

Abolition of customs duties and application of quotas

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The purpose of abolishing customs duties and applying quotas is to enable companies to use raw materials, unfinished products or components thereof that are not available in the EU without payment of import duties.

The abolition of customs duties and the application of the quota are without prejudice to anti-dumping and countervailing duties.

The customs duty exemption can be applied in two ways:

- the total or partial lifting of customs duties on an unlimited quantity of raw materials, or
- allocating a quota, i.e., abolishing all or part of the customs duty for a certain quantity of raw materials.

The quota applies to raw materials produced in insufficient quantities in the EU, the customs duties is abolished on raw materials, unfinished products or components thereof which are not available or produced in the EU.

The abolition of customs duties or the application of the quota shall take place on the basis of the applications submitted by the Member States and on the basis of the European Commission decision on the abolition of customs duties or the application of the quota.

In order to apply for the abolition of customs duty or the application of the quota and also in order to extend the existing time period for the abolition of customs duty, the planned amount of customs duty paid or paid in previous years for the importation of the relevant goods shall reach EUR 15 000 per year. Merchants may form groups in order to reach this threshold.

The abolition or quota of customs duty shall not apply if:

- identical, equivalent or substitutable products are already produced in sufficient quantities within the EU or produced in a third country with tariff preferences;
- the goods concerned are finished products intended for sale without further processing;
- imported goods are subject to exceptional trade agreements that restrict EU commercial companies from purchasing these products from third country producers.

Rejection of applications from other Member States

Latvia may also propose rejection of applications of another EU Member State [Submissions by Member States for the abolition of customs duty or application of the quota from 1 January 2022](#) - see list of goods).

Merchants may submit rejections to the Ministry of Finance until 20 May 2021 in relation to applications submitted by other EU Member States for the abolition of customs duty or application of quotas starting from 1 January 2022.

Procedures for the Submission of Rejections of Applications and Submissions:

A merchant shall submit an application of a specific sample to the Ministry of Finance regarding the abolition of customs duty or application of a quota or an application for extension of the time period for the abolition of customs duty, or a rejection in relation to an application of other EU Member States regarding the abolition of customs duty or application of the quota (see Cabinet Regulation [No. 774](#) of 13 December 2016, Annex 1, 2, 3 and 4).

Application forms in Word format:

[Application for the abolition of customs duty or application of the quota](#)

[Declaration on the absence of a separate \(exceptional\) trade agreement](#)

[Application for extension of the time period for customs duty abolition](#)

[Rejection of the application for the abolition of customs duty or the application of the quota.](#)

Cabinet Regulation No. 774 of 13 December 2016, [Procedures for the Preparation of Applications for the Abolition of Customs Duties and Quotas, as well as for the Preparation of Rejections.](#)

The abolition of customs duties and the application and management of quotas shall take place on the basis of the following Regulations:

Council Regulation (EU) [No 1387/2013](#) of 17 December 2013 suspending the application of autonomous Common Customs Tariff duties on certain agricultural and industrial products and repealing Regulation (EU) [No 1344/2011](#).

Council Regulation (EU) [No 1388/2013](#) of 17 December 2013 opening and providing for the management of autonomous tariff quotas of the Union for certain agricultural and industrial products and repealing Regulation (EU) [No 7/2010](#).

The Ministry of Finance coordinates applications and rejections of applications and then submits them to the European Commission, in accordance with the [Notice of the European Commission on autonomous tariff elimination and quotas 2011/C 363/02](#) (published in the Official Journal of the EU C363, 13.12.2011).

Goods benefiting from tax allowance or quota are subject to freedom of movement throughout the EU, so any merchant in any Member State has the right to benefit from it by applying this exemption.

<https://www.fm.gov.lv/en/abolition-customs-duties-and-application-quotas>