

Customs Alert
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1. General

In this Customs Alert, we provide a brief summary of new documents adopted during sessions of the Board and Council of the Eurasian Economic Commission (hereinafter, the “EEC”) within the framework of the Customs Union (“CU”) between Belarus, Kazakhstan and Russia, and published on the official EEC website www.eurasiancommission.org. Also, we offer you a summary of new Kazakhstan regulatory legal acts dealing with international trade.

2. Customs Union

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

EEC Board Resolution No. 6 dated 31 January 2014 introduces amendments to the list of temporarily imported goods with a full exemption from customs duties and taxes¹ (the “List”).

The List has been supplemented with a point 33 as follows:

“33. Civil passenger aircraft classified as Customs Union Foreign Economic Activity Commodity Nomenclature codes 8802 40 003 5, 8802 40 003 6 and 8802 40 004 6, except for aircraft with a maximum number of passenger seats as shown in the layout of passenger accommodation approved by the authorised body responsible for maintaining aircraft airworthiness of between 50 and 110, in the event entities participating in foreign economic activity from Customs Union member states entered into agreements and temporarily imported aircraft before 1 January 2017.

The maximum period for a conditional exemption from customs duties and taxes in relation to such aircraft is five years from the date aircraft are temporarily imported.”

This Resolution entered into force on 3 March 2014.

Goods that may be subject to a special customs procedure, and the conditions for placing them under specific customs procedures

EEC Board Resolution No. 8 dated 19 February 2014 has made an addition to the list of goods' categories that may be subject to a special customs procedure, and the conditions for placing them under specific customs procedures².

The List has been supplemented with goods to be used within the framework of international cooperation in research into and the use of space, including the launch of spacecraft³, which are subject to special import procedures exempting them from customs duties and taxes, and also without bans and restrictions.

To make use of the special customs procedure, documentation supporting the special purpose of the goods issued by the authorised body for space activities for the country in question should be provided to the customs body of the Customs Union member state launching the spacecraft.

¹ Established by Customs Union Commission Resolution No. 331 dated 18 June 2010.

² Established by Customs Union Commission Resolution No. 329 dated 20 May 2010.

³ Established by Customs Union Commission Resolution No. 727 dated 22 June 2011.

Confirmation of purpose should contain information such as the name of the organisation acting as the declarant of the goods in question, their destination, the planned deadline for their import into the Customs Union and launch deadline, a list of goods containing details on the name and quantity of the goods and their statistical value in US\$.

This Resolution entered into force on 23 March 2014.

Classifiers used to complete customs declarations

EEC Council Resolution No. 27 dated 25 February 2014 made changes to classifiers used to complete customs declarations and approved by Customs Commission Resolution No. 378 dated 20 September 2010.

Changes were made to the following classifiers:

- classifier on the customs payment concessions (Appendix 7);
- classifier on the types of documents and data used in customs clearance (Appendix 8);
- classifier on the type of taxes, charges and other payments collected by the customs authorities (Appendix 9);
- classifier on the specifics making customs and other payments collected by the customs authorities (Appendix 10);
- classifier on the methods for securing the payment of customs duties and taxes (Appendix 19);
- classifier on countries of the world (Appendix 22).

The currency classifier (Appendix 23) has also been reworded.

The Resolution entered into force on 28 March 2014

Amendments to CU Common Customs Tariffs

The table below lists EEC Board and Council Resolutions amending CU CCT.

EEC Board Resolution No. and publication date	CN FEA CU code	Brief description of goods	Import duty rate ⁴
³ , 6 February 2014	8501 52 300 0	Various polyphase alternating current motors between 7.5 kW and 37 kW	5% ⁶
⁴ , 6 February 2014	8605 00 000 4	Certain types non self-propelled railway wagons	10% ⁸
	8605 00 000 7		10%

⁴ As a percentage of customs value, either in Euros or USD.

⁵ The Resolution entered into force on 16 February 2014.

⁶ Import duty rate is effective from 16 February 2014 until 31 December 2015, inclusive.

⁷ The Resolution removed position 8605 00 000 8. The Resolution entered into force on 16 February 2014.

⁸ Import customs duties of 0% of customs value apply from 16 February 2014 until 31 July 2014, inclusive.

