry to an inland Customs office;
c. from an inland Customs office to an office of exit; and
d. from one inland Customs office to another inland Customs office.

3. Standard
Goods being carried under Customs transit shall not be subject to the payment of duties and taxes, provided the conditions laid down by the Customs are complied with and that any security required has been furnished.

4. Standard
National legislation shall specify the persons who shall be responsible to the Customs for compliance with the obligations incurred under Customs transit, in particular for ensuring that the goods are produced intact at the office of destination in accordance with the conditions imposed by the Customs.

5. Recommended Practice
The Customs should approve persons as authorized consignors and authorized consignees when they are satisfied that the prescribed conditions laid down by the Customs are met.

Formalities at the office of departure

(a) Goods declaration for Customs transit

6. Standard
Any commercial or transport document setting out clearly the necessary particulars shall be accepted as the descriptive part of the Goods declaration for Customs transit and this acceptance shall be noted on the document.

7. Recommended Practice
The Customs should accept as the Goods declaration for Customs transit any commercial or transport document for the consignment concerned which meets all the Customs requirements. This acceptance should be noted on the document.

(b) Sealing and identification of consignments

8. Standard
The Customs at the office of departure shall take all necessary action to enable the office of destination to identify the consignment and to detect any unauthorized interference.

9. Recommended Practice
Subject to the provisions of other international conventions, the Customs should not generally require that transport-units be approved in advance for the transport of goods under Customs seal.

10. Standard
When a consignment is conveyed in a transport-unit and Customs sealing is required, the Customs seals shall be affixed to the transport-unit itself provided that the transport-unit is so constructed and
equipped that:

   a. Customs seals can be simply and effectively affixed to it;
   b. no goods can be removed from or introduced into the sealed part of the transport-unit without leaving visible traces of tampering or without breaking the Customs seal;
   c. it contains no concealed spaces where goods may be hidden; and
   d. all spaces capable of holding goods are readily accessible for Customs inspection.

The Customs shall decide whether transport-units are secure for the purposes of Customs transit.

11. Recommended Practice
Where the accompanying documents make it possible unequivocally to identify the goods, the latter should generally be transported without a Customs seal or fastening. However, a Customs seal or fastening may be required:

- where the Customs office of departure considers it necessary in the light of risk management;
- where the Customs transit operation will be facilitated as a whole; or
- where an international agreement so provides.

12. Standard
If a consignment is, in principle, to be conveyed under Customs seal and the transport-unit cannot be effectively sealed, identification shall be assured and unauthorized interference rendered readily detectable by:

- full examination of the goods and recording the results thereof on the transit document;
- affixing Customs seals or fastenings to individual packages;
- a precise description of the goods by reference to samples, plans, sketches, photographs, or similar means, to be attached to the transit document;
- stipulation of a strict routing and strict time limits; or
- Customs escort.

The decision to waive sealing of the transport-unit shall, however, be the prerogative of the Customs alone.

13. Standard
When the Customs fix a time limit for Customs transit, it shall be sufficient for the purposes of the transit operation.

14. Recommended Practice
At the request of the person concerned, and for reasons deemed valid by the Customs, the latter should extend any period initially fixed.

15. Standard
Only when they consider such a measure to be indispensable shall the Customs:
(a) require goods to follow a prescribed itinerary; or
(b) require goods to be transported under Customs escort.

Customs seals
16. **Standard**  
Customs seals and fastenings used in the application of Customs transit shall fulfil the minimum requirements laid down in the Appendix to this Chapter.

17. **Recommended Practice**  
Customs seals and identification marks affixed by foreign Customs should be accepted for the purposes of the Customs transit operation unless:

- they are considered not to be sufficient;
- they are not secure; or
- the Customs proceed to an examination of the goods.

When foreign Customs seals and fastenings have been accepted in a Customs territory, they should be afforded the same legal protection in that territory as national seals and fastenings.

18. **Recommended Practice**  
Where the Customs offices concerned check the Customs seals and fastenings or examine the goods, they should record the results on the transit document.

**Formalities en route**

19. **Standard**  
A change in the office of destination shall be accepted without prior notification except where the Customs have specified that prior approval is necessary.

20. **Standard**  
Transfer of the goods from one means of transport to another shall be allowed without Customs authorization, provided that any Customs seals or fastenings are not broken or interfered with.

21. **Recommended Practice**  
The Customs should allow goods to be transported under Customs transit in a transport-unit carrying other goods at the same time, provided that they are satisfied that the goods under Customs transit can be identified and the other Customs requirements will be met.

22. **Recommended Practice**  
The Customs should require the person concerned to report accidents or other unforeseen events directly affecting the Customs transit operation promptly to the nearest Customs office or other competent authorities.

**Termination of Customs transit**

23. **Standard**  
National legislation shall not, in respect of the termination of a Customs transit operation, require more than that the goods and the relevant Goods declaration be presented at the office of destination within any time limit fixed, without the goods having undergone any change and without having been used, and with Customs seals, fastenings or identification marks intact.

24. **Standard**  
As soon as the goods are under its control, the office of destination shall arrange without delay for the
termination of the Customs transit operation after having satisfied itself that all conditions have been met.

25. **Recommended Practice**
Failure to follow a prescribed itinerary or to comply with a prescribed time limit should not entail the collection of any duties and taxes potentially chargeable, provided the Customs are satisfied that all other requirements have been met.

**International agreements relating to Customs transit**

26. **Recommended Practice**
Contracting Parties should give careful consideration to the possibility of acceding to international instruments relating to Customs transit. When they are not in a position to accede to such international instruments they should, when drawing up bilateral or multilateral agreements with a view to setting up an international Customs transit procedure, take account therein of Standards and Recommended Practices in the present Chapter.

**APPENDIX**

**Minimum requirements to be met by Customs seals and fastenings**

A. Customs seals and fastenings shall meet the following minimum requirements:

1. General requirements in respect of seals and fastenings:

   The seals and fastenings shall:
   a. be strong and durable;
   b. be capable of being affixed easily and quickly;
   c. be capable of being readily checked and identified;
   d. not permit removal or undoing without breaking or tampering without leaving traces;
   e. not permit use more than once, except seals intended for multiple use (e.g. electronic seals);
   f. be made as difficult as possible to copy or counterfeit.

2. Physical specification of seals:

   a. the shape and size of the seal shall be such that any identifying marks are readily distinguishable;
   b. each eyelet in a seal shall be of a size corresponding to that of the fastening used, and shall be positioned so that the fastening will be held firmly in place when the seal is closed;
   c. the material used shall be sufficiently strong to prevent accidental breakage, early deterioration (due to weather conditions, chemical action, etc.) or undetectable tampering;
   d. the material used shall be selected by reference to the sealing system used.

3. Physical specification of fastenings:

   a. the fastening shall be strong and durable and resistant to weather and corrosion;
   b. the length of the fastening used shall not enable a sealed aperture to be opened or partly opened without the seal or fastening being broken or otherwise showing obvious damage;
c. the material used shall be selected by reference to the sealing system used.

4. Identification marks:

   The seal or fastening shall be marked:

   a. to show that it is a Customs seal, by application of the word "Customs" preferably in one of the official languages of the Council (English or French);
   b. to show the country which affixed the seal, preferably by means of the sign used to indicate the country of registration of motor vehicles in international traffic;
   c. to enable the Customs office which affixed the seal, or under whose authority the seal was affixed, to be identified, for example, by means of code letters or numbers.

B. Seals or fastenings affixed by authorized consignors and other authorized persons for Customs transit purposes to ensure security for Customs purposes shall offer physical security comparable to that of seals affixed by the Customs and shall make it possible to identify the person who affixed those seals, by means of numbers to be entered on the transit document.

Chapter 2

Transhipment

Definition

For the purposes of this Chapter:

E1./ F1.

"transhipment" means the Customs procedure under which goods are transferred under Customs control from the importing means of transport to the exporting means of transport within the area of one Customs office which is the office of both importation and exportation.

Principles

1. Standard
Transhipment shall be governed by the provisions of this Chapter and, insofar as applicable, by the provisions of the General Annex.

2. Standard
Goods admitted to transhipment shall not be subject to the payment of duties and taxes, provided the conditions laid down by the Customs are complied with.

3. Recommended Practice
Transhipment should not be refused solely on the grounds of the country of origin of the goods, the country from which they arrived or their country of destination.

Admission to transhipment
(a) Declaration

4. Standard
Only one Goods declaration shall be required for the purposes of transhipment.

5. Standard
Any commercial or transport document setting out clearly the necessary particulars shall be accepted as the descriptive part of the Goods declaration for transhipment and this acceptance shall be noted on the document.

6. Recommended Practice
The Customs should accept as the Goods declaration for transhipment any commercial or transport document for the consignment concerned which meets all the Customs requirements. This acceptance should be noted on the document.

(b) Examination and identification of goods

7. Standard
When the Customs consider it necessary, they shall take action at importation to ensure that the goods to be transhipped will be identifiable at exportation and that unauthorized interference will be readily detectable.

(c) Additional control measures

8. Standard
When the Customs fix a time limit for the exportation of goods declared for transhipment, it shall be sufficient for the purposes of transhipment.

9. Recommended Practice
At the request of the person concerned, and for reasons deemed valid by the Customs, the latter should extend any period initially fixed.

10. Recommended Practice
Failure to comply with a prescribed time limit should not entail the collection of any duties and taxes potentially chargeable, provided the Customs is satisfied that all other requirements have been met.

(d) Authorized operations

11. Recommended Practice
At the request of the person concerned, and subject to such conditions as the Customs may specify, the Customs should as far as possible allow goods in transhipment to undergo operations likely to facilitate their exportation.

Chapter 3

Carriage of goods coastwise

Definition
For the purpose of this Chapter:

E1./ F1.

