



Foreign Trade Policy of the Republic of Kazakhstan

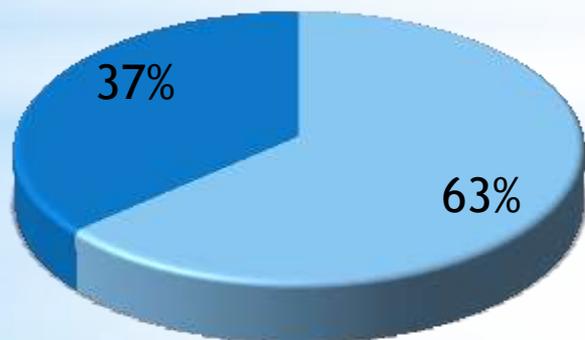
22nd Meeting of the Trade Policy Coordinating Committee
June 16, 2015
Bangkok, Thailand



Republic of Kazakhstan: Volume of trade

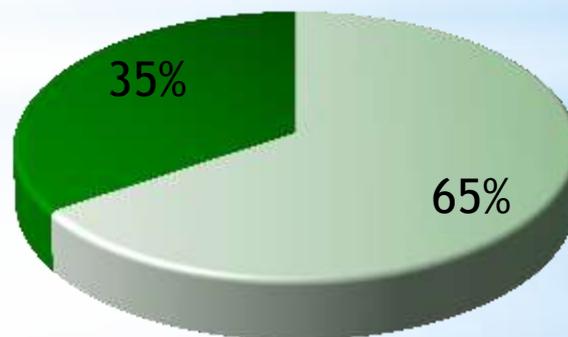
2013: \$133,5 billion

- Exports \$84,7 billion
- Imports \$48,8 billion



2014: \$119,5 billion

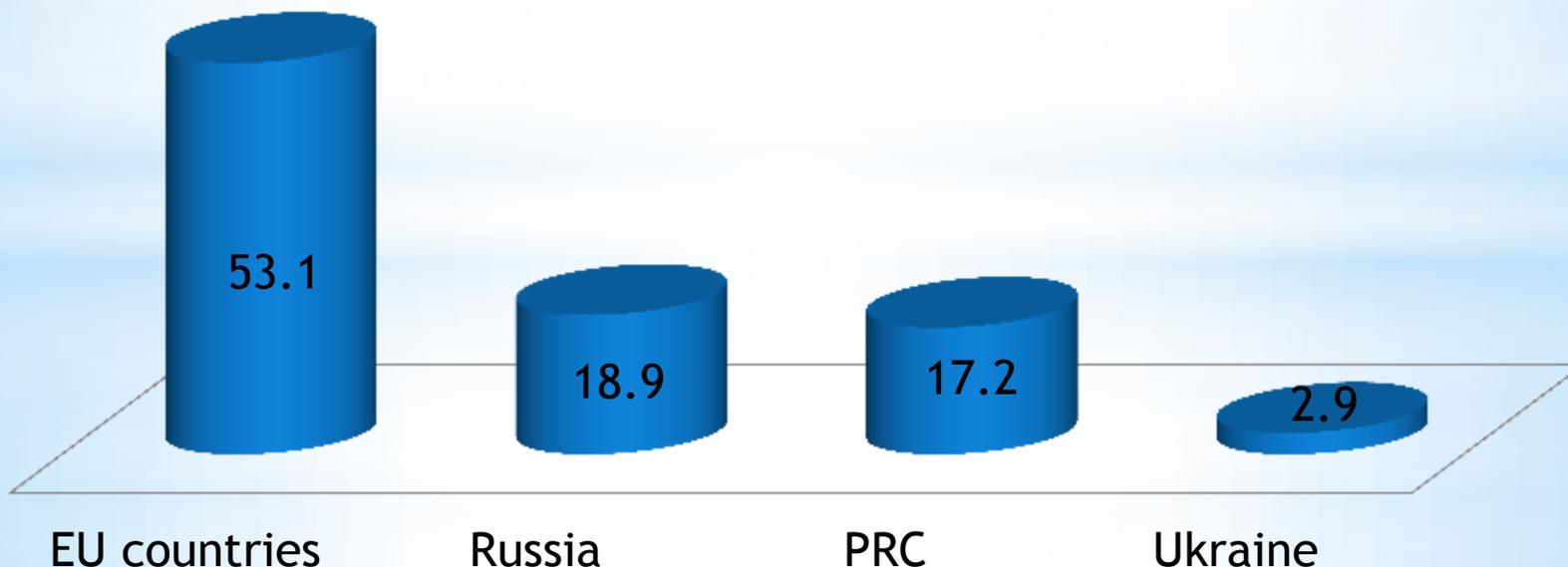
- Exports: \$78,2 billion
- Imports: \$41,2 billion





