



On Customs Affairs in the Republic of Kazakhstan

Non-official translation

The Code of the Republic of Kazakhstan dated June 30, 2010 No. 296-IV

Unofficial translation

Footnote. See the Law of the Republic of Kazakhstan dated June 30, 2010 No. 298-IV "On Introduction of the Code of the Republic of Kazakhstan" "On Customs Affairs in the Republic of Kazakhstan".

Note of the RCLI (Republican Centre of Legal Information)!

Until January 1, 2013 throughout the text of the Code, except for the Sub-paragraph 4) of Paragraph 1 of Article 251, the terms "identification number", "the identification numbers", "on identification number", "of identification number" according to the Law of the Republic of Kazakhstan dated 30.06.2010 No. 298-IV shall respectively be given the same meaning as the terms "registration number", "the registration numbers", "on registration number" "of registration number".

This Code defines the legal, economic and organizational principles of customs activity in the Republic of Kazakhstan and is aimed at the protection of the sovereignty and economic security of the Republic of Kazakhstan, enhancing the relationships between Kazakhstan's economy within the world economic systems and the liberalization of international economic activity.

GENERAL PART

SECTION 1. GENERAL PROVISIONS

Chapter 1. BASIC PROVISIONS

Article 1. Customs Affairs (Regulation) in the Republic of Kazakhstan

1. Regulation of relations in the territory of the Republic of Kazakhstan as part of the territory of the Customs Union, where the Republic of Kazakhstan has exclusive jurisdiction with regard to transportation of goods through the customs border of the Customs Union, their transportation through the single customs territory of the Customs Union under the customs control, the temporary storage, customs declaring, issuing and use in accordance with the customs procedures, carrying out customs control, payment of customs duties and customs taxes, as well as the relations of power between customs bodies and entities exercising the right to possession, exploitation and disposal of mentioned goods, shall be carried on according to the customs affairs (regulations) in the Republic of Kazakhstan.

2. Customs regulations in the Republic of Kazakhstan shall be carried out in accordance with the customs legislation of the Customs Union, and where it is not regulated by such legislation, it shall be carried out in accordance with the legislation of the Republic of Kazakhstan.

3. The customs affairs sphere is the area of public administration in the implementation of customs.

Article 2. Management in the Customs Issues

1. The authorized body in the customs issues shall carry out direct supervision in customs issues.

2. The authorized body in the customs issues in accordance with the customs legislation of the Customs Union and (or) legislation of the Republic of Kazakhstan:

- 1) shall conduct customs policy in the Republic of Kazakhstan;
- 2) shall work out and confirm the normative legal acts specified by this Code;
- 3) shall carry out management of the customs bodies;

4) shall determine the power of the government agencies that fall within its jurisdiction;

5) shall generate and create informational systems, communications systems and data link systems, technical equipment of customs control, as well as information security products;

6) shall make decisions regarding the registry of bodies who may carry out activity in the customs affair sphere;

7) shall carry out customs administration;

8) shall carry out customs control of the transfer of goods and the means of transport through the customs border of the Customs Union;

9) shall inform participants of foreign economic and other activities in the region of the customs affairs, of any amendments or supplements to the customs legislation of the Customs Union and (or) the Republic of Kazakhstan, in a regular and timely manner;

10) shall administer customs statistics;

11) shall exercise other powers provided by this Code, by other statutes of the Republic of Kazakhstan, by acts of the President of the Republic of Kazakhstan and of the Government of the Republic of Kazakhstan.

Article 3. Customs Legislation of the Republic of Kazakhstan

1. Customs legislation of the Republic of Kazakhstan shall be based on the Constitution of the Republic of Kazakhstan and shall consist of:

1) this Code;

2) the normative legal acts, the adoption of which is provided for by this Code.

In the event that an international agreement ratified by the Republic of Kazakhstan provides for regulations other than those stipulated by this Code, then the regulations of the international agreement shall apply.

2. The measures of customs tariff regulations, prohibitions and restrictions, customs and tax legislation of the Republic of Kazakhstan effective on the day of registration of tax declaration or other tax documents, shall be applied in the region of the customs affairs, unless otherwise specified by this Code.

3. With respect to goods and means of transport crossing the customs border of the Republic of Kazakhstan, and where there is an infringement of the requirements stipulated by the customs legislation of the Republic of Kazakhstan, customs and tax legislation of the Republic of Kazakhstan shall be applied, as well as measures of customs tariff regulations, prohibitions and restrictions effective on the date of actual conveyance of goods and means of transport across the customs border of the Customs Union, unless otherwise specified by this Code.

If the day of the actual crossing of the customs borders of the Customs Union by the goods isn't established, the customs and tax legislation of the Republic of Kazakhstan, the measures of customs and tariff regulation, the prohibitions and restrictions operating on the day that the violation of established requirements is identified shall be applied.

Article 4. Basic Terms Used in This Code

1. Basic terms used in this Code are as follows:

1) accident - incident of a technical, technological or other character, harmful in its consequences, which took place involving vehicles and (or) other goods placed under customs control, having led to changes in quantity and (or) quality not provided by the customs legislation of the Customs Union and (or) the legislation of the Republic of Kazakhstan, which have not been produced by intentional actions of the proprietor and (or) the person owning the goods at the moment of these changes, with the exception of natural changes given normal conditions of transportation, storage and use

(exploitation), as well as those extraordinary and unavoidable changes in the stated conditions and circumstances (force majeure);

2) declarant - person declaring the goods or in the name of whom the goods are being declared;

3) goods for personal use - goods intended for the personal, family, home and other needs of physical persons not related to entrepreneurial activity, transported through the customs border in an accompanied or unaccompanied baggage, as an international mailing or by other means;

4) customs body of departure - customs body and (or) other customs body of the Member-State of the Customs Union, which performs the customs operations related to the submission of goods for the customs procedure of customs transit;

5) customs duty - compulsory payment collected by customs bodies in relation to the transportation of goods through the customs border of the Customs Union;

6) general ensuring payment of customs payments and taxes - fulfillment of obligations with respect to payment of customs payments and taxes, effective in the period of time determined by this Code and covering the risks of carrying out the customs operations in the territory of the Republic of Kazakhstan;

