

**LAW
OF THE RUSSIAN FEDERATION
NO. 5003-1 OF MAY 21, 1993
ON THE CUSTOMS TARIFF**
**(with the Additions and Amendments of August 7, November 25,
December 27, 1995, February 5, 1997, February 10, May 4, 1999, May 27, 2000,
December 27, August 8, 2001)**

<u>Section I. General Provisions</u>	<u>(Articles 1 - 5)</u>
<u>Section II. Seasonal and Specific Duties</u>	<u>(Articles 6 - 11)</u>
<u>Section III. Customs Value of Goods</u>	<u>(Articles 12 - 17)</u>
<u>Section IV. Methods for Determining Customs Value of Goods and Procedure for Applying Such Methods</u>	<u>(Articles 18 - 24)</u>
<u>Section V. Determination of the Country of Origin of Goods</u>	<u>(Articles 25 - 33)</u>
<u>Section VI. Tariff Benefits</u>	<u>(Articles 34 - 37)</u>
<u>Section VII. Final Provisions</u>	<u>(Article 38)</u>

Resolution of the Supreme Soviet of the RF No. 5004-1 of May 21, 1993
on the Repeated Consideration of the Law of Russia on the Customs Tariff

Resolution of the Supreme Soviet of the RF No. 5005-1 of May 21, 1993
on Carrying into Effect the Law of the RF on the Customs Tariff

SECTION I. GENERAL PROVISIONS

Article 1. Purposes and Applicability of the Law

1. The present Law shall establish procedures for fixing and applying the Russian customs tariff, the principal tool of trade policies and the state regulation of the Russian domestic commodity market in its interaction with the world market, as well as rules for levying duties on merchandise crossing the Russian customs border.

The prime purposes of the customs tariff shall be:

- to rationalize the pattern of goods brought into the Russian Federation;
- to maintain a rational correlation of exports and imports and of foreign-currency proceeds and expenditures in the territory of the Russian Federation;
- to furnish conditions for progressive changes in the pattern of production and consumption of goods in the Russian Federation;
- to protect the Russian economy against the unfavourable impact of foreign competition; and
- to set the stage for Russia's effective integration into the world economy.

2. The sphere of the application of this Law shall be the customs territory of the Russian Federation.

Article 2. The Customs Tariff

See [Methodological Directions](#) on the procedure for application of customs duties to the goods moved across the customs border of the Russian Federation, given by [Letter of the State Customs Committee of the Russian Federation No. 01-06/38024 of December 27, 2000](#)

1. The Russian customs tariff shall be a code of customs duty rates (customs tariff) on goods moved across the Russian customs border and identified pursuant to the foreign-economic activity goods classification (hereinafter referred to as "Goods Classification").

Customs Tariff of the Russian Federation endorsed by Decision of the Government of the Russian Federation No. 148 of February 22, 2000, shall enter into force as from April 1, 2000

2. The Goods Classification for the foreign-economic activities of the Russian Federation shall be determined by the Russian government based on such goods classification systems as are accepted in international practice.

3. The customs tariff shall be applied to goods brought into the customs territory of the Russian Federation and goods taken out this territory.

Article 3. Customs Rates and Procedure for Setting Them

See Methodological Directions on the procedure for application of customs duties to the goods moved across the customs border of the Russian Federation, given by Letter of the State Customs Committee of the Russian Federation No. 01-06/38024 of December 27, 2000

1. Rates of customs duties shall be uniform and shall not be changed depending on the persons moving goods across the customs border of the Russian Federation, types of deals and other factors except in cases envisaged hereby.

2. The rates of import customs duties shall be set by the Government of the Russian Federation within the limits established hereby.

Customs Tariff of the Russian Federation - Table of Rates of import customs duties systematized in accordance with the Commodity Classification of Foreign Economic Activity of the Russian Federation (endorsed by Decision of the Government of the Russian Federation No. 148 of February 22, 2000) shall enter into force as from April 1, 2000

Maximum import customs duties on goods originating from the countries enjoying the most-favoured-nation treatment in their commercial and political relations with the Russian Federation shall be set by the Russian Supreme Soviet.

In the case of goods originating from the countries with which commercial and political relations do not provide for the most-favoured-nation treatment or the country of origin of which has not been established, the import customs duties determined hereunder shall be doubled other than in cases where the Russian Federation has granted tariff preferences pursuant to the appropriate provisions of this Law.

Federal Law No. 126-FZ of August 8, 2001 reworded Item 3 of Article 3 of this Law
The amendments shall come into force a month after the official publication of the mentioned Federal Law
See the previous text of the Item

3. Export customs duty rates and a list of the goods to which they are applicable shall be established by the Government of the Russian Federation, except as otherwise laid down in the present article. As for the goods specified in Item 4 of the present article export customs duty rates shall be established by the Government of the Russian Federation in the manner established in this item.

