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# Customs Alert

## Be in the know

Tax & Legal  
August-October 2014

# 1. General

In this issue we provide you with an overview of new documents adopted at sessions of the Eurasian Economic Commission (“EEC”) within the framework of the activities of the Customs Union (“CU”) between Belarus, Kazakhstan and Russia, and published on the official EEC website [www.eurasiancommission.org](http://www.eurasiancommission.org). We also introduce new normative legal acts in Kazakhstan related to international trade.

## 2. Customs Union

### Tariff reductions on certain types of turboprop passenger aircraft

EEC Council Resolution № 57 dated 15 August 2014 introduces import customs duty exemptions<sup>1</sup> for turboprop passenger aircraft with CU FEA CN codes **8802 30 000 7** and **8802 40 001 6**, no more than 90 passenger seats and imported into Kazakhstan between 1 January 2015 and 31 December 2017 inclusive.

Furthermore, turboprop passenger aircraft with CU FEA CN codes **8802 30 000 2**, **8802 30 000 7**, **8802 40 001 1** and **8802 40 001 6**, no more than 72 passenger seats, and which are less than 10 years old will be exempt from customs duties and taxes<sup>2</sup> until 31 December 2015 when imported temporarily.

При этом предельный срок полного условного освобождения составляет 2 года со дня помещения под временный ввоз (допуск).

The full text of the above resolutions can be found on the official EEC website.

**The Resolution entered into force on 4 October 2014.**

### Protection of the economic interests of manufacturers of polymer-coated rolled metal products

EEC Board Resolution № 191 dated 21 October 2014 has introduced changes to anti-dumping duties on polymer-coated rolled metal products from China, which may be classified under CU FEA CN **7210**, **7212**, **7225**<sup>3</sup>.

Name of goods	Producer	Anti-dumping duty rate (percentage of customs value)
Plain polymer-coated cold-rolled mill products between 0.2 and 2 mm thick, width – over 50 mm and plain polymer-coated cold-rolled zinc-plated rolled mill products between 0.2 and 2 mm thick, width – over 50 mm	Angang Steel Co., Ltd. (China, Liaoning Province, Anshan, Kyanshan District, 1 Kyanshan Road West)	11.87%
	Dalian POSCO Co., Ltd. (China, Liaoning Province, Dalian, Zhenpeng Industrial City 1-4-5)	10.34%
	Shandong Guanzhou Co., Ltd. (China, Guan Province, Shandong, Zhensing East Road 389)	6.98%
	Others	20.20%

<sup>1</sup> Subpoint 7.1.20 of point 7 of Customs Union Commission (“CUC”) Resolution № 130 dated 27 November 2009

<sup>2</sup> CUC Resolution № 331 dated 18 June 2010

<sup>3</sup> EEC Board Resolution № 49 dated 24 May 2012

These protective measures have been introduced for five years and will remain in force until 30 June 2017 inclusive.

You can find the complete text of the EEC Board Resolution on its official website.

**The Resolution enters into force at the end of 30 calendar days from its official publication date, which was 22 October 2014**

### Changes to the Customs Union Common Customs Tariffs

EEC Council Resolution № 82 dated 9 October 2014 has amended the CU FEA CN and CU CCT with respect to civil aircraft parts, specifically positions **3926, 7019, 8481, 8504, 8505** and **9025**.

**The Resolution enters into force 13 November 2014.**

The table below shows EEC resolutions amending CU common customs tariffs:

EEC Council Resolution No., publication date	CU FEA CN code	Brief description of goods	Import customs duty rate <sup>4</sup>
53 <sup>5</sup> 18 August 2014	2921 41 000 0	Aniline and salts	5% <sup>6</sup>
64 <sup>7</sup> 23 September 2014	8462 10 100 3	Aviation industry equipment	10% <sup>8</sup>
	8462 10 100 8		10%
	8462 21 100 3		8.5% <sup>8</sup>
	8462 21 100 9		8.5%
	8462 21 800 2		8.5% <sup>8</sup>
	8462 21 800 8		8.5%
65 <sup>9</sup> 23 September 2014	3909 30 000 1	Amino-aldehyde resin	0%
	3909 30 000 9		7.7%
66 <sup>10</sup> 23 September 2014	2901 10 000 1, 2901 10 000 2, 2901 10 000 9	Saturated acyclic hydrocarbons	3%
67 <sup>11</sup> 23 September 2014	8408 20 990 4	Diesel engines	5% <sup>12</sup>
	8408 20 990 7		5%
97 <sup>13</sup> 16 October 2014	3901 20 900 1	Polyethylene	6.5% <sup>14</sup>
	3901 20 900 9		6.5%

<sup>4</sup> Import customs duty rate (percentage of customs value or in Euros or US\$)

<sup>5</sup> Resolution entered into force 18 September 2014

<sup>6</sup> Import customs duties of 0% of the customs value from 18 September 2014 until 31 December 2015 inclusive. Note 32C to the CU Common Customs Tariff

<sup>7</sup> Resolution cancels commodity items 8462 10 100 9, 8462 21 100 8 and 8462 21 800 9. Resolution entered into force 3 October 2014

<sup>8</sup> Import customs duties of 0% of the customs value from 3 October 2014 until 30 June 2015 inclusive. Note 33C to the CU Common Customs Tariff

<sup>9</sup> Resolution cancels commodity item 3909 30 000 0. Resolution enters into force 1 November 2014

<sup>10</sup> Resolution cancels commodity item 2901 10 000 0. Resolution entered into force 3 October 2014

<sup>11</sup> Resolution cancels commodity item 8408 20 990 8. Resolution entered into force 3 October 2014

<sup>12</sup> Import customs duties of 0% of the customs value from 3 October 2014 until 30 September 2017 inclusive. Note 38C to the CU Common Customs Tariff

