

Date: 22 / 10 / 2009

Customs Policy

Policy name: Public Customs Warehouses

Policy Code: DCP (29)

Pursuant to Articles (74), (75) and (76) of the Common Customs law of the GCC States, I decide to set up the following terms and conditions that regulate the establishment of public customs warehouses.

Article (1)

The following words and terms, wherever mentioned throughout this policy, shall have the meanings hereby assigned for them unless the context otherwise requires.

Public warehouse: Means the building or place where goods are deposited under Customs Administration control and their customs duties are suspended against the prescribed service charges that to be paid by the investing body.

Investing body: Means the department, organization or any natural person or corporate body responsible, under customs administration, for depositing the goods and ensuring safety of those belonging to importers against the prescribed service charges.

Competent Customs Office: Means the customs centers (Customer service centers or inspection centers) entrusted with controlling public customs warehouses where completion of customs procedures for goods deposited therein are authorized.

Customs warehouse licensing department: Means the Department of Customs Tariff and Origin.

Customs warehouse operator: Means the person or persons being appointed by the investing body as warehouse operators and whose names are formally reported to the licensing department.

Deposit declaration: Means the customs declaration being prepared for depositing the goods in customs warehouses in accordance with Article (47) of the Common Customs Law.

Customs Policy No. (29)

Page 1 of 8

Exit declaration: Means the customs declaration that being prepared for taking out the goods from customs warehouses in accordance with Article (47) of the Common Customs Law.

Article (2)

- a. for the purposes of licensing public customs warehouses, the following terms and conditions are required:
1. Submit a request according to the prescribed form duly completed with all information needed therein.
 2. Public customs warehouse shall be surrounded by a fence from all directions having main private entrances with doors that can be closed.
 3. Public warehouse should have yards where customs procedures can be completed.
 4. When the investing body requests for depositing goods of special nature, the public Customs warehouse shall then specially be designed for depositing goods according to their nature and storage requirements (as if being fitted with refrigeration facilities if the goods owners wish to deposit goods that need to be preserved in refrigerated areas etc).
 5. Present all necessary licenses from the competent authorities for constructing the buildings and implementing the project.
 6. The investing body must be registered with Dubai Department of Economic Development.
 7. Public Customs Warehouse shall be fitted with all services and general safety equipment in accordance with the instructions from Dubai Municipality, Dubai Civil Defense and other relevant agencies.
- b. Upon a written request and the approval of the licensing Department, the public customs warehouse or installations therein may be expanded or amended by increase or removal providing that either of the respective terms and conditions is observed pursuant to Para (a) of this Article and the case so requires.

- c. The warehouse licensing department shall determine the competent customs office that would be controlling the warehouse.

Article (3)

- a. The investing body shall, prior to starting operations, Submit a bank or cash guarantee not less than AED Million (1.5) against customs duties and any other charges or services that may accrue to the goods being deposited in the public warehouse.
- b. the licensing department may in coordination with the Finance department determine the amount of the bank or cash guarantee in proportion to the value of goods deposited in the warehouse provided that it should not be less than the amount specified in Para (a) of this Article.
- d. Provide fully furnished and equipped offices within the warehouse zone for the customs administration and other departments' staff.
- e. Submit an insurance policy covering all risks for the warehouse and the goods deposited therein.

Article (4)

The investing body shall pay annual licensing and renewal fees as decided by the Customs Administration.

Article (5)

- a. Submission of the deposit declaration by the goods owner, his representative or the authorized broker for storing the goods in the warehouse shall be regarded as a written request.
- b. The customs declaration shall not be registered unless a notification from the investing body accepting the deposit of goods is received. The registration of such declaration shall be regarded as an approval from the Customs Administration for depositing the goods in the public warehouse.
- c. The investing body shall submit a notification advising that the goods have been deposited in the public warehouse.
- d. Subject to Paras (a), (b) and (C) above, goods shall be deposited in the warehouse only under a deposit declaration.



Article (6)

The deposit of the following goods shall be prohibited:

- a. Prohibited goods based on lists being issued as to contain the same.
- b. Explosives and similar materials unless the warehouse is so licensed by the competent authorities.
- c. Radioactive materials.
- d. Goods in contravention of laws or regulations relative to the protection of intellectual, commercial and industrial property rights.
- e. Narcotics of all kinds.
- f. Goods originating in an economically boycotted country.
- g. Bulk goods unless the warehouse is so designed for that purpose.
- h. Damaged, spoilt or expired goods.
- i. Any goods determined by the customs administration under a decision from the Director General.

Article (7)

Subject to Para (h) of Article (6), goods shall be deposited for a period of two (2) years and may be extended for further year, when necessary, upon the approval of the Director General or the licensing department.

Article (8)

1. goods may be transferred from a warehouse to another according to the following conditions:
 - a. A declaration for the transfer of goods shall be prepared at the competent customs office for the purposes of completing records and registration with the transferor warehouse and depositing them in the transferee warehouse.

