

TradeWatch

A full-page background image showing a man in a red hard hat, yellow earplugs, and a red safety vest over a blue shirt and jeans. He is holding a tablet and looking upwards. He is standing in front of several stacked shipping containers, some blue and some orange.

EY Global Trade

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EU: Fight against global deforestation

EU adopts regulation imposing additional due diligence obligations to prevent deforestation

On 16 May 2023, the Council of the EU gave the final go-ahead to a regulation¹ that aims to minimize the risk of deforestation and forest degradation associated with products that are placed on or exported from the EU market. The regulation sets mandatory due diligence rules for all operators and traders who place, make available or export the following commodities from the EU market: palm oil, cattle, wood, coffee, cocoa, rubber and soy. The rules also apply to some derived products, such as chocolate, furniture, printed paper and selected palm oil-based derivatives (e.g., used as components in personal care products). The regulation sets 31 December 2020 as a cutoff date for the new rules, meaning that only products produced on land that has not been subject to deforestation or forest degradation after 31 December 2020 will be allowed on the EU market or to be exported from the EU. The regulation was published in the Official Journal of the European Union on 9 June 2023 and will enter into force on 29 June 2023, although the main prohibitions and obligations will not apply until 30 December 2024.

What is the aim of the Deforestation Regulation?

The Deforestation Regulation aims to prevent further expansion of agricultural land at the expense of natural forest stands. Therefore, certain raw materials and products may only be offered on or exported from the EU market if:

1. They are produced without deforestation or forest degradation.
2. They were produced in accordance with the laws of the country of origin.

¹ "Council adopts new rules to cut deforestation worldwide", *Council of the EU website*, 16 June 2023. [Find it here](#)

3. A confirmation has been submitted to a yet-to-be-established registry that a due diligence review has revealed no or a negligible risk with respect to the first two points mentioned above.

At a later stage, the regulation could be extended to cover goods from peatlands and other wetlands, savannahs, etc. The laws to be observed in the countries of origin cover a wide range of areas, including land use rights; environmental protection and forestry regulations (including biodiversity) to labor and human rights; indigenous peoples' rights; and tax, anti-corruption, trade and customs regulations.

What are the requirements?

Due diligence declaration to the central register

By submitting a so-called due diligence declaration to a central register, the respective EU market operator will assume responsibility for ensuring that its raw materials, semifinished products or finished products comply with the requirements of the Deforestation Regulation. This requires a location of all land from which the products originate. In other words, the geographical location of a plot of land must be determined based on latitude and longitude coordinates to at least six decimals. Furthermore, the date or period of the respective production must be documented. The evidence must be kept for five years.

Risk assessment for all cultivated areas

The importer or exporter must carry out a risk assessment for all relevant cultivated areas. A variety of issues must be considered, such as whether there are country-, region- or area-specific risks of deforestation and forest degradation; whether indigenous peoples live in the area; whether the area is known for corruption, armed conflicts, human rights violations or lack of legal enforceability; or whether relevant UN sanctions have been imposed. Based on the documentation, it should be possible to understand how the information collected was reviewed against the criteria and how the level of risk was determined. If relevant risks cannot be excluded from the outset or be classified as negligible, the importer or exporter must take adequate risk mitigation measures to achieve a lower classification. This includes, for example, independent surveys, audits or the support of small suppliers to be able to implement the provisions of the Deforestation Regulation.

Compliance measures

Companies must implement appropriate strategies, controls and procedures to ensure the compliance of raw materials and products with the Deforestation Regulation. This includes, above all, an internal control and compliance management system, the appointment of a compliance officer at management level, and a review by the internal audit department. The risk management system in place must be reported to the public (including on the internet) on an annual basis.

Which businesses are subject to the Deforestation Regulation?

The regulation sets mandatory due diligence rules for all operators and traders who place, make available or export the following commodities from the EU market: palm oil, cattle, wood, coffee, cocoa, rubber and soy. The rules also apply to some derived products, such as chocolate, furniture, printed paper and selected palm oil-based derivatives (e.g., used as components in personal care products). An exception applies to SMEs within the meaning of Directive 2013/34/EU. These may rely on audits already carried out by their suppliers. Micro-enterprises may also commission a company downstream in the supply chain to submit the due diligence declaration.



