



## COVID-19 EMERGENCY

### Customs, Trade and Excise Measures

May 2020



Countries have taken various measures to tackle the COVID-19 crisis, to adapt their customs, excise, and trade policies to this unprecedented challenge. Those measures were adopted often in emergency situations, with no or little coordination with other countries, creating significant obstacles and risks for operators willing to supply protection and medical equipment to those who need them.

The members of the Greenlane alliance, all customs, excise and trade law practitioners located in 19 countries and territories in Europe and the world, have prepared this summary presentation of the measures adopted in the countries where they work.

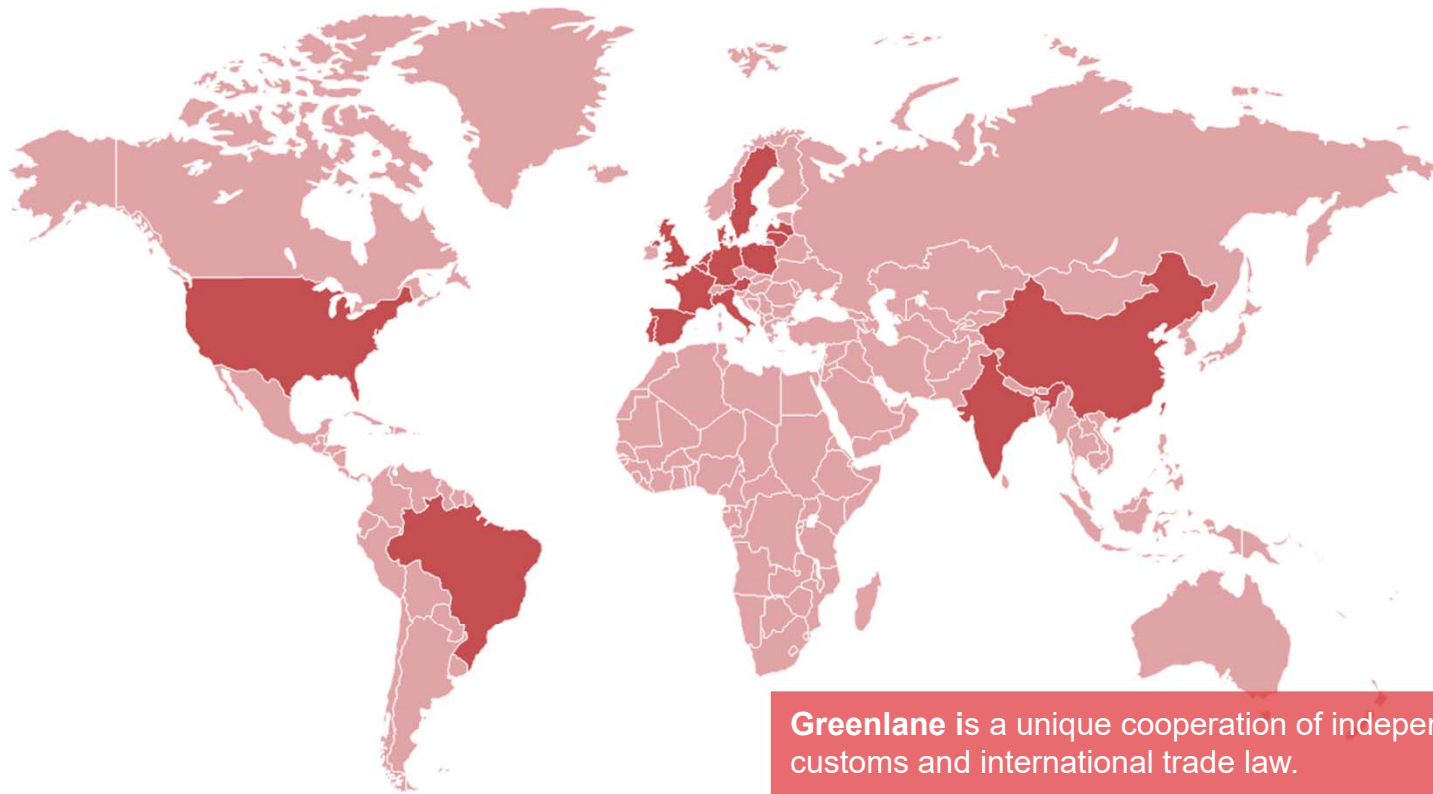
Facilitating or restricting trade, the adopted measures relate to the following topics:

- Relief from customs duties and VAT upon importation of goods that are necessary to answer to the needs resulting from the COVID-19 emergency.
- Payment facilities for taxes, including tax deferral.
- Export restrictions for protective goods.
- Excise exemptions or simplification formalities for (the production of) disinfectant alcohols.
- Operational measures, such as the electronic submission of certificates.

For each of the measures a summary statement is provided. The information we provide is current on 5 May 2020.

While this memorandum does not constitute legal advice, we hope that you will find it useful.





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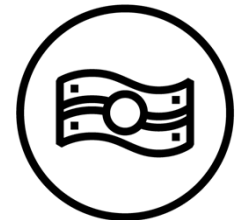
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# EU REGULATIONS

## Ensuring the supply of essential goods whilst providing an adequate level of protection

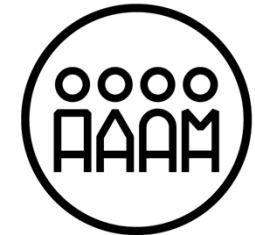
On 4 February 2020 the customs authorities of the EU Member States established a coordinated network to address COVID-19 related issues and the associated risk for customs. They agreed on a common risk approach, whereby the Member States prioritise consignments of goods to combat the crisis through fast clearance (personal protective equipment, medicines, perishable food products and livestock), without disregarding the risks related to counterfeit or substandard goods.

The latest EU measures include:

- Making the exportation of certain products subject to the production of an export authorisation (Regulation 2020/568 of 23 April 2020).
- Harmonising the relief from import duties and exemption from VAT of goods imported to combat the effects of the COVID-19 pandemic during 2020 (Commission Decision 2020/491 of 3 April 2020).
- Regularly updating guidance on customs procedures and formalities, available on the website of the European Commission.

- Issuing guidelines on other topics, in particular:
  - Border management
  - 'Green lane' border crossings
  - Free movement of critical workers
  - Facilitation of air cargo
  - Waste shipment

The EU measures and guidelines are applied by the Member State customs authorities, which have taken individual actions to mitigate the COVID-19 impact on their operations, whilst ensuring the safety of their officers. Temporary operational measures include homeworking of officers, limitation of physical contact, mandatory use of PPE, avoidance of paper-based documents, and a reduction of physical checks of goods.



# AUSTRIA



## CUSTOMS

### Time limits in customs procedures

- Recommendation of the Ministry of Finance to the Austrian customs agencies in connections with missed deadlines in customs procedures, such as the deadline for presentation in EU transit procedures, or the time limit for applications under Art. 116 et seq. UCC to excuse delays caused by circumstances related to the COVID-19 emergency.



## COVID-19 STATUTORY MEASURES

- Exemption from stamp duties for applications and administrative acts in connection with the management of the COVID-19 emergency (Art 11; valid until 31 December 2020).
- Suspension of all pending time limits, including appeal periods in all administrative and judicial proceedings (including criminal proceedings) until 1 May 2020.

- Exemption from excise duties on alcohol used for the production of disinfectants (Art. 14; valid as of 1 February 2020 until 31 August 2020).
- Exemption from the need for certification for mouth and nose masks (Art. 28; valid for three months).



## TRANSPORT

### Paperless Transport during COVID-19 pandemic

- Electronic submission of MRN and accompanying documents (EAD), including transit accompanying documents (TADs).