7) ensuring payment of customs payments and taxes - methods of fulfilling the obligations with respect to payment of customs payments and taxes, established by customs legislation of the Customs Union and by this Code;

8) customs control - all operations or measures applied by customs bodies including a risk management system to ensure compliance with the customs legislation of the Customs Union and of the legislation of the Republic of Kazakhstan;

9) customs declaration - document composed in accordance with the established format, containing information on goods, on the chosen customs procedure and other peculiarities necessary for the release of goods;

10) customs infrastructure - buildings and construction intended for the functioning of customs bodies, as well as for the social services of customs officials;

11) import of goods into the customs territory of the Customs Union - committing actions related to crossing the customs border, as a result of which goods are transported into the customs territory of the Customs Union by any means, including their shipment as international mailing or with the help of pipeline transportation and power transmission lines;

12) export of goods from the customs territory of the Customs Union - committing actions, directed at the export of goods from the customs territory of the Customs Union by any means, including their shipment as international mailing or with the help of pipeline transportation and power transmission lines until an actual crossing of the customs border of the Customs Union occurs;

13) crossing of the customs border of the Customs Union - action of the person, departing from the customs territory of the Customs Union, arriving in the customs territory of the Customs Union, and (or) on being in the customs control zone, as well as the transportation of goods and the means of transport through the customs border of the Customs Union.

14) The Commission of the Customs Union - single institution which is the regulating body of the Customs Union;

15) person of the member state of the Customs Union - a physical person permanently residing in a member state of the Customs Union, including an individual entrepreneur who is registered in accordance with the legislation of the member state of the Customs Union, a legal person as well as a body which is not a legal person but which is established in accordance with the legislation of the member state of the Customs Union;

16) area of operations of the customs body - territory within which the customs body carries out customs control in respect of goods and vehicles of international transportation, which are under customs control;

17) customs procedure - a set of rules or operations defining, for customs purposes, the requirements and conditions of use and (or) disposal of goods in the customs territory of the Customs Union or outside it;

18) customs declaring - statement by the declarant to the customs body describing the goods selected for customs procedure and (or) other information necessary for release of goods;

19) customs documents - documents comprising exclusively for customs purposes;

20) customs operations - acts committed by persons and customs bodies in order to ensure compliance with customs legislation of the Customs Union and (or) the Republic of Kazakhstan;

21) customs payments - import and export customs duties and custom charges, which are payable to the state budget by a payer in accordance with this Code in view of the transportation of goods through the customs border of the Customs Union;

22) customs territory of the Customs Union - single customs territory of the Customs Union, which consists of the territories of the member states of the Customs Union, as well as exclusive economic zones and continental shelves of the member states of the Customs Union, artificial islands, installations, constructions and other object, in respect of which the member states of the Customs Union have exclusive jurisdiction;

23) Customs Code of the Customs Union - international normative legal act, accepted by the Agreement on the Customs Code of the Customs Union in Minsk on November 27, 2009;

24) customs border of the Customs Union - borders of the customs territory of the Customs Union, including those exclusive economic zones of the member states of the Customs Union, such as off-shore artificial islands, installations, constructions and other object, in respect of which the member states of the Customs Union have exceptional jurisdiction;

25) goods of the Customs Union - goods being located in the customs territory of the Customs Union, which are:

completely manufactured in the territories of the member states of the Customs Union;

imported into the customs territory of the Customs Union and have acquired the status of the goods of the Customs Union in accordance with this Code and (or) international treaties of the member states of the Customs Union;

manufactured in the territories of the member states of the Customs Union of the goods specified in the second and third indents of this sub-paragraph, and (or) foreign goods, and have acquired the status of the goods of the Customs Union in accordance with the Code and (or) international treaties of the member states of the Customs Union;

26) international treaties of the member states of the Customs Union - the international treaties constituting the contractual basis of the Customs Union;

27) customs representative - the legal entity of the Republic of Kazakhstan, which carries out customs operations in accordance with the customs legislation of the Customs Union on behalf of the declarant, by his order or by the order of another interested person;

28) person carrying out activity in the customs issues - legal entity included in the register of customs representatives; customs carriers; owners of temporary storage warehouses; the owners of free warehouses, and the owners of duty free shops;

29) commercial documents - invoices, specifications, shipping and packing lists and other documents used when carrying out foreign trade and other activities, as well

as used to confirm the transactions involving the transportation of goods through the customs border of the Customs Union;

30) transport (conveyance) documents - bill of lading, invoice or other document confirming the existence of a contract for the carriage of goods and accompanying them in such transportation;

31) vehicles - a category of goods, including any water vessel, aircraft, road vehicles, trailers, semitrailers, railway vehicles (rolling stock, rolling stock unit) or containers with specified technical passports or technical log-books, duplicates, supplies and equipment, fuel and lubrication materials, cooling and other technical fluids contained in the fuel tanks, specified by their design if they are transported together with these vehicles;

32) Kazakhstani person - a citizen of the Republic of Kazakhstan; a stateless person, who has permanent residence in the Republic of Kazakhstan, an individual entrepreneur registered in the Republic of Kazakhstan in accordance with the legislation of the Republic of Kazakhstan, as well as a legal person established in compliance with the legislation of the Republic of Kazakhstan;

33) crimes and administrative offences - the crimes and the criminal prosecution which shall be carried out by customs bodies in accordance with the legislation of the Republic of Kazakhstan and administrative offences, for which in accordance with the legislation of the Republic of Kazakhstan customs bodies, an administrative process shall be maintained (implement production);

34) supplies - products which are:

necessary for the proper operation and maintenance of water vessels, aircraft and trains en route, or at point of stopover or parking, except for spare parts and equipment;

intended for consumption by passengers and crew members on board of sea-(river)-crafts, aircraft or by passengers and employees crews on trains, regardless of whether these stores are sold or not;

intended for sale to passengers and crew members on ships, inland vessels, "river-sea" vessels, hydrofoil vessels, aerostatic crafts and small vessels, including self-moving and dumb lighters and barges (further - water vessels), aircrafts or by staff and passengers in trains no matter whether these supplies are sold or not;

35) customs body of destination - the customs body and (or) other customs body of the member state of the Customs Union in the region of activity in which the place of delivery of goods is located, as established by the customs body of the departure location, or which completes the customs procedure of customs transit;

