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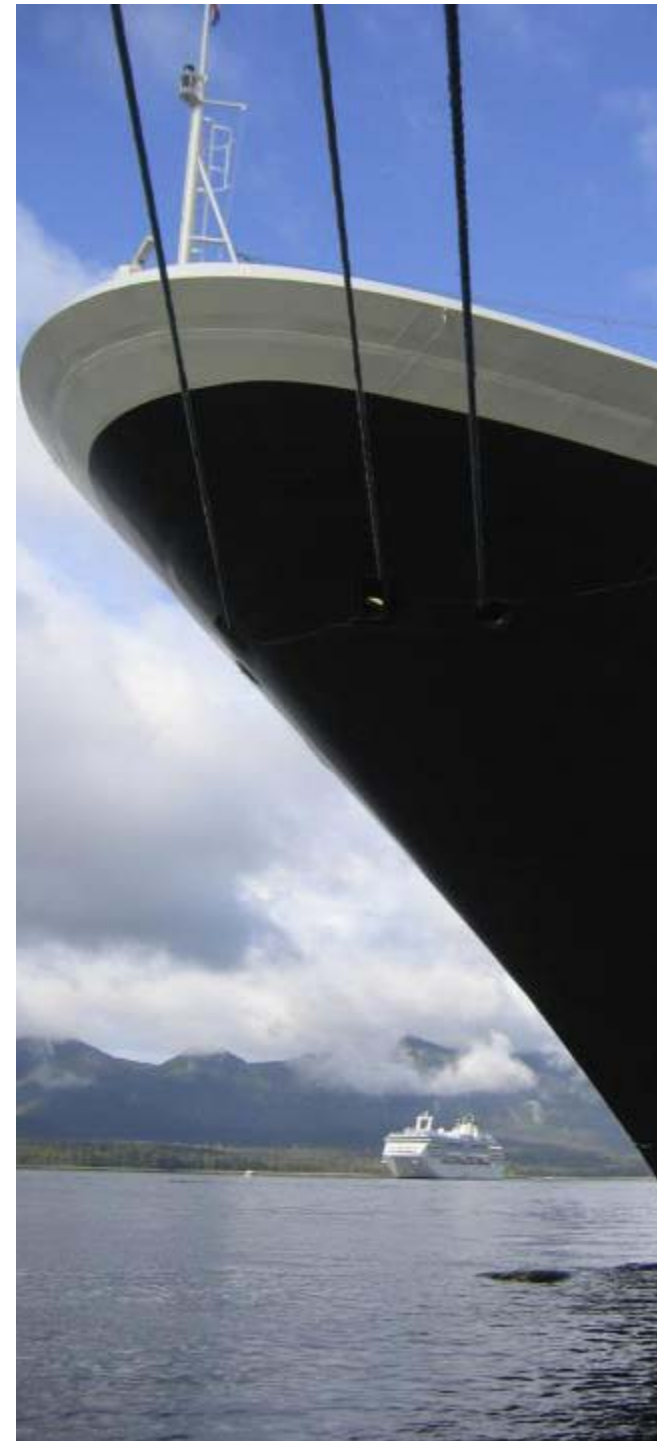
# Key customs benefits brought by the Union Customs Code for EU ports at the Black Sea

Mihai Petre  
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# Right to be heard

# Right to be heard

- ✓ The right to be heard introduced in the UCC for adverse customs decisions
  
- ✓ The period for the applicant to express his point of view before a unfavorable decision is of:
  - 24 hours where the decision refer to the results of the control of goods for which no summary declaration, temporary storage declaration, re-export declaration or customs declaration has been lodged
  
  - 30 days, in other cases.


# Guarantees

# Guarantees

- ✓ Required for authorizations to operate certain procedures to cover existing or potential customs debts
  - ✓ Customs duties and other charges, including VAT should be guaranteed along the EU
  - ✓ For the customs operations involving only Romanian customs authorities the VAT will not be guaranteed
  - ✓ Comprehensive guarantee is possible for two or more operations, declarations or customs procedures
  - ✓ Possibility to reduce the guarantee for AEO operators
- 
- An electronic information and communication system will be used for the exchange and storage of information starting 2020

# Import VAT deferment

# Import VAT deferment

- ✓ VAT is no longer paid in customs at the moment of importation but only reflected in the VAT return as collected and deductible at the same time
  
- ✓ Companies which can benefit from Import VAT deferment are:
  - are authorized to use the local clearance procedure
  
  - hold an AEO certificate or  AEO logo: A stylized globe with the letters 'AEO' in the center, surrounded by a blue arc and yellow stars.
  
  - performed imports with a minimum value of RON 100 million in the previous 12 months.
  
- ✓ 42 00 customs regime



# Import VAT deferment – regime 42 00

- ✓ Goods can be released for free circulation in any EU country followed by an intra-Community supply to any EU country – 42 00 customs regime.

**Example:** a Romanian company purchases a production line from China. Its customs value is of 1,500,000 EUR → VAT = 300,000 EUR

Avoiding the VAT payment at the moment of the import → product can be released for free circulation in Bulgaria followed by an intra-Community supply to Romania.

! VAT registration required in Bulgaria

! For import in Romania followed by intra-community supply the VAT needs to be guaranteed except AEO operators

! Delivery proof from the importer (e.g. signed transport documents)

# Simplifications

# Simplifications

- ✓ Reliable operators, especially AEO and the companies, fulfilling certain AEO conditions, will benefit from customs simplifications.
  
- ✓ There are 4 customs simplifications:
  - Simplified declaration
  - Entry in the declarant's records (with or without presentation of the goods)
    - Waiver to present the goods are restricted to AEO operators
  - Self-assessment
  - Centralised clearance (at national level or EU level)

Thank you



# Mihai Petre – speaker biography



**Mihai Petre**

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**Mihai** brings an experience of 15 years in advising local and multinational companies on customs and excise matters. Being the key advisor for three largest offshore drilling campaigns performed in the Black Sea (Exclusive Economic Zone of Romania) totaling EURO 1 billion in investments is his largest professional achievement.

As public speaker, Mihai delivered customs trainings and seminars to more than 1000 people in the last year on changes brought by the Union Customs Code, being one of the most active customs professionals in this area. His past events on UCC hosted speakers from the European Commission, Romanian customs authorities and business environment.

He is the author of many high profile technical articles and disputes on customs and excise matters.

He started with Arthur Andersen and later built his career with other BIG 4 companies, being extensively involved in supply chain restructuring, exports controls, customs and excise recovery assignments.

Mihai is member of Romanian Chamber of Tax Consultants and the Association of Chartered and Certified Accountants from the UK.

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