### Alleviation measures for HGV

- The maximum driving time for HGV drivers has been extended to 11 hours a day, 60 hours a week.
- The weekend driving ban on HGVs in Austria has been lifted.
- The validity of technical certificates for HGV (“CEMT”) has been extended until 30 June 2020.



# BELGIUM



## CUSTOMS AND TRADE

- Controls
  - Increased checks on imports of face masks. Additional controls upon entry have been imposed in coordination with the Federal Public Sector (FPS) Economy and the FPS Public Health.
  - Strict controls on the enforcement of Regulation 2020/402 making the export of certain products subject to the production of an export authorisation. Non-authorised exports will be considered a serious offence.
- The Belgian customs authorities have created a single point of contact for questions related to the COVID-19 crisis. Importers of face masks may contact the authorities for an update on their shipment.
- In certain circumstances, import or export certificates and authorisations may be submitted to the authorities in electronic format.
- As regards exports, the status of authorised exporter can be granted (under certain conditions) without any prior audit.
- For goods benefiting from a diplomatic exemption upon import, the procedure has been simplified (measure as of 19 March 2020, in effect for an indefinite period).
- Additional storage facilities (or other authorised sites) in Belgium may temporarily be made available for goods subject to existing customs authorisations for inward processing, and customs warehousing without any prior audit, after submitting an email request.
- Exporters must comply with a notification duty prior to exporting certain medicines or the raw materials for those medicines, in an effort to avoid shortages.

- Belgium adheres to Commission Recommendation (EU) 2020/403, exceptionally allowing for the importation of face masks that bear no CE-marking, to the extent these are only made available to health care workers during the current crisis and that they do not enter the common distribution channels.
- The FPS Economy has released guidance on the delivery and release of FFP2 and FFP3 face masks.
- Restrictions on domestic sales of PPE.



## EXCISE

- Subject to administrative compliance, pharmacists may purchase and produce disinfectants and their active ingredients free from excise duty and without the requirement to be recognized as a tax warehouse owner.
- The authorisation given to owners of tax warehouses for alcohol and alcoholic beverages has been automatically extended to the production of denatured alcohols.
- Relaxation of payment terms (i.e., no interest on late payments) for excise and associated levies for alcohol and non-alcoholic beverages, and for VAT (measure in effect from 30 March 2020 to 30 June 2020).

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# DENMARK



## CUSTOMS AND TRADE

- Implementation of Commission Decision 2020/491 on relief from import duties and VAT exemption on importation granted for goods needed to combat the effects of the COVID-19 outbreak. The relief is conditional (the goods are intended for free distribution by certain bodies and organizations, or made available free charge to persons affected by COVID-19 in a broad sense, while remaining property of State or bodies governed by public law).
- The Danish customs agency is raising awareness of the existing options in the customs legislation for, e.g., the simplification of processes related to preferential origin, deferral of customs payment and use of relevant transit procedures, enabling easy identification and control.
- A license is required when exporting protective glasses and shields, mouth and nose protective equipment and protective clothes.
- The deadline to submit A- and B- tax is postponed.
- The deadline to submit VAT returns is postponed.





# FRANCE



## CUSTOMS AND TRADE

### FACILITATION

- Payment facilities upon request on direct and indirect contributions, axle tax, the annual French registration of boats, navigational duty (sport and pleasure vessels' registration fees) and regional dock dues ("octroi de mer" in French overseas territories).
- Regional dock dues exemption for specific goods in French overseas territories.
- Relief of import duties and tax for importation of personal protective equipment (PPE) for specific persons; or VAT reduced rate to 5,5%.
- New applications for autonomous tariff suspensions and quotas for importers of certain agricultural and industrial products qualifying for autonomous tariff suspensions and quotas - reduced or zero rated customs duty on imports.
- Simplification for certifying proof of preferential origin during the COVID-19 crisis, for import and export.
- Leniency with regard to binding clearance terms for temporary storage.
- Leniency with regard to binding clearance terms for transit.

