



**PREPAREDNESS OF THE REPUBLIC OF  
KAZAKHSTAN TO FULFILL COMMITMENTS  
ARISING FROM THE WTO TRADE  
FACILITATION AGREEMENT**



## **History: the Republic of Kazakhstan and the World Trade Organization**

**January 29, 1996 – the Government of the Republic of Kazakhstan submitted its official application for WTO accession;**

**20 formal Working Group meetings;**

**July 2015 - Approval of the Kazakhstan's membership by the General Council;**

**November 30, 2015 – Kazakhstan became the 162<sup>nd</sup> member of the WTO**



# **Report on Kazakhstan's preparedness to apply the Trade Facilitation Agreement Notifications and implementation of categories A, B and C measures**

**In March 2016, Kazakhstan sent the notification to the WTO Secretariat with the list of category "A" measures.**

**In July 2018, Kazakhstan sent the notification to the WTO Secretariat with the list of the categories "B" and "C" measures**



# Detailed findings of the survey

**Kazakhstan fully implements 21 out of 37 trade facilitation measures, thus reaching 57% compliance level (A):**

- 1. Article 5: The opportunity to provide comments and information prior to entry into force;**
- 2. Article 8: Appeal or review procedures;**
- 3. Article 9: Notices of enhanced controls or inspections;**
- 4. Article 10: Detention;**
- 5. Article 11: Inspection procedures;**
- 6. Article 13: Special rules on customs clearance fees and duties applicable to or in connection with import and export;**
- 7. Article 14: Penalty disciplines;**
- 8. Article 15: Pre-arrival processing;**
- 9. Article 17: Separating release procedures and final decision on customs duties, taxes, fees and charges;**
- 10. Article 18: Risk management;**

