

## SCHEDULE 1

### The common transit procedure

## PART 3

### Simplifications for the paper-based common transit procedure for goods carried by air or rail

#### Goods carried by rail

#### **Authorisations for the use of a paper-based common transit procedure for goods carried by rail**

**45.**—(1) HMRC may grant to an applicant fulfilling the following conditions authorisation for the use of the paper-based common transit procedure for goods carried by rail—

- (a) the applicant is a railway undertaking;
- (b) the applicant is established in the United Kingdom (in accordance with the criteria in paragraph 18(3));
- (c) the applicant regularly uses the common transit procedure, or HMRC know that the applicant can meet the obligations under the procedure;
- (d) the applicant, and any director or senior employee of the applicant, have not been involved in a breach of an obligation relating to tax or a Customs obligation, which in the opinion of an officer of Revenue and Customs is—
  - (i) a serious breach having regard to the circumstances and nature of any breach and the number of any breaches; and
  - (ii) relevant to the suitability of the applicant to be authorised under this paragraph; and
- (e) the applicant, and any director or senior employee of the applicant, have no criminal convictions which in the opinion of an officer of Revenue and Customs are—
  - (i) serious having regard to the type of conviction; and
  - (ii) relevant to the suitability of the applicant to be authorised under this paragraph.

(2) The authorisation for the use of the paper-based common transit procedure for goods carried by rail only applies in the common transit countries specified in the authorisation.

(3) The authorisation operates as a simplification of the common transit procedure in Parts 1 and 2.

#### **CIM consignment note as a declaration for the use of the paper-based common transit procedure for goods carried by rail**

**46.** Provided it is used for transport operations that are carried out by authorised railway undertakings in cooperation with each other, the CIM consignment note<sup>(1)</sup> must be considered a declaration for the use of the paper-based common transit procedure for goods carried by rail.

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(1) A consignment note for the purposes of the Uniform Rules Concerning the Contract of International Carriage of Goods by Rail, see the International Rail Transport Committee <https://cit-rail.org/en>. A hard copy may be inspected free of charge by arrangement with HM Revenue and Customs at 100 Parliament Street, London, SW1A 2BQ.

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### **Holder of the paper-based common transit procedure for goods carried by rail and the obligations**

47.—(1) The holder of the paper-based common transit procedure for goods carried by rail must be one of the following—

- (a) an authorised railway undertaking which is established in a common transit state and which accepts goods for carriage under cover of a CIM consignment note as a declaration for the use of the paper-based common transit procedure for goods carried by rail, and which fills in box 58b of the CIM consignment note by ticking the box ‘yes’ and by entering its UIC code<sup>(2)</sup>; or
- (b) when the transport operation starts outside the customs territory of each common transit state and the goods enter such a customs territory, any other authorised railway undertaking which is established in a common transit state and on whose behalf the box 58b is filled in by a railway undertaking of a country that is not a common transit state.

(2) The holder of that procedure is rendered responsible for the implicit statement that the successive or substitute railway undertakings involved in the use of the paper-based common transit procedure also meet the requirements of the paper-based common transit procedure for goods carried by rail.

### **Obligations of the authorised railway undertaking**

48.—(1) If the goods are successively taken over and carried by different authorised railway undertakings on the national scale and the authorised railway undertakings involved declare themselves as jointly liable for any potential customs debt arising, paragraph 29(3), first indent applies.

(2) Notwithstanding the holder of the common transit procedure’s obligations, as referred to in paragraphs 4(1) and 29(1), other authorised railway undertakings which take over the goods during the transport operation and which are indicated in box 57 of the CIM consignment note are also responsible for the proper application of the use of the paper-based common transit procedure for goods carried by rail.

(3) The railway undertakings in cooperation with each other must operate a commonly-agreed system to check and investigate irregularities of their movement of goods, and be responsible for the following—

- (a) for the separate settlement of transport costs on the basis of information to be held available for each common transit procedure for goods carried by rail and for each month for the independent authorised railway undertakings concerned in each common transit state;
- (b) for the breakdown of transport costs for each common transit state whose territory the goods enter during the use of the common transit procedure for goods carried by rail; and
- (c) for the payment of the respective share of the costs incurred by each of the cooperating authorised railway undertakings.

### **Formalities at the customs office of departure**

49.—(1) Where the goods are declared for the paper-based common transit procedure for goods carried by rail and the common transit procedure starts in the United Kingdom, the goods and the CIM consignment note must be presented at the HMRC customs office of departure.

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(2) A Union Internationale des Chemins de fer code to identify a company involved in railway business, <https://uic.org>. A hard copy may be inspected free of charge by arrangement with HM Revenue and Customs at 100 Parliament Street, London, SW1A 2BQ.

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(2) Where a transport procedure starts in the United Kingdom, the goods are presumed as moving subject to the T1 procedure of the Convention. In the case of goods moving subject to the T1 procedure, the T1 code need not be entered on the CIM consignment note in sub-paragraph (3).

Goods moving subject to the T1 procedure may be carried subject to that procedure without requiring the CIM consignment note in sub-paragraph (3) to be presented at the HMRC customs office of departure.