Customs Policy No. (٢٩)



Page 4 of 8

- b. The customs declaration shall not be registered unless a notification from the investing body of the transferee warehouse accepting the deposit of goods is received. The registration of such declaration shall be regarded as an approval from the Customs Administration for depositing the goods in the transferee warehouse.
 - c. The investing body of the transferee warehouse shall submit a notification confirming the deposit of goods in the warehouse.
 - d. Transfer of goods in such a manner shall be accompanied with the transfer of all obligations arising out thereof to the transferee warehouse providing that the storage duration specified in Article (7) shall not be exceeded for all deposit declarations of the same goods.
2. Goods may be exported from public customs warehouses under regular re-export declarations to free zones and duty free shops or any country except for GCC States.
 3. Subject to the principle of the first point of entry, goods that have been taken out from public customs warehouse to any of the GCC States shall be cleared at the competent customs office upon payment of customs duties thereof and application of all customs procedures and instructions in force in that country.

Article (9)

- a. The competent customs office shall maintain records in order to control the movement of goods entering and exiting the warehouse.
- b. The investing body shall maintain records containing all information about deposited and exiting goods in accordance with the deposit and exit declarations.
- c. Subject to the approval of the Customs Administration, automated systems shall be adopted for the purposes mentioned in the above Paras (a) and (b) of this Article.

Article (10)

- a. The competent customs office may examine the goods in accordance with the provisions of the Common Customs Law.
- b. If any difference at the entry to the warehouse appears between the goods, customs declaration and the attached documents, a report on the same to be signed by the representative of the investing body and the competent customs officer shall be prepared

Customs Policy No. (29)

Page 5 of 8

and sent to the manager of the competent customs office for further actions and as the case so requires.

Article (11)

- a. The ownership of the goods shall belong to the persons whose the deposit customs declaration is prepared in their names.
- b. Subject to Article (7) and Para (d) of Article (13) of this policy, the ownership of the deposited goods or part thereof may be transferred by the original owner to others subject to:
- Licensing department approval.
 - Investing body approval.
 - Para (d) of Article (13) of this policy.
- c. After the transfer of the goods ownership is approved, they shall be registered in the name of the new owner and all obligations arising out thereof shall be transferred to him from the date of such approval.

Article (12)

The competent customs office or any officer assigned by customs administration may access the warehouse and open the packages to check their contents or to distinguish them by special marks in the manner that he deems appropriate according to the law; and may also request from the investing body to move or re-arrange the goods within the warehouse if so required.

Article (13)

- a. The goods owners, their representatives or authorized brokers may enter the public warehouses to examine their goods in the presence of the customs administration officer and a representative from the investing body.
- b. They may also take samples from the goods deposited in the public warehouse when necessary by approval from the competent customs office and shall be cleared according to the proper customs declarations.
- c. Goods being deposited in public customs warehouses shall be cleared under customs declarations for all customs cases in accordance with the provisions of the law, policies and procedures thereof.

- d. Items being imported in the form of sets may be split provided that such splitting shall not result in a loss to customs revenue.
- e. Upon the approval of the customs office manager, the goods owner, his representative or the authorized broker shall reserve the right to assort, sorting out or packing their goods or any other procedures necessary for preserving and preparing them for sale providing that such processes shall not result in a loss to customs revenue.

Article (14)

- a. If the goods being deposited in the warehouse have not been withdrawn within the period specified in Article (7) herein, they shall be sold by the competent customs office manager in accordance with the provisions of Section XIV of the law and policies thereof.
- b. Goods being assigned by their owners under a written undertaking shall be sold forthwith in public auction by the manager of the competent customs office in accordance with the provisions of Section XIV of the law and policies thereof.
- c. Goods existing in the public warehouses, which their owners or source cannot be figured out after have been verified including the remains and packing residues of commercial value shall be treated according to the treatment mentioned in Para (b) above.
- d. The investing body shall submit a statement containing the goods, which their deposit period specified in Article (7) herein, expires.

Article (15)

- a. Upon a written request by the goods owners, their representatives or the authorized brokers, the declared values under import invoices may be adjusted if the goods are damaged due to natural factors (disasters) providing that a committee consisting of representatives from warehouse licensing department, the competent customs office, valuation department and the investing body shall be formed for recording the occurrence, establishing the damage percentage and present the matter to the valuation department for re-valuing the goods.

- b. If the goods are spoilt due to non-performance or omission by the investing body or the goods owner, the customs duties shall be determined upon the value of goods on that day of its entry.
- c. If the goods are lost due to any reason, the investing body shall pay full customs duties and all costs, expenses and fines in accordance with the provisions of the law, policies and notices thereof.

Article (16)


The Director General or the licensing department may suspend, revoke or re-licensing the warehouses that previously have been licensed according to the provisions herein.

Article (17)

The Customs tariff and origin Department shall act as a referential agency for settling all disputes relating to public customs warehouses.

Article (18)

This Policy shall come into force as from 22/10/ 2009 and supersedes any circular, customs notice or decision contradicts with the provisions of this policy shall be revoked.


Ahmed Butti Ahmed

Executive Chairman
Director General of Dubai Customs