On the rates of export customs duties see the reference

See the rates of export customs duties, given by Order of the State Customs Committee of the Russian Federation No. 1075 of November 13, 2001

See the Rates of Export Customs Duties given by Order of the State Customs Committee of the Russian Federation No. 710 of July 23, 2001

Federal Law No. 126-FZ of August 8, 2001 supplemented Article 3 of this Law with new Item 4:
The amendments shall come into force a month after the official publication of the mentioned Federal Law

4. As for a good classified under item 2709 of the CC FEA of the Russian Federation (crude oil) the maximum rates of export customs duties shall be set for a term equal to two calendar months:

at the rate of zero per cent: if the mean price of Urals crude oil in the world oil markets (the Mediterranean and Rotterdam markets) prevailed at up to 109.5 USD per ton (inclusive) over the two preceding months;

at a rate not exceeding 35 per cent of the difference between the mean price of Urals crude oil prevailing in the preceding two months in USD per ton and 109.5 USD if the mean price of Urals crude oil prevailing in the two preceding months in the world oil markets (the Mediterranean and Rotterdam markets) exceeded 109.5 USD per ton but not exceeding 182.5 USD per ton (inclusive);

at a rate not exceeding 25.53 USD and 40 per cent of the difference between the mean price of Urals crude oil prevailing in the two preceding months in USD per ton and 182.5 USD if the mean price of Urals crude oil prevailing in the two preceding months in the world oil markets (the Mediterranean and Rotterdam markets) exceeded 182.5 USD per ton.

According to Federal Law No. 126-FZ of August 8, 2001, Item 4 of Article 3 of this Code shall be deemed Item 5

The amendments shall come into force a month after the official publication of the mentioned Federal Law

Federal Law No. 32-FZ of February 10, 1999 supplemented Article 3 of this Law with Item 4 (Item 5):

5. Rules for calculating and paying customs duties established by production sharing agreements shall be applied to production sharing agreements concluded between the Russian Federation and foreign investors before the Federal Law on Production Sharing Agreements came into effect.

Article 4. Categories of Duty Rates

The following categories of duty rates shall be in effect in the Russian Federation:

- Ad valorem rates assessed as a percentage of the customs value of dutiable goods;
- Specific rates assessed in established amounts per unit of dutiable merchandise; and
- Combined rates blending the above two forms of customs duties.

Article 5. Terms and Definitions

The following terms and definitions shall be used for the purposes of this Law:

(1) Russian customs territory shall mean the territory in which the Russian Federation shall have exclusive jurisdiction over the customs;

(2) Customs border shall mean the border of the Russian customs territory;

(3) Goods shall mean any movable property, including thermal, electric and other kinds of power, moved across the Russian customs border;

(4) Persons shall mean enterprises, institutions, organizations and private citizens, as well as stateless persons, moving goods across the Russian customs border;

(5) Duties shall mean customs duties, as well as other kinds of duties envisaged hereunder. Customs duties shall be payments collected by the Russian customs from goods imported into the Russian customs territory or exported therefrom, and shall be an indispensable condition for such imports or exports;

(6) The customs value of goods shall mean the value of goods determined pursuant to this

Law and used for the purposes of:

- Imposition of duties on goods;
- Foreign economic or customs statistics; and
- Adoption of other measures of state regulation of commercial and economic relations connected with the value of goods, including the exercise of foreign currency control over foreign trade deals and bank settlements with respect thereto, pursuant to Russian legislative acts; and

(7) The declarant shall mean a person moving goods across the customs border and/or declaring, submitting and presenting such goods for customs clearance.

SECTION II. SEASONAL AND SPECIFIC DUTIES

Article 6. Seasonal Duties

Federal Law No. 126-FZ of August 8, 2001 reworded Article 6 of this Law
The amendments shall come into force a month after the official publication of the mentioned Federal Law
See the previous text of the Item

Seasonal duties may be established on individual goods for the purposes of day-to-day regulation of imports and exports of goods by the Government of Russia (in which case the rates of customs duties envisaged by the customs tariff shall not apply). The effective period of such duties may not exceed six months a year. The seasonal duty rates established for exportation of the goods specified in Item 4 Article 3 of the present law shall not exceed the amount set in that article.

See also Letter of the State Customs Committee of the Russian Federation No. 01-06/34779 of August 29, 2001 on the application of the seasonal duty

Decision of the Government of the Russian Federation No. 430 of June 2, 2001 approved rates of seasonal duties on white sugar imported into the territory of the Russian Federation

Article 7. Specific Duties

In order to protect the economic interests of the Russian Federation, the following specific kinds of duties may be temporarily established on imported goods:

- Special duties;
- Anti-dumping duties; and
- Compensatory duties.

On introducing special duties for purposes of protection of economic interests of the Russian Federation see Federal Law No. 63-FZ of April 14, 1998

Article 8. Special Duties

Special duties shall be imposed:

- as a protective measure if goods are imported to the Russian customs territory in such quantities and on such terms and conditions as cause or threaten to cause damage to domestic producers of similar goods or directly competing goods; and
- in retaliation against discriminatory and other actions by other States or their alliances that infringe upon the interests of the Russian Federation.

See also Letter of the State Customs Committee of the Russian Federation No. 01-06/34779 of August 29, 2001 on the Application of the Temporary Special and Special Duties

Article 9. Anti-Dumping Duties

Anti-dumping duties shall be applied in cases where goods are imported to the Russian customs territory at prices lower than their nominal value in the exporting country at the time of

such importation, should such importation cause or threaten to cause material damage to domestic producers of similar goods or prevent the launching or expansion of production of similar goods in the Russian Federation.

Article 10. Compensatory Duties

Compensatory duties shall be applied in cases where goods are imported to the Russian customs territory, the production or export of which were subsidized directly or indirectly, should such importation cause or threaten to cause domestic producers of similar goods or prevent the launching or expansion of production of similar goods in the Russian Federation.

Article 11. Procedure for Levying Specific Duties

The imposition of specific duties (special, anti-dumping or compensatory) shall be preceded by an investigation to be conducted pursuant to Russian legislation on the initiative of the state administrative bodies of the Russian Federation.