KEY TRADE PARTNERS

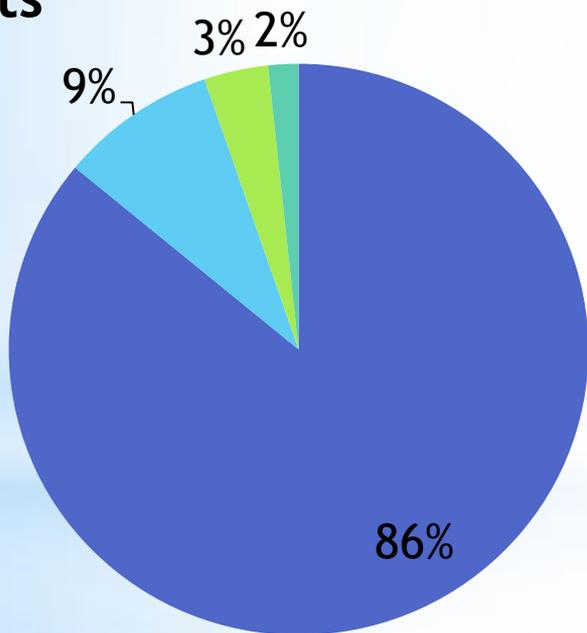
Share of the volume of trade with key trade partners of the Republic of Kazakhstan, 2014 (\$ billion)





