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Customs alert

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Tax & Legal
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1. General

In this edition, we offer brief information on new documents adopted at sessions of the Eurasian Economic Commission (“EEC”) within the framework of the activities of the Eurasian Economic Union (“EEU”) of Belarus, Kazakhstan, Russia and Armenia, published on the EEU official website <http://eaeunion.org/> and legal portal <http://docs.eaeunion.org/ru-ru/>. We also introduce new international trade-related normative legal acts from Kazakhstan.

2. Eurasian Economic Union

Goods imported temporarily with a full exemption from customs duties and taxes

EEC Board Resolution №24 dated 28 May 2015 has added to the list of goods imported temporarily with a full exemption from customs duties¹ and taxes a point 36 as follows:

“36. Sea ferries classified under EEU FEA CN code 8901 10 100 9, under foreign ownership, chartered by EEU Member State entities under a time-charter agreement or bareboat-charter to transport freight and passengers between the following ports: Kavkaz and Kerch, Novorossisk and Fedosiya, Gelendzhik and Kerch, Temryuk and Kerch, Novorossisk and Kerch, and Novorossisk and Sevastopol, under temporary import (release) conditions until 31 December 2017, inclusive, for the period of their temporary import”.

Furthermore, EEC Council Resolution №61 dated 5 May 2015 has included the above goods in the list of categories of goods for which longer temporary import periods have been set than those in the Customs Code². The maximum temporary import period is three years.

EEC Board Resolution №24 enters into force at the end of 30 calendar days from the date of its official publication, which was 2 June 2015.

EEC Council Resolution №61 enters into force from the date EEC Council Resolution №24 enters into force.

Control (identification) tags for specific types of goods

EEC Board Resolution №28 dated 28 May 2015 has approved a draft Agreement to realise a 2015 - 2016 pilot project to place control (identification) tags on goods classified as “Items of clothing, clothing accessories and other items made of natural fur”.

The Agreement covers legal relations associated with the handling of goods classified as “Items of clothing, clothing accessories and other items made of natural fur”, which are to be tagged, and also companies and individuals registered as individual entrepreneurs handling and (or) using these goods in their business activities.

The EEC Board will approve the list of goods to be tagged.

Goods imported into the EEU and (or) manufactured in EEU member countries and included in the approved list will be tagged.

EEU member countries should perform internal state procedure to sign the agreement by 30 June 2015.

The Resolution entered into force on 13 June 2015.

¹ Approved by CUC Resolution №331 dated 18 June 2010

² Approved by CUC Resolution №375 dated 20 September 2010

Customs and tariff regulation

EEC Board Resolution №35 dated 23 April 2015 has amended Customs Union Commission (“CUC”) Resolution №130 dated 27 November 2009.

The list of developing countries making use of the Customs Union tariff preference system has been supplemented with the Maldives and Samoa.

The same countries have been removed from the list of less developed countries making use of Customs Union tariff preferences, and replaced by South Sudan.

The Resolution enters into force at the end of 30 calendar days from the date of its official publication, which was 16 June 2015.

Procedure for licensing imports into the EEU and (or) exports from the EEU

EEC Council Resolution №67 dated 16 June 2015 has amended the list of goods requiring permission to be imported into the EEU and (or) exported from it.

As a result, section 2.8 “Rare wild animals and plants included in the Red Book of the EEU member states and those under threat” has been re-worded.

The Resolution enters into force from the date an Agreement dated 23 December 2014 on the Accession of the Kyrgyz Republic to the EEU Treaty dated 29 May 2015 enters into force, but no earlier than 30 calendar days from the official publication date of the resolution, which was 17 June 2015.

Amendments to EEU Common Customs Tariffs

The table below shows a number of EEU resolutions amending the EEU Common Customs Tariff:

EEU Board Resolution №, publication date	EEU FEA CN code	Brief description of goods	Import customs duty rate ³
20 ⁴ 26 May 2015	2804 61 000 0 2804 69 000 0	Silicon	0% ⁵
23 ⁶ 2 June 2015	3920 30 000 1	Styrol polymer sheets and specific vinyl chloride and polyethylene terephthalate film	7.7% ⁷
	3920 30 000 9		7.7%
	3920 43 100 1		7.7% ⁷
	3920 43 100 9		7.7%
	3920 62 190 2		7.7% ⁷
	3920 62 190 3		7.7%
	3920 62 900 1 3920 62 900 9		7.7% ⁷ 7.7%
25 ⁸ 2 June 2015	8603 10 000 2 8605 00 000 2	Specific types of railway motor and non-self-propelled wagons	0% ⁹

³ Import customs duties charged as a % of customs value, or in Euros or in US\$

⁴ Resolution entered into force on 26 June 2015

⁵ Import customs duty rate of 0% of customs value applies from the date the Resolution enters into force until 31 December 2016, inclusive. Note 8C to the EEU Common Customs Tariff

⁶ Resolution enters into force at the end of 30 calendar days from the date of official publication, which was 2 June 2015

