

Specification of Requirements

1.0 INTRODUCTION

The principal contract owner is Her Majesty's Revenue & Customs (HMRC) who conducts this work in partnership with Border Force, and Department of International Trade

Contract Sponsor responsible for this contract is:

HM Revenue & Customs
Customs & Border Design Directorate – Tariff Classification Service
10th Floor
Alexander House
21 Victoria Avenue
Southend on Sea
SS99 1AA

1.2 The Client:

HM Revenue & Customs (HMRC)

HMRC is the UK's tax, payment and customs authority.

Website: <http://www.hmrc.gov.uk>

Third Party Beneficiaries:

Border Force (BF)

Border Force is an operational command within the Home Office responsible for customs controls at the border.

Website: <http://www.gov.uk/government/organisations/border-force/about>

The Home Office (HO)

The Home Office is the lead government department for immigration and passports, drugs policy, crime, fire, counter-terrorism and police.

Website: <http://www.gov.uk/government/organisations/home-office>

Department of International Trade (DIT)

DIT secures UK and Global prosperity by promoting and financing international trade and investment, and championing free trade

[Website: Department for International Trade - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

NOTE:

For the purpose of this specification only 'Client' will refer to HMRC and 'Clients' will refer to HMRC, Border Force and DIT.

1.3 Governance Arrangement

There is a Partnership Agreement between HM Revenue and Customs (HMRC) and The Home Office (HO) that sets out the collaborative working arrangements in respect of Border Force (BF), and a further arrangement between HMRC and DIT

The agreements set out a framework within which HMRC & OGDs work together to ensure HMRC objectives are met. They also set out how the departments meet the UK's commitments within the WCO and its obligations in respect of international trade and security.

The partnerships are based on an understanding of each other's objectives and priorities, mutual trust and support, and working together.

1.4 BACKGROUND

The Customs & Border Design Directorate within HMRC is responsible for HMRC's strategy for customs controls, duties and import VAT on imports into the UK and Northern Ireland

In order to establish how much duty is due on a particular type of commodity, each product is classified in accordance with the UK Trade Tariff or the EU Customs Tariff depending on the movement of goods and a 10 -14 digit commodity code allocated. More information can be found [here](#)

Traders may apply to UK Custom's authorities for confirmation of the correct commodity code to use. These applications are for an Advance Tariff Ruling (ATaR) for UK import and exports and a Binding Tariff Information ruling (BTI) for Northern Ireland imports and exports. The rulings are issued by HMRC's Tariff Classification Service, (TCS) based in Southend on Sea.

Further information regarding Advance Tariff Rulings (ATaR) and Binding Tariff Information (BTI) can be found in the link below:

[Check what you'll need to get a legally binding decision on a commodity code - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/check-what-youll-need-to-get-a-legally-binding-decision-on-a-commodity-code)

HMRC is responsible for ensuring that goods entering the country are legal and declared correctly to customs. This is done by pre and post clearance documentary checks and physical examination of goods. At the UK border this work is done by Border Force collecting samples from shipments, and inland this work is conducted by HMRC business such as ISBC who visit traders premises and undertake audits.

Fraud Investigation Service (FIS) pursue any criminal activity undertaken concerning prohibited or counterfeit goods. Following raids on premises, goods are confiscated for further examination to establish the specific make up and content.

The Supplier may be required to provide Witness statements, and represent the Client at WCO meetings, Court hearings and tribunals. This may be to discuss specialist topics/procedures around analysis or to give explanations of their testing methods and results.

Attendance at these may also be required if representation in person is requested.

The successful Supplier must be able to offer a full analytical service to the Clients with the expertise to carry out the representational services.

1.5 The Operational Environment – (Please see attached Process Map)

HMRC, DIT and Border Force work in tandem to ensure that illegal substances are not brought into the country and the correct duties are collected from imported goods. HMRC instruct Border Force to collect samples of goods at import or export to enable the analysis and correct classification and/or duty liability. DIT request written advice for the purpose of duty suspensions.

The business units within HMRC, DIT and Border Force will independently arrange purchase orders and distribute samples/documentation to the supplier for analysis and review.

When requesting analysis by HMRC or Border Force, a 'Test Note' will contain certain details such as:

- the officer who has taken the sample
- internal reference numbers
- a physical description of the goods
- the volume of goods
- what they have been described as
- the reason for testing
- a purchase order number to be used on the invoice

The samples will be clearly labelled for accurate identification. The samples from Border Force could be sent from any of the UK ports but mainly those identified in 1.6.

Samples sent from Criminal Investigation can be sent from any crime scene and will be securely packaged as it may be used as evidence. The results of the analysis will be emailed to the case worker notified on the test note.

The supplier will send the invoice to the originating department who sent the sample, the invoice will include the purchase order number from the 'Test Note'.

The Supplier will return the results of analysis to the originating department or specified on the paperwork accompanying the sample.

1.6 Business Leads

There are 7 main lines of business sending work to the supplier. Each of these plays an active part in the overall aim of ensuring no prohibited goods enter, and the correct duty is paid, on importing into the UK. Some business areas may be based in multiple sites, all of which may send samples to the Supplier.

HMRC

- Tariff Classification (TCS)
- Individuals and Small Business Compliance (ISBC) & Large Business (LB) multiple sites
- UK Agricultural Team Unit of Expertise (UKAT UofE) part of ISBC
- Solicitors Office (SOLS)
- Criminal Investigation

Home Office

- Border Force (BF) - multiple sites at point of entry to UK

Department of Trade

- Suspensions MFN Tariff Policy Team

Tariff Classification (TCS)

This business unit is responsible for UK tariff classification policy. TCS issue ATaRs and BTI rulings to traders who request written legal rulings confirming the classification of their goods. Applications are made online to HMRC & classified by a team of staff using the UK or EU Customs Tariff. TCS also issue duty liability rulings to HMRC/BF compliance officers.

Individuals and Small Business Compliance (ISBC) Large Business (LB)

Assurance staff in ISBC and LB visit traders for audit purposes including completion of post clearance checks. They may collect samples for inspection and analysis if they suspect that there are discrepancies with the commodity codes or duties that have been paid. These samples may be sent to the supplier for analysis and further identification. Samples are normally food stuffs, chemical or agricultural products. These samples may come from multiple sites.

UK Agricultural Team Unit of Expertise (UKAT UofE)

The UKAT UofE arranges for samples of agricultural imports or exports to be collected for analysis. This could be due to these being sensitive or contentious products or where regulatory or specific product analysis is required. The majority of samples are taken by Border Force at the point of import. The UKAT UofE is responsible for follow up actions after the analysis results are returned to them.

Solicitors Office (SOLS)

Following a binding tariff decision, duty liability ruling or confiscation of goods, traders or individuals may appeal a decision to the First-tier Tribunal and on to the Senior courts. HMRC's legal advisers may request the supplier to provide analysis, reports, witness statements and/or evidence to support litigation. Appearing as a witness at court or tribunal hearings may also be required, please refer to section 2.5.