36) interested person - a person whose individual interests in respect of the goods are directly and personally affected by the decisions, actions (or inaction) of customs bodies;

37) checkpoint - area of the customs border of the Customs Union, situated in the territory of the Republic of Kazakhstan, with customs infrastructure located within the limits of railway, motorcar, sea or air service meant for passing persons, goods, and means of transport across the customs border of the Customs Union specified by the Government of the Republic of Kazakhstan and (or) international treaties of the Republic of Kazakhstan;

38) postal operator - a person of the Republic of Kazakhstan entitled to provide postal services in accordance with the relevant postal legislation of the Republic of Kazakhstan and the acts of the Universal Postal Union;

39) taxes - revenue tax and excise (excises) collected by customs bodies when importing goods into the customs territory of the Customs Union;

40) non-tariff regulation measures - a set of measures to regulate foreign trade

of goods carried out by the introduction of quantitative and other restrictions and limitations of an economic nature that are set by international treaties of the Republic of Kazakhstan, the decisions of the Commission of the Customs Union and the normative legal acts of the Republic of Kazakhstan, adopted in accordance with international treaties of the Republic of Kazakhstan;

41) carrier - a person performing the carriage of goods and (or) passengers through the customs border of the Customs Union and (or) performing the carriage of goods under customs supervision within the customs territory of the Customs Union, or is responsible for the use of vehicles;

42) goods - any movable property conveyed across the customs border of the Customs Union, including the media, the currency of the member states of the Customs Union, securities, and (or) foreign exchange value, travelers checks, electric power and other forms of energy, and other movable things equated to movable property;

43) recipient of goods - person, specified in the shipping documents, to whom the carrier is obliged to deliver the goods under customs control;

44) movement of goods across the customs border - the importation of goods into the customs territory of the Customs Union or the export of goods from the customs territory of the Customs Union;

45) release of goods - action of the customs bodies which allows an interested person use of the goods according to the conditions of the declared customs procedure or according to the conditions established for those separates of goods which aren't subject to customs procedures according to this Code;

46) the illegal movement of goods across the customs border of the Customs Union - the movement of goods across the customs border of the Customs Union away from established locations or outside of business hours of customs bodies at these locations, or while concealed from customs control or with a false declaration or non-declaration of goods, or using documents containing inaccurate information about products, and (or) the use of fraudulent information or information relating to other goods and means of identification, as well as attempts to facilitate such movement;

47) shipping documents - commercial and transportation documents for goods moving across the customs border of the Customs Union;

48) consignment of goods - goods, simultaneously presented to the customs body under one or several transportation documents and addressed to one recipient from a single consignor, as well as goods, transported under one postal waybill or relocated as the luggage by one person;

49) a person - physical and (or) legal person, as well as an organization that is not a legal entity, unless otherwise stated in this Code;

50) prohibitions and restrictions - a set of measures applied to goods crossing the customs border of the Customs Union, including non-tariff regulatory measures, measures affecting merchandise trade and enacted on the basis of the national interest, special kinds of prohibitions and restrictions of merchandise trade, and export control measures which include military products, technical regulations as well as sanitary-epidemiological, veterinary, quarantine, phytosanitary and radiation requirements, which are set by international treaties of the Republic of Kazakhstan, by the decisions of the Commission of the Customs Union and the normative legal acts of the Republic of Kazakhstan issued in accordance with international treaties of the Republic of Kazakhstan;

50-1) authorized legal entity - legal entity, determined by the Government of the Republic of Kazakhstan, in the context of limited sale of the payer's property in possession;

51) international postal mailings - postal mailings accepted for transfer beyond

the customs territory of the Customs Union, arriving to the customs territory of the Customs Union or travelling through this territory and accompanied by the documents provided by acts of the World Postal Union;

52) international transport vehicles - vehicles imported into the customs territory of the Customs Union or exported beyond its borders in order to start and (or) complete the international carriage of goods, passengers and (or) luggage, carrying them with special equipment designed for loading, unloading, handling and protection of goods, supplies, technical supplies and equipment, as well as spare parts and equipment for repair, maintenance or operation of the vehicle on passage;

53) conditional release - release of goods subject to restrictions on its use and disposal;

54) foreign goods - goods that are not goods of the Customs Union, as well as goods that have acquired the status of foreign goods in accordance with this Code;

55) foreign person - a person who is not a person of the member state of the Customs Union;

56) express cargo - goods being transported within the framework of rapid transit by any mode of transport with the use of electronic information systems for organization and transport tracking with the goal of delivering such goods to the recipient in accordance with the individual invoice within the minimal possible and (or) fixed term, with the exception of good, sent in the international mailings.

2. For the purposes of this Code, all other terms are used with the meanings defined by the applicable articles,

3. The terms of civil and other legislation of the Republic of Kazakhstan used in this Code shall apply in the same sense in which they are used in the corresponding industry legislation of the Republic of Kazakhstan, unless otherwise stipulated by this Code.

Footnote. Article 4 as amended by the Law of the Republic of Kazakhstan dated 28.12.2010 No. 368-IV (shall be enforced upon expiry of ten calendar days after its official publication).

Article 5. Procedure for Calculation of a Term, Stipulated by Customs Legislation of Customs Union and (or) the Republic of Kazakhstan

1. A term, established by customs legislation of Customs Union and (or) the Republic of Kazakhstan, shall be determined by reference to a calendar date or a period of time, which is calculated by years, months, days and hours.

The term shall be determined also by referring to an event, or to an action which ought to be carried out.

2. If the special procedure for calculation of terms, to determine the beginning and the end of terms, by reference to a period of time is not established by the customs legislation of Customs Union or the Republic of Kazakhstan, the rules specified in the Paragraphs 3-8 of this Code shall be applied in the customs legislation of Customs Union or the Republic of Kazakhstan.

3. The period of a term, shall begin on the day following the calendar date or the happening of an event, by which its beginning is determined.

4. A term, calculated in years, shall expire on the corresponding day and month of the last year term.

5. A term, calculated in months, shall expire on the corresponding date of the last month of the term.

If the end of a term of calculating by months falls on a month in which there is no appropriate date, the term shall run off on the last day of such month.

