

Customs status and Type of goods

The determination and maintenance of the correct customs status of products are essential elements of customs compliance and supervision. In addition, it is necessary to establish whether products are subject to excise duty legislation, as the treatment, storage, movement, and reporting requirements may differ significantly for excise-controlled goods.

- Customs status
- Type of products

Customs status

The **Customer shall provide** the Company with **the** applicable **customs status of each Product** brought to, delivered to or otherwise handled by the Company.

The customs status determines whether the Product is considered Union or non-Union goods for customs purposes and may affect the customs procedures and documentation required when the Product is moved, stored or declared.

Always provide the **customs status** of the Product: **Union (T2) or non-Union (T1)**.

Non-Union Customs Status

Non-Union goods are goods that do not have Union customs status.

This includes, for example, goods imported from outside the European Union that have not yet been released for free circulation.

Non-Union goods are commonly referred to in practice as **bonded goods** or **T1 goods**, although these terms refer to specific customs procedures or proof of customs status and should not be regarded as interchangeable with the legal definition of non-Union goods.

The Customer shall identify the Product as having non-Union customs status where applicable and provide the relevant customs documentation or reference enabling the customs status to be verified.

Union Customs Status

Union goods are goods that have Union customs status. This includes:

- a) goods wholly obtained in the customs territory of the European Union, without incorporating goods imported from outside the Union;
- b) goods imported from outside the European Union and released for free circulation; and

c) goods obtained or produced in the European Union exclusively from goods referred to under points (a) and (b).

Union goods are commonly referred to in practice as **domestic goods** or **T2 goods**. Where relevant, the Customer shall provide the documentation or information required to substantiate the Union customs status.

Customer Responsibility

The Customer is responsible for providing the Company with the correct customs status of the Product and for ensuring that the information and supporting documentation provided are complete, accurate and up to date.

Where the customs status cannot be established based on the information provided, the Company may request additional information or documentation before performing the relevant customs service.

Type of products

In addition to the customs status of a Product, the Customer shall provide the information required to determine whether the Product is subject to specific excise formalities or controls.

The applicable treatment depends, among other things, on the commodity code, the nature and intended use of the Product and the applicable excise legislation.

Where **excise controls** apply, identify the Product as '**AAD**'; **alternatively**, where no specific excise handling is required, **use 'FREE'**.

Excise Controlled

Certain Products with Union customs status may qualify as excise goods. In the energy industry, this typically concerns energy products that are used or intended for use as motor fuel or heating fuel.

This may also include alcoholic products, such as ethanol, including where ethanol is used as a component of a fuel blend.

Depending on the applicable commodity code and the circumstances of the Product, excise goods may be subject to specific excise controls and formalities. Where such controls apply, the Product must be identified as **Excise Controlled** so that the Company can apply the appropriate procedures when performing its customs and related services.

For operational purposes, Products requiring such excise controls are commonly referred to as having an **"AAD" customs status**. "AAD" is not a customs status in the legal sense, but is used as an operational designation to indicate that specific excise handling and formalities may be required.

The Customer does not need to provide a separate indication of the excise-control status where the Product is identified as **"AAD"** in the relevant customs status field.

Uncontrolled

Products that are not subject to excise legislation, as well as excise goods that are not subject to the relevant excise controls or formalities, do not require specific excise handling by the Company.

For operational purposes, these Products are commonly referred to as having a **“FREE” customs status**.

“FREE” is not a customs status in the legal sense. It is an operational designation used to indicate that no specific excise-controlled handling is required based on the information provided.

The Customer does not need to provide a separate indication of the excise-control status where the Product is identified as **“FREE”** in the relevant customs status field.

Customer Responsibility

The Customer is responsible for providing complete and accurate information regarding the Product, including its commodity code, nature and intended use where relevant to determining its excise treatment.

Where the Company identifies an apparent inconsistency between the Product information provided and the indicated excise treatment, the Company may request additional information or documentation from the Customer before performing the relevant customs or excise service.