



National Workshop on RKC

“Specific Annex”

**11 June 2014
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**WCO Asia Pacific Regional Office for Capacity Building
(ROCB A/P)**

Specific Annex (SA)

- **SA A1 Pre-arrival lodgement**
- **SA B Importation**
- **SA C Exportation**
- **SA D Customs warehouse & Free Zone**
- **SA E Transit (Customs transit & transshipment)**
- **SA F Processing**
- **SA G Temporary admission**
- **SA H Offences**
- **SA J Special procedures
(Travellers, Postal traffic, Means of transport for
commercial use, Stores, Relief consignment)**
- **SA K Origin_**

Recommended Specific Annex (SA)

- A1 : Formalities Prior to the Lodgement of the Goods Declaration
- B1 : Clearance for home use
- C1 : Outright Exportation
- D1 : Customs Warehouse
- E1-3: Transit
- F1-4: Processing
- J5 : Special procedures (Relief consignment)

SA A.1: Formalities Prior to the Lodgement of the Goods Declaration

■ Definition

- Cargo Declaration; information submitted prior to or on arrival or departure of a means of transport
- Customs Formalities prior to the lodgement of Goods declaration; All the operations to be carried out from the time goods are introduced into the Customs territory until goods are placed under a Customs procedure

■ Basis

- Customs formalities prior to the lodgement of the goods declaration should apply equally regardless of the country of origin or departure
- NL shall specify the places for introduction of goods. Customs may specify the routes or designated offices to convey the goods if necessary for its control purposes (S3)

SA A.1: Formalities Prior to the Lodgement of the Goods Declaration

■ **Carrier's role**

- Carriers are responsible to;
 - ensure all goods are included in the cargo declaration (S4)
 - convey goods to a designated office without delay (S5)
 - take reasonable precautions in case of accident (S6)

■ **Data & Documentation**

- Customs shall not require more than information necessary to identify the goods and means of transportation (S8)
 - through commercial transport doc.
- Customs limit information requirement to that available in carrier's normal documentation (RP 9) --- list of datasets in Guideline
- Customs should accept the cargo declaration as the only required documentation (RP10) --- most accept cargo manifest
- Customs office responsible for cargo declaration should also be responsible for goods declaration (RP11)

SA A.1: Formalities Prior to the Lodgement of the Goods Declaration

■ Procedures

- Translation should not required (RP12) --- as a matter of course
- Precautions to be taken by carrier during outside business hours shall be specified(S13) --- to prevent unauthorized circulation
- Customs formalities should be allowed during outside business hours (RP14) --- request during office hour, chargeable
- Approved unloading place shall be specified in NL (S15)
- Unloading;
 - shall be permitted asap after the arrival (S17)
 - should be allowed in places other than approved places if reasons are deemed valid (RP 16)
 - should be allowed during outside the designated hours of business if reasons are deemed valid (RP18)
- Any expenses chargeable shall be limited to the approximate cost of the services rendered (S19)
 - for operation during outside of business hours, non-approved places

SA B.1: Clearance for home use

■ Definition

- Clearance of home use

Customs procedure which provides that imported goods enter into free circulation in the Customs territory upon the payment of duties and taxes chargeable and the accomplishment of all the necessary Customs formalities

- Goods in free circulation

goods which may be disposed of without Customs restriction

■ Documentation

NL 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 (RP2)

--- for goods in large volumes, low risk and non-dutiable such as newspaper, periodicals or bulk construction materials

--- alternative format; commercial document such as invoice, transport document

SA C.1: Outright Exportation

■ Definition

- Outright exportation;

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

■ Basis

- NL 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 (RP2)

--- for goods in large volumes, low risk and non-dutiable such as newspaper, periodicals or bulk construction materials

--- alternative format; commercial document such as invoice, transport document

- Customs shall not require evidence of the arrival of the goods abroad as a matter of course (S3)

■ Others

GA3.6, 3.7(declarant), GA3.11, 3.12(requirement for declaration), GA3.13(provisional/incomplete)...

SA D.1: Customs Warehouse

■ Definition

- Customs warehousing procedure;

Customs procedure under which imported goods are stored under Customs control in a designated place (a Customs warehouse) without payment of duties & taxes.

