

# Customs Alert

## Be in the know



# 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](http://www.eurasiancommission.org). Also, we offer you a summary of new Kazakhstan regulatory legal acts dealing with international trade.

## 2. Customs Union

### Essential goods for domestic market of the Customs Union

EEC Council Resolution No. 307 dated 25 December 2013 has introduced amendments to the List of goods essential for domestic market of the CU with respect to which temporary limitations or export bans can be established (hereinafter, the "List")<sup>1</sup>. The List is supplemented by commodity items 4103 30 000 0, 4104, 4106 31 000 0 and 410632000 0. In addition, some explanations to certain positions have been introduced.

**This Resolution entered into force on 25 January 2014.**

### Explanatory notes to the unified Commodity nomenclature of foreign economic activity of the Customs Union

EEC Council dated 17 December 2013<sup>2</sup> has recommended to apply Explanatory notes to the unified CN FEA CU as amended on 12 March 2013<sup>3</sup>.

Based on amendments, new Explanatory notes to CN FEA CU have been supplemented by Volume VI.

**This Recommendation entered into force on 17 January 2014.**

---

<sup>1</sup> Established by the CUC Resolution No. 168 dated 27 January 2010.

<sup>2</sup> EEC Council Recommendation No. 17 dated 17 December 2013.

<sup>3</sup> EEC Council Recommendation No. 4 dated 12 March 2013.

## Amendments to CU Common Customs Tariffs

The table below lists EEC Board amending CU CCT.

EEC Board Resolution No. and publication date	CN FEA CU code	Brief description of goods	Import duty rate <sup>4</sup>
92 <sup>5</sup> , 23 December 2013	8701 20 901 5	Certain types of motor vehicles that were in operation	13,8%, not less than 0,2 Euro for 1 cm <sup>3</sup> of engine
	8702 10 192 4		13,3%, not less than 1,8 Euro per 1 cm <sup>3</sup> of engine
	8704 21 390 4		14%, not less than 0,2 Euro per 1 cm <sup>3</sup> of engine
	8704 21 990 4		10%, not less than 0,13 Euro per 1 cm <sup>3</sup> of engine
	8704 22 990 5		10%, not less than 0,18 Euro per 1 cm <sup>3</sup> of engine
	8704 23 990 5		13,3%, not less than 1,2 Euro per 1 cm <sup>3</sup> of engine
	8704 31 390 4		19%, not less than 0,1 Euro per 1 cm <sup>3</sup> of engine
	8704 31 990 4		19%, not less than 0,2 Euro per 1 cm <sup>3</sup> of engine
	8705 10 009 5		10%, not less than 0,28 Euro per 1 cm <sup>3</sup> of engine
	8705 90 100 5		13%, not less than 0,6 Euro per 1 cm <sup>3</sup> of engine
	8705 90 300 5		13,8%, not less than 2 Euro per 1 cm <sup>3</sup> of engine
	8705 90 900 5		5%, not less than 0,04 Euro per 1 cm <sup>3</sup> of engine
	8716 39 800 3		9%, not less than 13,8 Euro per 1 t of total mass
	8716 39 800 4		9%, not less than 9,7 euro per 1 m <sup>3</sup> of internal volume of the body
98 <sup>6</sup> 26 December 2013	8703 90 109 1	Certain types of motor vehicles with an electric motor	19% <sup>7</sup>
	8703 90 109 9		19%

<sup>4</sup> Import duty rate (as a percentage of customs value, either in Euros or USD).

<sup>5</sup> Resolution entered into force on 2 January 2014.

<sup>6</sup> Resolution excludes item 8703 90 109 0. The Resolution entered into force on 5 January 2014.

<sup>7</sup> Import duty rate of 0% of the customs value is effective from 1 January 2014 until 31 December 2015, inclusive.

# 3. Republic of Kazakhstan

## Temporary ban on export of light distillates and products, kerosene, gas oil and other petroleum products

Government Resolution of the RK No. 1312 dated 4 December 2013 has imposed a ban on the export of light distillates and products (commodity code 2710 12), kerosene (commodity code 2710192100 - 2710192500), gas oil (commodity code 2710194200 – 2710194800, 2710201100-2710201900) and other petroleum products (commodity code 2710209000), except specialized gasoline (commodity code 2710122100-2710 12 250 9) and heating gas oil for household use for the term of 6 month.

