



Customs Group 2024

RI LOGISTICA Conference

CERN LEADER
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2. CUSTOMS OVERVIEW

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- *Managing Origins**

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- *Internal Best practices: Roles and Responsibilities / How to communicate**

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1. STAKEHOLDERS

Who we are ? How we worked?

We are all dedicated to research!

Cern Laboratory, established in 1954, has become a prime example of international collaboration.

It's located on both territories, French and Switzerland. Goods are considered as swiss and not both because the site is entirely closed (customs agreement).

CERN is run by 24 Member States, and many non-European countries are involved in different ways.



Diamond Light Source produces bright light that scientists can use to study anything from fossils to jet engines to viruses and vaccines.



Science and
Technology
Facilities Council



STFC's mission is to deliver world-leading national and international research and innovation capabilities and, through those, discover the secrets of the Universe. Fundamental research in astronomy, physics, computational science and space science.



Multi-disciplinary research facility based on the world's most powerful neutron source.



GSI Helmholtzzentrum für Schwerionenforschung GmbH

The GSI operates a worldwide leading accelerator facility for research purposes. Scientists from all over the world use the accelerated ions for experiments.



The European XFEL is a research facility of superlatives: It generates ultrashort X-ray flashes—27 000 times per second and with a brilliance that is a billion times higher than that of the best conventional X-ray radiation sources.



6 meetings since 2024
Each 1.5/2 months for 1,5 hours



2. CUSTOMS OVERVIEW

Dual use goods



What are dual-use goods?

Dual-use means that the goods in question can be used for both civilian and military purposes. The term goods includes merchandise, technologies and software. Dual-use goods are listed in [Annex 2 of the Goods Control Ordinance](#) (in CH) or [Regulation EU 2021/821](#) and managed by the Ministry of Economy.

We are structured differently, some of us has a dedicated team or an internal export compliance put in place to define roles and responsibilities.

Cern is dealing with 2 main general licences with respect to the destination and the shipment status: definitive or temporary. We also deal with individual licence for specific request. **The user is the one who knows the best his product that's why they are required to sign the technical report. He is in charge of checking the technical details mentioned in the OCB, Annexe 1 and 2 and be careful about all the characteristics mentioned. If the products are not concerned so the user fill in the technical letter. Otherwise, depending of the country of destination, a licence is required.**

Otherwise, from STFC UK side, since April the 1st a new regulation for DUG has entered into force by adding new sub-entries for chemical products and modification on notes for commercial cryptography applications in entry 5A002. The three new categories states that the export or transfer by electronic means of the following goods, software, or technology, are prohibited to any destination. Moreover, all CERN shipments that STFC arranges for Universities that required an Export Licence will have to be sent to STFC Rutherford Appleton Laboratory before being sent to CERN, creating an additional shipment and time. This is to guarantee that the exporter of record is STFC RAL so that their Licences can be used correctly. **The alternative would be for each university to have their own Export Licences and competent people trained to administer them.**

Amendments to the assimilated Dual-Use Regulation

- the amendments to Annex I of the assimilated Dual-Use Regulation reflect routine technical updates to the Wassenaar Arrangement dual-use list, as well as changes to the control lists administered by other multilateral export control regimes, including the Australia Group, Nuclear Suppliers Group and the Missile Technology Control Regime, as agreed in December 2023. These include:
 - editorial amendments to Technical Notes and definitions in certain entries
 - amendment of the control parameters for some items including those in Categories 3. and 8
 - a new sub-entry for iodine pentafluoride in entry 1C011.e
 - modification of decontrol Note 2.e. for commercial cryptography applications in entry 5A002.a
 - minor consequential amendments in entries PL5001.f and in 9E001 and 9E002 as a result of changes made in a previous SIs

The consolidated list of strategic military and dual-use items that require export authorisation will be amended and republished in due course.



US EXPORT CONTROL



At Cern, the main identified department is used to work and analyse US technologies which are included in the goods and dealing with ECCN 3A001 for radiation electronic cards.

