

PROCESSING UNDER CUSTOMS CONTROL GUIDELINES FOR TRADERS

NOTE: It should be noted that these guidelines are intended for general information purposes only and do not purport to be a legal document

July 2009



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SECTION 1

INTRODUCTION

1 What is Processing under Customs Control?

Processing under Customs Control (PCC) is the term used to describe a duty relief procedure established under Council Regulation (EEC) No. 2913/92. PCC allows goods to be imported into the European Union (EU) for processing without payment of import duties. The customs duty becomes payable at the rate applicable to the finished product when it is released onto the Community Market. PCC also suspends Excise duty and VAT.

In order to qualify to use PCC, the rate of duty on your finished product must be lower than that applicable to the import goods.

2. Who can use PCC?

- Individuals, partnerships or corporate bodies established within the European Community, acting on their own behalf or representing a non Community body;
- Individuals, partnerships or corporate bodies established outside the European Community provided imports are of a non-commercial nature.

3. How PCC works

Using the PCC arrangements you can:

- Import goods from outside the EU with all customs charges suspended;
- Process them in your own premises or have them processed for you; and
- Pay duty at the rate which applies to the processed products (rather than the import goods) when you put them into free circulation.

4. Eligible Processes:

Revenue can authorise processes only where:

- The imported goods can be identified in the processed products;
- It would not be economically viable to restore the processed goods to their original condition;
- Use of the procedure enables processing activity to be created or maintained in the Community without harming the essential interests of Community producers of similar goods.

The specific processes allowable under PCC arrangements are listed in Annex 76 of Commission Regulation (EC) 2454/93 – see Appendix 1.

5. Definitions

In the context of this Notice:

- (i) “main compensating product” means the main product resulting from the processing operations;
- (ii) “secondary compensating product” means any product, other than the main product, resulting from the processing operations;
- (iii) “goods” in the unaltered state” means goods in the same condition as when they were placed under the PCC procedure;
- (iv) “import duties” means
 - Customs duties;
 - charges having equivalent effect to Customs duties;
 - import charges provided for under the Common Agricultural Policy or under specific arrangements applicable to certain goods resulting from the processing of agricultural products.
- (v) “import goods” means the non-Community goods which have been placed under an PCC arrangement;
- (vi) “processing operations” means anything from repacking and sorting to the most complicated manufacture;
- (vii) “usual forms of handling” means such handling operations as are needed to ensure preservation of goods or to improve packaging or marketable quality and which, under Community rules, may be carried out in Customs warehouses and free zones. A list of such handling operations is contained in Appendix I.
- (viii) “release for free circulation” means released on to the community market for sale and consumption in the Community.
- (ix) “Customs approved treatment or use” means any use to which goods are put which is approved by Customs e.g. re-export, entry into warehouse or Free Zone, destruction, release for free circulation, entry to another customs procedure.

SECTION II

APPLYING FOR AUTHORISATION

6. Authorisation.

You must be authorised to use the PCC procedure. Authorisations are issued to the person who processes the goods or arranges for them to be processed on their behalf. If you subcontract processing, the subcontractor must either hold their own authorisation or be named on your authorisation.

If an application (including processing on your behalf by other companies) is approved, you will be the authorisation holder. Other companies included as operators on your authorisation may only receive, process, dispose of or transfer PCC goods as specified in your authorisation.

7. Economic Conditions.

In certain cases EC legislation requires an examination of the economic conditions to establish whether the use of PCC will enable processing activity to be created or maintained in the Community without harming the essential interests of Community producers of similar goods. Goods and processes included in Part A of Annex 76 (see Appendix I) are deemed to have the economic conditions fulfilled and therefore an economic test is not required. However, applications which are not covered by Part A of Annex 76 must be referred to the Dept of Enterprise Trade and Employment for an economic test. In the case of CAP goods the application is referred for a recommendation to the Customs Code Committee which meets in Brussels.

