



## **Customs Alert:**

### January 2018

#### **Customs Code of EEU**

The Treaty on the EEU Customs Code was signed on 11 April 2017 and the Treaty was ratified in EEU member countries. The Treaty on the EEU Customs Code was enforced from beginning of 2018.

The new EEU Customs Code entered into force after the Eurasian Economic Commission (EEC) was in receipt of all ratification notices from EEU member countries

(Russia, Kazakhstan, Belarus, Armenia and Kyrgyzstan).

#### **The Code of the Republic of Kazakhstan "On customs regulations in the Republic of Kazakhstan" (the "New Customs Code")**

The New Customs Code of the Republic of Kazakhstan entered into force on 1 January 2018 and includes the norms of the new EEU Customs Code, and establishes legal

relations within the competence of domestic legislation. The main difference between the two Codes and the previous legislation is a fundamentally new approach to customs regulation.

The terms of entry of the Customs Code of the Republic of Kazakhstan and the Customs Code of the EEU are synchronized as of January 1, 2018.

### Introduction of an electronic customs declaration

The main principle behind the new regulations is automatization of business processes within customs authorities.

The New Customs Code provides for an electronic customs declaration of goods. It will no longer be necessary to attach the supporting documents to the customs declaration. All the required information regarding goods and vehicles as well as the foreign trade transaction will be reflected in the customs declaration. We assume that a paper declaration will still be permissible in certain cases when, for example, technical errors occur.

The new electronic declaration will permit the automatic release of goods without any involvement of the customs authorities.

Even though such supporting documents will not need to be attached, such documents are still required and must be kept in case the customs authorities request them as part of their risk management system.

It is possible that goods will not be released automatically if the risk management system highlights that the supporting documents should be provided and/or a different customs control regime should be applied.

If the documents are not provided within the due date set for the release of goods (which is no later than one business day from the registration date of the customs declaration), the release could be denied by the customs authorities.

### Customs authorities' officials may complete the customs declaration

An entity may opt for transit, export, passenger or vehicle customs declarations to be

completed by a customs authority official.

The authorized body must approve the customs declaration (completed by the customs authority official) as well as the details of the customs transactions.

Even though a customs official may complete the form, only the declarant or another party liable for customs declaration shall be liable for the accuracy of the declared information.

### Release before submission of customs declaration

The New Customs Code extends the list of goods allowed to be released prior to the submission of the customs declaration to the customs authorities.

In particular, the list covers the following goods:

1. Goods which are subject to priority customs regulations (for instance, goods necessary for the relief of natural disasters, perishable goods, animals, radioactive materials, explosives etc.);
2. Goods imported to realise investment projects;
3. Goods imported by authorized economic operators;
4. Goods declared under the customs procedures for 1) processing on the customs territory 2) the free customs zone 3) free warehouse 4) the temporary import without payment of customs duties and taxes;
5. Goods determined by the Commission.

Please note that the release of goods prior to the submission of the customs declaration is permissible provided that the declarant:

1. files the prescribed application form with the customs authorities;

2. ensures that it pays customs duties, taxes, special anti-dumping, countervailing duties (except in certain cases);
3. provides documents confirming compliance with certain restrictions and limitations.

### Customs audit and appeals

#### ***Any uncertainties in the law to be considered in favor of the party appealing the notification***

The New Customs Code stipulates that all uncertainties and unresolved issues in customs legislation should be considered in favor of the party who appealed the notification regarding the customs audit results as well as the notification on elimination of the violation. This protects the legitimate interests of the declarant.

#### ***Preliminary customs audit act***

The New Customs Code includes new provisions requiring inspectors to provide a preliminary customs audit act during the review of certain categories of entities (1) large taxpayers; and (2) declarants who have signed investment contracts.

A similar procedure has been already introduced and is being applied during tax inspections.

- The Monthly News Digest provides a review of the latest significant introductions and additions to normative legal acts in Kazakhstan. Deloitte is not responsible or liable for the use of the information contained in the Monthly News Digest.
- The information contained in the Monthly News Digest contains comments and conclusions based exclusively on information received from open sources.
- Even though the Monthly News Digest covers topics of a legal nature, it is not a legal conclusion on any of the issues discussed in it.
- The aim of the Monthly News Digest is to provide information of a general nature. Deloitte does not accept management decisions for anyone having read the Monthly News Digest, and also does not take responsibility for any decisions taken based on the details provided in the Monthly News Digest. Our conclusions are of an exclusively informative nature. Anyone having read the Monthly News Digest will be responsible for any decisions taken to implement or refuse to implement recommendations and advice, if contained in the Monthly News Digest.

### How Deloitte can help

The Deloitte Customs Group provides services aimed directly at assisting clients in the understanding and practical application of existing statutory rules and regulations governing the import and export of goods. Another Key element of our services is to enable businesses to avoid the material and reputational risks associated with violating the customs legislation of Eurasian Economic Union and Republic of Kazakhstan. The Customs Group of the Deloitte Legal team provides unique advisory services, such as:

- ▶ Projects associated with the client's needs
- ▶ Audit projects
- ▶ Projects related to mergers and acquisitions



# Contact Us:

## Almaty/Astana

### **Anthony Mahon**

Tel.: +7(727) 258 13 40

Fax: +7(727) 258 13 41

Email: [anmahon@deloitte.kz](mailto:anmahon@deloitte.kz)

### **Vladimir Kononenko**

Tel.: +7(727) 258 13 40

Fax: +7(727) 258 13 41

Email: [vkononenko@deloitte.kz](mailto:vkononenko@deloitte.kz)

### **Agaisha Ibrasheva**

Tel.: +7(727) 258 13 40

Fax: +7(727) 258 13 41

Email: [aibrasheva@deloitte.kz](mailto:aibrasheva@deloitte.kz)

### **Sholpan Dossymkhanova**

Tel.: +7(7172) 58 04 80

Fax: +7(7172) 58 03 90

Email: [sdossymkhanova@deloitte.kz](mailto:sdossymkhanova@deloitte.kz)

[deloitte.kz](http://deloitte.kz)

## About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) for a more detailed description of DTTL and its member firms.

Deloitte provides audit, consulting, financial advisory, risk management, tax and related services to public and private clients spanning multiple industries. Deloitte serves four out of five Fortune Global 500<sup>®</sup> companies through a globally connected network of member firms in more than 150 countries bringing world-class capabilities, insights, and high-quality service to address clients' most complex business challenges. To learn more about how Deloitte's approximately 264,000 professionals make an impact that matters, please connect with us on [Facebook](#), [LinkedIn](#), or [Twitter](#).

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the "Deloitte Network") is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this communication.