A re-export licence from the US Department of Commerce (DoC) is required for certain countries of destination or institutes.

EAR analysis with ECCN code -> CCL (EAR 774) -> Country Chart Part 738 Reason for control (licence required or not)
DE MINIMIS RULE: No licence required if for EXW price the total US value is less than 25% for non sensible products.

-> SOME OF US PUT IN PLACE AN EXPORT COMPLIANCE AND OTHER NEED EXPORT CONTROL OFFICER

SANCTIONS

On 31.07.2014, the European Council adopted EU Regulation 833/2014 Regulation - 833/2014 - EN - EUR-Lex (europa.eu) concerning restrictive measures in respect of Russia's actions destabilising the situation in Ukraine (illegal annexation of Crimea).

Since the invasion of Ukraine by Russia in 2022, 14 packages of sanctions have been adopted, both on financial and commercial level but also with a new framework concerning human rights.

Council Regulation (EU) 2023/1214 of 23 June 2023 Regulation - 2023/1214 - EN - EUR-Lex (europa.eu) amending Regulation (EU) n° 833/2014 introduced a point d) in Article 3 g which prohibits the importation of any goods listed in Annex XVII containing steel inputs VS Annex XXIII mentioning the prohibited export classifications.

The importation, transport and purchase of steel products listed in Annex 17 (CH or EU Regulations) originating in or coming from the Russian Federation are prohibited.

- Iron, wire and rod – any articles of iron or steel (**Section 7206 to 7229 and Chapter 73**)
- Rolled products, tubes and pipe fittings
- tanks or vats
- Chains, nails, screws and bolts
- Stoves and radiators
- Household or hygiene goods of iron, cast iron or steel



It is the importer's responsibility to be able to prove non-Russian origin of steel inputs at the first request of the Customs.

The EU regulations do not explicitly specify the exact documentation required to prove from which countries iron and steel come. However, the European Commission has issued guidelines suggesting that the “Mill Test certificate” (MTC) is sufficient evidence regarding the origin of steel inputs (otherwise supplier statement or technical certificate).

The import document is not mandatory for some partner countries:
import into the EU: SWITZERLAND, NORWAY, UK
import into CH: EEA (EU, Norway and Liechtenstein) or UK

Preferential origin vs non preferential origin

We are all agreed that requesters certify the non-preferential origin, it's their responsibility. They check with suppliers in case it's a purchase otherwise calculation is done internally. Regarding preferential origin management, some are using local government Commodity Code checkers to confirm if there are free trade agreements or not and relevant tax & duty rates. For others, Customs Department is in charge of this advice.

<https://rtais.wto.org/UI/PublicMaintainRTAHome.aspx>

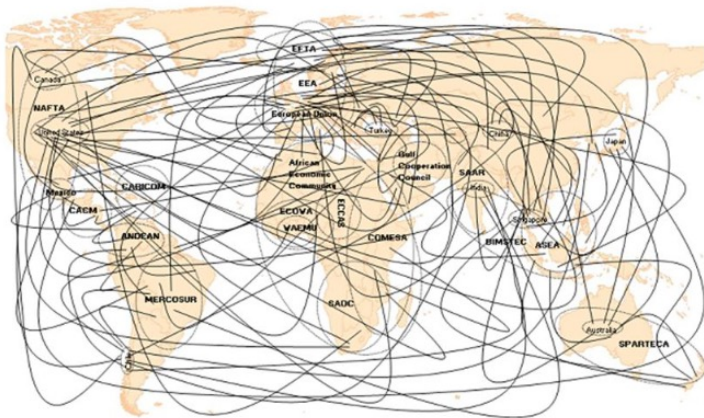
[Check your goods meet the rules of origin - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

Rules of Origin Facilitator (findrulesoforigin.org)

Cern is dealing with 2 countries so 2 regulations: CH and EU.