■ Type of Warehouse (Public/Private)

- NL shall provide for Customs warehouses;

-- open to any person having the right to dispose of the goods
(Public) (S2)

-- to be used solely by specified persons when it is necessary to meet the special requirement of trade (Private) (S3)

■ Basis

- Customs shall lay down the requirements for the establishment, suitability and management of the Customs warehouse and the arrangement for Customs control (S4)

--- ex. double lock, supervision, stock-keeping/accounting

SA D.1: Customs Warehouse

■ Scope of Goods

- Storage in public warehouse should be allowed for all goods unless goods are subject to prohibitions/restrictions on;
 - public morality, public safety, public health, veterinary or phytosanitary or protection of patent, trade mark

Hazardous goods should be accepted only by Customs warehouse specially designed to receive (RP5)

- The Customs shall specify the kinds of goods which may be admitted to private Customs warehouse (S6)
- Admission to Customs warehouse should be allowed for goods;
 - entitled to repayment of import duties & taxies when exported (RP7)
 - qualified to repayment or exemption of internal duties and taxies when exported (RP9)
 - under the temporary admission procedure (RP8)

SA D.1: Customs Warehouse

■ Procedure

- **The Customs shall fix the authorized maximum duration of storage in a Customs warehouse, and in the case of non-perishable goods it shall be not less than one year (S11)**
- **Authorised operation to be allowed (S10)**
 - **to inspect warehoused goods & to take samples**
 - **to carry out normal operation and necessary operation for preservation**
- **Transfer of ownership of warehoused goods shall be allowed (S12)**
- **Goods deteriorated or spoiled by accident under warehousing procedure shall be allowed to be imported as it is (S13)**
- **Removal of goods to another Customs warehouse or placing goods under another Customs procedure (S14)**
- **Goods not removed from a warehouse within a specified period (S15)**
- **In the event of the Closure of Customs warehouse sufficient time shall be given to removal of goods (S16)**

SA E.1: Customs Transit

■ Definition

- Customs transit (CT);

Customs procedure under which goods are transported under Customs control from one Customs office to another

- Office of departure;

Customs office at which a Customs transit operation commences

- Office of arrival;

Customs office at which a Customs transit operation is terminated

- Transport Unit;

(a) containers, (b) vehicles, (c) railway, (d) barges, (e) aircraft

■ Principle

- Goods under CT shall not be subject to payment of duties and taxes provided conditions are complied with and security required has been furnished (S3)

SA E.1: Customs Transit

- **Scope** - National & International Customs transit
 - **Customs shall allow goods to be transported under Customs transit in their territory; (S2)**
 - from an office of entry to an office of exit
 - from an office of entry to an inland Customs office
 - from an inland Customs office to an office of exit
 - from one inland Customs office to another
- **Responsibility of Persons**
 - **NL shall specify the persons responsible for CT (S4)**
 - **Customs should approve authorized consignors/consignees when they are satisfied conditions (RP5)**
- **Documents**
 - **Commercial/transport documents**
 - shall be accepted as the descriptive part of the Goods Declaration (S6)
 - should be accepted as Goods Declaration if they meets all the Customs requirement (RP7)

SA E.1: Customs Transit

■ Procedure

- **Customs at office of departure shall take all necessary actions to enable office of destination to identify the goods and to detect unauthorized interference (S8)**
- **Transport-units for transport of goods under Customs seal should not be required advance approval (RP9)**
- **A time limit for CT shall be sufficient (S13) and should be extended if the reason deemed valid (S14)**
- **Prescribed itinerary & Customs escort shall be required only when Customs consider such a measure is indispensable (S15)**
- **A change in the office of destination shall be accepted without prior notice except for Customs specified cases (S19)**
- **Transfer of goods from one means of transport to another shall be allowed without authorization (S20) & Mixed transportation (goods under CT & others) should be allowed (RP21)**
- **A report of accident/unforeseen events under CT should be required by Customs (RP22)**

SA E.1: Customs Transit

Seals

- **Customs seal shall be affixed to transport-units itself in general (S10)**
- **Where transport-unit cannot be effectively sealed, identification shall be assured by; (S12)**
 - **full examination of goods**
 - **affixing Customs seals to packages**
 - **a precise description by samples, photos, plans**
 - **strict routing & strict time limits**
 - **Customs escort**
- **Where identification of goods can be done by accompanying documents, Customs seal or fastening should not be required in general unless; (RP 11)**
 - **it is necessary for risk management**
 - **CT operation will be facilitated as a whole**
 - **international agreement so provides**

