Tariff quota management

DG Taxation and Customs Union – Tariff Economics Unit - Preference section

A tariff quota is:

* a limited quantity of a particular product

* which, during a particular period,

* may be imported at less than normal customs duty

* of specified origin

Legal act opening a TQ

* list of beneficiary products (CN codes)

* a volume and a unit of measurement

* an opening and a closing date

* an origin (may be all 'third countries')

* an order number

* method of management

3

Tariff quota management

FCFS : first-come first-served

Licence-based

FCFS tariff quotas

COM Reg 2454/93, Articles 308a to 308c

Administrative arrangement

FCFS tariff quotas

* Uniform and fair treatment

* Stability

* Efficiency

* Transparency

FCFS Tariff quotas

Uniform and fair treatment :

* No discrimination

* Date of acceptance of the customs declaration

* Use of the data shown on the customs declaration

Stability :

Built-in 2-day processing time

Checks on validity and credibility of all quota claims

Administrative rules about returns, and blocking of TQs

Efficiency :

- accuracy

- speed

- minimal cost

Transparency :

DDS - QUOTA

(europa.eu.int/comm/taxation_customs/dds/en/qotcau.htm)

Member State websites

EU Member States:

* administrative organisation

* internal management of quotas, as part of declaration process

* communication with DG TAXUD (immediate transmission of valid drawing requests)

DG TAXUD:

* controls balance of each tariff quota

* ensures overall efficiency and
   transparency

* daily allocation

* communicates with Member States

FCFS tariff quotas

Notion of <u>critical</u>: Art 308c of Reg 2454/93

1) **critical: as soon as 75 % of the initial volume has been used, or at the discretion of the competent authorities**

2) **From the date of its opening, critical:**

- **opened for less than 3 months**

- **no equivalent TQ has been opened in previous two years**

- **equivalent TQ opened in previous two years was exhausted on or before the last day of third month of its quota period**

3) **Special provisions on TQ used as safeguard or retaliatory measures**

13

FCFS tariff quotas

- **Situation on 28/03/2005 18:30**
- Order number   **091871**

  Origin   **Mexico - MX (412)**

  Start date   01/07/2004   End date 30/06/200

  Initial amount   2000 tonne

  Balance   **112.531 tonne**

  Last allocation date   10/02/2005

  Status   Critical
-
  Total awaiting allocation 0 tonne
-
  Last import date   03/12/2004

  Associated Taric code(s)   0803001900

Correction of errors

- Repayment or recovery of duty

- Right of appeal

SUMMARY

- Importer asks for the benefit of a tariff quota

- MS check validity of requests

- MS send valid requests to COM

- COM makes daily allocation

- COM sends answers to MS