### Restriction

- Export control: strict enforcement of Regulations 2020/568 and 2020/426 inviting for exports of certain PPE to be subject to an express prior authorization.
- Restrictions on domestic sales of PPE.



## EXCISE

- Payment facilities upon request for excise duties.
- Simplification of formalities for energy taxes.
- Facilitation measures for operators in the wine sector or the alcohol and alcoholic beverages sector to take into account the logistical difficulties.
- Exemption from duties on the use of pure or denatured alcohol by companies involved in the manufacture of hydro-alcoholic gels.
- Exemption from duties for pharmacists producing hydro-alcoholic gels.

# GERMANY



## CUSTOMS

### Facilitation of medical imports

- Charitable and civil protection companies that import medical equipment and materials will not be liable for customs duties. Also their EORI number submissions will be processed as a priority.



## EXCISE

### Simplified applications for manufacturers of disinfectant products:

- German customs is granting simplified applications of the relevant provisions in the German Alcohol Tax Act for manufacturers of disinfectant products.



## GENERAL

- Companies can request a deferral of the legal due date for payment of tax. Applications for deferral from companies that can demonstrate that they have been significantly affected must be submitted no later than 31 December 2020, stating the circumstances. The obligation to pay the tax remains unaffected. Deferral should be granted without interest charges.
- The Federal Ministry of Transport has agreed on certain exemptions of the driving ban on Sunday, as well as driving hours and rest periods with the Federal Member States.

# ITALY



## CUSTOMS

### Extension of terms for payment of duty

- Operators that have a regular open debt position with the Italian customs agency will benefit from an additional 30 days for payment of duties (valid as of 23 April 2020 until 7 June 2020).

### Relaxing of the release procedure applicable to import of medical goods

- The Italian customs agency has established a direct release procedure for the import of PPE devices and movable goods and an expedited release procedure for the import of non-PPE movable goods that can be used against the spread of the COVID-19 virus (valid as of 30 March 2020, until the end of the emergency).

### Requirement for pre-authentication of origin certificates postponed

- The deadline for all operators to adopt the new origin certificates procedure has again been postponed, from 21 April 2020 until 21 June 2020.

### Suspension of deadlines for INTRA models

- The deadline for the electronic submission of summary lists of intra-EU transactions has been suspended until 30 June 2020; no penalty will be imposed if submitted by that date.

### AEO and Regular Exporter Authorisation

- The Italian customs agency will accept all pending applications for either authorisation. If the COVID-19 emergency prevented agency staff from ending the procedure in time, the applicants will be able to apply for a term extension (valid as of 9 April 2020, until 31 July 2020).

### Recovery activities of the customs agency suspended

- The execution of assessment documents and notices for payment of taxes falling due in the period from 8 March to 31 May 2020 has been suspended. These payments must then be recovered by the deadline of 30 June 2020, unless further extensions are granted.



## EXCISE

### Suspension of payment notices for excise duties

- The Italian customs agency has suspended payment notices for excise duties due in March, April and May until 31 May 2020. Restrictive measures against insolvent traders are also suspended.

### Suspension of operation reports relating to excise duties

- Companies that have warehouse energy products for private, agricultural and industrial use, with a capacity greater than 5 m3 but not exceeding 10 m3 have had the deadline to submit their operation reports extended until 30 June 2020.



# LATVIA



## CUSTOMS AND TRADE

### Facilitation measures

- Measures aimed at facilitating international trade include:
  - Increase of port workers' overtime limits.
  - Increase of road transport drivers' working time thresholds for daily and weekly driving time, and decrease in daily and weekly rest times.
  - Employees and crews in the transportation sector need not self-isolate, save for certain scenarios.
  - Possible involvement of Ministry of Defence in the provision of logistical solutions to critical service providers.