(3) If, however, the goods are to move subject to the T2 procedure in accordance with the Convention, Article 2(3)(b), the HMRC customs office of departure must indicate on sheet 3 of the CIM consignment note that the goods to which the note refers are carried subject to the T2 procedure. In this case, the box reserved for customs use must be endorsed clearly with the T2 or T2F code, as appropriate, the stamp of the HMRC customs office of departure and the signature of the responsible officer of Revenue and Customs.

(4) All copies of the CIM consignment note must be returned to the person concerned by HMRC.

(5) The authorised railway undertaking must ensure that the goods transported subject to the paper-based common transit procedure for goods carried by rail are identified by labels bearing a pictogram as stipulated in a public notice. The labels must be affixed to, or directly printed on, the CIM consignment note and to the relevant railway wagon in the case of a full load or, in other cases, to the individual package or packages. The labels may be replaced by a stamp reproducing the pictogram, as stipulated in that public notice.

(6) Where the transport operation starts outside the United Kingdom but is to end inside the United Kingdom, the HMRC office competent for the border station through which the goods enter the United Kingdom must act as the HMRC customs office of departure.

No formalities need be carried out at the HMRC customs office of departure.

(7) In this paragraph, the “HMRC customs office of departure” has the same meaning as in paragraph 16(3), first indent.

### **Loading lists**

**50.**—(1) In the case of a CIM consignment note containing more than one wagon or container, loading lists provided in the form stipulated in a public notice may be used.

(2) The loading lists must include the wagon number to which the CIM consignment note refers or, where appropriate, the container number containing the goods.

(3) In the case of transport operations starting within the United Kingdom comprising both goods moving subject to the T1 procedure and the T2 procedure in the Convention, separate loading lists must be made out for each.

The serial numbers of the loading lists relating to each of the two categories of goods must be entered in the box reserved for the description of goods on the CIM consignment note.

(4) The loading lists accompanying the CIM consignment note form an integral part of it and has the same legal effects.

(5) The original of the loading lists must be authenticated by the stamp of the station in the United Kingdom of dispatch.

### **Formalities at the customs office of transit**

**51.** Where the paper-based common transit procedure for goods carried by rail applies, no formalities need to be carried out in the United Kingdom at the HMRC customs office of transit.

For this purpose, “HMRC customs office of transit” has the same meaning as in paragraph 2(2).

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### **Formalities at the customs office of destination**

**52.**—(1) Where the goods subject to the paper-based common transit procedure for goods carried by rail arrive at the HMRC customs office of destination in the United Kingdom, the following must be presented by the authorised railway undertaking to HMRC at that customs office—

- (a) the goods;
- (b) sheets 2 and 3 of the CIM consignment note.

HMRC must return sheet 2 of the CIM consignment note to the authorised railway undertaking after stamping and must retain sheet 3 of the CIM consignment note.

(2) The HMRC office competent for that station of destination must act as the HMRC customs office of destination.

However, if goods which are not subject to excise duty are released to a Customs procedure at an intermediate station in the United Kingdom, the HMRC office competent for that station must act as the HMRC customs office of destination. It must stamp sheets 2 and 3 of the CIM consignment note and the supplementary copy of sheet 3 of the CIM consignment note presented by the authorised railway undertaking, and endorse them with the following indication: “Cleared”.

It must then, without delay, return sheets 2 and 3 of the CIM consignment note to the authorised railway undertaking after having stamped them and retain the supplementary copy of sheet 3 of the CIM consignment note.

(3) In this paragraph and paragraph 56, the “HMRC customs office of destination” is the HMRC office for the purposes of paragraph 16(3), second indent.

### **Modification of the contract of carriage**

**53.** Where the contract of carriage is modified so that—

- (a) a transport operation which was to end outside the United Kingdom ends within it, or
- (b) a transport operation which was to end in the United Kingdom ends outside it,

the authorised railway undertakings must not perform the modified contract without the prior agreement from HMRC if they are the customs authority of departure.

In all other cases, the authorised railway undertakings may perform the modified contract; but it must inform HMRC, if they are the customs authority of departure, of the modification made without delay.

### **Accounting offices of authorised railway undertakings and customs control**

**54.**—(1) The authorised railway undertaking, if established in the United Kingdom as mentioned in paragraph 45(1)(b), must keep the records at its accounting office and use a commonly agreed system with HMRC implemented at that office in order to investigate irregularities.

(2) HMRC must be given access to the data in the accounting office of that undertaking.

(3) For the purposes of customs controls, that authorised railway undertaking must in the United Kingdom, if that is the country of destination, make all the CIM consignment notes used as a declaration for the use of the paper-based common transit procedure for goods carried by rail available to HMRC, in accordance with any provisions defined by mutual agreement with HMRC.

### **Authorised consignor**

**55.** Where presentation of the CIM consignment note as a declaration, and of the goods, at the HMRC customs office of departure is not required in respect of the goods which are to be declared by an authorised consignor in paragraph 18(4) for the paper-based common transit procedure for

goods carried by rail, HMRC must take necessary measures to ensure that sheets 1, 2 and 3 of the CIM consignment note bear the appropriate code T1, T2 or T2F in accordance with the Convention.

#### **Authorised consignee**

**56.** Where the goods arrive at the authorised place of an authorised consignee in paragraph 6(1) or 18(8), HMRC may provide that, by way of derogation from paragraphs 7 and 31, sheets 2 and 3 of the CIM consignment note may be delivered directly by the authorised railway undertaking or by the transport undertaking to the HMRC customs office of destination.