8. Application Process

Application forms are available on the Revenue website at www.revenue.ie under Customs – Businesses & Customs – Economic Procedures or can be obtained from Economic Procedures Section, Revenue Commissioners, St. Conlon's Road, Nenagh, Co. Tipperary:

A fully completed application, signed by a competent officer of the company, must be submitted to Economic Procedures Section. Authorisations are generally issued for a three-year period except in the case of sensitive goods, for which a three or six month authorisation will be issued.

9. Integrated Authorisation

If you need an authorisation to include use of other customs procedures (e.g. Inward Processing) as well as PCC you can apply for an integrated authorisation.

You will need to specify in your application under which procedure the goods will be entered and under which procedure the compensating products will be discharged.

10. Simplified Authorisation

Traders who only make occasional imports to Processing under Customs Control (PCC) may opt for a simplified application procedure rather than applying for and securing authorisation in advance of importation. Under the arrangement, lodgement of the declaration entering the goods constitutes an application. To facilitate the efficient operation of this system, an application form for the Simplified Procedure is available which should be completed and lodged with the import SAD. This form can be obtained from Economic Procedures Section or from the Revenue website.

It is not permissible to use the simplified application procedure:

- Where sensitive goods included in Annex 76 part B are concerned – see appendix I
- Where processing will take place in more than one Member State (Single Community-wide Authorisation,) (see para.11)

In order to enter goods to this procedure the full amount of duty must be paid on deposit. The deposit will be refunded when the goods have been properly discharged from the procedure. In order to ensure adequate control of this procedure, a copy of the import SAD accompanied by the application form referred to above must be submitted to the relevant Revenue Office within two days of the goods having been entered. Otherwise applications for this simplified procedure will be refused.

11. Single Community-Wide Authorisation.

A single community-wide PCC authorisation allows the holder to carry out processing operations in more than one Member State. An application for a single authorisation must be submitted to the customs authorities in the Member State where the applicant's main accounts are held and must include the following details:

- names and addresses of all operators;
- details of the sequence of operations;
- exact locations at which these operations are to take place;
- the address of the customs office for each location;
- confirmation that all operators named in the application are aware of their involvement.

SECTION III

ISSUE OF AUTHORISATION

12. Meeting with local Revenue Official

On receipt of your application a copy is referred to the Revenue Office in your area. An official from there will arrange a visit to your premises. The purpose of this visit is to confirm the following:

- the quantity of import goods required to produce a given quantity of finished products – rate of yield;
- is there any waste or scrap by-products from the process;
- the time limit for completing the process – period of discharge;
- what the goods are;
- period of validity;
- details of processing;
- how goods are disposed of;
- identification of goods;
- amount of security.

13. Period of validity.

The period of validity of an authorisation is normally three years. If the process is one which requires the Dept of Enterprise Trade and Employment or the Customs Code Committee to carry out an economic test the period of authorisation granted may be shorter than three years.

14. Recommendation

The Revenue Official who visits your premises will immediately forward a recommendation to Economic Procedures Section on whether the authorisation should be granted

15. Issue of Authorisation.

In normal circumstances it will take approximately 4 weeks from the date of receipt of an application for an authorisation to issue. A number of factors may cause this period to be extended:

- Application for single community wide authorisation;
- Application for retrospection;
- Completion of the Economic Test;
- Provision of security;

In the case of a first application for PCC the authorisation will be delivered to you by your local Revenue Official. A set of conditions relating to the use of the authorisation will have to be signed by the Secretary or Managing Director in the case of a limited company, or by the owner or partner

in the case of other traders.

16. Retrospective Authorisation

Authorisations generally take effect from the date the application was submitted. If an application concerns renewal of an authorisation for the same kind of operation and goods, the authorisation may be granted with retrospective effect from the date the original authorisation expired. In exceptional circumstances, the retrospective effect of an authorisation may be extended further, but not more than
one year before the date the application for retrospection was submitted.

SECTION IV

OPERATION OF THE PROCEDURE

17. Security.

Under PCC, security in the form of a bond must be provided to cover the duty suspended on the import goods. As the execution of a bond can take some time, temporary cover using what is referred to as a cover note must be arranged and presented to Revenue before your authorisation can issue. Cover notes are normally issued by an Insurance Company or Bank. The security must be for a minimum amount of €7,000. There is a strict legal wording for cover notes and this is available from Economic Procedures Section.

