

CUSTOMS CONTROL

SECTION 1 GENERAL PROVISIONS

Article 1

Definitions

For the purposes of this Annex, and in addition to the definitions included in Article-I of the Transit Transport Framework Agreement, the following expressions shall be used:

Customs authority

The government service which is responsible for the administration of Customs laws and the collection of import and export duties and taxes and which also has responsibility for the application of other laws and regulations relating, inter alia, to the import, export and transit of goods.

Customs Identification Marks

The method of customs identification of goods and the means of transport, premises and other places which is carried out by Customs authorities by sealing, stamping and marking digital, letteral and other labels, identification brands and affixing stamps, description of goods, photographs, use of transportation and other documents.

Customs Transit Operation

A Customs procedure according to which the goods are transported under Customs control through the territory of the Contracting Parties from the Customs office of departure to the Customs office of destination.

Declarant

Natural or legal Person who signs a **Goods Declaration** for Customs transit operation or in whose name it is signed.

Goods Declaration for Customs Transit

Statement made in a prescribed form by which the persons interested declare goods for **Customs transit operation** and fill out the particulars which the Customs require to be declared for **the application of a Customs transit operation**.

Customs Office of Departure

Any Customs Office of a Contracting Party at which a customs transit operation commences.

Customs Office En-route.

Any Customs office of a Contracting Party through which means of transport pass in the course of a **Customs transit operation**.

Customs Office of Destination

Any Customs office of a Contracting Party at which a Customs transit operation is terminated.

Article 2 Coverage of the Annex

The provisions of this Annex shall cover the goods as well as the means of transport which can be effectively sealed by Customs authorities or in non-sealable means of transport, under Customs transit of goods:

- a. consigned from the territory of one Contracting Party and destined to a place in the territory of a third country through the territory of one or more other Contracting Parties;
- b. consigned from the territory of a third country and destined to a place in the territory of one Contracting Party through the territory of one or more other Contracting Parties; and
- c. consigned from the territory of one Contracting Party and destined to a place in the territory of another Contracting Party through the territory of one or more Contracting Parties.

Article 3

Duties and Taxes in Customs Transit Operations

1. The Contracting Parties in accordance with their national legislation, agree to grant temporary admission of materials for maintenance and recovery vehicles, and for parts and equipment which are to be used, in the course of repair or maintenance, as replacements for parts and equipment incorporated in or used on a means of transport which is already temporarily admitted in territories of their countries. Guarantee and a temporary admission document may be required for such parts and equipment.
2. The Contracting Parties also agree to exempt from payment of import duties and taxes the following: fuel and lubrication oils contained in the normal tanks of means of transport upon arrival, spare parts, accessories and equipment, including special equipment for the loading, unloading, handling and protection of cargo which are part of transport means.
3. Goods transported under a financial support of the Guaranteeing Associations of the Contracting Parties or the use of TIR carnet of TIR Convention 1975, shall not be subject to any causeless delays or restraints and shall be exempted from customs duties and taxes.
4. The Guaranteeing Associations of the Contracting Parties shall undertake to pay the export or import duties and taxes, and related charges to be payable according to the Customs laws and regulations of the country in which an irregularity has been committed.

Article 4

Routes for Customs Transit

The Contracting Parties undertake that the transit routes presented by them and incorporated in Annex-I to the TTFA may be used for Customs transit operations in their respective territories.

Article 5

Business Hours and Competence of Frontier Customs Offices for Customs Transit

1. For the purposes of this Annex the corresponding Customs offices which are located on the common frontier, shall be open in accordance with the schedule agreed by the Contracting Parties.
2. The Contracting Parties shall authorize their corresponding frontier

Customs Offices to clear all goods carried under Customs Transit Operation in accordance with the provisions of this Annex.

Article 6

Goods Declaration for Customs Transit

1. The Contracting Parties while sending goods by any mode of transport in the international traffic shall fill out goods declaration.
2. TIR carnets shall be used for goods declaration when the traffic in transit are carried pursuant to the TIR Convention, 1975 except in countries which are not the signatory to this Convention.
3. The Contracting Parties while sending goods to such countries or vice versa will use the national goods declaration and consignment notes with particulars as given in the Addendum No.1 to this Annex.
4. The particulars of the consignment note, apart from the laid down details, should also contain information regarding the interim exit points (route which the consignment is to follow between its departure and the point of delivery) and the net weight of the goods necessary for proper inspection/estimation of volume of transit operations.