6. If the last day of a term falls on a non-working day, the next working day shall be deemed to be the day of the end of the term.

7. If a term is established to carry out an action, it may be carried out until 23:59 of that last day.

However if this act must be carried out by an organization, the term shall expire at that time when the appropriate operations cease in this organization.

Written applications and notifications, delivered to the post operator until 23:59 of the last day of term, shall be deemed to be delivered on time.

8. If the term is calculated by working days, weekdays from Monday to Friday, which are not holidays, and are not otherwise declared as nonworking days in accordance with the legislation of the Republic of Kazakhstan do not fall shall be understood to be business (working) days.

If custom bodies are open on nonworking days in the places where goods are moving through the customs border, this nonworking day is deemed to be a working day for the purposes of calculating the term of carrying out customs operations by that customs body.

CHAPTER 2. THE CUSTOMS BODIES OF THE REPUBLIC OF KAZAKHSTAN

Article 6. The Customs Bodies System of the Republic of Kazakhstan

1. The customs bodies of the Republic of Kazakhstan (hereinafter referred to as - the customs bodies) shall mean state bodies which participate, within the limits of their authority, in pursuing customs policy and directly implementing customs activity in the Republic of Kazakhstan, as well as executing other functions stipulated by the legislative acts of the Republic of Kazakhstan.

2. The single system of customs bodies of the Republic of Kazakhstan shall consist of the following:

- 1) an authorized body on customs issues;
- 2) territorial subdivisions of the authorized body on customs issues in the regions (regions, cities of importance within the Republic, the capital), hereinafter referred to as - the territorial subdivisions of the authorized body on customs issues;
- 3) customs;
- 4) customs posts;
- 5) checkpoints at the customs border of the Customs Union;
- 6) specialized customs bodies.

3. Customs computation offices, customs laboratories, dog-handling, training, scientific and research and other specialized customs institutions, educational institutions of higher vocational and additional education, as well as state enterprises whose activity promotes the solution of the tasks imposed on the customs bodies in accordance with this Code, shall be established by decision of the Government of the Republic of Kazakhstan.

4. Customs bodies shall have the identification flag and identification sign of the customs bodies.

The description and the procedure for use of the identification flag and identification sign of the customs bodies shall be approved by the Government of the Republic of Kazakhstan.

5. The authorized body on customs issues shall develop a reporting system and a system of assessment of activity with priority given to the issues of crime prophylactic measures, security of constitutional rights and the freedom of the citizen, social and state interests, confidence on the part of population, with definition of mechanisms of external evaluation, given by the authorized bodies and the society, with introduction ranking score of the civic institution.

Footnote. Article 6 as amended by the Law of the Republic of Kazakhstan dated 06.01.2011 No. 379-IV (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 7. Principles of Activity of the Customs Bodies

The activity of the customs bodies shall be based on the following principles:

- 1) lawfulness;
- 2) ensuring the right to defense and equality before the law, respect and observance of the rights of participants in foreign economic and other activity in the region of customs activity;
- 3) equality of all before the law;
- 4) transparency.

Article 8. The Basic Tasks of the Customs Bodies

The customs bodies shall carry out the following tasks in the customs territory of the Customs Union in order to:

- 1) assist realization of unified trade policy of Customs Union;
- 2) ensure performance of customs legislation of the Customs Union, customs legislation of the Republic of Kazakhstan and other legislation of the Republic of Kazakhstan, and oversee the performance of tasks which are imposed upon the customs bodies;
- 3) carry out customs operations and conduct customs control, particularly within the context of mutual administrative assistance;
- 4) levy customs payments and taxes, as well as special, antidumping and compensatory duties, control the correctness of their calculations and timeliness of payment, and take measures for their enforced recovery within the limits of their authority;
- 5) ensure, within the limits of their authority, observation of customs tariff regulation measures, prohibitions and restrictions concerning goods conveying across customs borders;
- 6) ensure, within the limits of their authority, observation of rights and legal interests in the area of customs regulation and create conditions for accelerating commodity circulation through the customs border of the Customs Union;
- 7) ensure, within the limits of their authority, the measures to protect national security of Member-States of the Customs Union, human life and health, animal and vegetal life, and the environment, as well as measures to counteract legitimization (laundering) of income taken by illegal means to finance terrorism when taking charge of movement of currency of the Member-States of the Customs Union, securities and (or) other currency valuables, travelers checks across the customs border of the Customs Union in accordance with the international agreement of member states of the Customs Union;
- 8) detect, warn and suppress crimes and administrative offences in accordance with the legislation of the Republic of Kazakhstan;
- 9) ensure protection of intellectual property rights in the customs territory of the Customs Union, within the limits of their authority;
- 10) maintain customs statistics;
- 11) participate in the development and realization of customs regulations in the Republic of Kazakhstan;
- 12) ensure, within the limits of their authority, the sovereignty and economic security of the Republic of Kazakhstan;
- 13) implement and develop customs declaration procedures, customs controls, as well as creating conditions to simplify the customs operations relating to goods and means of transport, when moving across the customs borders of the Customs Union;
- 14) exercise customs control after releasing goods, as well as take actions to collect debt;
- 15) ensure implementation of international agreements of the Republic of

Kazakhstan and take part in framing the international agreements of the Republic of Kazakhstan in the region of customs affairs;

16) take part in realization of single budget policy, development of material and the technical and social base of customs bodies;

Note of the RCLI!

Sub-paragraph 17) shall be enforced from 01.07.2011 (see Art. 1 of the Law of the Republic of Kazakhstan dated 30.06.2010 No. 298-IV).

17) exercise radiation control at checkpoints across the customs border of the Customs Union;

Note of the RCLI!

Sub-paragraph 18) shall be enforced from 01.07.2011 (see Art. 1 of the Law of the Republic of Kazakhstan dated 30.06.2010 No. 298-IV).

18) exercise transport and quarantine control in the automobile border checkpoints of the Customs Union;

Note of the RCLI!

Sub-paragraph 19) shall be enforced from 01.07.2011 (see Art. 1 of the Law of the Republic of Kazakhstan dated 30.06.2010 No. 298-IV).

