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AN BILLE AERPHOIRT NEAMHCHUSTAM, 1947.
CUSTOMS-FREE AIRPORT BILL, 1947.

EXPLANATORY MEMORANDUM.

OBJECT OF THE BILL.

When the Government undertook the establishment of a trans-Atlantic airport at Shannon they were determined that the best possible facilities should be provided for international airlines with the minimum of formalities and impediments. The setting up of a Customs-free airport was, therefore, an obvious development. The Paris Convention on Aerial Navigation, to which this country was a party, made no provision for Customs-free airports. When a new convention was proposed at the international conference held in Chicago in 1944, the Irish delegation secured agreement to the recognition of Customs-free airports. The purpose of the Customs-free Airport Bill is to permit of the establishment of such an airport—the first of its kind in the world. The Bill should be read in conjunction with the provisions already included in the Finance Act, 1946, exempting from Customs duty goods brought from abroad into a Customs-free airport.

BOUNDARIES OF THE FREE AIRPORT.

The boundaries of the Free Airport will be defined by regulations. Power is taken to alter these boundaries from time to time in the light of experience.

NON-APPLICATION OF IMPORT AND EXPORT LAWS TO AIRPORT.

The provisions of the Bill will have the effect of excluding the area of the Free Airport from the scope of all laws affecting the importation and exportation of goods. This will involve the withdrawal of Customs and Excise staff from the airport. Transit passengers and goods in transit or intended for storage within the Customs-free Airport will not be subject to Customs examination. The exemption from examination of goods intended for storage should encourage the development of processing and entrepot trades within the airport. The Minister is empowered to permit the carrying on of various processes.

PROHIBITIONS AND RESTRICTIONS THAT WILL CONTINUE TO APPLY TO THE FREE AIRPORT.

It will be necessary, owing to international obligations, to reimpose certain existing restrictions or prohibitions apart from Customs laws. For instance certain Public Health laws and laws relating to animal and plant diseases cannot be dispensed with. The Free Port cannot be exempted from currency restrictions. The Minister for Industry and Commerce is empowered in the Bill to re-apply by regulation to the airport, as much of this legislation as is considered necessary. For the purpose of enforcing the regulations the Minister for Industry and Commerce will appoint special officers.

TRAFFIC BETWEEN THE FREE AIRPORT AND OTHER PARTS OF THE
STATE.

While goods will pass between the Free Airport and foreign countries without being subject to the usual import and export laws, these laws will apply to traffic between the airport and other parts of the State. Goods may not be brought into the airport for personal use or consumption within the airport or for sale by retail there except from another part of the State. If any such goods are subject to Customs or Excise duties these duties must be paid before the goods enter the airport.

CUSTOMS AREA FOR LOCAL TRAFFIC AND VISITORS.

Part of the existing terminal building and landing field will be excluded from the Free Airport and will be designated a Customs Area. Visitors to the airport will be confined to the Customs Area which includes a lounge, restaurant and an open space from which to see aircraft movements. This arrangement is necessary because otherwise visitors would be subject to Customs examination on entering and leaving. Transit passengers will not undergo Customs examination as long as they remain in the Free Airport. This will hold good even if they have to stay overnight at the airport, as sleeping accommodation is being provided in the Free Airport. People travelling by air from Shannon to Dublin will not be subject to Customs examination except those who have arrived at Shannon from outside the State.

PREVENTION OF ABUSES.

For the adequate protection of the revenue of the State certain powers of search, etc., are provided in the Bill and the Minister for Finance is empowered to make regulations governing the movement of persons, goods and vehicles between the Customs-free Airport and the remainder of the State and to apply to such traffic any of the provisions of the Customs Acts and of the Acts relating to duties of Excise, subject to any necessary modifications.

LAYING OF ORDERS BEFORE THE OIREACHTAS.

The Bill provides that every Order and Regulation made under it shall be laid before each House of the Oireachtas and any such Order and Regulation may be annulled by resolution of either House.

*Department of Industry
and Commerce.
22nd January, 1947.*