



Monthly News Digest:

Special Customs Alert for October 2017

EEC ("Eurasian Economic Commission") Council Resolution № 47: The Eurasian Economic Union ("EEU") Integrated Foreign Economic Activity Commodity Nomenclature ("FEA CN") and Integrated Customs Tariff ("ICT") have been amended in relation to specific types of polyvinyl chloride and acrylic polymers in their primary forms.

In accordance with articles 42 and 45 of the EEU Treaty (of 29 May 2014) and point 4 of Appendix № 1 to the EEC Working Guidelines, approved by EEC Council Resolution № 98 dated 23 December 2014, the EEC has resolved to:

- Set import customs duties in the EEU ICT for the positions 3904 22 000 1, 3904 22 000 9, 3906 90 900 4, 3906 90 900 7 of the EEU FEA CN.

EEC Council Resolution № 93 has been issued classifying polyvinyl chloride compounds used to produce vinyl wallpaper in accordance with the EEU FEA CN.

In accordance with point 7 of article 52 of the Customs Union Customs Code, the EEC Council has taken the following classification decision:

Polyvinyl-based compounds obtained through micro-suspension or emulsion polymerisation, including softening agents, filler, colouring pigments, dilutents and additives used in vinyl wallpaper production as a covering applied using various techniques, have been classified in accordance with the main rule for interpreting foreign economic activity commodity nomenclature 1 in position 3904 of the EEU FEA CN.

The resolution entered into force on 7 October 2017.

EEC Council Resolution № 103 has been issued to classify crushing and sorting installations in accordance with the EEU FEA CN.

In accordance with point 7 of article 52 of the Customs Union Customs Code, the EEC Council has classified crushing and sorting installations.

In accordance with the basic rules for interpreting foreign economic activity commodity nomenclature 1, 3(b) and 6, subposition **8474 20 000 3** of the EEU FEA CN classifies crushing and sorting installations for the two-stage crushing and sorting of granite, quartz, basalt, sandstone and iron ore consisting of the following apparatus on wheel non self-propelled chassis:

- electrically driven breakers used in initial crushing fitted with railings and steps, with a minimum intake opening of 400 mm long, but no more than 2,100 mm and at least 200 mm wide, but no more than 1,500 mm
- electrically driven cone crushers used in secondary and subsequent crushing
- bunkers with a vibrating grater-feeder
- electrically driven product screens
- loop conveyors and finished product conveyors
- stand-alone electrical switch gear cabinets for all crushing and sorting unit electric motors
- triaxle wheeled chassis with supports to support crushing and sorting units during operations

The resolution entered into force on 30 September 2017.

EEC Council Resolution № 105 has been issued to classify self-loading cement mixers in

accordance with the EEU FEA CN.

In accordance with point 7 of article 52 of the Customs Union Customs Code, the EEC Council has classified:

Self-loading cement mixers used to mix concrete components and solutions consisting of a drum, mixing apparatus, a feed hopper on a hinged four-wheel chassis, structurally not connected to the chassis and not creating with it an integrated mechanical rig, fitted with an engine, gear box, steering wheel, brake system, hydraulic system, a cabin with operating equipment, in accordance with the basic rules for interpreting foreign economic activity commodity nomenclature 1 and 6 have been classified in subposition 8705 40 000 of the EEU FEA CN.

The resolution entered into force on 30 September 2017.

EEC Council Resolution № 133: Anti-dumping policies have been applied to hot-rolled steel corner pieces originating from Ukraine and imported into the EEU.

The EEC Council, in accordance with point 107 of a protocol on the application of special protective, anti-dumping and compensatory measures in relation to other countries (Appendix № 8 to the EEU Treaty dated 29 May 2014) and based on a report from the EEC Internal Market Protection Department, decided:

1. to apply anti-dumping duties on 20-200 mm hot-rolled carbon, low-alloy and alloy (except stainless) steel corner pieces originating from Ukraine, with the EEU FEA CN codes 7216 21 000 0, 7216 40 100 0, 7216 50 100 0, 7216 50 990 0, 7228 70 100 0 for a period of 4 years and 8 months

2. to charge EEU member country customs authorities with:

- collecting the anti-dumping duties stipulated by the resolution, governed by both EEU FEA CN codes and the name of the goods in question
- offsetting preliminary anti-dumping duties paid (collected) as established by EEC Resolution N° 53 dated 11 May 2017, and crediting the integrated account of the relevant country's authorised body with the duties

The resolution will enter into force from 6 November 2017.

China and the EEU have concluded talks on a Trade and Economic Cooperation Treaty.

A joint declaration of the EEC and Chinese Ministry of Commerce setting out the principal conclusions from talks on a trade and economic cooperation treaty was signed on 1 October in Hangzhou.

Both the EEU and China intend to use the treaty to stimulate mutual trade and create new of economic relations.

The list of goods on which Kazakhstan (due to WTO obligations) charges customs duties lower than EEU ICT, has been amended.

Minister for the National Economy Order N° 339 dated 25 September 2017 amends an earlier order (N° 58 from 9 February 2017) approving a list of goods subject to import customs duties, rates and validity periods.

The order amends more than 2,000 items in the list of goods for which Kazakhstan (due to WTO obligations) charges customs duties lower than those in the EEU ICT.

The order was registered with the Ministry of Justice on 11 October 2017 as N° 15881.

The modern Kalzhat customs and logistics centre has been opened on the Kazakhstan-Chinese border

Kazakhstan will become a key international trading corridor player thanks to the development of transport and logistics infrastructure. Upgrade work is continuing on a number of customs posts on the Kazakhstan/Chinese border. The projects are financed using state and private funds, involving the Ministry of Finance's State Revenue Committee and the company Eurotransit.

The Centre should be able to handle about 500 transit vehicles per day and up to 100 import vehicles per day.

One of the Centre's major advantages is that it will be able to process all documentation in one place without requiring travel to major cities.

The customs transit section of the automated customs and tax administration system (IS ASTANA-1) was launched on 1 October 2017

The subsystem is used to automate the entire customs process from the moment preliminary documentation is filed to the release of a transit declaration.

A major advantage of IS ASTANA-1 is that it integrates all processes into a single technical platform; preliminary information is in two forms; goods for temporary storage are recorded electronically; an integrated electronic document acts as a source of preliminary information including confirmation of arrival, a transit declaration,

temporary storage document and a contemporary risk management mechanism; it automates payments and the declaration of goods can be managed the paper-free.

The system is capable of automatically reviewing approvals. For this to happen, all state bodies issuing the approval need to be connected to it.

In a short period, the transit subsystem has shown positive results, specifically a reduction in transit processing times. It has also demonstrated operating transparency, making it easier to monitor border customs procedures.

The information above has been taken from the State Revenue Committee website.

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- ▶ Projects associated with the client's needs
- ▶ Audit projects
- ▶ Projects related to mergers and acquisitions



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