

DIRECTIVE No.16
TEMPORARY STORAGE

Issued by the Agent of the Impôts on the 1st January 2021

1. Introduction

The term '**Temporary Storage**' describes where Third Country goods are being temporarily stored under customs supervision in the period between their presentation to Customs and the placing of these goods under a Customs Procedure or being re-exported.

The goods must only be subject to such forms of handling as are designed to ensure their preservation in an unaltered state without modifying their appearance or technical characteristics. Customs keep the goods under supervision for as long as is necessary to determine their customs status and the goods cannot be removed without the permission of the customs authorities.

The holder of the authorisation may at any time with the permission of the customs authorities, examine the goods, or take samples in order to determine their tariff classification, customs value or customs status. Third Country goods in temporary storage must be placed under a customs procedure or re-exported within 90 days.

Applicants for Temporary Storage must be established in Jersey and be involved with the movement of Third Country goods.

2. Content

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3. Definitions

“Agent of the Impôts” means Head of the Jersey Customs and Immigration Service.

“CAESAR” means the Customs and Excise System for Administering Revenue.

“UK – CDs Customs Union” - means Jersey, UK, Guernsey and the Isle of Man.

“Third Country” means any country outside the United Kingdom - Crown Dependencies Customs Union.

“Customs Law” means the Customs and Excise (Jersey) Law 1999.

“Customs Order” means the Customs and Excise (Customs Tariff and Import Duty) (Jersey) Order 2019.

“Customs Procedure” means any of the following procedures:

- Release for free circulation.
- Special procedures (transit, warehousing, temporary admission, authorised-use, inward processing and outward processing).
- Export under customs control.

“Temporary Storage” means a storage facility for third country goods.

“Officer” means Jersey Customs and Immigration Officer.

“Goods Control” means the Customs unit which processes imports and exports

“Established in Jersey means”-

- (a) in the case of an individual, where the individual is resident in Jersey;
- (b) in all other cases, where the person:

- a. has a registered office in Jersey;
- b. has a permanent place in Jersey from which the person carries out activities for which the person is constituted to perform.

4. Legal basis

Article 6(1A)(b) of the Customs Law provides for the Agent of the Impôts to implement the UK - CD's Customs Arrangement.

The "Arrangement" which is the arrangement entered into between Jersey and the United Kingdom covers all trade in goods that includes the elimination between its members of customs duty on imports and exports, and the adoption of the UK Global Tariff in their relations with third countries; and requires the members of the UK - CD's Customs Union to keep their Customs Law correspondent with that of the United Kingdom.

Paragraph 11 of the "Arrangement" states - Subject to any variations in practice and procedure which may be agreed between the Competent Authorities of the United Kingdom and Jersey, Jersey's Competent Authority will adopt practices and procedures for the management of operations relating to Jersey Customs Law correspondent with those in the United Kingdom.

Article 2 of the Customs Order defines "import duty" and provides that such duty is to be collected and paid in accordance with the Customs Law.

Article 3 of the Customs Order creates an obligation to declare goods on importation for one of 2 customs procedures, either for release for free circulation in Jersey or for a "special customs procedure".

Article 3 (5)(a) of the Customs Order provides for relief from import duty for a special customs procedure.

Article 5 of the Customs Order specifies the persons liable to pay import duty on imported dutiable goods.

Article 7 of the Customs Order gives effect in Jersey to the United Kingdom tariff regulations.

Article 8 and 9 of the Customs Order define, respectively, the value of goods and place of origin of goods for the purposes of import duty.

Article 15 of the Customs Law provides for goods which are under customs control may not be stored, manufactured, produced or otherwise processed except in premises approved by the Agent of the Impôts for that purpose.

Article 17 of the Customs Law provides that the Agents of Impôts may give directions, subject to conditions as he or she may impose, permitting the movement of goods which are under customs control.

5. Temporary Storage

Temporary storage is not a customs procedure.

A temporary storage facility is a custom approved place inside, or outside the approved area of a sea or airport, where third country goods are placed in storage.

6. Authorisation of Temporary Storage

Temporary Storage authorisations may be granted to the following applicants, provided they are established in Jersey and involved with movement of third country goods.

- An Air/Port Operator
- A Freight Forwarder
- A Customs Agent.
- A Warehouse Keeper
- A Transport Company

Applications for Temporary Storage will be administered via CAESAR, www.customs.gst.gov.je

For further guidance contact:

Customs and Immigration Service, Goods Control

Tel: 01534 448000

Email: rgc@gov.je

Once an application is submitted Goods Control will carry out checks to ensure the necessary information has been supplied. This should include all necessary documents, maps, drawings etc. A guarantee may be required. An Officer will produce a report on the suitability of the applicant to operate a temporary storage facility, which will be considered by the Agent of the Impôts.

