



Customs Administration of the
Netherlands
Ministry of Finance

Information document EIDR declaration services

Placing in a customs warehouse

1 Introduction

This information document is meant for holders of an authorisation entry in the declarant's records who only use this procedure for placing of goods by entry in the records in a private customs warehouse. Authorisation holders using this procedure to place goods under a different customs procedure are referred to the document "Information document declaration services EIDR".

The Union Customs Code stipulates that all of the declaration data must be exchanged electronically pursuant to Annex B of the Commission Delegated Regulation (EU) 2015/2446.

A new version of the declaration system AGS will be realized for such a purpose, which will have a different name from that moment onwards: the Customs Declarations Management System (DMS). The current dataset will be replaced by a new dataset (DMS 4.0). Anyone lodging customs declarations will be faced with a change of the datasets irrespective of which procedure is being used: the standard procedure, the simplified declaration or the entry in the declarant's records.

Authorisation holders entry in the declarant's records for declarations for placing in a customs warehouse must also use DMS. Customs has the aim that the authorisation holders concerned will only have to go through one process of change in which the declaration system (DMS) as well as the dataset is put into effect – from the current dataset to the dataset of the Union Customs Code or UCC –. The replacement of the dataset is a separate project. Customs will sharply monitor the concurrence of the replacement of the dataset and the replacement of the declaration system and aiming for a smooth transfer of the changes as much as possible. The transfer to DMS must be realized no later than 1 January 2023, with an extension until 1 July 2023.

This information set provides a description of two possible variants of declarations; the authorisation holders must make a choice between these as an alternative for their current way of working, i.e.:

1. The standard procedure. The standard procedure also comprises the pre-declaration and the simplified declaration.
2. Entry into the declarant's records together with the presentation of the goods.

In addition to the standard procedure and the entry in the declarant's records, the UCC contains another two simplified procedures, i.e., centralized clearance and self-assessment by the economic operator himself. Centralized release refers to the possibility of declaring goods in the Member State in which the declarant is established although the goods are physically in a different Member State. Authorisation holders who do self-assessment and who also have an authorisation entry in the declarant's records are allowed to make supplementary declarations available via direct electronic access into the system of the authorisation holder. This document does not contain any further details on centralized release and self-assessment as a complete statutory framework and technical specifications in respect of these procedures are not available as yet.

The standard procedure is set out in detail in Chapter 2. The procedure entry into the declarant's records is explained in Chapter 3.

2 The standard procedure

If goods are declared, they must be presented to Customs. Presentation is providing Customs authorities with the information that the goods have arrived at the customs office or at any other designated or approved location and that they are available for customs inspection. The declaration in the standard procedure also includes the notification of presentation – unless a pre-declaration is being made – because the declaration contains the information of the location where the goods are.

Once the entry has been made into the Customs system, the declaration is technically accepted. Such acceptance includes a check on completeness, correctness and consistency of the data as well as a statement of the relevant documents. It is followed by acceptance. Acceptance can only take place if the goods have been presented. The data in a declaration form the basis for the decision as to whether the goods can be released for the customs warehouse procedure.

2.1 The simplified declaration

The simplified declaration is considered to be a standard declaration from a practical point of view in which there is no need yet to submit certain data and/or documents on the date on which the declaration is lodged. The simplified declaration is also referred to in practice as ‘the incomplete declaration’. Appendix B of the Commission Delegated Regulation (EU) stipulates which data must be submitted as a minimum in the event of the simplified declaration.

There is no need for a supplementary declaration in the case of a simplified declaration to place goods under the customs warehouse procedure.

2.2 The pre-declaration

The UCC offers the possibility in the standard procedure to make a declaration prior to having presented the goods to Customs, which is referred to as a pre-declaration. The pre-declaration is a customs declaration and it contains the same data as a standard customs declaration. A pre-declaration may be done up to 30 days before the date of presenting the goods. The pre-declaration is technically accepted after having completed automated checks. The pre-declaration is also subject to risk analysis. If the declarant who submitted a pre-declaration is an Authorised Economic Operator (AEO), he will be informed as to the checks which will take place. Logistical planning can take such notified checks into account in advance. Once the goods have arrived and once they are available for checks, the goods must be declared by sending the presentation notification. Not until the goods have been presented, the declaration is accepted after which the goods may be released.

