



Customs Authorisations and Insolvency

Many businesses involved in international trade hold customs authorisations. Here are some of the Customs Authorisations that a business may hold:

- Inward Processing
- Outward Processing
- End-Use
- Customs Warehousing
- Customs Freight Simplified Procedures (CFSP)
- Authorised Economic Operator (AEO).

Insolvency Practitioners, when they are appointed, become responsible for the correct operation of the authorisations, and for compliance of the conditions and obligations associated with any authorisation.

The incorrect discharge or handling of goods can result in the creation of a customs debt. So, it is important that you have a good understanding of the customs activities of a business when you are appointed.

What you need to do upon appointment

- Identify if the insolvent entity holds any customs authorisations
- Identify the goods currently held under those authorisations
- Notify the supervising office (stated on the authorisation) that the business is insolvent
- Ensure that any goods held under a customs authorisation/special procedure are correctly disposed of.

These conditions and obligations are detailed in the

- authorisation itself
- [Union Customs Code \(UCC\)](#)
- [Implementing and Delegated Act to the UCC.](#)

Following the end of the EU Transition period the conditions and obligations will be reflected in UK legislation.

Businesses may also hold other customs facilities such as a Duty Deferment Account (identified through a Duty Deferment Account Number or DAN) and a Comprehensive Customs Guarantee (CCG).

To establish the status of any Duty Deferment Account, and to resolve any issues around Deferment debts, please contact the HMRC Duty Deferment Team at cdoenquiries@hmrc.gov.uk.

All customs authorisations require the supervising office to be notified of any changes that may affect the operation of the authorisation. For example, when a business enters insolvency, the supervising office must be notified. Details of the supervising office will be shown on the authorisation.

In some circumstances it is possible that goods may be held under a special procedure, without the possession of a written authorisation. These goods will have entered the special procedure through authorisation by declaration. The goods will still need to be disposed of in accordance with the procedure.

In these cases you should contact the [National Import Reliefs Unit \(NIRU\)](#) as well as the usual Customs and International Trade contact point for the business if one exists.

It is important to note that authorisations cannot be transferred between legal persons.