

The Union Transit Procedure (including TIR)

and

the Customs Status of Goods

General information on those aspects of the Union Transit Procedure and on the Status of Goods for Customs purposes which are likely to be of practical concern to Irish exporters, importers, carriers, customs clearance agents and others involved in international trade.

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SECTION 1 – INTRODUCTION

1. Purpose of this Notice

The purpose of this notice is to provide general information on those aspects of the Customs Transit Procedure (“Transit”) and the customs status of goods in the European Union (the “Union”) which are likely to be of practical concern to Irish exporters, importers, carriers and customs clearance agents involved in international trade. The notice is intended for general information purposes only and Transit users should consult the relevant legislation – see paragraph 4 below.

2. What is Transit?

Transit is a customs facility available to operators that allows for the movement of goods across international borders under customs control while ensuring that any charges due on those goods in their country of destination are secured. There are various types of Transit depending on the circumstances and the countries through which the goods are passing.

3. Types of Transit

There are three types of Transit:

- (1) **Union Transit:** allows for the movement of goods within the customs territory of the Union; - see Section 3
- (2) **Common Transit:** allows for the movement of goods:
 - between the Union, the Common Transit Countries (i.e. Iceland, Norway, Switzerland, Liechtenstein, Turkey, former Yugoslav Republic of Macedonia, Serbia). and
 - between the Common Transit Countries themselves;

The combined territories of the Union, and the Common Transit Countries are known as the Common Transit Area – see Section 4, and

- (3) **TIR: (Transport Internationaux Routiers)** allows for the movement of goods internationally over one or more frontiers and where some portion of the journey between the start and end of the TIR operation is conducted by road – see Section 12 for more details.

4. Legislation applying to Transit

The legislation governing Union Transit and Customs Status is contained in:

- [Union Customs Code as Regulation \(EU\) No. 952/2013](#)
- [UCC Delegated Act as Commission Delegated Regulation No. 2015/2446](#)
- [UCC Implementing Act as Commission Implementing Regulation No 2015/2447](#)
- [UCC Transitional Delegated Act as Commission Delegated Regulation No 2016/341](#)

The legislation governing Common Transit is contained in the Convention between the European Union and the Common Transit Countries on a Common Transit Procedure.

[Convention on a common transit](#)

The legislation governing TIR is the TIR Convention 1975.

SECTION 2 – DEFINITIONS

5. Definitions

“Union goods” are goods which, unless an export refund under the Common Agricultural Policy (CAP) or other refund has been claimed on them:

- originate in the European Union; or
- have been imported from a non-Union country and have been put into free circulation (see below) in the Union; or
- have been manufactured in the Union from materials or parts imported from a non-Union country provided the imported materials or parts are in free circulation.

“Non-Union goods” are goods from outside the Union on which no duty has been paid and no import formalities have been fulfilled.

“Holder of the Procedure”: the person who lodges the customs declaration, or on whose behalf that declaration is lodged; or

the person to whom the rights and obligations in respect of a customs procedure have been transferred.

“Common Transit Country”: means any country, other than a Member State of the Union that is a contracting party to the Convention on a Common Transit procedure.

Business Continuity Procedure: procedure based on the use of paper documents, established to allow the lodging of the transit declaration and follow-up of the transit operation where it is not possible to use the procedure based on electronic data-processing techniques

“Free circulation” is a term used to describe imported goods on which all import formalities have been complied with and any customs duties or other charges have been paid and not repaid in whole or in part.

SECTION 3 - UNION TRANSIT

6. What is Union Transit?

Union Transit is a system which allows for the movement, under Customs control, of goods that are not in free circulation through the Union and also for the movement of free circulation goods in certain circumstances. It comprises two separate procedures:

- (1) the External Union Transit Procedure (T1); and
- (2) the Internal Union Transit Procedure (T2).

7. Purpose of the External Union Transit Procedure (T1)

The purpose of the External Union Transit Procedure (T1) is to facilitate the movement of Non-Union goods within the Union under Customs control while ensuring that any charges payable are secured. The import charges on such goods are suspended and collected at the Customs office of destination in the Member State specified and not at the external frontier.