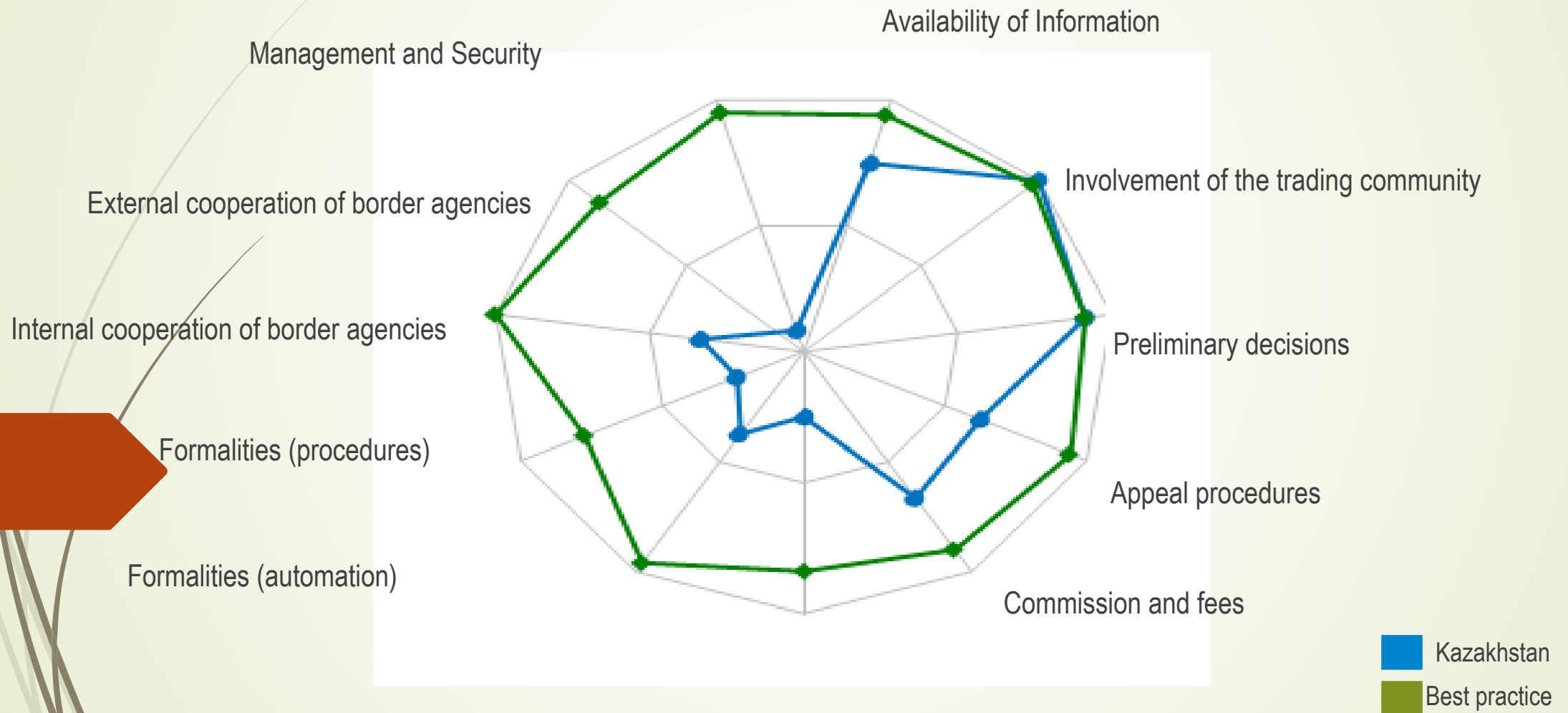


## Detailed findings of the survey

11. **Article 19: Post-clearance audit;**
12. **Article 24: Border agency cooperation;**
13. **Article 25: Relocation of goods intended for import under customs control;**
14. **Article 26: Formalities and documentation requirements;**
15. **Article 27: Recognition of copies;**
16. **Article 30: Pre-shipment inspections;**
17. **Article 31: Use of customs brokers;**
18. **Article 32: Common border procedures and unified documentation requirements;**
19. **Article 33: Discarded goods;**
20. **Article 34: Temporary admission of goods;**
21. **Article 35: Clearance in and outside the customs territory.**



# Detailed findings of the survey





## Section III. Agreements

### **The National Trade Facilitation Committee**



**was created in Kazakhstan in January 2018 led by the Deputy Prime Minister of the Republic of Kazakhstan**

**The Committee aims to promote internal coordination and implementation of the provisions of the Agreement.**



## Section III. Agreements

### **The National Trade Facilitation Committee**

**Composition of the Committee: Vice-Ministers of:**

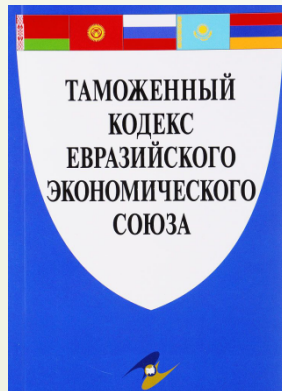
- **Economy**
- **Finance**
- **Agriculture**
- **Investment and Development**
- **Justice**
- **Information and communications**
- **Foreign Affairs**
- **Energy**
- *Representatives of the:*
- *National Chamber of Entrepreneurs "Atameken"*
- *(other stakeholders may participate as well)*







## On 01.01.18, the EAEU Customs Code and the Customs Code of the Republic of Kazakhstan "On Customs Regulation" entered into force





## BASIC CUSTOMS CODE NOVELS

### PRIORITY OF ELECTRONIC DECLARATION

- introduction of **automatic release** of goods
- possibility of using the **Single Window** mechanism

### USING PRELIMINARY INFORMATION IN THE FORM OF ELECTRONIC DOCUMENT IN CUSTOMS OPERATIONS AT THE POINT OF ARRIVAL AS:

- product arrival notification
- transit declaration
- declaration for international transportation vehicles
- documents for temporary storage

### SECURING OPPORTUNITY TO FILL IN CUSTOMS DECLARATION BY THE CUSTOMS AUTHORITY WITHOUT A CUSTOMS BROKER

### PROVIDING OPPORTUNITY FOR DELAYED PAYMENTS (IN INSTALLMENTS) OF THE IMPORT CUSTOMS DUTIES AND TAXES FOR :

- **up to 1 month** with interest payment – all FTA
- **up to 6 months** interest-free – for certain categories of goods established by the Code
- **up to 6 months** with interest payment – when importing goods for industrial processing