18. Supervision / Audit

Traders must be able to account for all goods entered to the PCC procedure and be able to provide relevant information to a Revenue Official if required. Your accounts and the operation of your authorisation may be subject to a Revenue Audit at any time. The Automated Entry Processing system includes an automatic verification process for authorised PCC traders. This process verifies a trader's right to use a procedure code by cross-referencing their data against stored authorisation data. This cross-referencing also applies to the Tariff codes on the authorisation. Any deviation from the data included on the authorisation will result in AEP rejecting the entry. In the case of single community-wide authorisations, overall control rests with the issuing Member State (MS). However, each MS on the authorisation may put in place specific controls for the procedure taking place in their administration.

19. Discharge of liability

The discharge of PCC is regarded as complete when all conditions for use of the procedure have been complied with and the compensating products or goods in the unaltered state are:

- Exported from the Community;
- Transferred to another Customs Procedure or to another operator authorised to use one of those procedures e.g. Customs Warehouse, Free Zone, Inward Processing (IP), Temporary Importation – see para 23;
- Transferred to another Member State to be entered to another Customs Procedure in that Member State;
- Transferred to a Customs Approved Use such as Export Shops, armed forces, Embassies, ships stores;
- Used for the first time in the manufacture repair, modification or conversion of Civil Aircraft or spacecraft or parts thereof or related equipment;
- Released for free circulation in the Community with payment of duty, import VAT and compensatory interest (suspension goods);
- Destroyed under customs supervision;
- Abandoned to the Exchequer.

20. Bill of discharge.

A bill of discharge must be forwarded to the local Customs Administration Unit within thirty days of the expiry of the time limit for discharge.

The bill of discharge must contain the following particulars:

- the authorisation number;
- the quantity by type of import goods and reference particulars of the declarations entering them for the procedure;
- the CN code of the import goods;
- the customs value of the import goods;
- the rate of yield set;
- the nature and quantity of the processed products and the customs-approved treatment or use to which they are assigned, together with reference particulars of the declarations assigning the said products to a customs-approved treatment or use;
- where customs value is determined as the import goods plus the processing costs, the processing costs are to be given;
- the CN code of the processed products.

21. Period for discharge

The period of discharge is the period required to enter, process and dispose of the PCC goods. The period required must be specified on your application and will be verified by your local Revenue Official during the initial visit to your premises. For certain agricultural goods this period may be limited to a period of 3 or 6 months.

22. Rate of yield.

The rate of yield is the quantity of processed product made from a unit quantity of import goods. The expected rate of yield or the method by which it will be calculated must be specified in your application. This rate will be verified by the local Revenue Official during the initial visit to your premises. In cases where the rate of yield is not known at the time of application or the rate may vary, you should record on your application that you intend to use your production records as the basis for establishing the rate. If you have entered the rate of yield on the application/authorisation and the rate subsequently changes or is incorrect, you must inform the local Revenue Official.

For certain processing operations on agricultural goods the Commission has set standard rates of yield. Further details on standard rates of yield are available on request from Economic Procedures Section.

23. Transfer Procedure for PCC Goods.

Goods entered under PCC authorisation may be transferred from one authorisation holder to another

or between operators. You must ensure when completing your PCC application that you provide the name(s) and address(s) of any operators who will handle your goods and the locations where the goods will be processed and transferred.

24. Transfer from one authorisation holder to another.

Transfer from one authorisation holder to another can only take place where the latter enters the transferred goods for the arrangements using the local clearance procedure. Notification to the customs authorities and entry in the records of the goods must take place upon their arrival at the premises of the second holder thereby discharging the first holder's liability. The transfer may take place under Normal Simplified Procedure as outlined in Appendix IV.