See the [Regulations](#) for Conducting Investigations Prior to the Introduction of Special Protective Measures, Anti-Dumping Measures or Compensatory Measures approved by [Decision](#) of the Government of the Russian Federation No. 274 of March 11, 1999

Decisions in such investigations shall be based on quantitatively defined data.

The rates of appropriate duties shall be established by the Russian Government upon the results of such investigation in each particular case and their amount shall be comparable with the amounts of the dumping understatement of the price, subsidies and damage, as established by the investigation.

SECTION III. CUSTOMS VALUE OF GOODS

Article 12. The System of Determining Customs Value

1. The system for determining the customs value (customs valuation) of goods shall be based on the general principles of customs valuation accepted in international practice and applied to goods imported to the Russian customs territory.

The procedure for customs valuation of goods imported to the Russian customs territory shall be established by the Russian Government pursuant to the provisions of this Law.

[Procedure](#) for customs valuation of goods is established by the [Decision](#) of the Government of the RF No. 856 of November 5, 1992

2. The procedure for determining the customs value of goods exported from the Russian customs territory shall be established by the Russian Government.

The [Procedure](#) for Determining for Customs Purposes the Value of Goods Exported from the Territory of the Russian Federation was approved by Decision of the Government of the Russian Federation No. 1461 of December 7, 1996

Article 13. Declaration of Customs Value of Goods

1. The customs value shall be declared by the declarer to the Russian customs agency when moving goods across the Russian customs border.

The procedure for, and the terms and conditions of, the declaration of the customs value of imported goods, including the form of the declaration, shall be established by the State Customs Committee of Russia pursuant to Russian legislation.

2. The customs value of goods shall be determined by the declarant in accordance with such methods for determining the customs value as are laid down hereunder.

Control over the accuracy of customs value determination shall be exercised by the Russian customs agency clearing the goods.

Concerning the Distribution of Jurisdiction in the Sphere of Customs Value of Goods among the Customs Agencies of Various Levels see the [Temporary Regulations](#) approved by [Order](#) of the State Customs Committee of the Russian Federation No. 796 of December 29, 1996

Article 14. Confidential Information

Information submitted by the declarant of the customs value of goods and determined as a commercial secret or confidential information may be used by the customs agencies exclusively for the purposes of customs valuation but may not be passed on to third parties, including other state bodies, without express permission by the declarant, with the exception of cases envisaged by Russian legislative acts.

The Russian customs agency and its officials shall be liable for divulging such information constituting a commercial secret or is confidential pursuant to Russian legislation.

Article 15. Rights and Obligations of the Declarant

1. The customs value declared by the declarant and the data related to its determination shall be based on trustworthy, quantitatively defined, and documented information.

2. Should it be necessary to confirm the customs value declared by the declarant, the latter shall be obliged, upon request from the Russian customs agency, to provide the requisite data. Should the customs agency have any doubts about the trustworthiness of the data submitted by the declarant for customs valuation, the declarant shall have the right and be obliged to prove such data as accurate.

On the confirmation of the stated value of new passenger cars see [Order](#) of the State Customs Committee of the Russian Federation No. 933 of October 17, 2000

In the case of non-submission of proof confirming the accuracy of the data used by the declarant, the customs agency shall be entitled to decide on the impossibility of using the customs valuation method chosen by the declarant.

3. Should it be necessary to check the customs value of goods declared by the declarant, the latter may ask the Russian customs agency to give the declared goods to him for use against pledged property or against a guarantee from an authorized bank pursuant to Russian legislation or pay customs duties in accordance with the customs valuation of goods by the Russian customs agency.

See [Instructions](#) on the Control of the Customs Value of Transport Facilities Classified in Accordance with the CC FEA of Russia in Headings 8701-8704, 8706, 8707, and 8711, approved by [Order](#) of the State Customs Committee of the Russian Federation No. 847 of August 24, 2001

4. The extra expenses on the part of the declarant in connection with checking the customs value declared thereby or with the provision of additional information to the Russian customs agency shall be borne by the declarant. In such case, the increased period of customs clearance of goods in connection with the customs valuation may not be used by the declarant to obtain an actual respite for paying the duty on goods.

Article 16. Rights and Obligations of Customs Agency

1. The customs agency exercising control over the accuracy of customs valuation of goods may decide on the accuracy of such customs value of the goods as has been declared by the declarant with due regard to the provisions of [Article 15](#) of this Law.

2. In the absence of data confirming the accuracy of the customs value declared by the declarant or in the presence of grounds for believing that the data submitted by the declarant are not accurate and/or sufficient, the Russian customs agency may independently determine the customs value of the declared goods, by successively using such methods for determining the customs value as are established hereunder, on the basis of the data available thereto (including

information about the prices of identical or homogeneous goods (with adjustments in accordance with this Law).

3. The Russian customs agency receiving a written request by the declarant shall be obliged to provide the same within three months with a written explanation of the reasons why the customs value declared by the declarant cannot be accepted by the customs agency as the base for assessing duties.

4. Should the declarant disagree with the Russian customs agency's decision as regards determination of the customs value of goods, such decision may be protested in accordance with such procedure as is established by the [Customs Code](#) of the Russian Federation.

Article 17. Duty Assessment, Payment and Exaction

1. Duties on goods shall be assessed, paid and exacted based on the customs value of such goods pursuant to the Customs Code of the Russian Federation.