19) coordinate veterinary sanitation control agencies and plant quarantine control in the automobile border checkpoints of the Customs Union;

20) cooperate with the customs agencies and other agencies of international states and international organizations in accordance with the international agreements of the Republic of Kazakhstan;

21) implement other tasks, as specified by this Code.

Article 9. Rights of the Customs Bodies

The customs bodies shall be entitled to:

1) request and receive necessary information, documents and data relevant to customs activity from state bodies of the Republic of Kazakhstan and bodies of foreign states, declarants, persons, and verified persons carrying out activity in the region of customs control;

2) engage specialists of different branches of human knowledge when carrying out customs control;

3) stop means of transport, as well as forcibly return marine and aerial vehicles leaving customs territory of the Customs Union without the permission of customs bodies;

4) bring suits in courts in compliance with the legislation of the Republic of Kazakhstan;

5) in compliance with the legislation of the Republic of Kazakhstan, detain and deliver to official premises of customs or law-enforcement bodies of the Republic of Kazakhstan persons who have committed offences or are suspected of committing an offence in the sphere of customs affairs;

6) file documentation, make video and audio recordings, and film and photograph facts and events in compliance with the legislative acts of the Republic of Kazakhstan;

7) send official representatives of the customs bodies to foreign states in accordance with the international treaties of the Republic of Kazakhstan;

8) develop, set up and operate information systems, communication and data transmissions systems, technical means of customs control, and information security systems, in compliance with the legislation of the Republic of Kazakhstan;

9) purchase goods, including armaments, special technical and other materials, with the purpose of implementing the functions of the customs bodies in compliance with the legislation of the Republic of Kazakhstan.

10) use physical force, special equipment and firearms in accordance with the legislation of the Republic of Kazakhstan;

11) exercise investigative activities in accordance with the Law of the Republic of Kazakhstan "On Operative Detection Activities";

12) draw up reports on administrative offences under the Code of the Republic of Kazakhstan on Administrative Offences;

13) examine cases of administrative offences in the customs sphere and impose administrative penalties, as specified by the Code of the Republic of Kazakhstan concerning administrative offences;

14) perform other rights as specified by this Code, other laws of the Republic of Kazakhstan, acts of the President of the Republic of Kazakhstan and the Government of the Republic of Kazakhstan.

Article 10. Duties of the Customs Bodies

1. The customs bodies shall be obligated to:

1) observe the legal rights of participants in foreign economic and other activity in the region of customs activity, and to protect the interests of the state;

2) consider appeals concerning the decisions and actions (or inaction) of a subordinate customs body and customs officials with respect to orders and terms, established by the legislation of the Republic of Kazakhstan;

3) facilitate external trade by way of creating conditions, promoting the accelerated turnover of goods across the customs border of the Customs Union;

4) exercise customs control over conveyance of goods and means of transport across the customs border of the Customs Union;

5) prosecute an inquiry on cases of violations in the sphere of customs activity in accordance with the procedure provided for by the criminal-procedural legislation of the Republic of Kazakhstan;

6) provide assistance, within the limits of their authority, to declarants and participants in foreign economic and other activities when exercising their rights;

7) ensure full collection and timely transfer of customs payments and taxes;

8) make decisions, within the limits of their competence in terms established by this Code, and control declarants and persons carrying out activities within the sphere of customs activity within the time limits stated by customs legislation of Customs Union and (or) the Republic of Kazakhstan, as well as other legislative acts of the Republic of Kazakhstan;

9) keep customs statistics on foreign trade and special customs statistics of the Republic of Kazakhstan;

10) ensure the protection, within the limits of their competence, of the customs border of the Customs Union and exercise control over the observance of customs legislation and other legislation of the Republic of Kazakhstan;

11) ensure the safety of customs bodies activity, protection of customs officials and members of their families from unlawful actions in compliance with the legislation of the Republic of Kazakhstan;

12) carry out activity, within the limits of their authority, to prevent, reveal, and put a stop to violations committed by customs officials;

13) collect and analyze data on the commitment of violations in the region of customs activity;

14) carry out measures to ensure the security of the State border of the Customs Union in cooperation with the national security bodies and other appropriate bodies;

15) ensure timely, objective and all-round consideration of reports and submission of responses to or undertaking of appropriate activities with regard to requests and proposals in the customs issues;

16) provide, on an unpaid basis, consulting on customs issues;

17) interact with other legal authorities in a manner determined by the

legislative acts of the Republic of Kazakhstan, on the basis of mutual acts of appropriate state bodies and in consultation with specified bodies;

18) interact with the participants of external and other activities in order to develop customs affairs and introduce effective methods of customs administration;

19) provide information from their own informational systems in accordance with the Law of the Republic of Kazakhstan "On counteraction to legitimization (laundering) of income, taken by illegal means and to financing the terrorism" upon the request of authorized finance monitoring agency;

20) recover an amount of customs payments and taxes, unpaid within the established deadlines to the budget, as well as a fine;

21) perform customs administration in compliance with the customs legislation of the Customs Union and (or) Republic of Kazakhstan;

22) ensure the safety of goods, property seized by the state;

23) perform other obligations, specified by this Code, other laws of the Republic of Kazakhstan, acts of the President of the Republic of Kazakhstan and the Government of the Republic of Kazakhstan.

2. Upon identification by customs bodies of crimes and administrative offences production by which is referred, according to the legislation of the Republic of Kazakhstan, to the competence of other state bodies of the Republic of Kazakhstan, customs bodies are obliged to transfer available materials on such offences and crimes to the appropriate state bodies of the Republic of Kazakhstan in an order and according to the terms which are provided by the legislation of the Republic of Kazakhstan.

Article 11. Locations of Customs Bodies

1. Locations of customs bodies shall be determined by the authorized body in the customs issues, taking into consideration the need to carry out customs control of goods and means of transport of international traffic, moving across the customs border of the Customs Union, on the basis of the traffic value of the goods and the intensity of transport potential of the Republic of Kazakhstan.

2. Customs bodies shall be located in premises directly belonging to the customs bodies except in cases stipulated by Paragraph 3 of this Article.

3. Customs bodies may be located on territories and (or) premises of customs terminals, airports, ports, railway, international postal exchange offices, as well as in the territories and (or) premises belonging to persons carrying out activity in the region of customs affairs.