“the carriage of goods coastwise procedure” means the Customs procedure under which:

a. goods in free circulation, and
b. imported goods that have not been declared under the condition that they must be transported in a vessel other than the importing vessel in which they arrived in the Customs territory are loaded on board a vessel at a place in the Customs territory and are transported to another place in the same Customs territory where they are then unloaded.

**Principle**

1. **Standard**
The carriage of goods coastwise procedure shall be governed by the provisions of this Chapter and, insofar as applicable, by the provisions of the General Annex.

**Field of application**

2. **Standard**
The Customs shall allow goods to be transported under the carriage of goods coastwise procedure on board a vessel carrying other goods at the same time, provided that they are satisfied that the goods can be identified and other requirements will be met.

3. **Recommended Practice**
The Customs should require goods in free circulation being transported under the carriage of goods coastwise procedure to be segregated from other goods carried on board the vessel only when they consider it to be necessary for control purposes.

4. **Recommended Practice**
At the request of the person concerned, and subject to such conditions as the Customs deem necessary, the latter should allow goods to be transported under the carriage of goods coastwise procedure on board a vessel which is to call at a foreign port during its voyage coastwise.

5. **Recommended Practice**
When a vessel which is to call at a place or places outside the Customs territory has been authorized to convey goods under the carriage of goods coastwise procedure, those goods should be sealed only at the request of the person concerned or when the Customs consider sealing to be necessary to ensure that goods cannot be removed therefrom or other goods added thereto without this being readily apparent.

6. **Recommended Practice**
When a vessel transporting goods under the carriage of goods coastwise procedure is forced to deviate from its intended route and to call at a place outside the Customs territory, the Customs should regard those goods as remaining under the carriage of goods coastwise procedure provided they are satisfied that the goods are those which were originally placed under the procedure.

**Loading and unloading**
7. Standard
National legislation shall specify the places which are approved for the loading and unloading of goods under the carriage of goods coastwise procedure and the times during which loading and unloading may be carried out.

8. Recommended Practice
At the request of the person concerned, the Customs should, in the case of a vessel carrying only goods in free circulation under the carriage of goods coastwise procedure, allow such goods to be loaded or unloaded at any place and at any time.

9. Recommended Practice
At the request of the person concerned, the Customs should allow goods under the carriage of goods coastwise procedure to be loaded or unloaded at a place other than that normally approved for that purpose even if the vessel is also carrying imported goods that have not been declared or goods placed under any other Customs procedure. Any expenses chargeable shall be limited to the approximate cost of the services rendered.

10. Recommended Practice
When a vessel transporting goods under the carriage of goods coastwise procedure is diverted during the voyage, the Customs should, at the request of the person concerned, allow such goods to be unloaded under the procedure at a place other than that originally intended. Any expenses chargeable shall be limited to the approximate cost of the services rendered.

11. Standard
When the transport of goods under the carriage of goods coastwise procedure is interrupted by accident or force majeure, the Customs shall require the master or other person concerned to take reasonable precautions to prevent the goods from entering into unauthorized circulation and to advise the Customs or other competent authorities of the nature of the accident or other circumstance which has interrupted the journey.

12. Standard
When a vessel transporting goods under the carriage of goods coastwise procedure is conveying imported goods that have not been declared or goods placed under any other Customs procedure, the Customs shall allow goods under the carriage of goods coastwise procedure to be loaded or unloaded as soon as possible after the arrival of the vessel at the place of loading or unloading.

Documentation

13. Standard
The Customs shall require the master or other person concerned to present only a single document giving details of the vessel, listing the goods to be carried under the carriage of goods coastwise procedure and stating the port or ports in the Customs territory at which they are to be unloaded. This document, once endorsed by the Customs, shall constitute the authorization for the conveyance of the goods under the carriage of goods coastwise procedure.

14. Recommended Practice
The Customs should grant a general authorization to convey goods under the carriage of goods coastwise procedure for vessels which trade regularly between specified ports.
15. **Recommended Practice**
When a general authorization has been granted for a vessel, the Customs should require only a list of the goods to be conveyed under the carriage of goods coastwise procedure before the goods are loaded.

16. **Recommended Practice**
In relation to goods unloaded from a vessel covered by a specific authorization, the Customs should require the master or other person concerned to present only a copy of the authorization listing the goods to be unloaded at that port. In the case of a vessel granted a general authorization, only a list of the goods unloaded should be required.

**Security**

17. **Standard**
Only when the Customs consider it indispensable shall security be required in respect of goods in free circulation being transported under the carriage of goods coastwise procedure which would be liable to export duties and taxes if exported or which are subject to export prohibitions or restrictions.

---

**Specific Annex F**

**Chapter 1**

**Inward processing**

**Definitions**

For the purposes of this Chapter:

E1./ F3.

“**compensating products**” means the products resulting from the manufacturing, processing or repair of goods for which the use of the inward processing procedure is authorized;

E2./ F1.

“**equivalent goods**” means domestic or imported goods identical in description, quality and technical characteristics to those imported for inward processing which they replace;

E3./ F2.

“**inward processing**” means the Customs procedure under which certain goods can be brought into a Customs territory conditionally relieved from payment of import duties and taxes, on the basis that such goods are intended for manufacturing, processing or repair and subsequent
Principle

1. Standard
Inward processing shall be governed by the provisions of this Chapter and, insofar as applicable, by the provisions of the General Annex.

Field of application

2. Standard
Goods admitted for inward processing shall be afforded total conditional relief from import duties and taxes. However, import duties and taxes may be collected on any products, including waste, deriving from the processing or manufacturing of goods admitted for inward processing that are not exported or treated in such a way as to render them commercially valueless.

3. Standard
Inward processing shall not be limited to goods imported directly from abroad, but shall also be granted for goods already placed under another Customs procedure.

4. Recommended Practice
Inward processing should not be refused solely on the grounds of the country of origin of the goods, the country from which arrived or the country of destination.

5. Standard
The right to import goods for inward processing shall not be limited to the owner of the imported goods.

6. Recommended Practice
When, in the execution of a contract entered into with a person established abroad, the goods to be used are supplied by that person, inward processing should not be refused on the grounds that goods identical in description, quality and technical characteristics are available in the Customs territory of importation.

7. Recommended Practice
The possibility of determining the presence of the imported goods in the compensating products should not be imposed as a necessary condition of inward processing when:

(a) the identity of the goods can be established:

- by submitting the details of the inputs and the process of manufacture of the compensating products; or
- during the processing operations by Customs control;

or

(b) the procedure is terminated by the exportation of products obtained from the treatment of goods identical in description, quality and technical characteristics to those admitted for inward processing.
**Placing goods under inward processing**

*(a) Authorization for inward processing*

**8. Standard**
National legislation shall specify the circumstances in which prior authorization is required for inward processing and the authorities empowered to grant such authorization.

**9. Standard**
The inward processing authorization shall specify the manner in which operations permitted under inward processing shall be carried out.

**10. Recommended Practice**
When an application for inward processing is made after the importation of the goods and meets the criteria for authorization, the authorization should be granted retrospectively.

**11. Recommended Practice**
Persons who carry out regular inward processing operations should, on request, be granted a general authorization covering such operations.

**12. Standard**
Where goods admitted for inward processing are to undergo manufacturing or processing, the competent authorities shall fix or agree to the rate of yield of the operation by reference to the actual conditions under which it is effected. The description, quality and quantity of the various compensating products shall be specified upon fixing or agreeing to that rate.

**13. Recommended Practice**
Where the inward processing operations:

- relate to goods whose characteristics remain reasonably constant;
- are customarily carried out under clearly defined technical conditions; and
- give compensating products of constant quality;

the competent authorities should lay down standard rates of yield applicable to the operations.

*(b) Identification measures*

**14. Standard**
The requirements relating to the identification of goods for inward processing shall be laid down by the Customs. In carrying this out, due account shall be taken of the nature of the goods, of the operation to be carried out and of the importance of the interests involved.

**Stay of the goods in the Customs territory**

**15. Standard**
The Customs shall fix the time limit for inward processing in each case.

**16. Recommended Practice**
At the request of the person concerned, and for reasons deemed valid by the Customs, the latter should
extend the period initially fixed.

17. **Recommended Practice**
Provision should be made for continuing inward processing in the event of transfer of ownership of the imported goods and the compensating products to a third person, provided that that person assumes the obligations of the person granted the authorization.

18. **Recommended Practice**
The competent authorities should permit processing operations to be carried out by a person other than the person accorded the facilities for inward processing. Transfer of ownership of the goods admitted for inward processing should not be necessary, provided that the person accorded the inward processing facilities remains responsible to the Customs for compliance with the conditions set out in the authorization for the entire duration of the operations.

19. **Standard**
Provision shall be made to permit compensating products to be exported through a Customs office other than that through which the goods placed under inward processing were imported.

**Termination of inward processing**

(a) **Exportation**

20. **Standard**
Provision shall be made to permit inward processing procedures to be terminated by exportation of the compensating products in one or more consignments.

21. **Standard**
Upon request by the person concerned, the competent authorities shall authorize the re-exportation of the goods in the same state as imported, with termination of inward processing.

(b) **Other methods of disposal**

22. **Recommended Practice**
Provision should be made for suspending or terminating inward processing by placing the imported goods or the compensating products under another Customs procedure, subject to compliance with the conditions and formalities applicable in each case.

23. **Recommended Practice**
National legislation should provide that the amount of import duties and taxes applicable in the case where the compensating products are not exported shall not exceed the amount of import duties and taxes applicable to the imported goods admitted for inward processing.

24. **Standard**
Provision shall be made for terminating inward processing in respect of goods lost as a consequence of the nature of the goods, insofar as the compensating products are exported, provided that such loss is duly established to the satisfaction of the Customs.

25. **Recommended Practice**
The products obtained from the treatment of equivalent goods should be deemed to be compensating
products for the purposes of this Chapter (setting-off with equivalent goods).

26. Recommended Practice
When setting-off with equivalent goods is allowed, the Customs should permit the exportation of compensating products prior to the importation of goods for inward processing.