Due diligence depends on country of origin

The EU Commission will carry out a deforestation or forest degradation assessment for all countries worldwide and assign them a low, normal or high risk. Reduced due diligence risks apply to raw materials and products from low-risk countries of origin. However, companies with complex supply chains must also inspect products from these countries and document whether certain risks (especially the risk of actual origin concealment) exist.

Retroactive consequences

The due diligence obligations under the Deforestation Regulation will only take effect for companies from 1 January 2025. But there are retroactive consequences to consider. This is because raw materials and products are only considered to be free of deforestation and forest degradation within the meaning of the regulation if they have been produced on a plot of land where such degradation has already ceased by 31 December 2020. To ensure the marketability of relevant products, location should be considered at an early stage.

Sanctions

In the event of violations of the Deforestation Regulation, businesses are subject to:

- ▶ Penalties up to 4% of their EU-wide annual sales
- ▶ Seizure of the goods concerned
- ▶ Confiscation of related revenues
- ▶ Temporary ban on placing or making available on the EU market or export of the raw materials and products concerned
- ▶ Exclusion from public contracts
- ▶ Exclusion from public funding
- ▶ Exclusion of reduced due diligence provisions
- ▶ In addition, further sanction risks could arise under other areas of law.

Actions for businesses

Businesses are recommended to assess whether:

- ▶ Their imported products are covered by the regulation.
- ▶ There is sufficient transparency in the relevant supply chains, particularly where the goods are sourced from and whether the product resulted in deforestation.
- ▶ Changes to the supply chains are required, in case currently sourced products are prohibited after the regulation becomes applicable.
- ▶ They have appropriate business processes to manage the due diligence requirements. ■



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EU: Final regulations published for new CBAM and ETS revisions

On 16 May 2023, a significant milestone was passed as legal regulations for the EU Emission Trading System (EU ETS) reform and the new EU Carbon Border Adjustment Mechanism (CBAM) were published in the Official Journal of the EU.

The EU's "Fit for 55" legislative package, which was initially announced in July 2021 and includes the new CBAM and ETS reform, is viewed as a key enabler for helping Europe reduce emissions at least 55% (from 1990 levels) by 2030. These targets are set out in the European Climate Law and are part of the wider European Green Deal strategy to achieve climate neutrality by 2050.

A transitional CBAM period will begin 1 October 2023 and extend through 2025, during which time quarterly emissions reporting will be required. Affected businesses need to prepare now for the new compliance and reporting requirements starting later this year and begin to assess the medium- to long-term process and cost implications.

Key principles of CBAM

The EU CBAM is a climate measure that aims to address the risk of carbon leakage by ensuring equivalent carbon pricing for imports and domestic (EU) production that is subject to carbon costs under the EU ETS. While the EU ETS applies to installations based in the EU and certain production processes and activities (and will be extended further, as detailed below), CBAM will apply to certain goods imported into the EU.



Scope of goods covered

CBAM will cover the following product categories:

- Cement, iron and steel, aluminium, fertilisers, electricity and hydrogen

The products covered under these product categories have been increased significantly compared to the initial draft versions of the regulation. For example, downstream products are now also included, instead of only raw and semi-finished materials. CBAM will therefore apply to more businesses.

Political discussions seem to favor extending CBAM further by 2030 to cover all product categories that are subject to the EU ETS if these products were manufactured in the EU. This would include polymers, diverse chemicals, mineral oil products, paper and pulp, among other categories.

Transitional period: 1 October 2023 to 31 December 2025

Between 1 October 2023 and 31 December 2025, transitional provisions will apply. Importers (i.e., customs declarants, indirect representatives) will be required to quarterly report emissions (detailed below) embedded in the goods imported during that quarter, detailing the direct and indirect emissions as well as any carbon price effectively paid in a third country.