If the goods are not being presented within 30 days of lodging the pre-declaration, the declaration is considered not to have been made.

2.3 Representation.

A declaration to place goods in a private customs warehouse is what is referred to as a declaration with special obligations. Essentially, all of the obligations arise from the declaration, which obligations are linked to having a customs warehouse. The declaration can only be made by the person who has the special obligations, or alternatively by his/her representative (Article 170, Paragraph 1 of the UCC).

Indirect representation is not possible upon a declaration to place goods under the customs warehouse procedure, but direct representation is.

For more information about representation please refer to the customs manual, section 2.00.00.

2.4 Supervision

During the course of the standard procedure, it is not a matter of guarantees in the records given beforehand. There is enforcement if there are reasons on the basis of risk assessment, which comprises:

- a) The verification of declarations and the documents real time (as soon as all of the data are available and in the case of a pre-declaration, even prior to the presentation of the goods).
- b) The checking of the goods, as soon as these are presented
- c) To carry out the formalities that prevent release before the release (statutory obligations)
- d) To carry out the formalities that do not prevent release prior to release or following it.

3 Entry in the declarant's records (EIDR)

An authorisation from Customs is required for the use of the EIDR declaration procedure. To qualify for such an authorisation, a economic operator must meet most of the conditions to obtain a licence as an Authorised Economic Operator (AEO).

The procedure for the EIDR placing in customs warehouse consists of two main elements: the goods must be presented to Customs and the goods must be entered into the records of the declarant. There is a one-to-one relationship between these two elements. It means that for each entry in the records a presentation notification must be made and that there must be a link between the entry and the presentation notification.

3.1 The presentation of the goods

The principal rule of the EIDR is that the goods must be presented to Customs, which is effected by lodging a standard presentation notification for each separate entry in the records. The presentation notification includes a prescribed dataset and it must be done electronically in DMS.

In some cases, exemption from presentation may be granted (see the next paragraph). However, goods must always be presented if the prior procedure is temporary storage after entry into the EU. Customs needs the presentation notification to be able to clear the declaration for temporary storage in an automated manner.

3.2 Exemption from presentation

On request, EIDR authorisation holders may get an exemption from presentation of the goods to customs provided they meet certain conditions. The conditions for granting an exemption are as follows:

- the declarant is an Authorized Economic Operator and an authorisation holder for customs simplifications;
- the nature of the goods and the flow of goods of the goods concerned justify an exemption from presentation and the reasons are known to Customs.
- Customs has access to all of the information they consider needed to check the goods if necessary;
- at the moment of entry in the records, the goods are no longer subject to prohibitions and restrictions unless these are stipulated in the authorisation otherwise.

Please note: even if an exemption is granted in respect of presentation, a authorisation holder must be able to present the goods at the request of Customs.

The requirement, referred in dash 2 above has not been detailed in detail in the law, which means that Customs has to form their own interpretation, with due regard for earlier observations by European institutions during checks of existing regulations. In the Netherlands, an exemption is only granted if it is a matter of what is referred to as the chain procedure, which is set out in detail in the document “Information document declaration services EIDR”. The aforesaid does not apply to authorisation holders who only have an EIDR licence to place goods under the customs warehouse procedure and in principle, they will not get an exemption from the obligation to present the goods.

3.3 The pre-declaration

It is not possible to lodge a pre-declaration under the provisions of the EIDR. The declaration is accepted at the moment of completing the entry in the records. However, a declaration can only be accepted after the goods have been presented to Customs. In a pre-declaration within the scope of EIDR, the moment of the acceptance of the declaration would be prior to the arrival of the goods or the presentation of the goods which is impossible from a legal point of view.