25. Transfer of Goods under a Single Authorisation

Subject to the agreement of the Member States involved, goods can be transferred from the authorisation holder to an operator in another Member State without customs formalities. The authorisation holder retains responsibility for maintenance of accurate records that show where the goods are at all times. The operator must also keep records to show where the goods are and what process they undergo.

26. Transfer of goods from an authorisation holder to an operator

Goods can be transferred from the authorisation holder to an operator within Ireland without customs formalities. The authorisation holder retains responsibility for maintenance of accurate records that show where the goods are at all times. The operator must also keep records to show where the goods are and what process they undergo.

27. Transit.

PCC goods may be transferred by use of the Transit procedure. For further details you should contact Transit Section in Nenagh Tel: 067 – 63440.

28. Goods not accounted for.

The appropriate import duties must be paid on any goods covered by a PCC arrangement which are not satisfactorily accounted for.

29. Destruction under Customs supervision.

Application for permission to destroy compensating products or goods in the unaltered state should be made to your local Revenue Office, before destruction takes place. Where destruction deprives the products or goods of all value, no import duties will be payable. Otherwise, the waste and scrap resulting from the destruction must itself be dealt with in one of the ways outlined at paragraph 20.

30. Restrictions, prohibitions, etc

Goods entering PCC are not exempt from import and/or export prohibitions and restrictions. Licensable goods subject to quantitative restrictions, goods subject to Tariff Quotas or other quantitative import restrictions etc may be entered to PCC. If goods are released for free circulation they must comply with any commercial policy measures applicable.

31. Where to get more information

Further information may be obtained from: -

Office of the Revenue Commissioners,
Economic Procedures Section,

Customs Division,
Government Offices, Nenagh,
Co. Tipperary.

Tel. 067 - 63204 / 63237

E-mail: revcep@revenue.ie

Fax. 067 - 32373

Lo-call: 1890 25 45 65

Or visit the Revenue Website at www.revenue.ie

The legislation governing the procedure is contained in the following table:

REGULATION	OFFICIAL JOURNAL
Council Regulation (EEC) No. 2913/92	No. L302 of 12 October 1992
as amended by Regulation (EC) No. 2700/2000 of the	No. L311 of 12 December 2000
Commission Regulation (EEC) No. 2454/93	No. L253 of 11 October 1993
as amended by Regulation (EC) No. 993/2001	No. L141 of 28 May 2001

The relevant journals are available from the Government Publications Office, Molesworth St.,
Dublin 2.

APPENDIX I

ANNEX 76

**Economic conditions in the framework of the arrangements for
Processing Under Customs Control
(Article 552)**

Part A

The economic conditions shall be deemed to be fulfilled for the following types of goods and operations:

	<i>Column 1</i>	<i>Column 2</i>
Order No	Goods	Processing
1	Goods of any kind	Processing into samples presented as such or put up into sets
2	Goods of any kind	Reduction to waste and scrap or destruction
3	Goods of any kind	Denaturing
4	Goods of any kind	Recovery of parts or components
5	Goods of any kind	Separation and/or destruction of damaged parts
6	Goods of any kind	Processing to correct the effects of damage to the goods
7	Goods of any kind	Usual forms of handling permitted in customs warehouses or free zones

8	Goods of any kind	Processing into products of a kind to be incorporated in or used for civil aircraft for which an airworthiness certificate is issued by a company authorised for such operations by the European aviation authorities or the aviation authorities of a third country
9	Goods covered by Article 551(1) second indent	Any form of processing
10	Goods of any kind not subject to a(n) agricultural - or commercial policy measure or provisional or definitive antidumping - or provisional or definitive countervailing duty	Any form of processing, where the import duty advantage resulted by using the arrangements does not exceed the value of 50 000 euro per applicant and per calendar year. (See appendix III)
11	Any electronic type of components, parts, assemblies (including sub-assemblies), or materials (whether or not electronic), which are vital to the electronic working performance of the processed product	<p>Processing into information technology products:</p> <p>1. covered by the Agreement on trade in information technology products which has been approved by Council Decision 97/359/EC¹, where a duty exemption operates on the date of authorisation, or</p> <p>2. falling within a CN subheading provided for in Articles 1, 2 or 3 of Council Regulation (EC) No 2216/97², where a duty exemption operates on the date of authorisation</p> <p>¹ OJ L 155, 12.6.97, p.1 (the Information Technology Agreement). ² OJ L 305, 8.11.97, p.1.</p>

