

# Public Policy

How Intel promotes innovation worldwide



## Intel Public Policy

### Import/Customs

Intel supports customs and trade facilitation policies that foster administrative ease, cost-effectiveness, speedy and barrier-free entry, predictability, fair enforcement, and transparency with respect to the importation of products into a country.

#### Background

With business activities spanning over 100 countries, Intel depends heavily on the ability to move products across international borders quickly, cost-effectively, and with minimal burdens. Sound government-import policies and procedures are therefore highly important to Intel. Various studies have shown that the costs of delays and unnecessary formalities at the borders of some countries can equate to a five-to-15 percent tariff. Burdens, delays, and related costs can arise in the routine submission of customs entry documents and data; compliance with requirements related to tariff classification, value, origin, and shipment details; and duty and fee requirements. They can also surface in special licensing, certification, or other requirements linked to trade agreements, trade remedies, standards, security, and safety.

To pursue favorable import policies and procedures, Intel supports trade agreements and other measures that remove technical import barriers; ensure that rules of origin for general-purpose trade foster administrative ease and market access, while not undermining trade remedies; foster simplified, predictable import procedures; and remove tariffs on high-tech imports in a manner that ensures that customs classification practices meet the intent of tariff elimination agreements.

#### Key Issues

##### **Trade facilitation.**

The next World Trade Organization (WTO) negotiation round should produce a trade facilitation agreement that fosters objective customs classification and valuation practices; harmonization of import data elements; transparent rulemaking; use of international standards in border measures; targeted and speedy customs inspections; viable risk management-based compliance/enforcement; and removal of overreaching product certification, licensing, trade remedy, or other special requirements or restrictions that act as disguised barriers to trade. Eventually, governments should end import controls on commercial products with encryption capability.

##### **Semiconductor tariff classification.**

Worldwide customs and trade authorities should ensure that multi-component chips receive the same classification and associated duty-free treatment that applies to integrated circuits.

## Key Issues (continued)

### **Tariff elimination.**

WTO and other trade agreements should eliminate tariffs on high-tech products classified under Harmonized System chapters 84, 85, and 90, and governments should establish customs classification practices that preserve the intent of such tariff elimination.

### **Origin rules.**

If resumed, WTO efforts to harmonize non-preferential origin rules for general-purpose trade should result in a final assembly-based approach for high-tech products, rather than the use of value-added or other onerous origin criteria. Such efforts also should ensure that the rules do not nullify or impair existing capabilities to impose trade remedies.

### **Semiconductor tariff classification.**

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