Fraud Investigation Service (FIS)

FIS attend and examine crime scenes to recover forensic trace evidence and carry out specialist photography. An investigator is appointed to advise on a forensic strategy and guide through a staged submission of evidence.

Following a seizure of alcohol or tobacco, crime scene investigators (CSI) will send samples from the crime scene to the supplier for analysis to determine its content and establish exactly what substances are present. Typical goods are counterfeit tobacco and alcohol, produced by illicit traders.

Border Force (BF)

Staff from Border Force collect samples at the border on behalf of the HMRC's UK Agricultural Team Unit of Expertise (UKAT UofE). HMRCs declaration systems are set so that certain goods are highlighted and removed at import.

These goods are examined by BF officers and if necessary, sent to the Supplier for analysis.

Samples could be collected and sent to the supplier from any entry point in the UK together with a 'Test Note' as described at 1.5.

The sites named below are generally the key sample collection points:

- Felixstowe
- Southampton
- Tilbury
- London Gateway
- Dover
- Immingham
- Seaforth
- London Heathrow
- Manchester
- Liverpool
- Belfast

Suspensions MFN Tariff Policy (DIT)

Twice a year, DIT invite traders to apply for products to receive a temporary duty suspension on importation. Depending on the complexity of the product, the description may be sent to the supplier for advice on the correct commodity code depending on the products content.

There are generally no samples needed for this and the work is based on documentation sent from DIT to the supplier via email.

2.0 THE REQUIREMENT

2.1 UK & EU Tariff Classification

The principal work in this contract will be the analytical and technical advice provided by the Service Provider to the Clients for the purpose of determining the correct make up of a substance or sample to assist with 'classification' of goods and illicit trading within the UK

The Supplier is to ensure accurate identification of goods from analysis and technical knowledge in order that HMRC and DIT are able to determine:

- The correct Commodity code
- The correct amount of duties (Customs & Excise) and VAT are paid
- The collection of statistical information is maintained
- Whether an import or export licence is required
- That a Tariff Quota is applicable and/or export refund is due on some agricultural products
- The substances within the sample are as declared

Classification decisions are required on an extensive and wide range of products as contained within the UK Global Tariff or the EU Customs Tariff.

A link to the Tariff listing goods and commodity codes is below

<https://www.trade-tariff.service.gov.uk/trade-tariff/sections>

It is essential that the Supplier has a full and comprehensive knowledge of the Tariffs including Chapter and section notes, and the regulations associated with each. They will also need to be competent with the General Interpretation Rules (GIR's) and understand the Nomenclature on which classification decisions are based.

The nomenclature used in the Tariff evolves as it keeps abreast of trade developments. During the term of the contract it essential that the Supplier keeps up to date with these developments.

Further information of the Tariff is available in the link below:

- <https://www.gov.uk/government/collections/tariff-notices>

The analysis and advice on classification must take due regard to the Taxation Cross Border Trade Act 2018, EU Regulations, the EU Combined Nomenclature, Combined Nomenclature Explanatory Notes, the Harmonized System, Harmonized System Explanatory Notes and the Compendium of Classification Opinions.

The work involved is usually related to cases where there are complexities in deciding into which of two or more classifications (with different tariff bandings) a product should be assigned to. Scientific analysis and/or interpretation is necessary to assist in the identification of the correct classification. The Supplier will be expected to only carry out those tests required in order to place the sample in any of the possible headings for that product.

The nature of this work is ad-hoc and unpredictable as it can cover an extraordinary wide range of products. The Supplier will be expected to offer

advice and make suggestions on areas of the Tariff to consider based on the analysis carried out and their knowledge around the legal text associated with each Chapter.

The Supplier will need to be familiar with the Meursing code system which is used to establish additional digits of the commodity code in accordance with EU Regulation 510/2014. Whilst these codes are not required under the UKTT, they will still be required for NI imports. Samples may also be tested following a post clearance check which may require retrospective analysis, and meursing codes. Further details of the Meursing code system can be found in schedule 4

The Supplier will also need to have experience of the European Customs Inventory of Chemical Substances (ECICS) which is a guide to the classification of chemicals in the Combined Nomenclature, and a knowledge of the list of International Nonproprietary Names (INNs) which facilitate the identification of pharmaceutical substances or active pharmaceutical ingredients.

Samples can be sent from any of the business areas previously mentioned or direct from a trader if an HMRC officer requests this route to prevent goods from perishing.

Whilst analysis could be for any product within the trade tariff, the majority of samples and analysis required are based on just a few different areas

For ease of reference the detailed requirement for these specific areas has been sub-divided into schedules. (S1 – S5). Each schedule gives further details and states the full range of services and information required for that area.

In May 2021, the UK launched its independent tariff suspension scheme which allows those traders based in the UK and Crown Dependencies to apply for suspensions, or temporary tariff reductions, on specific products. The Suspensions MFN Tariff Policy team at the Department for International Trade (DIT) manages this process, and it is expected to run two times a year from 2022.

DIT will require the Supplier to assist with suspension text for products relating to chapters 1-39 of the Tariff. This highlights the importance of not just physically analysing products but being able to refer technically to their make up in conjunction with the Tariffs legal text. The supplier will need to proofread and ensure consistency of text in order for DIT to publish such suspension material and enable the trade to apply. This will involve communication via email, no samples will be sent

There will be a requirement for the Service Provider to travel to various meetings etc on behalf of the Client. UK travel and subsistence costs will be paid to the Service Provider in line with the Clients prevailing rates. These are outlined at Appendix C. Anything above these allowances will need prior approval from the Client.

The analytical service related to this contract is extensive and the list of service requirements from the supplier is listed below. Response times for this work is listed in Section 8.

- Analyse an extensive and wide range of products as provided within the UK Customs Tariff
- Provide appropriately qualified staff with a full and comprehensive knowledge of the UK Integrated Tariff who can interpret scientific results across the widest range of product types
- Employ staff with detailed knowledge of tariff rationales, the General Interpretative Rules, contained within the UK Customs Tariff, EU Regulations and a thorough knowledge of rulings and precedent in this area
- Identify products, product elements, compounds, and their chemical structure
- Determine product purity, and the presence of substances not provided for by legal text
- Determine presence of specific substances or ingredients within a sample to include the values of weight, volume etc.
- Identify species of animal, plant or vegetable from which a sample has been taken
- Determine whether or not goods have undergone any specific process or modification
- Identify the material and/or components used in the manufacture of the goods i.e. leather or synthetic
- Provide advice on the scientific and technical aspects of draft Nomenclature changes
- Provide telephone advice/information when requested by the Clients
- Action e-mail queries from the Clients on the subject listed above.