<p>12</p>	<p>Solid fractions of palm oil falling within CN code 1511 90 19 or Fluid fractions of palm oil falling within CN code 1511 90 91 or Coconut oil falling within CN code 1513 11 10 or Fluid fractions of coconut oil falling within CN code ex 1513 19 30 or Palm kernel oil falling within CN code 1513 21 11 or Fluid fractions of palm kernel oil falling within CN code ex 1513 29 30 or Babassu oil falling within CN code 1513 21 19.</p>	<p>Processing into:</p> <ul style="list-style-type: none"> - Mixtures of fatty acids falling within CN codes 3823 11 00, 3823 12 00, ex 3823 19 10, ex 3823 19 30 and ex 3823 19 90 - Fatty acids falling within CN codes 2915 70 15, 2915 70 25, 2915 90 10, ex 2915 90 80, ex 2916 15 00 and ex 2916 19 80 - Mixture of methyl esters of fatty acids falling within CN code ex 3824 90 95 - Methyl esters of fatty acids falling within CN codes ex 2915 70 20, ex 2915 70 80, ex 2915 90 80, ex 2916 15 00 and ex 2916 19 80 - Mixture of fatty alcohols falling within CN code 3823 70 00 - Fatty alcohols falling within CN codes 2905 16 80, 2905 17 00 and 2905 19 00 - glycerol falling within CN code 1520 00 00
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13	Castor oil falling within CN code 1515 30 90	<p>Processing into:</p> <ul style="list-style-type: none"> - hydrogenated castor oil ("opal-wax") of CN code 1516 20 10 -12-hydrostearic acid (purity less than 90%) of CN code ex 3823 19 10 -12-hydrostearic acid (purity 90% or more) of CN code ex 2918 19 99 - glycerol of CN code 2905 45 00
14	Tobaccos falling within Chapter 24 of the CN	Processing into "homogenised" or "reconstituted" tobacco falling within CN code 2403 91 00 and/or tobacco powder falling within CN code ex 2403 99 90
15	<p>Raw or unmanufactured tobacco falling within CN code 2401 10</p> <p>Raw or unmanufactured tobacco partly stemmed/ stripped falling within CN code ex 2401 20</p>	Processing into partly or wholly stemmed/stripped tobaccos falling within CN code 2401 20 and into tobacco refuse falling within CN code 2401 30 00
16	Products falling within CN codes: 2707 10, 2707 20, 2707 30, 2707 50, 2707 91 00, 2707 99 30, 2707 99 91, 2707 99 99 and 2710 00	Processing into products falling within CN codes: 2710 00 71 or 2710 00 72

17	Crude oils falling within CN codes 2707 99 11	Processing into products falling within CN codes 2707 10 90, 2707 20 90, 2707 30 90, 2707 50 90, 2707 99 30, 2707 99 99, 2902 20 90, 2902 30 90, 2902 41 00, 2902 42 00, 2902 43 00, 2902 44 90
18	Gas oils with a sulphur content exceeding 0,2 % by weight falling within CN code 2710 00 68 Kerosene falling within CN code 2710 00 55 White spirit falling within CN code 2710 00 21	Mixture of the goods in column 1 or a mixture of one and/or other of the goods in column 1 with gas oil with a sulphur content not exceeding 0,2 % by weight falling within CN code 2710 00 66 or 2710 00 67 to obtain a gas oil with a sulphur content not exceeding 0,2 % by weight falling within CN code 2710 00 66 or 2710 00 67
19	PVC material falling within CN code 3921 90 60	Processing into filmscreens falling within CN code 9010 60 00
20	Skating boots without skates attached of CN code 6402 19 00 Skating boots without skates attached of CN code 6403 19 00	Processing into: Ice skates of CN code 9506 70 10 Roller skates of CN code 9506 70 30
21	Motor chassis fitted with cabs, of CN code 8704 21 31	Processing into fire engines fitted with integral fire fighting and/ or life saving equipment, of CN code 8705 30 00