In such cases, the required territories and (or) premises shall be provided to customs bodies on a contract basis in compliance with the civil legislation of the Republic of Kazakhstan.

Article 12. Places for Carrying Out Customs Procedures

Customs procedures with regard to goods and means of transport shall be carried out in customs control zones, specified by Article 186 of this Code, except for the cases established by this Code.

Article 13. Working Hours of the Customs Bodies

1. The working hours of the customs bodies shall be defined by the authorized body on customs issues in compliance with the legislation of the Republic of Kazakhstan while taking into account the terms stipulated in paragraph 2 of this Article.

2. The working hours of the customs bodies at checkpoints through the customs borders of the Customs Union shall correspond to the working hours of other controlling bodies on the border, to the working hours at seaports, airports, railway stations where the mentioned checkpoints are located, as well as to the working hours of customs and other controlling authorities in the contiguous checkpoints of foreign states.

Article 14. Mandatory Performance of the Requirements of Customs Bodies

1. The requirements of customs bodies and their officials shall be mandatory for all persons with regard to whom these requirements are made, in compliance with the customs legislation of the Republic of Kazakhstan.

2. Failure to comply with the requirements of customs bodies and their officials, established by paragraph 1 of this Article, as well as other actions impeding the fulfillment of functional duties by customs officials, shall entail responsibility stipulated by the legislation of the Republic of Kazakhstan.

Article 15. Law Enforcement Activities of the Customs Bodies

1. Customs bodies shall be the inquiry bodies with regard to cases of contraband, and on delinquency in the payment of customs payments and taxes, the responsibility for which is held by customs bodies, in accordance with the legislation of the Republic of Kazakhstan.

2. Customs bodies shall carry out operative detection activities in order to identify persons arranging or carrying out wrongful acts, or persons who carried out wrongful acts, which are recognized by the Criminal Code of the Republic of Kazakhstan as a crime, responsibility for which is held by the custom authority, implementing the requirements of international customs organizations, customs and other competent authorities of international states in accordance with the international treaties.

Investigative activity shall be carried out by the customs bodies in accordance with the Law of the Republic of Kazakhstan "On Operative Detection Activities";

3. Customs bodies shall levy administrative processes (carry out production) with regard to cases of administrative offences, and shall bring persons to administrative responsibility in accordance with the Code of the Republic of Kazakhstan concerning administrative offences.

Article 16. Treatment to Information Taken by the Customs Bodies

1. Any information gathered by customs bodies in accordance with the customs legislation of the Customs Union or legislation of the Republic of Kazakhstan shall be used exclusively for customs purposes, particularly to warn of and prevent crimes and administrative offences.

2. Customs bodies and their officials, as well as other persons who in accordance with the legislation of the Republic of Kazakhstan receive information specified in paragraph 1 of this Article, shall not have the right to divulge, use to conduct personal business or transfer to third person, particularly to state bodies, information which is deemed as state secrets, commercial or other secret protected by law, as well as confidential information relating to participants in foreign economic and other activity in the region of customs activity, and cannot be disclosed, used by the customs officials for personal purposes, or transferred to the third parties, except for in the cases provided for by paragraph 3 of this Article.

Customs bodies shall transfer information granted to them, to state bodies, if such information is necessary for the said bodies to complete tasks imposed upon them by the legislation of the Republic of Kazakhstan, in order and in compliance with the requirements of the legislation of the Republic of Kazakhstan for the protection of state, commercial, bank, tax or other privacy (secret) or confidential information, as well as international treaties of the Republic of Kazakhstan.

3. In accordance with the legislation of the Republic of Kazakhstan, customs bodies shall submit the information upon official request:

1) to law enforcement bodies of the Republic of Kazakhstan, on the basis of the decree of the prosecutor to conduct an investigation upon registered data of pre-investigative materials, as well as criminal cases, which are pending and the cases concerning the administrative offences;

2) to courts - upon their request;

3) to other state bodies of the Republic of Kazakhstan - in accordance with the legislation of the Republic of Kazakhstan in compliance with the procedures set forth in joint orders;

4) to the authorized body of financial monitoring - in accordance with the Law of the Republic of Kazakhstan "Counteract legitimization (laundering) of income, taken by illegal means, to finance the terrorism".

4. Any information taken in accordance with Paragraph 3 of this Article shall be confidential, except for the cases of transfer the information to another state body in accordance with legislation of the Republic of Kazakhstan.

Article 17. Appeal of Decisions of Customs Bodies, Actions (or Inaction) of Customs Bodies and Their Officials

Any person shall have the right to appeal decisions of customs bodies, actions (or inaction) of customs bodies or their officials in compliance with time and procedure, as stipulated by legislation of the Republic of Kazakhstan.

CHAPTER 3. RELATIONS OF CUSTOMS BODIES WITH STATE BODIES, PARTICIPANTS IN FOREIGN ECONOMIC ACTIVITY AND OTHER ACTIVITY IN THE CUSTOMS SPHERE

Article 18. Interaction of Customs Bodies with State Bodies

1. Customs bodies shall carry out their functions independently and in cooperation with other state bodies in compliance with the procedure determined by legislation of the Republic of Kazakhstan, as well as on the basis of the joint acts of the appropriate state bodies or in agreement with the mentioned bodies.

2. Interference in the activities of customs bodies shall be prohibited, except in cases stipulated by the legislative acts of the Republic of Kazakhstan.

Article 19. Interaction of Customs Bodies with Tax Bodies for the Purpose of Customs Control

When interacting customs bodies and tax authorities shall exchange information, as necessary for carrying out customs and (or) tax control.

The procedure of interaction of customs bodies and tax authorities shall be established by the authorized body of customs affairs.

Article 20. Interaction of Customs Bodies with Other Entities When Carrying Out Customs Control on Separates of Transport

1. In order to carry out customs control, customs bodies shall interact with the national railway company, the national conveyor in the region of railway transport, international airports, and maritime and river ports of the Republic of Kazakhstan.

2. The procedure for interaction of customs bodies and stipulated legal bodies shall be established by legislative acts of the Republic of Kazakhstan and joint acts of authorized body in the customs issue and authorized state body in the region of transport.