2. Such duties shall be paid to the Republican budget of Russia.

SECTION IV. METHODS FOR DETERMINING CUSTOMS VALUE OF GOODS AND PROCEDURE FOR APPLYING SUCH METHODS

On methods of customs valuation of goods see also [Procedure](#) for Estimating the Customs Value of Goods Brought into the Territory of the Russian Federation approved by the [Decision of the Government of the RF No. 856 of November 5, 1992](#)

Article 18. Methods for Determining Customs Value

1. The customs value of goods imported to Russian customs territory shall be determined by the following methods:

- the method based on the value of the deal with imported goods;
- the method based on the value of the deal with identical goods;
- the method based on the value of the deal involving homogeneous goods;
- value subtraction;
- value addition; and
- the reserve method.

2. The principal method for determining the customs value shall be the one based on the value of the deal involving imported goods.

If the principal method cannot be used, consecutive use shall be made of each of the other methods listed in Item 1 of this Article. In such case, each successive method shall be used if the customs value cannot be determined by means of the previous method.

The methods of value subtraction and addition may be used in any succession.

Article 19. The Method Based on the Value of Deals with Imported Goods

1. The customs value of goods imported to Russian customs territory shall be the price of the deal that has been actually paid or is subject to be paid for imported goods at the moment they cross the Russian customs border (before they reach a port or any other place of entry).

When determining the customs value, the price of the deal shall comprise the following components unless these have been included therein before:

a) expenses incurred to deliver goods to the airport, port or another place of entry of goods to Russian customs territory;

- transportation costs;
- expenses on loading, unloading, handling and transshipment of goods; and
- insured amount;

b) expenses borne by the buyer:

- commission and brokerage fees, save the commission for purchasing goods;
- the cost of containers and/or other reusable crates if they are regarded as a single whole with goods being evaluated in keeping with Goods Classification; and
- the cost of packaging, including the cost of packaging materials and packaging jobs;

c) the appropriate part of the cost of the following goods and services provided by the customer directly or indirectly for free charge or at a discount to be used in the manufacture or sale of goods being evaluated for export;

- raw and other materials, components, semi-finished products and other accessories that are part and parcel of goods being evaluated;

- tools, dyes, module and like products used in the manufacture of goods being evaluated;

- materials used in the manufacture of goods being evaluated (lubricants, fuel and others); and

- engineering research, development, design, styling, sketching and drawing done outside Russia and directly needed for the manufacture of goods being evaluated;

d) license and other fees for the use of intellectual property assets that the customer has to effect directly or indirectly as a condition for the sale of goods being evaluated; and

e) part of the sellers' direct income from any subsequent resale, transfer or use of goods in the Russian territory.

2. The said method may not be used to determine the customs value of goods if:

a) There are restrictions with respect to the customer's rights and goods being evaluated other than:

- such restrictions as are imposed by Russian legislation;

- Limitation of the geographical region where the goods may be resold; and

- such restrictions as do not affect the price of goods in any tangible manner;

b) the sale and price of a deal depend on compliance with conditions the influence of which cannot be registered;

c) data used by the declarant in declaring the customs value are not documented or quantitatively defined or trustworthy; and

d) the parties to the transaction are mutually dependent persons with the exception of cases where mutual dependence has not influenced the value of a deal, which shall be proved by the declarant. In such case, mutually dependent persons shall be understood to mean persons fitting even one of the following characteristics:

- either party to the transaction (natural person) or an official of either parties to the transaction is simultaneously the official of the other party;

- parties to the transaction are called co-owners of the enterprises;

- parties to the transaction are bound by employment arrangements;

- either party to the transaction is the holder of an ownership interest (equity) or of voting shares in the authorized capital of the other party, constituting at least 5 percent of such authorized capital;

- both parties to the transaction are under the direct or indirect control of a third party;

- the parties to the transaction jointly control, directly or indirectly, a third party;

- either party to the transaction is under the direct or indirect control of the other party; and

- the parties to the transaction or their officials are relatives.

See the [Methodical Recommendations](#) in respect of the customs value of commodities imported to the customs territory of the Russian Federation given by [Letter](#) of the State Customs Committee of the Russian Federation No. 01-06/288840 of July 23, 2001

Article 20. The Method Based on the Value of Deals with Identical Goods

1. When using the assessment method based on the price of the deal involving identical goods, the price of the deal involving identical goods shall be accepted as a basis for determining the customs value of goods, provided that conditions set forth in this Article are met. In such case, identical goods shall be understood to mean goods which are the same as the goods being evaluated in every respect, including the following aspects:

- physical characteristics;

- quality and reputation on the market;

- country of origin; and

- manufacturer.

Insignificant differences in external appearance may not serve as grounds for refusing to regard goods as identical should such goods meet the requirements of this Item in every other respect.

2. The price of the deal with identical goods shall be accepted as a basis for determining the customs value if such goods:

- a) have been sold to be brought to the Russian territory;
 - b) have been imported simultaneously with assessed goods or not earlier than 90 days prior to the importation of goods being evaluated; and
 - c) have been imported on the same commercial terms and/or in about the same quantities.
- Should the identical goods be imported in different quantities or on different commercial terms, the declarant shall appropriately adjust their prices with due regard for such differences and confirm by documents the validity of such adjustments to the Russian customs agency.

3. The customs value determined on the basis of the value of a deal involving identical goods shall be corrected with due regard for such expenditures as are indicated in Article 19 of this Law.

Such corrections shall be carried out by the declarant on the basis of trustworthy and documented data.

4. Should, in the use of this method, more than one price of the deal with identical goods be identified, the lowest of them shall be used to determine the customs value of goods being imported.

