

# TRADE BSERVER

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Towards  
tomorrow

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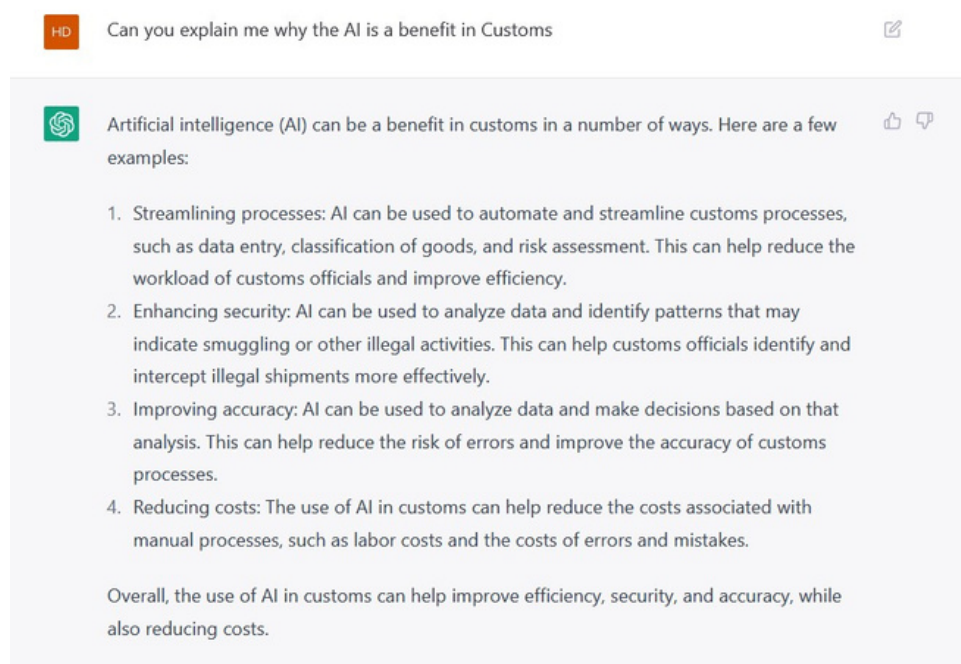
## CHATGPT, THE ARTIFICIAL INTELLIGENCE WHICH KNOWS EVERYTHING...OR ALMOST

**Artificial intelligence (AI) is exciting, not only because of its unlimited potential and the future it holds, but also because it raises so many questions and debates. Its continued and increased adoption is propelling it into the heart of many organizations around the world: automotive, healthcare, security, supplychain, customs and many more... And, we are just at the beginning.**

It is estimated that by 2030, the global artificial intelligence market is expected to reach over \$1.6 trillion. Focus on an AI innovation that is making a lot of noise: ChatGPT.

Developed by the Californian start-up OpenAI, ChatGPT was created specifically for writing texts. Particularly efficient, it is driven by an AI that knows how to produce punchy and creative texts. This chatbot is a conversational robot, capable of answering questions and conducting a real exchange with a human interlocutor... Its latest version, launched at the end of November, has been particularly noticed.

We tested it with a series of simple questions and the results are quite impressive. In just 2 seconds, we got fine and coherent answers according to the question raised:



However, you have to know how to make the difference. An impressive tool, certainly, but it is still a machine that analyzes a huge mass of information to create content and that can potentially turn out to be a massive generator of false information. In the last few weeks, ChatGPT has not ceased to be talked about, especially on the proposed sources likely to mix the real and the misappropriated, referring in particular to quotes assembled from different fields to answer a question. To be continued...



## TOWARDS A BETTER GEOGRAPHICAL TRACEABILITY OF TEXTILES

**In today's fashion industry, the label is an essential part of the customer journey. Labels sewn or attached to garments are a powerful communication tool, providing information about your brand identity, marketing and safety regulations. Since the AGEC law, new regulations will impact this provision from January 1, 2023.**

Regulatory authorities currently require food products to indicate their country of production, which allows customers to easily identify the country of their food and determine their selection. Now, thanks to the Anti-Waste for a Circular Economy law (AGEC law) and its decree n°2022-748 of April 29, 2022 on consumer information on the environmental qualities and characteristics of waste-generating products, this will also be the case for clothing and textiles.

The decree basically targets the big brands and imports. Their objective is really to attack the most important clothing brands.



Companies, manufacturers, importers and wholesalers will be required to display the countries in the regions where three stages of production of a particular garment and shoe take place.

**For garments:** weaving (or knitting); dyeing and printing; and making up.

**For shoes:** stitching; assembly; finishing.

The information can be visible on the product directly (label) or in a dematerialized way on the product sheet.

The decree also standardizes the terms used in greenwashing communication operations, such as those relating to "recyclable" or "recycled".

