

## **Chrysaor Customs processes for UKCS operations**

The purpose of this note is to provide contractors with guidance on the different customs processes which apply to the UKCS operations of the Chrysaor group. A flowchart is set out at the end of this note to summarise the position.

Nothing within this note supersedes the obligations set out in the governing contract or purchase order with the Chrysaor contracting entity.

THIS NOTE IS FOR INFORMATION PURPOSES ONLY AND NOTHING HEREIN CONSTITUTES TAX, CUSTOMS OR LEGAL ADVICE. YOU SHOULD CONSULT WITH PROFESSIONAL ADVISERS TO ENSURE THAT YOU ARE AWARE OF AND APPROPRIATELY DISCHARGE ALL OF YOUR CUSTOMS COMPLIANCE OBLIGATIONS.

### **Background**

Chrysaor acquired the UK exploration and production business of ConocoPhillips on 30 September 2019. Whilst they are now part of the Chrysaor group, the companies acquired from ConocoPhillips have retained separate customs approvals and authorisations to the rest of the Chrysaor group companies.

Whilst the intention is to align all processes to ensure a consistent approach across the entire Chrysaor group, that will take some time. Chrysaor will provide all stakeholders with adequate advance notice before any changes are implemented.

In the meantime, all stakeholders who have any goods of any description (e.g. materials, tools and equipment) being transported to/from offshore should ensure that they are familiar with the different customs processes in place for Chrysaor UKCS operations, dependant on the relevant operating company and offshore location. Further details are set out below.

For the avoidance of doubt, in all circumstances (i.e. both (1) and (2) below), Chrysaor remains responsible for all Chrysaor owned materials – this includes materials where title has passed to Chrysaor prior to transportation offshore.

### **(1) Companies acquired from ConocoPhillips**

This section applies to the following companies:

- Chrysaor Production (U.K.) Limited;
- Chrysaor Petroleum Company U.K. Limited; and
- Chrysaor (U.K.) Britannia Limited.

The above companies are approved by HMRC to use the ship's manifest system for materials transported to, and returned from, the offshore locations. In practice, this means the following offshore locations:

<b>J-Area</b>	<b>Greater Britannia</b>
Joanne	Britannia
Judy	Brodgar
Jade	Callanish
Jasmine	Enochdhu
	Alder

There has been no change to the customs processes for the above companies and locations. Subject to the key points below, this means that the requirement to submit an export/import declaration can be met through the materials being included on the ship's manifest system. More specifically:

- Goods delivered at the designated delivery point for onward transportation offshore do not have to be accompanied with proof of export; and
- Goods returning from the above offshore locations do not have to be formally imported in order to be removed from the quayside.

Key points to note about this are:

- Controlled items (e.g. those requiring an export licence) cannot be declared using this method, and must be declared through a full export declaration;
- The use of the ship's manifest system is not obligatory – contractors are free to use another approved method of declaration, but should be aware that where they do so, they must ensure that the goods are accompanied with the evidence of the import or export declaration, to prevent any delay; and
- The contractor remains the exporter and importer of record for all goods not owned by Chrysaor at the time of export to, or import from, offshore.

## **(2) All other Chrysaor companies**

This applies to all other Chrysaor companies, including:

- Chrysaor Limited;
- Chrysaor North Sea Limited; and
- Chrysaor CNS Limited.