Notably, from 1 January 2026, importers should have applied for the “authorized CBAM declarant” status to be allowed to import goods covered by the CBAM regulation.

How it will work

Under new CBAM rules, importers are required to report total verified greenhouse gas (GHG) emissions embedded in goods imported in a given calendar year. Following the transitional period (ending 31 December 2025), the financial impact of CBAM will gradually increase, with a progressive phase-in of CBAM costs until 2034. Carbon cost paid at origin can be deducted from the payable CBAM charges (provided that evidence of the cost can be made available).

Payment of CBAM charges will be facilitated through the purchase and surrender of CBAM certificates, which will be priced at the weekly averages of the auctions of EU ETS allowances.

During the calendar year, the importer must ensure that the number of CBAM certificates in its CBAM registry account at the end of each quarter corresponds to at least 80% of the embedded emissions in imported products since the beginning of the calendar year. The importer must surrender the exact number of CBAM certificates corresponding to emissions embedded in goods imported in the calendar year, in addition to submitting an annual CBAM declaration.

Definition of embedded emissions

CBAM charges correspond to embedded emissions in the named product categories, and include indirect emissions. The declaration of emissions can be made based on actual emissions, which need to be determined based on detailed rules provided by the EU regulators, although the details are not yet finalized. Implementing legal acts containing additional details are likely to be published in summer 2023.

If actual emissions are declared, they must be independently verified. If no actual emissions are available, standard default values will be used that reflect average emissions for a certain product manufactured in a specific country or region. If no reliable data to determine these standard values is available, the EU Commission will determine default values based on the worst-performing EU installations. Further guidance is expected in the implementing acts to be published in the summer of 2023.

Exemptions and extended circumvention practices

CBAM will not apply to goods of nonpreferential origin in Switzerland, Liechtenstein, Iceland and Norway. There are a few exemptions, including for low-value consignments up to EUR150 and certain military imports.

Circumvention practices have been slightly extended in what is now an open catalogue of practices that may consist of, but are not limited to:

- ▶ Slight modification of goods to change Combined Nomenclature classification.
- ▶ Artificial split of shipments to benefit from CBAM exceptions described above.

Key changes to the EU ETS

One significant change to the current system is the phase-out of free allowances. Effectively, from 2026 to 2034, the free allowances granted to EU manufacturers will fade on a progressive curve, consequently increasing the cost of manufacturing for businesses if processes remain the same.

Year	2026	2027	2028	2029	2030	2031	2032	2033
Rate	2.5%	5%	10%	22.5%	48.5%	61%	73.5%	86%

Furthermore, revisions of EU ETS will:

- ▶ Increase the overall goal for emissions reductions: 62% reduction by 2030 (compared to 2005 levels)
- ▶ Increase the speed of the annual reduction rate of the cap: 4.3% per year from 2024 to 2027, and 4.4% from 2028 to 2030.
- ▶ Reduce the EU-wide quantity of allowances to 90 Mt CO₂ equivalents in 2024 and 27 Mt in 2026.
- ▶ Reinforce the mechanism on excessive price fluctuations, including providing for an automatic release of allowances from the Market Stability Reserve (MSR) to the market; 24% of all EU ETS allowances will be placed in the MSR to address possible imbalances between the supply of and demand for allowances in the market.
- ▶ Reinforce conditionality requirements for installations benefiting from free allowances, notably energy audits and, in some cases, climate neutrality plans.
- ▶ Remove derogation for installations for electricity generation, to instead be used for the Modernization Fund to support decarbonization of the energy sector.

