

JAPAN P&I NEWS

No.776-15/10/15

To the Members

Dear Sirs,

Argentina - Customs Fine
due to non/mis-declaration in Store List (2)

Members are referred to the previous Japan P&I News No.739 dated 26 June 2015 and No.740 dated 30 June 2015.

Pandi Liquidadores S.R.L., our correspondent in Argentina, has kindly provided the Association with updated information about the recent customs fine troubles when calling at Argentine ports.

Please keep close contact with the local agent and take care when the Members' vessels will call at Argentine ports.

Yours faithfully,

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CIRCULAR - ARGENTINE CUSTOMS - 10/2015

This message has the intention of refreshing on previous circulars related to Customs problems in Argentina and also to update you on further news which has taken place lately.

In the past, we have issued various circulars highlighting the attention which should be paid to local Customs regulations when completing the “store list” at the time of clearing the vessel and the importance of including bunkers, lubricants, paints, chemicals, spare ropes and the vessel’s grabs (if any) in addition to routine items.

When the vessel is boarded at a later stage by Customs Officers to inspect what has been declared in the “store list” submitted on arrival against the findings of their subsequent inspection, it is important for them not to find discrepancies or omissions regarding stores onboard.

If the Chief Engineer were to be asked to produce a list of bunkers and lube oils onboard it is important that this list is coincident with the initial declaration otherwise it is considered an infringement of customs regulations. In this sense we would mention that it is important for the quantities not to be duplicated in the ship’s declaration.

The mis-declaration or non-declaration especially of those elements which could not be seized from the vessel has caused complicated issues which have been aggravated lately as we will explain down below.

In the past most of these problems were encountered with Customs at the port of San Nicolas but now similar attitudes have been taken by Customs located at the ports of San Lorenzo, Necochea and Bahia Blanca.

In the past we have mentioned that it would appear that each Custom Office at different ports has their own regulations and what has happened in the port of Necochea is a clear example of our sayings. Since the customs at that port – the only one at this stage – requires for the whole of the store list to be presented in Spanish language otherwise the vessel is not authorized to operate until the time this is duly fulfilled with all the consequences that this might imply to the concerned vessel.

Another new development since a while ago is that vessels need to declare the lube oil in the auxiliary engines and sump tanks in the “store list”.

As aforementioned the customs infringement of those elements which cannot be seized would cause that the vessel will be detained up to the time that payment in cash of what customs identify as “an automatic fine” for the value of the goods in infringement which cannot be seized in accordance with valuation made by Customs. Of course this payment in replacement of the goods which cannot be seized will not be the end of the matter as thereafter a new fine on top will be levied by Customs.

In addition some Customs inspectors, by threatening the Master with administrative and even criminal proceedings and heavy fines, have given the option to the Master of paying cash fines ranging between usd 5,000 to 15,000 which of course should not be accepted neither by Masters and/or Agents in any way and such abusive practice should be fully declined.

In brief the following should be noticed.

a) Is it necessary on arrival for bunkers, lub oils even in use in the system of auxiliary engines and sump tanks to be declared?

The simple answer is YES.

b) In addition to usual ships tackle it is necessary to declare chemicals, paints, thinners, ropes and spare parts.

The simple answer is YES.

c) Is it necessary for the store list to be presented in “Spanish language”?

For the present time it is a requirement of Customs Authorities at the Port of Necochea only.

d) Can the vessel be detained due to these alleged infringements?

The vessel can be detained when there are undeclared spares/stores in accordance with section 962 of the Customs Code – undeclared goods –.

e) If vessel is detained by Customs how it can be freed?

The customs require payment in cash of an automatic fine for the value of the goods

which cannot be seized or a bank guarantee depending on the Customs of the concerned port.

f) Which one are the most complicated ports in relation to Customs Authorities?

Those are mainly the ports of San Nicolas, San Lorenzo, Necochea and Bahia Blanca but this does not mean that no proper attention should be paid in any other Argentine port on arrival when submitting the “store list”.

g) What are the main recommendations to avoid problems with customs?

1) That Master jointly with Chief Officer and Chief Engineer carefully record and revise what is declared on the “Store List”.

2) That quantities are carefully checked by the C.Eng. in the vessels tanks including auxiliary engines and sump tanks.

3) That store list is not signed until the time that Master ensures that everything has been completed and revised.

4) That a copy of the store list presented and signed by customs is kept onboard.

5) That Master should not entertain with Customs in any discussions about “cash payments”.

Finally we would mention that efforts have been made by local entities and international ones as for Customs to issue a proper declaration form in accordance with their regulations to clarify the scope of the declaration duties as to avoid all this uncertainty and to avoid abusive practices but unfortunately those efforts have not rendered any positive answer so far reason for which your members should properly instruct their Master about all this problems with Argentine Customs when calling at any Argentine Port.

Trust that the aforementioned will give you an update on this critical problem with Customs which is a growing concern among shipping companies serving Argentine trade.