### Measures restricting trade

- Blanket ban on pharmaceutical exports to third countries.
- Ban on certain pharmaceutical exports to EEA countries.
- Undertakings are to primarily meet domestic demand for products and raw resources. Supplies of medicinal products, medical devices, personal protective equipment, and disinfectants to be primarily ensured for the needs of the state.
- Possibility of export authorization introduction for products under Regulation No. 2020/402 and ethyl alcohol.



## GENERAL

- Postponement up to 3 years or payment in instalments of due tax payments without additional costs to any undertaking affected by COVID-19 meeting certain criteria.
- Possibility to receive government-backed loans or guarantees.
- No taxation for non-denatured ethanol to be used in disinfectant production.

# LITHUANIA



## GENERAL

- The tax authority (STI), Board of Social Security Foundation (Sodra) and Lithuanian Customs will not apply recovery actions (except for customs duties) and will not charge default interest due after 16 March 2020 (according to the list of taxpayers on the STI page, to be published by 10 April 2020). This practice is set to remain in effect until the emergency situation is lifted. Possibility to apply to STI, Sodra and the Customs for relief from the calculated interest, if certain grounds exist or on the basis of principles of reasonableness and justice.
- Introduction of the 'Taxpayers subject to tax relief measures on COVID-19' list. Taxpayers included therein will not automatically be subject to recovery actions (except for customs duties) and will not be charged interest on taxes due after 16 March 2020. This practice is set to remain in effect until the emergency situation is lifted.

### Initiative to suspend proceedings of Mobility Package

- Lithuania and several other European Union member states have called for the suspension of proceedings pertaining to the Mobility Package until the end of the current pandemic and an assessment on its impact on the transport sector has been carried out.

- Crew and crew members performing international commercial transport in all types of vehicles travel through the territory of the Republic of Lithuania without the necessary stop.
- For crew and crew members who work in Lithuanian companies engaged in international commercial transport or perform international commercial transport in all types of vehicles, isolation is mandatory from the day of arrival in the Republic of Lithuania until departure from its territory, but not longer than 14 days.
- Obligation for drivers to keep social distance and keep personal records about stops, purpose and duration of these stops. Obligation for vehicle managers to clean and disinfect the vehicles as recommended by the Ministry of Health and to equip the drivers of vehicles with personal protective equipment, hand hygienic and disinfection materials.
- Restrictions to export to third countries personal protective and I class medical equipment (protective glasses and shields, mouth and nose protective equipment, protective clothes) (Regulation (EU) 2020/568 Annex 1, with exceptions indicated in Para 4 and 5 of Article 2 of Regulation (EU) 2020/568, which can be permitted by a decision of State Level Extreme Situation Operations Lead.



# POLAND



## CUSTOMS AND TRADE

### Distribution of medical products

- Possibility that the chief sanitary inspector will issue individual decisions in relation to pharmaceutical wholesalers, concerning the distribution of medical products, foodstuffs for special nutritional purposes and medical devices

### Exemption from the value added tax on goods imported for the purpose of fighting COVID-19

- The Regulation of the Minister of Finance of 7 April 2020 amending the regulation on exemptions from value added tax and conditions for their application introduced an exemption from the value added tax on goods imported for the purpose of fighting the coronavirus. The value added tax exemption can only be used if the goods have been donated to entities listed in the Regulation. The exemption is valid until 31 August 2020. The exemption may also apply retroactively to imports made from 1 February 2020 to 8 April 2020.

### Restrictions concerning export of personal protective equipment from Poland

- It is forbidden to export or dispose of outside Poland respirators or heart monitors (with exceptions) until further notice. Businesses are required to notify the authorities of their intention to export personal protective equipment (e.g., protective garments, suits, gloves, masks, and overshoes) from Poland.

