

Guidelines for the immediate release of consignments by Customs



1 Introduction

- 1.1 In recent decades business has seized on information technology to exploit such innovative transport initiatives as containerization, multimodal through movement and express delivery services, in order to develop global integrated supply, production and distribution networks. This process has resulted in a significant increase in the international movement of goods across frontiers.
- 1.2 Situated at these frontiers, Customs plays a vital role in this trade process. Customs administrations are charged by Governments to ensure timely and accurate collection of revenue, compliance with relevant laws and regulations and collection of trade statistics. International trade therefore relies on Customs for fast and efficient release/clearance of goods at all relevant points.
- 1.3 The World Customs Organization (established as the Customs Co-operation Council) has developed a set of procedural Guidelines based on existing practices to enable Customs to combine immediate release with relevant and appropriate controls for these consignments.
- 1.4 The Guidelines provide that the Customs will generally grant immediate release/clearance to all consignments, provided that the conditions laid down by Customs are met and that the necessary information required by national legislation is communicated at a stipulated time before the consignments arrive. The advance communication of that information is facilitated, in particular, through exchange of data electronically.
- 1.5 Consignments for which information is provided in a non-electronic format and for which information is provided after arrival, such as postal consignments, will still nevertheless be granted release/clearance promptly.
- 1.6 To assist Customs in determining data requirements and the exact procedure to be applied, the Guidelines recommend that consignments being presented for immediate release be divided into four categories.
- 1.7 Under these Guidelines, Customs retain the right to carry out spot or other checks using risk management techniques and may require operators to provide facilities for Customs officers where special attendance or attention is required to apply the procedure.

3 Categorization of consignments for immediate release/clearance

- 3.1 Consignments may be divided into four categories for the purpose of granting immediate release.
- 3.2 The description and attributes of each category and the related release procedures and information requirements are as given below. For the indicative list of data elements for the categories of goods the definitions and formats of the information requirements and the recommended code standards set out in the WCO Customs Data Model. The categorization of consignments and the immediate release/clearance procedures will apply both at time of exportation and importation.

4 Category 1 – Correspondence and documents

- 4.1 This category comprises correspondence and documents having no commercial value and which are not subjected to duties and taxes. Further;

- Correspondence is limited to written messages from one person to another, post cards and letters containing personal messages.

- ‘Documents’ is limited to printed matter in non-commercial quantities.

‘Correspondence’ or ‘documents’ that are recorded on carrier media will not be included in this Category.

Any items that are prohibited or restricted are not included.

- 4.2 The shipper’s/consignor’s declaration of Customs value may be accepted for release/clearance purposes as indicated in item 10 of these Guidelines.

- 4.3 Immediate release should be granted on the basis of a consolidated declaration that may be oral or written (manifest, waybill or an inventory of such items) or on presentation to Customs of bags specially designed to transport such correspondence or documents.
- 4.4 In determining the value of these consignments, transport costs may be excluded, as indicated in item 11.1 of these Guidelines.

Note:

Depending on technological capabilities the declaration may be provided to Customs in an electronic format.

- 4.5 Each Customs administration, based on national legislation and other requirements, should specify the minimum list of data elements required to provide release of goods under this Category. The list of such data and other requirements that are to be complied with should be published and made available in accordance to the principles set out in Chapter 9 of the General Annex of the Revised Kyoto Convention. In setting out the list of data elements required the following should be taken into account:
- (i) Customs are encouraged to limit the data required to only such particulars that are deemed necessary to ensure compliance with Customs laws.
 - (ii) For purposes of risk assessment Customs may specify a weight limit for items covered by this Category.
 - (iii) In certain countries the only information required for the release/clearance of correspondence and documents is the total weight of such correspondence and documents arriving in the same consignment.
 - (iv) Normally this information is provided by the operator on the cargo declaration or accompanying transport documents.
- 4.6 Normally there should be no requirement for further post-release documentation or procedures.

5 Category 2 – Low value consignments for which no duties and taxes are collected

5.1 This category comprises:

- material for mass distribution in commercial quantities, certain types of literature for the blind, printed papers;
- low value consignments where duties and taxes are remitted or waived as the amount of duties and taxes applicable would be negligible, e.g., unsolicited gifts below a defined value, trade samples;
- low value goods which are not dutiable and taxable in their own right.

