

## Removing specialised inspection obstacles for the transportation field

Recently, the Ministry of Transport has fundamentally change the method of management for specialised inspections with the implementation of risk assessment management. Despite a wide application of international practices and enhancement of post clearance audits, there have still been overlaps in the specialised inspection process between the Ministry of Transport and other ministries.



### Not too much but still overlap

According to the report by the Ministry of Transport, up to now the number of items subject to specialised inspection under the management of the Ministry of Transportation is 160 items. Of which 107 items are recognized on the results of specialised inspection; 35 items are subject to pre-clearance inspection, and 125 items are subject to post-clearance audit.

At present, the Vietnam Register (Ministry of Transport) has recognized the results of inspection and testing and certification of EU and G7, with the cooperation and interchange of agreements between the Vietnam Register and the Maritime World Registers of Ships (maintaining interchange agreements with 21 of the leading world registers of ships) and the United Nations.

However, according to the Customs Control and Supervision Department (General Department of Customs), the number of items subject to specialized inspection by the Ministry of Transport is not much but there is still overlap in the inspection between the Ministry of Transport with other ministries. Specifically, agricultural tractors must be inspected in accordance with the regulations of the Ministry of Transport ( Circular 89/2015 / TT-BGTVT) and of the Ministry of Agriculture and Rural Development (Circular 50 / 2010 / TT-BNNPTNT). And motorbikes with the capacity of 175 cm<sup>3</sup> or more must be subject to both quality inspection under the Ministry of Transportation's Circular 44/2012 / TT-BGTV and automatic licenses under Circular 06 / 2007 / TT-BTM of the Ministry of Industry and Trade.

Notably, Appendix 1 attached with Circular 39/2016 / TT-BGTVT of the Ministry of Transport provides the list of goods and products possible to cause insecurity under the state management responsibility with HS code, stipulates many items must submit a certificate of conformity and announce the conformity before clearance, such as; cars, motorbikes, electric bicycles, specialized cars and motorbikes. Some items which are subject to quality inspection before clearance in accordance with provisions in Ministry of Transport documents (such as Circular 41/2013/TT-BGTVT for electric bicycles; Circular 44/2012/TT-BGTVT for motor car, motorbikes and Circular. 89/2015/TT-BGTVT for specialised motorbikes

Thus, according to the above regulations, these items must be subject to various forms of management / inspection before Customs clearance. When carrying out import procedures, enterprises must present / submit to the Customs agencies documents such as a written conformity announcement, certificate of conformity, and notification of the state quality inspection results.

According to Circular 39 of the Ministry of Transport, fork-lift trucks (HS code 8427) must be certified and announced on the conformity before clearance. Also, the forklift truck (and other works trucks fitted with lifting equipment) with the same HS code 8427 must be certified and announced on the conformity after the Customs clearance. The inconsistency in regulations thus makes it difficult for both Customs and enterprises to distinguish which type of forklift truck must be certified and announced on the conformity before customs clearance.

### **Looking back on regulations on specialized inspection**

Facing the above situation, the Customs Control and Supervision Department suggested that the Ministry of Transport should coordinate with the specialised management ministries to review the overlapping items being subjected to many forms of management and inspection at the clearance time. The order to unify management measures is under the direction of Deputy Prime Minister Vuong Dinh Hue, Official Letter No. 5621 / VPCP-KTTH of the Government's Office.

At the same time, the Ministry of Transport has proposed to review the list of goods in the group 2 which is subject to management, in the direction of reducing the lists subject to inspection at Customs clearance time to the lowest possible level and clarify that Customs authorities shall not inspect the certificate of conformity during the clearance of goods. The Ministry of Transport should guide the management form for each forklift truck so that Customs and enterprises can implement conveniently and synchronously.

In addition, to unify the code of goods subject to specialised management and inspection under the Vietnam Import and Export goods Classification in compliance with AHTN 2017 (based on HS 2017 of the WCO) effective from 1st January 2018. The Customs Control and Supervision Department requires that for documents which have not been issued the specialized lists or have already been issued the specialised list without a HS code, the Ministry of Transport should actively develop the list and cooperate with the Ministry of Finance (the General Department of Customs) to unify the HS codes in accordance with the Vietnam Import and Export Goods Classification 2017.

For specialized lists which have HS codes based on the AHTN 2012 (according to Circular 103/2015 / TT-BTC), the Ministry of Transport is requested to take the initiative in reviewing and coordinating with the Ministry of Finance (The General Department of Customs) to convert and unify the HS codes in accordance with the Vietnam Import and Export Goods Classification 2017.

Commenting on the specialised inspection under the Ministry of Transport, Chairman of the Government's Office, Minister Mai Tien Dung, said that the Ministry of Transport should vigorously **apply**; the form of specialized inspection transferred from pre-clearance audit into post clearance audit, method of risk management, assess the law compliance of enterprises, facilitate lawful enterprises, and apply mutual recognition of developed countries.

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