



## FURNITURE – INDUSTRY WITH A HIGH CROSS-BORDER POTENTIAL



## NORWEGIAN-UKRAINIAN BUSINESS GUIDE FOR FURNITURE

### SELECTED FURNITURE PRODUCTS



**CONVERTIBLE SEATS**  
HS 940140



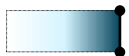
**PARTS OF SEATS**  
HS 940190



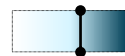
**WOODEN FURNITURE**  
HS 940360

**Product Score\***  
(out of 100)

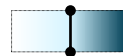
100



64



50



### FURNITURE - NORWEGIAN IMPORTANT PRODUCTS...

Import value	USD 16 million	USD 69 million	USD 292 million
Annual growth of import	-5%	4%	-4%
Share of import from Ukraine	0%	0%	0%

### ... AND UKRAINIAN HIGHLY DEVELOPED PRODUCTS

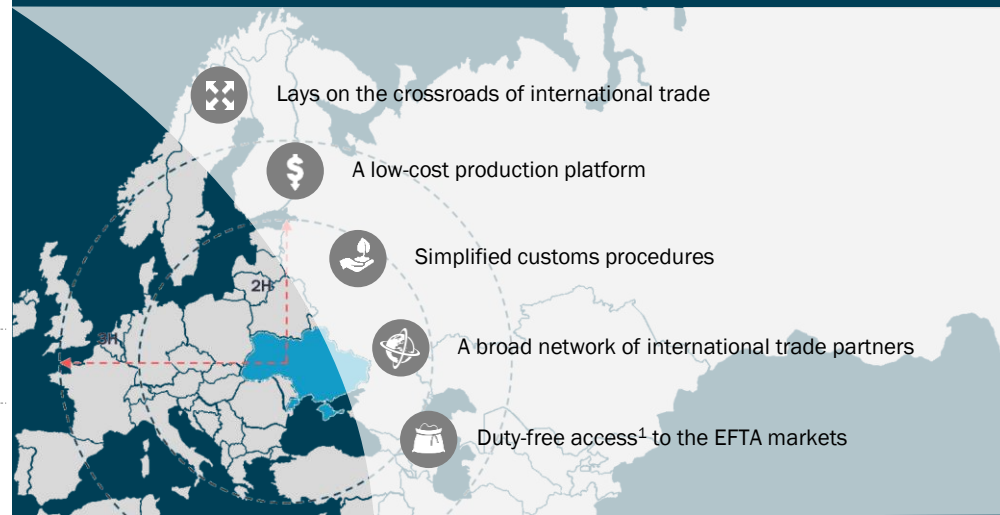
Export value	USD 44 million	USD 160 million	USD 69 million
Annual growth of export	5%	19%	-11%
Ranking in world exports	7	27	38
Estimation of export potential <sup>2</sup>	+ USD 2 million	+ USD 38 million	+ USD 51 million
Companies – Ukrainian furniture exporters <sup>3</sup>	<ul style="list-style-type: none"> <li>Dobry Mebli</li> <li>Fius</li> <li>Grand</li> </ul>	<ul style="list-style-type: none"> <li>Inter Kashtan</li> <li>Stryi Plant</li> <li>Compass</li> </ul>	<ul style="list-style-type: none"> <li>Modern-expo</li> <li>Zoloty Lis</li> <li>Dniprowood</li> </ul>

\***Product Score** is the estimation of the most prospective products for Norwegian-Ukrainian trade within the Textile industry calculated based on the trade data provided by the ITC. A more detailed research data, including scoring results are available in a separate extended report.

<sup>2</sup> The difference between the actual trade and the expected potential trade in five years' time

<sup>3</sup> According to the data provided by the ITC

### WHY UKRAINE IS THE RIGHT PLACE FOR BUSINESS?



### COMPETITIVE ADVANTAGES OF UKRAINIAN FURNITURE



**Top-25 world exporter** of seats, convertible into beds and seats for aircraft, parts of lamps, and seats with wooden frames



**High access to raw materials** due to the fact that about 15,9% of Ukraine's territory is covered with forests



**Existence of industry-specific clusters** as well as business association (e.g., Ukrainian Association of Furniture Manufacturers)



**Comparable quality and price** of Ukrainian furniture with that are produced in Central and Eastern Europe



**Increased access to high quality components** from Europe due to the DCFTA with the EU

<sup>1</sup> For all industrial products originated in Ukraine





# HOW TO IMPORT FURNITURE FROM UKRAINE TO NORWAY



## 1 SUBMIT DOCUMENTS TO THE UKRAINIAN CUSTOMS

- **Documents of Customs Accreditation** are obligatory for starting export procedures. Documents are issued by customs authority and can be received within 2 days maximum after customs registration.
- **Custom declaration** is a document containing the information about goods and other objects and vehicles, the purpose of their movement through the customs border of Ukraine, the customs regime in which they are declared etc.
- **Foreign trade agreement** that contains (1) delivery terms, (2) terms of payment, (3) the subject of the contract, (4) price and total value of products
- **Product specification** that consists of (1) volume of goods, (2) unit of measurement, (3) price per unit, (4) the total price of consignment
- **Invoice** that contains (1) the seller, (2) buyer, (3) product and its price, (4) terms of sale and delivery, (5) a reference to the foreign trade agreements
- **Packing list** that consists of (1) weight of the consignment, (2) quantitative characteristics of the product, (3) packing materials
- **Bill of lading (B/L)** issued by a carrier (or their agent) to acknowledge receipt of cargo for shipment

## 2 DEAL WITH INTELLECTUAL PROPERTY ISSUES

- If a product is included to the custom register of The State Fiscal Service of Ukraine, the exporter have to receive a permission from the **owner of trade mark**

## 3 PAY TAXES AND MANDATORY FEES

- There are no customs payments for selected textile products as per Ukrainian legislation



## 4 SUBMIT DOCUMENTS TO THE NORWEGIAN CUSTOMS

- **Customs declaration** that can be submitted through TVINN - Norwegian Customs electronic system for exchanging customs declarations and should be sent to the customs region where a company is domiciled
- **Single Administrative Document (SAD)** that is a standardized customs form that contains the information taken from invoices, shipping documents, and acquired permissions. Can be used as an alternative to the declaration through TVINN
- **Invoice** that includes (1) information about the seller and buyer, (2) time and place for dispatch, (3) size of consignments, (4) description of consignment content, (5) terms of delivery, (6) commodity origin, (7) agreed price
- **Bill of lading (B/L)** issued by a carrier (or their agent) to acknowledge receipt of cargo for shipment



## 5 FULFILL TARIFF POLICY REQUIREMENTS

- **25% VAT** has to be payed
- If a company is registered in the VAT registered it must calculate and report the import VAT to the **Norwegian Tax Administration** by way of the new tax return
- Otherwise importer have to pay import VAT to **Norwegian Customs** on import



## 6 FULFILL NON-TARIFF POLICIES



Have to be labelled in **Norwegian**



Should follow **EU regulations on packaging**



## TRANSPORT OPTIONS

- The most reasonable means of the transport for the furniture products would be sea ones
- The costs of delivery depend on kind of product, its weight, volume, price etc. and can be calculated after the submission of an application to a logistic company

## HINTS

- The easiest way to prepare all required documents is to turn to licensed customs brokers
- In order to receive a tailored transport solution, please, consider a licensed logistic company, which can also provide consulting services and insurance