- ▶ Extend application of the EU ETS in the aviation sector:
 - ▶ EU ETS will apply for intra-European flights (including departing flights to the United Kingdom and Switzerland), while CORSIA (Carbon Offsetting and Reduction Scheme for International Aviation) will apply to extra-European flights to and from third countries participating in CORSIA from 2022 to 2027.
 - ▶ When global aviation emissions under CORSIA reach levels above 85% of 2019 levels, European airlines will have to offset their proportionate share with corresponding carbon credits, invested in emissions reductions in countries participating in CORSIA offsetting.
 - ▶ Free allocations of allowances to the aviation sector will be phased out by 2026; the gradual mechanism plans a decrease of 25% in free allocations for 2024 and 50% for 2025.
 - ▶ Reserve, from 1 January 2024 through 31 December 2030, 20 million allowances to be allocated to cover part of the remaining price differential between fossil kerosene and the eligible aviation fuels for individual aircraft operators
 - ▶ Extend the scope of the EU ETS to maritime transport from 2024:
 - ▶ Gradual phase-in: 40% of verified emissions from 2024, extending to 70% for 2025 and 100% for 2026.
- ▶ Most large vessels will be included from the start in EU ETS, with other vessels included in “MRV regulation” (monitoring, reporting and verification of CO2 emissions) and included at a later stage in EU ETS.
- ▶ Agreement considers geographic specificities
- ▶ Non-CO2 emissions (methane and nitrous oxide) will be included in the MRV regulation from 2024 and EU ETS from 2026
- ▶ Analyze, by 2026, the feasibility of including municipal waste incineration installations in the EU ETS from 2028
- ▶ Implement a carbon market (EU ETS II) to cover buildings and road transport by 2027 (or 2028, depending on market conditions):
 - ▶ Applies to distributors supplying fuels to heat buildings, conducting road transport and certain other sectors
 - ▶ Gradual increasing of linear reduction rate: 5.10% from 2024 and 5.38% from 2028
 - ▶ Some “frontloading” anticipated in the first year
 - ▶ Possibility for delay by one year in the case of carbon prices per ton exceeding EUR90
 - ▶ Anticipated prices will be capped at EUR45 per ton until at least 2030
 - ▶ Temporary exemption possible if suppliers are subject to a carbon tax at a national level equal to or higher than auction price for allowances
 - ▶ Simplified requirements for smaller suppliers

There will be no export rebates or refunds of carbon payments. All revenues generated by the carbon market will be spent on climate and energy-related projects.

In addition, a new EU Social Climate Fund will be set up in 2026:

- ▶ Designed to support vulnerable households, micro-enterprises and transport users who are particularly affected by energy and transport poverty, to ensure a fair and socially inclusive climate transition
- ▶ Funded from auctioning ETS II allowances up to EUR65 billion, with an additional 25% covered by national resources
- ▶ Estimated total of EUR86.7 billion

Implications for businesses

CBAM and the EU ETS reform will affect businesses both in the EU and around the world, from an operational perspective and in terms of strategic decision-making. Impacts may be direct or indirect. A holistic approach across the value chain and supply chain is recommended.

EU-based operators subject to EU ETS must plan for increasing carbon costs if usage of conventional fuels is continued. Consequently, increased costs may affect competition on the EU and global market for emission-heavy businesses. With the new EU ETS II, the price of conventional fuels will further increase and may catalyze the need for transformation in this sector. It is worth noting the EU and the EU Member States nationally provide large, diverse programs

of grants and incentives to support businesses in the transition. Additional revenues from the carbon market will bring further funding opportunities as part of the EU Innovation Fund, especially for businesses investing in innovative low-carbon technologies.

Immediate steps to take

With the transition phase for CBAM beginning on 1 October 2023, preparing for the new quarterly reporting obligations will require immediate action. Importantly, EU operators and non-EU manufacturers and traders alike will need to consider CBAM requirements.

Steps include:

- ▶ Assigning internal responsibility for management of the regime, as a cross-functional response is essential.
- ▶ Identifying CBAM-covered EU imports.
- ▶ Preparing for transitional-period reporting requirements (e.g., conducting a data gap assessment in terms of data required on embedded emissions and carbon price at the manufacturing location).

From a strategic point of view, businesses should assess the potential financial impact of CBAM and EU ETS based on the current supply chain and take appropriate mitigation actions where possible. Other anticipated changes in the energy and electricity tax areas (e.g., revisions to the Energy Taxation Directive) should also be considered.