Article 21. the Method Based on the Value of Deals with Homogenous Goods

1. When using the assessment method based on the value of the deal with homogenous goods, the price of the deal involving goods similar to those being imported shall be accepted as a basis for determining the customs value of such goods, provided the conditions set forth in this Article are met. In such case, homogenous goods shall be understood to mean goods which, although they are not alike in every respect, have similar characteristics and consist of similar components, this enabling them to perform the same functions as the goods being evaluated and be mutually replaceable in commercial terms.

The following criteria shall be taken into account when establishing the homogeneity of goods:

- quality, presence of a trademark and reputation on the market; and
- country of origin.

2. When using the method of determining the customs value based on the price of the deal involving homogenous goods the provisions of Items 2-4 of Article 20 of this Law shall apply.

3. When using the methods of customs evaluation pursuant to Article 20 and this Article:

- a) goods shall not be regarded as identical or homogenous to those being evaluated if not manufactured in the same country as goods being evaluated;
- b) goods produced not by the manufacturer of goods being evaluated, but by some other person shall be considered only if there are neither identical nor homogenous goods produced by the person that has manufactured goods being evaluated; and
- c) goods shall not be regarded as identical or homogenous if the design, including artistic design, development, sketching and drawing and like works on them have been performed in Russia.

Article 22. The Method Based on Value Subtraction

1. The customs value shall be determined using the method based on value subtraction if evaluated identical or homogenous goods shall be sold in Russia without any changes to their original condition.

2. When using the method of value subtraction as a basis for determining the customs value of such goods, the price of a unit of goods, at which the largest batch of evaluated identical or homogenous goods, shall be sold in the Russian territory no later than 90 days after the importation of evaluated goods to the participant of the transaction, who is not a mutually dependent with the seller, shall be accepted.

3. The following components shall be subtracted from the price of the unit of the goods:
- a) expenses on commission fees, the usual mark-ups on profits and general expenditures involved in the sale of imported goods of the same type and category in Russia;
 - b) the amounts of import customs duties, taxes, dues and other payments due to payment in Russia in connection with the import or sale of goods; and
 - c) usual expenses for transportation, loading, unloading, and insurance incurred in Russia.
4. In the absence of any cases of sale of goods being evaluated, identical or homogenous goods in the same condition as at the moment of importation, the price of the unit of goods that have undergone reconditioning may be used at the declarant's request with due regard for added value and in accordance with the provisions of Items 2 and 3 of this Article.

Article 23. The Method Based on Value Addition

When using the method based on value addition, the foundation for determining the customs value of goods shall be the price of such goods calculated by adding:

- a) the cost of materials and other expenses incurred by the manufacturer in the production of goods being evaluated;
- b) general expenditures characteristic of sales to Russia from the exporting country of goods of the same type, including expenses on transportation, loading, unloading and insurance until the crossing of the Russian customs border, as well as other expenses; and
- c) profits usually derived by the exporter from the supply of such goods to Russia.

Article 24. The Reserve Method

Concerning application of method 6 (the Reserve Method) for determination of customs value of imported goods see explanations advised by [Letter](#) of the State Customs Committee of the Russian Federation No. 07-11/12510 of August 31, 1995

1. If the customs value of goods cannot be determined by the declarant as a result of the successive use of such methods of determining the customs value as are described in Articles 19-23 of this Law, or if the customs agency believes with good reason that such methods of determining the customs value may not be used, the customs value of goods being evaluated shall be determined with due regard for world practice.

In applying the reserve method the Russian customs agency shall provide the declarant with price information at its disposal.

2. The following may not be used as a basis for determining the customs value of goods by means of the reserve method:

- a) the price of goods on the domestic market of Russia;
- b) the price of goods delivered from the country of their exportation to third countries;
- c) the price of goods of Russian origin on the domestic market of the Russian Federation;
- d) the arbitrarily fixed or not authentically confirmed price for goods.

SECTION V. DETERMINATION OF THE COUNTRY OF ORIGIN OF GOODS

See also [Order](#) of the State Customs Committee of the Russian Federation No. 556 of June 13, 2001 On Some Issues of Determining the Country of Origin of Goods from Member-States of the Free Trade Zone [Treaty](#)

Article 25. The Object of Determining the Country of Origin of Goods

The country of origin of goods shall be identified in order to carry out the tariff and non-tariff measures for the regulation of imports of goods to the Russian customs territory and their exports therefrom.

The principles for determining the country of origin of goods stipulated hereunder shall be based on international practice. The procedure for determining the country of origin of goods shall be established by the Russian Government pursuant to this Law.

Article 26. Country of Origin of Goods

The country of origin of goods shall be understood to mean the country in which such goods have been fully manufactured or sufficiently processed in accordance with such criteria as are set forth hereunder.

The country of origin of goods may be understood to mean a group of countries, the customs alliances of countries, a region or a part of a country if it is necessary to identify them with a view to determining the origin of goods.

Article 27. Goods Fully Manufactured in a Given Country

The following goods shall be regarded as fully manufactured in a given country:

- a) minerals mined in its territory or in its territorial waters, on its continental shelf or on the seabed, if such country has the exclusive right to develop such seabed sites;
- b) plants grown and harvested in its territory;
- c) live animals born and raised therein;
- d) products obtained in such country from livestock raised therein;
- e) products of hunting, fishing and maritime origin produced therein;
- f) products of sea fisheries caught and/or produced in the World's Ocean and seas by ships of such country or by ships leased (chartered) thereby;
- g) secondary raw materials and wastes resulting from production and other operations in such countries;
- h) products of high technologies, obtained in outer space on board spacecraft belonging to such country or freighted thereby, and
- i) goods produced in such country exclusively from products indicated in Items (a) through (h) of this Article.

