



United States Council for International Business

ATA Carnet and Customs Department

1212 Avenue of the Americas
New York, New York 10036-1689
tel: 212-703-5080 ~ fax: 212-944-0012
email: atacarnet@merchandisepassport.org
Internet: www.merchandisepassport.org

Memorandum

To: **ATA Carnet Customers**
Fr: Cynthia Duncan, Sr. Vice President, Carnet Operations
Re: **Enlargement of the European Union—January 1, 2007**
Dt: December 12, 2006

The European Union (EU) will expand again on January 1, 2007.

Current members of the EU are:

Austria	Finland	Lithuania	Slovenia
Belgium	Germany	Luxembourg	Spain
Cyprus	Greece	Malta	Sweden
Czech Rep.	Hungary	Netherlands	United Kingdom
Denmark	Ireland	Poland	
Estonia	Italy	Portugal	
France	Latvia	Slovakia	

New members states joining on January 1 are:

Bulgaria Romania

The enlargement of the EU holds potential challenges for importers into this region, particularly if the goods are moving between Current and New Member states on or after January 1. As our customer and an ATA Carnet holder, we are writing to make you aware of the forthcoming changes and our recommended course of action as regards your ATA Carnet.

Scenario 1:

Your Carnet goods have entered/will enter a Current Member and **WILL NOT** visit a New Member before Carnet expiration.

Recommended action—No special action is necessary. Follow normal Carnet procedures by re-exporting the Carnet goods prior to Carnet expiration. Holders should present the Carnet to customs authorities and have the appropriate re-exportation certificate validated. We also recommend the completion by U.S. Customs of the re-importation certificate.

Scenario 2:

Your Carnet goods have entered/will enter a New Member and **WILL NOT** visit a Current Member before Carnet expiration.

Recommended action—No special action is necessary. Follow normal Carnet procedures by re-exporting the Carnet goods prior to Carnet expiration. Holders should present the Carnet to customs authorities and have the appropriate re-exportation

certificate validated. We also recommend the completion by U.S. Customs of the re-importation certificate.

Scenario 3:

Your Carnet goods have entered/will enter:

- a) Current Member and will travel to a New Member or
- b) New Member and will travel to a Current Member or
- c) Romania and then travel to Bulgaria (or vice versa)

Recommended Action: To avoid complications, USCIB recommends that, whenever possible, goods **DO NOT** travel from Current to New Member OR New to Current on or after January 1.

This recommendation is based on two factors:

- 1. It is not clear the extent to which customs authorities will recognize each other's procedures and payments of duties and taxes.
- 2. Border checkpoints, particularly at land crossings, may close quickly in New Member states making it difficult to have any export/import documentation validated. We expect that Customs operations at international airports will be largely unaffected.

We do note, however, that during previous enlargements of the EU customs administrations have been generally accommodating to exporters/importers during this period of change and flexible in the type of evidence accepted when resolving disputes.

If goods must travel between Current and New members beginning on January 1, we recommend that the Carnet be validated at any and all customs checkpoints.

It is **particularly important that re-entry into the U.S. occur on or before Carnet expiration.** Remember, a properly validated re-importation certificate is your last line of defense against a claim issued by a foreign customs administration.

If you have any further questions on this matter, I invite you to contact your Carnet Service Bureau or ATA Carnet HQ. At Carnet HQ, contact Anna Zhang, Director, Claims Operations 212.703.5075 or azhang@uscib.org.