Argentina - Customs Fines in San Nicolas

5th February 2013

The Club has been advised that the customs authorities in San Nicolas, Argentina are rigorously enforcing the Argentinean Customs Code regarding the accuracy of customs declarations. If a customs search gang boards a vessel and finds that a customs declaration (ie stores list) has been filed which does not accurately match the items on board, fines are being imposed and the items seized.

The size of the fines may be considerable and in some cases have amounted to several hundred thousand US Dollars. If discrepancies are found, the undeclared items will be seized and a fine will be imposed equalling the market value of the goods as calculated by the customs authorities. This is common practice in many ports in Argentina. However, in San Nicolas an additional fine may be imposed if the nature of the undeclared items makes seizure difficult or impossible (eg bunkers, cargo grabs, spare propeller). Vessels are not permitted to sail until the additional fine has been paid.

Penalties may also be imposed in the event of declarations where the figures exceed the actual number of items or goods on board. This may result in a fine of up to five times the market value of the items concerned. Therefore, in addition to making sure that nothing is omitted when completing the customs declaration, care should also be taken to ensure that nothing is overstated.

Under the Argentinean Customs Code, local agents and owners are held jointly liable for any breach of the Code and for any fines for up to 6 years from the date of the alleged offence. In the past a Club Letter of Undertaking (LoU) issued to the vessel’s agent regarding the fine was considered to be sufficient, but in San Nicolas this no longer is the case. If the goods cannot be seized, the customs authorities now require a cash guarantee before the vessel is allowed to sail. After the cash guarantee has been arranged, it may take up to 3 working days for the funds to be processed and the vessel to be released.

Vessels proceeding to Argentinian ports, and to San Nicolas in particular, are urged to pay close attention to ensuring that their customs declarations are entirely accurate given that any discrepancies regarding the items declared (eg bunkers, lubricating oils, chemicals, paint and thinners, cargo handling equipment, lashing gear, ropes, entertainment equipment, spares, medical stores, bonded stores and provisions) may lead to their seizure, a substantial fine and delay. It is recommended that the master sends a completed customs declaration to the vessel’s port agent prior to arrival so that any errors or omissions can be identified and rectified before berthing. The local agent may also be able to provide additional advice, for example, if the customs authorities are focussing on specific areas or items during shipboard searches.

It should be borne in mind that the ambit of the Argentinean Customs Code is very broad. Consequently anything on board that is not a part of the fabric of the vessel should be declared. In other words it is not necessary to declare fixed pumps, but portable pumps would need to be listed.

Members requiring further guidance should contact the Loss Prevention department.