Activities could involve rethinking supply chain structures, sourcing strategies, merger and acquisition activity, production planning, and investment planning to achieve technical improvements to reduce embedded emissions in imported products.

Businesses should monitor developments, especially as the implementing acts are expected in summer 2023. ■

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UK: CBAM developments

Between 30 March and 22 June 2023, the UK government held a consultation on “addressing carbon leakage risk to support decarbonization.”¹ The consultation was wide-ranging, covering several interrelated policies, including a carbon border adjustment mechanism (CBAM), mandatory product standards (MPS) on embodied emissions, other policy measures designed to boost demand for low-carbon products, and emissions reporting. The government’s response to the consultation is expected in late 2023 and is being led by HM Treasury and the Department for Energy Security and Net Zero.

Background

Addressing “carbon leakage” in the UK has been an issue raised in numerous government reviews and advisory bodies, including MP Chris Skidmore’s Net Zero Review, the UK Climate Change Committee and the Parliamentary Environmental Audit Committee.

Carbon leakage occurs when carbon-intensive production moves to countries where less stringent climate policies are in place than in the UK, or when UK products get replaced by more carbon-intensive imports.

¹ Addressing carbon leakage risk to support decarbonisation,” *UK government website*, 2 June 2023. [Find it here](#)

The UK government solicited views and evidence to consider a range of potential policy measures designed to reduce carbon leakage and support the decarbonization of UK industry. The consultation was set out in two parts, with Part 1 setting out options related to possible:

- ▶ CBAM
- ▶ MPS
- ▶ Product labeling and voluntary standards
- ▶ Public procurement and green private procurement

Part 2 of the consultation set out proposals on emissions reporting, including design and delivery features. The aim of setting up a system of emissions reporting would be to support the measures contained in Part 1 of the consultation.

Sectoral coverage

The UK government began the consultation with the following sectors:

- ▶ Cement
- ▶ Chemicals
- ▶ Glass
- ▶ Iron and steel
- ▶ Non-ferrous metals
- ▶ Non-metallic minerals
- ▶ Paper and pulp
- ▶ Refining
- ▶ Fertilizer
- ▶ Power generation

The government noted that the risk of carbon leakage will change over time, including the sectoral coverage of the measures discussed in the consultation. For example, it identifies that the issue could extend to non-industrial sectors, such as agriculture or timber.

Carbon border adjustment mechanism

One of the most important components of the consultation was on a potential UK CBAM to address carbon leakage and support UK net zero ambitions. A CBAM is designed to be a mechanism to put a price on the carbon emitted during the production of carbon-intensive goods that enter the UK.

The EU is introducing its version of a CBAM in October 2023, the UK response is timely. The issues raised in the consultation relating to a potential UK CBAM included:

- ▶ Potential scope, including products covered by the UK's Emissions Trading Scheme (ETS); a possible option proposed would be to initially implement the UK CBAM for a limited number of sectors and subsequently expand coverage of the regime in phases
- ▶ Application of UK CBAM to Scope 2 and Scope 3 emissions
- ▶ Use of emissions data and use of independently verified emissions data vs. default values where independently verified data is not available
- ▶ Which carbon price would be used when calculating the cost of a UK CBAM

- ▶ The difference between the UK effective carbon price and the effective carbon price in the country of origin
- ▶ Payment schedules and customs arrangements for a UK CBAM

Mandatory product standards

Following earlier UK government calls for evidence, the government intends to pilot MPS on embodied emissions with a small number of sectors to determine the viability of the policy on a larger basis. An MPS is designed to set an upper limit on the embodied emissions for individual products placed on the UK market or produced in the UK. It would prohibit products that are more emissions intensive than a defined limit.

The working assumption put forward by the government is that MPS would apply to imports.

The initial question in this section of the consultation asked whether the MPS pilot should consider:

- ▶ Targeting the steel sector only
- ▶ Targeting the steel, cement and concrete sectors
- ▶ Targeting steel, cement, concrete and chemicals sectors

Other considerations raised as part of the consultation include which emissions should be in scope of the measure; at which stage in the manufacturing supply chain it should be applied; and whether to apply the measure at the point of sale when the good is placed on the market or at the point of production.