### No extension fee for paying taxes and tax arrears if in instalments or postponing the date of payment

- One of the regulations of the Act of 2 March 2020 on specific solutions related to the prevention and eradication of COVID-19, other infectious diseases and crisis prevention measures provides that if paying taxes (e.g., VAT) and tax arrears to the state in instalments or postponing the date of payment, no extension fee will be charged.



## EXCISE

### Exemption from excise duty

- Exemption from excise duty of ethyl alcohol used in the production of biocidal products introduced.

# PORTUGAL



## CUSTOMS

### Origin of Goods

- Acceptance of copies of certificates: exceptionally during the crisis period and until further notice, when requiring the provision by importers of origin certificates, customs authorities in the EU and in the EU's trading partner countries are invited to accept certificates issued for preferential purposes in the form of a copy, issued on paper or electronically.
- Retrospective issue of certificates: the COVID-19 emergency can be considered as a "special circumstance", justifying a possible retrospective issue of certificates. In accordance with the rules in force in EU, official certificates for preferential trade arrangements purposes may exceptionally be issued after exportation of the products to which it relates if they were not issued at the time of exportation.
- Approved exporter status: widest possible use of the approved exporter status to facilitate the making out of proofs of origin (or of proofs of a 'customs union status') as an alternative to official certification.

### Customs clearance procedure

- Whenever customs declarations are selected for inspection, supporting documents will be presented to customs authorities by EDI system, in order to avoid their physical presentation.

### Customs representation

- According to Ofício-Circulado n.º 15758, 2020-04-15, customs representatives can present their customs declarations without providing evidence of empowerment.

### Special procedures

- As many economic operators have been obliged to close their premises and stop working, it may be impossible for them to re-export the goods declared for temporary admission by means of ATA carnets within the established time-limit. In such cases, Article 251(3) UCC allows the holder of the procedure to ask customs authorities to prolong the time limit for re-export of goods declared for temporary admission under exceptional circumstances (such as COVID-19).



## Excise

### Production of alcohol outside of tax warehouses

- Until the end of the state of emergency it will be possible to produce alcohol outside of a tax warehouse. The authorities must be informed in advance and provided with all necessary information.





# SPAIN



## CUSTOMS

### Origin Certificates

- Regarding certificates of origin EUR1, the ordinary procedure being suspended, it is recommended to issue this type of certificates following the a posteriori procedure, once the alarm status has ceased.
- Tax Authorities recommends exporters the use of the legal figures of 'authorised export' and 'registered export' instead of certificates of origin, providing guidelines for a declaration of origin in the invoice.

### Transit seals

- For transit procedures, the placement of seals will be replaced for a description of the goods (including nature, quantity and main features) accurate enough to permit an easy identification.

### Extension of deadlines for the payment of tariffs and import VAT

- Until 30 May 2020, importers will have an additional 6 months, without interest, for the payment of tariffs and import VAT related to the customs declarations submitted. To apply for this extension, exporters should have not surpassed the threshold of 6 million euros in volume of operations in 2019.



## GENERAL

- Companies whose volume of operations did not exceed 600.000 euros in 2019 have had the deadline to submit and pay its tax declarations extended until 20 May 2020.
- The payment of port taxes originated between 12 March 2020 and 30 June 2020 can be delayed a maximum of 6 months without interest.



## EXCISE

- The Health Ministry has allowed the use of bioethanol in the preparation of solutions and hydroalcoholic gels for hand disinfection. The bioethanol will have to comply to certain parameters of formula and denature for it to be used.



# SWEDEN



## GENERAL

- Any enterprise may apply for deferred VAT payment. Depending on the accounting period the entry of force date is either 16 March 2020 or 6 April 22, 2020.
- For enterprises which have a yearly accounting period, the deferred VAT payment is applicable for one accounting year and must be paid after 12 months.
- Enterprises with large tax debt are not allowed to apply.