Any items that are prohibited or restricted are excluded.

5.2 Customs shall ensure that information regarding the value of a consignment or the duty and/or tax payable below which no duties and taxes will be levied is readily available. One or both criteria may be used.

Notes:

- (i) For example, the value of a consignment should be less than SDR (Special Drawing Rights²) 50 or the duty and tax less than SDR 3 or the consignment should be both less than SDR 50 in value and the duty less than SDR 3.
- (ii) Customs administrations should carry out regular reviews of the value or the duty and/or tax payable below which no duties and taxes will be levied taking into consideration inflation and the need to simplify the processing of low value goods.
- (iii) Where practicable, these threshold values and/or amounts should be stipulated in national legislation.

5.3 The shipper's/consignor's declaration of Customs value may be accepted for release/clearance purposes as defined in item 10 of these Guidelines.

- 5.4** In determining the value of these consignments, transport costs may be excluded as indicated in item 11.1 of these Guidelines.
- 5.5** If Customs requires information for statistical purposes, a manifest, waybill, cargo declaration or other document may be presented to Customs after immediate release has been granted in instances where immediate release is given without the presentation of a document.
- 5.6** Immediate release may be granted on the basis of a consolidated declaration that can be a manifest, waybill, cargo declaration or an inventory of such items. Such documents should contain the necessary information for granting immediate release by Customs. The following procedures may be considered:
- (a) Immediate release (especially for material for mass distribution in commercial quantities, certain types of literature for the blind, printed papers, which are not dutiable and/or taxable) on presentation to Customs of a manifest and/or a waybill, house waybill or an inventory of items prepared by the operator or his agent.
 - (b) Immediate release following the presentation of a simplified Goods declaration.
- 5.7** Each Customs administration, based on national legislation and other requirements, should specify the minimum list of data elements required to provide release of goods under this Category. The list of such data and other requirements that are to be complied with should be published and made available in accordance to the principles set out in Chapter 9 of the General Annex of the Revised Kyoto Convention. In setting out the list of data elements required the following should be taken into account:
- i) Customs are encouraged to limit the data required to only such particulars that are deemed necessary to ensure compliance with Customs laws.
 - ii) The data elements for all individual items in a consolidated consignment should be individually reported or should be affixed to the individual items. The individual items should be available to the Customs on request when deemed necessary.
- 5.8** Normally there should be no requirement for further post-release documentation or procedures.

² The SDR is an international reserve asset created by the IMF following the First Amendment of the Articles of Agreement in 1969 to supplement members' existing reserve assets—official holdings of gold, foreign exchange, and reserve positions in the IMF. US Dollar exchange rate for 1 SDR is 1.245840 \$ as of 2 July 2001. (Source: IMF).

6 Category 3 - Low value dutiable consignments

- 6.1 This category comprises consignments that are above the value and/or duty/tax limits of category 2 consignments or do not qualify for duty and tax remission or waiver. Any goods that are prohibited or restricted are excluded.

Notes:

- (i) For example the value of the consignment should be SDR 50 or above but below SDR 1000. These consignments are above any de minimis threshold specified for Category 2 but below the value specified in national legislation for which a full Goods declaration is required.
- (ii) Where practicable, these threshold values and/or amounts should be stipulated in national legislation.

- 6.2 Customs shall ensure that information regarding the value and/or the duty/tax limit for consignments in this category is readily available.

Note:

Customs administrations should carry out regular reviews of the value or the duty and/or tax limits used for determining whether consignments fall into this category taking into consideration inflation and the need to simplify the processing of these goods.

- 6.3 In determining the value of these consignments, transport costs may be excluded, as indicated in item 11.2 of these Guidelines.
- 6.4 The following release/clearance procedures may be considered:

Immediate release with simultaneous clearance

- 6.5** Consignments may be granted immediate release with simultaneous clearance subject to any Customs selective documentary and/or physical examination of the goods based on risk management techniques and provided that:
- (a) information required by Customs as indicated in item 6.7 below is given in advance of the arrival of the goods for the purposes of processing information, calculating the amount of duties and taxes payable and for selecting consignments for documentary and/or physical examination, if deemed necessary;
 - (b) a simplified Goods declaration containing the information required by Customs is presented prior to the arrival of the goods;
 - (c) all duties and taxes are paid or deferred payment terms are accepted.

