

EU customs rules, checks and controls in the sugar sector

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DG TAXUD team

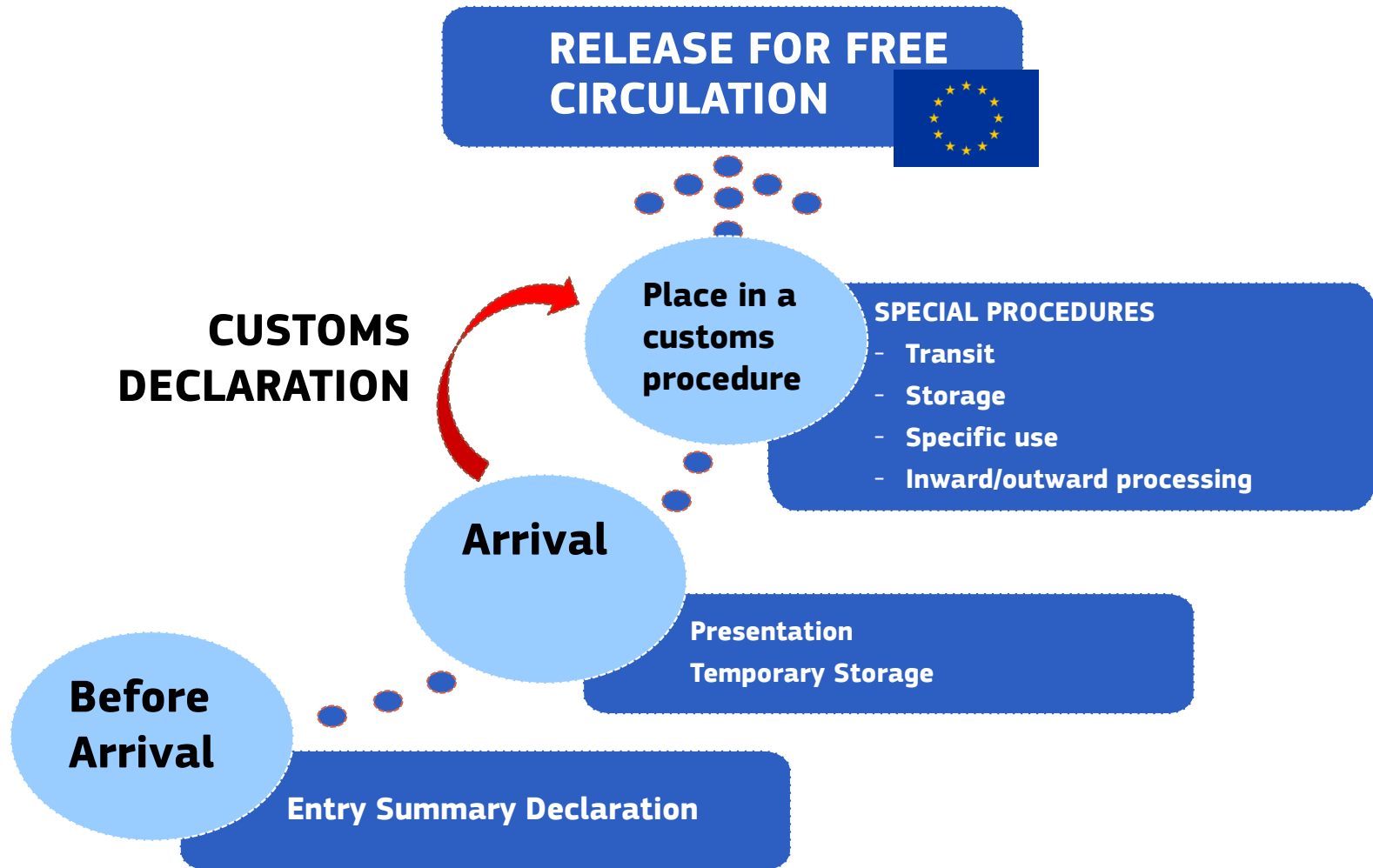
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1. General issues: customs procedures

Role of customs (UCC)

- Balancing customs controls with **trade facilitation**
- Protecting the **financial interests** of the EU & Member States
- **Protecting** the EU from unfair and illegal trade (e.g. counterfeit, firearms, smuggled cultural goods, endangered species) while supporting legitimate business activity
- Ensuring the **security and safety** of the EU, and protection of the environment, where appropriate in close cooperation with other agencies (e.g. phytosanitary, environment, agriculture)

Timeline for customs formalities at IMPORT



Customs formalities – before arrival

- Before arrival of goods, carriers must normally lodge an **"Entry Summary Declaration"** (ENS) for risk analysis/ensures safety and security.
- ENS must normally be lodged electronically, via the EU's **Import Control System** (ICS)
- Deadline:

- road traffic: 1 hr before



- rail, inland waterways, short sea shipping: 2 hrs

- long haul flights, bulk/break bulk shipping: 4 hrs

- container shipping: 24 hrs.



