

Content

Title :	Regulations Governing the Customs Clearance of Transit and Transshipment Goods Ch
Date :	2023.11.29
Legislative :	1.Promulgated by the Ministry of Finance Order No.1121011767 on May 22, 2023. 2.Articles 2 to 4 and Articles 8 to 10 amended and promulgated by the Ministry of Finance Order No. 1121029042 on November 29, 2023.
Content :	<p>Article 1 These Regulations are enacted pursuant to Paragraph 3 of Article 14 of the Customs Act (hereinafter referred to as “the Act”).</p> <p>Article 2 The terms used in these Regulations shall be defined as follows: 1. Transit: Refers to the movement of goods that, after being carried into the country by a means of transport and discharged, are transferred to a science park, technology industrial park, agricultural technology park, or free trade zone (hereinafter referred to as the Four Zones) within the same Customs jurisdiction, or to a different Customs jurisdiction to undergo import customs clearance. 2. Transshipment: Refers to the movement of goods that, after being carried into the country by a means of transport and discharged for storage, undergo customs clearance for exportation by another vessel or aircraft. 3. Sea-air transshipment: Refers to the movement of goods that, after being carried into the country by a vessel and discharged for storage, are transferred to be carried by an aircraft for exportation. 4. Air-sea transshipment: Refers to the movement of goods that, after being carried into the country by an aircraft and discharged for storage, are transferred to be carried by a vessel for exportation. 5. Multi-national container (cargo) consolidation (hereinafter referred to as MCC): Refers to the process wherein goods, after being carried into the country by a vessel and discharged into a transshipment warehouse or a transshipment compartment of a container terminal (hereinafter referred to as container terminal) approved by the Customs, undergo container consolidation operations and are declared for transshipment without altering or breaking the original packaging of the goods. 6. Ship stores: Refers to equipment, spare parts, special materials for use by vessels navigating international routes, and necessities and daily sundries required by crew members. 7. Operators designated by the Ministry of Finance (hereinafter referred to as designated operators): Refers to operators in the Four Zones and applicants for transshipment of ship stores.</p> <p>Article 3 Containers (cargo) for transit and inbound transshipment shall be listed in the import cargo manifest, and containers (cargo) for outbound transshipment shall be listed in the export cargo manifest. The responsible person of the means of transport carrying such containers (cargo), the transport operator to which the means of transport belongs, and the forwarder undertaking such containers (cargo) shall report to Customs in accordance with the relevant provisions of the Regulations Governing the Management of Import/Export Clearance for Transportation Means and the Regulations Governing the Customs Management of Freight Forwarders. For the following transshipment cargo, the responsible person of the means of transport, the transport operator, or the freight forwarder shall truthfully declare the description of the cargo in the import/export cargo manifest:</p>

1. Tobacco, alcohol, or narcotics.
2. Weapons or ammunition.
3. Agricultural products and food products manufactured or produced in the Mainland Area.
4. Transshipment cargo stored outside the controlled area.
5. Ship stores (Ship supplies).
6. Sea-air transshipment and air-sea transshipment cargo.
7. Cargo that is carried inbound by air and then transshipped by land transport to a different Customs jurisdiction for export by air.
8. Hazardous waste.
9. Strategic high-tech commodities.
10. Radioactive substances or materials.
11. MCC cargo.
12. Other cargo announced by Customs.

Article 4

With the exception of the circumstances stipulated in Paragraph 1 or Paragraph 2 of Article 5, transit and transshipment operations shall be conducted only after a transit/transshipment application has been declared to Customs at the place of departure and a transit/transshipment permit has been issued.

Transit/transshipment applications can be submitted to Customs online or in writing. The categories and applicable scopes thereof are as follows:

1. T1 Application: Applicable to transit operations.
2. T2 Application: Applicable to transshipment operations other than MCC, sea-air transshipment, air-sea transshipment, and transshipment of ship stores (hereinafter referred to as general transshipment operations).
3. T3 Application: Applicable to MCC transshipment operations.
4. T4 Application: Applicable to ship stores transshipment operations.
5. T6 Application: Applicable to sea-air transshipment operations.
6. T7 Application: Applicable to air-sea transshipment operations.

Transit/transshipment applications shall be declared to Customs by the transportation operator or freight forwarder. However, the following operations may be conducted by the designated operator:

1. Where transit goods are transported to the Four Zones, the declaration may be made by the operator within the Four Zones.
2. For the transshipment of ship stores, the declaration may be made by the transshipment applicant.

