

Bonded Warehousing (Entrepôts)

Within the Customs rules it is possible to store goods without paying taxes. This is called customs-entrepôts and free zones. We will only focus on the customs-entrepôts.

The entrepôts are divided into 6 types; Type A, B, C, D, E and F.

Within The Netherlands only the types B, C and E are used, of which a description below.

1) Entrepôt type B

This is a public customs entrepôt where everyone can store his customs-goods; the entrepôt is guarded officially or closed by the customs. The entrepôt-keeper is responsible for the goods (an entrepôt-keeper is authorized to manage the customs entrepôt and is obliged to carry out all obligations with regard to the entrepôt. So a carrier can also be an entrepôt-keeper).

2) Entrepôt type C

This is a private customs entrepôt for storage by and under responsibility of the entrepôt-keeper. Within the entrepôt type C are some subdivisions:

Entrepôt type C-SUM (entrepôt with summary supervision)

Entrepôt type C-spec (entrepôt with specific supervision)

Entrepôt type C-BAC (entrepôt with limited administrative supervision)

Entrepôt type C only allows storage in one place.

3) Entrepôt type E

This is a private customs entrepôt for storage by and under responsibility of the entrepôt-keeper. Of type E is only one kind, the difference with type C-BAC is that you can store in more than one place. On the other hand are the requirements of the Customs on the administration higher.

Below are mentioned a few characteristics of the Customs Law:

For the keeping of an entrepôt a license of the customs is needed

This license consists of a few parts:

The license which is given to the applicant personally

The approval of the storage accommodation

The approval of the stock administration

An entrepôt can basically be established everywhere.

The economic necessities can be proved.

The license can be withdrawn if used improperly.

The stock administration must meet certain requirements (the requirements of a C-BAC are higher as a C-SUM).

Customs documents are required to store the goods in an entrepôt.

If the stock does not correspond, the entrepôt-keeper has to pay for the taxes.

The goods can be stored from the entrepôt without leaving the entrepôt (as at a distribution department for customers). This happens through the agreement Active Upgrading.

Type C-SUM in practice

Incoming goods will be registered in the administration based on a T-document or a manifest of transfer. A limited amount of data will be registered, like the amount of parcels/boxes and the weight. The largest part of the air freight shipment will be 'brought' to the C-SUM and from there cleared through Customs. As soon as the goods are released by the Customs, they will give permission for carrying the goods away. This is sent together with the announcing DMA or VMA by the Customs through Sagitta to the carrier. The shipments can be stored for an indefinite period of time.

Particular activities can be performed with the goods in a C-SUM, as checking, (re)packing, splitting and making impartial after applying for an authorization.

The Customs will inspect at random.

Type C-bac in practice

Incoming goods will be saved in the C-bac administration on the basis of a specific T-document (stating the statistics number and value). The administration is more extended as with a C-SUM. Administrated will be:

Statistics number

Part number

Serial number

Amount of spare parts

Country of origin

Country of origin

Delivery conditions

Value

This extended administration makes it possible to take the goods from the warehouse, while the goods will clear through Customs on the third working day of the next month.

The stock administration must be updated within 24 hours after the goods were taken away from the C-bac.

A new list of all shipments that left the C-bac will be printed every first day of the month. Destinations outside the EU are shipped under a T-document (in transit); the customs for the goods with a destination within the EU will be paid.

This brings some advantages:

One can work without the interference of the Customs, 24/7, 365 days a year.

One is flexible and can create his own procedures.

One has to clear through customs only once.

One saves the customer interest, because the customs have to be paid in the next month.

One can also apply active upgrading

Monthly declaration

The monthly declaration must be sent to customs on the third working day of the month. The monthly declaration is the clearing through Customs of the goods that are dispatched from the C-bac in the last month. Not just the goods with a destination within the EU are mentioned on the monthly declaration (for which customs must be paid), but also the goods with a destination outside the EU (for which a T-document is issued).

The monthly declaration is also a review and an account to the Customs with regard to the stock administration. Also all dispatched with regard to inward processing are mentioned on the monthly declaration.

In most cases will such records be delivered at the Customs through EDI.

The Customs can check administratively or physically at random. The Customs give a request for paying the due customs after the check.