Specifically, the External Union Transit Procedure (T1) applies to the movement of:

- (1) Non-Union Goods on which import duties have not been paid; and
- (2) Union goods which:
 - are moving through the Union in the course of export to a Common Transit country
or
 - transit the territory of a Common Transit country in the course of export; **and**
 - have undergone customs export formalities with a view to the granting of export refunds on export to third countries under the CAP; **or**
 - are from intervention stocks, are subject to control as to use and/or destination and
have undergone customs export formalities on export to third countries under the CAP; **or**
 - are eligible for the repayment or remission of import duties on condition that they are exported from the Customs territory of the Union.

8. Purpose of the Internal Union Transit Procedure (T2)

The Internal Union Transit Procedure (T2) applies to the movement of free circulation goods:

- (1) where they are being conveyed from one Member State to another **via** a Common Transit Country and the movement through that country is by road. **Note:** *Union goods which are consigned from one point in the Union to another through the territory of one or more Common Transit countries and which are carried entirely by sea or air are not required to move under the transit procedure. Movements destined for or coming from Common Transit countries are subject to the Common Transit Procedure – see Section 4 for more details; and*
- (2) in trade with the non-fiscal areas of the Union i.e. the Channel Islands, Canary Islands, French Overseas Departments Mount Athos, Aland Islands – see Paragraph 18.

9. New Computerised Transit System (NCTS)

All transit declarations are required to be submitted electronically by the trade declarant via the New Computerised Transit System (NCTS). NCTS provides for the input and processing of the declaration by electronic means. It is designed to provide better management and control of Union and Common Transit by:

- (1) increasing efficiency & effectiveness of transit procedures;
- (2) improving the prevention & detection of fraud;
- (3) accelerating transactions & offer security for them.

All the Member States of the Union and the Common Transit countries use NCTS.

10. Intra-Union carriage of goods by Sea Transport

Shipping of goods between Member States by sea is divided into two categories:

- (1) Authorised Regular Shipping Services; and
- (2) Other Union Shipping Services.

Each of these is explained in greater detail in the following paragraphs.

11. Regular Shipping

A Regular Shipping Service is defined as "a service which carries goods in vessels that ply only between Union ports and does not come from, go to or call at any points outside the customs territory of the Union or at any points in a free zone of a Union port.

Application for authorisation as a Regular Shipping Service and requests for further information in this regard can be made to the Transit Office (see details on page 1).

Note: A separate application is required by shipping companies for authorisation to use simplified transit procedures whereby the use of a paper-based manifest or electronic manifest is allowed as a transit declaration (up to 1 May 2018). After that date the use of the electronic manifest will be considered equivalent to the procedure laid down in Article 233 (4) (e) UCC i.e. the use of an electronic transport document as customs declaration to place goods under the Union transit procedure.

12. The benefits of being authorised as a Regular Shipping Service

The procedure for the intra-Union movement of goods by sea on an authorised Regular Shipping Service is similar to those for goods moving between Member States by road. This means that:

- (1) goods in free circulation will move freely without the need for customs documentation;
- (2) non-Union goods are required to move under the Transit procedure. The ships manifest may be used as the transit declaration (see note above) and the shipping company will be the Holder of the Procedure (see paragraph 30); and
- (3) a guarantee will be required except where the ship's electronic manifest is authorised to be used as the Transit Declaration (see note above).

13. Other Union Shipping Services

In the case of Other Union shipping services (**services which are not Authorised Regular Shipping Services**) the Customs Status of all goods carried on board must always be demonstrated.

SECTION 4 - COMMON TRANSIT AREA

14. Common Transit Area

The customs territory of the Union when combined with the territory of the Common Transit Countries forms the Common Transit Area. Common Transit applies to the movement of goods over Union territory and also to, from and between the Common Transit Area. The provisions relating to Common Transit are broadly in line with those applicable to Union Transit and its scope will be determined by the nature of the goods, the mode of transport and the routings involved.

15. Exports to Common Transit Countries

Goods being exported directly by air or by sea to a Common Transit country do not require to be placed under the T1 or T2 Procedure, as appropriate.

However, goods being exported to a Common Transit country by Combined Transport will need to be dealt with as follows:

(1) Goods to which the External Union Transit Procedure (T1) applies

In the case of transport by sea or air direct to a port or airport in a Common Transit country where the goods are to be unloaded there, and then carried by land to their final destination, they should be placed under the T1 procedure before departure from Ireland. In all such cases the Office of Destination shown on the Transit Declaration will be located in the Common Transit country concerned.