Export Formalities



2. The end-use procedure



UCC
SIMPLICITY SERVICE SPEED

A MODERN FRAMEWORK
FOR CUSTOMS AND TRADE

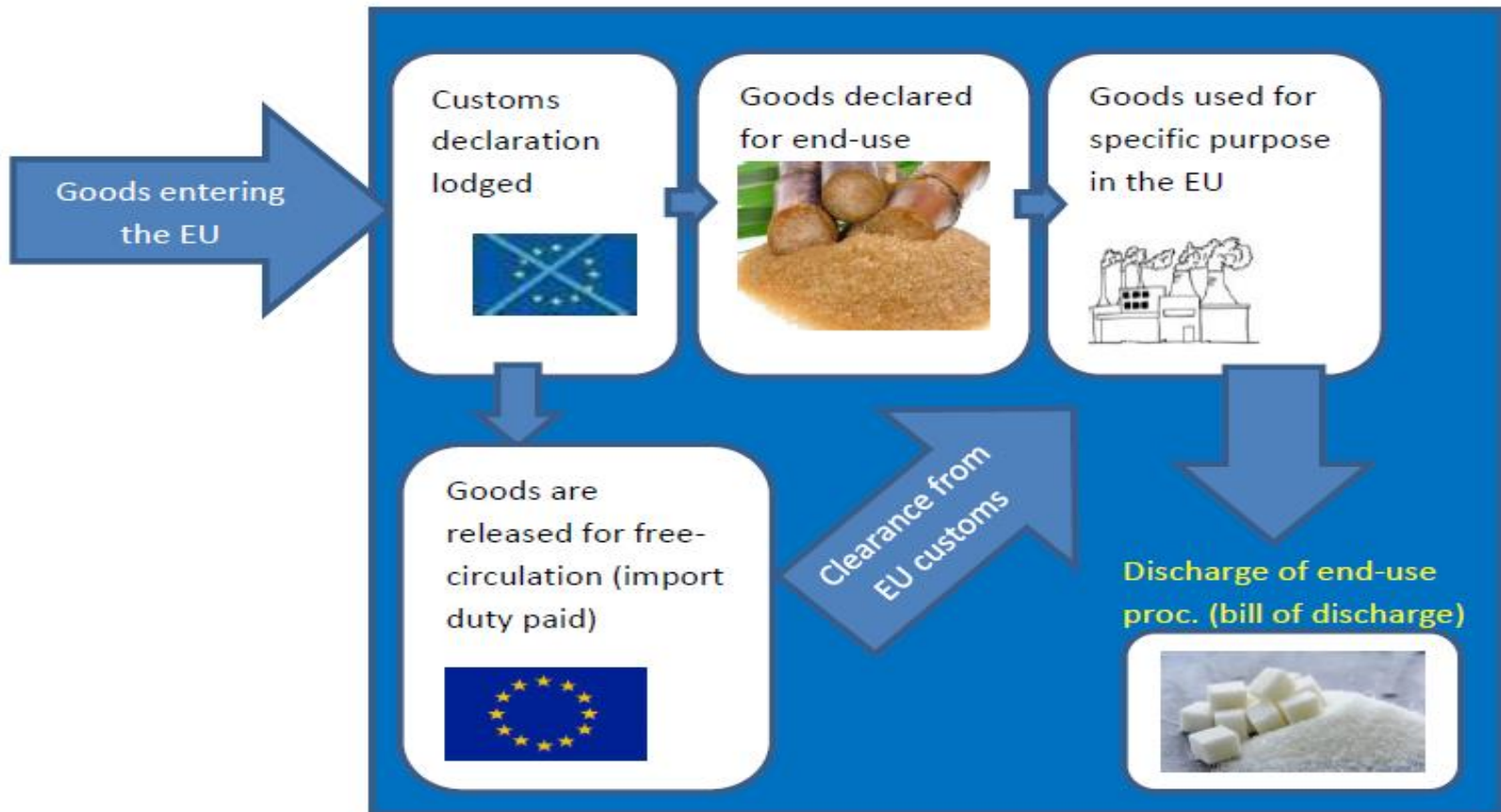
Why end-use?

- Regulation will make release for free circulation and benefit from quota to be subject to the end-use procedure
- Logical solution: release for free circulation + use of the goods for a specific purpose (refining)

How does end-use work?

- End-use: Imported goods may be released for free circulation at a reduced or zero rate of import duty if used for a specific purpose
- It allows businesses established in the EU equal footing with businesses elsewhere in the world
- An authorisation is required (normally before lodging the first import declaration)
 - Established in customs territory of the Union
 - Assurance of proper conduct of operations (no TORO)
 - Guarantee

End-use diagram



Differences between current and future legislation

- Deadline for refining:
 - Today: End of 3rd month following that in which license expires (normally the 3rd month after it was issued)
 - Future: 180 days after release for free circulation
- Engagement for the applicant to refine sugar vs prohibition of transferring such obligation

3. Electronic documents

General rule

- Article 6(1) UCC: all exchanges of information between customs and economic operators shall be made using electronic data-processing techniques
- Annex A of UCC-DA for authorisations and Annex B of UCC-DA for declarations
- But this provision will only apply if systems are ready
- Quota management system

Derogations

- Permanent basis
 - "Non-standard" requests
 - Registration from operators in "non-electronic" territories
- Transitional basis (TDA): Annex 12 TDA for end-use authorisation)
- Upgrading of the appropriate systems (customs decision system to be deployed in October 2017)

4. Harmonization of customs procedures

Measures for harmonization of customs procedures in all Member States

- Customs Expert Group
 - IP EX/IM import of organic sugar
 - Guidance
 - Amendment of UCC - DA/IA
- Proposal for amendment of UCC
- Other measures

Thank you for your attention