Commodity structure, 2014

Exports



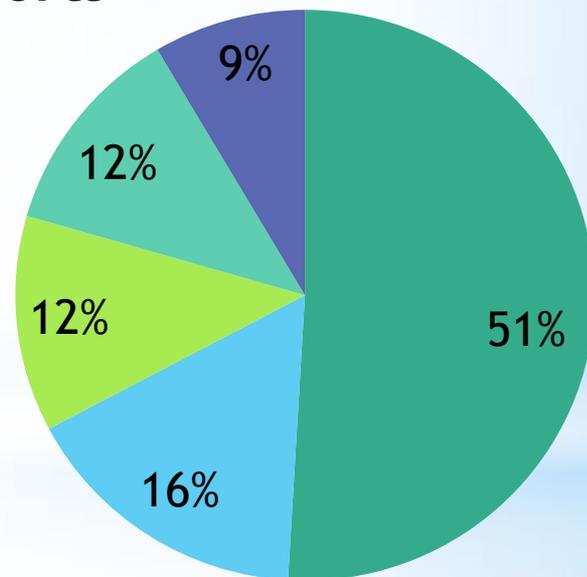
■ Mineral commodities, 81,6%

■ Metals and metal products, 8,3%

■ Animal and plant products 3,4%

■ Plant, equipment, vehicles, instruments and machines, 1,6%

Imports



■ Plant, equipment, vehicles, instruments and machines, 43,7%

■ Chemical sector and related products

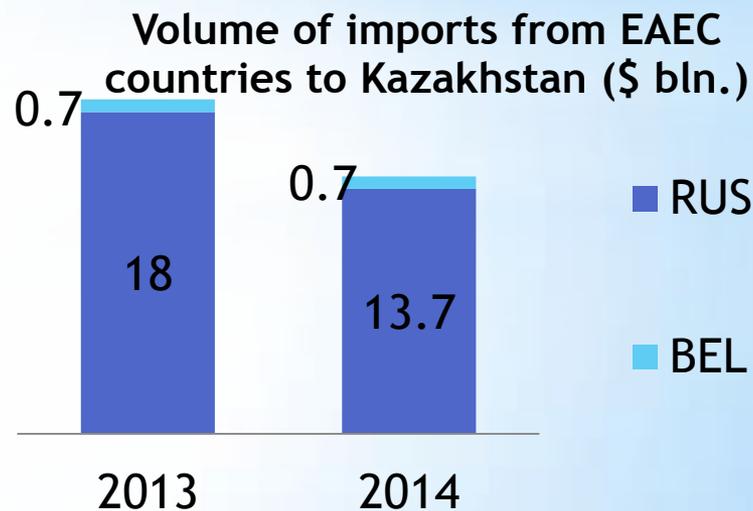
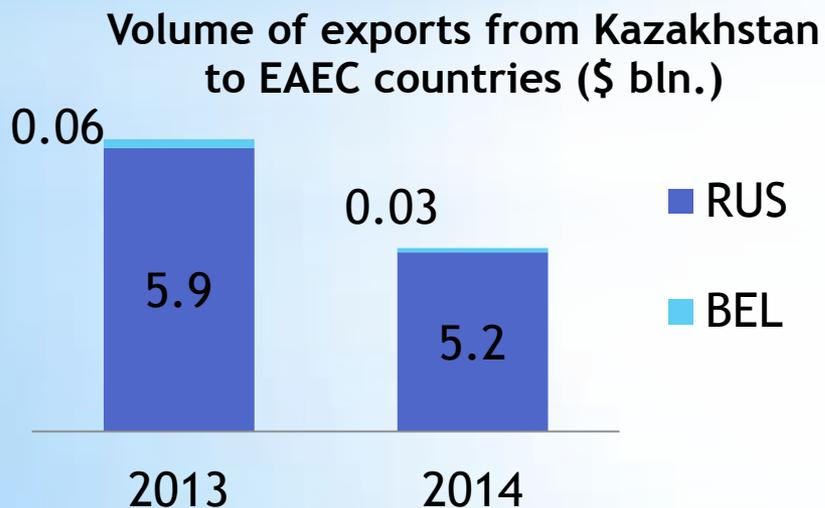
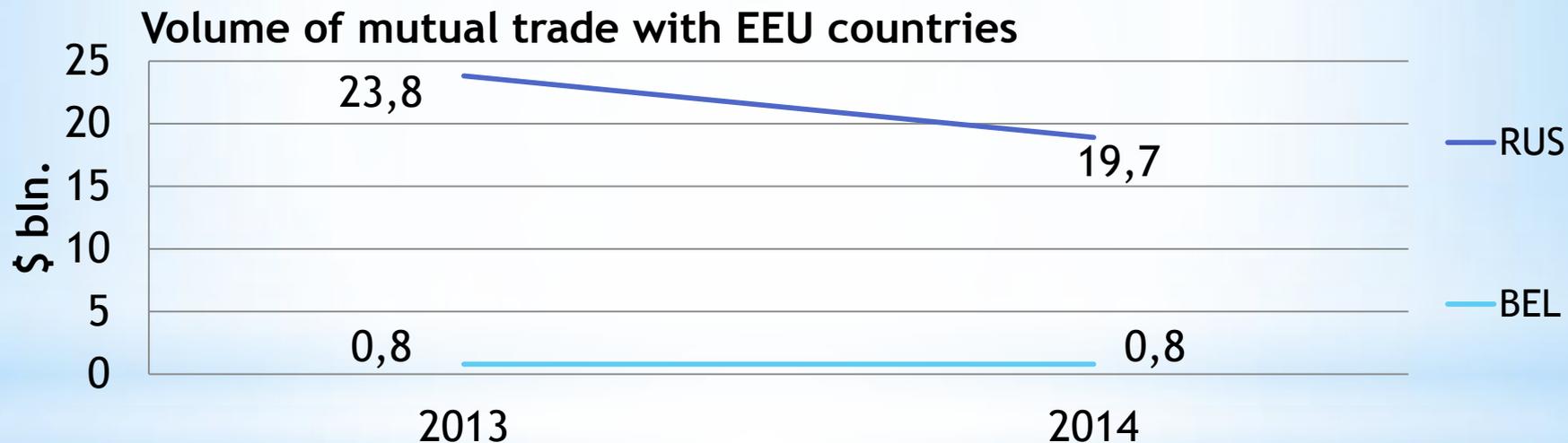
■ Animal and plant products, 10,5%

