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Customs and Global Trade Updates

July 2022

This update highlights the following matters:

- ▶ 2022 Nomenclature of exports and imports in Vietnam
- ▶ List of products under the management of the Ministry of Transport (MoT)
- ▶ Quotas for textiles and garments exported to Mexico in 2022 under the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)
- ▶ Anti-dumping duty imposed on plastic products imported from Malaysia, Thailand and China
- ▶ List of cyberinformation security products subject to import license

Various Official Letters (OL) were issued by the GDC, regarding:

- ▶ Customs procedures for exported goods changing border gates
- ▶ Tax and duty treatment for machinery and equipment temporarily exported under lease contracts
- ▶ Value Added Tax (VAT) on imported chemicals
- ▶ Checking the signature and seal for the preferential certificate of origin (C/O)
- ▶ CPTPP tariff rates applied for goods imported from Peru
- ▶ Classification of Pellet press machines used in animal feed production

For other Tax and Law Updates, visit [here](#).

2022 Nomenclature of exports and imports in Vietnam

On 8 June 2022, the Ministry of Finance (MoF) issued Circular 31/2022/TT-BTC (Circular 31) providing the 2022 Nomenclature of exports and imports in Vietnam. Circular 31 includes

- ▶ Appendix I: 2022 Nomenclature of exports and imports in Vietnam
- ▶ Appendix II: Six general rules of classification corresponding to the 2022 Nomenclature

Circular 31 takes effect from 1 December 2022 and replaces Circular 65/2017/TT-BTC issued on 27 June 2017 by MoF and amended by Circular 09/2019/TT-BTC dated 15 February.

List of products under the management of the MoT

On 30 June 2022, the MoT issued Circular 12/2022/TT-BGTVT (Circular 12) providing a list of potentially unsafe products under the management of the MoT:

- ▶ Appendix I: List of imported goods or domestically produced products that must be certified for technical safety and environmental protection quality before customs clearance or before circulating into the domestic market
- ▶ Appendix II: List of imported goods or domestically produced products that must be certified for technical safety and environmental protection quality or qualify for the State Standard after customs clearance and before circulating into the domestic market

For imported goods in the lists, enterprises must perform relevant procedures to obtain a certificate and/or confirmation of satisfaction of the State Standard before customs clearance or after customs clearance and before being sold domestically.

If the HS code specified in Circular 12 is different from that in the List of Vietnam's exports and imports issued by the MoF, the HS code issued by the MoF shall prevail.

Circular 12 takes effect from 15 August 2022 and replaces Circular 41/2018/TT-BGTVT dated 30 July 2018 issued by MoT.

Quotas for textiles and garments exported to Mexico in 2022 under the CPTPP

On 4 July 2022, the Ministry of Industry and Trade (MoIT) issued Decision 1334/QD-BCT providing quotas for four categories of textiles and garments exported to Mexico in 2022 under the CPTPP.

The preferential treatment, management mechanism and control principles are detailed in Circular 07/2019/TT-BCT dated 19 April 2019 by the MoIT.

Companies who export under quotas or non-quotas must register their information with the MoIT for the purpose of management of textiles and garments exported to Mexico under the CPTPP.

Decision 1334 is effective until the end of 31 December 2022.

Anti-dumping duty imposed on plastic products imported from Malaysia, Thailand and China in 2025

On 15 July 2022, the MoIT issued Decision 1403/QD-BCT (Decision 1403) providing the results of the first review on the application of anti-dumping measures on a number of plastic products made from propylene polymers originating from Malaysia, Thailand and China.

For the following plastic products, upon importation into Vietnam, anti-dumping duty will be imposed:

- ▶ Description of goods: plastic products and plastic products made from polypropylene polymers with a thickness from 10 microns to 80 microns and width from 115mm to 7800mm
- ▶ HS codes: 3920.20.10 and 3920.20.91
- ▶ Origin: Malaysia, Thailand and China
- ▶ Application period: from 20 July 2022 to 22 July 2025

Details of anti-dumping duty corresponding to each supplier are specified in Decision 1403. Generally, for goods originated from China, anti-dumping duty is from 9.45% to 23.71%; from Thailand, it is from 17.30% to 20.35% and for those originated from Malaysia, anti-dumping duty is from 18.87% to 23.42%.

Decision 1403 takes effect 5 days after the date of signing and replaces Decision 1900/QD-BCT dated 20 July 2020 by the MoIT.

List of cyberinformation security products subject to import license

On 20 July 2022, the Ministry of Information and Communication (MoIC) issued Circular No. 10/2022/TT-BTTT (Circular 10) amending a number of articles of Circular No. 13/2018/TT-BTTT dated 15 October 2018.

Circular 10 provides the following amendments:

- ▶ The Information Security Department (ISD) - MoIC is in charge of issuing import licenses.
- ▶ An enterprise is allowed to submit an application for an import license via the Public Service Portal of the MoIC, <https://dichvucong.mic.gov.vn> or the National Public Service Portal.
- ▶ An import license can be obtained directly at the ISD, or through the postal service or in the form of an e-license published on the Public Service Portal.
- ▶ Within 5 working days from the date of submission, an import license will be granted if documents are sufficient. If not, the application of an import license will be rejected. The ISD will inform the enterprise of the reasons for the rejection.

