STATUTORY INSTRUMENTS

1983 No. 877

CUSTOMS AND EXCISE

The Inward Processing Relief (Amendment) Regulations 1983

Made - - - -	22*nd June* 1983
Laid before Parliament	23*rd June* 1983
Coming into Operation	1*st July* 1983

The Secretary of State, in exercise of the powers conferred on him by section 2(1) of the Customs and Excise Duties (General Relief) Act 1979 (**a**) (as regards relief from Customs duties) and of all other powers enabling him in that behalf, and the Minister of Agriculture, Fisheries and Food and the Secretary of State, being Ministers designated (**b**) for the purposes of section 2(2) of the European Communities Act 1972 (**c**) (as regards relief from agricultural levies) in exercise of the powers conferred on them by the said section 2(2) and of all other powers enabling them in that behalf, hereby make the following Regulations:—

1. These Regulations may be cited as the Inward Processing Relief (Amendment) Regulations 1983 and shall come into operation on 1st July 1983.

2. The Inward Processing Relief Regulations 1977 (**d**) shall be amended as follows:—

(1) For Regulation 5(4) there shall be substituted the following:

"(4)*(a)* This paragraph applies to the compensating or intermediate products specified in column 2 of Schedule 2 hereto and which result from the processing operations described in column 3 of that Schedule and, with the permission of the Commissioners, to any other scrap, waste or residues.

(b) Where products to which this paragraph applies are with the permission of the Commissioners put on the market within the Community, any import duties and agricultural levies payable under this Regulation shall be calculated—

(i) on that quantity of the products which corresponds proportionally to the quantity of other compensating products exported, on the basis of the value and at the rate (if any) applicable to the products at the date on which they are put on the market, unless the person to whom the authorisation has been granted requests that the duty or levy shall be calculated in accordance with paragraphs (2) and (3); and

(ii) on the remainder of the products, in accordance with paragraphs (2) and (3).

(c) Where by virtue of sub-paragraph *(b)* any such products put on the market are free from import duty or agricultural levy, the value thereof shall be treated as nil for the purposes of the calculation referred to in paragraph (3)*(b)* (ii)."

(**a**) 1979 c.3. (**b**) S.I. 1976/897. (**c**) 1972 c.68.
(**d**) S.I. 1977/910.

(2) The Schedule to those Regulations shall be renumbered as "Schedule 1" and references to that Schedule shall be construed accordingly;

(3) The Schedule hereto shall be added to those Regulations as Schedule 2.

Paul Channon,
Minister for Trade,
Department of Trade and Industry.

17th June 1983.

In Witness whereof the Official Seal of the Minister of Agriculture, Fisheries and Food is hereunto affixed on 22nd June 1983.

Michael Jopling,
Minister of Agriculture,
Fisheries and Food.

Regulation 2(3)

SCHEDULE

SCHEDULE 2

Regulation 5(4)

No.	Tariff heading and description of the compensating products		Processing operations from which they result
1	2		3
1.	ex Chapter 2	Edible meat offals	Any working or processing
2.	ex 02.01	Off-cuts from operations shown in column 3	Cutting meat from animals of Chapter 1 into portions
3.	ex 03.01	Off-cuts from operations shown in column 3	Sawing frozen fillet blocks
4.	ex 04.01 AI	Whey	Processing fresh milk
5.	ex 04.02 AI	Whey in powder, not containing added sugar	Manufacture of lactose from concentrated whey
6.	ex 04.05 A	Un-fertilized eggs	Incubation and hatching of day-old chicks
7.	05.02	Pigs', hogs' and boars' bristles or hair; badger hair and other brush making hair; waste of such bristles and hair	Any working or processing
8.	05.03	Horsehair and horsehair waste, whether or not put up on a layer or between two layers of other material	Any working or processing
9.	05.04	Guts, bladders and stomachs of animals (other than fish) whole and pieces thereof	Slaughtering animals of Chapter 1
10.	05.05	Fish waste	Any working or processing
11.	ex 05.07 B	Powder and waste of feathers or parts of feathers	Any working or processing
12.	05.08	Bones and horn-cores, unworked, defatted, simply prepared (but not cut to shape), treated with acid or degelatinised; powder and waste of these products	Any working or processing
13.	ex 05.09	Horns, antlers, hooves, nails, claws and beaks, unworked or simply prepared but not cut to shape, and waste and powder of these products; whalebone and the like, unworked or simply prepared but not cut to shape and hair and waste of these products	Any working or processing
14.	ex 05.12	Powder and waste of shells	Any working or processing
15.	ex 05.14	Animal products, fresh, chilled or frozen or otherwise provisionally preserved, of a kind used in the preparation of pharmaceutical products	Slaughtering and cutting animals of Chapter 1
16.	ex 05.15 B	Heads	Slaughtering and cutting animals of Chapter 1
17.	ex 05.15 B	Blood	Slaughtering animals of Chapter 1
18.	ex 05.15 B	Eggshells	Separating eggs from shells