STFC is dealing with UK regulations.

Spaghetti Bowl



Annexe 22-01 (delegated act) - 2015/2446 – EN – substantial transformation

CHAPTER 73

Articles of iron or steel

Chapter Note

For heading 7318, mere attachment of constituting parts without grinding to shape, heat treatment and surface treatment operation is not to be considered as origin-conferring.

Chapter residual rule:

Where the country of origin cannot be determined by application of the primary rules, the country of origin of the goods shall be the country in which the major portion of the materials originated, as determined on the basis of the value of the materials.

HS 2012 Code	Description of goods	Primary rules
7301	Sheet piling of iron or steel, whether or not drilled, punched or made from assembled elements; welded angles, shapes and sections, of iron or steel	CTH

Preferential origin according FTA rules-Preferential origin is calculated in regard to FTA rules linked to the HS Code. In this case we are talking about sufficient transformation and not substantial as NPO.

Identification de la marchandise		Ouvraison / transformation suffisante	
Position SH	Désignation des marchandises	Ouvraison ou transformation appliquée à des matières non originaires conférant le caractère de <u>produit originaires</u>	
(1)	(2)	(3)	(4)
ex Chapitre 94:	Mobilier; mobilier médico-chirurgical; articles de literie et similaires; appareils d'éclairage non dénommés ni compris ailleurs; lampes-réclames; enseignes lumineuses; plaques indicatrices lumineuses et articles similaires; constructions préfabriquées à l'exclusion des:	Fabrication à partir de matières de toute position, à l'exclusion des matières de la même position que le produit	Fabrication dans laquelle la valeur de toutes les matières utilisées ne doit pas excéder 40 % du prix départ usine du produit
ex 9401 et ex 9403	Mobilier en métaux communs, contenant des tissus non rembourrés de coton d'un poids maximal de 300 g/m ²	Fabrication à partir de matières de toute position, à l'exclusion des matières de la même position que le produit	Fabrication dans laquelle la valeur de toutes les matières utilisées ne doit pas excéder 40 % du prix départ usine du produit

PREFERENTIAL PROOF STATUS

EUR1 = if the FTA rules are fulfilled, then the items can be notified on/delivered by CCI.

FORM A = Form A is used to give proof of origin for goods being imported from countries covered by the Developing Countries Trading Scheme.

LTD = Long term declaration for preferential origin. Our export specialists have a look on the EDH (shipping registration) in order to detect any discrepancy and advise customs department to analyse the situation, for example:
 -> can we ask for an EUR1 ?
 -> An electronic component made in FR or CH?
 To be verify for not avoiding any measures or license.

DOF = Declaration of preferential origin on invoices. Over than 6000€ (EU rules) or 10 300CHF (CH rules) then an export authorisation is mandatory. -> Cern hasn't got the approved exporter autorisation so establishment of EUR1.

VS

MADE IN PROOF

CO= depending of destination obligations, mentioning the made in only / delivered by CCI.

Specific certificate: The **ATR** is a certificate provided for the European Union-Turkey agreement and is issued to certify that the goods described in the form are in free circulation so that duty payment can be waived. The exemption applies to shipments from the European Union to Turkey and in the opposite direction / delivered by CCI.

Management of Customs Procedure: Temporary shipments

We are all dealing with temporary shipments through ATA Carnet or temporary procedure. ATA Carnet is used for Equipment or seminars instead of outward/inward processing for repair/transformation. ATA Carnet is expensive and complicated for some of us/takes time.