2.2 Submission and Retention of Samples

The Clients will be responsible for the transportation of the samples to the supplier.

All samples submitted by Border Force for testing will be accompanied by a 'Test Note' attached, see Appendix A. Each sample will be individually identifiable. The samples could be sent from any of the business units mentioned in section 1.6 and will be transported in a way appropriate to the sample e.g. chilled for fresh products, secured sealed for seized goods. The size of the sample will depend on the product and analysis required. If it is prepacked for retail sale, the product will arrive at the supplier's premises whole, however only a representative sample of the product needs to be tested.

Samples that are contaminated or tampered with may provide false readings after analysis. This could result in incorrect duty rates being imposed.

To mitigate this risk the supplier will need to implement security procedures for receipt and handling of samples.

Samples from crime scenes would be placed in Tamper Evident Bags that are sealed on site and have an unique reference number on each bag. If the samples are large, they go in a large clear plastic bag that is then sealed with a plastic tamper evident wrap, like a cable tie, again with its own unique

reference number. Any samples opened before receipt by the supplier should be notified to the Client immediately

All samples to be signed for on delivery.

Although the Client requests the supplier to work during the hours of 08.00-18.00 they will need to ensure that access to the premises is available outside of these hours to ensure that fresh food can be received and stored without contamination.

The Supplier will need to ensure that each individual sample is recorded and traceable on a secure database to ensure it is identifiable at all times.

Results need to be recorded and retained and if necessary passed to a new Supplier at contract end.

It is the responsibility of the Clients to inform the Supplier of the significance of any sample and for what period of time it is likely to be stored. The Clients will notify the supplier quarterly of any disposals, in order to keep storage to a minimum.

After completion of analysis the samples will normally be stored as follows:

- Samples opened and not fit for further analysis – these may need to be frozen for future use, so liaising with the appropriate department will be needed
- Other samples with no problems or significance – stored for 6 months, but the client will notify the supplier when the sample may be destroyed
- Samples analysed and subject to dispute or court proceedings are generally stored until litigation is concluded. This storage can often extend to a number of years.
- Samples sent by FIS CSI should be returned as these may be required for evidence. FIS will arrange this collection unless otherwise notified to the supplier.

Typically between 60-65% of foodstuffs tested prove to be incorrectly classified, and could be subject to litigation. If any samples are to be stored outside these arrangements then this should be agreed with HMRC and a destruction date set.

No charges are to be incurred for storage and disposal of samples (other than specialist disposal) and therefore this should be built into the unit price. We would expect at any given time the supplier might be storing between 800-2000 samples. These may be food or CI samples so additional secure storage may be required.

Samples that require specialist destruction can be charged. This will need to be agreed with the client at the time.

Sample retention over 12 months can be charged this will need to be agreed on an Ad Hoc basis with the Clients.

The Supplier will need to notify the Client of Samples that are being stored over the 12 month period.

The link below is the sampling manual for customs and taxation authorities. It contains information and instructions on how to take and handle samples for laboratory testing:

http://ec.europa.eu/taxation_customs/dds2/SAMANCTA/EN/index_EN.htm

2.3 Storage of Samples

Storage conditions are determined by the characteristics and properties of samples taken. Storage conditions at the supplier's premises should ensure that the samples are not altered in any way that might affect the parameters to be analysed.

In general samples are to be stored in a clean, dry, dark, cool, secure lockable unit within a sufficiently ventilated room.

The storage temperature to be regularly monitored. The temperature should not drop below 0 °C and should not exceed 30 °C.

Foodstuff samples must be stored separately from other samples and certain food samples such as garlic cannot be stored with any other food samples. Perishable goods must be stored in refrigerators or freezers as detailed in the table below.

Where samples are stored in fridges/freezers ensure all labelling is protected against becoming smudged and unreadable e.g. placed inside a second plastic bag.

Flammable substances must be stored in accordance with the fire safety regulations.

The majority of samples will be food stuffs, tobacco or chemicals however larger objects such as shoes, bags and other rubber or leather products may also be sent.

For agricultural products, the bulk of samples will be between 250-500g per sample or 500ml per sample; for olive oil it will be a representative number of bottles from the shipment. From time to time samples will be in excess of this, in these cases the Clients would discuss with the Supplier in advance to ensure that appropriate storage was available.

As the contract runs, the number of samples to be stored will increase (due to retention periods) the Supplier will need to ensure that there is suitable storage meeting the required standard during the term of the contact.

Currently the approximate split of food samples is:

- Frozen 30%

- Refrigerated 1%
- Standard 69%

Generally samples are of a fairly small size however there can be times when large quantities are needed to be retained for long periods of time. Discussions can be held with the supplier if, on these occasions, additional storage need to be sourced.

Examples in reference to product specification conditions are given in table 1 below, you should refer to the specific sampling procedure for more details.

Table 1.

Product	Conditions
Light sensitive samples	Storage in a dark place.
Samples giving off poisonous or unpleasant smells.	Possible storage in a fume hood or in a room with sufficient mechanical ventilation.
Highly inflammable and other dangerous samples	See MSDS. Storage in a safety cupboard, when possible. If no information available ask laboratory for storage conditions.
Samples susceptible to decay	Storage in a freezer or refrigerator; depends of character of the product.
Samples of chilled products	Storage at approx. 4 °C.
Samples of frozen products	Storage at approx. - 18 °C.
Samples of retail packing of food products and of medicines and pharmaceutical products.	Storage at conditions labelled on packing, but not above approx. 25 °C.
Samples of mineral oils	Inflammable substances must be stored in a well ventilated room.
Ceased samples (tobacco or alcohol)	These will need to be stored with additional security i.e. a room with key code entry

2.4 Cool Box Returns

It is the responsibility of the Clients to package and arrange transport of the samples so that they arrive at the Suppliers premises in a suitable condition for analysis. Depending on the numbers and sample type these could be delivered within a re-usable container such as a Cool Box.

The Supplier will need to return these re-useable Cool Boxes to the sender. The majority being from the key sites at Border Force as stated in section 1.6

The transport for these Cool Box returns will be chargeable to the Clients.

The Cool Box dimensions and tare weight are set out in table 2.

Table 2

Small Cool Box (Type 1)	Dims 45x38x28cm @ 2.0 kg
Small Cool box (Type 2)	Dims 36x24x36cm @ 2.08 kg
Medium Cool Box (type 3)	Dims 60x32x35cm @ 3.78 kg
Large Cool Box with wheels (Type 4)	Dims 89x47x44cm @ 8.0 kg
Large Cool Box (Type 5)	Dims 56x33x38cm @ 3.25 kg
Extra Large Cool Box (Type 6)	Dims 142x43x48cm @ 10kg

2.5 Expert Witness, Witness Statements and Court Appearances

Classification decisions issued by the Client are subject to review and appeal procedures. In some cases, the legal procedures may involve the Client and the Supplier having to attend and give evidence at a Tribunal or Court of Law. Attendance by the Supplier may also be required at any of the Client's premises.