Timelines for implementation

Depending on the outcome of the consultation, the government intends to introduce embodied emissions reporting in 2025. This would be followed by a phased implementation of the CBAM in 2026 in conjunction with reforms to the UK ETS allocation of free allowances. Any MPS would be introduced following successful pilots in the late 2020s.

Addressing trade concerns

In the consultation, the government committed to implement the CBAM and other measures “in a manner that is consistent with the Government’s commitment to free and open trade, upholding the World Trade Organization (WTO) rules as well as respecting international climate change obligations taking into consideration countries’ differing levels of development.”

Achieving this in practice may be a challenge. The Government gathered input on how to address the following trade concerns:

- ▶ Treatment of developing country exports, as exempting high-carbon-intensity products from developing countries could undermine net zero objectives, but not doing so could undermine development objectives.
- ▶ International alignment on methodology, default values and verification of emissions reporting; in the case of MPS, regulatory alignment of standards.
- ▶ Addressing circumvention of carbon leakage policy measures.

- ▶ Supporting UK exports, which may be at a commercial disadvantage due to higher costs of inputs.
- ▶ Potential use of voluntary carbon markets in the future toward CBAM and/or MPS obligations.

Boosting demand for low carbon products

The consultation also looked at initiatives to grow the market for low carbon products. The government consulted on three ways this could be done:

1. Product labeling and voluntary standards: For example, through the development of product labels for carbon and voluntary standards while pointing to other environmental labelling schemes as points of comparison.
2. Public procurement: Using the UK-India Industrial Deep Decarbonization Initiative (IDDI)² as the starting point, the Government is assessing the appropriate level of public procurement pledges for the UK to commit to.
3. Private procurement: The government is seeking input into how to encourage more companies to participate in buyers' alliances, such as the First Movers Coalition.³

Emissions reporting framework

The consultation included a possible emissions reporting framework and set out options for the design of the framework and potential use of default values. The government noted the possible burden

on businesses and that any UK system should seek to align, to the extent possible, with reporting standards used by other countries or regional blocs.

Next steps

The introduction of a CBAM and other carbon leakage management policies will have direct and indirect impacts on businesses both in the UK and elsewhere. A holistic approach across value chains is required to effectively map and manage the impacts of the regime.

Businesses should not view the end of the current consultation as the only mechanism for engaging with this developing policy area given the long timelines associated with the carbon leakage measures under discussion.

In the meantime, businesses should consider:

- ▶ Assigning internal responsibility for future management of the regime.
- ▶ Determining the customs commodity codes and country of origin of goods imported into or exported to the UK to determine whether they may fall under the scope of a UK CBAM, to identify potential exposure.
- ▶ Considering the mid- and long-term impacts on operational costs and product or service competitiveness driven by evolving carbon pricing regimes (e.g., UK and EU CBAMs) and associated regulation.
- ▶ Developing a strategy for engaging with the UK government given policy development will extend beyond the end of the current consultation. ■