No.	Tariff heading and description of the compensating products		Processing operations from which they result
1	2		3
19.	ex 05.15 B	Scraps of rind	Skinning of pigmeat
20.	ex 09.01 A	Broken coffee	Working or processing raw coffee
21.	09.01 B	Husks and skins	Roasting raw coffee
22.	ex 09.02 B	Tea powder	Working or processing raw tea; putting into tea-bags
23.	10.06 B III	Broken rice	Working or processing of rice
24.	11.02 D	Grains, not otherwise worked than kibbled	Working or processing cereals by milling, including malting
25.	11.02 G	Germ of cereals	Working or processing cereals by milling, including malting
26.	11.09	Wheat gluten, whether or not dried	Working or processing wheat by milling
27.	15.01 A	Lard and other pig fat	Slaughtering swine, cutting and boning; rendering bacon
28.	ex 15.02	Fats of bovine cattle, sheep or goats	Slaughtering bovine cattle, sheep or goats, cutting and boning
29.	ex 15.04	Fish oils	Processing fish into fillets
30.	ex 15.06	Other animal oils and fats	Removing fat from stags' shoulders
31.	ex 15.07 D II b)2aa)	Maize (germ) oil	Processing maize
32.	ex 15.10	Industrial fatty acids, acid oils from refining	1. Refining animal and vegetable oils and fats 2. Bleaching, de-acidifying and hardening products under 1
33.	15.10 A	Stearic acid	Manufacturing erucic acid
34.	ex 15.11	Glycerol	1. Refining crude vegetable oils, fats from bones and fats from carcasses 2. Bleaching, de-acidifying and hardening products under 1
35.	15.17 B	Residues resulting from the treatment of fatty substances or animal or vegetable waxes	Any working or processing
36.	ex 17.02 B II b)	Waste from starch sugar	Processing maize into glucose
37.	17.03	Molasses	Processing sugars
38.	18.02	Cocoa shells, husks, skins and waste	Any working or processing
39.	21.06 A and B	Natural yeasts	Producing beer from malted barley
40.	ex 22.09 A	Heads and tails from distillation (undenatured ethyl alcohol of an alcoholic strength of less than 80% vol) and distilled wine (heads and tails from distillation, unconcentrated)	Distilling crude ethyl alcohol from molasses or wine

No.	Tariff heading and description of the compensating products		Processing operations from which they result
1	2		3
41.	ex Chapter 23	Residues and waste from the food industries	Any working or processing
42.	ex 24.01	Ribs, stalks, waste from tobacco	Manufacturing cigarettes, cigars, cheroots or smoking tobacco; blending of tobacco
43.	ex 25.26	Mica waste	Any working or processing
44.	26.02	Slag, dross, scalings and similar waste from the manufacture of iron or steel	Any working or processing
45.	26.03	Ash and residues (other than from the manufacture of iron or steel), containing metals or metallic compounds	Any working or processing
46.	26.04	Other slag and ash, including kelp	Any working or processing
47.	ex 27.05 bis	Gas	Carbonising coal
48.	ex 27.06	Tar distilled from coal and other mineral tars, including partially distilled tars and blended tars	Carbonising coal
49.	ex 27.07	First runnings and residues from distillation	Distilling phenols
50.	ex 27.11 BII	Gas from dehydrogenation and other gaseous hydrocarbons	Manufacturing polystyrene from ethyl benzene
51.	27.12 A	Crude petroleum jelly	Refining crude paraffin
52.	ex 27.13 B	Other mineral waxes, whether or not coloured	Any working or processing
53.	27.14	Petroleum bitumen, petroleum coke and other residues of petroleum oils or of oils obtained from bituminous minerals	Any working or processing
54.	ex 28.06	Hydrochloric acid	Manufacturing various chemical products from fluorspar, hydrogen fluoride, 2, 6-diisopropylaniline, and from silicon tetrachloride
55.	ex 28.08	Sulphuric acid	Manufacturing sulphonamides from hydrogen fluoride
56.	28.13 G	Carbon dioxide	1. Manufacturing beer from malted barley 2. Producing ethyl alcohol from cereals
57.	ex 28.13 IJ	Hexafluorosilicic acid (fluorosilicic acid)	Processing fluorspar into hydrogen fluoride
58.	ex 28.14 AII	Silicon tetrachloride	Manufacturing silanes, silicones and their derivatives from silicon
59.	ex 28.28 CI	Calcium hydroxide	Processing calcium carbide into acetylene and calcium cyanamide
60.	ex 28.38 A VIII	Calcium sulphate	Processing fluorspar into hydrogen fluoride