Immediate release with subsequent clearance

- 6.6** Immediate release with subsequent clearance may be granted provided that:
- (a) a manifest and/or a waybill or an inventory prepared by the operator or agent or a provisional declaration containing the information required by Customs as indicated in item 6.7 is presented to Customs;
 - (b) adequate financial guarantees are given to Customs for securing payment of duties and taxes;
 - (c) Customs, if it deems necessary based on risk management techniques, subjects such consignments to any documentary and/or physical examination prior to release;
 - (d) a simplified Goods declaration which may also be a periodic Goods declaration containing details of all items released with under this procedure is presented to the Customs during a specified period;
 - (e) all duties and taxes are paid or deferred payment terms are accepted on finalizing the clearance of the consignments concerned.

- 6.7** Each Customs administration, based on national legislation and other requirements, should specify the minimum list of data elements required to provide release of goods under this Category. The list of such data and other requirements that are to be complied with should be published and made available in accordance to the principles set out in Chapter 9 of the General Annex of the Revised Kyoto Convention. Customs are encouraged to limit the data required to only such particulars that are deemed necessary to ensure compliance with Customs laws.

7 Category 4 - High value consignments

- 7.1** This category comprises consignments not falling under the other three categories described above and includes consignments containing goods that are subject to restrictions. Normal release and clearance procedures, including payment of duties and taxes apply.
- 7.2** Immediate release for this category will be facilitated if the necessary information is received by Customs at a stipulated time in advance of the arrival of the goods.
- 7.3** In addition consignments in this category may be granted immediate release with subsequent clearance if a provisional or a simplified Goods declaration or invoice with the minimum information required by Customs to grant release is provided. Adequate financial guarantees are normally provided to Customs for securing the payment of duties and taxes. Any permits, certificates, etc., required may be furnished at the time of release or prior to clearance. For restricted goods these would usually be required to be furnished at the time of release.
- 7.4** Special procedures for authorized persons e.g. periodic Goods declaration, would also facilitate the release/clearance of goods in this category.
- 7.5** Information requirements for this category should be limited to that necessary to ensure compliance with Customs law and should be fully based on the WCO Customs Data Model.

8 Sorting and transhipment operations

- 8.1 Subject to the provisions of national legislation, Customs may allow sorting and transhipment operations to take place with the minimum of controls in a place designated by Customs, provided that adequate security has been furnished.
- 8.2 Customs should accept any commercial or transport document for the consignment concerned for the purposes of transhipment provided that they meet all the Customs requirements.

9 Information and documentation requirements to facilitate and expedite immediate release/clearance of consignments

- 9.1 Operators are encouraged to pre-advise Customs of the shipment or arrival of consignments. This pre-advice could be in the form of a manifest, cargo declaration or summary report in either electronic or hard-copy form and should contain the information required by Customs for the release/clearance of the different categories of consignments. The provision of such information in advance may enable Customs to:
 - (a) ascertain the category of consignments, prior to arrival, so that the appropriate release/clearance procedures can be applied at the time goods actually arrive;
 - (b) apply risk management techniques to identify high-risk consignments requiring more scrutiny;
 - (c) release immediately correspondence and documents and no value or low value non-dutiable and/or non-taxable consignments which contain goods on which there are no restrictions and prohibitions. Normally, there should be no further Customs

intervention or any subsequent submission of consolidated or periodic Goods declarations.

Notes:

- (i) Advance lodgement of information and documentation should not affect the point in time to be taken into consideration in determining the rate of duties and taxes, where applicable, as this will always be the point in time which is specified in national legislation.
- (ii) If national legislation provides for submission of data to a single agency on behalf of other agencies within the Customs territory, Customs should accept appropriate data from that source.
- (iii) Provision and acceptance of this information in an electronic format will enhance Customs abilities to immediately release goods.