Article 5

Where transit operations conform to any of the following circumstances, the declaration of a T1 Application shall be exempted:

1. Where goods are transited to the place of discharge designated in the import cargo manifest.
2. For maritime containerized cargo that has been devanned and put into storage, where the goods are transited to one of the Four Zones within the same Customs jurisdiction upon approval by Customs by document or message.
3. For air cargo, where the goods are transited to one of the Four Zones within the same controlled area upon approval by Customs by document or message.

Where general transshipment operations conform to any of the following circumstances, the declaration of a T2 Application shall be exempted:

1. For air transshipment goods: Transshipment within the same Customs jurisdiction.
2. For maritime transshipment goods: Transshipment within the same Customs jurisdiction, where the transport operator has applied and committed to the following matters, and Customs has reviewed and registered an exemption remark in the Advance Cargo Clearance System:
 - (1) Comply with the advance import cargo manifest.
 - (2) Comply with the advance export vessel loading list.
 - (3) Truthfully declare the description of goods in the import and export cargo manifests.

The provisions of the preceding paragraph shall not apply to the transshipment operations of over-discharged cargo.

Where a maritime transport operator fails to comply with the commitments

specified in Subparagraph 2 of Paragraph 2, Customs may cancel its registered exemption remark; the said transport operator shall not reapply to Customs for the registration of an exemption remark within one month from the day following the cancellation.

Article 6

Transshipment containers (cargo) shall be stored in transit warehouses, transit compartments, or designated transit container zones within import warehouses or container terminals. However, if the containers are stored in a container terminal where storage locations are managed by computer and provided to Customs for online inspection, and such arrangement has been approved by Customs for non-segregated storage, they shall not be subject to the restriction of being stored within a designated transit container zone.

Article 7

Transit and transshipment containers (cargo) shall be safely transported to locations designated by Customs by transport operators, freight forwarders, or designated operators in accordance with the particulars stated in the permits, instructions, or notices issued by Customs, and via the methods, routes, and time limits approved or designated by Customs. Transshipment containers (cargo) shall also be safely delivered to and received by the responsible person of the export means of transportation or their agent.

The aforementioned transportation shall not be delayed, nor shall the nature or packaging of the containers (cargo) be altered, and the seals must not be broken. In the event of delays, interruptions, route changes, or changes to the means of transportation during transit due to accidents or force majeure, the transport operator, freight forwarder, or designated operator shall take precautionary measures to prevent cargo loss, and report the incident to the Customs Office located at the point of departure immediately.

Article 8

Where the transshipment container (cargo) contains tobacco, alcohol, or narcotics, it shall, upon being unloaded from the vessel or aircraft, first be stored in a warehouse or container terminal located within the controlled area of the port or airport where the unloading takes place.

Where the transshipment container (cargo) contains weapons or ammunition, it shall be strictly stored in a warehouse or container terminal located within the controlled area of the port or airport where the unloading takes place, and shall be exported only from the original port or airport of import.

Article 9

Where the transshipment container (cargo) is transported via land transport through areas outside the controlled areas of ports or airports, the transport operator, freight forwarder, or ship stores transshipment applicant shall apply to Customs for escorted transportation by Customs personnel, or for approval to carry the cargo with electronic seals affixed. However, containers (cargo) containing weapons, ammunition, or those deemed necessary by Customs must be escorted by Customs personnel.

For transshipment containers (cargo) that may be transported with electronic seals affixed pursuant to the preceding paragraph, if they fall under any of the following circumstances, they may be transported with other Customs seals or self-provided seals approved by Customs affixed:

1. The container has been opened and inspected by Customs and found to match the import cargo manifest, or no abnormalities were found through non-intrusive/instrument inspection.

2. Relevant documents stating the name, quantity, and value of the transshipment container (cargo) have been submitted to Customs and approved upon review.

3. The container (cargo) is transported or forwarded by a transport operator, freight forwarder, or ship stores transshipment applicant who is recognized by Customs as low-risk, has signed a strategic alliance with Customs, or is certified as an Authorized Economic Operator (AEO).

The following transshipment containers (cargo) shall be subject to an

application to Customs for escorted transportation by Customs personnel or for approval to carry the cargo with electronic seals affixed, and the provisions of the preceding paragraph shall not apply:

1. Tobacco, alcohol, or narcotics.
2. Transshipment container (cargo) imported by sea that are transported to an inland container terminal or warehouse, or transported via land transport to another port for export by sea.
3. Agricultural products and food items produced in the Mainland Area that are not permitted for import.