Article 7

Customs Seals and Fastenings

1. Customs seals and fastenings to be used in the application of Customs transit operation shall comply with the minimum requirements laid down in the Addendum-2 to this Annex.
2. Customs seals and fastenings affixed by Customs authorities of the other Contracting Parties or of a third country and which comply with the requirements in the Addendum-2, shall be accepted for the purposes of this Annex. Contracting Parties reserve the right, where such foreign seals and fastenings have been found insufficient or insecure or where their Customs authorities have proceeded to an examination of the goods, to affix their own seals and fastenings.
3. The Contracting Parties shall provide each other with specimens of the Customs seals and fastenings they use for the purposes of Customs Transit operation.

Article 8

Technical Qualifications of the Sealable Means of Transport

1. The means of transport which are intended to be sealed by the Customs for Customs transit operations under this Annex shall be so constructed and equipped that:
 - a. customs seals can be simply and effectively affixed to them;
 - b. no goods can be removed from or introduced into the sealed part of the means of transport without breaking the Customs seal or leaving visible traces of tampering;
 - b. they contain no concealed space where goods may be hidden;
 - d. all spaces capable of holding goods are readily accessible for Customs inspection;

and must be approved for the transport of goods under Customs seal in accordance with paragraph 2 of this Article.

2. The Contracting Parties undertake to accept, without any further inspection, the means of transport approved by the competent authorities of other Contracting Parties and the means of transport approved in accordance with an international instrument providing for the technical conditions and procedure for the approval of means of transport intended for the international transport of goods under Customs seal.

Article 9

Special Specifications for the Non-sealable Means of Transport

1. The means of transport which are not sealed by the Customs authorities for Customs transit operations under this protocol shall be so constructed and equipped that they contain no spaces or cavities where goods may be concealed.
2. All spaces of concealing goods should be readily accessible for Customs examination.
3. Items/goods which attract a higher incidence of taxes and duties in the Contracting Parties should not be allowed transit in the non-sealable means of transport.
4. Items/goods transported in the non-sealable means of transport should be of a uniform quality and in standard packing, with a view to rendering the

examination of the means of transport practicable and less cumbersome.

5. Goods transported under this Agreement in the non-sealable means of transport should invariably be subject to Customs examination both at entry and exit points in the Contracting Parties, with a view to precluding possibilities of Customs frauds/irregularities.

SECTION 2 MUTUAL ADMINISTRATIVE ASSISTANCE

Article 10

Communication of Information

The Customs authorities of the Contracting Parties shall, on request, communicate to each other as promptly as possible:

- a. Information relating to Goods declarations completed and accepted in their territory which are suspected of being false;
- b. Information to enable the authenticity of seals claimed to have been affixed in their territory to be verified.

Article 11

Notification of Inaccuracies

1. The Customs authorities of the Contracting Parties shall spontaneously and without delay, notify each other of any serious inaccuracy in a Goods declaration or of any other serious irregularities discovered in connection with a traffic in transit carried out under the provisions of this Annex, in order that the matter may be investigated, any duties and taxes chargeable may be collected and any repetition of the circumstances may be prevented.

2. In cases of mis-declaration/irregularities or tampering of customs seals etc., the liability would be determined by the concerned Customs authorities of the Contracting Parties, according to their respective national legislation.

SECTION 3 STORAGE FACILITIES

Article 12

Permission to Store Goods in Transit

The Contracting Parties shall in accordance with national legislation of their states allow goods consigned from or destined to the territory of other Contracting Parties, to be stored in the territory of their countries, either in a temporary store or in a Customs warehouse, where such storage is necessary either after or before a traffic in transit or at any stage in the course of such an operation, for example, at a frontier post, for a period sufficient to enable the goods to be forwarded to their ultimate destination in a third country. On their turn, the Contracting Parties will provide warehouses with all facilities including fire-security and goods safety.

Article 13

Operations Permitted for Goods Stored

1. Goods stored in Customs warehouse shall be allowed to undergo normal operations necessary for their preservation in good condition. Such operations with permission and under Customs Control include cleaning, beating, removal of dust, dividing parties, formation of departures, loading and unloading, sorting and repair or change of faulty packings as well as aeration, drying, creation of optimum temperature storage conditions, provision of protective lubrication and preservatives, antirust coating prior to transportation.

2. Goods shall also be allowed to undergo normal operations necessary to facilitate their removal from their place of storage and their further transport. Such operations with permission and under Customs Control include piling, weighing, marking and labeling as well as trans-shipment, simple operations related to full completion or setting into working condition, transfer within the Customs warehouse with a view to proper placing.

Article 14

Documents to Cover Storage

When arriving at the place of storage of goods shall be accepted in temporary storage under cover of the commercial or transport document

accompanying them for example, a Cargo manifest, Multimodal transport document, Bill of lading, Air way bill or a Goods declaration for Customs transit. Goods placed in a Customs warehouse shall comply with the national Customs warehousing procedure.

