



**Australian
BORDER FORCE**

Australian Customs Notice No. 2022/32

Temporary duty reduction for goods from Ukraine

Commencing on 4 July 2022 and for a 12 month period, goods that are the produce or manufacture of Ukraine, will have a 'Free' rate of duty. This arrangement is established by Notice of Intention to Propose Customs Tariff Alterations (No. 5) 2022 (the Notice) ([Attachment A](#)), signed on 11 July 2022.

Rules of Origin

Goods are determined to be the produce or manufacture of Ukraine, if they meet the requirements under Division 1A of Part VIII of the *Customs Act 1901* as it applies to Developing Countries. For the purposes of determining originating status for goods from Ukraine, inputs from other Developing Countries can be included as originating in the qualifying region.

For the purposes of determining originating status for goods from other Developing Countries, inputs from Ukraine cannot be included as originating in the qualifying region.

To ensure that a 'Free' rate of customs duty is accessible to goods that may be the produce or manufacture of Ukraine, goods containing inputs from Russia and Belarus, can still be considered originating provided they meet the rules of origin requirements.

Integrated Cargo System

The temporary rates for Ukraine will be entered into the Integrated Cargo System (ICS) as soon as practical following the registration of the Notice. The rates will retrospectively commence on 4 July 2022. Any goods entered for home consumption on or after 4 July 2022 until the time the temporary rates have been entered into the ICS will need to apply for a refund. Refund circumstance 'EB' should be quoted.

To declare these goods, the following details must be recorded on the import declaration (Nature 10, Nature 30 or Nature 10/20):

1. In the **Origin Country Code** field enter the two-digit United Nations country code **UA**.
2. In the **Preference Origin Country Code** field enter the country code **UA**.
3. In the **Preference Scheme Type** field, click on the drop down button and select **DCU** (Developing Country – Ukraine).
4. In the **Preference Rule Type** field click on the drop down button and select one of the following options representing the preferential rule of origin that the good meets:
 - **P50** (Partly manufactured goods with a minimum 50% local content – no accumulation)
 - **URP** (Unmanufactured raw product)

Concessional Tariff Treatment

Goods that are the produce or manufacture of Ukraine can claim Schedule 4 concessions where appropriate. Arrangements for goods valued at, or less than, AUD 1,000 are not impacted by this change.

Excise-equivalent goods

Excise-equivalent customs duties applied under Chapters 22, 24, 27, 29, 34 and 38 of Schedule 3 to the *Customs Tariff Act 1995* will continue to apply to goods that are the produce or manufacture of Ukraine. The temporary reduction to the excise-equivalent rates that apply to certain imported fuels made by the *Customs Tariff Amendment (Cost of Living Support) Act 2022*, will also apply to goods from Ukraine.

Customs Tariff Working Pages and the Online Tariff

The following text will be added to the footnote section of all chapters except Chapters 22, 24, 27, 29, 34 and 38.

From 4 July 2022, goods of Ukraine, in accordance with proposed section 18B of the Customs Tariff Act 1995, are Free.

The following text will be added to the footnote section of Chapters 22, 24, 27, 29, 34 and 38.

From 4 July 2022, for goods of Ukraine, in accordance with proposed section 18B of the Customs Tariff Act 1995, if a DC rate is shown, then the DC rate applies, if no DC rate shown Free rate applies.

The Online Tariff will be updated to reflect the new footnotes shortly. No Customs Tariff Working Pages will be issued in relation to these changes due to the comprehensive nature of the changes.

Restrictions on importing goods from certain locations

The Autonomous Sanctions Regulations 2011 bans the importation of goods from specified regions of the Ukraine. These arrangements are administered by the Department of Foreign Affairs and Trade, further information is available at [Specified Ukraine regions sanctions regime | Australian Government Department of Foreign Affairs and Trade \(dfat.gov.au\)](https://www.dfat.gov.au/ukraine-sanctions). The temporary duty reduction on goods from Ukraine does not alter the operation of the sanctions.

Any queries related to this issue can be directed to tradepolicy1@abf.gov.au.

[Signed]

Alison Neil

A/g Assistant Secretary

Customs and Trade Policy Branch

Australian Border Force

11 July 2022

Attachment A
Notice of Intention to Propose Customs Tariff
Alterations (No. 5) 2022

NOTICE OF INTENTION TO PROPOSE CUSTOMS TARIFF ALTERATIONS (NO. 5) 2022

In accordance with section 273EA of the *Customs Act 1901*, read with section 56 of the *Legislation Act 2003*, I, Alison Neil, delegate of the Minister for Home Affairs, give notice that it is intended, within 7 sitting days of the House of Representatives after the date of registration of this Notice, to propose in the Parliament a Customs Tariff alteration in accordance with the particulars specified in the Schedule to this Notice.

The alteration operates starting on 4 July 2022.

Schedule—Alteration to the *Customs Tariff Act 1995* operating starting on 4 July 2022

1 Subsection 16(1)

Before “20”, insert “18B,”.

2 Before section 19

Insert:

18B Temporary decrease in duties for goods from Ukraine

General rate of duty

- (1) Subject to subsection (2) and section 20, the duty in respect of goods:
 - (a) that are the produce or manufacture of Ukraine; and
 - (b) that are imported into Australia during the period of 12 months beginning on 4 July 2022; must be worked out as follows:
 - (c) if:
 - (i) the goods are classified under a tariff classification in Chapter 22, 24, 27, 29, 34 or 38 of Schedule 3; and
 - (ii) a rate of duty that applies in relation to Developing Countries specified in Part 3 of Schedule 1 to the regulations is set out in the third column of that tariff classification; by reference to that rate of duty; or
 - (d) otherwise—Free.

Concessional rate of duty

- (2) However, if:
 - (a) subparagraphs (1)(c)(i) and (ii) apply in relation to the goods; and
 - (b) an item in Schedule 4 *prima facie* applies to the goods; and
 - (c) if the goods were the produce or manufacture of a Developing Country specified in Part 3 of Schedule 1 to the regulations—the rate of duty (the *concessional rate*) under paragraph 18(2)(h) in respect of the goods would be less than the rate of duty that would otherwise apply under paragraph (1)(c) of this section in respect of the goods; then the duty in respect of the goods must be worked out by reference to the concessional rate.

Interpretative provisions

- (3) This section has effect despite sections 16 and 18.
- (4) For the purposes of section 13, as it applies in relation to paragraph (1)(a) of this section, Ukraine is taken to be a Developing Country within the meaning of this Act.

Dated this 11th day of July 2022.

[signed]

Alison Neil

Delegate of the

Minister for Home Affairs