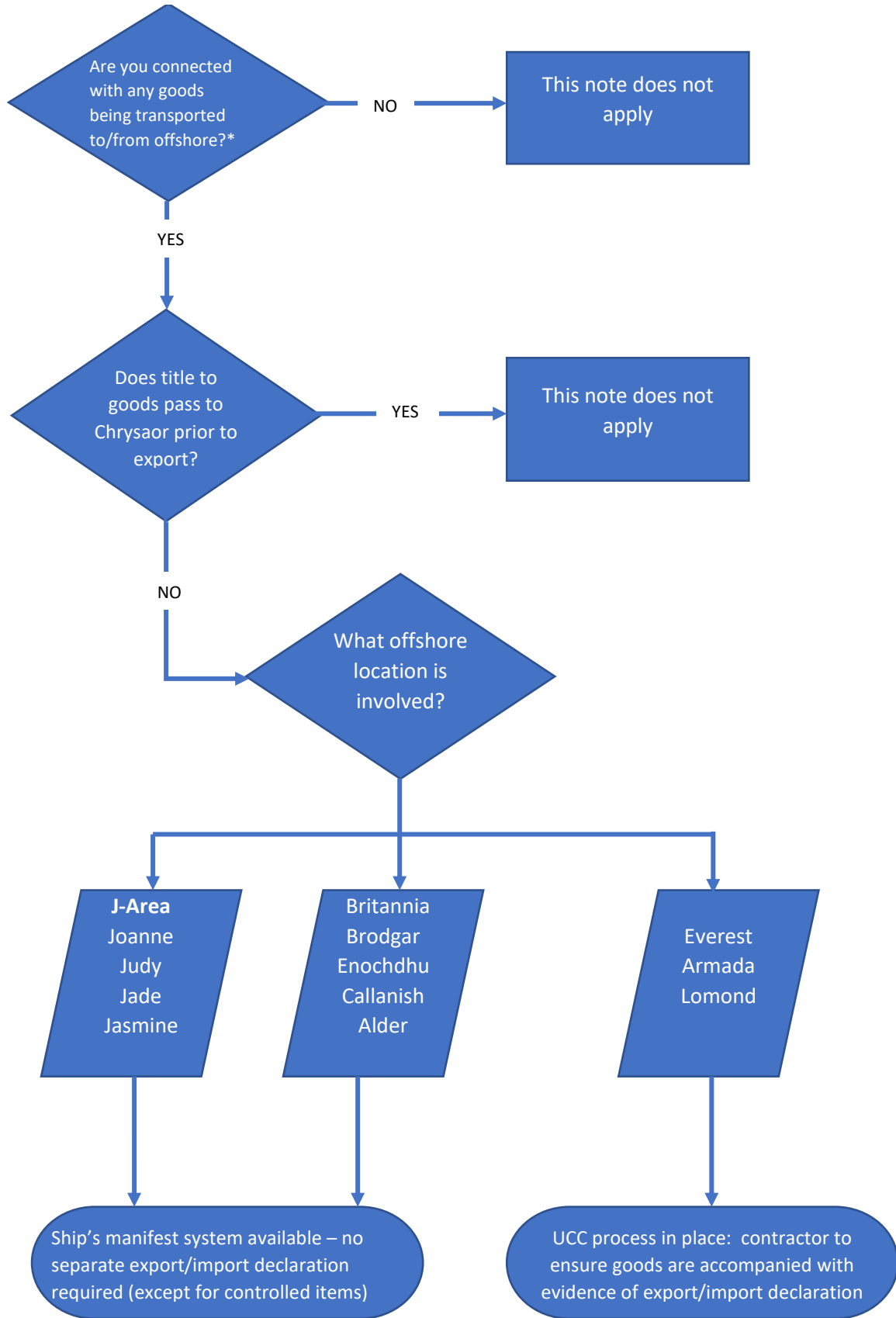
The above companies are not approved by HMRC to use the ship's manifest system for goods transported to/from the offshore locations. In practice, this means the following offshore locations:

- Everest
- Lomond
- Armada

There has been no change to the customs processes for the above companies and locations, so you should follow the established process and instructions issued previously. This means that for goods which are being shipped to/from the above locations:

- Goods delivered at the designated delivery point for onward transportation offshore will have to be accompanied with proof that the export declaration requirement has been met (either by full declaration or an HMRC approved alternative method); and
- Goods returning from the above offshore locations will have to be imported (either by full declaration or an HMRC approved alternative method).

**Flowchart for contractors re: Customs processes operated by Chrysaor offshore operations**



\*Goods includes materials, tools, equipment or any other tangible matter.