



Binding Rulings/Advance Rulings

With the aim of providing advance and predictable information to companies in order to facilitate compliance with Customs requirements, a number of Customs administrations have established a binding ruling programme, in accordance with the provisions of Standard 9.9 of the revised Kyoto Convention.

The expression “binding ruling” (or “advance ruling”) generally designates the option for Customs to issue a decision, at the request of an economic operator planning a foreign trade operation, relating to the regulations in force. The main benefit for the holder is the legal guarantee that the decision will be applied.

Although tariff classification is at the present time the most common area for binding rulings, origin and valuation rulings are also common. With regard to tariff classification, for example, this system helps operators obtain the correct tariff classification for the goods they plan to import or export. This is clearly an important factor, given that the tariff heading of the goods determines the rate of the Customs duties as well as the application of the different legal provisions (import/export licences, rules of origin, anti-dumping duties, security standards, etc.).

The use of such a ruling will also help importers and exporters reduce the Customs clearance formalities for their goods and will consequently expedite the goods’ release.

The basic elements of this procedure can be summarized as follows :

- The request must supply the administration with all the information required (detailed description of the goods, possible inclusion of samples, plans, various documents, etc.). Should the request contain inaccurate or incomplete information, the ruling based on such information could be revoked;
- The reply must be issued in writing within a specified period;
- The ruling is binding on the administration following its issue and is valid for a specified period. However, in some cases (issuing of a new regulation, amendment of the interpretation of the nomenclature at international level, etc.), this decision ceases to be valid;
- Only the holder of the binding ruling can call upon its application, provided that he/she demonstrates that the commodity presented and the commodity described in the decision correspond in every respect;
- These decisions are generally made public to ensure transparency and equality of treatment of operators as well as the uniform application of the regulations.