■ Metals and metal products, 10,3%

■ Mineral commodities, 7,3%



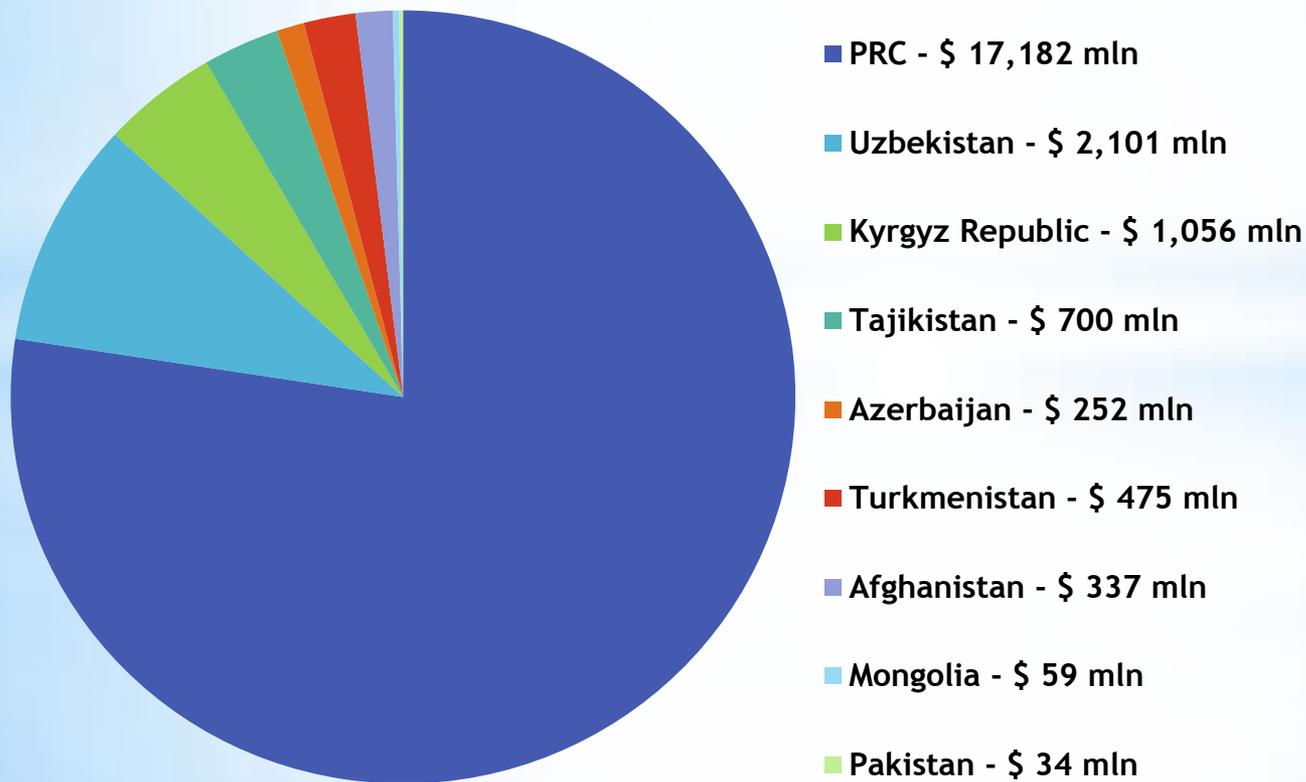
Trade with members of the Eurasian Economic Community





Trade with the CAREC members

Volume of trade of RK with CAREC countries
(\$ million)



In 2014, volume of trade of RK with CAREC countries was \$ 22,2 billion (18.6% of the total volume of trade of Kazakhstan)



Trade Policy

The Eurasian Economic Community pursues the unified trade policy towards third countries

- Customs tariff measures
- Non-tariff regulation measures
- Safeguards, antidumping measures
- Unified customs regulations

The Eurasian Economic Commission is authorized to apply these measures



Common customs tariff

- The EAEC's common customs tariff (EAEC CCT) is the basis of customs tariff regulation
- Common customs tariff has been approved by EEC's Resolution #130 of November 27, 2009
- At the end of 2014, the average weighted rate of the ETT decreased 0.4 points to 7.8%
- Arithmetic mean value of the ETT is 8.8%



Customs tariff measures



Customs duties



**Preferential
tariffs**



**Tariff
quotas**



**Tariff
preferences**

- The Eurasian Economic Commission sets the rates of **import customs duties**
- Regulation of **export customs duties** remains at the national level
- There are now established export customs duties on crude oil, petroleum products, wool, skins, ferrous and nonferrous metals.



