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EY Global Trade – Asia-Pacific

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Australia: Future border carbon adjustment recommended

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Australia's Carbon Leakage Review (the Review) has found that a border carbon adjustment (BCA) is an appropriate policy measure to address carbon leakage risks under Australia's Safeguard Mechanism.[1, 2] With cement, lime, clinker, ammonia (and derivatives), steel and glass identified for priority inclusion within its initial scope, the Review envisions a future Australian BCA that operates similarly to the EU's Carbon Border Adjustment Mechanism (EU CBAM).[3] This approach would effectively seek to apply a price on imports at the Australian border if those imports have not been exposed to the carbon-pricing equivalent to Australia's Safeguard Mechanism.

Background to Australia's Carbon Leakage Review

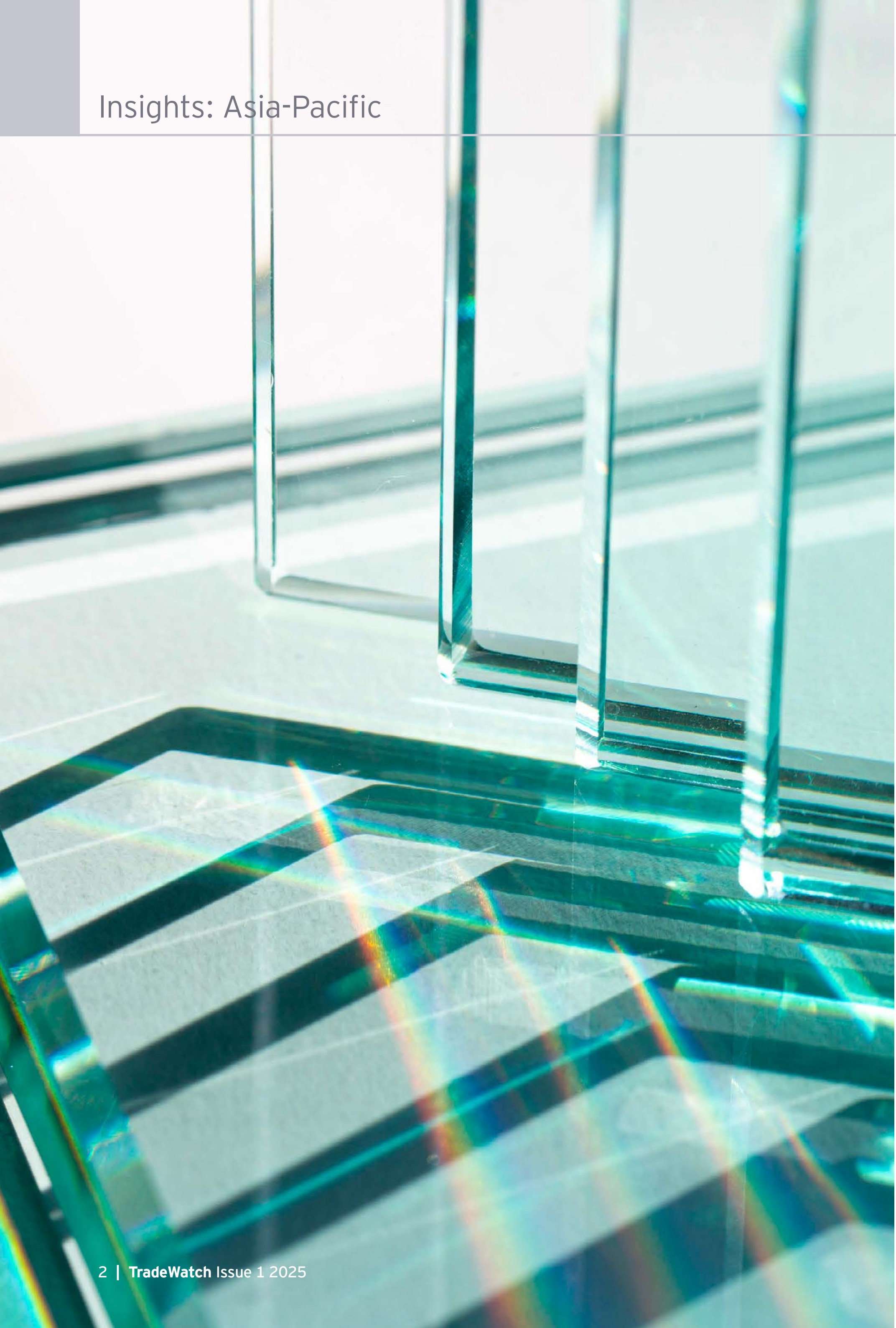
Led by Professor Frank Jotzo and the Department of Climate Change, Energy, the Environment and Water (DCCEEW), the Review was announced in March 2023 following reforms to the Safeguard Mechanism and industry concerns over potential carbon leakage.[4, 5]

Unlike other jurisdictions with economy-wide emissions trading systems, the Safeguard Mechanism commenced in 2016 with the aim of reducing emissions at Australia's largest industrial facilities. It does so by setting legislated limits – known as baselines – on the greenhouse gas emissions of these facilities. These limits are intended to gradually decline in line with Australia's national emission reduction targets of 43% below 2005 levels by 2030 and net zero by 2050. More than 200 facilities are covered by the Safeguard Mechanism and account for approximately 30% of Australia's annual national emissions. The next formal review of the Safeguard Mechanism is set for 2026-27.[6, 7]

Drawing on the scope of the Safeguard Mechanism, the Review considered carbon leakage risks for specific commodities:

- The extent of the carbon leakage risk
- The practical feasibility of a BCA
- The share of domestic production subject to the Safeguard Mechanism
- Other policies that may affect carbon leakage

1 "Australia's Carbon Leakage Review: Consultation Paper 2," *DCCEEW*, November 2024. Find it here
2 "Verdict on how to prevent carbon leakage, save jobs," *Australian Associated Press*, 28 December 2024. Find it here
3 For more information on the EU CBAM, please refer to recent editions of *TradeWatch*.
4 "Australia considers CBAM to address carbon leakage," *EY website*, 21 August 2023. Find it here
5 "Australia's Carbon Leakage Review," *DCCEEW*. Find it here
6 "Australia's Carbon Leakage Review: Consultation Paper 2," *DCCEEW*, November 2024. Find it here
7 "Reforming Australia's safeguard mechanism: an update," *Parliament of Australia*, 5 November 2024. Find it here



Noting the impending federal election set to be held by 17 May 2025, the timeline for the government to consider the Review's recommendations is unclear. However, businesses should proactively assess the potential impact of the Review's recommended BCA, as a new government could move fast following the next election.

What businesses need to know

For Australian producers of select commodities captured by the Safeguard Mechanism, any future Australian BCA would seek to ensure imports are subject to equivalent carbon costs in product pricing. The supply chains of foreign producers may be impacted as the cost of importing these materials into Australia rises, and importers may be impacted as higher costs may be attached to the import of covered products.

Specific products have been found appropriate for inclusion in a future Australian BCA:

- **Cement, lime and clinker:** The Review found these commodities at the highest risk of carbon leakage and the most appropriate for inclusion in a future Australian BCA's scope.
- **Ammonia (and derivatives), steel and glass:** These commodities were identified as potentially warranting inclusion in a future Australian BCA's scope, given material risks of carbon and investment leakage in the absence of long-term solutions.
- **Alumina and aluminum, refined petroleum, pulp and paper:** The Review highlighted these commodities for reassessment during the 2026–27 Safeguard Mechanism Review. For these products, the risk of carbon leakage is mixed, and the cost of carbon as a share of product prices is currently relatively modest.
- **All other products:** The Review recommended no further action for carbon leakage mitigation where products are not widely exposed to the Safeguard Mechanism.

A future Australian BCA would expose foreign producers to the same liabilities as domestic producers under the Safeguard Mechanism: A liability would apply only to imports exceeding the Safeguard Mechanism's baseline emission limit at the time of import.

The Review found a future Australian BCA should not provide rebates for exports: The Review noted that a BCA that provides rebates for exports would be inconsistent with Australia's emissions reduction targets and could raise considerable international trade law concerns.