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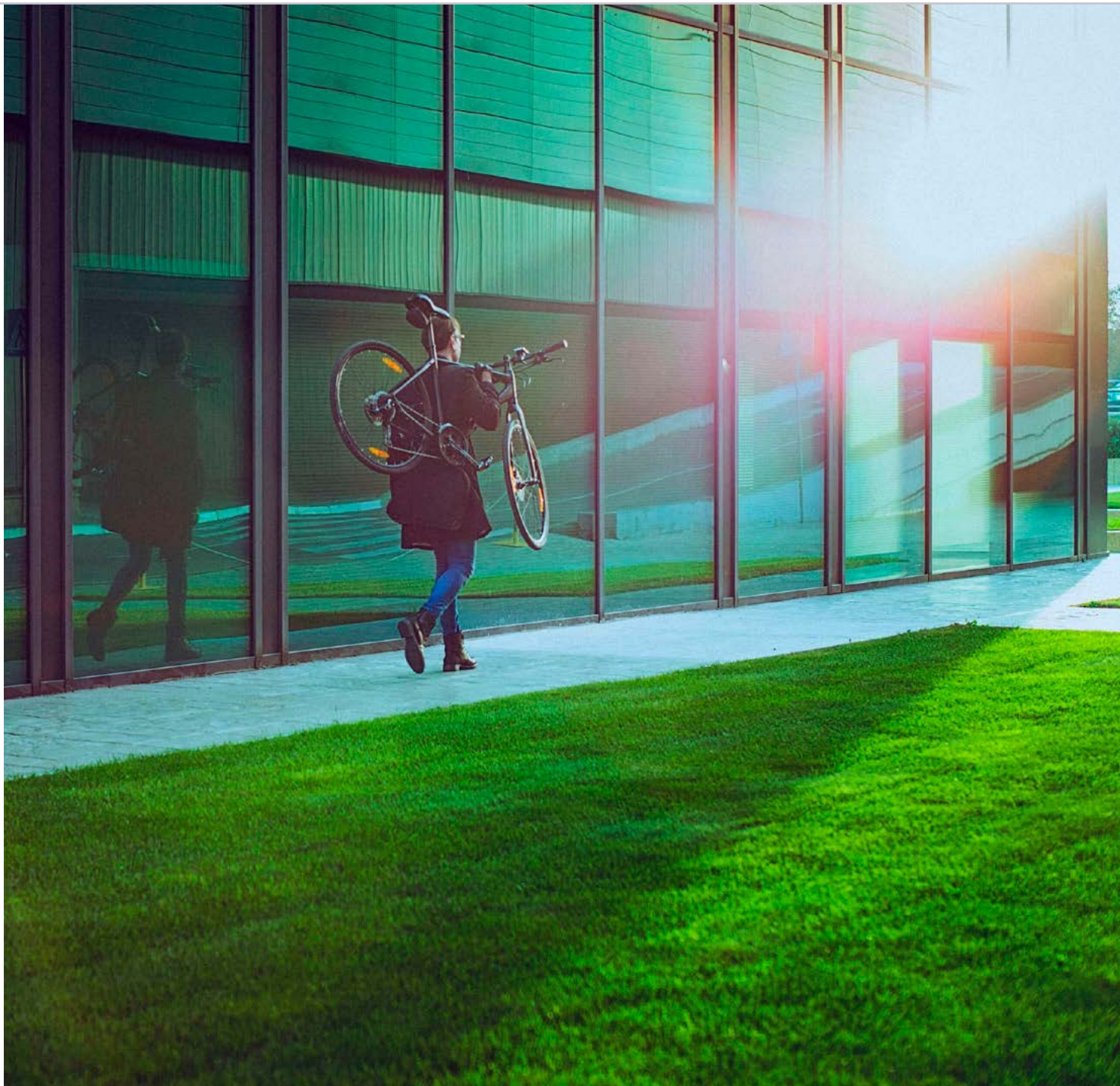
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² "Industrial Deep Carbonisation, An initiative of the clean energy ministerial", *United Nations Industrial Development Organization website*, 19 Jun 2023. [Find it here](#)

³ First Movers Coalition, *World Economic Forum website*, 19 June 2023. [Find it here](#)

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Tax alerts

Tax alerts

Americas

Argentina

- ▶ Argentine tax authorities suspend the validity of exemption certificates for income tax and VAT withholdings on imports of goods (10 April 2023)

Brazil

- ▶ Brazil Senate approves Provisional Measure addressing new transfer pricing rule, enforceable from 1 January 2024 (12 May 2023)

Canada

- ▶ Canada enacts 2023 Budget implementation bill no. 1 (28 June 2023)
- ▶ Canada's proposed regulations amend valuation for duty rules for imported goods (19 June 2023)
- ▶ Federal budget 2023/24: A made-in-Canada plan (04 April 2023)
- ▶ Québec issues budget 2023/24 (03 April 2023)