There is a two-stage appeal process for classification decisions that is operated by HMRC. The first is an independent review of the decision which is carried out by the Solicitor's Office and Legal Services (SOLS) and the second is an appeal generally to the First-tier Tribunal (Tax) and subsequent appeals through the senior courts that are independent to HMRC.

The Supplier will be required to support the Client with cases that are in review and litigation:

- At the Review Stage the supplier will be required to provide comment on technical arguments produced by the appellant and to carry out analysis on the original or duplicate sample, and carry out technical research as necessary. As there is a statutory 45-day limit for completion of a review, this work will need to be done within strict deadlines.
- At the Appeal Stage the supplier will be required to review and provide expert opinion on technical arguments and evidence produced by the appellant, their representatives and expert witnesses.

The Supplier will be required to carry out analysis on the original or duplicate sample and carry out technical research as necessary. They may need to provide witness statements and reports (attaching copies of all background

material including contemporaneous notes), attend case conferences with solicitors and counsel for HMRC and give expert evidence to the tribunal.

The individuals representing HMRC will need to understand court procedures, be able to articulate evidence and respond appropriately to being cross-examined.

The Client on request would have to present evidence obtained by forensic examination to the court and this would rely on the accuracy and standard of the written statements provided by the Supplier.

The Client requires the supplier to:

- Ensure that appropriate systems are in place to document the chain of evidence;
- Ensure that documentation is of a standard that will withstand the scrutiny of the courts when required;
- Provide interpretation of the results of examination for case officers and the Client's legal representatives;
- Ensure that each examination is supported by laboratory records and statements produced to a standard that will meet the requirements of the courts;
- Ensure that their staff are able to attend court as expert witnesses; and
- Ensure that these staff are suitably qualified and trained to undertake this role.

2.6 Client / Supplier visits

As part of the Client / Supplier development it is expected that there will be a commitment to attend reciprocal visits sharing and exchanging knowledge to ensure a mutual understanding of current analytical practices, legislation, policy and processes.

It is expected that the Supplier would host these visits on a quarterly basis holding up to 4/6 persons from the Clients.

Normally this wouldn't attract any additional cost however if the frequency and numbers were to significantly rise then this policy would be reviewed by the Client.

2.7 Representation Service Requirements & HMRC Meetings

There are various UK, EU and Worldwide organisations that are involved in analytical activities.

Primarily these are the Department for International Trade, and the World Customs Organisation (WCO) with whom the supplier will work either directly or in conjunction with the Client.

The Supplier will be required to represent the client in meetings and supply feedback. A Client representative may attend these meetings but it will depend on the meeting content in each case.

Currently these meetings are held in Brussels, but this may change.

a) Attendance at WCO (World Customs Organisation) Scientific Sub Committee (SSC), WCO Harmonised System (HS) and WCO Review Sub-Committee (RSC) Meetings

Provide scientific representation, technical advice at the above meetings where tariff classification is discussed. This will necessitate the study of agendas and working papers, preparation of classification advice, positions and proposals, preparation of reports as requested by the Client, together with proposals for action points.

This will involve attendance at meetings, and certain sub-groups either in person or virtually, studying agenda and working papers and contributing proposals.

(Attendance approximately 4-6 per annum).

(For example, SSC meets once a year in January for up to a week in duration, WCO HS and WCO RSC meet twice a year for up to 2-3 weeks in duration all of which used to take place in Brussels however following the pandemic, these may be virtual with the duration changing to suit video meetings. Agendas usually issued approx. 6 weeks in advance of the meeting)

b) Attendance at GCL (Group for the Co-ordination of Laboratories) meetings & Customs Code Committee meetings (CCC)

The GLC gives the opportunity for EU laboratories to get together with the objective of sharing expertise, harmonising analytical procedures and finding solutions for problems facing Customs chemists. The group is formed into sub-groups dealing with a methods database, method improvements and quality management issues. This will involve attendance at meetings, and certain sub-groups, studying agenda and working papers and contributing proposals

The CCC will necessitate the study of agendas and working papers, preparation of classification advice, positions and proposals, preparation of reports as requested by the Client, together with proposals for action points.

Since leaving the EU, we have not been required at these meetings but invitations may be issued and the supplier would then be expected to attend.

Participation in various collaborative studies and Ring Tests will also be required:

https://ec.europa.eu/taxation_customs/business/customs-controls/eu-customs-laboratories_en

(Attendance approximately 3-4 per annum but it is difficult to give specifics as we have not yet attended since we left the EU).

c) Attendance at HMRC Internal meetings

Analytical work is done on behalf of HMRC's. UK Agricultural Team (UK Agricultural Bill), and the majority of samples analysed are UK Agricultural goods. Meetings are arranged throughout the year between the UK Agricultural team, and UK Agricultural Policy owners to review current processes, discuss, raise issues, and implement changes if necessary. These meetings are beneficial to both HMRC and the Supplier and it is recommended that the Supplier attends. Testing practises are discussed and the supplier may wish to share outcomes from their recent meetings.

These UK Agricultural network meetings are held in the UK, but the location varies to allow all stakeholders in the UKAT network around the country to be given the chance to attend.

(Attendance approximately 2 per year).

2.8 Professional Advice and Consultancy

In addition to the Representation Service Requirement the supplier may need to advise on technical issues that require further information on analysis methods or research into suggested testing methods advised by the EU or WCO. The meetings attended may require background information to be supplied if new testing methods are either being discussed or introduced.

The Client may also require further investigation/information and advice on cases that are either being appealed against or questioned over testing methods.

The additional investigations, consultations and research may be charged to the client if in depth work is necessary.

2.9 Customer Service / General Inquiries

In addition to this advice there is a requirement for a dedicated customer service provision to provide advice on tariff classification, suspensions and their implementation, and non-case specific advice and ad hoc requests.

Occasionally there may be a requirement to host visits of chemists from other WCO Customs Laboratories and likewise send suitably qualified staff on reciprocal visits. These would be ad hoc, and unlikely, but possible.

3.0 Travel Costs & Travelling Time

There will be a requirement for the supplier to travel to various meetings on behalf of the Client. UK travel and subsistence costs will be paid to the Supplier in line with the Client's prevailing rates. These are outlined at Appendix C. Anything above these allowances will need prior approval from HMRC.

EU and World Travel and Subsistence Costs will be paid to the Supplier in line with the Foreign and Commonwealth rates. These can be accessed via GOV.UK website (see link below):

[Travel Expenses outside of the UK](#)

Where subcontractors are utilised, the travel and subsistence costs will be paid at the same rates as the supplier.