Customs tariff measures

Tariff preferences

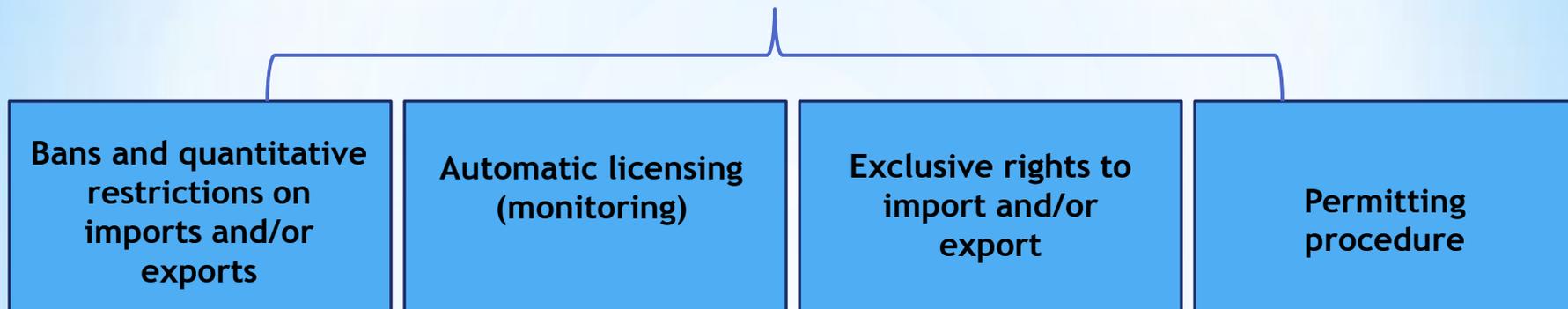
Tariff preferences may apply to goods imported into the customs territory of the EAEC in form of exemption from, or reduction of, import duties.

Tariff quotas

Preferences in form of tariff quotas on imports may apply to agricultural commodities imported into the territory of the EAEC, if similar products are produced (gathered, grown) in the territory of EAEC members.



Non-tariff regulation measures



Consolidated list of goods subject to bans and restrictions in trade with third countries *

1. Ozone depleting substances
2. Plant protection products
3. Hazardous waste
4. Collections and collectibles in mineralogy and paleontology, bones of fossil species
5. Live wild animals; some wild plants and wild medicinal raw materials
6. Species of wild fauna and flora falling within the purview of the Convention on International Trade in Endangered Species of Wild Fauna and Flora
7. Rare and endangered species of wild animals and plants, their parts and/or derivatives, if included into the Lists of Endangered Species (Red Books) of Belarus, Kazakhstan and Russia
8. Precious metals and stones
10. Mineral commodities
11. Drugs
12. Toxic substances
13. Medicines and pharmaceuticals
14. Radio-electronic equipment
15. Special technical devices
16. Encryption (cryptographic) facilities
17. Cultural property
18. Human organs and tissues
19. WEAPONRY
20. Information about mineral wealth



Restrictions

Under the EAEC Agreement, the parties may only introduce temporary nontariff regulation measures in a unilateral manner for no longer than six months



**Banned exports
from Kazakhstan**

**Scrap and waste
ferrous metals**

**Gold-bearing
rocks**

**Petroleum
products**



Trade across borders index in the *Doing Business* rating

Doing Business 2014 → Ranks 186

Doing Business 2015 → Ranks 185

| Kazakhstan | | |
|----------------------------|----------------|----------------|
| Doing Business 2015 | Exports | Imports |
| Documents (number) | 10 | 12 |
| Time (days) | 79 | 67 |
| Cost (US\$ per container) | 5,285 | 5,265 |



International trade reforms in Kazakhstan

Documents for import

~~Cargo release order~~
~~Customs surveyor report~~
~~Standard technical certificate~~

Documents for export

~~Transit document~~
~~Certificate of conformity~~
~~Certificate of origin~~

Documents for export/import

~~Document confirming payment of customs
duties (payment request/receipt)~~

Reference: Law of the Republic of Kazakhstan #269-V dated December 29, 2014, on amendments to selected pieces of legislation of the Republic of Kazakhstan with regard to the fundamental improvements in the business environment in the Republic of Kazakhstan.



