



Ashish Galchhaniya | Rajen Iyer

# Practical Guide to SAP® GTS

## Part 3: Bonded Warehouse, Foreign Trade Zone, and Duty Drawback

- ▶ Leveraging and configuring bonded warehouse
- ▶ Fundamentals for foreign trade zones
- ▶ How business users can get the most out of GTS functionality
- ▶ Detailed configuration and user guides for bonded warehouse and foreign trade zones

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## 2 GTS bonded warehouse processes

Transit procedure allows the transport of duty-unpaid products within a customs territory. When consignments of goods arrive at the external border of a customs territory, we can use GTS to open a transit procedure and transport the goods to the inland place of presentation in that transit procedure. When we open a transit procedure for a transaction, or a provider of transportation services opens a transit procedure, the importer has to discharge the transit procedure at the place of presentation.

### 2.1 Transit process and transit procedure

#### 2.1.1 T1 and T2 transit procedure

If we create a transit procedure along with a customs export declaration, for example, to transport duty-unpaid products in customs procedures with economic impact for export, we can transport these goods to the customs border with this increased security.

Non-community goods are transported in the T1 transit procedure, while community goods are transported in the T2 transit procedure:

**T1 transit procedure:** Transport of non-community goods between two locations in the community or among the community, EFTA countries, and Romania.

**T2 transit procedure:** Transport of community goods between two locations in the community via an EFTA country; transport of community goods among the community, EFTA countries, and Romania.

The transit procedure simplifies export processing, as the goods need not be presented at the border customs office (export customs office). The goods only have to be presented at the office of departure, which is usually an inland customs office. At the office of departure, the transit declaration is submitted. The office of departure checks the authenticity of the goods and releases them for export.

## Transit procedure simplifies imports



The transit procedure also simplifies imports. The goods being transported are presented to the office of destination, also an inland customs office, within a time period prescribed by law, to discharge the transit procedure.

Only customs offices that are authorized under the Transit Procedure Agreement can act as offices of destination. The office of destination initiates the procedure for releasing goods for free circulation, or another customs procedure, thus relieving the burden on the border customs office (office of entry). Therefore, the goods are transported to the office of destination in bond. However, they are under customs control during this process.

The *New Computerized Transit System (NCTS)* allows the transit procedure to be processed using Electronic Data Interchange (EDI). It is based on a UN standard for EDI communication and is used in all European Commission (EC) member states and in Iceland, Norway, and Switzerland.

Every participating country has developed its own data processing system under detailed specifications from the EC. All the data is combined in a network in Brussels. In Germany, the NCTS is part of the ATLAS system, the IT procedure of the Federal Customs Administration (FCA) (special procedure ATLAS transit).

## Necessary software



To work with the NCTS, GTS needs an EDI converter, which is software that translates messages in EDI format into the format required by the recipient and that sends and receives messages. You also need participant software that has been certified by the national customs administration.

GTS, with converters from the Seeburger, has been certified for NCTS access by the customs administrations in Germany, France, the Netherlands, and Switzerland. Participants also need a customs number for their company-specific data and a business identification number (BIN), which serves as an electronic signature.

## 2.1.2 Open transit procedure

To send a declaration to the competent transit customs office as shown in Figure 2.1, you have to process the transaction shown in Figure 2.2 in SAP Customs Management. This document, which contains all the data required to process the transit procedure electronically, can be created automatically by replicating the billing documents from the SAP R/3 or SAP ECC feeder system. It can also be created manually in GTS without reference to a document in the feeder system.

### Procedure to create a transit document in GTS

SAP GTS AREA MENU • CUSTOMS MANAGEMENT • EXPORT • TRANSIT • CREATE AND MAINTAIN CUSTOMS SHIPMENTS.

The screenshot shows the SAP 'Customs Management: Export' interface. At the top, there are tabs for 'Export', 'Transit', and 'Periodic Declarations'. Below the tabs, there are several sections: 'Operative Cockpit' with 'Display Outbound Activities' and 'Monitor Transit Confirmations'; 'Monitoring' with 'Display Customs Shipments'; and 'Create and Maintain Customs Shipments' with 'Create Customs Shipment' (set to '005056BA6CC21EE2A9C5CD91E27268AA Krypt. Inc. (DE)') and 'Maintain Customs Shipment'. At the bottom right, there are two buttons: 'Open Transit Procedure' and 'Simplified Procedure (Authorized Consign)'. The top navigation bar includes 'Import', 'Special Customs Procedures', 'Classification', 'Master Data', and 'System Monitoring'.

Figure 2.1: Display transit procedure: Export

The customs shipment is created in selected the foreign trade organization.

Customs shipments which are created in GTS can be monitored in t-code [/SAPSL/CL\\_CP\\_TRS\\_EX](#). This can be accessed in path SAP GTS AREA MENU • CUSTOMS MANAGEMENT • EXPORT • TRANSIT • OPERATIVE COCKPIT • DISPLAY OUTBOUND ACTIVITIES.