(2) Union Goods

If Union Goods are transported by sea or air direct to a port or airport in a Common Transit country to be unloaded there, and for carriage by land to their final destination under a transit procedure, they should be placed under the T2 procedure before departure from Ireland. Similarly, Union Goods being exported to a Common Transit country by land should be placed under the T2 Procedure prior to their departure from Ireland in order to avoid delays at the frontier. Also, Union goods consigned from one Member State to another **by road** through the territory of a Common Transit country must be placed under the T2 procedure.

16. Imports from Common Transit countries

Where transit operations are initiated in a Common Transit country, the T1 procedure will normally be used. However, only movements by road will be under a Transit Declaration since direct movements by air or sea do not normally require this. Goods coming from a Third Country (other than a Common Transit country) and transhipped in a port in a Common Transit country for onward movement to the Union do not require to be put under the T1 procedure in the Common Transit country port.

17. Evidence required as proof of Union Status

Where proof of Union status is required for goods being exported to a Common Transit country, any one of the documents T2L (copy 4 of the SAD with symbol "T2L" inserted), invoice or transport document that relate only to Union goods and certified by customs, may be used until the date of deployment of the UCC Proof of Union Status system. Where the total value of the Union goods covered by the invoice or transport document does not exceed €15,000, no endorsement by customs is required.

SECTION 5 – TRANSIT ARRANGEMENTS WITH CHANNEL ISLANDS, CANARY ISLANDS, FRENCH OVERSEAS DEPARTMENTS, MOUNT ATHOS, ALAND ISLANDS

18. What is special about these locations?

These territories, though they form part of the **customs territory** of the Union, are not included in the **fiscal territory** of the Union:

- Channel Islands;
- Canary Islands;
- French Overseas Departments i.e.
 - Guadeloupe;
 - Martinique;
 - Guyana;
 - Reunion;
- Mount Athos (Greece)
- Aland Islands.

In order to ensure that VAT at importation and excise duty are collected (or to ensure eligibility for zero-rating) on trade between the rest of the Union and the above territories, Union Goods consigned from (or to) these territories must be placed under the Internal Union Transit Procedure (T2) (Article 188 of Delegated Act refers)

19. Indicators to readily identify these territories

In order to clearly identify Union Goods consigned to or from the non-fiscal areas there are specific status indicator codes as follows:

<u>Code</u>	<u>Use</u>
T2F	Transit Declaration This code must be inserted in Box 1 of the TAD (Internal Union Transit) or on the air/sea simplified Transit Procedure paper-based manifest when used as a transit document or when inputting details to NCTS.
TF	Transit Declaration This code must be entered as appropriate on the air/sea simplified procedures electronic manifest when used as a transit document or when inputting details to NCTS.
T2LF	Status Document

This code must be entered when inputting details to NCTS and on commercial documents used as Status Documents.

F Used where Union goods are consigned to the non-fiscal areas

SECTION 6 – TRANSIT ARRANGEMENTS WITH SAN MARINO

20. Specific transit arrangements between the Union and San Marino

A Customs Union exists between the Union and the Republic of San Marino for goods falling within Chapters 1 to 97 of the Common Customs Tariff, except for Chapters 72 and 73, i.e. goods falling within the scope of the Treaty establishing the European Coal and Steel Union (ECSC). This has the following effect with regard to Union Transit:-

- (1) Goods imported from San Marino to Ireland (with the exception of ECSC goods of Chapters 72 and 73 which will be liable to full Third Country rates of Duty) will be covered by a T2 Transit Declaration issued in San Marino. Goods of Chapters 72 and 73 will be covered by a T1 Transit Declaration.
- (2) Union Goods destined for San Marino must be placed under the T2 procedure showing San Marino as the Office of Destination.
- (3) Non-Union Goods consigned to San Marino must be placed under the T1 procedure showing as the Office of Destination one of the following Italian Customs Offices - Livorno, Ravenna, Rimini, Trieste, Forli, Genova, Roma II, Orio Al Serio, Bologna and Milano II.
A T2-SM or T2L-SM document shall be issued to cover their onward movement to San Marino by the Italian Customs Offices listed above.
- (4) Transit guarantee documents and certificates should bear the words “Republic of San Marino” in the appropriate places.