- If the import license is lost or damaged, an enterprise can apply for a replacement or new import license. The replacement or new import license will be issued within two working days.

Circular 10 provide a new list of cyberinformation security products subject to import license and the templates of the application and import license which will replace Annex I and II of Circular 13/2018/TT-BTTTT by the MoIC.

Circular 10 takes effect from 15 September 2022. Import licenses issued before the effective date of Circular 10 are still effective until the expired date stated in the license.

Guidance provided in the Official Letters of the GDC

No.	Subject	Contents
2846/TCHQ-GSQL Dated 12 July 2022	Customs procedures for exported goods changing border gates	<p>During export customs clearance procedures, if the information on place of loading, the means of transport and the place of destination for tax-suspension transportation remains unchanged, the goods owner is not required to make additional customs declarations.</p> <p>If the name of the transportation vehicle changes before goods are loaded on the means of transport, the goods owner does not have to make any additional declaration, the shipping line is responsible for notifying the change to the customs authority.</p> <p>If the name of the transportation vehicle and port of loading changes before goods are loaded on the transport, the goods owner is required to make an additional customs declaration to revise the relevant information on the export customs declaration.</p> <p>For any information, other than the above, the goods owner is required to make an additional customs declaration as prescribed in customs regulations.</p> <p>After receiving the goods at the designated place, as declared on export customs declaration, the shipping line (or the person authorized by the shipping line) is required to lodge a customs declaration under the form of independent</p>

No.	Subject	Contents
		transportation and then deliver goods under customs supervision.
<p>2633/TCHQ-TXNK Dated 29 June 2022</p>	<p>Tax duty treatment for machinery and equipment temporarily exported under a lease contract</p>	<ul style="list-style-type: none"> ▶ Regarding the import duty: if the M&E is temporarily exported under a lease contract and is not used for the construction of the facilities of a foreign enterprise; or used within a certain period of time, duty will be not exempted. Accordingly, enterprises must pay export duty (if any) upon the temporary exportation and import duty upon the re-importation of such M&E. ▶ Regarding import VAT: VAT is not applicable on such M&E neither on the temporary exportation nor on the re-importation of such M&E.
<p>2837/TCHQ-TXNK Dated 12 July 2022</p>	<p>VAT on imported chemicals</p>	<ul style="list-style-type: none"> ▶ Basic chemicals which are imported, produced or traded shall be eligible for a VAT reduction from the rate of 10% to 8% according to Decree 15/2022/NĐ-CP dated 28 January 2022 by the Government (Decree 15). ▶ Imported chemical products will be not eligible for VAT reduction. Refer to Appendix I, Decree 15 for further details of chemical products.
<p>2844/TCHQ-GSQL Dated 12 July 2022</p>	<p>Verify the signature and seal on a preferential C/O</p>	<p>To verify the signature and seal on a preferential C/O issued according to the Regional Comprehensive Economic Partnership (RCEP), the customs authorities and the enterprise can do the following:</p> <ul style="list-style-type: none"> ▶ Login to the website: https://rcept.sharepoint.com ▶ Search relevant information, as follows :

No.	Subject	Contents
		<ul style="list-style-type: none"> ▶ Sample of seal and signature of the agency or organization who are authorized to sign the C/O (item: Specimen Signatures) ▶ Information of exporters who are eligible to issue self-certification documents of origin on the tab "List of Approved Exporters"
2453/TCHQ-TXNK Dated 12 July 2022	CPTPP tariff rates applicable for goods imported from Peru	<p>For goods with an HS code of 04.07, 17.01, 24.01, 25.01 which are imported under import quotas, code B21 should be declared on import customs declarations and the special tariff rate according to Decree 57/2019/ND-CP (Decree 57) will be applicable. If the imported quantity of such goods is out of the quotas, the tariff rate specified in Clause 7, Article 1, Decree 125/2017/ND-CP (Decree 125) will be applicable.</p> <p>For goods with an HS code of 87.02, 87.03, 87.04 which are imported under import quotas, code B22 should be declared on the import customs declarations and the special tariff rate according to Decree 57 will be applicable. If the imported quantity of such goods is out of the quotas, the tariff rate specified in Clause 7, Article 1, Decree 125 will be applicable.</p> <p>For goods imported from Peru into Vietnam, if the conditions for the entitlement of the special preferential import tariff under the CPTPP are met, code B21 should be declared on the import customs declaration. If goods are imported from Peru to Vietnam and vice versa from 19 September 2021 before the effective date of Decree 21/2022/ND-CP and if a higher duty rate is declared, the overpaid tax and duty will be refundable according to Official Letter No. 4470/TCHQ-TXNK dated 9 July 2019.</p>
2631/TCHQ-TXNK	Classification of Pellet press machine used in	Pellet press machines used for animal feed production will be classified based on their

No.	Subject	Contents
Dated 29 June 2022	animal feed production	<p>structure, function, utility, documents, technical specifications, scale and scope of use.</p> <p>If a pellet press machine is used on livestock farms directly, it should be classified under heading 84.36.</p> <p>If a pellet press machine is used in industrial production or processing and the output products are packed for transportation, it should be classified under heading 84.38. In this case, the documents on utility, scale and scope of use which are used for the purpose of classification must be submitted to the customs authorities.</p>

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APAC No. 16090801

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