⁷ Import customs duty rate of 0% of customs value applies from the date the Resolution enters into force until 31 December 2016, inclusive. Note 41C to the EEU Common Customs Tariff

⁸ Resolution has removed the reference to Note 23C with EEU FEA CN code 8605 00 000 3. The Resolution entered into force on 13 June 2015

⁹ Import customs duty rate of 0% of customs value applies from the date the Resolution enters into force until 31 December 2016, inclusive. Note 23C to the EEU Common Customs Tariff

EEU Council Resolution №, publication date	EEU FEA CN code	Brief description of goods	Import customs duty rate ¹⁰
26 ¹¹ 2 June 2015	8407 10 000 2	Specific unmanned flying aircraft and aviation engines for them	8% ¹²
	8407 10 000 8		8%
	8802 20 000 2		18.6% ¹¹
	8802 20 000 8		18.6%
21 ¹³ 3 June 2015	3920 20 210 1	Specific propylene polymer slabs, sheets, films and strips	0%
	3920 20 210 9		7.7%
64 ¹⁴ 10 June 2015	8526 92 000 2	Specific goods intended for unmanned flying aircraft	6.7% ¹⁵
	8526 92 000 8		6.7%
	9306 90 100 1		18% ¹⁵
	9306 90 100 9		18%
64 ¹⁶ 10 June 2015	8526 92 000 2	Specific goods intended for unmanned flying aircraft	5% ¹⁷
	8526 92 000 8		5%
	9306 90 100 1		17% ¹⁷
	9306 90 100 9		17%

The full text of the documents can be found on the official EEU website and legal portal.

¹⁰ Import customs duties charged as a % of customs value, or in Euros or in US\$

¹¹ Resolution has removed positions 8407 10 000 9, 8802 20 000 9 from the EEU Common Customs Tariff. The Resolution entered into force 13 June 2015

¹² Import customs duty rate of 0% of customs value applies from the date the Resolution enters into force until 31 December 2016, inclusive. Note 51C to the EEU Common Customs Tariff

¹³ Resolution has removed position 3920 20 210 0 from the EEU Common Customs Tariff. The Resolution enters 30 calendar days from its official publication date, which was 3 June 2015

¹⁴ The Resolution removes positions 8526 92 000 9 and 9306 90 100 0 from the EEU Common Customs Tariff. The Resolution entered into force 21 June 2015

¹⁵ Import customs duty rate of 0% of customs value applies from the date the Resolution enters into force until 31 December 2016, inclusive. Note 50C to the EEU Common Customs Tariff

¹⁶ The import customs duties will be in place from 1 September 2015

¹⁷ Import customs duty rate of 0% of customs value applies from the date the Resolution enters into force from 1 September 2015 until 31 December 2016, inclusive. Note 35C to the EEU Common Customs Tariff

3. Republic of Kazakhstan

Kazakhstan legislation regarding special protective, anti-dumping and compensation measures in relation to third countries

8 June 2015 saw the signing of Law №316-V 3PK *On Special Protective, Anti-Dumping and Compensation Measures in Relation to Third Countries*.

The Law covers relations arising from the use of special protective, anti-dumping and compensation measures in relation to third countries, to protect national economic interests.

It does not cover relations arising from services and work performed, the transfer of exclusive rights to intellectual property or the provision of rights to the use of intellectual property, investments made, and currency and export controls, which are governed by other laws.

Law №317-V dated 8 June 2015 amends and supplements specific legislative acts concerning the use of special protective, anti-dumping and compensatory measures in relation to third countries.

Laws №316-V and №317-V enter into force at the end of 30 calendar days from their official publication, which was 10 June 2015.

Licensing of goods

Government Resolution №287 dated 24 April 2015 approves:

- a list of goods whose export and (or) import are licensed
- licensors
- the state authorities responsible for issuing licenses

The list of goods whose export and (or) import requires a license was established based on the common list of goods whose import or export by Customs Union member states in trading with third countries is either banned or restricted.

Licenses are issued for each item subject to export control and classified in accordance with the Common FEA CN and requiring a license.

The full text of the document can be found from official sources.

The Resolution enters into force at the end of 10 calendar days from the date of its official publication, which was 23 May 2015.

Rules for the Ministries of Finance and National Economy to work together to provide Customs Payment and Tax Exemptions on Imports of Specific Categories of Goods into the Customs Union

Joint Orders of the Minister of Finance №220 dated 27 March 2015 and Acting Minister for the National Economy №256 dated 27 March 2015 have approved Rules for the Ministries of Finance and National Economy to work together to provide Customs Payment and Tax Exemptions on Imports of Specific Categories of Goods into the Customs Union.

The Rules apply to goods imported free of charge as technical aid (assistance), and against grants (financial aid)¹⁸.

The full document text can be obtained from official Kazakhstan sources.

The joint Order enters into force at the end of 10 calendar days from its official publications, which was 1 June 2015.

