

UAE to benefit from joining Istanbul Convention



By Chris Mills and Shurooq Zainal

The UAE has announced the joining of an international trade convention which enables the temporary import of goods without the incurring the usual customs duties and formalities.

On Monday 13 September 2010, the United Arab Emirates issued a decree approving the joining of the Istanbul Convention.*

This new convention – its full name being the Convention on Temporary Admission – was established in Istanbul on 26 June 1990 and is a single international instrument combining all the existing conventions on temporary admission, including the ATA Convention (which was established at Brussels on 6 December 1961 and is fully named the Customs Convention on the ATA Carnet for the temporary admission of goods).

The basic features of the Istanbul Convention are as follows:

- Simplifying and harmonising customs procedures (especially the temporary admission procedure); and
- Facilitating temporary admission in pursuit of economic objectives by minimising the costs of border crossing of goods between the member countries.

The objectives of these features are achieved through the adoption of standardised model papers as international customs documents which provide international security for temporary importation of goods.

One such paper is the ATA Carnet, an international customs document that allows the holder to temporarily (for the period of not more than one year) import goods without providing payment of the normally applicable customs duties while also

avoiding the trouble of normal customs formalities. The acronym ATA is a combination of the French and English phrases "Admission Temporaire/Temporary Admission".

The use of a single document such as the ATA Carnet will allow the seventy member countries to save on time, money and any hassles arising from customs formalities during the temporary admission of goods, irrespective of the number of border crossings, differences in national customs regulations and the type of goods.

The Istanbul Convention will be of direct benefit in particular to the importers and exporters of goods used in exhibitions, events and concerts.

In preparation for the implementation of the ATA Carnet System, which will take place by the end of this year, the Dubai

Chamber in cooperation with the UAE Federal Customs Authority will be hosting a series of workshops over a period of one year to show interested parties how to deal with the operation of the ATA Carnet.

The UAE's joining of the Istanbul Convention, and the introduction of the ATA Carnet System, is a positive development for a range of industries and is also indicative of an ongoing process concerning the streamlining of trade-related regulations by the UAE. A number of impending trade and commerce-related law revisions have been announced in recent months.

A list of participating member countries to the Istanbul Convention can be found on the UK Revenue and Customs website here: <http://goo.gl/hxnO>

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Endnote

* At the time of writing, the decree has yet to be gazetted.

Clyde & Co

Dubai Office: City Tower 2, Sheikh Zayed Road
PO Box 7001, Dubai, United Arab Emirates

Tel: (971) 4 331 1102

Fax: (971) 4 331 9920

Email: chris.mills@clydeco.ae

shurooq.zainal@clydeco.ae

www.clydeco.com