The Review suggested additional policies and initiatives to support producers: The Review recognized domestic and international stakeholder consensus that a BCA must not become a barrier to trade. It noted the importance of providing developing countries with support, simplification of trade processes, and consideration of default values and interoperability with other countries.

Action for businesses

While the ultimate decision on whether to implement a future Australian BCA will sit with the Australian government, now is the time for businesses to assess the potential exposure on their operations, to be adaptable and to set themselves up for successful compliance.

Assess your exposure to a future Australian BCA: In-scope products sourced from countries with weaker carbon reduction measures could be exposed to a future Australian BCA. Both domestic and foreign companies should seek to understand the scale of potentially covered goods passing over the Australian border.

Assess carbon costs in your supply chains: Identifying which of your in-scope products being imported into Australia are currently subject to carbon pricing will allow you to identify the scale of carbon leakage (if any) that may be addressed by a future Australian BCA.

Assess operating model effectiveness: Businesses should assess their day-to-day operations to understand opportunities to revise sourcing arrangements with countries with an Emissions Trading System in the short-to-medium term and explore opportunities in the medium-to-long term that reduce emissions in current production processes. Broader supply chain transformation elements, such as supplier reviews, customs process and procurement optimization, or changing product logics, should all be considered.

Next steps for the Review

The Review's findings have not yet been considered by the government and do not reflect government policy. However, now is the time for businesses to assess their exposure and consider their operating model effectiveness to ensure preparedness.

Looking beyond a future Australian BCA's compliance and reporting obligations, businesses should consider mitigation in the context of wider decarbonization efforts and the policies of other jurisdictions, including the EU CBAM and UK CBAM.[8]

8 For more information on the UK CBAM, please refer to our article "UK government consultation on the CBAM introduction: the current EY thinking," *TradeWatch Issue 2 2024, page 58* and our alert "UK Government responds to consultation on introducing UK CBAM," *EY website*, 31 October 2024. Find it here

For additional information, please contact:

Luke Branson | + 61 3 92 888 369 | luke.branson@au.ey.com
Peira Shannon | + 61 3 86 507 233 | peira.shannon@au.ey.com
Thomas Pooley | + 61 2 92 484 174 | thomas.pooley@au.ey.com
Xavier Healy | + 61 3 85 756 176 | xavier.healy@au.ey.com

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Japan: Annual report on post-entry customs

Japan's Ministry of Finance has released a report on post-entry customs audits conducted between July 2023 and June 2024.[1] The report highlights the focus area of Japan Customs' audits and where compliance errors tend to occur. The cases highlighted in the report provide useful information on where companies often overlook compliance obligations and where companies can address matters proactively.

In this latest report, Japan Customs contends that the customs value of imports was underdeclared by more than JPY120 billion (approximately USD800 million), which is an approximately 35% increase compared to the previous year.[2] The COVID-19 pandemic has caused a significant drop in the number of post-clearance audits carried out in Japan. However, the average penalties and additional duties assessed per misdeclaration are now on an upward trend, following a rise in the number of audits conducted over the past two years.

In total, Japan Customs assessed JPY13.4 billion (approximately USD90 million) in underpaid duties, taxes and administrative penalties, including JPY40 million (approximately USD 300 thousand) in penalties for fraud or gross negligence. The top five imports with the largest underpayment of customs duty and import consumption tax are listed, by Harmonized System (HS) chapters, in the table opposite:

Imports (HS chapter)	Duty and tax shortfall (JPY billions)
Optical instruments and apparatus (Chapter 90)	2.6
Electrical equipment (Chapter 85)	1.7
Machinery and mechanical appliances (Chapter 84)	1.4
Pharmaceutical products (Chapter 30)	1.4
Vehicles other than railway or tramway rolling stock, and parts and accessories thereof (Chapter 87)	1.2

Together, these five chapters account for about 67% of the total duty and tax underpaid. Four of the top five imports have been on the list for the last three years: optical instruments and apparatus; electrical equipment; machinery and mechanical appliances; and vehicles other than railway or tramway rolling stock, and parts and accessories thereof. In particular, electrical equipment and optical instruments and apparatus have been repeatedly listed in the top five.

1 "Results of the post customs audit of customs declarations for the 2023 fiscal year," *Japanese Ministry of Finance website*, 13 November 2024. Find it here

2 ibid

Major examples of customs violations

The report also highlighted some specific cases where importers were subject to additional duties. These cases concern two types of violation: cases that do not involve fraud or gross negligence and cases that do involve fraud or gross negligence.

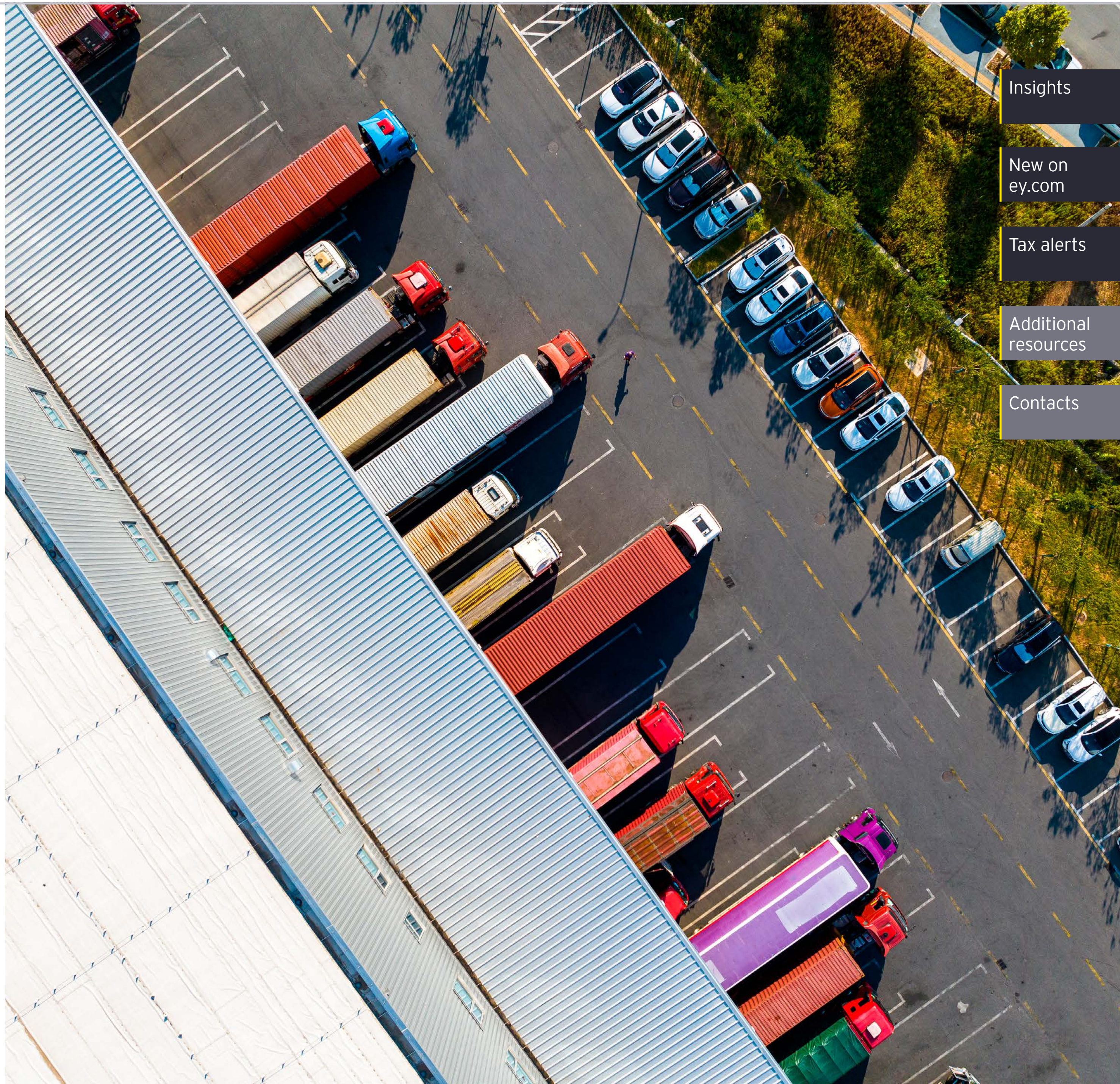
Cases not involving fraud or gross negligence

In cases not involving fraud or gross negligence, importers are required to pay the underpaid duties and taxes, as well as administrative penalties, which are generally imposed at 5% to 15% of the underpaid duties and taxes[3] and overdue taxes (interest for late payment).