Special economic zone activities

Order of the Minister of Finance №210 dated 26 March 2015 has approved rules:

- for the development of special economic zone territory and for providing access to them
- for notifying about an import of goods into a special economic zone, and for issuing permits to import goods into special economic zones and exporting them from the same
- for recording goods and for reporting to the state revenue authorities on goods released according to the free customs zone procedure
- for recognising goods released according to the free customs zone procedure as Customs Union goods

The various rules have been established to ensure effective customs controls and compliance with Customs Union and Kazakhstan customs legislation.

The full text of the document can be obtained from official Kazakhstan sources.

The Order enters into force at the end of 10 calendar days from its first official publication, which was 11 June 2015.

Rules for providing export (import) guarantees on processed products and forms for the same (within the EEU)

Order of the Minister of Finance №240 dated 31 March 2015 has approved:

- rules for providing export (import) guarantee on processed products
- the form for providing a commitment to export processed products
- the form for providing a commitment to import processed products

The rules apply to customer-owned excisable raw materials imported from Kazakhstan into an EEU member country and also those imported into Kazakhstan from EEU member countries¹⁹.

The full text of the document can be obtained from official Kazakhstan sources.

The Order enters into force at the end of 10 calendar days from its first official publication, which was 1 June 2015.

¹⁸ CUC Resolution №728 dated 15 July 2011

¹⁹ Point 3 of article 282 of the Kazakhstan Tax Code

Customs transit of foreign goods through Kazakhstan

Order of the Minister of Finance №206 dated 26 March 2015 has approved a document regulating the customs transit of foreign goods through Kazakhstan.

The document regulates the activities of the authorised economic operator.

The full text of the document can be obtained from official Kazakhstan sources.

The Order enters into force at the end of 10 calendar days after its first official publication, which was 8 June 2015.

Transfer and record of the receipt of customs duties, taxes, customs charges and late payment interest

Order of the Minister of Finance №257 dated 3 April 2015 has approved:

- rules for transferring and refunding (crediting) excess (incorrectly paid) customs duties, taxes, customs charges and late payment interest and advance payments from the budget
- rules for recording the receipt of customs duties, taxes, customs charges and late payment interest, and for maintaining payer personal accounts
- personal account forms for each type of customs duties, taxes, customs fees and late payment interest
- reconciliation reports for customs duties, taxes, customs fees and late payment interest

The full text of the document can be obtained from official Kazakhstan sources.

The Order enters into force at the end of 10 calendar days from its first official publication, which was 1 June 2015.

Rules for processing importer (end user) warranties and verifying execution

Minister for Investment and Development Order №418 dated 31 March 2015 has approved rules for processing importer (end user) warranties and verifying execution.

The rules were developed in accordance with the export control law and define the procedure for processing importer (end user) warranties and verifying their execution.

The full text of the document can be obtained from official Kazakhstan sources.

The Order enters into force at the end of 10 calendar days from its first official publication, which was 8 June 2015.

Sanitary and quarantine controls at Customs Union vehicle border points

Joint Order of the Ministry of Finance №213 dated 26 March 2015 and Acting Minister for the National Economy №247 dated 26 March 2015 has approved rules for carrying out sanitary and quarantine controls at Customs Union vehicle border points.

The rules define the procedure for carrying out sanitary and quarantine controls at Customs Union vehicle border points on various entities, vehicles and controlled goods (freight).

The full text of the document can be obtained from official Kazakhstan sources.

The Order enters into force at the end of 10 calendar days from its first official publication, which was 16 June 2015.

Tariff concessions

Order of the Acting Minister for the National Economy №279 dated 30 March 2015 has approved:

- rules for the provision of tariff concessions
- a list of goods subject to tariff concessions

The rules define procedures and conditions to be followed to receive tariff concessions on the import of the following into Kazakhstan:

1. goods imported from third countries as founder contribution to charter capital within the deadline established by foundation documents for its creation
2. raw sugar cane without flavour or colouring additives, classified as EEU Common FEA CN code 1701 13, 1701 14
3. goods, except for excisable goods (except for passenger vehicles specially equipped for medical purposes) imported as free aid (assistance), and also for charity purposes through third countries, international organisations, governments, including to provide technical aid (assistance) and at the expense of grants (financial aid)

The full text of the document can be obtained from official Kazakhstan sources.

The Order enters into force at the end of 10 calendar days from its first official publication, which was 12 June 2015.

Tax reporting

Minister of Finance Order №197 dated 20 March 2015 has approved the form to apply for a change to the import VAT payment deadline.

Minister of Finance Order №196 dated 20 March 2015 has approved the method for recording import VAT due according to the offset method in a VAT return, and also for recording the intended use of the goods.

Order №197 enters into force at the end of 10 calendar days from the date of its state registration, which was 29 April 2015.

Order №196 enters into force at the end of 10 calendar days from the date of its first official publication, which was 2 June 2015.

4. Dear Clients,

Please contact us should you have any questions regarding the application of Customs Union or Kazakhstan customs law.

The Deloitte customs group provides services specifically designed to assist those performing foreign economic activities understand and apply statutory rules and regulations concerning the import and export of goods. We have a team of experts to work on our engagements who have both theoretical and practical customs knowledge, which, in our opinion, is the key to a quality and professional job.

We are always glad
to be of assistance!

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