Following this;

- The applicant will be informed by Goods Control whether the conditions for the acceptance of their application **are fulfilled** within 30 days of the date on which the application was received.
- The applicant will be informed of **a decision** within 120 days of the date of acceptance of their application.

7. Processing of an Application

An Officer will contact the applicant and arrange a meeting. The purpose of the meeting is to ensure that satisfactory arrangements are in place. The Officer will examine the proposed premises, the accounting procedures and the stock control systems. The Officer will also explain to the applicant the obligations which must be fulfilled by anyone availing of a temporary storage facility. The applicant should provide a written undertaking allowing Officers the right of entry to the premises. Where the applicant is a Company, a Senior Executive in charge should be consulted to ensure that management are aware of their obligations under this authorisation. see **(Authorisation at Appendix I)**.

Confirmation on the following areas will be undertaken

- The applicant is established in Jersey.
- A verifiable and accurate stock control and accounting system is in place.
- Official supervision and checks can be affected without the need for an administrative system which is out of proportion to the economic needs involved.
- The applicant can fulfil the obligations that arise from the storage of goods and of complying with the conditions of approval governing the Authorisation **see Appendix I**.
- The intended premises are suitable regarding security, access arrangements, health and safety and storage facilities.
- If the application includes goods which may present a danger, or are likely to spoil other goods, or require special storage facilities, the premises must be equipped to store such goods.
- The facilities are not used for the purpose of retail sale.
- The facilities are exclusively operated by the holder of the authorisation.
- They have details of the highest amount of duty and other charges applicable on any single consignment relating to the recent 12-month period in order to calculate the amount of guarantee required and a guarantee is provided.

8. Guarantee

An Authorisation will not be issued until an appropriate guarantee has been provided. The purpose of the guarantee is to secure duties suspended on goods in temporary storage.

9. Goods stored in Temporary Storage

In general, third country goods are stored in a temporary storage facility. Where an economic need exists and customs supervision will not be adversely affected, goods in free circulation can also be stored in a temporary storage facility. These goods will not be regarded as goods in temporary storage. Combined storage of goods in free circulation and third country goods in a facility which is authorised as temporary storage facility is possible only where the goods can be separately identified.

10. Length of time goods can be stored in Temporary Storage

Third Country goods in a temporary storage facility must be placed under a customs procedure, re-exported or destroyed within 90 days.

11. Granting a New Authorisation

- Having conducted the **pre-approval visit** and any additional checks, a report will be prepared by the Officer covering all the points mentioned at para. 7 and giving the Officer's recommendation. The Officer shall ensure a guarantee is in place.
- The applicant is required to apply for the Authorisation on CAESAR, www.customs.gst.gov.je

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- If approved by the Agent of the Impots, an Authorisation will take effect on the date of issue, or on any later date specified in the Authorisation.
- Goods Control shall monitor the conditions and criteria to be fulfilled by the operator of the approved facilities. They shall also monitor compliance with the obligations resulting from that decision.

12. Period of Validity

- There is no limit to the period of validity of a temporary storage facility authorisation.

13. Temporary Storage Records

The records to be kept by the authorisation holder must contain information to enable customs to supervise the operation of the facilities regarding the identification of the goods stored, their customs status and their movements.

Examples of systems requirements include;

- Customs approved IT record keeping / inventory system with an approved risk management system.
- Electronic entry of all temporary storage goods entering into the facility [stock account records].
- Electronic inventory control of all third country goods whilst in the facility.
- Electronic records of all activity relating to temporary storage goods, particularly arrival, out turn; discrepancies; examinations; sampling; movements within or between facilities; and / or any other authorised activity.
- Electronic notification and receipt of the removal of goods after Customs clearance.
- Electronic log of the actual time goods remained within the temporary storage whilst in the facility.
- Transmission electronically of all customs declarations for cargo in the temporary storage area within the appropriate timescales, and
- Capacity to produce system-generated hard copy clearance advices and unit releases.

14. Review of a customs decision

Any person (individual, business) aggrieved by a decision may apply to have that decision reviewed within one month of such decision being communicated to them.

Refer to Article 68 of the [Customs Law](#) for full details.

15. Movement under Temporary Storage within Jersey

The holder of a Temporary Storage authorisation can move goods that are in temporary storage between different temporary storage facilities under the condition that such movements would not increase the risk of fraud.