EEC Council Resolution No. and publication date	CN FEA CU code	Brief description of goods	Import duty rate ⁹
9 ¹⁰ , 29 January 2014	4810 13 800 9	Certain types of paper and cardboard	10% ¹¹
	4810 14 800 0		5%
	4810 19 900 0		10% ⁹
	4810 22 100 0		10%
	4810 29 300 0		10%
	4810 29 800 0		5%
	4810 31 000 0		5%
	4810 32 100 0		5%
	44810 32 900 0		5%
	4810 39 000 0		5%
	4810 92 900 9		5%
	4810 99 100 0		5%
	4810 99 300 0		5%
	4810 99 900 0		5%
14 ¹² , 6 February 2014	8603 90 000 1	Certain types of motorised railway wagons	5% ¹³
	8603 90 000 9		5%
25 ¹⁴ , 6 February 2014	2607 00 000 1	Certain types of lead ore and concentrate	4% ¹⁵
	2607 00 000 9		4%
46 ¹⁶ 25 March 2014	0207 14 100 1	Certain types of boned chicken	25%
	8430 49 000 1	Certain types of drilling machines capable of drilling to a depth of 200 m	5%, but no less than 0,99 Euro per kg ¹⁷

⁹ As a percentage of customs value, either in Euros or US\$.

¹⁰ The Resolution entered into force on 28 February 2014.

¹¹ Import customs duties of 5% of customs value apply from 1 March 2014 until 31 August 2014, inclusive.

¹² The Resolution removed position 8603 90 000 0. The Resolution entered into force on 16 February 2014.

¹³ Import customs duties of 0% of customs value apply from 16 February 2014 until 31 July 2014, inclusive.

¹⁴ The Resolution removed position 2607 00 000 0. The Resolution entered into force 28 March 2014.

¹⁵ Import customs duties of 0% of customs value applicable from 1 April 2014 until 31 March 2015, inclusive.

¹⁶ Resolution enters into force at the end of 30 calendar days from the date of its official publication, which was 25 March 2014.

¹⁷ Import customs duties of 5% of customs value applicable from 25 April 2014 until 25 July 2014, inclusive, of 2% of customs value, but no less than 0.56 Euro per kg from 26 July 2014 until 31 December 2014, inclusive.

3. Republic of Kazakhstan

Temporary ban on the export of ferrous waste and scrap from Kazakhstan

Government Resolution No. 107 dated 19 February 2014 introduced a two-month ban on the export of ferrous waste and scrap (CN FEA CU code 7204), except for steel alloy waste and scrap, including stainless steel (CN FEA CU codes 7204 21 100 0, 7204 21 900 0) and others (CN FEA CU code 7204 29 000 0).

The Resolution entered into force on 20 February 2014

Kazakhstan customs duty rates

Government Resolution No. 1598 dated 31 December 2013 introduced amendments and additions to Government Resolution No. 520 dated 7 June 2010 *On Customs Duties in the Republic of Kazakhstan*, and also recognised Government Resolutions establishing export customs duty rates on crude oil and goods produced from oil as having lost its force.

The above resolution has reworded the export customs duties and divided them into:

- i. goods exported to outside of Kazakhstan;
- ii. goods exported to countries participating in Free Trade Zone Agreements¹⁸;
- iii. and seasonal customs duties.

Government Resolution No. 1036 dated 15 October 2005 *On Export Customs Duties for Crude Oil and Goods produced from Oil*, and all resolutions that amend and supplement it have been recognised as having lost their force.

The new export customs duties include rates for crude oil and goods processed from oil. It has also been established that an export customs duty rate of US\$ 400 per tonne will apply to exports of light distillates and products (CN FEA CU code 2710 10) exported from Kazakhstan until 31 December 2014.

The Resolution entered into force from 2 March 2014

¹⁸ Free Trade Zone Agreement concluded in St. Petersburg on 18 October 2011, and a Protocol on its application between the parties and Uzbekistan.

Change to export customs duties on crude oil

As we noted in a special issue of the Customs Alert, Government Resolution No. 211 dated 11 March 2014 made changes and additions to Government Resolution No. 520 dated 7 June 2010 *On Customs Duties in the Republic of Kazakhstan*.

The above Government Resolution set export customs duties on crude oil at US\$ 80 per tonne.

The Resolution entered into force from the day of its official publication, which was 12 March 2014

4. Dear Client,

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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