SA E.1: Customs Transit

Seals

- **Customs seal/fastenings for CT shall fulfil the minimum requirements laid down in the appendix this chapter (S16) (Appendix) – General requirements, Physical specification, Identification marks**
- **Customs seals & identification marks affixed by foreign Customs should be accepted for the purpose of CT unless; (S17)**
 - they are considered not to be sufficient
 - they are not secured
 - the Customs proceed to an examination of the goods
- **Where the Customs checks the Customs seals/fastenings or examine the goods, it should record the results on the transit document (RP 18)**

SA F.1: Inward Processing

■ Definition

- Inward Processing;

Customs procedure under which goods can be brought into Customs territory conditionally relieved from payment of duties & Taxes on the basis that such goods are intended for manufacturing, processing or repair and subsequent export

■ Basis & Scope

- Goods admitted for IP shall be afforded total conditional relief from duties/taxes. Duties/taxes may be collected on waste or product which that are not exported (S2)

- Inward Processing;

-- shall not be limited to goods imported directly from abroad but goods under another Customs procedure (S3)

-- should be granted regardless of the country of origin or departure except where international instrument provides for

reciprocity (RP4)

SA F.1: Inward Processing

■ Basis & Scope

- Inward Processing;
 - shall not be limited to the owner of the imported goods (S5)
 - should not be refused on the grounds that the importing goods are available in the importing country (RP6)
- The possibility of determining the presence of imported goods in the compensating products should not be imposed as a necessary condition, if identification of good can be established through Customs control or details explanation of inputs (RP7)

■ Procedure

- NL shall specify the circumstances in which prior authorization is required and authorities (S8)
- Authorization of IP shall specify the manner in which operations permitted under IP (S9) (Ex) establishing list of qualified operations
- When application for IP is made after the import, and meets the criteria, the authorization should be granted (RP10)
- General authorization for IP should be granted (RP11)

SA F.1: Inward Processing

■ Procedure

- **Competent authority**
 - shall fix or agree to the rate of yield of operation (S12)
 - should laid down standard rate of yield of operation for certain process (RP13)
- **Customs laid down identification requirements (S14)**
- **Customs fix the time limit for IP (S15) and the time limit should be able to extend if the reasons deemed valid (RP 16)**
- **Provisions should be made for continuing IP in the event of transfer of ownership under certain conditions (RP18)**
- **Processing operation should be permit to be carried out by a person other than the person accorded the facilities for IP (RP18)**
- **Export of compensating products through Customs office other than that of goods were imported shall be permitted (S19)**
- **Provision shall be made to permit termination of IP by export of compensating products in one or more consignments (S20)**

SA F.1: Inward Processing

■ Procedure

- **Re-export of the goods in the same state as imported with termination of IP shall be authorized (S21)**
- **Provision should be made for suspending or terminating IP by placing goods or compensating products under another Customs procedure subject to conditions (RP22)**
- **The amount of duties/taxes applicable in the case where compensating products are not exported should not exceed the amount of duties applicable to imported goods (RP23)**
- **Provision shall be made for terminating IP for goods lost (S24)**
- **The product obtained from the treatment of equivalent goods should be deemed to be compensating products for the purpose of this chapter (RP 25)**
- **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 (RP26)**

SA F.2: Outward Processing

■ Definition

- Outward Processing;

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 re-imported with total or partial exemption from import duties & taxes

■ Basis & Scope

- Outward Processing;

-- should not be refused on the grounds that the goods are to be manufactured or processed in a given country (RP2)

-- shall not be limited to the owner of the imported goods (S3)

■ Procedure

- NL shall enumerate the cases in which prior authorization is required and specify the authority (S4)

- General authorization should be granted (RP 5)

SA F.2: Outward Processing

■ Procedure

- **Competent authority should fix or agree to the rate of yield for OP operation (RP6)**
- **Customs laid down identification requirements (S7)**
- **Customs fix the time limit for OP (S8) and it should be able to extend if the reasons deemed valid (RP 9)**
- **Import of compensating products through Customs office other than that of goods were temporarily exported shall be permitted (S10)**
- **Provision shall be made to permit compensating products to be imported in one or more consignment (S11)**
- **Re-import of the goods exported under OP scheme in the same state with exemption from import duties/taxes shall be allowed (S12)**
- **Unless NL requires re-importation, provision shall be made for terminating OP by declaring the goods for outright export subject to conditions (S13)**

