

Increased monitoring of import declarations by the Dutch Customs Authorities

On July 27, 2021, the Dutch Customs Authorities (DCA) announced that monitoring activities for imports in certain sectors will be increased. The following summary provides an update of this announcement.

Points to consider

- **Clothing (textiles) and shoes:** The DCA will focus on the customs value and tariff classification of clothing and shoes imported from China, Vietnam, Bangladesh, Hong Kong, India, Pakistan and Thailand. We recommend that you verify the customs value and commodity codes if you import clothing from these countries.
- **Biodiesel:** The DCA will increase their monitoring of the origin and tariff classification of imports of biodiesel and used cooking oil. The main reason for the increased monitoring is the countervailing duties currently in place on biodiesel originating from the United States. The EU has been imposing countervailing duties on biodiesel of US origin since 2009. These measures were renewed in 2011 and in September 2015 extended until 2020. A second extension followed and as of July 29, 2021 definitive countervailing duties are in place on biodiesel originating from the US.
- **E-commerce:** As of July 1, 2021, the amended VAT rules for e-commerce took effect. In light of this the DCA has indicated that e-commerce consignments will be more intensively audited. The focus of the audits will be on the customs valuation and whether this value is not too low. Changes in the VAT rules for e-commerce include, for example, the abolition of the VAT exemption for low-value consignments under EUR 22. However, the customs duty exemption for low-value consignments under EUR 150 still applies.

In addition, exemption codes in the import declaration will also be increasingly monitored. There are two exemption codes for low-value goods: C07 for consignments with a customs value under EUR 150 that are shipped directly to a customer in the EU, and C08 for non-commercial consignments with a customs value under EUR 45 shipped from one individual to another. The correct application of these exemptions will be monitored.

- **E-bikes:** The EU has imposed definitive anti-dumping duties on imports of electric bicycles (e-bikes) originating from China. In this regard, the DCA will more closely monitor the origin and customs value of e-bikes imported into the Netherlands.

The DCA explicitly stated that increased monitoring will be carried out on the abovementioned items. However, other elements of the import declarations may also be subject to additional scrutiny.

Recommended next steps

We recommend that businesses importing the aforementioned goods assess/reassess their customs position to ensure customs declarations are filed in a compliant manner. Importers often rely on the information provided by the supplier (e.g. commodity code and origin). However, it is the importer that is responsible for filing correct customs declarations. Having a compliant set-up can avoid penalties and possibly other measures (e.g. withdrawal of customs authorisations) being imposed by the DCA.

KPMG Meijburg & Co is well placed to provide you with advice about your customs activities. Our team combines years of practical experience with a thorough knowledge of the applicable customs laws and regulations that govern cross-border goods trade. Our specialists are therefore happy to support you in implementing a compliant customs set-up.

KPMG Meijburg & Co
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