Chapter 2

Outward processing

Definitions

For the purposes of this Chapter:

E1./ F2.

“compensating products” means the products obtained abroad and resulting from the manufacturing, processing or repair of goods for which the use of the outward processing procedure is authorized;

E2./ F1.

“outward processing” means the Customs procedure under which goods which are in free circulation in a Customs territory may be temporarily exported for manufacturing, processing or repair abroad and then re-imported with total or partial exemption from import duties and taxes.

Principle

1. Standard
Outward processing shall be governed by the provisions of this Chapter and, insofar as applicable, by the provisions of the General Annex.

Field of application

2. Recommended Practice
Outward processing should not be refused solely on the grounds that the goods are to be manufactured, processed or repaired in a given country.

3. Standard
Temporary exportation of goods for outward processing shall not be restricted to the owner of the goods.

Placing goods under outward processing

(a) Formalities prior to temporary exportation of the goods

4. Standard
National legislation shall enumerate the cases in which prior authorization is required for outward
processing and specify the authorities empowered to grant such authorization.

**Such cases shall be as few as possible.**

5. **Recommended Practice**
Persons who carry out regular outward processing operations should, on request, be granted a general authorization covering such operations.

6. **Recommended Practice**
The competent authorities should fix a rate of yield for an outward processing operation when they deem it necessary or when it will facilitate the operation. The description, quality and quantity of the various compensating products shall be specified upon fixing that rate.

(b) **Identification measures**

7. **Standard**
The requirements relating to the identification of goods for outward processing shall be laid down by the Customs. In carrying this out, due account shall be taken of the nature of the goods, of the operation to be carried out and of the importance of the interests involved.

8. **Standard**
The Customs shall fix the time limit for outward processing in each case.

9. **Recommended Practice**
At the request of the person concerned, and for reasons deemed valid by the Customs, the latter should extend the period initially fixed.

**Importation of compensating products**

10. **Standard**
Provision shall be made to permit compensating products to be imported through a Customs office other than that through which the goods were temporarily exported for outward processing.

11. **Standard**
Provision shall be made to permit compensating products to be imported in one or more consignments.

12. **Standard**
Upon request by the person concerned, the competent authorities shall allow goods temporarily exported for outward processing to be re-imported with exemption from import duties and taxes if they are returned in the same state.

This exemption shall not apply to import duties and taxes which have been repaid or remitted in connection with the temporary exportation of the goods for outward processing.

13. **Standard**
Unless national legislation requires the re-importation of goods temporarily exported for outward processing, provision shall be made for terminating the outward processing by declaring the goods for
outright exportation subject to compliance with the conditions and formalities applicable in such case.

**Duties and taxes applicable to compensating products**

14. **Standard**
National legislation shall specify the extent of the exemption from import duties and taxes granted when compensating products are taken into home use, and the methods of calculation of that exemption.

15. **Standard**
The exemption from import duties and taxes provided for in respect of compensating products shall not apply to duties and taxes which have been repaid or remitted in connection with the temporary exportation of the goods for outward processing.

16. **Recommended Practice**
Where goods temporarily exported for outward processing have been repaired abroad free of charge, provision should be made for them to be re-imported with total exemption from import duties and taxes under the conditions laid down in national legislation.

17. **Recommended Practice**
The exemption from import duties and taxes should be granted if the compensating products were placed under another Customs procedure prior to being declared for home use.

18. **Recommended Practice**
The exemption from import duties and taxes should be granted if the ownership of the compensating products is transferred before they are taken into home use.

**Chapter 3**

**Drawback**

**Definitions**

For the purposes of this Chapter:

**E1./ F1.**

“**drawback**” means the amount of import duties and taxes repaid under the drawback procedure;

**E2./ F3.**

“**drawback procedure**” means the Customs procedure which, when goods are exported, provides for a repayment (total or partial) to be made in respect of the import duties and taxes charged on the goods, or on materials contained in them or consumed in their production;

**E3./ F1.**

“**equivalent goods**” means domestic or imported goods identical in description, quality and
technical characteristics to those under the drawback procedure which they replace.

**Principle**

1. **Standard**
The drawback procedure shall be governed by the provisions of this Chapter and, insofar as applicable, by the provisions of the General Annex.

**Field of application**

2. **Standard**
National legislation shall enumerate the cases in which drawback may be claimed.

3. **Recommended Practice**
National legislation should include provision for the application of the drawback procedure in cases where the goods which have borne import duties and taxes have been replaced by equivalent goods used in the production of exported goods.

**Conditions to be fulfilled**

4. **Standard**
The Customs shall not withhold payment of drawback solely because, at the time of importation of the goods for home use, the importer did not state his intention of claiming drawback at exportation. Similarly, exportation shall not be mandatory when such a statement has been made at importation.

**Duration of stay of the goods in the Customs territory**

5. **Recommended Practice**
Where a time limit for the exportation of the goods is fixed beyond which they no longer qualify for drawback, this should, upon request, be extended if the reasons are deemed valid by the Customs.

6. **Recommended Practice**
Where a time limit is fixed beyond which claims for drawback will not be accepted, provision should be made for its extension for commercial or other reasons deemed valid by the Customs.

**Payment of drawback**

7. **Standard**
Drawback shall be paid as soon as possible after the claim has been verified.

8. **Recommended Practice**
National legislation should provide for the use of electronic funds transfer for the payment of drawback.

9. **Recommended Practice**
Drawback should also be paid on deposit of the goods in a Customs warehouse or introduction of the goods into a free zone, on condition that they are subsequently to be exported.

10. **Recommended Practice**
Revised Kyoto Convention

The Customs should, if so requested, pay drawback periodically on goods exported during a specified period.

Chapter 4

Processing of goods for home use

Definition

For the purposes of this Chapter:

E1./ F1.

“processing of goods for home use” means the Customs procedure under which imported goods may be manufactured, processed or worked, before clearance for home use and under Customs control, to such an extent that the amount of the import duties and taxes applicable to the products thus obtained is lower than that which would be applicable to the imported goods.

Principles

1. Standard
Processing of goods for home use shall be governed by the provisions of this Chapter and, insofar as applicable, by the provisions of the General Annex.

2. Standard
The granting of the procedure of processing of goods for home use shall be subject to the conditions that:

- the Customs are able to satisfy themselves that the products resulting from the processing of goods for home use have been obtained from the imported goods; and
- the original state of the goods cannot be economically recovered after the manufacturing, processing or working.

Field of application

3. Standard
National legislation shall specify the categories of goods and operations allowed for processing of goods for home use.

4. Standard
Processing of goods for home use shall not be limited to goods imported directly from abroad, but shall also be granted for goods already placed under another Customs procedure.

5. Standard
The right to process goods for home use shall not be limited to the owner of the imported goods.

6. Recommended Practice
Persons who carry out regular processing of goods for home use should, on request, be granted a
general authorization covering such operations.

**Termination of processing of goods for home use**

7. **Standard**
   Processing of goods for home use shall be terminated when the products resulting from the processing are cleared for home use.

8. **Standard**
   Where justified by the circumstances and at the request of the person concerned, the Customs shall approve termination of the procedure when the products obtained from the manufacturing, processing or working are placed under another Customs procedure, subject to compliance with the conditions and formalities applicable in each case.

9. **Standard**
   Any waste or scrap resulting from the processing of goods for home use shall be liable, if cleared for home use, to the import duties and taxes that would be applicable to such waste or scrap imported in that state.

---

**Specific Annex G**

**Chapter 1**

**Temporary admission**

**Definition**

For the purposes of this Chapter:

E1./ F1.

“**temporary admission**” means the Customs procedure under which certain goods can be brought into a Customs territory conditionally relieved totally or partially from payment of import duties and taxes; such goods must be imported for a specific purpose and must be intended for re-exportation within a specified period and without having undergone any change except normal depreciation due to the use made of them.

**Principle**

1. **Standard**
   Temporary admission shall be governed by the provisions of this Chapter and, insofar as applicable, by

**Field of application**

2. **Standard**  
National legislation shall enumerate the cases in which temporary admission may be granted.

3. **Standard**  
Goods temporarily admitted shall be afforded total conditional relief from import duties and taxes, except for those cases where national legislation specifies that relief may be only partial.

4. **Standard**  
Temporary admission shall not be limited to goods imported directly from abroad, but shall also be granted for goods already placed under another Customs procedure.

5. **Recommended Practice**  
Temporary admission should be granted without regard to the country of origin of the goods, the country from which they arrived or their country of destination.

6. **Standard**  
Temporarily admitted goods shall be allowed to undergo operations necessary for their preservation during their stay in the Customs territory.

**Formalities prior to the granting of temporary admission**

7. **Standard**  
National legislation shall enumerate the cases in which prior authorization is required for temporary admission and specify the authorities empowered to grant such authorization. Such cases shall be as few as possible.

8. **Recommended Practice**  
The Customs should require that the goods be produced at a particular Customs office only where this will facilitate the temporary admission.

9. **Recommended Practice**  
The Customs should grant temporary admission without a written Goods declaration when there is no doubt about the subsequent re-exportation of the goods.

10. **Recommended Practice**  
Contracting Parties should give careful consideration to the possibility of acceding to international instruments relating to temporary admission that will enable them to accept documents and guarantees issued by international organizations in lieu of national Customs documents and security.

**Identification measures**

11. **Standard**  
Temporary admission of goods shall be subject to the condition that the Customs are satisfied that they will be able to identify the goods when the temporary admission is terminated.
12. Recommended Practice
For the purpose of identifying goods temporarily admitted, the Customs should take their own identification measures only where commercial means of identification are not sufficient.

Time limit for re-exportation

13. Standard
The Customs shall fix the time limit for temporary admission in each case.

14. Recommended Practice
At the request of the person concerned, and for reasons deemed valid by the Customs, the latter should extend the period initially fixed.