SA F.2: Outward Processing

■ Exemption

- **NL shall specify the extent of the exemption from import duties & taxes granted when compensating products are taken into home use and the method of calculation (S14)**
- **Where operation abroad is free for charge, re-importation with total exemption should be granted (RP16)**
- **The exemption from import duties/taxes**
 - **provided for in respect of compensating products shall not apply to duties/taxes which have been repaid or remitted in connection with the temporary exportation of the goods for outward processing (S15)**
 - **should be granted if the compensating products were placed under another Customs procedure prior to being declared for home use (RP17)**
 - **should be granted if the ownership of the compensating products is transferred before home use (RP18)**

SA F.3: Drawback

■ Definition

- Drawback;

Customs procedure under which when goods are exported, provides for a repayment to be made in respect of the import duties/taxes charged on the goods, or on materials contained in them or consumed in their production

■ Procedure

- NL shall enumerate the cases in which drawback may be claimed (S2)**
- Drawback should be applied in cases where goods have been replaced by equivalent goods (RP3)**
- Customs shall not withhold payment of drawback solely because the importer did not inform his intention of claiming at IM (S4)**
- Where a time-limit for**
 - the export of goods is fixed beyond which they no longer qualify for drawback, it should be extendable (RP5)**
 - claim is fixed, it should be extendable (RP6)**

SA F.3: Drawback

■ Procedure

- **Drawback shall be paid asap after the claim has been verified (S7)**
- **NL should provide for the use of electronic funds transfer for the payment of drawback (RP8)**
- **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 (RP9)**
- **Customs should pay drawback periodically on goods exported during a specified period (RP10)**

SA F.4: Processing of Goods for Home Use

■ Definition

- Processing of goods for home use (PGHU);

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

■ Procedure & Scope

- The granting of the PGHU shall be subject to conditions; (S2)
 - Customs can confirm the products resulting from PGHU have been obtained from the imported goods
 - Original state of goods cannot be economically recovered after the process
- NL shall specify the categories of goods allowed for PGHU (S3)
- PGHU shall not be limited to goods imported directly from abroad but goods under another Customs procedure (S4)

SA F.4: Processing of Goods for Home Use

■ Procedure & Scope

- **The right to process goods for home use shall not be limited to owner of the imported goods (S5)_**
- **General authorization should be granted (RP6)**
- **Customs shall approve the termination of PGHU when the products resulting from the process;**
 - **are cleared for home use (S7)**
 - **are placed under another Customs procedure subject to condition (S8)**
- **Waste/scrap resulting from PGHU shall be liable, if cleared for home use, to the import duties/taxes that applicable to such waste/scrap (S9)**

SA J.5: Relief Consignments

■ **Definition**

- **Relief Consignments;**

- Goods forwarded as aid to those affected by disaster including vehicles, foods, medical material, blankets, tents
- Equipments for disaster relief personnel in order to perform their duties and to support them in living and working there

■ **Basis**

- Clearance of relief consignments for export, transit, temporary admission and import shall be carried out as a matter of priority (S2)
- Clearance of relief consignments should be granted regardless of country of origin/arrive/destination (RP4)

SA J.5: Relief Consignments

■ Procedure

- **Customs shall provide for; (S3)**
 - **lodging a simplified/provisional/incomplete declaration subject to completion of the declaration within specified period**
 - **lodging/registering/checking a declaration and supporting documents prior to arrival and their release upon arrival**
 - **clearance outside the designated hours of business or away from Customs offices and waive any charges in this respect**
 - **examination and/or sampling of goods only in exceptional circumstances**
- **Any economic export prohibitions/restrictions and export duties should be waived for relief consignments (RP5)**
- **Free of import duties/taxes and free of economic import prohibitions/restrictions should be granted to relief consignments received as gifts by approved organizations (RP6)**

SA J.5: Relief Consignments

■ Procedure

- **Customs shall provide for; (S7)**
 - **lodging a simplified/provisional/incomplete declaration subject to completion of the declaration within specified period**
 - **lodging/registering/checking a declaration and supporting documents prior to arrival and their release upon arrival**
 - **clearance outside the designated hours of business or away from Customs offices and waive any charges in this respect**
 - **examination and/or sampling of goods only in exceptional circumstances**
- **Any economic export prohibitions/restrictions and export duties should be waived for relief consignments (RP5)**
- **Free of import duties/taxes and free of economic import prohibitions/restrictions should be granted to relief consignments received as gifts by approved organizations (RP6)**