Case 1: Failure to report additional payments (made after import) of imported goods

An importer of solar panels made payments for the imported goods to the exporter. Due to unit price issues identified after the import clearance, the importer later made an additional payment for the goods imported. This additional payment should have been included in the customs value for the import, but the importer did not file amended declarations. Due to this oversight, the importer was found to have underdeclared the value of the goods

3 In addition, in the case of deficient declaration, if an incremental tax after the correction of the customs declaration exceeds the amount of the principal tax or JPY0.5 million (whichever is greater), an additional tax for a deficient declaration shall be collected at the rate of 5% of the excessive amount. On the other hand, in the case of no declaration, if the tax amount payable under the decision exceeds JPY0.5 million, an additional tax for no declaration shall be collected at the rate of 5% of the excessive amount.



by JPY935 million (approximately USD7 million) and was assessed JPY127 million (approximately USD850 thousand) in underpaid taxes and administrative penalties.

Case 2: Failure to report costs of raw materials provided free of charge and processing fees of the imported goods

An importer of pharmaceuticals provided raw materials used in production of the imported goods free of charge to the exporter and bore the manufacturing costs. Although these costs should have been included in the customs value, the importer failed to include them in the declared customs value. As a result, the importer was found to have underdeclared the value at import by JPY641 million (approximately USD4.5 million) and was assessed JPY67 million (approximately USD450 thousand) in underpaid taxes and administrative penalties.

Cases involving fraud or gross negligence

In cases involving fraud or gross negligence, importers are required to pay increased penalties that are generally imposed at a rate of 35% to 40% of the underpaid duties and taxes.

Case 3: Declaration of a falsified invoice created by the importer

An importer of clothing created purchase orders based on invoices created by the exporter indicating lower prices, despite being aware of the appropriate prices of the imported goods. The importer did not take any corrective action and declared the lower prices indicated on the invoices and purchase orders as the customs value. This resulted in JPY400 million (approximately USD3 million) in underdeclared customs value and JPY84.1 million (approximately USD600 thousand) assessed for underpaid taxes and administrative penalties, of which JPY3.1 million (approximately USD21 thousand) was the penalty for fraud or gross negligence.

Case 4: Declaration of a falsified invoice created by the importer in collusion with the exporter

An importer of woven labels created invoices with lower prices for declaration purposes in collusion with the exporter and declared these as the customs value, despite being aware of the appropriate prices of the imported goods prior to filing declarations. As a result, the importer was found to have underdeclared the value at import by JPY44.3 million (approximately USD300 thousand) and was assessed JPY8.3 million *approximately USD60 thousand) in underpaid taxes and administrative penalties, of which JPY1.6 million (approximately USD11 thousand) was the penalty for fraud or gross negligence.

Implications for importers

The failure to declare payments made separately from invoice prices as part of the customs value has been reported continuously in past years. In Case 1, the importer should have included the additional payments for the imported goods made after the import clearance in the declared customs value. In Case 2, the importer should have included the costs of raw materials provided free of charge as well as manufacturing costs in the declared customs value.

To correctly declare the customs value, companies are required to be fully aware of transaction details, such as the payments made separately from invoice prices. These separate payments can be identified by Japan Customs during audits based on the submitted accounting books and remittance details. Importers should be aware that Japan Customs continues to rigorously and regularly check and enforce compliance, and any noncompliance uncovered is penalized. Therefore, maintaining appropriate internal compliance mechanisms and processes to ensure compliance with import and export legislation should be a top priority for all companies importing into Japan. ■

For additional information, please contact:

Yoichi Ohira
+ 81 3 3506 2110 | yoichi.ohira@jp.ey.com

Kojiro Fukui
+ 81 90 8146 9216 | kojiro.fukui@jp.ey.com

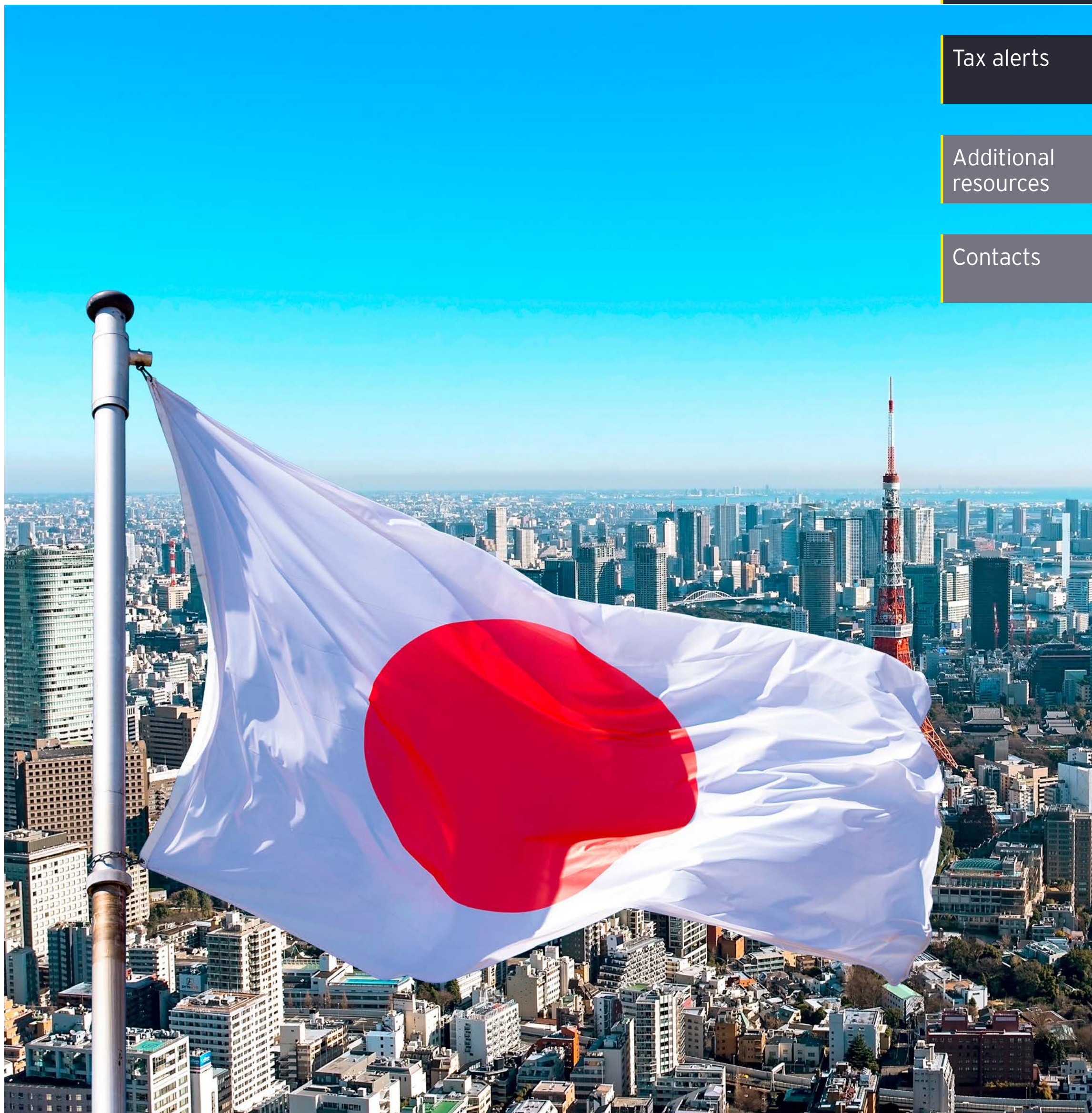
Japan: METI releases revised export control regulations

On 31 January 2025, the Ministry of Economy, Trade and Industry (METI) issued a draft of the revised Cabinet Orders of the Foreign Exchange and Foreign Trade Act (FEFTA).[1] This draft included potential revisions outlined in the Interim Report[2] published by the Subcommittee on Security Trade Control Policy under the Trade Committee (Subcommittee) of the Industrial Structure Council on 24 April 2024. The revisions have notably reinforced the existing catch-all controls (CA Controls) by requiring verifications of end-use and end-user requirements when exporting goods to non-restricted countries,[3] based on the HS codes.[4]

The draft of the revised Cabinet Orders is now available for public comment, and the implementation of these revisions is expected to be around the end of September 2025, following the Cabinet's approval and official promulgation at the end of March 2025.