The screenshot shows the 'Display Outbound Activities' interface. It has a search bar at the top. Below it, there are two main sections: 'Organization' and 'Document Data in SAP GTS'. The 'Organization' section has 'Foreign Trade Organization' set to 'FTO\_DE1000' and 'Legal Unit' with empty fields. The 'Document Data in SAP GTS' section has 'Document Number' set to '1800000243' and 'Year' set to '2015'. Each field has a 'to' field and a search icon.

Figure 2.2: Display outbound activities

GTS will display all the open customs shipment as shown in Figure 2.3. You can also see the different activities within the transit procedure document in Figure 2.4 .

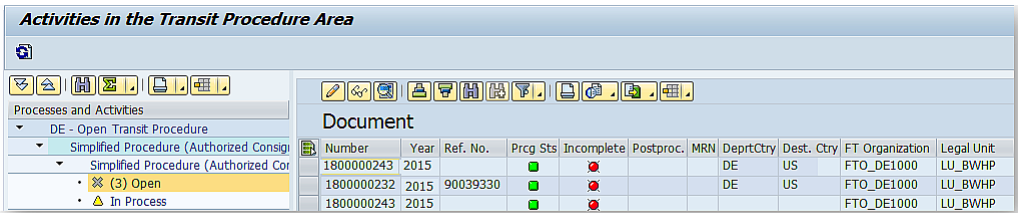


Figure 2.3: Activities within transit procedure

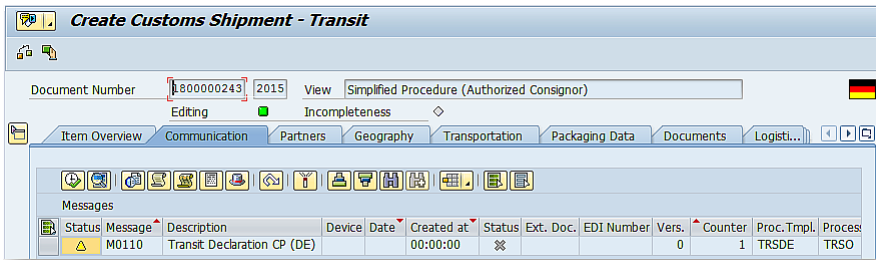


Figure 2.4: Transit shipment

The document is completed with all the required data and processed by executing the process as shown in Figure 2.5. Customs processes the response, and it is updated in GTS as per the following screen.

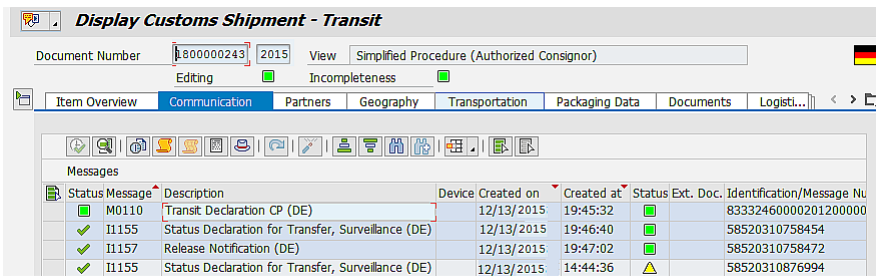


Figure 2.5: Display customs shipment – transit

## 2.1.3 Discharging transit procedure

When saving an inbound delivery, the feeder system finds that the previous document type T1 and a so-called *Movement Reference Number* (MRN) has been entered in the document, and it replicates (depending on the other Customizing settings) the inbound delivery in GTS as shown in Figure 2.6. The data in the purchasing document and inbound delivery that is required for further processing is copied to the customs document.

### Discharging transit procedure in GTS



On the basis of this document, the transit procedure can now be discharged in GTS. The goods receipt posting for the inbound delivery in the feeder system creates a work list in GTS. From within this work list, you can create the customs shipment for the import declaration or the local clearance notification for the bonded warehousing procedure.

## Discharging transit procedure

Create an inbound delivery regarding the purchase order in **VL31N** t-code and enter the MRN number at header – FOREIGN TRADE CUSTOMS – PREML. DOC tab.

The screenshot shows the SAP 'Shipping Notificat. 36000224 Display: Header Details' window. The 'Foreign Trade/Customs' tab is active, and the 'Prelm.doc' sub-tab is selected. The 'Preliminary document' section contains the following data:

|                   |                    |                 |
|-------------------|--------------------|-----------------|
| PrevDocType       | T1                 | T1 document     |
| Prelm. doc. no.   | MRN-777-WXYZ-10977 | Date prel.doc.  |
| ISO code          |                    | Cust.off./ID no |
| Issuing authority |                    |                 |

Figure 2.6: Shipping notification display



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