Traveling time will be deemed as cost of doing business, therefore there will be no additional traveling time paid. However anomalies may occur for example if a meeting starts at 1pm and finishes at 5:30pm and the day began 7am in order to arrive on time. With agreement there may be a charge for 1 day's rate in such a case.

4.0 The Analytical Requirements

Background

The Supplier will be required to carry out analysis in line with legislation and agreed testing procedures appropriate to both UK (and EU regulations for NI rulings).

There may also be additional legislation & guidelines relating specifically to the UK or WCO which will also need to be complied with. At this stage, this hasn't been specified

More information on this can be found in the link below:

https://ec.europa.eu/taxation_customs/business/customs-controls/eu-customs-laboratories_en

https://ec.europa.eu/taxation_customs/sites/taxation/files/action-1-iliade.pdf

Test notes will be sent with the samples for those collected at the port and will highlight the requirement.

Test notes from FIS will be sent prior to the sample for the supplier to agree analysis before the sample is sent. Contact details will be given on the test note

The Clients will expect the Supplier to use their expertise to carry out the appropriate test in the most efficient and effective way, for example not

testing for milk fat if the supplier knows that it will not be present. The Client will also expect the Service provider to use their Tariff knowledge to plan the relevant test depending on the possible area of the Tariff the product may fall.

Most food products will require testing to determine their content i.e. fat, starch, however other food products may require different tests depending on what needs to be established. There are numerous considerations to determine the correct tariff classification of goods, the tests mentioned in this specification are the typical tests used to determine classification.

Test methods used MUST comply with the regulations associated with the particular sample. Regulations are highlighted in the Tariff in the Chapter and section notes. It may be necessary to carry out taste testing and the supplier will be expected to sub contract this if it is not possible to be carried out in house. The sub contractor will need to hold the same accreditation as the supplier.

The most common products that are sent for analysis are:

- Cereals
- Dairy Products
- Maize
- Rice (all varieties)
- Yogurt
- Sweets
- Oatmeal
- Pastries
- Spring Rolls
- Corn Products
- Wheat
- Fruit Juice
- Fruit Prepared in Preserved
- Jam
- Seasonal Poultry -
- Chinese Pork
- Wine
- Tobacco

Please note this list is not exhaustive.

Other occasional products that may be sent for analysis could include:

- Rubber Goods
- Metals
- Leather Goods

The analysis carried out for these goods may vary from determining if the goods are made from leather or plastic, or the makeup of rubber products to determine polymers to aid classification. This analysis will need to comply with the Chapter notes in the Trade tariff for such items.

For Suspension applications relating to products under Chapters 1 to 39 (inclusive) of the Harmonized System (food products, chemicals and other products), the supplier will:

- use information provided by applicants, such as product datasheets, and their technical expertise to confirm the applicable commodity codes for products subject to a suspensions request
- advise DIT on product descriptions/suggested suspension texts based on the applications received in a style that is typical for suspensions
- liaise with DIT where further information is needed from applicants for classification purposes
- quality assure information that DIT is required to publish, such as a notice of requests, which summarises the applications received to allow businesses the opportunity to submit an objection
- work with DIT to develop final suspension texts for successful applications, following the government's assessment of the applications and consideration of objections received.

On occasions where further test requirements are needed but not stated, such tests would be based on a price on application basis.

All the individual test prices go forward to form the basket of prices within the contract schedule upon contract award.

Please see the Price Model for the most common tests used.

5.0 Ad Hoc Analytical Requirements

The UK and EU Trade Tariffs allows certain goods that originated in specific countries (depending on the commodity) to claim a lower rate of duty. Some goods imported from or exported to certain countries will qualify for preferential treatment - whereas others will have non-preferential status and attract full rate of Customs Duty.

The Supplier may need to conduct detailed analysis to establish the origin of the product. Whilst it will not be the Suppliers responsibility to name the country of origin, certain analytical tests may indicate where the product originated, i.e. analysis of the soil where a product was grown can indicate the country of origin.

In addition there may be other analytical service requirements to help determine tariff classification and import duty that is not mentioned in this specification.

There may also be additional service requirements in relation to the representational services but not specifically mentioned in this specification.

These types of analytical requirements would be on an ad hoc basis and a price would be requested per application.

Ad hoc requirements would be progressed through as a variation to contract and will adhere to regulation 72 in the Public Contract Regulations 2015.

If the Supplier does not hold the necessary expertise or equipment the Supplier should sub-contract this work on the Client's behalf. Any

subcontractor will need to hold the same accreditation, and knowledge of the Tariff and associated legal text be approved by the Client to avoid any duplication through testing disputes, and to ensure they are compliant with HMRCs practices.

6.0 Supplier Criteria

6.1 Hours of Service

The Client requires the Supplier to provide the service during office hours only. These are defined as Monday to Friday, 0800 hours -1800 hours, excluding Public Holidays.

Out of Hours arrangement

There may be a requirement to receive samples outside the office hours due to unforeseen events such as traffic delays.

The Supplier will need to have arrangements in place to accept the sample, sign for it and store it appropriately until analysis takes place.

Should the Supplier close down over the Christmas period, notification will need to be communicated to the Clients in order for alternative arrangements to be made.

6.2 Quality Standards & Accreditations

The Supplier is required to commit to a quality assurance programme and achieve as a minimum the accreditation BS EN ISO IEC 17025:2017 for (General requirements for the competence of testing and calibration laboratories).

As previously stated in paragraph 5.00, any subcontractors must also hold the above accreditation.

7.0 Contract Management and Management Information

For contract management purposes the Supplier will be required to:

- Nominate a contract manager
- Provide a point of contact for the Clients who will provide advice/guidance on issues of a non case-specific nature. For example, guidance may be required on legal, technical and procedural matters prior to the Client making a policy decision
- Attend regular contract management meetings, the frequency to be agreed by the parties.

The Supplier to provide management information to the Clients; the frequency and format to be agreed. Typically this would be:

- Individual Net spend attracted with HMRC and Border Force aligned with total number of invoices
- Distinction of spend type with HMRC and Border Force
- Total number of samples received for analysis by line of business
- Total number of purchase orders by line of business
- KPI performance for Routine and Important deliverables

7.1 The Clients current Commercial Contract Manager who will monitor any contract arising from the Invitation to tender is detailed below:

HMRC
Ralli Quays
Stanley Street
Salford M60 9LA

7.2 The Technical Contract Manager to manage the contract will be as in section 1.0.

8.0 Response Times

Unless otherwise stated the Supplier should comply with the timescales as stated in Table 3 for delivery of the sample analysis results / findings.

Performance to be measured from time of receipt of sample at the Supplier's laboratory to receipt of notification via email to the client. These dates are recorded by the UK Agricultural Team UofE

Verbal enquiries asking for a general opinion about particular goods should be resolved within 1 working day of the original request unless as a result of initial enquiries more detailed investigation is necessary. In these instances the Supplier should notify the officer as soon as possible and agree the way forward.