# THE NETHERLANDS



## CUSTOMS AND TRADE

### Exporter

- The strict application of the EU definition of 'exporter', requiring the exporter of record to be established in the Union, is postponed (until the 15th day of the month following the moment of lifting the COVID-19 measures).

### Origin certification

- Exceptionally, certificates of origin may be submitted in an electronic format, or a paper copy may be provided. The certificates may be electronically signed by the competent authorities (for certificates issued as of 1 March 2020).

### Restrictions on export of personal protective equipment (PPE) outside the EU

- The export of personal protective equipment is subject to a licensing requirement, due to the sharp increase in demand as a result of the COVID-19 emergency.
- The UK is regarded as a Member State and not as a third country. Export to EFTA Member States is exempt from the licensing requirement.

### Measures to support economic operators

- Possibility to defer payment of customs duties and excise duties, upon request.
- Dutch Customs will not impose penalties if companies have difficulties to comply with customs obligations on time caused by corona crisis. Legal terms are applied with leniency, considering the circumstances of each case.
- Possible tailor-made solutions can be requested for customs authorisations.

# INDIA



## CUSTOMER AND TRADE

### Ban on export of medical equipment and the raw materials needed for the manufacture of medical equipment

- The export of the following products has been prohibited:
  - All ventilators (ex 392690; ex 621790; ex 630790; ex 9018; ex 9019; ex 9020)
  - Surgical/disposable (2/3 ply) masks only (ex 9018)
  - Textile raw material for masks and coveralls (ex 5603)
  - Sanitisers (ex 9018; ex3401; ex3402; 30049087; 380894)
  - Hydroxychloroquine, and formulations made from Hydroxychloroquine falling under any HS code

### Exemption of medical product imports from customs duties

- The import of the following products has been exempted from custom duties:
  - Respiration apparatus
  - Personal protective equipment, and face and surgical masks
  - COVID-19 testing kits
  - Inputs required for the manufacture of the above (subject to certain conditions)

### Validity of steel and iron authorization extended

- The validity of import authorisations for iron and steel products issued before 31st March 2020 has been extended to 135 days

### Restrictions on the export of Paracetamol

- The export of Paracetamol (API) has been restricted.

### Customs clearance 24/7

- Until 30 June 2020 the Indian customs authority will operate 24 hours, seven days a week, in addition to designated seaports/airports already functioning on that basis.

### Platform for certification of origin

- The online platform for application for a preferential certificate of origin has now been expanded to cover exports to various countries under the following FTAs/PTAs – AIFTA, SAPTA, SAFTA, IJCEPA, ISLFTA, and APTA.

### Communications with the Directorate General of Trade Remedies

- All communications (including new applications, submissions and responses) to the DGTR for ongoing and new investigations should be made by e-mail in searchable PDF/Word and/or MS Excel format.
- Oral hearings before the DGTR and consultations with the DGTR will be held through video conferencing facility.
- On-site verification will not take place. Supporting/back-up data, along with reconciliation figures and worksheets, must be made available to the DGTR.



# TAIWAN



## CUSTOMS

- Starting from 23 January 2020, exports of medical masks (tariff codes 6307.90.50.10-6 and 6307.90.50.20-4) are prohibited except with a special permit from the customs authority.



## GENERAL

- The deadline for public companies to file their 2019 audited financial statements may be extended after prior approval is obtained from the Financial Supervisory Commission on a case by case basis.
- A number of tax (e.g., VAT, commodity tax, and income tax) filing and payment deadlines falling within March to June 2020 have been extended.



The information contained in this document is intended for general reference and does not constitute advice from Greenlane or any of the associated law firms. In the case of a need for specific counseling on the matters referred to, do not hesitate to contact the GreenLane member through the contact details as mentioned per country.

The information will be updated as new measures are undertaken in the countries covered by the Greenlane Network. However, please consider the speed at which the new regulations are implemented by the national regulations in order to adapt their efficacy to the changing evolution of the COVID-19 crisis.