Part B

The economic conditions shall be examined in the Committee for the following types of goods and operations, which are not covered by Part A:

	Column 1	Column 2
	Goods	Processing
	All goods subject to a(n) agricultural measure or provisional or definitive antidumping – or provisional or definitive countervailing duty	Any form of processing

APPENDIX II

Annex 72

LIST OF USUAL FORMS OF HANDLING PERMITTED IN CUSTOMS WAREHOUSES OR FREE ZONES

Unless otherwise specified, none of the following handling may give rise to a different eight-digit CN code.

1. Simple operations to ensure the preservation of the import goods in good condition during storage:
 1. Ventilation, spreading-out, drying, removal of dust, simple cleaning operations, repair of packing, elementary repairs of damage incurred during transport or storage insofar as it concerns simple operations, application and removal of protective coating for transport.
 2. Stocktaking, sampling and weighing of the goods.
 3. Removal of damaged or contaminated components.
 4. Conservation by means of irradiation or the addition of preservatives.
 5. Treatment against parasites.
 6. Any treatment by lowering the temperature, even if this results in a different eight-digit CN code.

- II. The following operations improving the presentation or marketability of the import goods:
 1. Stemming and/or pitting of fruit.
 2. Assembly and mounting of goods, only if this concerns the mounting onto a complete product of accessories which do not play an essential role in the manufacture of the product, even if this results in a different eight-digit CN code for the mounted goods or accessories.
 3. Desalination, cleaning and butting of hides.
 4. Addition to goods, of one or more different types of goods, in as long as this addition is relatively small and does not change the nature of the original goods, even if this results in a different eight-digit CN code for the added goods; the added goods could also be products which were placed under the warehousing regime, or which were placed in a free zone or free warehouse.
 5. The dilution of fluids, even if this results in a different eight-digit CN code.
 6. The mixing between them of the same kind of goods, with a different quality, in order to obtain a constant quality or a quality which is requested by the customer, without changing the

nature of the goods.

7. Dividing of goods if only simple operations are involved.

III. The following operations preparing the import goods for distribution or resale:

1. Sorting, mechanical filtering, classification and shifting.
2. Adjusting and regulating.
3. Packing, unpacking, change of packing, decanting and simple transfer into containers, even if this results in a different eight-digit CN code.
4. The affixing and altering of marks, seals, labels, price tags or other similar distinguishing signs; this may not give rise to the obtaining of an apparent origin different from the real one.
5. Testing, adjusting and putting into working order of machines, apparatus and vehicles, if only simple operations are involved.
6. Testing in order to control the compliance with European technical standards.
7. Cutting up and breaking down of dried fruits or vegetables.
8. Anti-rust treatment.
9. Reconstruction of the goods after transport.
10. The raising of temperature in order to allow the goods to be transported.
11. Ironing of textiles.
12. Electrostatic treatment of textiles.

APPENDIX III

Example on the calculation of the “import duty advantage.

	<i>Without PCC</i>	<i>With PCC</i>
<i>Goods/import goods</i>	<i>Tubes of iron</i>	<i>Tubes of iron</i>
<i>Customs value/ customs value after PCC</i>	<i>100.000 EURO</i>	<i>350.000 EURO</i>
<i>Processing costs</i>	<i>---</i>	<i>250.000 EURO</i>
<i>Processed products</i>	<i>---</i>	<i>Seats with metal frames</i>
<i>Duty rate</i>	<i>4%</i>	<i>Free</i>
<i>Amount of import duty</i>	<i>4.000 EURO</i>	<i>0 EURO</i>
<i>Import duty advantage</i>	<i>4.000 EURO</i>	

APPENDIX IV

Annex 68

Transfer of goods or products by the arrangements from the holder of one authorisation to the holder of another

Normal Procedure (3 SAD copies)

