

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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POLICY

Voluntary Public

Date: 6/17/2016

GAIN Report Number: E16027

EU-28

Post: Brussels USEU

EU Customs Code - Binding Tariff Information

Report Categories:

Trade Policy Monitoring

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Report Highlights:

On May 1, 2016, the EU's new Union Customs Code (UCC) became applicable. This report explains how the new UCC affects the "Binding Tariff Information" (BTI) system.

BINDING TARIFF INFORMATION (BTI)

On May 1, 2016, the [EU's new Union Customs Code \(UCC\)](#) became applicable. The new UCC introduces important changes to existing requirements which have the potential to affect international trade. Existing customs authorizations and business operator procedures will be re-assessed before full implementation of the UCC in 2020. This report explains how the new UCC affects the “Binding Tariff Information” (BTI) system.

Binding Tariff Information System

The BTI system was introduced in 1991 to ensure legal certainty for business operators when calculating import duties. Business operators can apply for a BTI in order to obtain the correct tariff classification for goods they intend to export to the EU. BTIs are issued by the customs authorities of the Member States and are valid throughout the EU. A BTI decision is binding on all EU customs administrations. All BTI decisions issued by the Member States' customs authorities are entered into the [BTI database](#) maintained by the European Commission.

What changes?

Until the entry into effect of the new UCC on May 1, 2016, BTI decisions were only binding on customs authorities. Under the new rules, BTI decisions are binding on business operators as well as on customs authorities. Where before the use of the BTI decision was not mandatory, BTI holders are now legally required to declare BTI decisions when completing customs formalities. U.S. exporters should be aware that this not only applies to future BTIs but also to existing BTIs. The validity of a BTI is reduced to six to three years. BTIs issued before May 1, 2016, will continue to be valid for the pre-determined period.

“Interim Administrative Guidelines” on the new BTI system and its operation are available on the European Commission's website:

http://ec.europa.eu/taxation_customs/resources/documents/customs/customs_code/guidance_interim_ebt_i_en.pdf.