The Common Transit procedure is not applicable to trade with San Marino.

SECTION 7 – TRANSIT ARRANGEMENTS WITH ANDORRA

21. Specific transit arrangements between the Union and Andorra

A Customs Union exists between the European Union and Andorra for goods covered by Chapters 25 to 97 of the Common Customs Tariff. This has the following effect with regard to Union Transit/Status:-

- (1) **Free circulation goods** (Chapters 25 to 97 of the Common Customs Tariff) moving from/to Andorra should move under the **T2 procedure**. The Office of Departure or Destination as appropriate will be Andorra.
- (2) The Union Status of free circulation goods (other than those in Chapters 25 to 97 of the Common Customs Tariff) moving to Andorra can be proved by a T2L etc.
- (3) **Non-free circulation goods** (Chapters 25 to 97 of the Common Customs Tariff) moving from/to Andorra should move under the **T1 procedure**. The Office of Departure or Destination as appropriate will be Andorra.
- (4) Exports of processed agricultural products (covered by Chapters 25 to 97 of the Common Customs Tariff) for which a CAP export refund is being claimed, should be covered by the **T1 procedure** with the Office of Destination being Andorra.
- (5) Where processed agricultural products are being imported from Andorra to the Union they should be covered by the **T1 procedure**.

The Transit documents will be endorsed as follows “charge agricultural component only - EC - Andorra Agreement” for the products in paragraphs (4) and (5) above

- (6) For Transit movements to/from Andorra it will be necessary to present a Transit Accompanying Document (TAD) at each Office of Transit. Office of Transit in this context means the Customs office of entry in the country of a Contracting Party to the Agreement other than that of departure, in effect, the Customs office on the land border between the Union and Andorra i.e. in France or Spain.

Goods that are outside the scope of the Customs Union Agreement between the Union and Andorra (i.e. those falling within Chapters 1-24 of the Common Customs Tariff) cannot be placed under the Union Transit Procedure when moving between Andorra and the Union.

- (7) Guarantee certificates to cover Union Transit operations to/from Andorra must be valid for Andorra i.e. the words “Principality of Andorra” must appear on the certificate. The Common Transit procedure is not applicable to trade with Andorra.

SECTION 8 – CUSTOMS STATUS OF GOODS

22. Free movement of Union Goods

Article 153 of Regulation (EU) No.952/2013 provides that, all goods in the customs territory of the Union shall be presumed to have customs status of Union goods, unless it is established that they are not Union goods.

23. Requirements to prove Union Status

The following are not deemed to be Union goods unless it is established that they have Union status:

- (1) goods brought into the Customs territory of the Union that are still under customs supervision to determine their customs status,
- (2) goods in Temporary Storage,
- (3) goods placed under any of the special procedures with the exception of the internal transit, outward processing and end-use procedures.

However, goods brought into the Customs territory of the Union:

- (1) **by air** where the goods have been loaded or transhipped at a Union airport for consignment to another Union airport provided that they are carried under cover of a single transport document issued in a Member State; or
- (2) **by sea** where the goods have been shipped between Union ports by an authorised Regular Shipping Service will be deemed to be Union goods unless there is evidence to the contrary.

24. Proof of the customs status of Union goods:

The customs status of Union goods can be proved, where required, by presenting the following documents:

- T2L (Copy 4 of SAD);
- T2LF (Copy 4 of SAD) (for non fiscal areas);
- Invoice or Transport Document properly completed relating to the goods indicating the code T2L/T2LF, as appropriate;
- Invoice or Transport Documents properly completed relating to the goods: no need for Customs authentication if value of the Union goods does not exceed €15,000.00;
- the shipping company's or airline's manifest, in the case of use of the manifest as transit declaration indicating the code "C" for Union goods.

