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Instructions for authorisation
Authorisation for end-use

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Instruction for holders of authorisations for the end-use procedure

These customer instructions may be subject to changes. The holder of the authorisation is responsible for compliance with the requirements of the customs legislation of the EU.

A holder of an authorisation for end-use is an operator to whom Customs grants an authorisation for favourable tariff treatment regarding certain goods it has released for free circulation within the customs territory of the Union, provided that they will be used for a specific purpose. Favourable tariff treatment on account of end-use may be applied to goods listed in the special provisions of the Combined Nomenclature as well as to goods mentioned in the descriptions of the commodity codes of the Finnish Customs Tariff and in the footnotes concerning the use of the goods. Total relief from customs duty or reduced customs duty is granted upon release for free circulation, but the goods remain under customs supervision until they are assigned to the end-use prescribed in the authorisation or until the procedure has otherwise been discharged acceptably.

These instructions replace the previous authorisation conditions published as an attachment to the authorisation for end-use.

The granting of the authorisation requires that:

- the applicant is established within the customs territory of the Union, or
 - occasionally, in cases where it is considered justified, it is also possible to grant the authorisation to an applicant established outside the customs territory of the Union
- there is a guarantee in force for the use of the said procedure
- the business has not committed any serious infringements of customs or tax legislation
- the business keeps sufficient records, which allow for customs controls
- the applicant presents a bill of discharge
- the applicant commits to either using the goods for the purpose required by end-use or to transferring the obligation to another person on the conditions laid down by Customs.

The holder of the authorisation commits to informing Customs if any changes in the operation occur that affect the use of the authorisation. The authorisation cannot be used, until an amount of guarantee that corresponds to the authorisation has been lodged, and the reference data has been added to the authorisation for end-use.

Placing goods under the procedure

The number of the authorisation, the supervising customs office and the date in accordance with section 13 of the authorisation, should be added as additional information to the customs declaration regarding the procedure.

Transfer of rights and obligations

Goods placed under the end-use procedure as well as the rights and obligations regarding the goods, can totally or partially be transferred to another operator. The transferee does not need to have their own authorisation for the end-use procedure, but they have to meet all the prescribed requirements for the procedure. A transfer of rights and obligations has to be applied for in advance from the Customs Authorisation Centre and entered into the authorisation holder's authorisation. Separate instructions on the transfer of rights and obligations will be drafted.

Moving goods between different places within the customs territory of the Union

Goods placed under the end-use procedure can be moved without customs formalities between different places of the same authorisation holder, if these places are located within the customs territory of the Union. The location of the goods and the details of possible movements must be entered in the authorisation holder's records.

Accounts

The holder of the authorisation is required to keep records, based on which the customs authorities can supervise and control that the goods in question have been used for the end-use prescribed in the authorisation. The records must be archived for at least three years from the end of the year when the customs supervision of the goods ends.

The records shall contain at least the following:

- (a) a reference to the authorisation required for placing goods under the end-use procedure
- (b) the MRN or, where it does not exist, any other number or code identifying the customs declarations by means of which the goods are placed under the procedure and information about the manner in which the procedure was discharged;
- (c) data that unequivocally allows the identification of customs documents other than customs declarations, any other documents relevant to the placing of goods under the special procedure or any other documents relevant to the corresponding discharge of the procedure;
- (d) particulars of marks, identifying numbers, number and kind of packages, the quantity and usual commercial or technical description of the goods and, where relevant, the identification marks of the container necessary to identify the goods;
- (e) location of goods and particulars of any movement of goods;
- (f) customs status of the goods;
- (g) particulars of the end-use;
- (h) the rate of yield or its method of calculation, where appropriate;
- (i) particulars enabling customs supervision and controls of the use of equivalent goods;
- (j) where accounting segregation is required, information about type of goods, customs status and, where appropriate, origin of the goods;
- (k) where appropriate, particulars of any transfer of rights and obligations regarding goods to another person;
- (l) where the records are not part of the main accounts for customs purposes, a reference to those main accounts for customs purposes;
- (m) additional information for special cases, at the request of the customs authorities for justified reasons

Customs may waive the requirement for some of the above information, so the holder of the authorisation must adhere to any possible specifying instructions from Customs.

Equivalent goods

The holder of the authorisation for end-use can use equivalent goods, if the use of equivalent goods is permitted in the authorisation. The equivalent goods must be used for the specific purpose mentioned in the authorisation. Furthermore, the equivalent goods can be exported, destroyed or abandoned to the State. The holder of the authorisation can also use equivalent goods, if the goods have not been used for a specific purpose, but the import duties for the goods have been paid

Bill of discharge

The holder of the authorisation must present the bill of discharge to the supervising customs office within 30 days after the expiry of the time limit for discharge of the procedure. The bill of discharge shall contain the following particulars, unless otherwise determined by the supervising customs office:

- (a) Reference particulars of the authorisation;
- (b) the quantity of each type of goods which were placed under the special procedure in respect of which discharge is claimed;
- (c) the CN code of the goods which were placed under the special procedure;
- (d) the rate of import duties to which the goods which were placed under the special procedure are liable and, where applicable, their customs value;
- (e) the particulars of the customs declarations placing goods under the special procedure;
- (f) the type and quantity of the processed products or the goods placed under the procedure and particulars of the subsequent customs declaration or any other document relating to the discharge of the procedure;
- (g) h) the CN code and customs value of the processed products if the value scale method is used for the purpose of discharge;
- (h) the rate of yield;
the amount of import duty to be paid. If the amount involves the implementation of Article 175(4), this must be mentioned;
- (i) the periods for discharge of the procedure.

Staying under customs supervision and customs debt

The goods placed under the end-use procedure stay under customs supervision until they are assigned the type of end-use specified in the authorisation, or until they are exported from the Union customs territory, destroyed or abandoned to the State, or if they are used for another purpose than the specified end-use the customs duties applied to the imported goods are paid. Waste and scrap as well as losses that occurs naturally because of manufacturing or handling of goods under the end-use procedure, are considered goods used for a special purpose and no customs debt is incurred. Waste and scrap resulting from destruction of goods, are considered non-Union goods placed under the customs warehousing procedure for which customs supervision has not ended.

If goods have not been used for the end-use procedure within the time limit prescribed in the authorisation, moved to another holder of a procedure, destroyed or been abandoned to the State, exported out of the customs territory of the Union, or if the incurred import duties have not been paid; the holder of the procedure must report this in the bill of discharge to the supervising customs office. A customs debt is

incurred for such goods in accordance with Article 79 of the Union Customs Code. Article 80 of the Union Customs Code is implemented when the customs debt is determined.

Applicable legislation: Union Customs Code (Regulation (EU) No 952/2013 of the European Parliament and of the Council), Articles 22-28, 77–80 and 210–225
Commission Implementing Regulation (EU) 2015/2447, Articles 15 and 264-268
Commission Delegated Regulation (EU) 2015/2446, Articles 15-18, 161, 169, 172-175 and 178–179,239
The Transitional Delegated Act (EU) 2016/341, Articles 22 and 55