15. Recommended Practice
When the goods granted temporary admission cannot be re-exported as a result of a seizure other than a seizure made at the suit of private persons, the requirement of re-exportation should be suspended for the duration of the seizure.

Transfer of temporary admission

16. Recommended Practice
On request, the Customs should authorize the transfer of the benefit of the temporary admission to any other person, provided that such other person:

(a) satisfies the conditions laid down; and
(b) accepts the obligations of the first beneficiary of the temporary admission.

Termination of temporary admission

17. Standard
Provision shall be made to permit temporarily admitted goods to be re-exported through a Customs office other than that through which they were imported.

18. Standard
Provision shall be made to permit temporarily admitted goods to be re-exported in one or more consignments.

19. Recommended Practice
Provision should be made for suspending or terminating temporary admission by placing the imported goods under another Customs procedure, subject to compliance with the conditions and formalities applicable in each case.

20. Recommended Practice
If prohibitions or restrictions in force at the time of temporary admission are rescinded during the period of validity of the temporary admission document, the Customs should accept a request for termination by clearance for home use.

21. Recommended Practice
If security has been given in the form of a cash deposit, provision should be made for it to be repaid at
the office of re-exportation, even if the goods were not imported through that office.

Cases of temporary admission

(a) Total conditional relief from import duties and taxes

22. Recommended Practice
Temporary admission with total conditional relief from duties and taxes should be granted to the goods referred to in the following Annexes to the Convention on Temporary Admission (Istanbul Convention) of 26 June 1990:

1. “Goods for display or use at exhibitions, fairs, meetings or similar events” referred to in Annex B.1.
4. “Goods imported for educational, scientific or cultural purposes” referred to in Annex B.5.
10. “Animals” referred to in Annex D.

(b) Partial conditional relief from import duties and taxes

23. Recommended Practice
Goods which are not included in Recommended Practice 22 and goods in Recommended Practice 22 which do not meet all the conditions for total conditional relief should be granted temporary admission with at least partial conditional relief from import duties and taxes.

Specific Annex H

Chapter 1

Customs offences

Definitions

For the purposes of this Chapter:
“administrative settlement of a Customs offence” means the procedure laid down by national legislation under which the Customs are empowered to settle a Customs offence either by ruling thereon or by means of a compromise settlement;

“compromise settlement” means an agreement under which the Customs, being so empowered, consent to waive proceedings in respect of a Customs offence subject to compliance with certain conditions by the person(s) implicated in that offence;

“Customs offence” means any breach, or attempted breach, of Customs law.

Principles

1. Standard
The investigation, establishment and administrative settlement of Customs offences by the Customs shall be governed by the provisions of this Chapter and, insofar as applicable, by the provisions of the General Annex.

2. Standard
National legislation shall define Customs offences and specify the conditions under which they may be investigated, established and, where appropriate, dealt with by administrative settlement.

Field of application

3. Standard
National legislation shall specify which persons can be held responsible in connection with the commission of a Customs offence.

4. Standard
National legislation shall specify a period beyond which proceedings in connection with Customs offences may no longer be taken and shall fix the date from which that period shall run.

Investigation and establishment of Customs offences

5. Standard
National legislation shall specify the conditions under which the Customs are empowered to:

- examine goods and means of transport;
- require the production of documents or correspondence;
- require access to computerized databases;
- search persons and premises; and
- secure evidence.

6. Standard
Personal searches for Customs purposes shall be carried out only when there are reasonable grounds to suspect smuggling or other Customs offences which are regarded as serious.

7. Standard
The Customs shall not search premises unless they have reasonable grounds to suspect smuggling or other Customs offences which are regarded as serious.

8. Standard
The Customs shall inform the person concerned as soon as possible of the nature of the alleged offence, the legal provisions that may have been contravened and, as appropriate, the possible penalties.

Procedure to be followed when a Customs offence is discovered

9. Standard
National legislation shall specify the procedure to be followed by the Customs after it has been discovered that a Customs offence has occurred and the measures they may take.

10. Recommended Practice
The Customs should set out the particulars of Customs offences and the measures taken in offence reports or administrative records.

Seizure or detention of the goods or means of transport

11. Standard
The Customs shall seize goods and/or means of transport only when:

- they are liable to forfeiture or confiscation; or
- they may be required to be produced as evidence at some later stage in the procedure.

12. Standard
If a Customs offence relates only to part of a consignment, only that part shall be seized or detained, provided that the Customs are satisfied that the remainder of the consignment did not serve, directly or indirectly, in the commission of the offence.

13. Standard
When the Customs seize or detain goods and/or means of transport, they shall furnish the person concerned with a document showing:

- the description and quantity of the goods and means of transport seized or detained;
- the reason for the seizure or detention; and
- the nature of the offence.

14. Recommended Practice
The Customs should release seized or detained goods against adequate security, provided that the goods are not subject to any prohibitions or restrictions or needed as evidence at some later stage in the procedure.

15. Recommended Practice
The Customs should release from seizure or detention means of transport that have been used in the commission of a Customs offence where they are satisfied that:

- the means of transport have not been constructed, adapted or altered or fitted in any manner for the purpose of concealing goods; and
- the means of transport are not required to be produced as evidence at some later stage in the procedure; and
- where required, adequate security can be given.

16. **Recommended Practice**
Means of transport should only be forfeited or confiscated where:

- the owner, operator or person in charge was, at the time, a consenting party or privy to the Customs offence, or had not taken all reasonable steps to prevent the commission of the offence; or
- the means of transport has been specially constructed, adapted or altered or fitted in any manner for the purpose of concealing goods; or
- restoration of the means of transport which has been specially altered or adapted is not possible.

17. **Recommended Practice**
Unless they are likely to deteriorate quickly or it would, due to their nature, be impracticable for the Customs to store them, seized or detained goods should not be sold or otherwise disposed of by the Customs before they have been definitively condemned as forfeited or confiscated or have been abandoned to the Revenue.

**Detention of persons**

18. **Standard**
National legislation shall specify the powers of the Customs in connection with detention of persons and shall lay down the conditions therefor, in particular the period after which detention becomes subject to a review by a judicial authority.

**Administrative settlement of Customs offences**

19. **Standard**
The Customs shall take the necessary measures to ensure, where applicable, that as soon as possible after a Customs offence is discovered:

- the administrative settlement of the latter is initiated; and
- the person concerned is informed about the terms and conditions of the settlement, the avenues of appeal and the time limits for such appeals.

20. **Recommended Practice**
Where during clearance of the goods a Customs offence has been discovered which is regarded as of minor importance, it should be possible for the offence to be settled by the Customs office which discovers it.

21. **Recommended Practice**
Where a traveller is regarded as having committed a Customs offence of minor importance, it should
be possible for the offence to be settled without delay by the Customs office which discovers it.

22. Standard
National legislation shall lay down the penalties applicable to each category of Customs offence that can be dealt with by administrative settlement and shall designate the Customs offices competent to apply them.

23. Standard
The severity or the amount of any penalties applied in an administrative settlement of a Customs offence shall depend upon the seriousness or importance of the Customs offence committed and the record of the person concerned in his dealings with the Customs.

24. Standard
Where untrue particulars are furnished in a Goods declaration and the declarant can show that all reasonable steps had been taken to provide accurate and correct information, the Customs shall take that factor into account in considering the imposition of any penalty.

25. Standard
Where a Customs offence occurs as a result of force majeure or other circumstances beyond the control of the person concerned and there is no question of negligence or fraudulent intent on his part, no penalty shall be applied provided that the facts are duly established to the satisfaction of the Customs.

26. Standard
Goods that have been seized or detained, or the proceeds from the sale of such goods after deduction of any duties and taxes and all other charges and expenses incurred, shall be:

- turned over to the person entitled to receive them as soon as possible after the Customs offence has been definitively settled; or
- when this is not possible, held at their disposal for a specified period,

provided that the goods have neither been condemned as forfeited or confiscated nor abandoned to the Revenue as a result of a settlement.

Right of Appeal

27. Standard
Any person implicated in a Customs offence that is the subject of an administrative settlement shall have the right of appeal to an authority independent of the Customs unless he has chosen to accept the compromise settlement.

Specific Annex J
Chapter 1

Travellers

Definitions

For the purpose of this Chapter:

E1./ F2.

“dual-channel system” means a simplified Customs control system allowing travellers on arrival to make a declaration by choosing between two types of channel. One, identified by green symbols, is for the use of travellers carrying goods in quantities or values not exceeding those admissible duty-free and which are not subject to import prohibitions or restrictions. The other, identified by red symbols, is for other travellers;

E2./ F4.

“means of transport for private use” means road vehicles and trailers, boats and aircraft, together with their spare parts and normal accessories and equipment, imported or exported exclusively for personal use by the person concerned and not for the transport of persons for remuneration or the industrial or commercial transport of goods, whether or not for remuneration;

E3./ F5.

“traveller” means:
(1) any person who temporarily enters the territory of a country in which he or she does not normally reside (“non-resident”) or who leaves that territory; and
(2) any person who leaves the territory of a country in which he or she normally resides (“departing resident”) or who returns to that territory (“returning resident”);

E4./ F3.

“personal effects” means all articles (new or used) which a traveller may reasonably require for his or her personal use during the journey, taking into account all the circumstances of the journey, but excluding any goods imported or exported for commercial purposes;

E5./ F1.

“temporary admission” means the Customs procedure under which certain goods can be brought into a Customs territory conditionally relieved from payment of import duties and taxes; such goods must be imported for a specific purpose and must be intended for re-exportation within a specified period and without having undergone any change except normal depreciation due to the use made of the goods.

Principles

1. Standard

The Customs facilities applicable to travellers shall be governed by the provisions of this Chapter and,
insofar as applicable, by the provisions of the General Annex.

2. **Standard**
The Customs facilities provided for in this Chapter shall apply to travellers irrespective of their citizenship/nationality.

