

March, 20th 2020

Customs and Trade - Measures taken & announced by the French Customs Administration (DGDDI) & the European Commission.

- **The DGDDI is setting up a platform for Questions and Answers.**

Government movement restrictions do not apply to goods. <https://www.douane.gouv.fr/covid-19-reponses-vos-questions-les-plus-frequentes>

- **Is there any facilities for the payment of duties and taxes collected by the customs administration (DGDDI)?**

The DGDDI explains that at present the emergency measures taken by the government only concern direct taxes. Duties and taxes collected by the customs administration are therefore not included.

It should be recalled that since **VAT on imports** is an own resource of the European Union, the latter is fully competent, particularly in the area of remission. Furthermore, since 2016, a large number of companies have been granted a reverse-charge authorization enabling them to avoid paying import VAT.

Customs duties and anti-dumping duties are also own resources of the European Union budget, but their mechanism is different from that of VAT: it is not possible to deduct them, nor to proceed to a reverse-charge : it is a real burden for the company.

Finally, as regards **excise duties applicable to alcohol, tobacco and energy products** (i.e. National consumption taxes, NCT), they do not correspond to EU own resources but are directly fed into the general budget of each Member State. The absence of payment facilities is therefore all the more surprising insofar as the French State has total room for manoeuvre with regard to these taxes, the weight of which is very significant for companies which, for example, use petroleum products, natural gas or electricity for their manufacturing process.

The DGDDI states that each case will be analysed in the light of the applicant's financial situation.

The Customs & International Trade Department of DS is at your side to assist you in your dealings with the customs authorities.



▪ **Notice from French Customs to pharmacists wishing to manufacture hydro-alcoholic gel**

The DGDDI has communicated for pharmacists wishing to prepare hydro-alcoholic solutions intended for human hygiene in application of the decree of the Directorate General for Health of 6 March 2020 on various measures relating to the fight against the spread of the covid-19 virus.

In order to be supplied with alcohol exempted from tax (i.e. excise duty) for the manufacture of these preparations, pharmacists must :

- Have a tax "user status"...
- Obtain alcohol from an alcohol supplier with authorized warehousekeeper (AW) status
- Apply the WHO formula contained in the decree of 6 March 2020 of the Directorate General for Health for the manufacture of hydro-alcoholic gel. This will allow the pharmacist to benefit from tax exemption, as this operation is equivalent to denaturing the alcohol by a special process in application of article 302 D bis I b of the CGI;
- To justify at any request of the administration that the alcohol received has been used in the conditions provided for (conservation of the documents accompanying the alcohol received, followed by the alcohol received and the quantities used for the preparation of hydro-alcoholic gel).

▪ **Commission ensures continuation of trade defence proceedings despite limitations imposed by the VIDOC epidemic-19**

These measures will allow the Commission to pursue its trade defence activity on a sound factual basis and within the legally binding deadlines. The current exceptional circumstances prevent the Commission services from carrying out verification visits at the premises of the companies concerned and may affect the respect of procedural deadlines by interested parties.

The measures include making greater use of written submissions and granting, where warranted, additional flexibility to companies with regard to time limits for submission. As soon as the health situation permits, the Commission will be ready to review on its own initiative any trade defence measures adopted on the basis of data which could not be fully verified due to the circumstances of COVID-19 and to adapt them if necessary.

More information : [Notice on the consequences of the COVID-19 outbreak on anti-dumping and anti-subsidy investigations](#)



- **Commission acts to ensure the provision of personal protective equipment in the European Union**

The Commission has announced measures to ensure the provision of protective equipment for citizens. Trade Commissioner Phil Hogan said: "*The challenges posed by the spread of VIDOC-19 justify the urgency of this action. The Commission is sparing no effort to offer concrete help to our citizens and all those who care for them*".

The Commission thus adopted Implementing Regulation (EU) 2020/402 on 14 March 2020 making the export of certain products subject to the presentation of an export authorization. This implementing act, adopted by emergency procedure, provides for authorizations for exports to third countries. The export of personal protective equipment is now subject to authorization under penalty of an export ban. Member States shall process applications for export authorizations within a time limit set by national law, which may not exceed 5 working days. The products covered by this export authorization are protective goggles and visors (e.g. 9004 90 10), face shields (ex 3926 90 97), oral and nasal protection equipment (ex 6307 90 98), protective clothing (ex 3926 20 00) and gloves (ex 4015 11 00).

The Regulation will be valid for a period of six weeks, during which Member States will be consulted on potential adaptations and the scope of the current measure and future steps.

More information: [Règlement d'exécution 2020/402](#)

Our teams remain mobilized to answer your questions.



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