Costa Rica

- ▶ Executive Branch publishes Regulations to the General Customs Law (19 June 2023)
- ▶ Free Trade Commission eliminates customs duties for certain products from China (15 May 2023)
- ▶ Costa Rica establishes new inspection procedures for goods at Nicaragua border (09 May 2023)
- ▶ Costa Rican Executive Branch publishes regulations to law aimed at attracting film investment to Costa Rica (18 April 2023)

Dominican Republic

- ▶ Dominican Republic Executive Branch enacts law implementing mandatory electronic invoicing (01 June 2023)

El Salvador

- ▶ El Salvador's Bill for the Promotion of Innovation and Technological Manufacturing encourages investment in tech companies, includes tax benefits (18 April 2023)

Global

- ▶ Geostrategic Analysis: July 2023 (10 July 2023)

Nicaragua

- ▶ Nicaragua National Assembly approves creation of Foreign Trade Platform (18 April 2023)

Uruguay

- ▶ Uruguay temporarily reduces VAT and IMESI rate for mineral and sparkling waters (26 June 2023)

Asia-Pacific

Australia

- ▶ UK/Australia and New Zealand Free Trade Agreements enter into force (31 May 2023)
- ▶ Australia delivers 2023/24 Federal Budget (10 May 2023)

Global

- ▶ Geostrategic Analysis: July 2023 (10 July 2023)

New Zealand

- ▶ UK/Australia and New Zealand Free Trade Agreements enter into force (31 May 2023)



Europe, Middle East, India and Africa

Belgium

- ▶ Customs and Excise update (21 June 2023)

Dominican Republic

- ▶ Dominican Republic Executive Branch enacts law implementing mandatory electronic invoicing (01 June 2023)

Estonia

- ▶ Significant tax changes in 2024 and 2025 (17 July 2023)

Ethiopia

- ▶ Ethiopia issues Excise Tax (Amendment) Proclamation, 2023 (14 June 2023)

European Union

- ▶ European Commission proposes reforms of EU customs legislation (08 June 2023)
- ▶ EU customs reform proposal embraces modern approach to e-commerce (18 May 2023)

- ▶ European Parliament approves EU Emission Trading System reform and new EU Carbon Border Adjustment Mechanism (20 April 2023)

Germany

- ▶ German Federal Administrative Court confirms legality of local packaging tax in city of Tübingen (02 June 2023)
- ▶ Germany to implement Single-Use Plastics levy from 2024, extending scope to certain fireworks from 2027 (02 June 2023)

Ghana

- ▶ Ghana's new laws introduce new taxes affecting individuals and businesses (26 April 2023)

Global

- ▶ Geostrategic Analysis: July 2023 (10 July 2023)

Kenya

- ▶ Kenya proposes tax changes under the Finance Bill, 2023 (15 May 2023)

Poland

- ▶ Poland's implementation of the Single-Use-Plastics Directive getting closer (08 May 2023)

Rwanda

- ▶ Rwanda presents the national budget for financial year 2023/24 (30 June 2023)

Nigeria

- ▶ Highlights of Finance Act 2023 (14 June 2023)
- ▶ Nigeria – Highlights of the Business Facilitation (Miscellaneous Provisions) Act (25 May 2023)

Saudi Arabia

- ▶ Saudi Arabia announces fourth wave of Phase 2 e-invoicing integration (02 May 2023)

Spain

- ▶ Obligation to submit the plastic packaging tax ledgers by the end of July 2023; Spanish Tax Authority clarifies interpretative issues (13 July 2023)

Tanzania

- ▶ Tanzanian Finance Act, 2023 analysis (13 July 2023)

Uganda

- ▶ Uganda issues Tax Amendment Bills for 2023 (02 May 2023)

United Arab Emirates

- ▶ Dubai Customs amends the grace period for Customs declaration submission (01 May 2023)

United Kingdom

- ▶ UK Government announces new 'Developing Countries Trading Scheme' (22 June 2023)
- ▶ UK/Australia and New Zealand Free Trade Agreements enter into force (31 May 2023)
- ▶ UK concludes negotiations to join Comprehensive and Progressive Agreement for Trans-Pacific Partnership (06 April 2023)

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