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STATUTORY INSTRUMENTS

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**2019 No. 1346**

**The Taxation (Cross-border Trade) (Miscellaneous Provisions) (EU Exit) (No. 2) Regulations 2019**

**Amendment of the Customs Transit Procedures (EU Exit) Regulations 2018**

5.—(1) The Customs Transit Procedures (EU Exit) Regulations 2018<sup>(1)</sup> are amended as follows.

(2) For regulation 4 (United Kingdom transit procedure) substitute—

“4.—(1) Schedule 3 has effect and makes provision for a United Kingdom transit procedure.

(2) Where Part 4 of Schedule 3 applies, that Schedule has effect for the purpose of the United Kingdom giving effect to—

(a) the Customs Convention on the “A.T.A. Carnet” for the temporary admission of goods done at Brussels on 6 December 1961<sup>(2)</sup>; and

(b) the Convention on Temporary Admission done at Istanbul on 26 June 1990<sup>(3)</sup>.

(3) Part 4 of Schedule 3 must be interpreted and applied consistently with, and so as to give proper effect to, those Conventions in relation to goods declared for a United Kingdom transit procedure.”

(3) After regulation 5 (North Atlantic Treaty procedure), insert—

**“Postal transit procedure**

6.—(1) Schedule 5 has effect and makes provision for a postal transit procedure in relation to goods moving to, from or within the United Kingdom in accordance with the Universal Postal Convention, as most recently done at Istanbul on 6 October 2016 and in Addis Ababa on 7 September 2018, and any Regulations made under it.

(2) That Schedule must be interpreted and applied consistently with, and so as to give proper effect to, that Convention in relation to goods moving to, from or within the United Kingdom subject to the postal transit procedure.”

(4) In Schedule 3 (the United Kingdom transit procedure)—

(a) for paragraph 2(e) (general) substitute—

“(e) the holder of the UK transit procedure is—

(i) the person who declares the goods in question for that procedure;

(ii) the person on whose behalf the declaration is made; or

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<sup>(1)</sup> [S.I. 2018/1258](#). Relevant amending instruments are [S.I. 2019/486](#) and [2019/1215](#).

<sup>(2)</sup> Available electronically from: [http://www.wcoomd.org/-/media/wco/public/global/pdf/about-us/legal-instruments/conventions-and-agreements/ata/pf\\_ata\\_conv\\_text.pdf?la=en](http://www.wcoomd.org/-/media/wco/public/global/pdf/about-us/legal-instruments/conventions-and-agreements/ata/pf_ata_conv_text.pdf?la=en). A hard copy is available for inspection free of charge by arrangement at the offices of HMRC at 100 Parliament Street, London, SW1A 2BQ.

<sup>(3)</sup> Available electronically from [http://www.wcoomd.org/-/media/wco/public/global/pdf/about-us/legal-instruments/conventions-and-agreements/istanbul/istanbul\\_legal\\_text\\_eng.pdf?la=en](http://www.wcoomd.org/-/media/wco/public/global/pdf/about-us/legal-instruments/conventions-and-agreements/istanbul/istanbul_legal_text_eng.pdf?la=en). A hard copy is available for inspection free of charge at the offices of HMRC at 100 Parliament Street, London, SW1A 2BQ.

- (iii) the holder of the carnet where a declaration is made in accordance with regulation 22(4A)(4) (Customs declarations made in paper form) of the Customs (Import Duty) (EU Exit) Regulations 2018<sup>(5)</sup>.”;
- (b) in paragraph 3(b) (general) replace “.” with “,”;
- (c) after paragraph 3(b) (general) insert—
  - “(c) “the ATA Convention” means the Customs Convention on the “A.T.A. Carnet” for the temporary admission of goods done at Brussels on 6 December 1961;
  - (d) “the Istanbul Convention” means the Convention on Temporary Admission done at Istanbul on 26 June 1990;
  - (e) a “carnet” is a document so described in—
    - (i) the ATA Convention and
    - (ii) the Istanbul Convention,
 where the form of the carnet corresponds to that provided by the version of the relevant convention which is current at the time the declaration is made.”;
- (d) in paragraph 4 (formalities for a UK transit procedure)—
  - (i) for sub-paragraph (2) substitute—
    - “(2) Subject to sub-paragraph (2A), the goods covered by the declaration must be presented to HMRC at the Customs office of departure.
    - (2A) Sub-paragraph (2) does not apply where—
      - (a) the declarant is an authorised consignor; and
      - (b) the declaration is not made by means of a carnet under regulation 22(4A) (customs declarations made in paper form) of the Customs (Import Duty) (EU Exit) Regulations 2018 <sup>(6)</sup>.”;
  - (ii) in sub-paragraph (4) for “Provision” substitute “Subject to sub-paragraph (4A), provision”;
  - (iii) after sub-paragraph (4) insert—
    - “(4A) Sub-paragraph (4) does not apply where the declaration is made by means of a carnet under regulation 22(4A) (customs declarations made in paper form) of the Customs (Import Duty) (EU Exit) Regulations 2018.”;
- (e) after Part 3 (general provision for the purposes of this Schedule) insert—

## “PART 4

### Modification where declaration made by carnet

**14.** This Part applies where a Customs declaration for the UK transit procedure is made by means of a carnet under regulation 22(4A) (customs declarations made in paper form) of the Customs (Import Duty) (EU Exit) Regulations 2018.