No.	Tariff heading and description of the compensating products		Processing operations from which they result
1	2		3
61.	ex 29.01 DI	Toluene	Manufacturing polystyrene from ethyl benzene
62.	ex 29.01 DVII	Alpha methylstyrene	Manufacturing acetone or phenol from cumene
63.	29.02	Halogenated derivatives of hydrocarbons	Manufacturing products based on hydrogen fluoride
64.	29.03	Sulphonated, nitrated or nitrosated derivatives of hydrocarbons	Manufacturing products based on hydrogen fluoride
65.	29.04 AI	Methanol	Manufacturing industrial fatty alcohols from coconut oil
66.	29.08	Ethers, ether-alcohols and other products falling within heading No. 29.08	Manufacturing products based on hydroquinone
67.	29.14 AIIa)	Acetic acid	Manufacturing vitamins from acetic anhydride
68.	ex 29.44 A	Penicillin, impure (residues from sieving)	Manufacturing tablets of penicillin V potassium
69.	ex 38.07 B	Crude dipentene	Manufacturing anhydroperoxide of pinene, isobornylacetate, camphor or camphene from alphapinene
70.	38.08 B	Rosin spirits and oils	Manufacturing rosin sodium soaps and rosin potassium
71.	ex 38.19 A	Fusel oil	Manufacturing ethyl alcohol of an alcoholic strength of not less than 80% vol from crude ethyl alcohol of molasses of an alcoholic strength of not less than 80% vol
72.	ex 38.19 X	Camphor oils	Manufacturing camphor from alphapinene
73.	ex 38.19 X	Residues from freeing of caffeine (mixture of coffee wax, crude caffeine and water); crude caffeine	Freeing caffeine from coffee
74.	ex 38.19 X	Residues of calcined gypsum	Manufacturing hydrogen fluoride, fluorides and cryolite from fluorspar
75.	ex 38.19 X	Molasses, freed of sugar	Manufacturing citric acid from white sugar
76.	ex 38.19 X	Sodium sulphate in solution	Manufacturing oxystearic acid from crude castor oil
77.	ex Chapter 39	Scrap and waste	Any working or processing
78.	ex 40.04	Waste and parings of unhardened rubber; scrap of unhardened rubber fit only for the recovery of rubber	Any working or processing
79.	40.15 B	Scrap, waste and powder of hardened rubber	Any working or processing
80.	41.01	Raw hides and skins (fresh, salted, dried, pickled or limed), whether or not split, including sheepskins in the wool	Skinning animals of Chapter 1

No.	Tariff heading and description of the compensating products		Processing operations from which they result
1	2		3
81.	41.09	Parings and other waste, of leather or of composition or parchment-dressed leather, not suitable for the manufacture of articles of leather; leather dust, powder and flour	Any working or processing
82.	43.02 B	Pieces or cuttings, of furskin, tanned or dressed, including heads, paws, tails and the like (not being fabricated)	Manufacturing furs
83.	ex Chapter 44	Wood waste and cuttings of wood, including sawdust	Any working or processing
84.	ex 45.01	Waste cork	Any working or processing
85.	47.02	Waste paper and paperboard; scrap articles of paper or of paperboard, fit only for use in paper-making	Any working or processing
86.	ex Section XI	Woven and knitted fabrics, finished, with evident faults (so-called "second choice goods")	Working and processing woven and knitted fabrics of all kinds
87.	50.03	Silk waste (including cocoons unsuitable for reeling, silk noils and pulled or garnetted rags)	Any working or processing
88.	53.03	Waste of sheep's or lambs' wool or of other animal hair (fine or coarse), not pulled or garnetted	Any working or processing
89.	53.04	Waste of sheep's or lambs' wool or of other animal hair (fine or coarse), pulled or garnetted (including pulled or garnetted rags)	Any working or processing
90.	ex 54.01	Flax tow and waste (including pulled or garnetted rags)	Any working or processing
91.	ex 54.02	Ramie noils and waste (including pulled or garnetted rags)	Any working or processing
92.	55.03	Cotton waste (including pulled or garnetted rags), not carded or combed	Any working or processing
93.	ex 56.01	Acrylic and viscose fibres (of inferior quality with evident faults)	Manufacturing acrylic and viscose textile fibres from naphtene or hydroquinone
94.	56.03	Waste (including yarn waste and pulled or garnetted rags) of man-made fibres (continuous or discontinuous), not carded, combed or otherwise prepared for spinning	Any working or processing
95.	ex 57.01	Tow and waste of true hemp (including pulled or garnetted rags or ropes)	Any working or processing
96.	ex 57.02	Tow and waste of manila hemp (including pulled or garnetted rags or ropes)	Any working or processing