SECTION 4 MISCELLANEOUS

Article 15

Priority to Certain Consignments

The Contracting Parties shall grant, at any Customs office where Customs clearance takes place during a Customs transit operation, priority to consignments consisting of live animals, perishable goods and of other urgently needed goods for which rapid transport is essential.

Article 16

Accidents

Accidents and other unforeseen events en route affecting the Customs transit operation shall be reported to, and verified by, the Customs or other competent authorities closest to the scene of the accident or other unforeseen event.

Article 17

Lost Goods

1. The Contracting Parties shall grant exemption from the payment of the import duties and taxes normally chargeable, when it is established to the satisfaction of the Customs authorities that goods consigned from or to the territory of another Contracting Party and being transported under Customs transit, have been destroyed or are irrecoverably lost by accident or by force majeure, or are short for reasons due to their nature. The declaration of value of goods in the consignment note shall be mandatory for assessment of duties/taxes in case of destruction of goods. The satisfaction of the Customs authorities shall be in accordance with domestic legislation of the Contracting Parties.

2. Remnants of such goods may be:

a. Re-exported to the country of departure, or

- b. Destroyed or rendered commercially valueless under Customs control without expense to the Revenue; or
- c. With the consent of the Customs authorities, abandoned free of all expenses to the Treasury.

Article 18

Transportation of Dangerous Goods

Dangerous goods shall be transported in accordance with domestic legislation of the Contracting Parties.

Article 19

Review of the Implementation of the Provisions of this Annex

Representatives of the Customs Administrations of the Contracting Parties (members of the ECO Transit Trade Committee) shall meet at least once a year or upon the request of a Contracting Party or the Transit Transport Co-ordination Council to monitor the implementation of the provisions of this Annex.

Addendum-1 to Annex VII

PARTICULARS OF A CONSIGNMENT NOTE

1. The consignment note shall contain the following particulars:
 - a. the date of the consignment note and the place at which it is made out;
 - b. the name and address of the sender;
 - c. the name and address of the transport operator;
 - d. the place and the date of taking over the goods and the place designated for delivery;
 - e. the name and address of the consignee;
 - f. the description in common use of the nature of the goods and the method of packing, and in the case of dangerous goods, their generally recognized for delivery;
 - g. the number of packages and their special marks and numbers;
 - h. the gross weight of the goods or their quantity otherwise expressed;
 - i. charges relating to the carriage (carriage, charges, supplementary charges, customs duties and other charges incurred from the making of the contract to the time of delivery);
 - j. the requisite instructions for customs and other formalities;
 - k. a statement that the carriage is subject, notwithstanding any clause to the contract to the provisions of this Agreement.

2. Where applicable, the consignment note shall also contain the following particulars:
 - a. A statement that transshipment is not allowed;
 - b. The charges which the sender undertakes to pay;
 - c. The amount of "cash on delivery" charges;
 - d. a declaration of the value of the goods and the amount representing special interest in delivery;
 - e. the sender's instructions to the transport operator regarding insurance of the goods;
 - f. the agreed time-limit within which the carriage is to be carried out;
 - g. a list of the documents handed to the transport operator.

3. The parties may enter in the consignment note any other particulars which they may deem useful.

Addendum-2 to Annex VII

MINIMUM REQUIREMENTS TO BE MET BY CUSTOMS SEALS AND FASTENINGS

Customs seals and fastenings shall meet the following minimum requirements:

1. General requirements in respect of seals and fastenings:
 - a. be strong and durable;
 - b. be capable of being affixed easily and quickly;
 - c. be capable of being readily checked and identified;
 - d. the possibility of removal should be excluded or undoing without breaking or tampering without leaving traces;
 - e. not permit use more than once;
 - f. be made as difficult as possible to copy or counterfeit.
2. Physical specifications of seals;
 - a. the shape and size of the seal shall be such that any identifying marks are readily legible;
 - b. each eyelet in seal shall be of a size corresponding to that of the fastening used, and shall be positioned so that the fastenings will be held firmly in place when the seal is closed;
 - c. the material used shall be sufficiently strong to prevent accidental breakage, early deterioration (due to weather conditions, chemical action, etc.) and undetectable tampering.
3. Identification marks:

The seal or fastenings, as appropriate, shall be marked:

- a. to show that it is a Customs seal, by application of either of the words "Customs" or "Tamo " ;
- b. to show the country which applied the seal, preferably by means of the sign used to indicate the country of registration of motor vehicles in international traffic;
- c. to enable the Customs office by which the seal was affixed, or under whose authority it was affixed, to be identified, for example, by means of code letters or numbers.