Summary of the revisions

Revisions were made to the items stipulated in the Appended Table of the Export Control Order. The main discussion points regarding the CA Controls for conventional weapons are:



1 "Interim Report of the Security Trade Control Subcommittee, Trade and Trade Subcommittee, Industrial Structure Council," *Japanese Ministry of Economy, Trade and Industry website*. Find it here

2 For further details, see our article "Japan: Interim report on the revision of export control regulations," *TradeWatch* Issue 3 2024, page 45.

3 A general country is defined as all countries other than Group A and countries or regions under the United Nations Security Council (UNSC) Arms Embargo. Group A comprises countries that participate in each multilateral export control regime and strictly enforce export controls (Appended Table 3 of the Export Trade Control Order (ETCO)). Countries or regions under the UNSC Arms Embargo are countries to which the export of arms and their related goods are prohibited by the resolution of the UNSC (Appended Table 3-2 of the ETCO).

4 HS code: A common code established by the HS Convention to define the types of goods uniformly across the world. The HS code is required when declaring exports and imports to Customs.

- **Items listed based on HS codes:** Items that may pose high security risks for military use will be listed with their HS codes. Companies are required to classify the items under the appropriate HS codes and continuously review them for updates.
- **Verification of end-user requirements:** End-user requirements must be verified even for the goods exported to non-restricted countries, requiring a broad review of stakeholders when exporting to non-restricted countries.
- **Addition to the foreign user list[5]:** Information on organizations concerned with the development of conventional weapons will be added to the foreign user list. Therefore, it is necessary to establish an efficient review process.
- **"Apparent" Guideline Sheet:** The "Apparent" Guideline Sheet is a guideline to judge whether it is apparent that an item's end use is for the purpose of developing weapons of mass destruction (WMDs). It will include specific examples based on the red flags specified in US export control regulations.[6] According to the added examples, all the items will be treated as high risk unless details and information are disclosed by the transaction partner; therefore, it is essential for companies to conduct stricter and more thorough review on end users.

These newly added legal verification requirements, including the license that may be required for exports to Group A countries, will have significant impact on many companies. Therefore, companies will need to be vigilant in transactions regarding the end destination and end users, as well as their intended use.

5 METI has published a list of entities involved in the development of WMDs. The latest revision will include additional entities that are involved in the development and conversion of conventional weapons.

6 "Supplement No. 3 to Part 732—BIS's "Know Your Customer" Guidance and Red Flags," *US Bureau of Industry and Security website*. Find it here

In addition to these factors, the items subject to the revisions announced this time are:

Revisions to the Foreign Exchange Order

- Reinforce current complementary export controls
  - Strengthen CA Controls for conventional weapons
  - Prevent circumvention via Group A countries
- Rationalize and simplify operations
  - Perform checklist for self-assessment
  - Implement return procedure for defense equipment
- Add targeted technologies for a dialogue scheme developed for technology management purposes

Revisions to the Foreign Exchange Order and the Export Trade Control Order

- Update of the List Control to include critical and emerging technologies
  - Relax the scope of a special bulk license
- Strengthen export control management for specific items
- Relax the obligations for return goods

Next steps

The Interim Report highlighted that Japan's current nonproliferation export control policy requires upgrading. It calls for the adoption of new measures that could start regulating exports for the concerned end uses and end users, given the expanding risk of military conversion of dual-use technologies. The revisions include the strengthening of the CA Controls and requiring companies to properly manage exported goods and technology against the existing regulations for high-specification cargo as well as the end-use and end-user requirements. Companies should consider the following points to confirm compliance with the updated export control regulations:

- Implement thorough due diligence (DD) on stakeholders involved in export transactions to non-restricted countries. As the scope of DD expands and the number of parties under scrutiny increases, consider leveraging external databases and IT solutions to automate the process and manage the additional workload efficiently.
- It is crucial to conduct more meticulous transaction reviews in line with the "Apparent" Guideline Sheet for concerned end users. For certain transactions, establish procedures that involve focused assessments and decision-making by in-house professionals and those in charge. Simultaneously, manage the level of risk in a way that is sustainable for the company, considering the potential increase in workload and resource allocation.
- To prevent circumvention via concerned parties, companies may need to address risks related to domestic sales and exports by overseas group companies. To this end, strengthening transaction review processes at overseas subsidiaries and creating a robust export control governance system are considered vital steps. ■

For additional information, please contact:

Yoichi Ohira | + 81 3 3506 2110 | yoichi.ohira@jp.ey.com
Kojiro Fukui | + 81 90 8146 9216 | kojiro.fukui@jp.ey.com

Vietnam: 2025 Inspection Program for customs

In a continuing effort to uphold administrative discipline, the government of Vietnam has issued its official orientation (Official Document No. 2220/TTCP-KHTH dated 23 October 2024) for the 2025 Inspection Program, under which customs inspections are included.[1] This program, formulated under the guiding principles of the 2022 Law on Inspection and in accordance with key resolutions from the 13th Party Congress, the National Assembly and the government, aims to further enhance the integrity, efficiency and transparency of state management at all levels.

Recent years have included the implementation of a number of policies and reform measures. Those initiatives have been driving Vietnam's economic growth while maintaining macroeconomic stability, controlling inflation, and enhancing both productivity and competitiveness amid a complex, turbulent global environment. 2025 is especially significant because it marks the final year of the socio-economic development plan (2021–2025)[2] and coincides with several key national events. These include the upcoming Party Congress at various levels, the 14th National Congress of the Communist Party, the anniversaries of National Day and the traditional Inspection Day in Vietnam. The inspection authorities are committed to consolidating past achievements, addressing identified shortcomings and implementing a focused set of inspection priorities for the 2025 Inspection Program.

Purpose of the 2025 Inspection Program

The program is designed with the following key objectives:

- Uniform and effective implementation
- Adherence to legal procedures
- Innovation and modernization
- Combatting corruption and misconduct

1 "Orientation for tax inspection program in 2025," *EY Vietnam website*, 6 December 2024. Find it here

2 "Socio-economic plan for 20212025," *Vietnam Government website*. Find it here

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Focused areas for customs inspection 2025

The General Department of Customs (the GDC) will play a key role in the 2025 Inspection Program for customs, conducting both administrative and specialized (or technical) inspections. The following from the official orientation outlines the major points:

Administrative inspections (applicable for customs authorities and customs officials)	
Public service and discipline	■ Examine public administrative procedures and performance within high-risk units and operational sectors susceptible to corruption or irregularities ■ Conduct targeted inspections into the execution of responsibilities by public officials, including the adherence to administrative discipline and conduct
Customs procedures and policies	■ Review administrative handling related to duty-exempt imports for fixed asset creation, including the submission and finalization of import duty exemption reports ■ Inspect processes related to import duty and tax refunds, post-refund procedures, debt resolution, goods classification, and the application of value-added tax (VAT) policies – especially for items subject to anti-dumping, countervailing and safeguard duties
Cargo management	■ Audit customs procedures for both independent and supervised cargo transportation; transit goods; and the management of bonded warehouses, Container Freight Station (CFS) warehouses, and previously used machinery and equipment
Risk management and information analysis	■ Verify the implementation of risk management protocols, including cargo classification, pre-clearance information gathering and post-clearance oversight ■ Assess compliance with policies governing key goods and the accuracy of data in customs declarations ■ Evaluate the use of electronic seals and the management of onscreen declarations, including procedures for amending, supplementing or canceling customs declarations, as well as the handling of goods under specialized regulatory oversight ■ Assess the implementation of the management processes for those enterprises engaged in the importation of goods for export toll and contract manufacturing
Citizen-related activities	■ Monitor the efficiency of citizen services, focusing on the resolution of complaints, official correspondence and anti-corruption practices, including measures to ensure cost-saving and prevent wasteful expenditure

