

## **Decision on Common Customs Tariff Regulation Of The Customs Union Of The Republic Of Belarus, Republic Of Kazakhstan And Russian Federation №18 of November 27, 2009**

Intergovernmental Council of the Eurasian Economic Community (superior body of the customs union) at the head of state level **has decided:**

1. In compliance with the Protocol concerning the order of international agreements aimed at the creation of the legal foundation of the customs union coming into effect, the order of withdrawal from such agreements and joining them dated October 6, 2007, to establish that the 1<sup>st</sup> of January 2010 the following agreements are to come into effect:

The Agreement concerning the united customs tariff regulation dated January 25, 2008;

The Agreement concerning the conditions and mechanism of application of tariff quotas dated December 12, 2008;

The Protocol concerning the conditions and order of application as an exception the rates of tariff different from the rates of tariff stipulated in the United Customs Tariff dated December 12, 2008;

The Protocol concerning the accordance of tariff discounts dated December 12, 2008;

The Protocol concerning the united system of tariff preferences of the customs union dated December 12, 2008.

2. To approve with the 1<sup>st</sup> January 2010 as the date of coming into effect the following documents:

The United goods nomenclature of the foreign-economic activity of the customs union (GN FEA CU) and the United customs tariff of the customs union (Appendix 1);

The List of developing countries which benefit from the system of preferences of the customs union (Appendix 2);

The List of the least developed countries which benefit from the system of preferences of the customs union (Appendix 3);

The List of goods produced in and imported from the developing and the least developed countries whose import benefit from tariff preferences (Appendix 4);

The List of goods and rates in relation to which during the transition period the rates of entrance customs duties different from the rates stipulated in the United customs tariff of the customs union are applied by a member country of the customs union (Appendix 5);

The List of sensitive goods whose change of rates of entrance customs duties is to be made when the Commission of the customs union reaches a consensus (Appendix 6).

3. To establish that the application of the rates of the United customs tariff depending on the country of origin of the imported goods and on the conditions of their import is to be regulated by a national legislation unless otherwise specified by the Agreement concerning the united customs tariff regulation dated January 25, 2008 and by resolutions of the Commission of the customs union.

4. To establish that for the period of 2010-2019 the import of raw sugar cane subposition 1701 11 GN FEA CU (hereinafter referred to as the “raw sugar”) for industrial processing on the

territory of the Republic of Kazakhstan is to be allowed with the exempt from entrance customs duties.

The condition of the import of raw sugar for industrial processing on the territory of the Republic of Kazakhstan is the presence of the confirmation made by an authorized authority of the Republic of Kazakhstan concerning the purpose of the imported raw sugar for provision of sugar processing plants on the territory of the Republic of Kazakhstan.

The Republic of Kazakhstan informs the Commission of the customs union about the annual volume of the raw sugar import for industrial processing in compliance with the balance of production and consumption of sugar for the following period in the Republic of Kazakhstan.

By Commission's decision corresponding consultations of the member countries of the customs union may be held to exclude a destabilization in the sugar market of the customs union.

The Government of the Republic of Kazakhstan guarantees that imported for industrial processing raw sugar as well as white sugar produced from the raw sugar will not be redirected to the territories of the Russian Federation and Republic of Belarus.

Regulations of the present paragraph can not be a reason for application by a Republic of Kazakhstan of restrictive measures to the import of sugar from the Republic of Belarus and Russian Federation.

5. Customs clearance according to the positions of the United customs tariff "for industrial assembly of motor transport facilities of the goods positions 8701-8705, their units and assemblies" is to be effectuated in the member country of the customs union with the presence of corresponding confirmation made by an authorized authority of this member country of the customs union.

In the event that the legislation of a member country of the customs union requires localization of the components used during the industrial assembly of motor transport facilities of the goods positions 8701-8705 GN FEA CU, a use of the components produced in the other member countries of the custom union is to be considered as the proper fulfillment of such requirement.

6. To establish that besides tariff discounts stipulated in article 5 and paragraph 1 of article 6 of the Agreement concerning the united customs tariff regulation dated January 25, 2008, member countries of the customs union can use the following types of tariff discounts.