3.4 Representation

In practice, the authorisation for EIDR placing in a customs warehouse is almost always granted to the same person as to whom the authorisation for the customs warehouse is granted. The person who is lodging the declaration must in fact keep the records himself of any declaration he lodges and if he represents another person, he must lodge that declaration in the records of the declarant and the goods must be included in the records of the customs warehouse. It therefore makes sense to combine the aforesaid as much as possible.

Paragraph 2.3 sets out that direct representation is only possible upon the declaration to place the goods in a private customs warehouse. The EIDR procedure means that the EIDR authorisation of the representative is used to lodge the declaration for placing the goods in the customs warehouse of the person represented. It is not that easy practically speaking.

Where direct representation is involved, the person represented is the declarant. The declaration must be done by way of entering the goods in the records of the declarant. These records need the prior approval from Customs – by way of initial assessment. Despite the fact that the records of a customs warehouse must also be approved, it must nevertheless be established if the requirements which apply to the EIDR procedure are in force.

There are many practical objections to this form of representation:

- A representative must have real-time and online access to each of the records of the companies for which he/she acts as a direct representative in order to be able to do the entry or the declaration.
- An EIDR licence holder must meet the criteria as set out in Article 39 of the UCC under a, b and d, which may be difficult in some cases. How can an authorisation holder for instance make sure that the owner of the records keeps a limited access to the records, that no alterations are being carried out without the approval from the Customs authorities, that after the termination of the representative relationship, Customs might still have access to the data etc.
- If a representative, i.e., the declarant, is established in another Member State, the Dutch Customs Authority is unable to assess his records. It will need mutual assistance. Generally, it means that the processing time for the procedure of granting of an authorisation will substantially increase.
- The administrative burdens of Customs are substantial, both initially and during the course of representation. An initial assessment has to be carried out for each representative.
- Administrative checks are complex and they can sometimes only be carried out with mutual assistance.
- In addition, there are good alternatives which do not necessitate such a large investment on the part of Customs. One of the alternatives is that the logistics service provider acts in the capacity of a direct representative in the standard procedure. In addition, it is possible to cover responsibilities or financial obligations by way of civil contracts between the logistics service provider and the client.

Theoretically, direct representation is possible but in practice it will not happen quickly. In the event that a specific case brings up a situation in which there is an actual need for this form of representation and in which the costs to Customs are proportionate to the advantages of such a licence, Customs will not dismiss it by definition. The argument in this case is that 'Customs needs to carry out fewer physical checks if there is an EIDR authorisation does not hold at any rate.

3.5 Supervision

The supervision strategy is still based on the generic approach Customs has had for many years. The way in which this approach is formed for you as an EIDR authorisation holder is partly dependent on the nature or the typology and the extent of the business, the package of goods, the position in the logistics chain, the internal company management on your part as a authorisation holder, any other licences as issued, any agreements made with Customs and recent outcomes of checks that were carried out.

The authorisation application within the scope of this change is assessed on the basis of queries which establish whether your company has adequate internal control measures to safeguard the reliability of the entry into the records of the customs goods.

Customs conducts three-year cyclical checks during which the risks are checked in relation to an authorisation holder and whether these are covered by the approach of supervision, which entails both the risks in relation to the conditions of the authorisation as well as the correctness and the completeness of the declarations, all the aforesaid on the basis of the risk signals received.

In addition to the administrative checks – in accordance with the cyclical supervision – physical checks are carried out on the basis of spot checks. Such spot checks are used to monitor the physical flow of goods and to assess the effects of the control measures of licence holders.

3.6 Guarantee

If an EIDR authorisation holder placing in a customs warehouse and a customs warehouse authorisation holder are one and the same person or juristic person, there is no need to put up separate guarantee for the EIDR licence. As soon as the goods have been entered, the guarantee of the customs warehouse applies.

In the event of direct representation, the actual situation must be assessed as to whether a customs debt may arise, and where it is the case, an EIDR authorisation holder must submit guarantee.