**15.** Where this Part applies paragraphs 5 to 13 do not apply.

**16.** For the purposes of this Part—

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<sup>(4)</sup> Regulation 22(4A) will be inserted by regulation 2(6)(b) of these Regulations.

<sup>(5)</sup> S.I. 2018/1248. Relevant amending instruments are S.I. 2019/108, 2019/326, 2019/486 and 2019/1215.

<sup>(6)</sup> S.I. 2018/1248.

- (a) Schedule 1, paragraph 58(1)(d) and (f) applies;
- (b) a transit operation ends—
  - (i) on the completion of the certificate of discharge contained in the carnet by the relevant Customs authority at the customs office of destination; or
  - (ii) when the goods are exported from the United Kingdom or the Isle of Man;
- (c) “Customs obligation” has the meaning in regulation 2 of the Customs (Import Duty) (EU Exit) Regulations 2018.

#### **Requirements of the UK transit procedure – carnets**

**17.** The holder of the procedure and any representative named in the carnet must comply with—

- (a) the conditions set out in the carnet; and
- (b) any Customs obligation imposed in relation to the goods.

**18.** Where it is a condition of the carnet that the transit operation ends within a certain time-limit and the transit operation ends after the expiry of that time-limit the condition is deemed to be met where the holder of the procedure or the representative named in the carnet proves to the satisfaction of HMRC that the delay is not attributable to the holder or the representative.

**19.** The carnet must be valid during the period from when the goods are declared to the UK transit procedure until the transit operation ends.

**20.** If a transit operation ends under paragraph 16(b)(i) the goods must be, without delay—

- (a) exported; or
- (b) declared for another Customs procedure.

#### **Discharge of the UK transit procedure – carnets**

**21.** The UK transit procedure is discharged when the goods are exported from the United Kingdom or the Isle of Man where the procedure has not already been discharged under paragraph 18(2) of Schedule 2 to the TCTA.”.

(5) After Schedule 4, insert—

“SCHEDULE 5

Regulation 6

The postal transit procedure

#### **General**

**1.—(1)** In this Schedule—

“public notice” refers to one that may be published for the purposes in question by the Commissioners for Her Majesty’s Revenue and Customs having regard to those purposes, and in such manner as they consider appropriate for those purposes;

“universal service provider” means either—

- (a) a “designated operator” within the meaning given in the Constitution of the Universal Postal Union done at Vienna on 10 July 1964, as amended by the Additional Protocols, but limited to the circumstances where those designated operators are acting—

- (i) within the member country that designated them as such; and
  - (ii) in accordance with the UP Convention; or
- (b) an operator so designated by HMRC in a public notice;
- “UP Convention” means the Universal Postal Convention, as most recently done at Istanbul on 6 October 2016 and in Addis Ababa on 7 September 2018, and any Regulations made under it.
- (2) A public notice in sub-paragraph (1) may be amended, revoked or replaced by a further public notice.
- (3) Stipulations in the public notice have effect as if made in these Regulations.
2. Chargeable goods that are submitted to a universal service provider are deemed to be declared for a transit procedure<sup>(7)</sup> (“the postal transit procedure”) if—
- (a) the goods are presented to Customs on import<sup>(8)</sup>; and
  - (b) the conditions set out in paragraph 3 are fulfilled.
3. The conditions are—
- (a) the goods are addressed to a recipient outside the United Kingdom; and
  - (b) the goods will merely pass through places within the United Kingdom before arriving at their ultimate destination outside the United Kingdom.

#### **Requirements of the postal transit procedure**

4. Where goods are deemed to be declared for the postal transit procedure under paragraph 2, the following requirements apply—
- (a) the goods must only pass through places within the United Kingdom before arriving at their ultimate destination outside the United Kingdom;
  - (b) the goods must be transported by or on behalf of a universal service provider;
  - (c) the goods must be transported in compliance with any relevant conditions imposed by the UP Convention; and
  - (d) the goods must be transported in compliance with any conditions imposed by a public notice.

#### **Discharge of the postal transit procedure**

5. The postal transit procedure is discharged when the goods leave the United Kingdom where the procedure has not already been discharged under TCTA Schedule 2, paragraph 18(2).”.

<sup>(7)</sup> The meaning of “goods declared for “a transit procedure”” is given in paragraph 5(1) of Schedule 2 to the Taxation (Cross-Border Trade) Act 2018 (c. 22) (“the Act”).

<sup>(8)</sup> Section 34(1) of the Act defines “presented to Customs on import”.