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(Acts whose publication is obligatory)

COUNCIL REGULATION (EEC) No 1970/88

of 30 June 1988

concerning triangular traffic under the outward processing relief arrangements and the standard exchange system

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 2473/86 of 24 July 1986 on outward processing relief arrangements and the standard exchange system, [1] and in particular Article 27 thereof,

Having regard to the proposal from the Commission,

Whereas Regulation (EEC) No 2458/87 [2], which lays down provisions for the implementation of Regulation (EEC) No 2473/86, defines triangular traffic as the system under which compensating products are released for free circulation with partial or total relief from import duties in a Member State other than that from which the goods were temporarily exported; whereas the same arrangements should apply to the standard exchange system without prior importation;

Whereas Article 12 of Regulation (EEC) No 2473/86 provides that compensating products may be declared for free circulation under the outward processing relief arrangements by another person established in the Community provided he has obtained the consent of the holder of the authorization and provided the conditions of the authorization are fulfilled; whereas it should be established that such consent has been obtained when information sheet INF-2 is applied for;

Whereas specific charging rules need to be laid down for triangular traffic;

Whereas the customs authority of the Member State of re-importation must have at its disposal all the information it needs to ensure the smooth operation of the arrangements; whereas, in particular, it must have at its disposal all the data needed for the granting of partial or total relief from import duties on the compensating or replacement products; whereas, without such information, it would not be possible to ensure that the rules on triangular traffic under the outward processing relief arrangements were applied uniformly;

Whereas an information procedure must be set up linking the customs authorities of the Member States concerned to meet all these requirements; whereas, to that end, it is appropriate to set up an information procedure at Community level;

Whereas, in the absence of an opinion of the Committee for Customs Procedures with Economic Impact on the draft Regulation submitted by the Commission, the Council is required to adopt the necessary provisions,

HAS ADOPTED THIS REGULATION:

Article 1

1. The customs authority called on to issue the authorization shall permit use of the triangular traffic system either:

(a) in connection with the authorization referred to in Articles 3 or 14 of Regulation (EEC) No 2458/87; or

(b) at the special request of the holder of the authorization made after the authorization has been granted but before the compensation or replacement products have been released for free circulation.

2. Use of the triangular traffic system shall not be authorized under the standard exchange system with prior importation.

Article 2

1. Without prejudice to Article 7, where the triangular traffic system is used an information sheet 'INF-2' corresponding to the model and provisions contained in the Annex shall be used.

2. Information sheet INF-2 shall comprise one original and one copy. The original and the copy shall be presented together at the customs office where the declaration of entry for the arrangements is, or has been, lodged.

3. The request for the issue of information sheet INF-2 shall constitute the consent of the holder of the authorization referred to in Article 12 of Regulation (EEC) No 2473/86.

[1] OJ No L 212, 2. 8. 1986, p. 1.
[2] OJ No L 230, 17. 8. 1987, p. 1.

Article 3

1. The customs office with which the declaration of entry for the arrangements is, or has been, lodged shall endorse the original and the copy of information sheet INF-2. It shall retain the copy and return the original to the declarant.

2. Where the compensating or replacement products are expected to be re-imported in more than one consignment at different customs offices, the customs office with which the declaration of entry for the arrangements is, or has been, lodged shall, at the request of the holder of the authorization, issue the requisite number of INF-2 forms together representing the total quantity of goods entered for the arrangements.

3. Where the customs office with which the declaration of entry for the arrangements is, or has been, lodged, considers that the customs authority of the Member State of re-importation requires certain authorization particulars which do not appear on the information sheet, it shall enter such particulars on the information sheet.

4. The original of information sheet INF-2 shall be presented to the customs office where the goods leave the customs territory of the Community. That office shall certify on the original that the goods have left the said territory and shall return it to the person presenting it.

Article 4

1. Where the customs office with which the declaration of entry for the arrangements is, or has been lodged, is called upon to endorse information sheet INF-2, it shall indicate in box 16 the means used to identify the temporarily exported goods.