Where a movement of goods in temporary storage takes place, the goods must remain under the responsibility of the holder of the authorisation for the operation of temporary storage facilities from which the goods are moved until the goods are entered in the records of the receiving authorisation holder, unless otherwise provided in the authorisation.

16. Temporary Storage declaration

Third Country goods are in temporary storage from the moment they are presented to customs. The declaration must be lodged at the latest at the time of presentation of the goods to customs. It can be lodged by one of the following persons:

- The person who brings the goods into Jersey.
- The person in whose name, or on whose behalf the person who brings the goods into that territory acts.
- The person who assumes responsibility for the carriage of the goods after they were brought into Jersey.

17. Lodgement of the declaration

The declaration shall be lodged by the following means:

- Ships manifest provided it contains the particulars of a declaration including a reference to any entry summary declaration for the goods concerned.

18. Amendment of a declaration

The declarant can, on application, be permitted to amend one or more particulars of the declaration after it has been lodged. The amendment shall not render the declaration applicable to goods other than those it originally covered. No amendment will be possible after any of the following:

- The person who lodged the declaration has been informed that the goods are to be examined.
- It has been established that particulars of the declaration are incorrect.

19. Invalidation of a declaration

Where the goods for which a declaration has been lodged are not presented the declaration must be invalidated by customs upon application by the declarant.

20. End of Temporary Storage of Goods

Third Country goods in a temporary storage facility must be placed under a customs

procedure, re-exported or destroyed within 90 days. Goods Control will monitor the storage period, if the goods are not placed under a customs procedure, re-exported or destroyed within 90 days they will incur a customs debt.

21. Goods released to a customs procedure

The applicant must, on releasing goods from temporary storage to a customs procedure, complete a customs declaration via CAESAR.

They must:

- pay any customs duties and charges where applicable – a deferred payment arrangement may be applied.
- record details of the discharge, including details of the MRN etc. in the stock records.

22. Goods re-exported

A re-export notification must be completed in respect of goods being re-exported from a temporary storage facility. Evidence that the goods have left Jersey must be kept by the temporary storage operator.

23. Destruction

If Goods Control is satisfied that the destruction of goods is justified and there are no environmental concerns, it may be accepted that temporary storage has been discharged on completion of the destruction.

Goods Control must be informed in advance and given the following details:

- The type of goods concerned.
- The reason for destruction.
- The method of destruction.

Customs and Immigration Service, Goods Control

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Appendix I – General conditions to be observed by persons authorised to operate a Temporary Storage Facility.

Applicants authorised to operate a Temporary Storage Facility must:

1. Comply with the provisions of the customs arrangement.
2. Be established in Jersey.
3. Provide the necessary assurance of the proper conduct of the operation.
4. Provide a guarantee to the reference amount of £ (which will be subject to review), as security for any import duty and other charges due on all uncleared goods while they remain at the temporary storage facility and accept responsibility for payment of all charges on any missing goods when there is no evidence of official custom clearance.
5. Allow customs authorities to be able to exercise customs supervision without having to introduce administrative arrangements which are disproportionate to the economic needs involved.
6. Keep appropriate records in a form approved by the customs authorities. The records shall contain the information which enables customs authorities to supervise the operation of the temporary storage facility, regarding the identification of goods stored, their customs status and their movements.
7. Not have committed any serious infringement or repeated infringement of customs legislation and taxation rules, including no record of serious criminal offences relating to any activity.
8. Provide secure premises that will hold only those goods declared or specified.
9. Inform customs authorities of any issue arising after the status as a Temporary Storage facility is granted which may influence its continuation or content.
10. Provide office accommodation, with all requisite furniture, heating, lighting to the satisfaction of customs, together with goods examination facilities free of expense to the State.
11. Not remove the goods from temporary storage without official custom Clearance.
12. Provide adequate staff and equipment as necessary for the safe and expeditious unloading, manipulation or production of goods as required for Customs control purposes.
13. The goods must be placed under a customs procedure or re-exported within 90 days. Following custom clearance, goods must be removed from the Temporary

Storage premises (goods not cleared within 90 days may be removed to the Agent of the Impôts warehouse or destroyed at the holder of the procedure's expense).

14. Notify the Officer of any suspicion they may have in relation to illegal activity, for example, I.P.R. (Intellectual Property Rights) infringements.

Note: The Agent of the Impôts reserves the right to alter or amend any of the conditions and may revoke or amend the status as a Temporary Storage and inform the holder in writing of their reasons and the date it takes effect.

Mark Cockerham
Agent of the Impôts
1st January 2021