General written enquiries from TCS should be responded to within 14 calendar days for TCS to meet their SLA. If this can not be met, notification must be issued to the enquiring officer within that timeframe.

Written enquiries regarding legal procedures i.e.from Solicitors for Tribunals, or Suspension notices from DIT must take precedent and be returned with the deadline given on the request.

Any extensions to the stated response times must be agreed with the sender/requestor.

These KPI's should form part of the Management Information:

Table 3

ROUTINE	20 working days	The majority of the work will fall into this category
---------	-----------------	---

IMPORTANT	10 working days (this KPI is needed for NI samples only)	Cereals, Milk & Milk products are examples of work that will require an 'Important' response
URGENT	5 working days	This is rarely used but may be requested occasionally for ad hoc pieces of work

8.1 Service Credit Regime – For Sample Analysis Only

In the event that service levels for analysis delivery times are not met, the Service Credit Regime as stated in table 4 shall be implemented on a quarterly basis.

The Service Credit Regime will be tested against **ROUTINE and IMPORTANT** measures only.

This service credit regime is subject to annual review at either parties request and subject to Client agreement.

The Supplier will implement internal mechanisms to monitor the agreed Service Credits and KPI's to ensure delivery times are met. These will be closely evaluated, monitored and discussed at the contract review meetings with the Clients.

Any charges incurred by the Supplier in accordance with the Service Credit Regime will be actioned either monthly or quarterly in arrears against the analysis charges for the period, excluding VAT, as agreed with the Clients by credit note.

Table 4.

Service Level	Threshold	Service Credit
1	95% and above	No Service credit due
2	90% - 94.9%	2% of Analysis Charges for the period measured
3	85% - 89.9%	3% of Analysis Charges for the period measured
4	80% - 84.9%	5% of Analysis Charges for the period measured
5	Below 80%	10% of Analysis Charges for the period measured

8.2 Service Credit Regime Definition

If 95% or above of the number of samples actioned are met within the agreed delivery timescales then no service credit amount is due.

If 90% - 94.9% of the number of samples actioned are met within the agreed delivery timescales then service credits in the amount of 2% of the charges for that period will be paid.

If 85% - 89.9% of the number of samples actioned are met within the agreed delivery timescales then service credits in the amount of 3% of the charges for that period will be paid.

If 80% - 84.9% of the number of samples actioned are met within the agreed delivery timescales then service credits in the amount of 5% of the charges for that period will be paid.

If below 80% of the number of samples actioned are met within the agreed delivery timescales then service credits in the amount of 10% of the charges for that period will be paid.

This information will be supplied to the Clients quarterly.

9.0 Health, Safety and Security

The Client's staff and the Supplier's staff are required by law to comply with Health & Safety legislation.

10.0 Marketing

The Supplier will be expected to market their services in order to publicise benefits and promote it's take up with the Client's staff. This would also include new initiatives and learning to ensure a better understanding of the function between the Supplier and the Client.

11.0 Invoicing and Payment

The Clients will arrange payments via authorization by the individual business units.

The Supplier will need to invoice the relevant business unit following the work completed stating exactly what work has been undertaken.

Purchase Orders will be raised and payments sent from either HMRC or Border Force.

The Client will provide details of where invoices are to be sent in each Line of Business. The invoices should be in sufficient detail for the Client to verify the charges and as a minimum should contain the following details:

- A reference to identify the invoice
- A sample reference
- The test undertaken
- Purchase Order number
- Cost Centre Code
- Office requesting the work
- Cost ex VAT
- VAT
- Total cost
- VAT Registration number
- Company registration number

12.0 Complaints and Disputes

The Clients requires the Supplier to:

- Provide details of the individual responsible for dealing with complaints
- Provide monthly prints of all complaints received and details of their resolution.

Should a complaint arise it will be supplied in writing to the Supplier. On receipt the Supplier should:

- Acknowledge receipt of the complaint within 1 working day
- Provide the Client's contract manager with a copy of the complaint on receipt
- Provide a full response to the officer concerned within 10 working days of receipt, with a copy to the client's contract manager.

There may be instances where another laboratory working on behalf of a trader, is disputing the Supplier's findings or advice as issued to the Client.

In these instances the supplier will work with the Client to take reasonable steps to resolve such disputes. This may involve repeat testing of samples to verify the analysis carried out.

Where such disputes cannot be resolved mutually the Client will make necessary arrangements for arbitration by a third party.

Appendix A

Test Note

Click on the icon



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Test_Note_140C_2021



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Appendix B - Indicative Volumes of Samples

Indicative volumes of samples for a 12 month period have been provided as an example of quantities and for information purposes to assist in the preparation of your bid. These numbers are not a guarantee of work and could increase or decrease

Type of Samples	Tariff Chapter	Number of Samples
Meat and edible Offal	2	7
Fish Crustacea molluscs and other Aquatic vertebrates	3	8
Edible fruit and nuts; peel of citrus fruit or melons	8	2
Cereals	10	7
Preparations of meat, of fish or of crustaceans, molluscs or other aquatic invertebrates	16	2
Preparations of cereals, flour, starch or milk; pastrycooks' products	19	31
Preparations of vegetables, fruit, nuts or other parts of plants	20	71
Residues and waste from the food industries; prepared animal fodder	23	25
<u>Total</u> – Food Testing		<u>153</u>
Tobacco	24	116
Miscellaneous Testing		9
General paperwork Queries These are in addition to any paperwork completed for testing		31
<u>Overall Total</u>		<u>309</u>

Appendix C

UK Travel & Subsistence

The advertised allowances are subject to change during term of the contract.

Mileage Allowances

Allowances shown are pence per mile

Higher Rate Mileage Allowance (limited to the first 10,000 miles in any financial year)	45.0p
Basic Rate Mileage Allowance	25.0p
Motor Cycle Rate	24.0p
Pedal Cycle Rate	20.0p
Driver Passenger Supplement; can be claimed by Vehicle Drivers for each Passenger	5.0p
Non-Driver Passenger Supplement; can be claimed by Vehicle Passengers	5.0p

Day Subsistence Rates

Actual additional expenditure will be paid within these limits:

One Meal Allowance	Where out of the office for more than 5 hours	Up to a maximum of £8.25
Two Meal Allowance	Where out of the office for more than 10 hours	Up to a maximum of £17.75
Breakfast Allowance	Where the journey commences earlier than usual and before 06.30am, or the manager agrees it is unreasonable to have breakfast at home before embarking on the journey	up to a maximum of £8.25
Three Meal Allowance	Where away from home and permanent workplace for more than 13 hours	Up to a maximum of £26.00

Appendix D

SECURITY REQUIREMENTS

1. Physical Security

The Contractor shall ensure that as a minimum:

- Protectively marked data is secured in appropriate security containers;
- Windows, locks, doors and entry controls at premises owned or used by the Contractor or its Staff in connection with the provision of the Services meet appropriate security standards;
- Access to the Clients Data is restricted to Staff who have passed the relevant Staff Vetting Procedures and have a demonstrable need to have access to the Clients Data to carry out their duties; and
- The Contractor shall ensure that plans are in place for dealing with and intercepting unauthorised visitors and intruders.