Article 21. Interaction of Customs Bodies with Participants in Foreign Economic Activity and Other Entities

1. With the purpose of improving the customs activity in the Republic of Kazakhstan and introducing effective methods of customs administration, the participants in foreign economic activity, entities, carrying out activity in the region of customs affairs, other interested parties, particularly public associations and organizations, shall participate in the work of advisory committees regarding customs affairs issues.

2. Advisory committees regarding the issues for development of customs affairs shall be created under the jurisdiction of authorized body, territorial subdivisions of authorized body in the customs issues and customs.

Model regulations regarding development of customs affairs shall be approved by authorized body in the customs issues.

Members of advisory committee regarding the development of customs affairs shall have the right to present at the qualification examinations, stipulated by paragraph 3 of Article 32 of this Code.

Article 22. Cooperation of Customs Bodies with Customs and Other Bodies of Foreign States and International Organizations

When carrying out their functions, customs bodies shall cooperate with customs and other bodies of foreign states and international organizations in compliance with the international agreements of the Republic of Kazakhstan.

CHAPTER 4. PROVIDING INFORMATION AND CONSULTING

Article 23. Providing Information on Customs Legislation of the Republic of Kazakhstan

1. Providing information in the region of customs activity of the Republic of Kazakhstan shall be accomplished by way of official publication of the normative legal acts of customs legislation of the Republic of Kazakhstan by the authorized body on customs issues official and other periodical presses, as well as by way of making the information about them available to the public by television and radio with the help of information technologies.

Providing information in the region of customs activity of the Republic of Kazakhstan shall also be accomplished through oral explanations and announcements, information stands, data displays, booklets and other printed materials, as well as video, audio and other technical means used for distribution of information on the customs legislation of the Republic of Kazakhstan, including those available to the public for familiarization free of charge in the following places:

- 1) at the checkpoints across the customs border of the Customs Union;
- 2) airports, railway and automobile stations, seaports;
- 3) on board means of transport involved in international traffic;
- 4) customs control zones identified by this Code, and in other places determined by customs bodies.

2. Customs bodies shall provide free access for persons to information on customs legislation of the Republic of Kazakhstan, placed on their official web sites.

Article 24. Consulting by Customs Bodies

1. Customs bodies shall consult interested persons on questions concerning customs legislation of the Republic of Kazakhstan, and other questions falling within the competence of customs bodies.

2. Consultation shall be provided by the customs bodies in oral and written forms free of charge. Customs bodies shall be obliged to provide information in written form based upon a written inquiry of interested persons as soon as possible, within the period established by the legislation of the Republic of Kazakhstan.

3. When consulting, officials of the customs bodies shall not check customs declarations and other documents to be presented to customs bodies in accordance with the legislation of the Republic of Kazakhstan on behalf of customs bodies, nor shall they make such declarations or documents.

Consultation connected with filling out of documents, specified in part one of this paragraph, shall be carried out in oral form without checking the information, presented by the interested person.

4. When consulting, an official of the customs body shall have no right to:

- 1) hold consultations on questions outside of the competence of the customs bodies;
- 2) introduce amendments and supplements to the documents presented by interested persons;
- 3) provide the executive signatures on the documents of interested persons,

instruct customs bodies or influence by any other means decisions of customs bodies, or the actions of its officials in the exercise of functions incumbent on the customs bodies;

4) give information which is confidential in accordance with legislation of Republic of Kazakhstan.

5. Information submitted for interested persons during consultation shall not be a basis upon which a customs body or its officials may make a decision or carry out activity (or refrain from carrying out an activity), when executing customs operations with respect to the goods.

CHAPTER 5. INTERACTION OF THE CUSTOMS BODIES AND PERSONS OPERATING IN THE CUSTOMS ISSUES

Article 25. Customs Representative

1. The legal entity of the Republic of Kazakhstan that meets the requirements stipulated by Article 26 of this Code shall be the customs representative.

The legal entity shall be recognized as a customs representative after it is included in the customs representatives register.

The customs representatives register shall be maintained and carried out by the authorized body. The order of the roster of customs representatives and exclusions from the roster shall be established by the legislation of the Republic of Kazakhstan.

2. The customs representative shall carry out customs operations in accordance with customs legislation of the Customs Union and (or) the Republic of Kazakhstan in the territory of the Republic of Kazakhstan, on behalf and by the order of a declarant and other interested persons.

3. Relations between customs representatives and declarants or other interested persons shall be on a contractual basis.

4. Information contained in the customs representatives register, as well as information on the removal of mentioned persons from the register, shall be placed on the web-site of the authorized body in the customs issue.

The authorized body in the customs issue shall keep an updated register on the specified web-site on a monthly basis, to be updated not later than on the fifth day of every month.

5. Qualifying requirements for employees of customs representatives who are carrying out customs operations directly, and the procedure for issuing to such persons qualifying certificates of customs declaration specialists, shall be specified by article 32 of this Code.

6. Conditions or obligations for customs representatives which are stricter than those which are established in a common practice for executing customs operations by declarants or other interested persons in accordance with this Code are prohibited.

Article 26. Customs Representatives Register Entry Conditions

In order to be entered into the customs representatives register, an individual shall meet the following requirements:

1) shall have on his/her staff no less than two specialists on customs declarations, holding a qualifying certificate issued in accordance with Article 32 of this Code;

2) shall have an insurance policy against civil liability arising as a result of damage to property of represented entities (or persons) or violation of contracts with such persons. The size of a policy amount shall be established by treaty;

3) shall provide guarantee of payment of customs duties and taxes, in the amount of no less than one million euro, with the application of market price, established in accordance with tax legislation of the Republic of Kazakhstan on the date of the submission of such guarantee.

Article 27. The Procedure for Listing in the Customs Representatives Register

1. Application for inclusion (or listing) in the register of customs representatives shall be completed in free-form and shall contain:

- 1) a request to the authorized body in the customs issues to be included in the customs representatives register;
- 2) data on name, location, opened bank accounts of the applicant, as well as a list and the location of its separate structural divisions and affiliates, through which the applicant plans to carry out his/her activity as customs representative on the date of submission of application;
- 3) data on specialists on customs declaration, available in the staff of the applicant on the date of submission of application;
- 4) data on guarantee of payment of customs duties, tax;
- 5) data on civil liability insurance treaty (treaties) of the applicant.