- a voucher of a ATA Carnet or TIR Carnet showing the code T2L/T2LF and authenticated by the office of departure
- Plates and registration documents for motor vehicles registered in a Member State;
- Declaration of Union Status for returned empty packaging/pallets and other similar equipment, excluding containers, will suffice save where Customs require otherwise;
- Declaration of customs status of Union goods for passengers accompanied baggage (goods not intended for commercial use) will suffice unless there is doubt.
- The print-out of the electronic administrative document (e-AD)
- A fishing logbook, a landing declaration, transshipment declaration and vessel monitoring data, as appropriate, for products of sea fishing caught by Union fishing vessels outside the customs territory of the Union in waters other than the territorial waters of a third country;
- a special label where postal packages (including parcel post) are carried to/from the non-fiscal areas must be affixed to the packages and accompanying documents.

25. Conditions attached to proving Union status of goods

Proof of the Union status of goods is conditional on the goods having been:

- (1) brought from another Member State without crossing the territory of a Third country;
or
- (2) brought from another Member State through the territory of a Third country and carried under cover of a single transport document issued in a Member State; or
- (3) transshipped in a Third country on to a means of transport other than that on to which they were initially loaded and a new transport document has been issued, provided that the new document is accompanied by a copy of the original document covering carriage from the Member State of departure to the Member State of destination.

There is provision for retroactive issue of documents proving Union Status. In this regard application should be made to the relevant Revenue District where the trader's affairs are dealt with.

26. Specific provisions regarding the Union Status of the products of sea fishing

A fishing logbook, a landing declaration, transshipment declaration or vessel monitoring data, have to be produced to prove the Union status of the products of sea fishing caught by a Union fishing vessel outside the customs territory of the Union, in waters other than the territorial waters of a third country and also have to be produced for goods obtained from such products on board Union fishing vessels or Union factory ships, in the production of which other products having the customs status of Union goods may have been used.

The fishing logbook, a landing declaration, transshipment declaration and vessel monitoring data as appropriate must be presented by:

- 1) the Union fishing vessel which caught the products and, where applicable, processed them; or,
- 2) another Union fishing vessel, or the Union factory ship which processed the products following their transshipment from the vessel referred to in point 1; or,
- 3) any other vessel onto which the said products and goods were transhipped from the vessels referred to in points 1 and 2 without any further changes being made; or,
- 4) a means of transport covered by a single transport document made out in the country or territory not forming part of the customs territory of the Union where the products or goods were landed from the vessels referred to in points 1,2 or 3.

SECTION 9 - OTHER PROCEDURES COVERING THE MOVEMENT OF GOODS

27. Limits applying to the Union and Common Transit procedures

The Union and Common Transit systems do not apply when goods are being transported under another internationally-agreed system, including:

- (1) the carriage of goods under cover of a TIR Carnet, this is a control document which secures the duties at risk;
- (2) the carriage of goods under cover of an ATA Carnet used as a transit document - this is a control document which secures the duties at risk;
- (3) the carriage of goods by post.

28. Movements via a Third Country

The territory of a Third Country (other than an common transit country) may be crossed during the course of a Union transit operation provided that carriage through the Third Country is effected under a single transport document drawn up in a Member State.

29. Movement of prohibited/restricted goods

Use of any transit procedures does not relieve goods of any prohibitions or restrictions which are in force or from compliance with the conditions of any import or export licences which may be required.

SECTION 10 – RESPONSIBILITY FOR TRANSIT OPERATIONS

30. Responsibility for Transit operations

All types of Transit are designed to ensure that any charges due on goods are secured.

This is achieved through a system of guarantees and the key personnel in this regard are the Holder of the Procedure and the Guarantor

31. Role of the Holder of the Procedure

Each Transit Operation must be carried out by a person, known as the Holder of the Procedure, who accepts responsibility for the Transit. The Holder of the Procedure will indicate by lodging a Transit Declaration that s/he wishes to carry out a transit operation. S/he is responsible for the production of the goods (with seals intact where appropriate) and the Transit Declaration i.e. the Transit Accompanying Document (TAD) at the customs Office of Destination within the prescribed time limit. In addition, the Holder of the Procedure is responsible for payment of duties and other charges which may become due in the event of an irregularity occurring.

The Holder of the Procedure may authorise a representative (authorised representative) to act on her/his behalf. Notwithstanding the Holder of the Procedure's obligations, the carrier or recipient of the goods who accepts them knowing that they are moving under the Transit System is also responsible for production of the goods (with seals intact where appropriate) at the customs Office of Destination within the prescribed time limit.