Article 10

Where transit containers (cargo) are transported via land transport through areas outside the controlled areas of ports or airports, the transport operator, freight forwarder, or operator within one of the Four Zones shall, in accordance with the instructions of Customs, apply to Customs for escorted transportation by Customs personnel or for approval to carry the cargo with seals affixed. However, containers (cargo) containing weapons, ammunition, or those deemed necessary by Customs must be escorted by Customs personnel.

Article 11

Where transit or transshipment goods are not shipped in containers, they shall be loaded onto bonded transport vehicles or other transport vehicles approved by Customs under the supervision of the station (warehouse) Customs officer or dedicated personnel of the warehouse or container terminal, before the transport operator, freight forwarder, or designated operator may transport them in accordance with the provisions of the preceding two Articles.

Article 12

Where air transit or transshipment goods are to be transported to a different Customs jurisdiction, the transport operator, freight forwarder, or designated operator shall declare the transit/transshipment applications in entire batches based on the master air waybill (MAWB) or house air waybill (HAWB) as a unit. Separate declarations are not permitted, and the goods shall be transported in an entire batch upon approval by Customs. However, this restriction shall not apply where the goods under the MAWB or HAWB arrive at different airports in batches.

Article 13

Where transshipment containers (goods) approved by Customs for export shipment are stored in the destination warehouse or container terminal, but fail to be exported for any reason and must be returned to the original place of departure, the transport operator, freight forwarder, or ship stores transshipment applicant shall first apply to Customs at the destination for return to the original place of departure, and request Customs officers to escort the transport or approve the carriage with electronic seals attached, before the warehouse or container terminal operator may permit their release from the warehouse (terminal).

Article 14

Transshipment containers (goods) shall be exported within sixty days from the day following their storage at the location of discharge designated in the import cargo manifest. In the event of an absence of shipping schedules or flights, or due to other reasons, the transport operator, freight forwarder, or ship stores transshipment applicant may apply to Customs for a thirty-day extension prior to the expiration of the period.

Where the transport operator, freight forwarder, or ship stores transshipment applicant is unable to export the transshipment containers (goods) within the period prescribed in the preceding paragraph, they may apply to Customs for approval to store the goods in a bonded warehouse prior to the expiration of the period.

Where the transport operator, freight forwarder, or ship stores transshipment applicant fails to export the transshipment containers (goods) within the period prescribed in Paragraph 1, and fails to store them in a bonded warehouse in accordance with the provisions of the

preceding paragraph, Customs shall order them to return the goods within a specified time limit; where the goods are not returned upon the expiration of the time limit, Customs shall handle the matter mutatis mutandis in accordance with the provisions of Paragraph 2 of Article 73 and Paragraph 2 of Article 96 of the Customs Act.

Article 15

When declaring a T4 Application, the transport operator, freight forwarder, or ship stores transshipment applicant shall clearly state the detailed item descriptions of the goods on the application, or attach a packing list or invoice for Customs review.

Ship stores transshipment shall be loaded onto the vessel under Customs supervision. After loading, the transport operator, freight forwarder, or ship stores transshipment applicant shall deliver the transit/transshipment permit to the captain of the ship or their authorized deputy for signature and confirmation. The captain or their authorized deputy shall then place the ship stores under seal and list them on the ship stores list. However, vessel equipment, spare parts, or materials dedicated for vessel use that are verified by Customs as necessary for repairing vessels currently in port may be exempted from being sealed.

Article 16

Where a transport operator violates the provisions of Paragraph 1, Article 4 or Article 12, Customs may, in accordance with Article 83 of the Customs Act, issue a warning or impose a fine of not less than NT\$6,000 and not more than NT\$30,000, and may order the transport operator to make corrections within a specified time limit. If corrections are not made within the time limit, consecutive penalties may be imposed for each violation. If the transport operator fails to complete the corrections after being penalized three times, Customs may suspend its business operations related to transit, transshipment, and import/export customs declaration for a period of up to six months.

Article 17

Where a transport operator violates the provisions of Article 8, Paragraph 1 of Article 9, Article 10, Article 11, Article 13, or Article 15, Customs shall, in accordance with Article 83 of the Customs Act, issue a warning or impose a fine of not less than NT\$6,000 and not more than NT\$30,000, and may order the transport operator to make corrections within a specified time limit. If corrections are not made within the time limit, consecutive penalties may be imposed for each violation. If the transport operator fails to complete the corrections after being penalized three times, Customs may suspend its business operations related to transit, transshipment, and import/export customs declaration for a period of up to six months, or revoke its registration.