1. Where the goods or products are transferred from the holder of one authorisation to the holder of another, a form corresponding to the Single Administrative Document, shall be completed on copies 1, 4, and an additional identical copy to copy 1.
2. Before a transfer takes place, the supervising office dealing with the holder of the first authorisation shall be notified of the proposed transfer, in a manner which that office shall determine, in order to enable the performance of any checks considered necessary.
3. Additional copy 1 shall be retained by the first holder (the sender of the goods or products) and copy 1 forwarded to his supervising office.
4. Copy 4 shall accompany the goods or products and be retained by the second holder.
5. The supervising office of the first holder shall forward copy 1 to the supervising office of the second holder.
6. The second holder shall issue the first holder a receipt for the transferred goods or products specifying the date of their entry into the records which the latter shall retain.

Simplified procedures:

I Using 2 SAD copies

7. Where goods or products are transferred from one holder to another without discharge of the arrangements only copies 1 and 4 of the document referred to in paragraph 1 of Section A shall be completed.
8. Before the goods or products are transferred, the supervising office shall be informed of the intended transfer in the manner that they shall stipulate, to enable them to carry out any controls they consider necessary.
9. The first holder (the sender of the goods or products) shall retain copy 1.
10. Copy 4 may accompany the goods or products and be retained by the second holder.
11. Paragraph 6 of Section A shall apply.

II. Using other methods instead of the SAD where the necessary information is provided

- data processing,

- commercial or administrative documents or
- any other document.

APPENDIX V

Conditions

General conditions to be observed by persons authorised to engage in a Processing under Customs Control arrangement.

1. The Authorisation is issued by the Revenue Commissioners and may be revoked for non-compliance with Community legislation governing Processing under Customs Control.
2. All PCC Authorisations are issued in accordance with a recommendation made by the Department of Enterprise, Trade and Employment or the European Commission. Authorisations are subject to review and remain in effect only as long as that recommendation continues.
3. Acceptance of these conditions does not relieve the Authorisation holder from compliance with the law and regulations for the time being in force relating to PCC or to the importation, transshipment, exportation, warehousing or entry for free circulation of goods including the submission of Intrastat and/or VIES declarations.
4. The Authorisation holder is responsible for ensuring that the tariff code quoted on the Authorisation are correct
5. The Authorisation holder must notify Revenue if any tariff code included in the Authorisation becomes liable to an agricultural measure, anti-dumping duty or countervailing duty.
6. The Authorisation holder is agreeable to the transmission by the Revenue Commissioners of statistical information relating to goods imported under the arrangement to the EU Commission.
7. The Authorisation must be available in support of the customs entry or other declaration placing the goods under the arrangement. It must also be produced at any time (if so required) for inspection by any Officer of the Revenue Commissioners.
8. Each consignment of goods imported under PCC must be entered in the Automated Entry Processing (AEP) System, in accordance with the AEP Trader Guide. The appropriate procedure code (first two digits: 91) must be inserted in box 37 of the SAD. The Authorisation number must be quoted in box 44.
9. In the case of goods imported through the parcel post, the words "Imported under PCC arrangements" must form part of the sender's declaration affixed to the parcel.
10. Accounts must be kept at the premises of the Authorisation holder showing the quantity of all the goods:-
 - (a) imported or otherwise received under the arrangement,
 - (b) used in manufacture,
 - (c) exported outside the Community after having undergone the process of manufacture, the quantity of the compensating products concerned being also given,

- (d) placed on the Community market,
- (e) destroyed under customs supervision, or otherwise accounted for as waste,
- (f) transferred to other approved regimes,
- (g) remaining on hands at the end of any approved period

The accounts must contain adequate detail to enable each transaction to be traced and checked against inward and outward movements of materials approved under the arrangement.

In the case of (a), particulars of each consignment received must be recorded under a unique sequential reference and include the internal materials control references allocated by the trader. This record must include the import SAD reference for imports and other recognised references for other receipts.