### POSSIBILITY TO SELL GOODS IN THE DUTY FREE SHOP FOR:

- persons **arriving** from third countries
- persons **leaving** from one EAEU country to another EAEU country



## BASIC CUSTOMS CODE NOVELS

### GOODS RELEASE PERIOD IS REDUCED :

- from 1 working day **to 4 hours of working time**

### EXCLUDED EUR 1,000,000 FOR CUSTOMS REPRESENTATIVE SECURING PAYMENT OF CUSTOMS DUTIES:

- Security payment for the customs representative shall be defined by the **decision of the EEC Council**

### THE NORMS RELATING TO THE APPLICATION OF THE TRANSIT CUSTOMS PROCEDURE ARE MAXIMALLY UNIFIED:

- it is stipulated that the customs authorities are not entitled to **restrict a person in choosing the place of movement** of goods across the customs border of the Union **depending on the country of origin of goods**, the country of departure and destination of goods, etc.
- **reduced the time** for completion of the customs transit procedure **from 1 working day to 4 hours** of working time
- **reduced transit clearance time from 10 to 5 working days**, at the same time extended release period



## BASIC CUSTOMS CODE NOVELS

### MINIMIZING DOCUMENTS AND INFORMATION FOR CUSTOMS PURPOSES:

- Customs declaration is submitted in the form of an electronic document without submission to the customs authority of the documents on the basis of which information about the goods is declared
- Reduced the number of submitted documents in case of written declaration (in accordance with the Doing business rating):

**when importing - 5 documents** (*goods declaration, transit declaration, invoice, transport (transportation) document, certificate of conformity*);

**when exporting - 3 documents** (*goods declaration, invoice, transport (transportation) document*)



## **BASIC CUSTOMS CODE NOVELS**

### **PROVIDING THE OPPORTUNITY FOR DELAYED PAYMENT (IN INSTALLMENT) OF CUSTOMS DUTIES IN IMPORTING FOR:**

- up to 1 month – for all participants of foreign trade activities with interest paid for the delay period
- up to 6 months – without paying interest in exceptional cases – when moving goods for natural disasters, technological catastrophe or other force majeure response, delayed financing from the budget, support for agricultural activities, etc.
- up to 6 months – with interest paid for goods used in industrial processing, the list of which is determined by the Commission



## **BASIC CUSTOMS CODE NOVELS**

### **SIMPLIFYING TRANSIT OF GOODS THROUGH CUSTOMS BORDER**

- possibility of formalizing one transit declaration for several consignments
- movement of goods from the point of arrival to the temporary storage warehouse without transit within one settlement
- customs support using technical equipment of the satellite navigation system;
- movement of goods by air providing no security for payment of customs duties and taxes.
- customs inspection of transit goods only in cases prescribed by law

### **ESTABLISHMENT OF TRANSPORT AND LOGISTICS CENTERS ON THE BORDER**

- A set of logistic and customs services



## **BASIC CUSTOMS CODE NOVELS**

### **NEW MODEL OF DEVELOPING THE INSTITUTE OF AUTHORIZED ECONOMIC OPERATORS**

Adopted by the Republic of Kazakhstan's approach to categorizing AEO by type of certificate :

- Type 1 - simplifications related to transportation of goods applicable throughout the EAEU
- Type 2 - simplifications related to customs declaration and storage of goods applicable only in the territory of the Member State that issued the certificate
- Type 3 - a set of simplifications for types 1 and 2



## **BASIC CUSTOMS CODE NOVELS**

### **MAJOR SIMPLIFICATIONS FOR AEO :**

- performing customs operations as priority ones
- providing no security in case of transit
- release prior to submitting declarations
- customs inspection / inspection as a matter of priority
- seals recognition by customs authorities
- establishment of the transportation route is not required
- priority participation in pilot projects
- temporary storage in own territories
- customs control in its own facilities, premises