Article 28. Criteria of Sufficient Processing of Goods

1. If two or more countries are involved in the manufacture of goods, the origin of such goods shall be determined in accordance with the criteria of sufficient processing.

2. The criteria of sufficient processing of goods in a given country shall include:

a) change as a result of such processing of the Classification Code of such goods as regards any of the first four digits.

a) production or technological operations sufficient or insufficient for goods to be regarded as originating from the country where such operations have been performed;

b) ad valorem share rule:

- change in the cost of goods whereby the percentage share of the cost of the materials used or of added value reaches a fixed share of the price of goods supplied;

- operations for safekeeping the goods in storage or transportation:

The following operations shall not be regarded as meeting the criteria of sufficient processing:

- operations to prepare goods for sale and transportation (splitting of a batch, shaping of shipments, sorting and repackaging);

- simple assembly operations;

- mixing of goods (components thereof) without imparting to the resultant products such characteristics as would differentiate them markedly from original ingredients.

2. In cases where the origin of goods is not subject to any particular restrictions with respect to specific goods or a specific country, the general rule shall apply whereby goods shall be regarded as having undergone sufficient processing, if their Goods Classification Code has been changed as regards any of the first four digits.

3. The criteria of sufficient processing for specific goods or specific countries shall be established and used pursuant to this Law in accordance with such procedure as is laid down by the Russian Government.

Article 29. Determination of the Country of Origin of Goods in Their Supply in Batches

Goods in assembly or disassembly supplied in several batches when it is impossible to ship them as a single consignment for production or transportation reasons, as well as in cases where a consignment of goods has been split into several batches as a result of an error, shall be viewed, if the declarant wishes so, as uniform merchandise in determining the country of origin thereof. The conditions for invoking this rule shall include:

- advance notification of the Russian customs agency about the splitting of goods in assembly or disassembly into several batches with indication of the causes of such splitting and detailed specifications of each batch, including the Goods Classification Codes of goods and the cost and country of origin of goods making up each batch;
- documented confirmation of the erroneous nature of splitting goods into several batches;
- supply of all batches from one country by one supplier;
- import of all batches through the same custom house (custom post); and
- supply of all batches of goods within six months of the date of acceptance of the customs declaration or of expiry of the deadline for submission thereof with respect to the first batch.

Article 30. Confirmation of Origin of Goods

1. In order to verify the origin of goods from a given country, the Russian customs agency may request the presentation of a certificate of their origin.

2. In the export of goods from the Russian customs territory, a certificate of origin of such goods - in such cases where it is required and this is fixed in appropriate contracts, the national rules of the importing country or Russia's international obligations - shall be issued by a duly authorized agency.

3. In the import of goods to the Russian customs territory, a certificate of their origin shall also be presented by all means:

- with respect to goods originating from such countries as are granted Customs Tariff preferences by Russia;
- with respect to goods the import of which from a given country is regulated by quantitative restrictions (quotas) or by other methods for the regulation of foreign economic activities;
- if this is envisaged by international agreements, to which Russia is a party, as well as by Russian legislation on environmental protection, public health, protection for the rights of Russian consumers, public order, state security and other vital interests of Russia; and
- in cases where data about the origin of the goods are absent in the documents submitted for customs clearance or the Russian customs agency has reason to believe that the declared data about the origin of the goods are not trustworthy.

Article 31. Requirements Made on the Certificate of Origin of Goods

1. The certificate of origin of goods shall unequivocally certify that such goods originate from the specified country, and shall contain:

- a) written statement by the consigner that goods meet the appropriate criteria of origin; and
- b) written confirmation by the duly authorized agency of the exporting country, which has issued such certificate, that the data indicated therein are true.

2. The certificate of origin of goods shall be submitted alongside the customs declaration and other documents presented for customs clearance. In use or loss of the certificate of origin of goods, its officially notarized copy shall be accepted.

3. In doubts about the validity of a certificate or the accuracy of the data indicated therein, including the data about the country of origin of goods, the Russian customs agency may approach the duly authorized organizations that have issued the certificate or other authorities of the country indicated as the country of origin of goods with a grounded request for supplementary or clarifying data.

4. Goods shall not be regarded as originating from a given country until a duly executed certificate of origin or requested data are submitted in cases established hereunder.

Article 32. Grounds for Refusing to Clear Goods

1. The Russian customs agency may refuse to clear goods across the Russian customs border only if it has sufficient grounds to believe that such goods originate from a country from which goods may not be cleared under international agreements, to which Russia is a party, and/or Russian legislation.

2. Failure to submit a duly executed certificate or data about the origin of goods shall not constitute the grounds for refusal to clear such goods across the customs border.

3. Goods, the origin of which has not been established for sure, shall be cleared after the payment of customs duties at the maximum rates of the Russian Customs Tariff.

Article 33. Additional Provisions Related to Determining the Country of Origin of Goods

1. The most-favoured-nation treatment or preferences may be applied (restored) to goods provided a proper certificate of their origin is received no later than a year after the date of their customs clearance.

2. In determining the country of origin of goods, the origin of electric power, machinery, equipment and tools used in the manufacture thereof shall not be taken into account.

3. The distinctive features of determining the country of origin of goods imported to the Russian customs territory from third countries, including the procedure of applying the rule of "direct shipment and direct purchase", as well as goods imported from the territories of free customs zones and free warehouses situated in the Russian territory, shall be established by the Government of the Russian Federation.