**Field of application**

3. **Standard**
The Customs shall designate the Customs offices at which Customs formalities relating to travellers may be accomplished. In determining the competence and location of these offices, and their hours of business, the Customs shall take into account in particular the geographical situation and existing volumes of passenger traffic.

4. **Standard**
Subject to compliance with the appropriate Customs controls, travellers entering or leaving the country by their means of transport for private use shall be permitted to accomplish all necessary Customs formalities without, as a matter of course, having to leave the means of transport in which they are travelling.

5. **Recommended Practice**
Travellers entering or leaving the country by road vehicle for commercial use or train should be permitted to accomplish all necessary Customs formalities without, as a matter of course, having to leave the means of transport in which they are travelling.

6. **Recommended Practice**
The dual-channel system should be used for the Customs control of travellers and the clearance of goods carried by them and, where appropriate, their means of transport for private use.

7. **Recommended Practice**
Regarding the mode of transport used, a separate list of travellers or of their accompanying baggage should not be required for Customs purposes.

8. **Recommended Practice**
The Customs, in co-operation with other agencies and the trade, should seek to use internationally standardized advance passenger information, where available, in order to facilitate the Customs control of travellers and the clearance of goods carried by them.

9. **Recommended Practice**
Travellers should be permitted to make an oral declaration in respect of the goods carried by them. However, the Customs may require a written or electronic declaration for goods carried by travellers which constitute an importation or exportation of a commercial nature or which exceed, in value or quantity, the limits laid down in national legislation.

10. **Standard**
Personal searches of travellers for the purposes of Customs control shall be carried out only in exceptional cases and when there are reasonable grounds to suspect smuggling or other offences.

11. **Standard**
Goods carried by travellers shall be stored or kept, subject to the conditions prescribed by the Customs, pending clearance under the appropriate Customs procedure, re-exportation or other disposal in accordance with national legislation in the following cases:

- at the traveller’s request;
- when the goods concerned cannot be cleared immediately; or
- where the other provisions of this Chapter do not apply to such goods.

12. Standard
Unaccompanied baggage (i.e. baggage arriving or leaving before or after the traveller) shall be cleared under the procedure applicable to accompanied baggage or under another simplified Customs procedure.

13. Standard
Any authorized person shall be allowed to present unaccompanied baggage for clearance on behalf of the traveller.

14. Recommended Practice
A system of flat-rate assessment should be applied to goods declared for home use under the facilities applicable to travellers, provided that the importation is of a non-commercial nature and that the aggregate value or quantity of the goods does not exceed the amounts laid down in national legislation.

15. Recommended Practice
Wherever possible, the use of credit cards or bank cards should be acceptable as a means of payment for services rendered by the Customs and for duties and taxes.

Entry

16. Recommended Practice
The quantities of tobacco goods, wine, spirits and perfume allowed to be imported free of import duties and taxes by travellers should be not less than:

a. 200 cigarettes or 50 cigars or 250 grams of tobacco, or an assortment of these products of a total weight not exceeding 250 grams;
b. 2 litres of wine or 1 litre of spirits;
c. ¼ litre of toilet water and 50 grams of perfume.

The facilities provided for tobacco goods and alcoholic beverages may, however, be restricted to persons who have reached a certain age and may not be granted, or may be granted in reduced quantities only, to persons who cross the border frequently or who have been out of the country for less than 24 hours.

17. Recommended Practice
In addition to the consumable products allowed to be imported free of import duties and taxes within specified quantitative limits, travellers should be permitted to import, free of import duties and taxes, goods of a strictly non-commercial nature up to an aggregate value of 75 Special Drawing Rights (SDRs). A lower amount may be fixed for persons less than a certain age or for persons who cross the frontier frequently or who have been out of the country for less than 24 hours.
18. Standard
Returning residents shall be permitted to re-import free of import duties and taxes personal effects and their means of transport for private use which they took with them at the time of their departure from the country and which were in free circulation in that country.

19. Standard
The Customs shall not require a Customs document or security for the temporary admission of personal effects of non-residents unless:

- they exceed, in value or quantity, the limits laid down in national legislation; or
- they are deemed by the Customs to be a risk to the Revenue.

20. Standard
In addition to clothing, toilet articles and other articles obviously of a personal nature, the following shall in particular be considered to be non-residents’ personal effects:

- personal jewellery;
- still and motion picture cameras together with a reasonable supply of films, tapes and accessories therefor;
- portable slide or film projectors and accessories therefor together with a reasonable quantity of slides or films;
- binoculars;
- portable musical instruments;
- portable sound reproduction devices including tape recorders, compact disc players and dictating machines with tapes, records and discs;
- portable radio receivers;
- cellular or mobile telephones;
- portable television sets;
- portable typewriters;
- portable personal computers and accessories;
- portable calculators;
- baby carriages and strollers;
- wheelchairs for invalids;
- sporting equipment.

21. Standard
Where it is necessary to lodge a temporary admission declaration for non-residents' personal effects, the time limit for temporary admission shall be fixed by reference to the length of the traveller's stay in the country, provided that any limit laid down in national legislation is not exceeded.

22. Standard
At the request of the traveller, and for reasons deemed valid by the Customs, the latter shall extend the period of temporary admission initially fixed for a non-resident’s personal effects, provided that any limit laid down in national legislation is not exceeded.

23. Standard
Non-residents shall be granted temporary admission in respect of their means of transport for private use.
24. **Standard**  
Fuel carried in the normal tanks of the means of transport for private use shall be admitted free of import duties and taxes.

25. **Standard**  
The facilities granted in respect of means of transport for private use shall apply whether the means of transport are owned, rented or borrowed by non-residents and whether they arrive with, before or after the traveller.

26. **Recommended Practice**  
The Customs should not require a Customs document or security for the temporary admission of non-residents' means of transport for private use.

27. **Recommended Practice**  
Where a Customs document or security is required for the temporary admission of non-residents' means of transport for private use, the Customs should accept standard international documents and securities.

28. **Standard**  
Where it is necessary to lodge a temporary admission declaration for temporary admission of non-residents' means of transport for private use, the time limit for temporary admission shall be fixed by reference to the length of the non-resident’s stay in the country, provided that any limit laid down in national legislation is not exceeded.

29. **Standard**  
At the request of the person concerned, and for reasons deemed valid by the Customs, the latter shall extend the period of temporary admission initially fixed for a non-resident’s means of transport for private use, provided that any limit laid down in national legislation is not exceeded.

30. **Standard**  
Any replacement parts required for the repair of a means of transport for private use temporarily in the country shall be granted temporary admission.

**Re-exportation**

31. **Standard**  
The Customs shall allow non-residents’ temporarily admitted goods to be re-exported through a Customs office other than that through which they were imported.

32. **Standard**  
The Customs shall not require the re-exportation of non-residents' means of transport for private use or personal effects which have been seriously damaged or destroyed through accident or force majeure.

**Departure**

33. **Standard**  
The Customs formalities applicable to departing travellers shall be as simple as possible.

34. **Standard**
Travellers shall be permitted to export goods for commercial purposes, subject to compliance with the necessary formalities and payment of any export duties and taxes chargeable.

35. Standard
At the request of residents leaving the country, the Customs shall take identification measures for certain articles when it will facilitate the re-importation free of duties and taxes.

36. Standard
Only in exceptional cases shall the Customs require a temporary exportation document for the personal effects and means of transport for private use of residents leaving the country.

37. Recommended Practice
If security has been given in the form of a cash deposit, provision should be made for it to be repaid at the office of re-exportation, even if the goods were not imported through that office.

Transit passengers

38. Standard
Transit passengers who do not leave the transit area shall not be required to pass through any Customs control. However, the Customs shall be allowed to maintain general surveillance of transit areas and to take any action necessary when a Customs offence is suspected.

Information concerning the Customs facilities applicable to travellers

39. Recommended Practice
Information concerning the Customs facilities applicable to travellers should be made available in the official language or languages of the country concerned and in any other language deemed to be useful.

Chapter 2
Postal traffic

Definitions

For the purposes of this Chapter:

E1./ F1.

“CN22/23” means the special declaration forms for postal items as described in the Acts of the Universal Postal Union currently in force;

E2./ F3.

“Customs formalities in respect of postal items” means all the operations to be carried out by the interested party and the Customs in respect of postal traffic;

E3./ F2.

“postal items” means letter-post and parcels, as described in the Acts of the Universal Postal
Union currently in force, when carried by or for postal services;

E4./ F5.

“postal service” means a public or private body authorized by the government to provide the international services governed by the Acts of the Universal Postal Union currently in force;

E5./ F4.

“the Universal Postal Union” means the inter-governmental organization founded in 1874 by the Treaty of Bern as the “General Postal Union” which, in 1878, was renamed the “Universal Postal Union (UPU)” and which since 1948 has been a specialized agency of the United Nations.

Principles

1. Standard
The Customs formalities in respect of postal items shall be governed by the provisions of this Chapter and, insofar as applicable, by the provisions of the General Annex.

2. Standard
National legislation shall specify the respective responsibilities and obligations of the Customs and of the postal service in connection with the Customs treatment of postal items.

Clearance of postal items

3. Standard
The clearance of postal items shall be carried out as rapidly as possible.

(a) Customs status of goods

4. Standard
The exportation of goods in postal items shall be allowed regardless of whether they are in free circulation or are under a Customs procedure.

5. Standard
The importation of goods in postal items shall be allowed irrespective of whether they are intended to be cleared for home use or for another Customs procedure.

(b) Production to the Customs

6. Standard
The Customs shall designate to the postal service the postal items which shall be produced to them for the purposes of Customs control and the methods of production of these items.

7. Standard
The Customs shall not require postal items to be produced to them at exportation for the purposes of Customs control, unless they contain:
• goods the exportation of which must be certified;
• goods which are subject to export prohibitions or restrictions or to export duties and taxes;
• goods having a value exceeding an amount specified in national legislation; or
• goods which are selected for Customs control on a selective or random basis.