Specialized inspections (mainly and directly relevant to businesses)	
High-risk import transactions	■ Focus on enterprises importing goods with high import duty rates or substantial import values, with special attention to sectors experiencing sudden increase in import volumes ■ Examine cases where there are potential irregularities regarding customs classification, valuation, country of origin and adherence to specialized product management policies ■ Key covered sectors include textiles (raw materials in apparel), electronic components, machinery, consumer electronics, automotive tires, steel, wood products, consumer goods, medical devices, pharmaceuticals, chemicals, alcoholic beverages, tobacco products, scrap and minerals
Quality and safety oversight	■ Investigate imports with signs of noncompliance related to quality or food safety standards, such as beverages, tobacco, functional foods and cosmetics
Export compliance and fraud prevention	■ Conduct inspections of export enterprises suspected of fraudulent practices in declared customs value, export duty rates or adherence to state management policies ■ Scrutinize export activities in sectors such as wood and mineral-based products, particularly where there is a marked disparity between export volumes and the enterprise's registered capital or historical performance or where there are extraordinary claims for duty refunds
Incentivized investment import activities	■ Evaluate enterprises involved in investment projects or those benefiting from customs duty exemptions/non-dutiable statuses, with an eye toward the thoroughness and clarity of supporting documentation ■ Special emphasis is placed on enterprises importing components for automotive assembly or production, as stipulated by Decree No. 125/2017/ND-CP[3] and its subsequent amendments

3 "No. 125/2017/ND-CP," *THƯ VIỆN PHÁP LUẬT website*, 16 November 2017. Find it here

Implications and recommendations for businesses

The inspection actions under the 2025 Inspection Program will have broad implications for businesses involved in import and export activities. To navigate effectively through this evolving regulatory environment, companies should consider:

- **Strengthening the internal trade compliance system and human resource capabilities**
  With an increased focus on administrative discipline and rigorous customs inspections and audits, it is essential for businesses to review this area. It should include ensuring all transaction documentation, supporting documentation, reporting, timelines, customs procedures, and consistency between customs documentation and others, such as tax and accounting records, are satisfactory and in accordance with the prevailing customs regulations and practices.
- **Performing an internal customs compliance health check**
  Businesses in high-risk sectors, as mentioned in the 2025 Inspection Program, and others in general should regularly undertake internal rapid mock audits and/or full-scope customs compliance health checks. Identifying risks and underlying exposures and conducting voluntary disclosures and amendments with customs authorities before an audit happens may help significantly reduce administrative penalties and exposure consequences – often calculated as a percentage of the customs duty shortfalls (10%–20%, or one to three times the customs duty shortfalls), avoid accusation of tax fraud or evasion and possibly criminal accusations, and maintain a good image in the eyes of the authorities in general.
- **Focusing on traditional customs compliance areas**
  This includes customs classification, customs valuation, origin application and valid proof of origin under different free trade agreements, management of duty-exempt materials imported for export toll and contract manufacturing, management of duty-exempt goods whose use-purpose was changed after import and import license and other non-tariff import measures of sensitive-prescribed goods.
- **Keeping up to date**
  Actively requesting trade compliance personnel to update themselves on the latest common pitfalls in customs audit and have good preparation accordingly.
- **Maintaining collaborative liaison with the authorities**
  Establishing robust channels with the customs authorities through the business's regulatory, corporate affairs or trade compliance teams for continuing communication and dialogue with the customs authorities can facilitate prompt resolution of any issues that may arise during inspections or even during your usual course of daily business.
- **Long-term compliance and sustainability**
  The evolving regulatory environment in Vietnam now calls for a forward-thinking approach. For example, with the proposed change in on-the-spot export and import transactions, many businesses and their supply chain will be impacted, so advance preparation and flexibility are advisable to manage manufacturing disruption.

By adopting these measures, businesses can not only meet the enhanced requirements of the 2025 Inspection Program but also improve their operational resilience and maintain a competitive edge.

For additional information, please contact:

Anh Tuan Thach | + 84 28 3629 7366 | anh.tuan.thach@vn.ey.com

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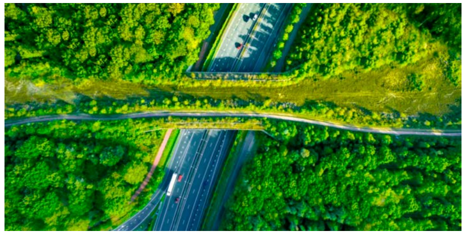

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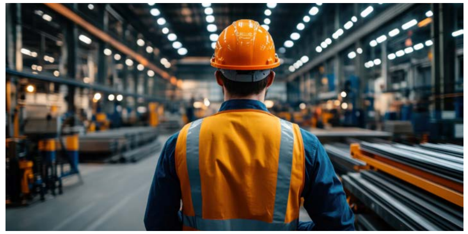

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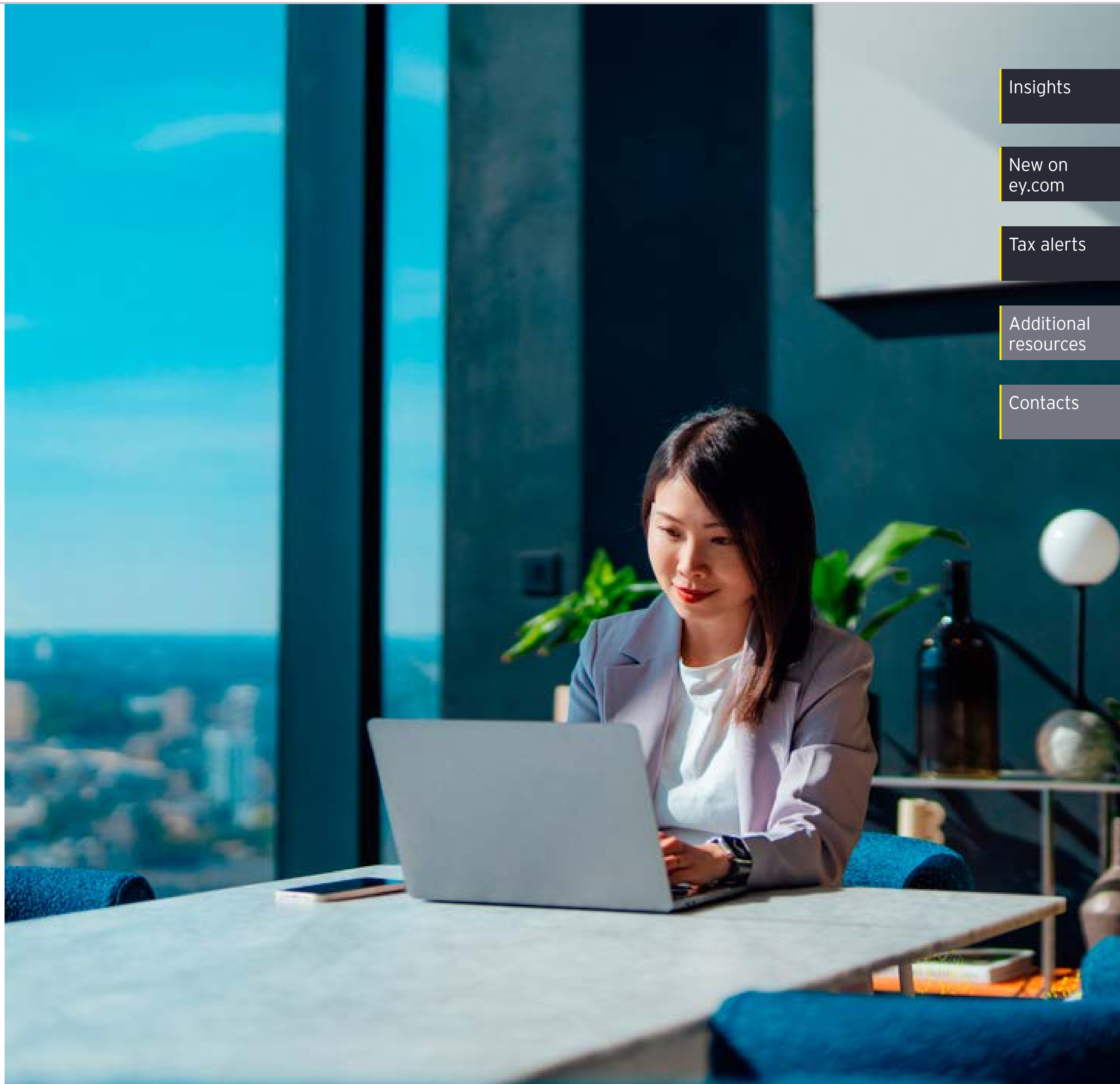

