

# Customs declarations and discharge of customs procedures

## Nomination

VTTI submits customs declarations solely upon instruction from the customer. These instructions are provided through a nomination. The customer is responsible for providing VTTI with all data and documents (information) required to lodge a complete, correct and timely filed customs declaration. Where appropriate, CS performs reasonableness checks on the information provided by the customer before using that information to prepare and submit the customs declaration.

## Declaration

VTTI holds an Entry in the Declarant's Records (EIDR) authorisation. EIDR is a customs declaration simplification that allows customs declarations to be lodged by entry in the declarant's records. Declarations are deemed to have been accepted by the customs authorities at the moment the goods are entered in the records. The use of EIDR shifts customs controls from pre-release declaration checks to post-clearance verification of the declarant's records, internal controls, and audit trail. Consequently, customs audits place increased emphasis on the completeness, accuracy, and traceability of entries in the records and on the effectiveness of the company's customs compliance framework.

VTTI applies the EIDR declaration process, to the greatest extent possible, for placing goods under the customs procedures release for free circulation, customs warehousing and inward processing. VTTI does not apply the EIDR process when placing goods under the export or re-export procedure. For those declarations, a standard export or re-export declaration is submitted electronically. VTTI also does not use the EIDR procedure in situations where this is not permitted. For example, in cases where the release of goods for free circulation requires the presentation of a valid AGRIM certificate. Where EIDR is not used, VTTI lodges customs declarations directly into the declaration system of Customs. This process is embedded in VTTI's ERP and CMS and to a large extent automated.

The EIDR process consists of the following three steps:

1. Presentation of the goods;
2. Entry in the declarant's records;
3. Submission of the supplementary declaration.

**Presentation of the goods** is the legal act of making goods available to Customs for control, while the presentation notification is the electronic message used to inform Customs that the goods have been presented. A presentation notification is lodged whenever goods are placed under a customs procedure requiring presentation of the goods. When goods are placed under successive customs procedures, Customs may waive the obligation to lodge a presentation notification. Dutch Customs waives this obligation at the second and further placements, provided that the goods are fully traceable in a single administration. This waiver is referred to as the Chain Arrangement (ketenregeling). The principal advantage of the Chain Arrangement is that physical customs controls (if any) can generally be limited to the arrival of the goods at the terminal when they are placed under the first customs procedure in the chain. A key condition for the application of the Chain Arrangement is that, at the first link in the chain, sufficient information and supporting documentation is available to enable Customs to perform any controls that may be required at later stages in the chain. For example, where goods are ultimately intended to be released for free circulation, Customs must be able to verify at the first placement in the chain that all relevant import requirements have been met.

VTTI applies the Chain Arrangement to the greatest extent possible, i.e. wherever the applicable conditions are met. Under the Chain Arrangement, VTTI only lodges a presentation notification when goods first arrive at the terminal and are placed under the customs warehouse procedure. The goods are not presented again when they are subsequently placed under another customs procedure. For example, goods arriving at the terminal are placed under the customs warehousing procedure, followed by inward processing, return to customs warehousing and are ultimately released into free circulation. In this chain, a presentation notification is only lodged when the goods arrive at the terminal and are placed under the customs warehousing procedure.

**Entry in the declarant's records** is the lodging of a customs declaration through an electronic entry in VTTI's records. At the time of entry, the particulars of the declaration must be available in VTTI's systems and thereby at the disposal of the customs authorities. The entry contains all information required for the application of the relevant customs procedure and serves as the basis for the subsequent supplementary declaration.

**The supplementary declaration** is lodged via the customs declaration system and must be submitted no later than 10 days after the goods have been entered into the declarant's records. The reference period is one calendar day, meaning that all goods entered into the records on a particular day must be covered by supplementary declarations submitted 10 days later. For example, goods entered into the records on 1 January must be covered by supplementary

declarations submitted on 11 January. Failure to submit a supplementary declaration within the prescribed deadline constitutes a breach of the conditions of the EIDR authorisation. Depending on the circumstances, Customs may require corrective action, impose administrative penalties, increase compliance monitoring, or, in cases of repeated or serious non-compliance, suspend or revoke the authorisation.

Each supplementary declaration relates to a single entry in the records. VTTI submits multiple supplementary declarations on a given day, depending on the volume of transactions. Supplementary declarations are not required for goods placed under the customs warehousing procedure.

## **Monitoring and discharge of customs and excise procedures**

VTTI monitors the timely and correct discharge or closure of customs procedures, movements and declarations in which it is involved. This includes, among other things, monitoring confirmations of exit for export and re-export declarations, the discharge of transit movements and e-ADs, and the discharge of the inward processing procedure.

Monitoring and discharge of customs procedures is to a large extent automated and embedded in VTTI's ERP system and CMS. The systems register the relevant customs procedures and movements, process messages received from the customs authorities, and identify procedures or movements that have not been discharged or closed within the applicable or expected period. For inward processing, declarations entering the procedure are linked to the subsequent declarations or records by which the procedure is discharged.

Open, overdue or otherwise exceptional items are made available for review by the user. The user investigates such items and, where required, obtains supporting information from the customer or other parties involved, submits follow-up messages or evidence to the competent authorities, and takes or initiates corrective action. Items remain subject to monitoring until they have been resolved or otherwise appropriately accounted for.

## **Automation**

The processes for lodging a presentation notification, making an entry into the records, and lodging a supplementary declaration are embedded in VTTI's ERP system and CMS and are, to a large extent, automated based on predefined business rules. Relevant declarations, messages, supporting records and control actions are archived in VTTI's ERP system and CMS, which provide an audit trail of the processing and review activities performed. The automated process is subject to continuous monitoring and review by CS and CGT.

# Review procedures

Automated processing is prevented where required information is missing or where errors, inconsistencies, or discrepancies are detected in customer-provided data or documentation. In such cases, CS and CGT review and resolve the issue before the relevant message, declaration, or entry is submitted or recorded.

The detailed functional and technical design of the ERP System and Customs Module, including the Parcel administration model, procedure determination logic, business rules and declaration processes, is described in [Annex AO/IC ATLAS-CMS](#).

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