2. Where samples are taken or illustrations or technical descriptions are used, the office referred to in paragraph 1 shall authenticate such samples, illustrations or technical descriptions by affixing its customs seal either on the goods, where their nature so permits, or on the packaging, in such a way that it cannot be tampered with.

A label bearing the stamp of the office and a reference to the export declaration shall be attached to the samples, illustrations or technical descriptions in a manner which prevents substitution.

3. The samples, illustrations or technical descriptions, authenticated and sealed in accordance with paragraph 2, shall be returned to the exporter, who shall present them with the seals intact, when the compensating or replacement products are re-imported.

4. Where an analysis is required and the results will not be known until after the customs office has endorsed information sheet INF-2, the document containing the results of the analysis shall be given to the exporter in a sealed tamper-proof envelope.

Article 5

1. The importer of the compensating or replacement products shall present the original of information sheet INF-2 and, where apropriate, the means of identification referred to in Article 4 (3) and (4) to the customs authority of the Member State of re-importation when he lodges the entry for release for free circulation.

2. Where the compensating or replacement products are released for free circulation in a single consignment, or in more than one consignment but at the same customs office, that office shall note on the original of information sheet INF-2 the quantities of temporarily exported goods corresponding to the quantities of compensating or replacement products released for free circulation. When information sheet INF-2 is discharged, it shall be annexed to the corresponding declaration. Failing this, it shall be returned to the declarant and box 44 of the IM form, provided for in Article 3 of Council Regulation (EEC) No 1900/85 of 8 July 1985 introducing Community export and import declaration forms [1] shall be endorsed accordingly.

3. Where the compensating or replacement products are released for free circulation in more than one consignment at more than one customs office and Article 3 (2) has not been applied, the customs office with which the first entry for release for free circulation is lodged shall, at the request of the declarant, replace the initial information sheet INF-2 with further information sheets INF-2 which together represent the total quantity of temporarily exported goods which have not yet been released for free circulation. The customs office shall indicate on the replacement information sheet or sheets the number of the initial information sheet and the customs office which issued it. The quantities entered on the replacement information sheet or sheets shall be noted against the quantities entered on the initial information sheet INF-2 which shall accordingly be discharged and annexed to the initial entry for release for free circulation. As each of the replacement information sheets is discharged, it shall be annexed to the declaration of entry for free circulation to which it refers.

Article 6

In the event of theft, loss or destruction of information sheet INF-2, the holder of the outward processing authorization may ask the customs office which endorsed it for a duplicate to be issued. The said office shall comply with this request provided it can be shown that the temporarily exported goods in respect of which the duplicate is requested have not been re-imported.

The duplicate so issued shall bear one of the following indications :

'DUPLICADO', 'DUPLIKAT', 'DUPLIKAT', 'ΑΝΤΙΓΡΑΦΟ', DUPLICATE', 'DUPLICATA', 'DUPLICATO', 'DUPLIKAAT', 'SEGUNDA VIA'.

[1] OJ No L 179, 11. 7. 1985, p. 4.

Article 7

Simplified information and control procedures may be used for specific triangular traffic flows.

The Member States concerned shall send the Commission in advance a draft of the proposed procedures to the traffic flow in question. The Commission shall inform the other Member States.

The simplified procedures communicated to the Commission may be implemented unless the Commission notifies the Member States concerned within two months of the date of receipt of the draft that there are objections to implementation of the procedures.

Article 8

1. Under the triangular traffic system, where in trade between the two Member States concerned the goods in question :

(a) are liable to customs duties, charges having equivalent effect or other charges provided for under the common agricultural policy or the specific arrangements applicable to certain goods resulting from the processing of agricultural products, or, as the case may be, in an Act of Accession ; or

(b) qualify for the payment of amounts provided for under the common agricultral policy or the specific arrangements applicable to certain goods resulting from the processing of agricultural products, or, as the case may be, in an Act of Accession,

such duties, charges having equivalent effect, other charges or amounts, with the exception of monetary compensation amounts, shall be levied or granted in the same way as if the temporarily exported goods had been brought from the exporting Member State and released for home use in the Member State of re-importation before being entered for the arrangements.

2. The duties, charges having equivalent effect and other charges and amounts referred to in paragraph 1 shall be applied to the temporarily exported goods by the Member State of re-importation when the compensating products are imported into that State.