**This Resolution entered into force on 1 January 2014.**

## Application of IT technologies and creation of an integrated information system

President of the RK signed the law on ratification of the Agreement on the application of information technology in the exchange of electronic documents in foreign and mutual trade within the common customs territory of the CU and the Agreement on the establishment, operation and development of an integrated information system in foreign and mutual trade of the CU.

It is assumed that development of an information system of the CU trade will improve the quality of customs, tax, transport and other forms of state control with the use of information communication technologies, will provide effective regulation of foreign and mutual trade in the customs territory of the CU and will promote facilities to business entities.

Agreement on the application of information technology in trade in the CU territory will provide an opportunity to control the legality of foreign digital signatures within the CU and starting from 1 January 2014 it will allow participating in interstate information exchange within the CU that will promote the development of trade.

**Agreements are subject to ratification and are temporarily applied from 15 January 2014.**

## Rules of determining of the country of origin of goods

Government Resolution of the RK No. 1334 dated 13 December 2013 introduced amendments to the Criteria of sufficient processing of goods<sup>8</sup>, approved by the resolution of the Government of the RK No. 1647 dated 22 October 2009. In addition, there were amendments to goods positions 8408, 8433, 8501 and 8601

**This Resolution entered into force on 13 December 2013 and was officially published on 7 January 2014.**

## List of good subject to export control

Government Resolution of the RK No. 1372 dated 20 December 2013 introduced amendments to the List of products subject to export control approved by the Government Resolution of the RK No. 104 dated 5 February 2008.

**This Resolution entered into force on 9 January 2014.**

---

<sup>8</sup> Appendix 9 of the Rules of determination country of good's established by Government Resolution of the RK No. 1647 dated 22 October 2009.

## 4. International Trade

We focus your attention on the results of a regular monitoring of foreign trade barriers on goods imported from countries of the Customs Union.

Application of 101 restrictive measures on goods of the CU member-states has been revealed as of December 2013. Antidumping measures (46) formed the bulk of barriers. Moreover, discriminatory excise, import bans, quota restrictions and other restrictive measures are applied.

Restrictive measures in respect of goods of the CU member-states are applied by EU countries, Ukraine, India, United States, Uzbekistan, China, Mexico, Moldova, Thailand, Armenia, Azerbaijan, Brazil, Kyrgyzstan, Turkmenistan, Turkey, Australia, Indonesia, Canada, Colombia, the Republic of Korea, the Philippines.

The list of restrictive measures currently applied in third world countries with respect to goods of the RK is represented below:

Description of measures	Goods, applying the measure	Country applying the measure	Validity
Excise (differentiated) <sup>9</sup>	Yachts and other swimming facilities for recreation and sports, beer, alcoholic beverages, tobacco, fuel.	Azerbaijan	
Technical barrier <sup>9</sup>	Asbestos and asbestos products	Azerbaijan	
Excise (differentiated) <sup>9</sup>	Alcoholic beverages except vodka	Armenia	
Import ban <sup>9</sup>	Lynx and wolf fur	EU	
Annual tariff quota, including for other countries, including the CU member-states - 2,378,387 tons <sup>9</sup> . Import duty within the quota is 12 Euro per ton in over- quota - 95 Euro per ton	Soft wheat varieties with medium and low content of protein	EU	
Annual tariff quota of 300,000 tons <sup>10</sup> . Import duty within the quota is 16 Euro per ton, over-quota - 93 Euro per ton	Barley	EU	

<sup>9</sup> Restrictive measure also applies to goods of Belarus, Russia and other countries.

<sup>10</sup> Restrictive measure also applies to goods of Belarus, Russia and other countries.