SECTION VI. TARIFF BENEFITS

Article 34. Tariff Preferences

Tariff benefits (preferences) for goods shall be established hereunder and may not be individual in nature other than in such cases as are described by [Articles 35, 36](#) and [37](#) of this Law. Tariff preferences shall be granted exclusively by decision of the Russian Government.

A tariff benefit (preference) shall be understood to mean a benefit granted on the basis of reciprocity or unilaterally in implementing Russia's commercial policies on goods moved across the Russian customs border in the form of a [refund](#) of earlier paid duties, exemption from duties, reduced duties or tariff quotas on preferential imports (exports) of goods.

The procedure for granting benefits envisaged hereunder shall be determined by the Government of the Russian Federation.

Concerning granting tariff concessions to the mass media see [Decision](#) of the Government of the Russian Federation No. 414 of April 11, 1996

About exemption from the payment of customs duties and taxes in case of temporary importation (exportation) of scientific apparatus and equipment see [Decision](#) of the Government of the Russian Federation No. 198 of February 22, 1997

Article 35. Exemption from Duties

The following shall be exempt from duties:

a) transport vehicles engaged in the international transportation of freight, luggage and passengers, as well as materials, equipment, rigging, fuel, food and other effects required for their normal operation en route or during stopovers, or acquired abroad in connection with a breakdown of (damage to) such vehicles;

b) material, equipment, rigging, fuel, food and other effects exported outside the Russian customs territory to support the operations of Russian ships engaged in sea fisheries or sea fishery ships leased (chartered) by Russian persons, as well as the products of such operations imported into the Russian customs territory;

c) goods imported to the Russian customs territory or exported therefrom for official or

personal uses by representatives of foreign States or individuals entitled to import such goods duty-free pursuant to Russia's international agreements or Russian legislation;

d) Russian and foreign currency other than that used for numismatic purposes, as well as securities pursuant to Russian legislative acts;

e) goods subject to nationalization by the State in cases envisaged by Russian legislation;

Decision of the Government of the Russian Federation No. 816 of July 18, 1996 established that concessions on payment of tax duties as regards goods imported to the customs territory of the Russian Federation as humanitarian aid shall not cover excisable goods, as well as goods imported under foreign trade agreements (contracts) the latter providing that Russian persons are to pay for these goods

f) goods imported to the Russian customs territory and exported therefrom as humanitarian aid; or in order to deal with the effect of accidents, disasters and natural calamities; study aides for free educational, pre-school and medical treatment institutions;

Concerning the privileges in payment of import customs duties granted according to item (f) of Article 35 of this Law see:

Order of the State Customs Committee of the Russian Federation No. 429 of May 25, 2000

Letter of the State Customs Committee of the Russian Federation No. 01-13/11485 of August 14, 1995

Federal Law No. 95-FZ of May 4, 1999 reworded Item (g) of Article 35 of this Law

See the previous text of the Item

g) goods imported to the customs territory of the Russian Federation as gratuitous aid (assistance) as well as imported to the territory and/or exported from the territory for charitable purposes along the lines of states, international organizations, governments including among other things for the purposes of providing technical aid (assistance);

On application of privileges in making customs payments of commodities imported to the customs territory of the Russian Federation as technical aid (assistance), see Instructions approved by Order of the State Customs Committee of the Russian Federation No. 911 of October 8, 2000

h) goods moved under customs control in transit across the Russian customs territory and meant for third countries;

i) goods moved across the Russian customs border by natural persons for personal use pursuant to the Customs Code of the Russian Federation .

Federal Law No. 128-FZ of August 7, 1995 supplemented the first part of Article 35 of this Law with subitem (j)

Federal Law No. 150-FZ of December 27, 20000 suspended for the year 2001 the effect of subitem "j" of Article 35 of this Law

j) equipment, instruments and materials imported on the customs territory of the Russian Federation for implementation of the purpose-oriented social and economic programs (projects) of the housing construction for servicemen, foundation, construction and maintenance of the centers for vocational retraining of the servicemen, ex-servicemen and their family members carried out for the expense of loans, credits and gratuitous financial aid being provided by the international agencies and governments of foreign states, foreign legal entities and natural persons in accordance with Inter-Governmental and Inter-State Agreements, as well as Agreements signed on behalf of the Government of the Russian Federation by the state executive bodies authorized by it.

Federal Law No. 185-FZ of November 25, 1995 supplemented Article 35 of this Law with subitem (k)

k) periodical printed publications and book products connected with education, science and culture, imported by the editorial offices of the mass media and the publishing houses into the customs territory of the Russian Federation and exported therefrom;

paper, polygraphic materials and polygraphic carriers, carriers of audio and video information, technological and engineering equipment imported into the customs territory of the Russian Federation by the editorial offices of the mass media, publishing houses, information agencies, tele- and radio broadcasting companies, polygraphic enterprises and organizations and used by them for the output of the products of the mass media and the book products connected with education, science and culture.

The privileges stipulated by the present item shall not apply to the books and periodical printed publications of advertising and erotic character and the mass media of advertising and erotic character.

Federal Law No. 150-FZ of December 27, 2000 suspended for the year 2001 the effect of subitem "m" of Article 35 of this Law

Federal Law No. 211-FZ of December 27, 1995 supplemented Article 35 of this Law with subitem (k)

According to Federal Law No. 25-FZ of February 5, 1997 subitem (k) introduced by the mentioned Federal Law shall be deemed subitem (l)

l) the fire-technical products, imported into the customs territory of the Russian Federation to ensure the operation of the administrative bodies and units of the State Fire-fighting Service of the Ministry of Internal Affairs of the Russian Federation in the process of performance of their functions, established by the legislation of the Russian Federation.