Those duties, charges having equivalent effect and other charges or amounts referred to in the first subparagraph shall be payable by, or granted to, the person who would be liable for payment of the customs debt if the compensating products were released for free circulation.

3. For the purposes of differential taxation pursuant to Article 13 of Regulation (EEC) No 2473/86, the temporarily exported goods shall be considered to have been exported from the customs territory of the Community by the Member State of re-importation.

4. The particulars used for applying paragraphs 2 and 3 shall be those obtaining on the date of acceptance of the entry for release for free circulation of the compensating or replacement goods.

5. The amount obtained from the differential taxation calculated in accordance with paragraph 3 shall be adjusted up or down by the amounts which would have been levied or granted by the Member State of exportation in the case of direct consignment of temporarily exported goods to the Member State of re-importation.

The possible correction shall not take account of monetary compensation amounts or any other amount already applied at the time of temporary exportation.

The amounts shall be converted into the currency of the Member State of re-importation using the rate of exchange applicable for determining customs value on the date referred to in paragraph 4.

Article 9

In order to make the calculations referred to in Article 8 easier for the Member States the Commission shall publish examples in the C series of the *Official Journal of the European Communities.*

Article 10

The customs authority of the Member State of re-importation shall be entitled to ask the customs authority which endorsed information sheet INF-2 for post-clearance verification of the authenticity of the information sheet and the accuracy of the particulars which it contains and of any additional information entered on it.

The customs authority concerned shall comply with this request as soon as possible.

Article 11

Information sheet INF-2 may also be used where the temporarily exported goods are exported and the compensating or replacement products imported at different customs offices in a single Member State.

However, Member States may provide for other procedures.

Article 12

Information sheets INF-2 drawn up on forms corresponding to the model annexed to Directive 76/447/EEC [1] may continue to be endorsed until 30 June 1989. In this case, the notes in the Annex hereto, relating to information sheet INF-2, shall apply.

Article 13

This Regulation shall enter into force on the day following its publication in the *Official Journal of the European Communities.*

It shall apply with effect from 1 July 1988.

[1] OJ No L 121, 8. 5. 1976, p. 52.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Luxembourg, 30 June 1988.

For the Council

The President

Ch. SCHWARZ-SCHILLING

ANNEX

EUROPEAN COMMUNITY

Before completing this form please read the notes overleaf!

☐ 1 Holder of outward processing authorization

Person responsible :

INF 2

ORIGINAL

INFORMATION SHEET
No A/000000
OUTWARD PROCESSING
TRIANGULAR TRAFFIC

3 Customs office to which application is made

2 APPLICATION

The undersigned requests verification of the information on the goods referred to in box 12 with a view to their re-importation into the Community

Place :

Date | | | | | | | | Signature :
day month year

IMPORTANT
This information sheet must be presented when the goods leave the customs territory of the Community and when the compensating products are re-imported

4 Intended Member State of re-importation :

5 Country of processing or destination :

6 Outward processing authorization

7 Date of yield

8 Authorized processing operations

9 Other details of the authorization

10 Description of compensating products to be re-imported

11 CN code

12 Description of temporarily exported goods

13 CN code

14 Net quantity

15 Statistical value

16 STAMP OF CUSTOMS OFFICE WHICH ACCEPTED THE DECLARATION FOR TEMPORARY EXPORTATION

Information certified correct

Temporary exportation document number :

dated | | | | | | | | | |
day month year

Last day for re-importation of compensating products :

| | | | | | | | | |
day month year

Means of identification used :

Stamp :

Observations :

Customs office (name and Member State) :

17 STAMP OF CUSTOMS OFFICE OF EXIT FROM THE CUSTOMS TERRITORY OF THE COMMUNITY

The goods described in box 12 left the Customs territory of the Community

on | | | | | | | | | |
day month year

Stamp :

Observations :

Customs office (name and Member State) :

18 REQUEST FOR POST-CLEARANCE VERIFICATION

The competent authority indicated below requests verification of the authenticity of this information sheet and the accuracy of the particulars which it contains.