Technical barrier <sup>10</sup>	Asbestos and asbestos products	EU	
Technical barrier <sup>10</sup>	Chemicals	EU	
Technical barrier <sup>10</sup>	More than 140 nickel compounds	EC	
Special protective duty at 30% <sup>11</sup>	Sodium nitrate	India	16 September 2014
Special protective investigation <sup>10</sup>	Seamless tubes, pipes and hollow profiles made of iron or non-alloy steel	India	
Special protective investigation <sup>10</sup>	Chemical rubber	India	
Technical barrier <sup>10</sup>	Steel and steel products	India	
Anti-dumping duty at the rate of 20% <sup>10</sup>	Hot-rolled flat products in coils	Indonesia	26 November 2018
Import quotas <sup>10</sup>	Alcoholic beverages including beer (commodity code 2203 – 2208)	Kyrgyzstan	1 January 2015
Special protective investigation with simultaneous introduction of interim measures of protection <sup>10</sup>	Wheat flour	Kyrgyzstan	
Collection in the form of payments for imports of goods in the process of it using the environmental pollution take place <sup>10</sup>	180 items of CN FEA codes, including cigars, cigarettes and other tobacco, petroleum, mineral and chemical fertilizers, paints, chemicals and other	Moldova	
Technical barrier <sup>10</sup>	Asbestos and asbestos products	Moldova	
Anti-dumping duty at the rate of 247,88%	Silicomanganese	USA	
Special protective fee from 2,95% to 44,20%, depending on the period <sup>12</sup>	Hot rolled products made of non-alloy steel	Thailand	26 February 2016
Technical barrier <sup>12</sup>	Asbestos products	Thailand	
Excise (discriminatory) <sup>12</sup>	Beer, some types of alcoholic beverages, alcohol, tobacco products, passenger cars	Turkmenistan	
Licensing of import activities <sup>12</sup>	Alcohol, alcoholic beverages, tobacco products, chemicals and transport	Turkmenistan	



<b>Difficulties in obtaining permission for transit import through the territory of Uzbekistan<sup>12</sup></b>	Ammonium nitrate, mining machinery BelAZ, gas cylinders and other	Uzbekistan	
<b>Excise (discriminatory)<sup>12</sup></b>	37 items of CN FEA codes, including beer, cigarettes, salt and other	Uzbekistan <sup>10</sup>	
<b>Import quotas<sup>12</sup></b>	Coal and coke	Ukraine	
<b>Special protective measure<sup>12</sup></b>	Seamless steel pipes, casing and tubing	Ukraine	October 2014
<b>Special protective measure<sup>12</sup></b>	Cars	Ukraine	13 April 2016

Complete information on restrictive measures with respect to goods of the CU member-states can be found on the official EEC website.

---

<sup>11</sup> For the period from 17 September 2014 until 17 December 2014 the duty is set at 28%. Restrictive measure also applies to goods of Belarus, Russia and other countries.

<sup>12</sup> Restrictive measure also applies to the Belarus goods .

## 5. 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!**

# 6. Contacts

## Almaty

### **Vladimir Kononenko**

Partner

Tel.: +7 (727) 258 13 40

Fax: +7(727) 258 13 41

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

## Astana

### **Sholpan Dossymkhanova**

Manager

Tel.: +7 (717) 258 04 80

Fax: +7(717) 258 03 90

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

## Atyrau / Aktau:

### **Anthony Mahon**

Director

Tel.: +7 (727) 258 13 40

Fax: +7(727) 258 13 41

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

Deloitte provides audit, tax, consulting, and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries, Deloitte brings world class capabilities and deep local expertise to help clients succeed wherever they operate. Deloitte's approximately 182,000 professionals are committed to becoming the standard of excellence.

Deloitte's professionals are unified by collaborative culture that fosters integrity, outstanding value to markets and clients, commitment to each other, and strength from cultural diversity. We have achieved this by providing our staff with an beneficial work environment and opportunities for further training and professional development to help them realize their potential. Deloitte's professionals are dedicated to strengthening corporate responsibility, building public trust, and making a positive impact in their communities.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see [www.deloitte.com/about](http://www.deloitte.com/about) for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms. Please see [www.deloitte.com/ru/about](http://www.deloitte.com/ru/about) for a detailed description of the legal structure of Deloitte & Touche CIS.