No.	Tariff heading and description of the compensating products		Processing operations from which they result
1	2		3
97.	ex 57.03	Tow and waste (including pulled or garnetted rags or ropes) falling under this tariff heading	Any working or processing
98.	ex 57.04	Waste of fibres (including pulled or garnetted rags or ropes) falling under this tariff heading	Any working or processing
99.	63.02	Used or new rags, scrap twine, cordage, rope and cables and worn out articles of twine, cordage, rope or cables	Any working or processing
100.	70.01 A	Waste glass (cullet)	Any working or processing
101.	71.04	Dust and powder of natural or synthetic precious or semi-precious stones	Any working or processing
102.	71.11	Goldsmiths', silversmiths' and jewellers' sweepings, residues, lemels, and other waste and scrap, of precious metal	Any working or processing
103.	ex 73.02 C	Residues from sieving ferro-silicon	Manufacturing silicon-tetrachloride and silicon-dioxide
104.	73.03	Waste and scrap metal of iron or steel	Any working or processing
105.	ex 73.13 BI	Off-cuts of steel, unalloyed, from the cutting of hot-rolled wide strips	Manufacturing hot-rolled wide strip from ingots or laminated slabs of unalloyed steel
106.	ex 73.15 B	Recoverable off-cuts from bars of alloyed steel	Manufacturing screws, bolts or nuts from bars of alloyed steel
107.	ex 73.15 B VII a) 1	Off-cuts of alloyed steel from the cutting of so-called "electrical" sheets	Manufacturing transformers from "electrical" sheets
108.	ex 73.15 B VII b) 1	Off-cuts of alloyed steel from the cutting of hot-rolled wide strips	Manufacturing hot-rolled wide strip from ingots or laminated slabs
109.	ex 74.01	Copper waste and scrap	Any working or processing
110.	ex 75.01	Nickel waste and scrap	Any working or processing
111.	76.01 B	Aluminium waste and scrap	Any working or processing
112.	77.01 B	Magnesium waste (excluding shavings of uniform size) and scrap	Any working or processing
113.	ex 77.04 A	Beryllium waste and scrap	Any working or processing
114.	78.01 B	Lead waste and scrap	Any working or processing
115.	ex 78.04 AI	Recoverable waste from lead foil coated on both sides	Manufacturing lead foil coated on both sides for photographical use from vinyl sheets and coating paper
116.	79.01 B	Zinc waste and scrap	Any working or processing
117.	ex 80.01	Tin waste and scrap	Any working or processing
118.	ex 81.01 A	Tungsten (wolfram) waste and scrap	Any working or processing

No	Tariff heading and description of the compensating products		Processing operations from which they result
1	2		3
119.	ex 81.02 A	Molybdenum waste and scrap	Any working or processing
120.	ex 81.03 A	Tantalum waste and scrap	Any working or processing
121.	ex 81.04	Waste and scrap of other base metals	Any working or processing

EXPLANATORY NOTE

(*This Note is not part of the Regulations.*)

These Regulations, which come into operation on 1st July 1983, amend the Inward Processing Relief Regulations 1977 by substituting a new paragraph for Regulation 5(4) and by adding a new Schedule ("Schedule 2") to those Regulations.

Regulation 5(4) of the 1977 Regulations made provision with respect to the payment of import duties and agricultural levies on certain scrap and waste from processing. These Regulations, which implement Council Directive No. 83/89/EEC (OJ No. L59, 5.3.1983 p.1) as modified by Commission Directive No. 83/307/EEC (OJ No. L162, 22.6.1983 p.20), extend those provisions to other compensating or intermediate products. They provide that where the compensating or intermediate products specified in column 2 of Schedule 2 which result from the processing operations described in column 3 of that Schedule are, with the permission of the Commissioners of Customs and Excise, put on the market any import duties and agricultural levies payable under the 1977 Regulations in respect of that quantity of the products which corresponds proportionally to the quantity of other compensating products exported are those appropriate to the products at the time they are put on the market and not those appropriate to the imported goods. The person who has been authorised to put the goods on the market may, however, request that the duty or levy shall be calculated at the rate appropriate to the imported goods. The Commissioners may also apply these provisions to other scrap, waste and residue.

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