Article 18

Where a freight forwarder violates the provisions of Paragraph 1, Article 4 or Article 12, Customs shall, in accordance with Article 83-1 of the Customs Act, issue a warning or impose a fine of not less than NT\$6,000 and not more than NT\$30,000, and may order the freight forwarder to make corrections within a specified time limit. If corrections are not made within the time limit, consecutive penalties may be imposed for each violation. If the freight forwarder fails to complete the corrections after being penalized three times or in the case of serious violation, Customs may suspend its operations related to declaring cargo manifests and handling transit and transshipment for a period of up to six months.

Article 19

Where a freight forwarder violates the provisions of Article 8, Paragraph 1 of Article 9, Article 10, Article 11, Article 13, or Article 15, Customs shall, in accordance with Article 83-1 of the Customs Act, issue a warning or impose a fine of not less than NT\$6,000 and not more than NT\$30,000, and may order the freight forwarder to make corrections within a specified time limit. If corrections are not made within the time limit, consecutive penalties may be imposed for each violation. If the freight forwarder fails

to complete the corrections after being penalized three times or in the case of serious violation, Customs may suspend its operations related to declaring cargo manifests and handling transit and transshipment for a period of up to six months, or revoke its registration.

Article 20

Where an operator within the Four Zones violates the provisions of Paragraph 1 of Article 4, Article 7, Article 10, Article 11, or Article 12, Customs shall, in accordance with Article 83-2 of the Customs Act, issue a warning or impose a fine of not less than NT\$6,000 and not more than NT\$30,000, and may order the operator to make corrections within a specified time limit. If corrections are not made within the time limit, consecutive penalties may be imposed for each violation. If the operator fails to complete the corrections after being penalized three times, Customs may suspend its transit operations for a period of up to six months.

Article 21

Where a ship stores transshipment applicant violates the provisions of Paragraph 1 of Article 4, Article 7, Article 8, Paragraph 1 of Article 9, Article 11, Article 12, Article 13, or Article 15, Customs shall, in accordance with Article 83-2 of the Customs Act, issue a warning or impose a fine of not less than NT\$6,000 and not more than NT\$30,000, and may order the applicant to make corrections within a specified time limit. If corrections are not made within the time limit, consecutive penalties may be imposed for each violation. If the applicant fails to complete the corrections after being penalized three times, Customs may suspend its transshipment operations for a period of up to six months.

Article 22

Where a warehouse operator or container terminal operator violates the provisions of Article 11 or Article 13, Customs shall, in accordance with Article 86 of the Customs Act, issue a warning or impose a fine of not less than NT\$6,000 and not more than NT\$30,000, and may order the operator to make corrections within a specified time limit. If corrections are not made within the time limit, consecutive penalties may be imposed for each violation. If the operator fails to complete the corrections after being penalized three times or in the case of serious violation, Customs may suspend its operations related to container (cargo) storage for a period of up to six months, or revoke its registration.

Where a warehouse operator or container terminal operator violates the provisions of Article 6 or Article 8, Customs shall, in accordance with Article 86 of the Customs Act, issue a warning or impose a fine of not less than NT\$6,000 and not more than NT\$30,000, and may order the operator to make corrections within a specified time limit. If corrections are not made within the time limit, consecutive penalties may be imposed for each violation. If the operator fails to complete the corrections after being penalized three times or in the case of serious violation, Customs may suspend its operations related to container (cargo) storage for a period of up to six months, or revoke its registration.

Where a warehouse operator or container terminal operator violates the provisions as stated in the preceding two paragraphs and the containers (cargo) stored in the warehouse (terminal) have been found to be deficient due to illegal withdrawal, loss, theft, or any other reason, Customs shall, in accordance with Article 86 of the Customs Act, impose a fine of not less than NT\$30,000 and not more than NT\$1,000,000, and may order the operator to make corrections within a specified time limit. If corrections are not made within the time limit, consecutive penalties may be imposed for each violation. If the operator fails to complete the corrections after being penalized three times or in the case of serious violation, Customs may suspend its operations related to container (cargo) storage for a period of up to six months, or revoke its registration.

Article 23

These Regulations shall become effective from the date of their proclamation.