Federal Law No. 25-FZ of February 5, 1997 supplemented Article 35 of this Law with subitem (m)

m) equipment, including machinery, mechanisms and materials being part of the set of delivery of respective equipment as well as components (excluding the ones subject to excise taxation) imported to the customs territory of the Russian Federation to offset the loans provided by foreign states and international financial organizations under the international treaties of the Russian Federation.

Federal Law No. 32-FZ of February 10, 1999 supplemented Article 35 of this Law with subitem (n)

n) goods imported to the customs territory of the Russian Federation, including those imported on leasing in order to perform works under a production sharing agreement in accordance with a program of such works and with the investor's budget approved in the manner set out in the agreement or those exported from the territory in question in keeping with the terms of such agreement. In such case import and export customs duties shall be replaced with the division of the products pursuant to terms of a production sharing agreement concluded in accordance with the Federal Law on Production Sharing Agreements.

Exemption from the customs duty shall be granted only in the cases as provided in the international treaties of the Russian Federation.

Federal Law No. 74-FZ of May 27, 2000 supplemented Article 35 of this Law with Item "o"
The amendments shall come into force as of May 30, 2000

o) baby food manufacturing equipment (components and spare parts for it) acquired at the expense of earmarked federal budget funds, the equipment being of the kind not manufactured in the Russian Federation, as per the list endorsed by the Government of the Russian Federation as well as baby food manufacturing equipment (components and spare parts for it) acquired at the expense of stringed foreign credits extended to the Russian Federation by foreign states of foreign governments. The said privilege covers the baby food manufacturing equipment (components and spare parts for it) that has been imported (being imported) to the customs territory of the Russian Federation for the purpose of implementing the federal target program "Developing Baby Food Industry" of the [presidential program](#) "The Children of Russia".

[List](#) of equipment acquired from target allocations of the federal budget for the manufacture of infant foods (accessories and spare parts thereof whose analogues are not manufactured in the Russian Federation) was approved by [Decision](#) of the Government of the Russian Federation No. 1004 of December 15, 2000)

Article 36. Granting of Customs Preferences

In Russia's trade and political relations with foreign countries Russian Customs Tariff preferences may be granted in the form of exemption from duties, reduced duties or tariff quotas on preferential imports (exports) with respect to the following goods:

- goods originating from countries, which form a free trade zone or a customs union with Russia or which have signed agreements aiming to create such zone or union; and
- goods originating from developing countries and using Russia's national system of preferences, which shall be periodically, but at least once in five years, reviewed by the Russian Government.

See [List](#) of the Countries Using the Set of Preferences of the Russian Federation approved by Decision of the Government of the Russian Federation No. 1057 of September 13, 1994, as well as [List](#) of Goods Originating from Developing and the Least Developed Countries in Whose Respect Tariff Preferences Shall Be Granted in Their Importation into the Territory of the Russian Federation approved by [Decision](#) of the Government of the Russian Federation No. 414 of May 23, 2000

[Order](#) of the State Customs Committee of the Russian Federation No. 258 of April 26, 1996 established that customs duties shall not be applied in respect of the goods imported into the customs territory of the Russian Federation and originating from the territories of the Republic of Azerbaijan, the Republic of Armenia, the Republic of Belarus, the Republic of Georgia, the Republic of Kazakhstan, the Republic of Kirgizstan, the Republic of Moldova, the Republic of Tajikistan, Turkmenistan, the Republic of Uzbekistan and Ukraine

Article 37. Granting of Tariff Benefits

In Russia's commercial policies followed in its customs territory tariff benefits may be granted in the form of a [refund](#) of earlier-paid duties, cut-rate duties, or in exceptional cases, exemption from duties with respect to the following goods:

- goods imported to the Russian territory and/or exported therefrom temporarily under customs control under the appropriate customs arrangements established by the Customs Code of the Russian Federation;
- goods exported as part of complete deliveries for the construction of investment cooperation projects abroad pursuant to intergovernmental agreements, to which Russia is a party;
- goods exported from the Russian customs territory as part of suppliers to meet federal state needs, as determined pursuant to Russian legislative acts;

[Decision](#) of the Council of Ministers of the R.F. No. 1102 of November 2, 1993 established that goods exported from the customs territory of the Russian Federation within the volumes of

deliveries for export to meet federal state needs estimated in keeping with the legislative acts of the Russian Federation shall be exempted from the customs duty on the basis of Article 37 of the Law of the Russian Federation on the Customs Tariff

Goods imported to the Russian customs territory as a contribution to the statutory funds of enterprises with foreign investment and of foreign companies, as well as individual kinds of goods of their own production imported by such enterprises and companies in cases envisaged by agreements on division of output, concluded by the Russian Government or a state agency authorized thereby in accordance with Russian law, or during the period of recouping foreign investments in accordance with such procedure as is established by the Supreme Soviet of the Russian Federation.

See Federal Law No. 225-FZ of December 30, 1995 on Production Sharing Agreements

On exemptions from import customs duty and the value added tax for commodities imported by foreign investors as a contribution to the registered (shared) capital of enterprises with foreign investments see Decision of the Government of the Russian Federation No. 883 of July 23, 1996

SECTION VII. FINAL PROVISIONS

Article 38. International Agreements

If an international agreement, to which Russia is a party, establishes different norms other than those laid down thereunder, the norms established by such international agreement shall prevail.

President of the Russian Federation
Moscow, the House of the Soviets of Russia
No. 5003-1
May 21, 1993

B. Yeltsin