8. Recommended Practice
The Customs should not, as a general rule, require the following categories of imported postal items to be produced to them:

   a. postcards and letters containing personal messages only;
   b. literature for the blind;
   c. printed papers not subject to import duties and taxes.

(c) Clearance against forms CN22 or CN23 or against a Goods declaration

9. Standard
When all the information required by the Customs is available from the CN22 or CN23 and supporting documents, the form CN22 or CN23 shall be the Goods declaration, except in the case of:

• goods having a value exceeding an amount specified in national legislation;
• goods which are subject to prohibitions or restrictions or to export duties and taxes;
• goods the exportation of which must be certified;
• imported goods intended to be placed under a Customs procedure other than clearance for home use.

In these cases, a separate Goods declaration shall be required.

Postal items in transit

10. Standard
Postal items shall not be subject to Customs formalities whilst they are being conveyed in transit.

Collection of duties and taxes

11. Standard
The Customs shall make the simplest possible arrangements for the collection of duties and taxes on the goods contained in postal items.

Chapter 3

Means of transport for commercial use

Definitions
For the purposes of this Chapter:

E1./ F2.

“Customs formalities applicable to means of transport for commercial use” means all the
operations to be carried out by the person concerned and by the Customs in respect of means of transport for commercial use arriving in or departing from the Customs territory and during their stay therein;

E2./ F1.

“declaration of arrival” or “declaration of departure”, as the case may be, means any declaration required to be made or produced to the Customs upon the arrival or departure of means of transport for commercial use, by the person responsible for the means of transport for commercial use, and containing the necessary particulars relating to the means of transport for commercial use and to the journey, cargo, stores, crew or passengers;

E3./ F3.

“means of transport for commercial use” means any vessel (including lighters and barges, whether or not ship-borne, and hydrofoils), hovercraft, aircraft, road vehicle (including trailers, semi-trailers and combinations of vehicles) or railway rolling stock, which is used in international traffic for the transport of persons for remuneration or for the industrial or commercial transport of goods, whether or not for remuneration, together with their normal spare parts, accessories and equipment, as well as lubricants and fuel contained in their normal tanks, when carried with the means of transport for commercial use.

Principles

1. Standard
Customs formalities applicable to means of transport for commercial use shall be governed by the provisions of this Chapter and, insofar as applicable, by the provisions of the General Annex.

2. Recommended Practice
Customs formalities applicable to means of transport for commercial use should apply equally, regardless of the country of registration or ownership of the means of transport for commercial use, of the country from which they arrived or their country of destination.

Temporary admission of means of transport for commercial use

3. Recommended Practice
Means of transport for commercial use, whether loaded or not, should be allowed to be brought temporarily into a Customs territory conditionally relieved from payment of import duties and taxes, provided that such means of transport for commercial use are not used for internal transport in the Customs territory of the country of temporary admission. They must be intended for re-exportation without having undergone any change except normal depreciation due to their use, normal consumption of lubricants and fuel and necessary repairs.

4. Standard
The Customs shall require security or a temporary admission document for means of transport for commercial use duly registered abroad only when they consider it essential for the purposes of Customs control.

5. Standard
Where the Customs fix a time limit for the re-exportation of means of transport for commercial use, they shall take into account all the circumstances of the transport operations intended.

6. **Recommended Practice**
At the request of the person concerned, and for reasons deemed valid by the Customs, the latter should extend any period initially fixed.

**Temporary admission of parts and equipment**

7. **Recommended Practice**
Special equipment for the loading, unloading, handling and protection of cargo, whether or not it is capable of being used separately from the means of transport for commercial use, which is imported with the means of transport for commercial use and is intended to be re-exported therewith, should be allowed to be brought temporarily into a Customs territory conditionally relieved from payment of import duties and taxes.

8. **Recommended Practice**
Parts and equipment which are to be used, in the course of repair or maintenance, as replacements for parts and equipment incorporated in or used on a means of transport for commercial use already temporarily imported in a Customs territory, should be allowed to be brought temporarily into that territory conditionally relieved from payment of import duties and taxes.

**Arrival**

9. **Standard**
When a declaration of arrival is required to be lodged with the Customs on arrival of means of transport for commercial use, the particulars required to be given thereon shall be limited to the minimum necessary to ensure compliance with Customs law.

10. **Standard**
The Customs shall reduce, as far as possible, the number of copies of the declaration of arrival required to be submitted to them.

11. **Standard**
No documents to be produced to or lodged with the Customs in connection with the arrival of means of transport for commercial use shall be required to be legalized, verified, authenticated or previously dealt with by any representatives abroad of the country into which means of transport for commercial use arrive.

**Subsequent calls in the Customs territory**

12. **Standard**
Where means of transport for commercial use call at subsequent places in the Customs territory without intermediate calls in another country, the applicable Customs formalities shall be kept as simple as possible and shall take into account any Customs control measures already taken.

**Departure**

13. **Standard**
Customs formalities applicable upon the departure of means of transport for commercial use from the Customs territory shall be limited to measures to ensure that:

a. where required, a declaration of departure is duly lodged with the competent Customs office;
b. where appropriate, Customs seals are affixed;
c. where required for control purposes, specified Customs routes are followed; and
d. no unauthorized delay occurs in the departure of means of transport for commercial use.

14. Recommended Practice
The use of declaration of departure forms identical to those prescribed for declaration of arrival forms should be allowed by the Customs provided that their use for purposes of departure is clearly indicated.

15. Standard
Means of transport for commercial use shall be permitted to depart from the Customs territory through a Customs office other than that through which they arrived.

Chapter 4
Stores

Definitions

For the purposes of this Chapter:

E1./ F6.

“carrier” means the person actually transporting goods or in charge of or responsible for the operation of the means of transport;

E2./ F1.

“Customs formalities applicable to stores” means all the operations to be carried out by the person concerned and by the Customs in respect of stores;

E3./ F5.

“Customs treatment of stores” means all the facilities to be accorded and all the Customs formalities applicable to stores;

E4./ F2.

“stores” means:
- stores for consumption; and
- stores to be taken away;

E5./ F3.

“stores for consumption” means:
- goods intended for consumption by the passengers and the crew on board vessels, aircraft or
trains, whether or not sold; and
- goods necessary for the operation and maintenance of vessels, aircraft or trains including fuel
and lubricants but excluding spare parts and equipment; which are either on board upon arrival
or are taken on board during the stay in the Customs territory of vessels, aircraft or trains used,
or intended to be used, in international traffic for the transport of persons for remuneration or
for the industrial or commercial transport of goods, whether or not for remuneration;

E6./ F4.

“stores to be taken away” means goods for sale to the passengers and the crew of vessels and
aircraft with a view to being landed, which are either on board upon arrival or are taken on
board during the stay in the Customs territory of vessels and aircraft used, or intended to be
used, in international traffic for the transport of persons for remuneration or for the industrial or
commercial transport of goods, whether or not for remuneration.

Principles

1. Standard
Customs treatment of stores shall be governed by the provisions of this Chapter and, insofar as
applicable, by the provisions of the General Annex.

2. Recommended Practice
Customs treatment of stores should apply equally, regardless of the country of registration or
ownership of vessels, aircraft or trains.

Stores on board arriving vessels, aircraft or trains

(a) Exemption from import duties and taxes

3. Standard
Stores which are carried in a vessel or aircraft arriving in the Customs territory shall be exempted from
import duties and taxes provided that they remain on board.

4. Recommended Practice
Stores for consumption by the passengers and the crew imported as provisions on international express
trains should be exempted from import duties and taxes provided that:

   a. such goods are purchased only in the countries crossed by the international train in question;
   and
   b. any duties and taxes chargeable on such goods in the country where they were purchased are
      paid.

5. Standard
Stores for consumption necessary for the operation and maintenance of vessels, aircraft and trains
which are on board these means of transport arriving in the Customs territory shall be exempted from
import duties and taxes provided that they remain on board while these means of transport are in the
Customs territory.
(b) Documentation

6. Standard
When a declaration concerning stores on board vessels arriving in the Customs territory is required by the Customs, the information required shall be kept to the minimum necessary for the purposes of Customs control.

7. Recommended Practice
The quantities of stores which are allowed by the Customs to be issued from the stores held on board should be recorded on the declaration concerning stores produced to the Customs upon arrival of the vessel in the Customs territory and no separate form should be required to be lodged with the Customs in respect thereof.

8. Recommended Practice
The quantities of stores which are supplied to vessels during their stay in the Customs territory should be recorded on any declaration concerning stores which has been required by the Customs.

9. Standard
The Customs shall not require the presentation of a separate declaration of stores remaining on board aircraft.

(c) Issue of stores for consumption

10. Standard
The Customs shall allow the issue of stores for consumption on board during the stay of a vessel in the Customs territory in such quantities as the Customs deem reasonable having regard to the number of the passengers and the crew and to the length of the stay of the vessel in the Customs territory.

11. Recommended Practice
The Customs should allow the issue of stores for consumption on board by the crew while the vessel is undergoing repairs in a dock or shipyard, provided that the stay in a dock or shipyard is considered to be of reasonable duration.

12. Recommended Practice
When an aircraft is to land at one or more airports in the Customs territory, the Customs should allow the issue of stores for consumption on board both during the stay of the aircraft at such intermediate airports and during its flight between such airports.

(d) Customs control

13. Standard
The Customs shall require the carrier to take appropriate measures to prevent any unauthorized use of the stores including sealing of the stores, when necessary.

14. Standard
The Customs shall require the removal of stores from the vessel, aircraft or train for storage elsewhere during their stay in the Customs territory only when they consider it necessary.
Supply of stores exempted from duties and taxes

15. Standard
Vessels and aircraft which depart for an ultimate foreign destination shall be entitled to take on board, exempted from duties and taxes:

a. stores in such quantities as the Customs deem reasonable having regard to the number of the passengers and the crew, to the length of the voyage or flight and to any quantities of such stores already on board; and

b. stores for consumption necessary for their operation and maintenance, in such quantities as are deemed reasonable for operation and maintenance during the voyage or flight having regard also to any quantities of such stores already on board.