6.1. From an entrance customs duties shall be exempt:

6.1.1. Motor transport facilities of the goods position 8703 GN FEA CU manufactured by economic players of member countries of the customs union with the application of the term "industrial assembly" in case of compliance with one of the following criteria:

a) presence of the production with a project capacity not less then 25000 units per year with two-shift work, perform of welding, assembly and painting of the car body operations, import of car components originating from the countries, which are not members of the customs union, for the goods positions of the United customs tariff "for industrial assembly of motor transport facilities of the goods positions 8701-8705, their units and assemblies" in the volume not exceeding 70% of the total value of the car components, used for the production including the value of the car body, classified in the goods position 8707 GN FEA CU.

b) presence as of the 1<sup>st</sup> October 2009 of the production of the motor transport facilities with a project capacity not less then 5000 units per year with two-shift work as well as the conclusion before the 1<sup>st</sup> July 2010 of an agreement with a member country of a customs union on whose territory the production is effectuated and which contains obligations concerning the guarantee of compliance with the conditions stipulated in subparagraph a) of the present paragraph for a period not exceeding 84 months from the date of acceptance of such obligations.

The List of economic players manufacturing motor transport facilities meeting the requirements stipulated in the present paragraph is to be approved by the Commission of the customs union.

In case of non-fulfillment of the obligations stipulated in subparagraph b) of the present paragraph, an economic player is subject to exclusion from the List. Repeated inclusion of the economic player is allowed only in case of compliance with the criteria stipulated in subparagraph a) of the present paragraph;

6.1.2. Motor transport facilities of the goods positions 8701, 8702, 8704, 8705 GN FEA CU manufactured by economic players of the member countries of the customs union with the application of the term “industrial assembly” in case of compliance with the conditions determined by separate resolution of the Commission of the customs union;

6.1.3. Items of maintenance supply and equipment, fuel, food and other property exported from the territory of the customs union to ensure the activity of the vessels of the member countries of the customs union and the vessels, chartered by legal and natural persons of the member countries of the customs union, that are engaged in fishing;

6.1.4. Equipment including machinery, mechanisms as well as materials that are included in the delivery set of corresponding equipment, and component parts (excluding goods subject to excise duties), imported on account of credits granted by foreign countries and international financial organizations in accordance with the international agreements of the member countries of the customs union;

6.1.5. Equipment, purchased at the expense of the purpose funds of the member countries' budgets, for production of baby food (its component and spare parts), whose analogues are not produced on the territory of the customs union as well as the equipment for production of baby food (its component and spare parts), purchased at the expense of tied foreign credits, granted by foreign countries or governments of foreign countries. This privilege is applied to the equipment (its component and spare parts) for production of baby food, imported (being imported) on the united customs territory in the purpose of realization of the current socially important programs implemented by the member countries of the customs union;

6.1.6. Floating vessels, registered in international vessels list, determined by the legislation of the member countries of the customs union. For granting discounts stipulated in the present paragraph, the declarer within 45 days from the date of the acceptance of the customs declaration of to submit to the customs authority a certificate of the vessel's registration in the international vessels list as well as other documents stipulated in the legislation of the member countries of the customs union;

6.1.7. Goods, excluding the goods subject to excise duties, according to the list adopted by the Government of the Russian Federation, imported for the purpose of the XXII winter Olympic Games and XI Para Olympic Games in 2014 in Sochi, provided that the confirmation of the Olympic Committee of the XXII winter Olympic Games and XI Para Olympic Games in 2014 in Sochi, agreed with the International Olympic Committee and containing the information on the nomenclature, quantity, value of the goods and on the organizations importing such goods, is submitted to the customs authorities;

6.1.8. Goods, excluding the goods subject to excise duties, imported for the purpose of the VII winter Asian Games 2011 in Astana and Almaty, provided that the confirmation of the Organization Committee of preparation and implementation of the mentioned games, agreed with the Asian Olympic Council and containing the information on the nomenclature, quantity, value of the goods and on the organizations importing such goods, is submitted to the customs authorities;

