

Customs value

The Customer shall provide the **customs value** of the Product for the customs declaration, together with the supporting information and documentation necessary to substantiate that the customs value provided is correct.

- Transaction value
- Market value

Transaction value

As a main rule, the customs value is based on the **transaction value**, being the price actually paid or payable for the goods when sold for export to the customs territory of the European Union.

The transaction value generally comprises the total payment made or to be made by the buyer to the seller as a condition of the sale of the imported goods.

The customs value provided by the Customer shall therefore reflect the applicable transaction value and any additions required under the customs valuation rules.

Where applicable, the customs value shall also take into account amounts that are not already included in the transaction value, including:

1. payments made by the buyer to a third party for the benefit of the seller in respect of the imported goods; and
2. the costs of transport and insurance of the imported goods up to the place where the goods are brought into the customs territory of the European Union.

The Customer shall ensure that such amounts are included in the customs value where required.

Transport and Insurance Costs

Transport and insurance costs up to the relevant place of entry into the EU customs territory are relevant for customs valuation where they are not already included in the transaction value.

The Customer shall provide the customs value on the basis of the applicable delivery terms and commercial arrangements and, where relevant, provide supporting documentation demonstrating how transport and insurance costs have been treated.

For example, where the Product is purchased on a **CIF EU port** basis, the freight and insurance costs up to the relevant EU port will typically already be included in the invoice price. These costs should therefore not be added to the customs value a second time.

Where the applicable Incoterm or commercial arrangement does not include the relevant transport or insurance costs, the Customer shall ensure that the customs value provided reflects the applicable customs valuation requirements.

Supporting Information and Documentation

The Customer shall provide sufficient supporting information and documentation to allow the Company to perform a reasonableness check of the customs value provided.

Depending on the circumstances, this may include:

- the commercial invoice;
- the applicable Incoterm or other delivery conditions;
- transport and insurance documentation;
- documentation relating to payments made to third parties for the benefit of the seller; and
- other documentation relevant to the determination or confirmation of the customs value.

The Customer remains responsible for providing the correct customs value and for ensuring that the customs value and supporting information provided are complete, accurate and up to date.

Market value

In certain circumstances, the customs value may not be based on an invoice or transaction value. This may occur, for example, where:

- no customs duty is payable based on the applicable commodity code;
- a zero or reduced duty rate applies based on preferential origin; or
- the applicable customs duty is a specific duty based on the quantity, weight or volume of the Product rather than its value.

In the energy industry, and subject to the applicable arrangements or agreement with the customs authorities, it may in such circumstances be possible to use an appropriate **market value** as the basis for the customs value. An example of such a market value is a relevant **Platts** quotation or other recognised market reference applicable to the Product and relevant period.

Where this approach applies, the Customer may provide the relevant market value in the **Nomination** for T1 Product.

The Customer shall ensure that the market value provided is appropriate for the Product, quantity, relevant period and applicable market reference and shall provide sufficient information to substantiate the value used.

The use of a market value rather than an invoice value is subject to the applicable customs valuation rules and, where required, the agreed arrangements with the relevant customs authorities. The Customer shall inform the Company where such an arrangement applies to the Product.