Thus, for the use of recycled materials, all manufacturers, importers and distributors are required to give the exact share in their product by stating: "[X] percent [of X] may be composed of recycled materials", where "X" identifies the percentage that will be composed of recycled materials.

The GDPCAF (General Directorate for Competition Policy, Consumer Affairs and Fraud Control) will monitor the application of this decree as of 2023 through physical checks in stores.



## AI IN REGTECH: THE POSSIBILITIES IN CUSTOMS

**International trade is the lifeblood of the global economy. It is not only essential to the day-to-day operations of businesses, governments, and NGOs around the world, it also has the power to grow economies, increase productivity and transform the quality of life of citizens.**

The value of international trade is steadily increasing, and the import-export industry has outgrown many of the challenges posed by the COVID-19 pandemic. The value of global trade stood at \$7.7 billion in the first quarter of 2022, an increase of about \$1 billion from the first quarter of 2021, according to UNCTAD's Global Trade Update report.

For this positive trajectory to continue, the import-export sector must be able to mitigate any factors that could disrupt the stability of global supply chains. Advances in technology and automation processes have had a profoundly positive impact on the import/export industry in recent years.

Where documentation and classification, manual checks and risk assessment were once time-consuming processes, they are now simplified by automation. This new technology is helping governments make importing and exporting easy and efficient, but it is also a benefit to businesses.

Indeed, the industry is beginning to see the benefits of integrating Artificial Intelligence into the digitization of the business ecosystem. Beyond targeting and managing all areas of the import/export processes that once relied on human interaction, AI is able to apply local and geographic legislation in its processes.

This includes national requirements, but also regional and international agreements. AI can also react to dynamic changes, such as a country leaving a trade agreement, an increase in taxation on goods, or geopolitical unrest.

In such cases, the knowledge gained can help customs manage price increases or reroute goods through new channels. The AI development process is a dynamic activity that works continuously to provide all the resources needed to produce solutions.

This new technology is already powering commerce today and will undoubtedly continue to drive growth and efficiency in global value chains through the optimization and automation of existing operating models.



## YOUR CUSTOMS MONITORING



### **OBLIGATION TO INCLUDE THE DES RCO REFERENCE NUMBER ON THE CUSTOMS DECLARATION**

In order for the customs authorities to ensure an adequate follow-up of the use by its holder of an origin decision and the respect of the obligations resulting from it, it is henceforth compulsory, as for the BTI (Binding Tariff Information), to mention on the customs declaration the reference number of the decision.

Carrying in box 44 of the current declaration with the code C627 FOLLOWED by the RCO NR (for import and export). It is therefore necessary to communicate this information to your customs representatives.

This obligation applies from December 20, 2022.

More information: see the OJEU n ° L 309/1 of November 30, 2022.



### **BREXIT: NEW VERSION OF THE "LOGISTICS ENVELOPE" IN PRODUCTION FROM 7 NOVEMBER 2022.**

As of November 7, 2022, and in order to further secure the SI Brexit-ICS process, operators can now integrate into the Import logistics envelope the Entry Summary Declarations (ENS) references attached to the transport unit with which the logistics envelope is paired.



### **NEW PORTS CONNECTED TO FRANCE SESAME FOR GOODS SUBJECT TO SANITARY AND PHYTOSANITARY CONTROLS :**

The digital platform FRANCE SÉSAME (designed to make border crossing formalities for goods more fluid) connects to 13 new port sites and 8 new airports since November 22:



Bordeaux, Brest, Guadeloupe, French Guiana, Reunion, La Rochelle, Lorient, Martinique, Nantes Saint-Nazaire, Mayotte, Perpignan Port-Vendres, Saint-Malo, Sète.



Bordeaux, Guadeloupe, French Guiana, Marseille-Marignane, Strasbourg-Entzheim, Mayotte, Reunion, Martinique



## YOUR CUSTOMS MONITORING



### EU/ESA AGREEMENTS : MADAGASCAR - REX SYSTEM

As of January 1, 2023, EUR.1 movement certificates and invoice declarations issued by approved exporters in Madagascar will no longer be valid to claim preferential tariff treatment for imports into the EU. As of January 1, the certification of origin for export from Madagascar is a declaration of origin made out :

- by an exporter in Madagascar registered in the REX system
- by any exporter in Madagascar when the total value of originating products shipped does not exceed EUR 6,000.



### CUSTOMS NOMENCLATURE : NEW CREATION/CLOSURE OF TARIC CUSTOMS CODES

The following chapters are subject to the creation of 10-digit TARIC codes on January 1, 2023 and to closure on December 31, 2022

15 - 21 - 28 - 29 - 32 - 36 - 38 - 39 - 44 - 54 - 76 - 84 - 85 - 87

