

# Indirect Taxnewsflash

KPMG IN ROMANIA

## C-TPAT (AEO) Security Criteria recognized by Chinese Customs Authority

### Services

- General training
- Industry focused training
- Client customized training
- Revision of the implementation of the new rules regarding VAT and customs duties
- Advisory services on specific issues

### CUSTOMS

Following a series of discussions and joint activities between the US Customs and Border Protection service and the Chinese Customs Authority, the latter has adopted the C-TPAT (Customs-Trade Partnership Against Terrorism) criteria for the security of supply chains, as a minimum guide for the Chinese Customs Authority and also for interested companies, starting from the beginning of the year.

The US and Chinese authorities will start a pilot program in China for a few US companies involved in imports of goods from China which would like to obtain the full benefits of C-TPAT.

The criteria for choosing the US companies which were invited to participate in the pilot program were the volume, product type and location of their supply chains in China.

The program will be evaluated by the Customs Authorities in the US and China and future policy on C-TPAT recognition will be decided based on the results.

Considering that the security criteria which form the basis of the C-TPAT program are similar to those for the Authorized Economic Operator (AEO) program, (the EU equivalent of the C-TPAT) we believe that in the near future the EU Commission and the Chinese Customs Authority are likely to adopt a similar common guide for the security of supply chains between Chinese and EU companies.

Over the next few years, it is likely that both AEO status and the C-TPAT will be recognized by the main participants in global trade and this will create many benefits for the owners of such certifications.

## About us

Our team consists of more than 85 Romanian and international consultants, with command of local and international legislation, organized to be able to react at short notice to requests for tax assistance covering a wide range of issues.

## Further Information

If you would like to learn more about the support KPMG can offer your business, please do not hesitate to contact us.

For further information about changes in legal provisions, as well as other issues related to customs, please contact Ana Maria Notingher at [anotingher@kpmg.com](mailto:anotingher@kpmg.com) or Vincensso Salagean at [vsalagean@kpmg.com](mailto:vsalagean@kpmg.com) or at (+40) 744 800 800.

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