

# Customs procedures

## General principles

The customs and excise procedures applied at the terminals are aligned with the operational lifecycle of the goods involved. The operational processes are described in the Operations section of this AO/IC. This chapter describes the customs and excise procedures governing the movement, storage, processing and dispatch of the goods.

Throughout the terminal process, goods may be subject to customs supervision, excise duty suspension or be in free circulation, depending on their customs and excise status. The initial customs and excise treatment is determined upon first arrival at the terminal and may subsequently change during the lifecycle of the goods as a result of storage, blending, manufacturing, transshipment, importation or dispatch activities.

The customs and excise procedures described in this chapter are performed under the authorisations described in the preceding Customs and Excise Authorisations section.

## Systems and User involvement

The administration and monitoring of customs and excise procedures is supported by an integrated process involving VTTI's ERP System, its Customs Module and the relevant VTTI Users. Users register and maintain the operational activities and customs and excise-relevant data in the ERP System. Based on this information and predefined business rules, the Customs Module determines the applicable customs and excise treatment, performs compliance validations and initiates the required customs declarations, excise formalities and record-keeping actions.

Users review and follow up on the resulting system feedback, with Customs Specialists at the terminal or HQ providing support and specialist assessment where required by the nature or complexity of the transaction.

## Incoming goods and goods receipt

Upon arrival, goods may enter the terminal under coverage of a Transit document (T1) or an electronic Administrative Document (e-AD). Union goods that are not subject to excise control may arrive without such a document. Goods arriving directly from locations outside the European Union may also arrive without a preceding customs or excise movement document and will be subject to the appropriate customs formalities upon arrival.

During the goods receipt process, VTTI records the arrival of the goods and performs the customs and excise actions associated with the preceding movement procedure. This may include the discharge or closure of transit procedures or excise movements and the registration of the goods and their customs and excise status within the terminal administration.

## Storage and processing

Following receipt, the goods are assigned to the customs and excise treatment applicable to their status and intended storage and handling. Non-Union goods are generally placed under the Customs Warehousing procedure, Union goods subject to excise duty suspension are entered into the Excise Warehouse, and other Union goods are recorded in the Free Warehouse.

The terminal location is authorised as a customs warehouse, comprising of the complete infrastructure of tanks, pipelines, jetties and refinery. To optimize storage capacity and avoid disproportionate costs, accounting segregation is applied and non-Union and Union goods are commonly stored.

Non-Union goods may instead, or at a later stage, be released for free circulation. Following their release, the goods are entered into the Excise Warehouse or recorded in the Free Warehouse, depending on whether they are subject to excise duty suspension.

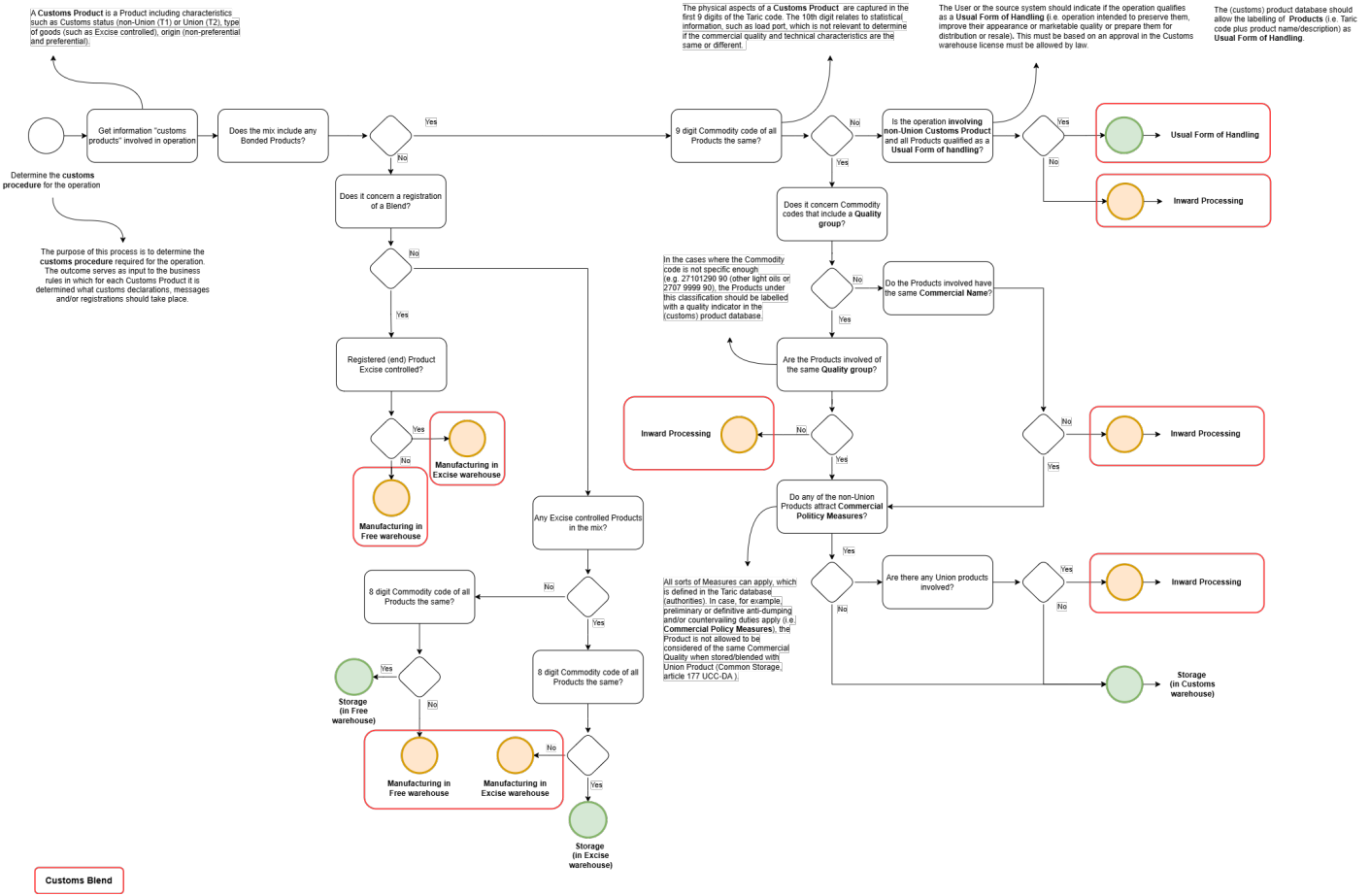
Where goods are blended, manufactured or otherwise processed, the applicable customs and excise treatment is determined based on the customs and excise status and technical characteristics of the goods involved, as well as the nature of the operation. Depending on the outcome of this assessment, the operation may be treated as storage, manufacturing in the Excise Warehouse or Free Warehouse, Usual Forms of Handling under the Customs Warehousing procedure, or Inward Processing.

## Outgoing goods

Upon dispatch from the terminal, goods may leave under excise duty suspension covered by an e-AD, under the transit procedure covered by a T1 document, under an export or re-export procedure, or as Union goods in free circulation, where applicable. The required customs declarations, excise messages and supporting records are generated and maintained in accordance with the applicable legal requirements and authorisations.

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](#).

The flow chart below provides an overview of the customs and excise procedures that may apply throughout the lifecycle of goods handled at a VTTI terminal.



Related work instructions to terminal activities are available in VTTI's quality management system QOL.

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