16. Standard
Replenishment of stores exempted from duties and taxes shall be allowed for vessels and aircraft which have arrived in the Customs territory and which need to replenish their stores for the journey to their final destination in the Customs territory.

17. Standard
The Customs shall allow stores for consumption supplied to vessels and aircraft during their stay in the Customs territory to be issued under the same conditions as are applicable in this Chapter to stores for consumption held on board arriving vessels and aircraft.

Departure

18. Recommended Practice
No separate declaration concerning stores should be required upon departure of vessels from the Customs territory.

19. Standard
When a declaration is required concerning stores taken on board vessels or aircraft upon departure from the Customs territory, the information required shall be kept to the minimum necessary for the purpose of Customs control.

Other disposal of stores

20. Standard
Stores on board vessels, aircraft and trains having arrived in the Customs territory shall be allowed:

a. to be cleared for home use or to be placed under another Customs procedure, subject to compliance with the conditions and formalities applicable in each case; or

b. subject to prior authorization by the Customs, to be transferred respectively to other vessels, aircraft or trains in international traffic.

Chapter 5

Relief consignments
Definition

For the purposes of this Chapter:

E1./F1.

“relief consignments” means:
- goods, including vehicles and other means of transport, foodstuffs, medicaments, clothing, blankets, tents, prefabricated houses, water purifying and water storage items, or other goods of prime necessity, forwarded as aid to those affected by disaster; and
- all equipment, vehicles and other means of transport, specially trained animals, provisions, supplies, personal effects and other goods for disaster relief personnel in order to perform their duties and to support them in living and working in the territory of the disaster throughout the duration of their mission.

Principles

1. Standard
Clearance of relief consignments shall be governed by the provisions of this Chapter and, insofar as applicable, by the provisions of the General Annex.

2. Standard
Clearance of relief consignments for export, transit, temporary admission and import shall be carried out as a matter of priority.

Field of application

3. Standard
In the case of relief consignments the Customs shall provide for:

- lodging of a simplified Goods declaration or of a provisional or incomplete Goods declaration subject to completion of the declaration within a specified period;
- lodging and registering or checking of the Goods declaration and supporting documents prior to the arrival of the goods, and their release upon arrival;
- clearance outside the designated hours of business or away from Customs offices and the waiver of any charges in this respect; and
- examination and/or sampling of goods only in exceptional circumstances.

4. Recommended Practice
Clearance of relief consignments should be granted without regard to the country of origin, the country from which arrived or country of destination.

5. Recommended Practice
In the case of relief consignments any economic export prohibitions or restrictions and any export duties or taxes otherwise payable should be waived.

6. Recommended Practice
Relief consignments received as gifts by approved organizations for use by or under the control of such organizations, or for distribution free of charge by them or under their control, should be admitted free
of import duties and taxes and free of economic import prohibitions or restrictions.

Specific Annex K

Chapter 1

Rules of origin

Definitions

For the purposes of this Chapter:

E1./ F2.

“country of origin of goods” means the country in which the goods have been produced or manufactured, according to the criteria laid down for the purposes of application of the Customs tariff, of quantitative restrictions or of any other measure related to trade;

E2./ F3.

“rules of origin” means the specific provisions, developed from principles established by national legislation or international agreements ("origin criteria"), applied by a country to determine the origin of goods;

E3./ F1.

“substantial transformation criterion” means the criterion according to which origin is determined by regarding as the country of origin the country in which the last substantial manufacturing or processing, deemed sufficient to give the commodity its essential character, has been carried out.

Principle

1. Standard
The rules of origin necessary for the implementation of the measures which the Customs are responsible for applying both at importation and at exportation shall be laid down in accordance with the provisions of this Chapter and, insofar as applicable, by the provisions in the General Annex.

Rules of origin

2. Standard
Goods produced wholly in a given country shall be taken as originating in that country.
The following only shall be taken to be produced wholly in a given country:

a. mineral products extracted from its soil, from its territorial waters or from its sea-bed;
b. vegetable products harvested or gathered in that country;
c. live animals born and raised in that country;
d. products obtained from live animals in that country;
e. products obtained from hunting or fishing conducted in that country;
f. products obtained by maritime fishing and other products taken from the sea by a vessel of that country;
g. products obtained aboard a factory ship of that country solely from products of the kind covered by paragraph (f) above;
h. products extracted from marine soil or subsoil outside that country's territorial waters, provided that the country has sole rights to work that soil or subsoil;
i. scrap and waste from manufacturing and processing operations, and used articles, collected in that country and fit only for the recovery of raw materials;
j. goods produced in that country solely from the products referred to in paragraphs (a) to (ij) above.

3. Recommended Practice
Where two or more countries have taken part in the production of the goods, the origin of the goods should be determined according to the substantial transformation criterion.

4. Recommended Practice
In applying the substantial transformation criterion, use should be made of the International Convention on the Harmonized Commodity Description and Coding System.

5. Recommended Practice
Where the substantial transformation criterion is expressed in terms of the ad valorem percentage rule, the values to be taken into consideration should be:

- for the materials imported, the dutiable value at importation or, in the case of materials of undetermined origin, the first ascertainable price paid for them in the territory of the country in which manufacture took place; and
- for the goods produced, either the ex-works price or the price at exportation, according to the provisions of national legislation.

6. Recommended Practice
Operations which do not contribute or which contribute to only a small extent to the essential characteristics or properties of the goods, and in particular operations confined to one or more of those listed below, should not be regarded as constituting substantial manufacturing or processing:

a. operations necessary for the preservation of goods during transportation or storage;
b. operations to improve the packaging or the marketable quality of the goods or to prepare them for shipment, such as breaking bulk, grouping of packages, sorting and grading, repacking;
c. simple assembly operations;
d. mixing of goods of different origin, provided that the characteristics of the resulting product are not essentially different from the characteristics of the goods which have been mixed.
Special cases of qualification for origin

7. Recommended Practice
Accessories, spare parts and tools for use with a machine, appliance, apparatus or vehicle should be deemed to have the same origin as the machine, appliance, apparatus or vehicle, provided that they are imported and normally sold therewith and correspond, in kind and number, to the normal equipment thereof.

8. Recommended Practice
An unassembled or disassembled article which is imported in more than one consignment because it is not feasible, for transport or production reasons, to import it in a single consignment should, if the importer so requests, be treated as one article for the purpose of determining origin.

9. Recommended Practice
For the purpose of determining origin, packings should be deemed to have the same origin as the goods they contain unless the national legislation of the country of importation requires them to be declared separately for tariff purposes, in which case their origin should be determined separately from that of the goods.

10. Recommended Practice
For the purpose of determining the origin of goods, where packings are deemed to have the same origin as the goods, account should be taken, in particular where a percentage method is applied, only of packings in which the goods are ordinarily sold by retail.

11. Standard
For the purpose of determining the origin of goods, no account shall be taken of the origin of the energy, plant, machinery and tools used in the manufacturing or processing of the goods.

Direct transport rule

12. Recommended Practice
Where provisions requiring the direct transport of goods from the country of origin are laid down, derogations therefrom should be allowed, in particular for geographical reasons (for example, in the case of landlocked countries) and in the case of goods which remain under Customs control in third countries (for example, in the case of goods displayed at fairs or exhibitions or placed in Customs warehouses).

Information concerning rules of origin

13. Standard
Changes in the rules of origin or in the procedures for their application shall enter into force only after sufficient notice has been given to enable the interested persons, both in export markets and in supplying countries, to take account of the new provisions.

Chapter 2

Documentary evidence of origin
Definitions

For the purposes of this Chapter:

E1./ F2.

“certificate of origin” means a specific form identifying the goods, in which the authority or body empowered to issue it certifies expressly that the goods to which the certificate relates originate in a specific country. This certificate may also include a declaration by the manufacturer, producer, supplier, exporter or other competent person;

E2./ F3.

“certified declaration of origin” means a “declaration of origin” certified by an authority or body empowered to do so;

E3./ F4.

“declaration of origin” means an appropriate statement as to the origin of the goods made, in connection with their exportation, by the manufacturer, producer, supplier, exporter or other competent person on the commercial invoice or any other document relating to the goods;

E4./ F5.

“documentary evidence of origin” means a certificate of origin, a certified declaration of origin or a declaration of origin;

E5./ F1.

“regional appellation certificate” means a certificate drawn up in accordance with the rules laid down by an authority or approved body, certifying that the goods described therein qualify for a designation specific to the given region (e.g. Champagne, Port wine, Parmesan cheese).

Principle

1. Standard
The requirement, establishment and issue of documentary evidence relating to the origin of goods shall be governed by the provisions of this Chapter and, insofar as applicable, by the provisions of the General Annex.

Requirement of documentary evidence of origin

2. Recommended Practice
Documentary evidence of origin should be required only when it is necessary for the application of preferential Customs duties, of economic or trade measures adopted unilaterally or under bilateral or multilateral agreements or of measures adopted for reasons of health or public order.

3. Recommended Practice
Documentary evidence of origin should not be required in the following cases:

a. goods sent in small consignments addressed to private individuals or carried in travellers' baggage, provided that such importations are of a non-commercial nature and the aggregate value of the importation does not exceed an amount which shall not be less than US$100;

b. commercial consignments the aggregate value of which does not exceed an amount which shall not be less than US$60;

c. goods granted temporary admission;

d. goods carried in Customs transit;

e. goods accompanied by a regional appellation certificate as well as certain specific goods, where the conditions to be met by the supplying countries under bilateral or multilateral agreements relating to those goods are such that documentary evidence need not be required.

Where several consignments of the kind referred to in (a) or (b) are sent at the same time, by the same means, to the same consignee, by the same consignor, the aggregate value shall be taken to be the total value of those consignments.

