

Tax & Legal Weekly Alert

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Undertaking by an insurance company – a new form of guarantee for potential customs debts

Economic operators may establish customs guarantee through a guarantor, insurance company, once with the entry into force of the Union Customs Code.

This is a new form of guarantee for potential customs debt in addition to the dedicated forms used until present (Letter of bank guarantee or cash deposit).

A new feature for AEO certified companies – access to the national centralized clearance procedure

AEO certified companies have the possibility to declare goods in a centralized manner at a single customs office, even though physically the goods are presented at other customs office in the country. This will lead to cost optimization and better control of customs clearance of goods.



Undertaking by an insurance company – a new form of guarantee for potential customs debts

When carrying out customs activity/procedures, which require a guarantee, economic operators (for example, importers, customs brokers from Romania/EU) may establish such guarantee by means of vouchers issued by insurance companies. Such companies can act as a guarantor based on the rules established by customs legislation in force.

What does this mean?

Insurance companies, which can act, as a guarantor must be established in the European Union and hold an accreditation obtained according to the laws applicable in this territory.

A customs guarantee in the form of an undertaking issued by an insurance company can be used for the following customs regimes/procedures:

- Union/Common transit;
- Customs warehousing;
- Inward/Outward processing;
- Temporary storage;
- Temporary admission;
- Release for free circulation with end-use;
- Simplified customs procedures;
- Procedure on provisional anti-dumping duties.

For entering on such market, knowledge and thoroughgoing study by the guarantor – insurance company – on how customs guarantees work from a legal and practical perspective is necessary. More precisely, knowledge of:

- General aspects on customs guarantees (i.e. types of customs guarantees, what duties must such guarantees cover, general characteristics);
- Customs regimes/procedures, which require establishment of a guarantee and relevant conditions for their application and use from the view of a guarantor;
- Guarantor responsibilities from a customs perspective;
- Practical aspects on how guarantees work on each customs procedure/regime, risk mitigation, documents to ask for importers/customs agents upon issuance of the vouchers.

A new feature for AEO certified companies – access to the national centralized clearance procedure

As of 16 March 2017, a centralised customs clearance procedure has been implemented at national level and it is available in the national electronic systems of goods declaration.

The procedure allows the companies certified as an Authorized Economic Operator ("AEO") to submit a customs declaration (for import or for export) to a different customs office from that to which the goods are presented.

What does this mean for you?

Using the aforementioned procedure will lead to cost optimization and better control of the customs clearance process.

If your company already holds an AEO certification, we recommend a review of the conditions for using this procedure and its implementation in practice. If you do not currently have AEO certification, we recommend applying in time for obtaining it.

In addition, if you lodge the customs declaration by a customs representative (i.e. customs broker), you must ensure that it holds an AEO certificate.

For further questions regarding the aspects mentioned in this alert, please contact us.

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