32. Role of the Guarantor

A Guarantor may be an individual or firm or other body which is eligible to contract as a legal

third person (normally a Bank or an Insurance Company). Guarantors must be normally resident or established in the Union and approved by the competent authorities of the Member State in which the guarantee is provided (in the case of Ireland, the Department of Enterprise, Trade and Employment). The Guarantor is responsible for payment of duties and other charges to which the Holder of the Procedure has become liable as a result of any irregularity concerning the Transit Declaration.

33. Can the Holder of the Procedure and Guarantor be the same person?

The Guarantor and the Holder of the Procedure must not be the same person and, in the case of affiliated companies, the guaranteeing company must be a separate entity to the Holder of the Procedure's company. Where there is a doubt about this issue, Guarantors should contact the Guarantee Office for further information (see contact details at paragraph 33 below).

34. Operation of the Guarantee System

At the time of lodging a Transit Declaration the Holder of the Procedure will normally be required to have a comprehensive guarantee or cash deposit to cover the amount of duty and other charges on the goods.

Comprehensive Guarantee Authorisations are issued by the Guarantee Office on receipt of a properly completed Form of Undertaking from a Guarantor and an Authorisation will be valid for use throughout the Union.

Further information on guarantees is available from the: Guarantee Office, Office of the Revenue Commissioners, St Conlon's Road, Nenagh, Co.Tipperary.

(Tel: 067 – 63175, 067-63103).

Email: aeo@revenue.ie

35. Types of Guarantee

There are two types of guarantee and each has its own characteristics and application.

(1) Comprehensive Guarantee

A Comprehensive Guarantee may cover a number of transit operations or other operations carried out by a Holder of the Procedure subject to certain limits and within the conditions of the guarantee. The amount of the Comprehensive Guarantee may be set at 100%, 50%, 30% or 0% (Guarantee Waiver) of a reference amount subject to certain criteria.

Comprehensive Guarantee certificates issued by the Guarantee Office are valid for a period of two years and may be extended on application from the Holder of the Procedure for one further period of two years. The guarantee certificates are required where the NCTS system is not operating

(2) Individual Guarantee

An Individual Guarantee covers the amount of duty and other charges on the goods in one single Transit operation. It can be in the form of either an Undertaking from a Guarantor or a cash deposit. The Holder of the Procedure at the Office of Departure will present it at the time of making a Transit Declaration.

36. Is it possible to get Exemption from the Union Transit Guarantee requirement?

Yes. A guarantee is not currently required in Union Transit for movements solely by air or by the railway companies of the Member States.

As indicated in paragraph 12, a guarantee is required for intra-Union transit movements by sea on an Authorised Regular Shipping Service, except where the Ship's electronic manifest is authorised to be used as a transit declaration.

37. Guarantees for transits involving the common transit countries

Any guarantee required must be valid for the common transit countries involved in the transit operation and Guarantors must nominate approved “correspondents” in those countries.

SECTION 11 - THE TRANSIT DECLARATION

38. Completing a normal-procedure Transit Declaration

A trader using normal transit procedure must input the relevant data on the Transit declaration into NCTS including the Holder of the Procedure's Guarantee Reference Number (GRN), the trader's access code and the liability amount of the transit. When the data is input to NCTS, the system generates a unique Master Reference Number (MRN) which will identify the transit at NCTS offices throughout Europe. When all the information is correctly input to and accepted by NCTS, a Transit Accompanying Document (TAD) is then printed by the system at the customs office of departure for the trader. The trader must collect this TAD when presenting the goods for examination at the customs office of departure. Once customs has carried out all of the necessary checks of the goods and has given the trader the TAD, the transit movement will be released in NCTS.

Within NCTS appropriate messages are automatically sent to the customs office of destination and to any office of transit en route informing them that this transit is en route to them.

39. Simplified transit procedures

In certain circumstances (and subject to certain conditions) traders can use Simplified Transit Procedures. For example, traders approved as Authorised Consignors or Authorised Consignees can have transit formalities completed at their own premises by communicating with Revenue through NCTS.

40. Authorised Consignor

An authorised consignor is a regular, large-scale consignor of goods who may be authorised by Revenue to issue and authenticate transit documents without having to present them to Customs at the time of export/dispatch.