<sup>13</sup> Resolution cancels commodity item 3901 20 900 0. Resolution enters into force 15 November 2014

<sup>14</sup> Import customs duties of 0% of the customs value from 1 December 2014 until 31 August 2015 inclusive. Note 35C to the CU Common Customs Tariff

EEC Board Resolution No., publication date	CU FEA CN code	Brief description of goods	Import customs duty rate
129 <sup>15</sup> 16 July 2014	8411 99 001 9	Gas turbine spare parts	8% <sup>16</sup>
160 <sup>17</sup> 17 September 2014	8529 90 490 0, 8529 90 650 9	Parts for the production of electrical items	0%
171 <sup>18</sup> 23 September 2014	9102 11 000 0, 9102 29 000 0	Watches and clocks	10%, but no less than 4 Euros per item <sup>19</sup>
188 <sup>20</sup> 14 October 2014	8421 29 000 3	Separators used to treat oil and petroleum gases	3%
	8421 39 800 2		4.7%

The full text of the above resolutions can be found on the official EEC website.

### Classification of goods under the Common FEA CN

The table below shows resolutions adopted to classify goods under the CU FEA CN

EEC Resolution No., date	Brief description of goods	CU FEA CN code
135 19 August 2014	Coronary stent	9021 90 900 0
156 16 September 2014	Disposable children's diapers	9619 00
157 16 September 2014	Gauze	5208
159 16 September 2014	Polymethylene phenyl isocyanate (polymeric methylene diphenyl isocyanate, MDI)	3909 30 000 0

<sup>15</sup> Resolution entered into force 2 September 2014

<sup>16</sup> Import customs duties of 0% of the customs value from 2 September 2014 until 1 September 2016 inclusive. Note 30C to the CU Common Customs Tariff

<sup>17</sup> Resolution entered into force 17 October 2014

<sup>18</sup> Resolution entered into force 24 October 2014

<sup>19</sup> Import customs duties of 10% of customs value, but no less than 4 Euros per item, in force from 1 November 2014 until 31 August 2015 inclusive. Note 37C to the CU Common Customs Tariff

<sup>20</sup> Resolution enters into force 13 November 2014

# 3. Republic of Kazakhstan

## Eurasian Economic Union Agreement

Law № 240-V 3PK dated 14 October 2014 has ratified the Eurasian Economic Union Agreement. We will provide an analytical overview of the agreement soon in a special alert.

**The Law was published 15 October 2014.**

## Export customs duties

Government Resolutions № 833 dated 28 July 2014 and № 1046 dated 30 September 2014 have introduced amendments and additions to export customs duties set by Government Resolution № 520 dated 7 June 2010.

FEA CN code	Customs duties on goods		Seasonal customs duties
	exported from Kazakhstan <sup>21</sup>	exported to FTZA <sup>22</sup> member countries	
7601 20 910 0	3%, but no less than 22 Euros per tonne	3%, but no less than 22 Euros per tonne	7601 20 910 0
8607 <sup>23</sup>	20%, but no less than 15 Euros per tonne	20%, but no less than 15 Euros per tonne	8607 <sup>24</sup>
2713 20 000 0, 2713 90 100 0, 2713 90 900 0	112.59 US\$ per tonne	112.59 US\$ per tonne	2713 20 000 0, 2713 90 100 0, 2713 90 900 0

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

**Resolution № 833 entered into force from 28 August 2014. Resolution № 1046 entered into force from 8 October 2014.**

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<sup>21</sup> Except for CU countries and countries with which Kazakhstan has entered into bilateral and multilateral free trade zone agreements stipulating exemptions from import customs duties

<sup>22</sup> Countries subject to a free trade zone agreement dated 18 October 2011 and protocol on the application of the free trade zone agreement dated 18 October 2011 between its parties and Uzbekistan

<sup>23</sup> Except for CN FEA code 8607 19 100 9 which is subject to export customs rates of 10% of customs value, but no less than Euros 7.5 per tonne

<sup>24</sup> Except for CN FEA code 8607 19 100 9 which is subject to export customs rates of 10% of customs value, but no less than Euros 7.5 per tonne

## Excise duties on imported goods

Minister for Economics and Budget Planning Order № 208 dated 25 July 2014 approved an additional list of imported goods subject to excise duties according to country of origin. For example, for imports from Uzbekistan, excise duties are KZT 100 per cm<sup>3</sup>.

CN FEA code	Name of goods
8703 21 1099	Vehicles with an internal combustion engine and spark plug ignition and translation movement, working cylinder volume of up to 1,000 cm <sup>3</sup>
8703 22 1099	Vehicles with an internal combustion engine and spark plug ignition and translation movement, working cylinder volume of between 1,000 cm <sup>3</sup> and 1,500 cm <sup>3</sup>

**The Order entered into force 1 August 2014.**

## Rules for determining the country of origin of goods

Government Resolution № 793 dated 16 July 2014 has appointed the National Chamber of Entrepreneurs as the authorised body for issuing certificates of origin for goods for domestic circulation, and also approved Rules for determining the country of origin of goods, drafting, certifying and issuing certificates of origin for goods (the "Rules").

The Rules also establish criteria for the sufficient processing of goods.

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

**The resolution entered into force on 12 July 2014 and was official published on 17 September 2014.**

## Documents confirming the origin of goods

Order of the Deputy Prime Minister – Minister for Industry and New Technology № 257 dated 8 July 2014 has approved a list of documents confirming the origin of goods (the "List").

Among other things, the List determines the documents used to confirm an applicant's status, and also documents for goods produced in Kazakhstan, incorporating sufficient processing criteria.

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

**The order entered into force on 26 August 2014.**

## 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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