Countries participating to ATA Carnet procedure

P. This Carnet may be used in the following countries/Customs territories under the guarantee of the associations listed on page four of the cover: / Dieses Carnet ist in nachstehenden Ländern/Zollgebieten gültig unter Bürgschaft der auf Seite vier des Deckblatts aufgeführten Verbände:

Albania (AL)	Macao, China (MO)	Thailand (TH)	France (FR)
Algeria (DZ)	Madagascar (MG)	Tunisia (TN)	Germany (DE)
Andorra (AD)	Malaysia (MY)	Türkiye (TR)	Greece (GR)
Australia (AU)	Mauritius (MU)	Ukraine (UA)	Hungary (HU)
Bosnia and Herzegovina (BA)	Mexico (MX)	United Arab Emirates (AE)	Ireland (IE)
Canada (CA)	Moldova (MD)	United Kingdom (GB)	Italy (IT)
Chile (CL)	Mongolia (MN)	United States (US)	Latvia (LV)
China (CN)	Montenegro (ME)	Vietnam (VN)	Lithuania (LT)
Gibraltar (GI)	Morocco (MA)		Luxembourg (LU)
Hong Kong (China) (HK)	New Zealand (NZ)	European Union:	Malta (MT)
Iceland (IS)	North Macedonia (Rep. Of) (MK)		Netherlands (NL)
India (IN)	Norway (NO)	Austria (AT)	Poland (PL)
Indonesia (ID)	Pakistan (PK)	Belgium (BE)	Portugal (PT)
Israel (IL)	Qatar (QA)	Bulgaria (BG)	Romania (RO)
Ivory Coast (CI)	Republic of South Africa (ZA)	Croatia (HR)	Slovak Republic (SK)
Japan (JP)	Senegal (SN)	Cyprus (CY)	Slovenia (SI)
Kazakhstan (KZ)	Serbia (RS)	Czech Republic (CZ)	Spain (ES)
Kingdom of Bahrain (BH)	Singapore (SG)	Denmark (DK)	Sweden (SE)
Korea (Rep. Of) (KR)	Sri Lanka (LK)	Estonia (EE)	
Lebanon (LB)	Switzerland (CH)	Finland (FI)	

The holder of this Carnet and his representative will be held responsible for compliance with the laws and regulations of the country/Customs territory of departure and the countries/Customs territories of importation. / Der Carnetinhaber und sein

Nevertheless, the issue is at destination for paying taxes because the consignee or Cern users are sometimes surprised of this charge. We are used to deal with UK under C426 for temporary shipments but for some other countries such as India, an agreement exists but not yet put in place. We can use ATA carnet for some countries such as Japan, for professional equipment.

Our role as advisor means that we always explain to the user/consignee how they have to proceed in order to avoid charges at destination. For example, we suggest them to apply for inward procedure in case the goods are transformed or temporary admission just for testing products, not modifying them. The greatest difficulty is to spread the message that Cern is not able to import at destination or to interact on duties.

Internal Education



Users are educated to add mandatory mentions on transport application to declare that goods are submitted or not to Export Control.

The applicant is responsible for identifying the classification of his product and so the non-preferential origin to declare.

Some of us dealing with an FAQ and answering on a day-to-day basis to questions.

Always talking about roles and responsibility (RACI) even more when a compliance guideline is in place.

3. CHALLENGES AND WISHES

Our main challenges or better saying wishes are :

- ➔ More awareness about Export Control by applying for an Export Compliance/Export Basic training and educate more and more the requestors.
- ➔ IT development to reinforce the export control by a check box on the shipping request with the link of the regulation in order to allow the user to analyse the technical aspect of the products.
- ➔ Less use of EXW and DDP incoterms which are risky (to be check with procurement department for correct use of it).
- ➔ Further education on preferential and non-preferential origin internally (different rules between EU and CH)
- ➔ Why not a chat bot ? Using AI ?

Cern: Our main difficulties are most of the time treated directly with french and swiss customs. Also, some agreements are put in place gradually with some destination in order to suspend taxes and customs duties, still waiting for India one for example.

2025

- More participants for 2025 - spacing the meetings
- Shared customs agent for scientific goods/samples
- Adding HS code on the MSDS (Material Safety Data Sheet, UN regulation)
- Shared software supplier -> how to track the goods / to collect datas / Screening party

Thank you for your attention