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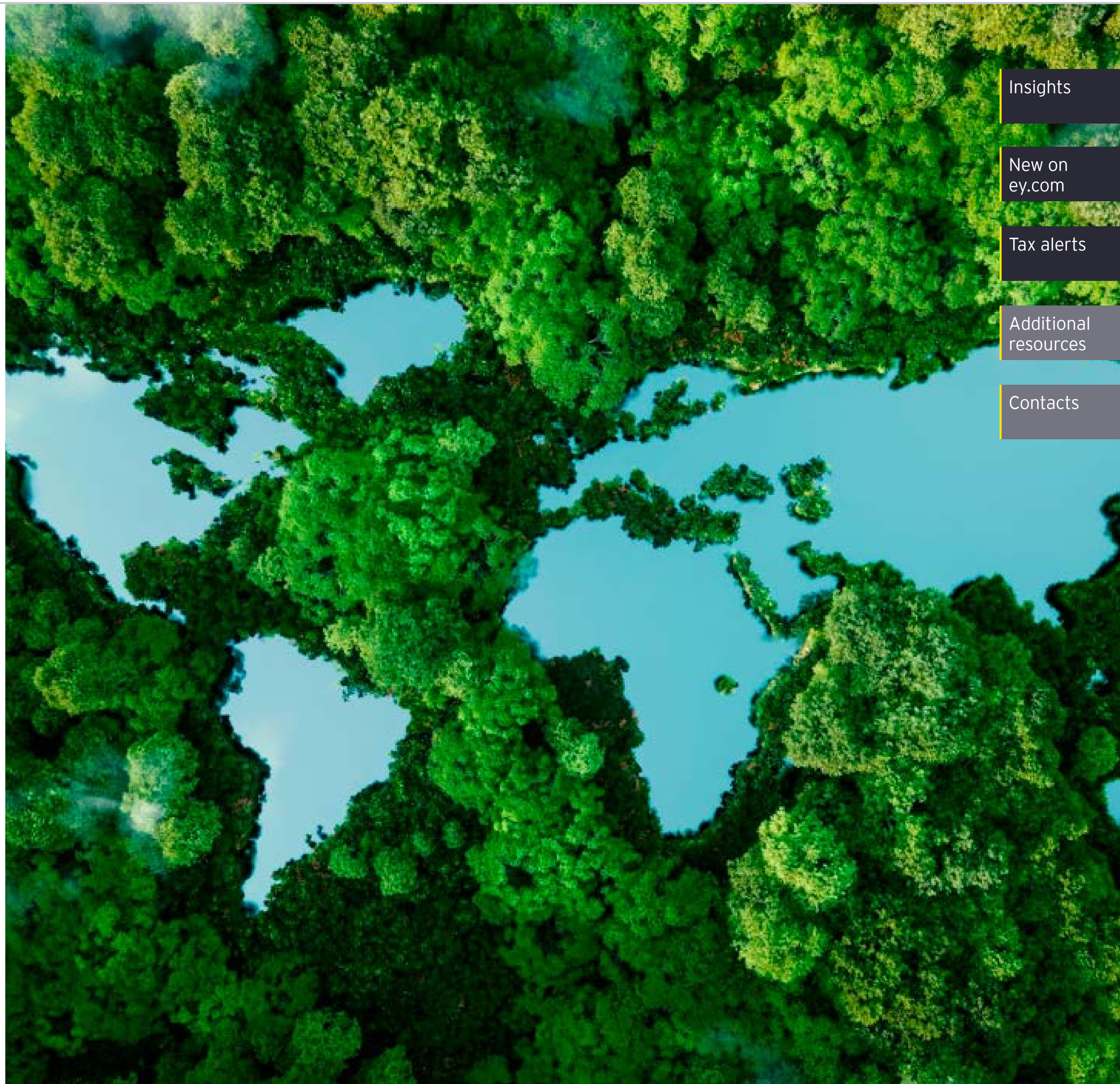


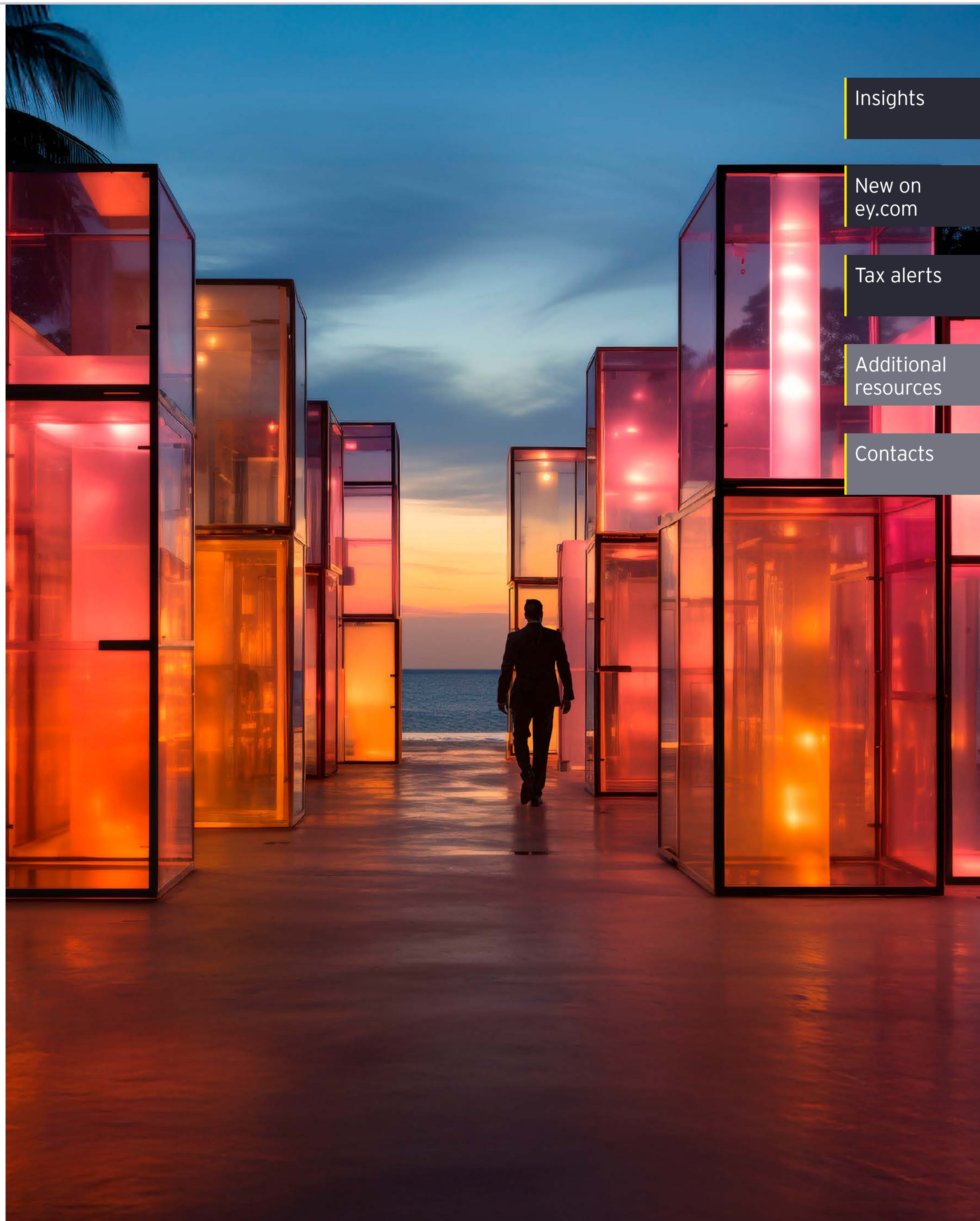
Worldwide VAT, GST and Sales Tax Guide 2025

Outlining value-added tax (VAT), goods and services tax (GST) and sales tax systems in 150 jurisdictions, the 2025 edition of our annual reference book is now available to download as a pdf. The content is current as of 1 January 2025.