2. Accountability in respect of the Clients Data

The Contractor shall appoint at least one responsible person who is accountable for the assurance of the Clients Data used in delivering the Services. The responsible person shall be:

The following details are to be provided by Contractor following Contract award.

Name:

Address:

Telephone number:

Fax number:

Email:

The Contractor shall consult with the Client in relation to any proposed change to the person accountable for the assurance of the Clients Data.

3. Structured Risk Assessment for the Clients Data

- The Contractor shall ensure that it has undertaken a structured risk assessment which highlights when the Clients data is most vulnerable whilst in its care.

The Contractor shall ensure that:

- It records the security risks identified as a result of such risk assessment in a risk register with such risk register to be made available to the Client on request; and the results of such risk assessment are taken into account when planning, selecting, designing and modifying its facilities.

4. Data Handling Policies

The Contractor shall have in place documented policies and procedures which are consistent with the requirements of the Contract and which govern the delivery of the Services with respect to:

- The level of security clearance required by Staff before they can access the Clients Data;

- Where the Clients Data can be stored;
- When the Clients Data can or cannot be transmitted electronically, by fax or discussed over the telephone; and
- When the Clients Data can or cannot be sent via post or courier.

Without prejudice to its obligations under the Data Protection Act (and the Terms and Conditions of Contract), the Contractor shall have clear policies in place which cover, as a minimum, the following principles of the DPA:

- Personal Data is processed fairly and lawfully;
- Personal Data is obtained and only used for specified and lawful purposes;
- Personal Data is adequate, relevant and not excessive;
- Personal Data is accurate and kept up to date;
- Personal Data is kept for no longer than is necessary;
- Personal Data is processed in accordance with the individual's rights;
- Personal Data is kept secure; and

The Contractor shall have in place clear policies for informing Staff of responsibilities, restrictions and considerations when sharing access to the Clients Data with other members of Staff.

The Contractor shall further procure that any guidance, policies, procedures and contracts placed in furtherance to the execution of this Contract with such third parties, shall, as a minimum, contain all requirements relating to the secure handling of information as set out within this Contract.

5. Breaches

- The Contractor shall have in place a documented procedure which addresses breaches of the requirements for handling the Clients Data (including the procedures the Contractor is required by this Schedule to have in place). Any breach or suspected breach must be reported immediately to the Clients contract manager by telephone.
- The Contractor shall ensure that clear guidance is provided to the Staff and any third parties it proposes to engage in the delivery of this Contract highlighting that deliberate or accidental compromise of protectively marked material may lead to disciplinary action and/or criminal proceedings.

SCHEDULE S1

Cereal Import Work

1. BACKGROUND

In accordance with EU Regulations the control of and duty applicable to certain cereals is dependent on their quality, e.g. durum wheat, common wheat of high quality, flint maize, barley and corn gluten. This necessitates in the Client having to take samples for analysis, primarily when the duty in force varies between the different qualities, to determine that the products meet with criteria laid down in EU legislation. Where there are variances in the duty in force the need for sampling and analysis can be reduced if a consignment is accompanied by a quality certificate recognised by the Commission.

The reason for this analysis lies in the large revenue difference and duty reductions that can be afforded to high quality cereals.

2. REQUIREMENT

2.1 The Service Provider will be required to analyse certain cereals in accordance with the methods of analysis in EC Regulation 152/2009 to establish their quality against certain criteria contained within EU Regulations and determine the relevant Customs Nomenclature Code so that the correct rate of duty and control can be applied.

2.2 The analysis required will include tests for:

- Protein content,
- Specific weight,
- Impurity content (Schwarzbestatz),
- Vitreous grain content

2.3 Provide telephone advice/information when required by the Client.

SCHEDULE S2

Alcohol

1. BACKGROUND

Samples containing, or thought to contain alcohol, will be submitted to the Service Provider in order to determine that they meet UK and EU regulations. This will include tariff and/or excise classification, duty liability, eligibility for drawback or duty relief, conformation of compliance with conditions and authorisations, and confirmation of illicit production.

2. REQUIREMENT

2.1 Knowledge of the alcohol industry (both industrial and beverage producing) is necessary, as is familiarity with the characteristics of illicitly produced alcoholic products.

2.2 The type of analysis required will depend upon the product category, such as, Beers, Cider and Perry, Wines and Made-Wines, Spirits, Substances which attract Alcoholic Ingredients Relief, Denatures alcohol and Duty-free Spirits.

2.3 Beers

- Determine alcohol by volume (ABV) to 0.1% (in accordance with the Beer Regulations 1993, Schedule 4).
- Determine density or original gravity at 20°C.
- Determine the presence of certain spirituous essences, which would produce beverages defined as other than beer, where the ABV of the product exceeds 5.5%

2.4 Cider and Perry

- Alcoholic strength measurements are required to 0.01% ABV, for reporting to 0.1% ABV. This is particularly relevant at the upper limit of duty bandings. (Spirits Regulations 1991, regulation 18 as applied by regulation 20)
- Determine bar pressure measurement on unopened retail pack (suspected over-strength sparkling ciders only).
- Determine composition of liquid to confirm illicit production, by comparison with commercial products.
- Determine composition of additive to verify approved status.

2.5 Wines and Made Wines

- Alcoholic strength measurements are required to 0.01% ABV, for reporting to 0.1% ABV. This is particularly relevant at the upper limit of duty bandings. (Spirits Regulations 1991), Regulation 18 as applied by Regulation 20.
- Determine quantity of alcohol present.
- Determine type of alcohol.
- Determine alcohol content of composite goods.
- Provide assessment of dry extract.

- Provide measurement of pressure (in relation to sparkling wine in bottle).
- Determine nature of spoilage.

2.6 Spirits

- Determine alcohol strength.
- Determine quantity of liquid and alcohol present.
- Determine percentage obscuration.
- Determine alcohol content of composite goods.
- Determine the original gravity of wort or wash.
- Verify that goods are eligible for exemption from duty under the Alcoholic Liquor Duties Act 1979 Act (ALDA Section 7 – ‘spirits used for medical purposes’).
- Identify other products eligible for remission of duty (ALDA Section 11 – ‘goods imported not for human consumption’).

2.7 Alcoholic Ingredients Relief

- Identify if sample is spirit, beer, wine, made-wine or cider, and establish the ABV band.
- Confirm beverage strength does not exceed 1.2% by volume.
- Confirm alcohol strength of chocolates does not exceed 8.5 litres per 100 kg of the finished product.
- Confirm alcohol strength of good does not exceed 5 litres per 100 kg of the finished product.