10 Shipper's/consignor's declaration of contents and value

- 10.1** The shipper's/consignor's declaration of contents and value may be accepted by Customs for purposes of ascertaining the correct category of consignments where relevant, for the calculation or waiving of duties and taxes.
- 10.2** The acceptance of such a declaration may be limited to correspondence and documents (category 1) and low value consignments for which no duties or taxes are collected (category 2) as no duties and taxes will be chargeable on these consignments and as restricted or prohibited goods will be excluded.
- 10.3** The operator, importer's agent or importer in the country of importation may be required to verify the shipper's declaration of the contents and value.

Notes:

The shipper's/consignor's declaration may be affixed to the package as a label or be contained in a waybill, house waybill or invoice which should be signed by him, and if required be attached to the relevant consignment. The shipper's/consignor's declaration may also be electronically transmitted.

11 Transport costs

- 11.1** For computing the value of consignments in category 1 (correspondence and documents) and category 2 (low value consignments for which no duties or taxes are collected), transport costs may be excluded.
- 11.2** The exclusion of transport costs in computing the value of consignments in category 3 (Low value dutiable consignments) and category 4 (high value consignments) would depend on national legislation.

12 Examination of consignments

- 12.1** Customs has the right to examine all consignments regardless of the procedure being used (e.g. import, export, Customs transit, transshipment) to ensure compliance with the laws and regulations that Customs are responsible for enforcing.
- 12.2** However, Customs should not as a matter of course examine all consignments but may carry out examinations based on risk management techniques.
- 12.3** If goods must be inspected by other competent authorities and the Customs also schedules an examination, the Customs shall ensure that the inspections are co-ordinated and, if possible carried out at the same time.

13 Places of release/clearance of consignments

- 13.1** Customs shall designate the Customs offices or other places at which consignments may be released/cleared.
- 13.2** Customs may, when considered necessary and depending on the volume of consignment traffic, direct such traffic to designated areas so that its release/clearance can be treated as separate from that of other baggage or general cargo.
- 13.3** The following places may be designated for the Customs release/clearance of export, transshipment and import consignments, depending on the volume of consignment traffic and other resource and logistical considerations:
- (a) At Customs offices where the volume of consignments is small, goods may be released/cleared as accompanied baggage in the passenger hall when brought as on-board courier consignments, and at the freight sheds in the case of consignments carried as freight.
 - (b) At Customs offices with low to medium levels of traffic, special areas may be set aside, e.g. in the passenger halls or freight sheds, for release/clearance and for authorized operations connected therewith.
 - (c) At Customs offices where there is a sufficiently large volume of traffic, joint Customs/operator facilities (e.g. hubs) may be provided.
- 13.4** In the above cases and particularly where there are joint Customs/operator facilities, operators may be required to provide Customs, free of charge, with certain prescribed facilities, e.g. premises, equipment, supplies and adequate physical security.

14 Charges for release/clearance

- 14.1 Customs officers may be stationed permanently at those places specially designated for release/clearance, or attend as and when required. Any expenses that this entails may be charged to the operators.
- 14.2 At the request of the operators and where the level of business so justifies, Customs may, insofar as its resources permit, allow the release/clearance of consignments to take place outside Customs offices' business hours for commercial traffic.
- 14.3 Any expenses chargeable by Customs shall be limited to the approximate cost of the services rendered.

15 Information concerning the status of consignments

- 15.1 Customs and operators should establish compatible information systems that would assist operators to ascertain the status of their consignments.
- 15.2 When Customs cannot release a consignment, they should notify the operator as soon as possible and give reasons therefor.

16 Co-operation agreements or arrangements between Customs and operators

- 16.1 The means of implementing these Guidelines could be facilitated by the agreements or arrangements concluded between the two parties.