This Guide covers a wide range of topics related to taxes on consumption, including information about the scope of the tax in each jurisdiction, who is liable, rates, time of supply, recovery of input tax by taxable persons and non-established businesses, invoicing, returns and payment and penalties. Where applicable, chapters detail the VAT or GST provisions related to the digital economy (including online platforms), e-invoicing and digital tax administration measures. Extended content for 2025 includes a fully revised chapter for Myanmar and outlines of future indirect tax reforms in Brazil, China and Vietnam.

At the back of the Guide, you will find lists of the names and codes for the national currencies and the VAT, GST and Sales Tax rates for the jurisdictions covered.

Click here to find out more.



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New on ey.com
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Additional resources
Contacts

Tax alerts

Americas

Asia-Pacific

Europe, Middle East, India and Africa

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Americas

Brazil

- Brazil enacts bill of law allowing for retaliatory taxation
(15 April 2025)
- Brazil close to enacting bill of law allowing for retaliatory taxation
(03 April 2025)
- Brazilian Senate approves bill of law allowing for retaliatory taxation
(02 April 2025)

Canada

- Latest Canada-US trade developments – as of 10 April 2025
(16 April 2025)
- Canada-China trade relations – March 2025 key developments
(31 March 2025)
- Quebec budget 2025-2026
(28 March 2025)
- Canada is eliminating consumer carbon tax
(21 March 2025)
- Canada imposes new tariffs on US-origin products in response to US tariffs on Canadian steel and aluminum products
(17 March 2025)
- European Union and Canada counter US steel and aluminum tariffs with retaliatory measures
(13 March 2025)
- Canada responds to US Executive Orders imposing tariffs on imports originating in Canada
(11 March 2025)
- US adjusts tariffs on Canada and Mexico in response to automotive industry concerns
(07 March 2025)
- United States imposes additional tariffs on Canada and Mexico, raises additional tariffs on China
(05 March 2025)
- Canada | Nunavut budget 2025-26
(27 February 2025)

Global

- Trade Talking Points | Latest insights from EY's Trade Strategy team – March 2025
(28 March 2025)
- Trade Talking Points | Latest insights from EY's Trade Strategy team – February 2025
(21 February 2025)

Mexico

- US adjusts tariffs on Canada and Mexico in response to automotive industry concerns
(07 March 2025)
- United States imposes additional tariffs on Canada and Mexico, raises additional tariffs on China
(05 March 2025)

Peru

- Likely impact from US tariffs
(16 April 2025)

United States

- EU publishes countermeasures against US tariffs while suspending implementation
(16 April 2025)
- Latest Canada-US trade developments – as of 10 April 2025
(16 April 2025)
- US launches investigation into pharmaceuticals and semiconductors
(15 April 2025)
- US exempts certain electronic products from tariffs under President Trump's Reciprocal Tariff Policy
(14 April 2025)
- US suspends President Trump's Reciprocal Tariff Policy for 90 days, except for China
(11 April 2025)
- EU | United States to impose Reciprocal Tariffs on goods originating from the European Union
(03 April 2025)
- US imposes reciprocal tariffs against trading partners and ends duty-free treatment for low-value shipments from China
(03 April 2025)
- US President Trump announces 25% additional tariff on imported automobiles and automobile parts
(27 March 2025)
- EU postpones countermeasures to US tariffs to mid-April 2025
(24 March 2025)
- Canada imposes new tariffs on US-origin products in response to US tariffs on Canadian steel and aluminum products
(17 March 2025)
- EU responds to US tariffs on steel and aluminum
(14 March 2025)
- European Union and Canada counter US steel and aluminum tariffs with retaliatory measures
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- US adjusts tariffs on Canada and Mexico in response to automotive industry concerns
(07 March 2025)
- United States imposes additional tariffs on Canada and Mexico, raises additional tariffs on China
(05 March 2025)
- US initiates investigation into imports of timber, lumber and their derivative products
(04 March 2025)
- US initiates investigation into imports of copper, scrap copper and copper derivatives
(26 February 2025)
- US initiates review of other countries' imposition of Digital Services Taxes on US companies and opens comment period on nonreciprocal trade arrangements
(25 February 2025)
- US modifies and expands tariffs on steel and aluminum imports, citing national security
(18 February 2025)
- United States initiates review to determine reciprocal tariffs on all trading partners
(14 February 2025)

Asia-Pacific

Australia

- Australia's 2025-26 Federal Budget – two year freeze on beer excise
  (27 March 2025)

China

- US suspends President Trump's Reciprocal Tariff Policy for 90 days, except for China
  (11 April 2025)
- US imposes reciprocal tariffs against trading partners and ends duty-free treatment for low-value shipments from China
  (03 April 2025)
- Canada-China trade relations – March 2025 key developments
  (31 March 2025)
- United States imposes additional tariffs on Canada and Mexico, raises additional tariffs on China
  (05 March 2025)

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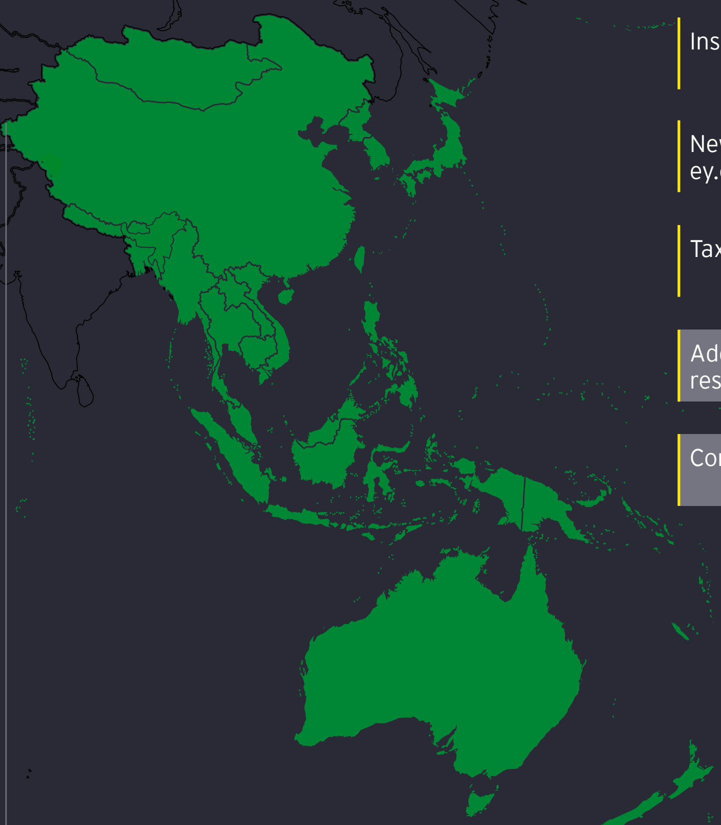

Europe, Middle East, India and Africa

EU

- EU publishes countermeasures against US tariffs while suspending implementation
  (16 April 2025)
- EU | United States to impose Reciprocal Tariffs on goods originating from the European Union
  (03 April 2025)
- EU postpones countermeasures to US tariffs to mid-April 2025
  (24 March 2025)
- European Commission sets conditions and procedures for authorized CBAM declarants
  (20 March 2025)
- EU responds to US tariffs on steel and aluminum
  (14 March 2025)
- European Union and Canada counter US steel and aluminum tariffs with retaliatory measures
  (13 March 2025)
- European Commission releases Omnibus Package I proposal to simplify EU Carbon Border Adjustment Mechanism regulation
  (03 March 2025)
- European Commission announces initiatives to improve competitiveness and adopts 2025 Work Programme
  (25 February 2025)

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- Trade Talking Points | Latest insights from EY's Trade Strategy team – March 2025
  (28 March 2025)
- Trade Talking Points | Latest insights from EY's Trade Strategy team – February 2025
  (21 February 2025)

Kenya

- Kenya Tax Appeals Tribunal rules that packaging materials can qualify for excise duty relief under certain circumstances
  (26 February 2025)

Saudi Arabia

- Saudi Arabia announces 21st wave of Phase 2 e-invoicing integration
  (03 March 2025)

Uganda

- Uganda issues Tax Amendment Bills for 2025
  (07 April 2025)

United Kingdom

- UK e-invoicing consultation published
  (17 February 2025)

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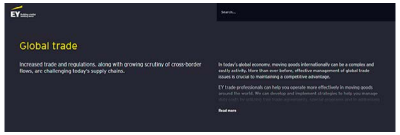

Global trade on ey.com

While indirect tax is a part of everyday life in most countries, the rise of new technologies and expanding global trade adds additional layers of complexity. Learn what EY can do for you, connect with us or read our latest thinking.

