

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 (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 that are not covered by special simplifications available to authorised economic operators

EEC Board Resolution № 60 dated 13 May 2014 has amended the list of goods that are not covered by special simplifications available to authorised economic operators¹.

According to the amendments, various goods determined in accordance with legislation of CU member countries have been removed from the above list.

The Resolution was officially published on 14 May 2014 and enters into force at the end of 30 calendar days from that date.

Simplification of the requirements for exporters of natural diamonds

EEC Board Resolution № 67 dated 13 May 2014 has amended the Statute on the Procedure for importing and exporting Precious Metals, Precious Stones and Raw Materials containing Precious Metals into and from the Customs Territory of the Customs Union².

In addition to other amendments, the obligation for diamond producers to offer natural diamonds for sale in the CU before exporting them has been abolished.

The Resolution enters into force on 13 June 2014.

Protection of the economic interests of wrought steel rolls for rolling mills

According to EEC Board Resolution № 68 dated 13 May 2014, anti-dumping duties of 26% of customs value have been extended until 27 February 2015 for wrought steel rolls imported into the CU customs territory for rolling mills and originating from Ukraine under CN FEA CU 8455 30 310 1, 8455 30 310 9, 8455 30 390 1 and 8455 30 390 9. The anti-dumping duties had previously been set by CUC Resolution № 904 dated 9 December 2011.

For the purposes of the above anti-dumping duties, goods are determined according to CN FEA CU.

The Resolution enters into force on 27 June 2014.

¹ Set by Customs Union Commission ("CUC") Resolution № 323 dated 18 June 2010

² Approved by EEC Board Resolution № 134 dated 16 August 2012

Changes to the Customs Union Common Customs Tariffs

In accordance with Russian WTO obligations, EEC Board Resolution № 77 dated 26 May 2014 has introduced amendments to the CN FEA CU and CU Integrated Customs Tariff ("CU CCT").

Under the Resolution in questions, from 1 September 2014:

- the following subcodes will be removed: 4016 10 000 0, 4017 00 000 0, 6802 29 000 0, 8307 90 000 0, 8411 12 300 1, 8411 12 300 2, 8411 12 300 9, 8411 12 800 0, 8411 21 000 0, 8411 22 200 1, 8411 22 200 9, 8411 22 800 0, 8411 82 800 0, 9104 00 000 9, 9608 99 000 0;
- the subcodes will be included in groups: 02, 03, 04, 05, 06, 07, 08, 09, 11, 12, 14, 15, 16, 17, 19, 20, 21, 22, 23, 24, 25, 26, 31, 32, 33, 34, 35, 36, 37, 38, 40, 41, 42, 43, 44, 46, 47, 48, 49, 64, 65, 67, 68, 69, 70, 71, 73, 74, 75, 76, 78, 79, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, according to Appendix № 2 to the Resolution. Import customs duties on the new goods were set according to Appendix № 3 to the Resolution;
- changes have also been made to CU ICT Notes according to Appendix № 4 to the Resolution.

In addition, from 1 January 2015 import customs duties will be established for certain goods according to Appendix № 5 to the Resolution.

You can find more detailed information on the Resolution on the official EEC website.

The Resolution was published on 27 May 2014 and enters into force at the end of 30 calendar days from that date.

The table below provides a list of EEC Board Resolutions and changes to CU CCT:

EEC Board Resolution №, publication date	CN FEA CU	Brief overview of goods	Import customs duty rate ³
63 ⁴ 14 May 2014	8535 30 900 1	Switchgear and control gear components with SF6 insulation	13.3% ⁵
	8535 30 900 2		13.3% ⁵
	8535 30 900 3		13.3% ⁵
	8535 30 900 9		13.3%
	8535 90 000 1		13.3% ⁵
	8535 90 000 9		13.3%
	8538 90 990 1		5% ⁵
	8538 90 990 9		5%
64 14 May 2014	4408 39 850 9	Timber	8.3% ⁶
65 ⁷ 14 May 2014	8454 30 900 3	Continuous slab casting machines	0%
	8454 30 900 4		5%
78 ⁸ 27 May 2014	8474 20 000 1	Grinding or crushing machines	5%
	8474 20 000 2		0%
	8474 20 000 3		5%
	8474 20 000 5		5%
	8474 20 000 9		0%

³ Import customs duties (% of customs value or in Euros/US\$)

⁴ Resolution removed items 8535 30 900 0, 8535 90 000 0, 8538 90 990 0. The Resolution enters into force at the end of 30 days from its publication

⁵ Import customs duties of 0% of customs value are applied from 1 July 2014 until 31 December 2015, inclusive. Note 40C to the CU CCT

⁶ Import customs duties of 0% of customs value are applied from 13 June 2014 until 31 May 2016, inclusive. Note 41C to the CU CCT

⁷ Resolution removed item 8454 30 900 2. The Resolution enters into force from 13 June 2014

⁸ The Resolution removed item 8474 20 000 0. The Resolution enters into force at the end of 30 days from its publication

3. Republic of Kazakhstan

Treaty on integrated export controls for Eurasian Economic Community members

Law № 204-V 3PK dated 16 May 2014 denounced the Treaty on integrated export controls for Eurasian Economic Community members, concluded in Moscow on 28 October 2003.

According to Zakon.kz and Inform.kz statements, the Treaty had too be denounced due to the lack of trans-border controls when transferring dual-purpose goods through Eurasian Economic Community member territory.

The Law was officially published on 20 May 2014.

Procedure for submitting documents for inclusion in customs registers

Law № 203-V dated 16 May 2014 has introduced amendments to certain Kazakhstan legislative acts regarding the regulatory system, and also to Code *On customs affairs in Republic of Kazakhstan* № 296-IV dated 30 June 2010.

When submitting documents for inclusion in the register of temporary storage warehouse owners, the register of customs warehouse owners, the register of duty free shop owners, with the introduction of the Law, originals of state registration certificates will not have to be provided, while foundation documents will no longer have to be notarised (copies will suffice). All remaining requirements are still in force.

The Law was published officially on 20 May 2014 and enters into force in relation to the Code at the end of 6 months from the day it is officially published for the first time.

Standards for state services provided by the Kazakhstan authorities

Government Resolution № 149 dated 25 February 2014, in accordance with the Law *On State Services* dated 15 April 2013, has approved standards for state services provided by the Trade Committee of the Ministry of Economics and Budget Planning such as:

- to issue a license to import and (or) export goods using foreign trade customs tariff and non-tariff regulation measures, and also special protective measures based on Government and (or) EEC resolutions;
- to issue or re-issue a license, issue duplicate licenses to import goods that are the objects of trials, into Kazakhstan without quotas;
- to issue a permit to import specific goods into Kazakhstan.

The Resolution entered into force on 22 May 2014

Government Resolution № 202 dated 6 March 2014, in accordance with the Law *On State Services* dated 15 April 2013, has approved standards for manufacturing-related state services provided by the Ministry of Industry and New Technology, such as

- to issue a document referring to the conditions for processing goods in or outside of the customs territory and processing goods for domestic consumption in the light, mining, metallurgical, chemical, pharmaceutical and timber industries, and also in machine building and construction;
- to issue an opinion on the classification of goods imported into Kazakhstan from CU member countries as goods intended for industrial processing in light, mining, metallurgical, chemical, pharmaceutical and timber industries, and also in machine building and construction;
- and others.

You can find more detailed information on the Resolution from official sources in Kazakhstan.

The Resolution entered into force on 19 May 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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