2.8 Denatured Alcohol

- Identify denaturants.
- Confirm levels of denaturants.
- Verify composition of manufactured denatured alcohols.
- Test finished products by comparison with comparable materials (taste panel).
- Evaluate wood naphtha substitutes against agreed authorised formulations (Denatured Alcohol Regulations 2005).
- Evaluate proposed new formulations for wood naphtha substitutes.

2.9 Duty-Free Spirits

- Determine eligibility for relief from spirits duty.
- Test for the presence of denaturant/denatured spirits/esters.
- Determine whether any of the approved formulations of Denatured Alcohol is suitable for the stated application which is claimed.
- Verify unsuitability of Denatured Alcohol for proposed application.

SCHEDULE S3

Milk & Milk Products

1. BACKGROUND

In accordance with EC Regulation 2535/2001 the Client is required to carry out mandatory physical checks on milk and milk products imported at reduced rates of duty. This necessitates samples being taken for analysis to determine that the products meet with criteria laid down in EU legislation. This will include tariff classification, duty liability, licence controls and confirmation of compliance with any other associated conditions and authorisations.

The reason for these controls lies in the large revenue difference and duty reductions afforded under some preferential arrangements and quotas.

2. REQUIREMENT

- 2.1** The Service Provider will be required to analyse samples according to the reference methods in EC Regulation 273/2008, to determine the correct Customs Nomenclature Code and butterfat content so that the correct rate of duty can be ascertained.
- 2.2** The Client is required to assess the results of the analysis within 20 days of the physical check.
- 2.3** The Service Provider may be expected to participate in an Inter-Laboratory Comparison Programme (ILCP), in respect of the fat content of butter imported from New Zealand at preferential rates of duty.

SCHEDULE S4

Meursing Code Analysis

Background

Meursing code analysis is needed for EU related goods, and those requiring analysis imported prior to Jan 2021. These products are liable to additional duties and can be referred to as variable charges, additional codes or Meursing Codes. These are four figure codes commencing with the number 7 used in conjunction with the commodity code (digits 11-14).

The four figure numbers are determined by the percentage by weight of starch/glucose, sucrose, milk fat and milk proteins contained within processed products.

The legal basis for Meursing Codes lies within EU Regulation 510/2014. Annex I of the regulation lists the Meursing Codes along with the rates of specific duty that each of these codes attract.

The Meursing code table gives a way of expressing in terms of a unique number the percentage by weight of particular basic ingredients contained within a product. The ingredients are

- Starch/glucose
- Sucrose/invert sugar/isoglucose
- Milk fat
- Milk proteins

Link below takes you to a Look Up Meursing Code:

<https://www.gov.uk/additional-commodity-code>

Requirement

The Supplier will be required to use the specific methods of analysis laid down in EC Regulation 118/2010 and updated by 617/2011 in order to produce the percentages for the 4 ingredients to determine the Meursing Code.

Links below:

[EU Regulation 118/2010](#)

[EU Regulation 617/2011](#)

Other methods may produce different results which could affect the additional code and therefore the amount of duty that should be paid.

These variable charges apply mostly to imported processed goods in chapters 17, 18, 19, 20 & 21 of the Tariff. Although certain dairy spreads falling under Commodity Code 04052010 and 04052030 along with some

mixtures used in the manufacture of beverages and falling under 33021029 00 also attract a variable charge based on the Meursing code.

The supplier will be required to complete analysis on any of these goods in line with EU legislation.

Meursing Code Analysis Pricing

EU Regulations 118/2010 and 617/2011 cover the full range of tests required to produce the Meursing Code.

Certain products may not need the full Meursing code analysis, and the Supplier will be expected to use their expertise to only complete the necessary tests.

For example non-milk products would not require the milk fat/protein analysis therefore these particular tests would not be deemed as a chargeable item.

The breakdown tab in the price model is to enable and understand future pricing for occasions when a full meursing analysis is not required.

NB Whilst the UK Tariff does not require the 4 digit meursing code, products will still need to be analysed to obtain the broken down ingredient list. This is necessary for the Tariff Classification team to be able to classify correctly.

SCHEDULE S5

Tobacco Analysis

BACKGROUND

Samples containing, or thought to contain, tobacco and/or other smoking materials (eg herbal mixtures) will be submitted to the Contractor to determine if they meet UK and EU Regulations or not.

This will include tariff and/or excise classification, duty liability, eligibility for drawback or duty relief, confirmation of compliance with conditions and authorisations, confirmation of illicit production, determination of origin and assessment of further processing needed to render the product smokeable.

THE REQUIREMENT

Knowledge of the tobacco industry (both traditional tobacco manufacturers and pharmacological users) is necessary, as is familiarity with the characteristics of illicitly produced tobacco products.

The type of analysis required will depend on the product category such as cigarettes, cigars, hand rolling tobacco, other smoking tobacco, chewing tobacco, herbal smoking products and miscellaneous products. The Contractor will therefore be required to conduct analytical tests and provide results to the client in the following manner and for the following product categories.

Cigarettes

- Determine that products are classified as cigarettes under the terms of EU Directives and UK law.
- Identify the composition of products, including herbal products, tobacco and identification of specific additives.

Cigars

- Determine that products are classified as cigars under the terms of EU Directives and UK law.
- Determine the size and weight of cigars.
- Analyse the content of cigars.

Hand Rolling Tobacco

- Determine that products are classified as Hand Rolling Tobacco under the terms of EU Directives and UK law.
- Analyse the proportional size of tobacco strands within samples.
- Identify the composition of products, including herbal products, tobacco and identification of specific additives.

Other Smoking Tobacco

- Determine that products are classified as other smoking tobacco under the terms of EU Directives and UK law.
- Determine the percentage of tobacco by weight and volume within a sample.
- Analyse the appropriateness of the classification i.e. could the product be used as a substitute for hand rolling tobacco.

- Assess what further processing would be required to render the product smokeable, and determine whether a product would be impossible to smoke irrespective of further processing.
- Identify the composition of products, including herbal products, tobacco and identification of specific additives.

Chewing Tobacco

- Determine that products are classified as chewing tobacco under the terms of EU Directives and UK law.
- Differentiate between chewing tobacco and oral snuff.
- Determine the tobacco content by weight and volume of samples.
- Identify the composition of products, including herbal products, tobacco and identification of specific additives.

Miscellaneous Products

- Determine whether miscellaneous tobacco products e.g. gel and blunt wraps fall within or outside the scope of UK or European excise laws.
- Detect the presence of tobacco in samples of suspected items.
- Determine whether products are smokeable in themselves or whether smokeable tobacco could be extracted from them.
- Identify the composition of products, including herbal products, tobacco and identification of specific additives.