Implemented reforms

In order to facilitate foreign economic activities under the Law of the Republic of Kazakhstan “On amendments to selected pieces of legislation of the Republic of Kazakhstan with regard to the fundamental improvements in the business environment in the Republic of Kazakhstan”, the **Customs Code of the Republic of Kazakhstan** was amended, as follows:

Export

Documents for export

1. Bill of consignment
2. Commercial invoice
3. Export entry

Import

Documents for import *

1. Bill of consignment

Documents for import **

1. Bill of consignment
2. Commercial invoice
3. Import entry
4. Certificate of conformity
5. Transit document (in case of transit)

* - if imported from EAEC countries

** - if imported from non-EAEC countries



SPS and TBT

The national laws of the Republic of Kazakhstan on SPS and TBT measures are fully harmonized with the WTO Agreement on Technical Barriers to Trade and Agreement on the Application of Sanitary and Phytosanitary Measures

Kazakhstan is a full-fledged member of the international accreditation organizations, ILAC and IAF. Kazakhstan acknowledges foreign certificates of conformity (from third countries), test protocols and conformity marks issued by foreign conformity assessment systems

Coordination with international organizations to promote mutual recognition of measurement results. Conditions for mutual recognition of measurement results exist in Kazakhstan and China

Concerted policy with regard to the SPS measures is applied in the EAEC. In the absence of documents effective in the Customs Union that establish mandatory sanitary, veterinary and phytosanitary (SPS) requirements, there is a need for application of international standards, recommendations and guidelines

List of regulated products has been optimized by excluding all products with no quarantineable pest risk

The requirement that regulated products with low phytosanitary risk must be accompanied with phytosanitary certificates has been cancelled



Trade in services

In 2014, the Republic of Kazakhstan produced \$128.8 billion worth of services (55.6% of GDP)

● Liberalization of the services market for foreign companies

In the course of its WTO accession, Kazakhstan has liberalized considerably its services market. On the expiry of transitional periods established for Kazakhstan in the framework of WTO accession, the national legislation in effect will be amended with regard to liberalization of the services market for foreign providers

● Mobilizing investors

Kazakhstan signed 49 bilateral investment treaties (BITs) related to the investment protection and promotion, of which 33 BITs are now in effect; 15 BITs are signed but not yet in effect; 1 BIT was canceled. It is also proposed to sign around 22 BITs more, particularly with the OECD, Saudi Arabia, Croatia and the United Arab Emirates



Trade measures

Nine (9) anti-dumping measures have been introduced by the EEC to protect manufacturers from the EAEC

| | | | | |
|--------------------|---------------------------|------------------------|-------------------------------------|--------------------------|
| Forged steel roll | Light commercial vehicles | Steel pipes | Rolled steel | Enamelled cast iron bath |
| Ball-bearing tubes | Rolling element bearings | Graphitized electrodes | Corrosion-resistant tubes and pipes | |

Two special protection measures apply to:

Combine harvesters and modules

Porcelain tableware and kitchenware



Accession of Kazakhstan to the WTO

Completed:

- 19 meetings held by the Work Group for accession of Kazakhstan to the WTO
- All bilateral negotiations with the WTO Accession Work Group member countries regarding access to markets for goods and services are completed
- Agreements reached on systemic issues in agriculture

Forthcoming:

- June 22, 2015:
Official approval of the WTO membership of Kazakhstan
- July 27, 2015:
Official acknowledgment of Kazakhstan a WTO member at a meeting of the WTO's General Council
- December 2015:
declaration of Kazakhstan a full-fledged WTO member at the Ministerial Conference



Thank you!