

Indirect Taxnewsflash

KPMG IN ROMANIA

Possible anti-dumping tax for certain construction materials originating from China

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Possible anti-dumping tax for certain products imported from China

The European Commission has issued a note to warn importers about the initiation of an anti-dumping procedure related to the import into the EU of certain iron and steel elements for fastening.

On 26 September.2007 the European Industrial Fasteners Institute (EIFI) made a complaint to the Commission in the name of certain EU importers which have been affected by the high market share of imports of fastening elements originating from China. The EIFI claimed that these fastening elements are being dumped and therefore cause financial prejudice to Community industry. As a result of the EIFI's complaint, the European Commission has issued a note to announce the initiation of an anti-dumping procedure related to these goods.

The products that are allegedly being dumped are classified (according to TARIC - the Community customs tariff) in tariff position 7318 and include: screws, bolts, nuts, coach screws, screw hooks, rivets, washers etc.,

generically named ***fastening elements of iron or steel.***

These products are mostly used in industry and in civil or industrial constructions. Consequently an increase in price due to an anti-dumping tax might generate significant financial exposure for EU economic operators in these sectors.

This is especially relevant to investment projects in construction where deadlines and costs are anticipated by contracts for the acquisition of construction materials which have originated in countries like China.

The issuing of the note for the initiation of an anti-dumping tax by the European Commission will lead to audits by customs authorities in Member States to investigate commercial transactions which include this category of goods and especially the customs value declared at the point of entry of the goods into free circulation on EU territory).

Economic operators are advised to ensure that they can present supplementary evidence regarding the acquisition prices for this category of goods.

About us

KPMG Romania's Tax Department consists of more than 85 Romanian and international consultants, having command of local and international legislation, organized to be able to react at short notice to any request for tax assistance you may require.

Announcement

If you would like more information about the effects of EU accession on your business and the support KPMG can offer you, 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 or Vincensso Salagean at vsalagean@kpmg.com or at (+40) 744 800 800.

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