6.1.9. Goods, excluding the goods subject to excise duties, imported for the purpose of the Hockey World Championship 2014 in Minsk, provided that the confirmation of the Organization

Committee of preparation and implementation of the mentioned championship and containing the information on the nomenclature, quantity, value of the goods and on the organizations importing such goods, is submitted to the customs authorities;

6.1.10. Vessels of fish fleet flying the flag of one of the member countries of the customs union which has undergone capital repairs or modernization outside the territory of the member country of the customs union provided that those operations have been completed before the 1<sup>st</sup> September 2008 and which has previously been taken out of the mentioned territory;

6.1.11. Manufacturing equipment, its component and spare parts, raw materials and materials imported for exclusive usage on the territory of a member country of the customs union under the realization of an investment project which corresponds to the priority economic activity (economic sector) of the member country of the customs union according to the legislation of this member country of the customs union.

This privilege is applied to raw material and/or materials if such raw material and/or materials are not produced in the member countries of the customs union or if raw materials and/or materials produced in the member countries of the customs union do not correspond to the technical characteristics of the investment project being effectuated.

The Commission of the customs union makes and renews on the basis of proposals of the member countries of the customs union the list of investment projects which realization may be granted with the mentioned privilege, the list of imported manufacturing equipment, its component and spare parts, the list of raw materials and materials (stating their characteristics (qualities), producers' names, annual production and consumption volume) as well as determines the procedure of control of the purpose usage of the manufacturing equipment, its component and spare parts, raw materials and materials.

The member countries of the customs union are to ensure control of the purpose usage of raw materials and materials which are granted exemption from the customs duties;

6.1.12. Gold bullions with content of chemically pure gold not less then 995 parts from 1000 parts of alloy mass (standard not less then 99,5%), silver bullions with content of chemically pure silver not less then 999 parts from 1000 parts of alloy mass (standard not less then 99,9%) and platinum bullions with content of chemically pure platinum not less then 999,5 parts from 1000 parts of alloy mass (standard not less then 99,95%) imported by central (national) banks of the member countries of the customs union.

6.2. Privileges on customs duties payment stipulated in international agreements of the member countries of the customs union signed before the 1<sup>st</sup> January 2010, before the unification and/or the determination of these international agreements in accordance with their conclusive regulations shall be granted.

6.3. Tariff discounts for the goods imported from the third countries as the contribution of the founders to the authorized (share) capital (fund) within the period stipulated in the constituent instruments for the creation of this capital (fund) according to the procedure specified in the legislation of the member country of the customs union shall be allowed.

6.4. If when granting privileges on customs duties payment a member country of the customs union specifies concrete payers, who will be granted with these privileges, this member country of the customs union is to submit an offer to the Commission of the customs union concerning the mechanism of control of the usage of the imported goods which will prevent improper usage as well as implication into the economic circulation on the territories of the other member countries of the customs union.

This privilege is granted by the member country of the customs union if the Commission of the customs union agrees with the proposed mechanism of control of the usage of imported goods.

Regulations of the present paragraph do not limit the conditions of applications of the privileges stipulated in paragraph 6.1.11.

7. To grant to the Commission of the customs union power to operate the United customs tariff from the date of the present Resolution.

8. Taking into consideration the coming into effect of the agreements mentioned in paragraph 1 of the present Resolution and the delegation of powers specified by them to the Republic of Belarus, Republic of Kazakhstan and Russian Federation, to ensure the introduction of corresponding changes into the statutory acts of the Republic of Belarus, Republic of Kazakhstan and Russian Federation before the 31<sup>st</sup> December 2009, and before the 1 July 2010 into the legislative acts of the Republic of Belarus, Republic of Kazakhstan and Russian Federation.

9. The Governments of the Republic of Belarus, Republic of Kazakhstan and Russian Federation are to ensure the publication of the present Resolution as well as the Resolution of the Commission of the customs union concerning the united customs tariff regulations of the customs union of the Republic of Belarus, Republic of Kazakhstan and Russian Federation in the official publications in accordance with the legislation of the member countries of the customs union.