Place :

Date | | | | | | | | |
day month year

Signature :

Stamp :

Name and full address of competent authority

19 RESULT OF VERIFICATION

This information sheet (1) was ☐ stamped by the customs office indicated in box 16 and the particulars which it contains are correct

Place : ☐ gives rise to the following observations

Date | | | | | | | | |
day month year

Signature :

Stamp :

Name and full address of competent authority

(1) Place a cross ☒ in the appropriate box.

20 RE-IMPORTATION OF COMPENSATING PRODUCTS

Indicate the quantity available in boxes A and the quantity re-imported in boxes B

Quantity	Type, number and date of document for release for free circulation, stamp of customs office	Quantity (Continuation)	Type, number and date of document for release for free circulation, stamp of customs office
A		A	
B		B	
A		A	
B		B	

NOTES

A. General notes

1. The form must be filled in legibly and indelibly, preferably by typewriter. It must not contain any erasures or overwritten words. Corrections should be made by crossing out wrong entries and if necessary adding the correct particulars. Corrections must be initialled by the person filling in the form and endorsed by the customs office which completes box 16.
2. Boxes 1 to 15 must be filled in by the holder of the outward processing authorization.

B. Special notes referring to box numbers :

1. Give the name and forename or business name and full adress (including the postal code, if any) and the name of the Member State. In the case of a legal person, the name and forename of the person responsible should also be given.
3. Give the name and full address, including the postal code; if any, and the Member State.
6. Give the number and date of the authorization and the name of the customs authority which issued it.
9. Specify any other procedures provided for in the authorization.
10. Give an exact description of the compensating products using the normal commercial description or the tariff description.
11. Give the tariff heading or subheading of the compensating products as shown on the authorization.
12. Give an exact description of the goods using the normal commercial description or the tariff description. The description must correspond with that given in the export document. If the goods are subject to inward processing arrangements enter 'IP goods' and give the number of the information sheet INF 1 if used.

    Indicate, where necessary, the amounts to be applied by the Member State of temporary exportation, in the case of a direct consignment of temporarily exported goods to the Member State of re-importation, at the time of lodgement of the export declaration in the first Member State with the exception of MCAs or any other amount already applied at the time of temporary exportation.
14. Give the net quantity expressed in units of the metric system (kilograms, litres, square metres, etc.).
15. Give the statistical value at the time the export declaration was lodged, preceded by one of the following national currency abbreviations :

    BEF : Belgian francs
    DKK : Danish kroner
    DEM : German marks
    GRD : Greek drachmas
    ESP : Spanish pesetas
    FRF : French francs
    IEP : Irish pounds
    ITL : Italian lire
    LUF : Luxembourg francs
    NLG : Dutch guilders
    PTE : Portuguese escudos
    GBP : pounds sterling

EUROPEAN COMMUNITY

☐ 1 Holder of outward processing authorization

Person responsible :

INF 2

COPY

INFORMATION SHEET
No A/000000
OUTWARD PROCESSING TRIANGULAR TRAFFIC

3 Customs office to which application is made

2 APPLICATION

The undersigned requests verification of the information on the goods referred to in box 12 with a view to their re-importation into the Community

Place :

Date | | | | | | | | Signature :
day month year

IMPORTANT

This information sheet must be presented when the goods leave the customs territory of the Community and when the compensating products are re-imported

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9 Other details of the authorization

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12 Description of temporarily exported goods

13 CN code

14 Net quantity

15 Statistical value

16 STAMP OF CUSTOMS OFFICE WHICH ACCEPTED THE DECLARATION FOR TEMPORARY EXPORTATION

Information certified correct

Temporary exportation document number :

dated | | | | | | | | |
day month year

Last day for re-importation of compensating products :

| | | | | | | | |
day month year

Means of identification used :

Stamp :

Observations :

Customs office (name and Member State) :

17 STAMP OF CUSTOMS OFFICE OF EXIT FROM THE CUSTOMS TERRITORY OF THE COMMUNITY

The goods described in box 12 left the Customs territory of the Community

on | | | | | | | | |
day month year

Stamp :

Observations :

Customs office (name and Member State) :