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Contacts

Global

Jeroen Scholten
EY Global Trade Practice Leader

Trade knowledge team

Richard Albert
Ernst & Young GmbH, Germany Global Trade Partner

Lynlee Brown
Ernst & Young, LLP Global Trade Partner

Ian Craig
Ernst & Young Assessoria Empresarial Ltda, Brazil Global Trade Partner

Sergio Fontenelle
Ernst & Young, LLP Global Trade Leader

Michael Leightman
Ernst & Young, LLP Global Trade Partner

Shenshen Lin
Ernst & Young LLP UK, Global Trade Partner

Rocio Mejia
Mancera, S.C., Mexico Global Trade Leader

Suresh Nair
Ernst & Young, LLP Global Trade Partner

Yoichi Ohira
Ernst & Young Tax Co Japan, Indirect Tax Leader

Carolina Palma
Ernst & Young S.A. Costa Rica, Global Trade Leader

Waine Peron
EY Latin America, Global Trade Leader

Martijn Schippers
Ernst & Young Belastingadviseurs LLP, Netherlands, Indirect Taxation and Global Trade

Paul Smith
EY Oceania, Global Trade Leader

Global Trade contacts

Global Trade contacts by jurisdiction

Americas

Argentina

Sergio Stepanenko
+ 54 11 4318 1648

Brazil

Ian Craig
+ 55 21 32637362

Fernando Fagiani
+ 55 11 2573 6913

Cesar Finotti
+ 55 11 2573 6465

Gabriel Martins
+ 55 21 3263 7201

Waine Peron
+ 55 11 2573 3559

Canada

Helen Byon
+1 613 598 0418

Kristian Kot
+ 1 2502 948384

Sylvain Golsse
+ 1 4169 325165

The Caribbean

Rose Boevé
+ 599 0 430 5076

Colombia

Nicole Velasquez Amaya
+ 57 1 4847036

Costa Rica

Carolina Palma
+ 506 2459 9727

Mexico

Karla Cardenas
+ 52 664 681 7844

Roberto Chapa
+ 52 818 152 1853

Rocio Mejia
+ 52 555 283 8672

Jorge Nasif
+ 52 551 101 7327

Peru

Giancarlo Riva
+ 51 1411 4448

United States

Jay Bezek
+ 1 704 331 1975

Lynlee Brown
+ 1 858 535 7357

Sergio Fontenelle
+ 1 212 466 9780

Nathan Gollaher
+ 1 312 879 2055

Michael Heldebrand
+ 1 408 947 6820

Michael Leightman
+ 1 713 750 1335

Bryan Schillinger
+ 1 713 750 5209

Prentice Wells
+ 1 408 947 5438

Shane Williams
+ 1 713 751 5715

Helen Xiao
+ 1 312 879 3022

Asia-Pacific

Australia

Luke Branson
+ 61 3 9288 8369

Kylie Norman
+ 61 2 9248 4765

China Mainland

Lynette Dong
+ 86 21 2228 4107

Yao Lu
+ 86 139 1015 1448

Bryan Tang
+ 86 21 2228 2294

Hong Li Wang
+ 86 10 5815 2307

Dong Xu
+ 86 21 2228 3216

Tina GY Zhang
+ 86 10 58152197

Hong Kong

Tina Robb
+ 852 31894435

Japan

Yumi Haraoka
+ 81 3 3506 2110

Yoichi Ohira
+ 81 3 3506 2110

Korea (South)

Dongo Park
+ 82 23 787 4337

Malaysia

Jalbir Singh Riar
+ 60 3749 58329

New Zealand

Paul Smith
+ 64 9 348 8409

Phillipines

Lucil Vicerra
+ 63 288 948 115

Singapore

Donald Thomson
+ 65 6309 8636

Taiwan

Vivian Wu
+ 886 2 2728 8833

Thailand

William Chea
+ 662 264 9090

Vietnam

Anh Tuan Thach
+ 84 28 3629 7366

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Global Trade contacts by jurisdiction continued

Europe, Middle East, India and Africa

Albania, Bulgaria, Kosovo and North Macedonia

Milen Raikov
+ 359 2 8177 155

Austria

Theresa Arlt
+ 43 1 211 70 1102

Belgium

Antoine De Donder
+ 32 2 749 36 90

Erwin De Vos
+ 32 2 774 93 75

Jef d'Hollander
+ 32 4 851 58 852

Christina Horckmans
+ 32 2 774 93 22

Philippe Lesage
+ 32 2 774 92 69

Kristof Verbist
+ 32 2 774 90 86

Keshia Wagner
+ 33 6 61 08 49 83

Denmark

Anne-Mette Høiriis
+ 45 51582559

France

Marguerite Trzaska
+ 33 1 46 93 84 32

Germany

Richard J Albert
+ 49 211 9352 17756

Robert Boehm
+ 49 211 9352 10529

Nadin Nottekämper
+ 49 211 9352 26138

Frank-Peter Ziegler
+ 49 6196 996 14649

Greece

Nicoleta Merkouri
+ 30 697 3773203

Hungary

Attila Fulop
+ 36 30 559 1364

Aron Nagy
+ 36 1 451 8636

India

Ruchi Bhat
+ 91 98 6044 1874

Sourabh Jain
+ 91 98 1800 9094

Suresh Nair
+ 91 98 9275 7475

Agneshwar Sen
+ 91 98 11167838

Ireland

Colin Doolin
+ 353 1 2212949

Deirdre Hogan
+353 1 221 2433

Italy

Alessandra Di Salvo
+ 39 335 7361484

Kenya/rest of Africa

Hadijah Nannyomo
+ 254 20 2886000

Middle East and North Africa

Ramy Rass
+ 971 4 7010900

Netherlands

Caspar Jansen
+ 31 88 407 1441

Bastiaan Kats
+ 31 88 40 73806

Martijn Schippers
+ 31 88 407 9160

Jeroen Scholten
+ 31 88 407 1009

Norway

Øystein Arff Gulseth
+ 47 982 06 387

Narve Løvø
+ 47 982 06 238

Poland

Slawomir Czajka
+ 48 71 711 88 93

Spain

Hugo Gonzalez Collazo
+ 34 915 725 139

Pedro Gonzalez-Gaggero
+ 34 954 665 246

South Africa/rest of Africa

Redge de Swardt
+ 27 21 443 0637

Sweden

Linnea Jacobsen
+46 76 8472624

Iman Kamareh
+46 73 4129515

Switzerland

Ashish Sinha
+ 41 58 286 5906

Turkey

Sercan Bahadir
+ 90 212 408 53 41

Yakup Gunes
+ 90 212 408 58 38

Sedat Tasdemir
+ 90 212 408 52 57

United Kingdom

Onelia Angelosanto
+ 44 161 234 0508

Marc Bunch
+ 44 20 7980 0298

Ross Freeman
+ 44 20 7000 3988

Penelope Isbecque
+ 44 113 298 2447

Gerard Koevoets
+ 44 20 7951 6496

Shenshen Lin
+ 44 20 7951 2063

Global and Trade knowledge team contacts
Americas and Asia-Pacific contacts

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