- 16.2** Customs and operators are encouraged to conclude agreements for example Memorandum of Understanding (MOU) at the national level or local level in order, inter alia:
- (a) to define in general the responsibilities of operators vis-à-vis Customs;
 - (b) to provide for the binding nature of any Customs declaration in whatever form for obtaining the release/clearance of consignments;
 - (c) to provide for co-operation between operators and Customs in maintaining security in those areas or places designated for the release/clearance of consignments;
 - (d) to provide for co-operation in the interdiction of narcotic smuggling, commercial fraud, restricted and prohibited goods;
 - (e) to institute facilitated and expeditious Customs release/clearance procedures for consignments, provided that operators conform to relevant Customs requirements, e.g., payment for special or additional services, the provision of financial guarantees, and the provision of advance information or documentation;
 - (f) to identify the documentation or its electronic equivalent which is sufficient to establish, for example, such details as the value, content, consignor and consignee, and which could be accepted by Customs;
 - (g) to ensure that Customs is provided with premises and other facilities for their operations, if so required, in places designated for the release/clearance of consignments;
 - (h) to provide for timely notice to be given by either party to the agreement if amendments to or abrogation of the agreement is contemplated.

Note:

National legislation may provide for such agreements, in such a way that they are legally binding on all parties.

Appendix I

INDICATIVE LIST OF DATA ELEMENTS FOR CONSIGNMENTS COVERED UNDER CATEGORIES 1, 2 & 3

Notes:

- (i) The data elements for all 3 Categories are purely indicative. Customs are not restricted to requiring only those data elements specified.
- (ii) Customs, based on their national legislation and for purposes of risk assessment, may require fewer data elements or specify their requirement for more data elements than those listed for each of the Categories below.
- (iii) Customs are encouraged to limit the data required to only such particulars that are deemed necessary to ensure compliance with Customs laws.

CATEGORY 1 – Correspondence and Documents

- 9839 Date and time of arrival at place of discharge
- 8028 Conveyance reference number
- 3392 Place of discharge
- 9860 First port of arrival
- 3127 Carrier identification
- 3128 Carrier name
- 3334 Place of Loading
- 7370 Total number of packages
- 6292 Total gross weight
- 8260 Equipment identification number
- 8270 Means of transport identifier
- 1188 Transport document identifier
- 9381 Customs procedure

CATEGORY 2 – Low value consignments for which no duties and taxes are collected

- 9839 Date and time of arrival at place of discharge
- 8028 Conveyance reference number
- 3392 Place of discharge
- 9860 First port of arrival
- 3127 Carrier identification
- 3128 Carrier name
- 3334 Place of Loading
- 7370 Total number of packages of the entire declaration (for consolidated declarations)
- 6292 Total Gross weight
- 8260 Equipment identification number
- 8270 Means of transport identifier
- 1188 Transport document identifier
- 9381 Customs procedure
- 3030 Exporter/ 3336 consignor
- 3020 Importer/3132 consignee
- 3196 Agent
- 9902 Trader reference and/or 9816 Unique consignment reference number
- 4423 Nature of transaction (whether trade samples/gifts etc.)
- 3221 Country whence consigned, coded
- 7102 Shipping marks
- 9891 Charges (transport/shipping costs)
- 7002 Description of goods
- 7224 Number of packages
- 5032 Customs Value
- 6345 Currency, coded
- 9975 Gross weight item level
- 3239 Country of Origin, coded

CATEGORY 3 – Low value dutiable consignments

- 9839 Date and time of arrival at place of discharge
- 8028 Conveyance reference number
- 3392 Place of discharge
- 9860 First port of arrival
- 3127 Carrier identification
- 3128 Carrier name
- 3334 Place of Loading
- 7370 Total number of packages of the entire declaration
- 6292 Total Gross weight
- 8260 Equipment identification number
- 8270 Means of transport identifier
- 8260 Equipment identification number
- 3030 Exporter/3336 Consignor
- 3020 Importer/3132 Consignee
- 3196 Agent
- 9902 Trader reference and/or 9816 Unique consignment reference number
- 4423 Nature of transaction (whether trade samples/gifts etc.)
- 3221 Country whence consigned, coded
- 7102 Shipping marks
- 9891 Charges (transport/shipping costs)
- 7002 Description of goods
- 7224 Number of packages
- 5032 Customs value
- 6345 Currency, coded
- 9975 Gross weight item level
- 3239 Country of Origin, coded
- 3021 Importer, coded
- 7282 Tariff code number and 9805 Additional tariff code numbers
- 9381 Customs procedure, coded
- 1334 Invoice number
- 9817 Additional document type, coded, and 9966 Additional document type and
- 9980 Additional document reference number

Appendix II

Methods of Application

Will be supplemented when information is received from Members.

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