In the case of (c), particulars of each dispatch of compensating products must be recorded under a unique sequential reference number and include the business commercial reference numbers. This record must include the export SAD reference for goods for export and other recognised references for other deliveries and transfers.

In the case of (d), where any of the imported goods are liable to excise duties, separate accounts must be kept in respect of the quantities placed on the home market and the market of other Member States.

11. On discharge of the arrangements it must be possible to identify the import goods in the processed products. Samples of the goods imported and of the processed products must be provided to the Control Officer on demand.
12. In respect of each period of ____ months, commencing from the first day of each quarter, a summary of the accounts required under condition 10 must be furnished in the form of a bill of discharge / balanced statement to the relevant Revenue Office within ten days from the termination of such period, and each such return must be certified by the Secretary or by a duly authorised official to be a full and true account of all transactions related to the arrangement which took place during the period in question.
13. The goods imported or otherwise received without payment of import duties under the arrangement, either in the form of processed goods or goods in the unaltered state, must be:
 - (i) entered for free circulation on the Community market with duty, levy or other like charge being paid on any goods attracting such charges;
 - (ii) exported outside the Community, the goods being produced before exportation to a Revenue Official for examination;
 - (iii) placed in a free zone or under another customs procedure or placed again under customs control for processing;
 - (iv) destroyed under customs supervision, waste or scrap resulting from this destruction being dealt with under any one of methods (i) to (v);
 - (v) abandoned to the State.
14. Waste or scrap resulting from a processing operation which ceases to have any value may be entered for free circulation without attracting duty, levy or other like charge.

15. Where processed goods or goods in an unaltered state are exported, a SAD entry must be made to the AEP system in accordance with the AEP Trader Guide. The appropriate procedure code (last two digits: 91) must be inserted in box 37 of the SAD. The Authorisation number must be quoted in box 44 of the SAD together with the invoice/serial number of the export consignment as shown in the Authorisation holder's accounts. The entry must be supported by the export documents required by the regulations.
16. Duty must be paid on demand on any dutiable goods which at any time are not shown to have been processed and the arrangement discharged under these conditions to the satisfaction of the Revenue Commissioners.
17. Import duty must be paid before any processed goods or goods in an unaltered state are entered for free circulation on the Community market unless an arrangement for deferred payment of such duties has been approved by the Revenue Commissioners. Where the processed goods are subject to commercial policy measures, the appropriate quota licence/import Authorisation issued by the Department of Enterprise, Trade and Employment must be produced.
18. The Authorisation holder is responsible for ensuring that s/he complies with the provisions for the time being in force in relation to the payment of Value Added Tax.
19. The Authorisation holder must co-operate fully with Revenue in all necessary enquiries undertaken in relation to the customs valuation of goods imported under the arrangement.
20. A general bond in an adequate penalty must be entered into or alternative security provided for the due observance of these conditions.
21. All necessary assistance and co-operation must be provided to Revenue in exercising control of the arrangements and in establishing agreement between official records and the records of the Authorisation holder.
22. Where the Authorisation issued by the Revenue Commissioners provides for use of a local clearance procedure, such procedure applies only to goods held under PCC and provides strictly for the receipt of goods/products from other Authorisation holders. It does not provide for the receipt of other goods at the Authorisation holder's premises. The trader is obliged to notify their local Revenue Office of the receipt of goods from other Authorisation holders and to enter such in their records.
23. Revenue reserves the right to vary or add to the conditions set out above.

I/We hereby certify that the conditions (1) to (23) set out above are accepted and I/we undertake to comply with them.

Signed*: _____

Designation of Signatory:

on behalf of: _____

(Name of holder of Authorisation)

Date: _____

*When the Authorisation is issued to an individual, the signatory should be that individual. In the case of a limited company, the Signatory should be the Secretary or Managing Director or General Manager, and in the case of any other trading entity, the owner or partner. A responsible official other than those mentioned may also sign provided he/she is duly authorised in writing to accept liability.

In the case of a non-resident individual, limited company or other trading entity the signatory should be the lawfully appointed Attorney of the holder of the Authorisation, resident in the State.