The main requirements for approval as an Authorised Consignor are that:

- (1) the applicant is established in the customs territory of a Contracting Party;
- (2) the applicant declares that s/he will regularly use the Union transit arrangements;
- (3) the applicant has not committed any serious infringement or repeated infringement of custom legislation and taxation rules, including no record of serious criminal offences relating to her/his economic activity;

- (4) the applicant demonstrates a high level of control of his operations and of the flow of goods which allows appropriate customs controls; and
- (5) the applicant has practical standards of competence or professional qualifications directly related to the activity carried out.

41. Authorised Consignee

An authorised consignee is a trader who is authorised by Revenue to receive goods moved under the Union Transit procedure at an authorised place to end the procedure.

Authorisation will only be granted to applicants who fulfil certain conditions. In particular, they must:

- (1) be established in the customs territory of a Contracting Party;
- (2) declare that s/he will regularly use the Union transit arrangements;
- (3) not have committed any serious infringement or repeated infringement of custom legislation and taxation rules, including no record of serious criminal offences relating to her/his economic activity;
- (4) demonstrates a high level of control of his operations and of the flow of goods which allows appropriate customs controls; and
- (5) have practical standards of competence or professional qualifications directly related to the activity carried out.

42. Special provisions for Airlines, Shipping Companies and Railway Companies

Airlines, Shipping Companies and Railway Companies who are willing to act as Holders of the Procedure can be approved to use a Simplified Transit Procedure which involves the use of the Manifest/transport documents as the Transit Declaration.

Further information on these simplified procedures and application forms, as appropriate, may be obtained from Transit Unit (details on page 1).

SECTION 12 - T.I.R.

43. What is T.I.R.

Ireland, in common with the other Member States of the European Communities, is party to the Customs Convention on the International Transport of Goods under cover of TIR Carnets (TIR Convention) 1975. The Convention entered into force in Ireland on 20 June, 1983 and replaced the older 1959 TIR Convention. There are currently 69 contracting parties to the Convention.

The purpose of the TIR system set up under the Convention is to facilitate to the greatest possible extent the movement of goods in international trade while effectively protecting the revenue of each State through which such goods are carried.

44. Operation of the T.I.R system

The TIR system contains five basic requirements:

- (1) Goods must travel in secure vehicles or containers;
- (2) Duties and taxes at risk throughout the journey must be covered by an internationally valid guarantee;
- (3) The goods must be accompanied by a TIR Carnet opened in the country of departure which will serve as a control document in the countries of departure, transit and destination;
- (4) Customs control measures taken in the country of departure should be accepted by the countries of transit and destination; and
- (5) Only competent national authorities - in Ireland, Revenue – shall authorise:
 - national associations to issue TIR Carnets; and
 - natural and legal persons to use TIR Carnets.

The system provides for the movement of goods, under Customs seal, in approved road vehicles or containers, across one or more frontiers. It is a condition of the system that some portion of the journey between the beginning and end of the TIR operation must be made by road. Where a road vehicle is used, TIR plates must be displayed on it during the TIR operation. Where a container is used it must have a TIR approval plate permanently affixed.

The goods must be listed in a TIR Carnet consisting of a series of vouchers and counterfoils (volets and souches) which will be used at the different stages of a TIR operation. The potential duties and taxes on the goods are guaranteed by the guaranteeing associations of the countries involved in the TIR operation. Each national guaranteeing association is affiliated to an international organisation i.e. the International Road Transport Union (IRU) which is located in Geneva, Switzerland. A TIR Carnet may contain 4, 6, 14 or 20 Vouchers and Counterfoils (Volets and Souches).

Each country must approve Customs Offices for TIR purposes. A TIR operation may involve more than one customs office of departure and/or destination in one or in several countries provided that the total number of customs offices of departure and destination does not exceed four.

45. Impact of T.I.R. on the movement of goods within the Union

The carriage of goods which is to begin and end within the Union may not normally be effected under the TIR system i.e. the system should be used only if the movement of the goods involves a Third Country in addition to the Union. Also goods moving under the TIR must be declared in the NCTS on entry to the EU

Further information on the TIR System may be obtained from Transit Unit (details on page 1).