4. Recommended Practice
When rules relating to the requirement of documentary evidence of origin have been laid down unilaterally, they should be reviewed at least every three years to ascertain whether they are still appropriate in the light of changes in the economic and commercial conditions under which they were imposed.

5. Recommended Practice
Documentary evidence from the competent authorities of the country of origin should be required only in cases where the Customs of the country of importation have reason to suspect fraud.

Applications and form of the various types of documentary evidence of origin

(a) Certificate of origin

Form and content

6. Recommended Practice
When revising present forms or preparing new forms of certificates of origin, Contracting Parties should use the model form in Appendix I to this Chapter, in accordance with the Notes in Appendix II, and having regard to the Rules in Appendix III.

Contracting Parties which have aligned their forms of certificate of origin on the model form in Appendix I to this Chapter should notify the Secretary General of the Council accordingly.

Languages to be used

7. Recommended Practice
Certificate of origin forms should be printed in the language(s) selected by the country of exportation and, if these languages are neither English nor French, also in English or French.

8. Recommended Practice
Where the certificate of origin is made out in a language that is not a language of the country of
importation, the Customs of that country should not require, as a matter of course, a translation of the particulars given in the certificate of origin.

Authorities and other bodies empowered to issue certificates of origin

9. Standard
Contracting Parties accepting this Chapter shall indicate, either in their notification of acceptance or subsequently, the authorities or bodies empowered to issue certificates of origin.

10. Recommended Practice
Where goods are not imported directly from the country of origin but are forwarded through the territory of a third country, certificates of origin should be allowed to be drawn up by the authorities or bodies empowered to issue such certificates in that third country, on the basis of a certificate of origin previously issued in the country of origin of the goods.

11. Recommended Practice
Authorities or bodies empowered to issue certificates of origin should retain for not less than two years the applications for, or control copies of, the certificates of origin issued by them.

(b) Documentary evidence other than certificates of origin

12. Recommended Practice
Where documentary evidence of origin is required, a declaration of origin should be accepted in the following cases:

a. goods sent in small consignments addressed to private individuals or carried in travellers' baggage, provided that such importations are of a non-commercial nature and the aggregate value of the importation does not exceed an amount which shall not be less than US$500;

b. commercial consignments the aggregate value of which does not exceed an amount which shall not be less than US$300.

Where several consignments of the kind referred to in (a) or (b) are sent at the same time, by the same means, to the same consignee, by the same consignor, the aggregate value shall be taken to be the total value of those consignments.

Sanctions

13. Standard
Provision shall be made for sanctions against any person who prepares, or causes to be prepared, a document containing false information with a view to obtaining documentary evidence of origin.

APPENDIX I
### APPENDIX II

**Notes**

1. The size of the certificate should be the international ISO size A4 (210 x 297 mm, 8.27 x 11.69 inches). The form should be provided with a 10 mm top margin and a 20 mm left-hand filing margin. Line spacing should be based on multiples of 4.24 mm (1/6 inch) and width-spacing on multiples of 2.54 mm (1/10 inch). The layout should be in conformity with the ECE layout key, as illustrated in Appendix I. Minor deviations in the exact size of boxes, etc., should be permissible if required for particular reasons in the issuing country, such as the existence of systems other than metric measurement, features of national aligned systems of documents, etc.

2. Where it is necessary to provide for applications for certificates of origin, the form of application and the form of certificate should be compatible to permit completion in one run.

3. Countries may determine standards concerning the weight per m² of the paper, and the use of a machine-turned background to prevent falsification.

4. For the guidance of users, rules for the establishment of the certificate of origin may be printed on
the back of the certificate.

5. Where requests for post-facto control may be submitted under a mutual administrative assistance agreement, a space may be provided for that purpose on the back of the certificate.

6. The following comments refer to the boxes in the model form:

Box No. 1:

"Consignor", "producer", "supplier", etc. may be substituted for "exporter".

Box No. 2:

There should be only one original certificate of origin, identified by the word "Original" adjacent to the document title. If a certificate of origin is issued in replacement of an original certificate that has been lost, the replacement certificate shall be identified by the word "Duplicate" adjacent to the document title. Copies of an original or of a duplicate certificate shall bear the word "copy" adjacent to the title. This box is also intended for the name (logotype, emblem, etc.) of the issuing authority and should leave space for other official purposes.

Box No. 3:

The particulars provided for in this box may be replaced by "to order" and, possibly, the country of destination.

Box No. 4:

This box can be used for additional information on means of transport, route, etc., which can be inserted if so desired by, for example, the issuing authority.

Box No. 5:

If an indication of "Item No." is required this can be inserted, preferably in the margin to this box or at the beginning of each line in the box. "Marks and Nos." can be separated from "Number and kind of packages" and "Description of the goods" by a vertical line. If a line is not used, these particulars should be distinguished by adequate spacing. The description of the goods can be supported by adding the number of the applicable Harmonized System heading, preferably in the right-hand part of the column. Particulars of the origin criteria, if required, should be given in this box and should be separated from the other information by a vertical line.

Box No. 6:

Normally, gross weight should suffice for the identification of the goods.

Box No. 7:

This column is left blank for any additional details that might be required, such as measurements, or
for reference to other documents (e.g., commercial invoices).

Boxes Nos. 6 and 7:

Other quantities which the exporter may state in order to facilitate identification can be entered in either box 6 or box 7, as appropriate.

Box No. 8:

This area is reserved for the details of the certification by the competent body (certification legend, stamps, signatures, date and place of issue, etc.). The precise wording of texts, etc., is left to the discretion of the issuing authority, the wording used in the model form serving only as an example. This box may also be used for a signed declaration by the exporter (or the supplier or manufacturer).

**APPENDIX III**

**Rules for the establishment of certificates of origin**

The rules for the establishment of certificates of origin (and where applicable, of applications for such certificates) are left to the discretion of national authorities, due account being taken of the Notes set out above. However, it may be necessary to ensure compliance with, inter alia, the following provisions:

1. The forms may be completed by any process, provided that the entries are indelible and legible.
2. Neither erasures nor superimpositions should be allowed on the certificates (or applications). Any alterations should be made by striking out the erroneous material and making any additions required. Such alterations should be approved by the person who made them and certificated by the appropriate authority or body.
3. Any unused space should be crossed out to prevent any subsequent addition.
4. If warranted by export trade requirements, one or more copies may be drawn up in addition to the original.

**Chapter 3**

**Control of documentary evidence of origin**

**Definitions**

For the purposes of this Chapter:

E1./ F1.

“certificate of origin” means a specific form identifying the goods, in which the authority or body empowered to issue it certifies expressly that the goods to which the certificate relates originate in a specific country. This certificate may also include a declaration by the manufacturer, producer, supplier, exporter or other competent person;

E2./ F2.
“certified declaration of origin” means a “declaration of origin” certified by an authority or body empowered to do so;

E3./ F3.

“declaration of origin” means an appropriate statement as to the origin of the goods made, in connection with their exportation, by the manufacturer, producer, supplier, exporter or other competent person on the commercial invoice or any other document relating to the goods;

E4./ F4.

“documentary evidence of origin” means a certificate of origin, a certified declaration of origin or a declaration of origin.

**Principle**

1. **Standard**
Administrative assistance for the control of documentary evidence of origin shall be governed by the provisions of this Chapter and, insofar as applicable, by the provisions of the General Annex.

**Reciprocity**

2. **Standard**
The competent authority of the Contracting Party which has received a request for control need not comply with it if the competent authority of the requesting Contracting Party would be unable to furnish that assistance if the positions were reversed.

**Requests for control**

3. **Recommended Practice**
The Customs administration of a Contracting Party which has accepted this Chapter may request the competent authority of a Contracting Party which has accepted this Chapter and in whose territory documentary evidence of origin has been established to carry out control of such evidence:

   a. where there are reasonable grounds to doubt the authenticity of the document;
   b. where there are reasonable grounds to doubt the accuracy of the particulars given therein;
   c. on a random basis.

4. **Standard**
Requests for control on a random basis, as provided for in Recommended Practice 3 (c) above, shall be identified as such and be kept to the minimum necessary to ensure adequate control.

5. **Standard**
Requests for control shall:

   a. specify the reasons for the requesting Customs administration's doubts about the authenticity of the document produced or the accuracy of the particulars given therein, unless the control is requested on a random basis;
   b. specify, where appropriate, the rules of origin applicable to the goods in the country of
importation and any additional information requested by that country;
c. be accompanied by the documentary evidence of origin to be checked, or a photocopy thereof, and where appropriate any other documents such as invoices, correspondence, etc. that might facilitate control.

6. Standard
Any competent authority receiving a request for control from a Contracting Party having accepted this Chapter shall reply to the request after having carried out the necessary controls itself or having had the necessary investigations made by other administrative authorities or by bodies authorized for the purpose.

7. Standard
An authority receiving a request for control shall answer the questions put by the requesting Customs administration and furnish any other information it may consider relevant.

8. Standard
Replies to requests for control shall be furnished within a prescribed period not exceeding six months. If the authority receiving the request cannot reply within six months, it shall so inform the requesting Customs administration.

9. Standard
Requests for control shall be made within a prescribed period which, except in special circumstances, should not exceed one year, commencing with the date on which the document was produced to the Customs office of the Contracting Party making the request.

Release of the goods

10. Standard
A request for control shall not prevent the release of the goods, provided that they are not held to be subject to import prohibitions or restrictions and there is no suspicion of fraud.

Miscellaneous provisions

11. Standard
Any information communicated in accordance with the provisions of this Chapter shall be treated as confidential and used for Customs purposes only.

12. Standard
The documents needed for control of documentary evidence of origin issued by the competent authorities or authorized bodies shall be retained by them for an adequate period which should not be less than two years following the date on which the documentary evidence was issued.

13. Standard
The Contracting Parties that accept this Chapter shall specify the authorities which are competent to receive requests for control and communicate their address to the Secretary General of the Council who will transmit such information to the other Contracting Parties having accepted this Chapter.