1-1. The legal entity shall have the right to submit an application to be included in the customs representatives register in electronic form.

2. The following documents confirming declared data shall be included in the application:

- 1) Original or notarized copy of a State Registration Certificate of legal entity (on completing processing an application, customs body shall return original document to the applicant);
- 2) Original or notarized copy of State Registration Certificate of person as tax payer entity (on completion of the processing of an application, the customs body shall return the original document to the applicant);
- 3) Notarized copies of constituent documents;
- 4) Copies of qualification certificates of the specialists on customs declaring, who are the employees of the applicant;
- 5) Orders concerning acceptance for employment of specialists on customs declaring or any employment agreements entered into with them;
- 6) Documents confirming the guarantee of payment of customs duties and taxes in accordance with Chapter 16 of this Code;
- 7) Confirmation from banks concerning the accounts opened with them;
- 8) Civil liability insurance treaty.

2-1. Submission of the documents stipulated in paragraph 2 of this Article shall not be necessary, if the information contained in them may be taken from state information systems and (or) from the form of data.

3. The application for listing on the customs representative register, and the documents attached to it, shall be considered by the authorized body in the customs issues within fifteen calendar days from the date of its registration.

4. Decisions with respect to inclusion on the register shall be documented by order of head (deputy) of the authorized body in the customs issues and entered into force from the date of acceptance of the order.

5. A decision with respect to the non-inclusion on the customs representatives register shall be taken in the case of failure to provide all documents, stipulated in paragraph 2 of this Article, or if the applicant does not meet the requirements established by Article 26 of this Code. After the applicant eliminates these violations, the application shall be considered according to the procedure established by this Code.

6. In the case of inclusion or non-inclusion of the person into the customs representatives register, the authorized body shall inform the applicant of its decision in written form.

Footnote. Article 27 as amended by the Law of the Republic of Kazakhstan dated

10.07.2012 No. 36-IV (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 28. Grounds for Removal From the Register of Customs Representatives

1. The grounds for removal of legal persons from the customs representatives register shall be:

- 1) failure to comply with the conditions for the inclusion into the customs representatives register, as established by Article 26 of this Code;
- 2) receipt of an application from the customs representative for his/her removal from the customs representatives register;
- 3) liquidation of a legal entity in accordance with legislation of the Republic of Kazakhstan;
- 4) reorganization of a legal entity, except where it is transformed.

2. A decision to remove a customs representative from the register shall be documented by the order of the head (deputy) of authorized body in the customs issues and indicating the cause of removal.

3. Relevant information in writing shall be submitted to the stated person within five workdays from the date of adoption of the order.

4. In the case of a removal of a person from the customs representatives register on the basis stipulated by sub-paragraphs 1) - 2) of paragraph 1 of this Article, reinstatement of indicated person on inclusion to the relevant register shall be considered by the authorized body in the customs issues upon completion of one year from the date of adoption of order on removal of person from such a register.

Article 29. The Rights of a Customs Representative

1. In the carrying out of customs operations, the customs representative shall have the same rights as the person who authorizes him/her to represent their interests in relations with customs bodies.

2. In carrying out its activities, customs representatives may:

demand the person's documents and information required for customs purposes, including providing information constituting commercial banking and other secrets protected by law, or other confidential information and to obtain such documents and information within the time frame for compliance with the Code requirements; and

have access to the procedure established by the legislation of the Member States of the customs union, to the information systems of customs bodies that they use for automated data processing, and the electronic transfer of data required for customs purposes.

Article 30. Duties of Customs Representatives

1. The duties of the customs representative in carrying out customs operations are governed by the requirements and conditions as established by customs legislation of the Customs Union and (or) customs legislation of the Republic of Kazakhstan.

Carrying out customs operations related to compliance with requirements and adherence to specific declared customs procedures, as well as other duties which are imposed only on the persons they represent, shall not form part of the customs representative's obligations.

2. Information submitted by the represented persons constituting commercial banking information and other secret protected by law, or other confidential information shall not be divulged or used for the private purposes of the customs representative or his/her employees, except for the cases stipulated by legislation of the Republic of Kazakhstan.

3. Customs representatives shall be obliged to report to the customs bodies, particularly with the use of information technologies, according to the procedure established by the Government of the Republic of Kazakhstan.

4. The obligations of the customs representative against customs bodies shall not be limited by the agreement signed with the represented person.

5. The obligations shall be the same for all customs representatives. The granting of exceptional (exclusive) rights and other advantages, which are individual for each customs representative, shall be prohibited.

6. Customs representatives shall be obliged to inform the authorized body in the customs issues of any change of data that was declared by him/her upon entering into a customs representatives register, within five workdays from the date of change of such data.

Note of the RCLI!

Paragraph 7) shall be enforced from 01.07.2011 (see Art. 1 of the Law of the Republic of Kazakhstan dated 30.06.2010 No. 298-IV).

7. In executing customs operations, the customs representative's liability to pay customs duties and taxes shall be considered as joint and several liability along with the liability of the payer of customs duties and taxes.

Article 31. Responsibility of Customs Representative

Customs representatives shall be liable in accordance with the laws of the Republic of Kazakhstan for non-compliance with customs legislation of the customs union and the Republic of Kazakhstan.

Article 32. Customs Declaring Specialist

1. A customs declaring specialist, who has a qualification certificate issued by the authorized body in the customs issues in accordance with the procedure established by the Government of the Republic of Kazakhstan, shall have the right to carry out activities related to customs declaring.

Relations between customs representatives and customs declaring specialists shall be built on the basis of a labor contract formed in accordance with the labor legislation of the Republic of Kazakhstan. The customs declaring specialist shall have the right to carry out activities on customs declaring on behalf of the customs representative from the moment of formation of the labor contract.

2. The customs representative may not limit customs declaring specialist duties to customs bodies.

3. To obtain the qualification certificate of customs declaring specialist, it is necessary to pass the qualification examination.

Customs bodies, appointed by the authorized body in the customs issues, shall hold qualification examinations using informational systems of the customs bodies.

The holding periods of the qualification examinations shall be posted on the web-site of the customs body.

Qualification examinations shall be carried out at least once a month.

4. To pass the qualification examination, it is necessary to provide the application prepared in any form to the customs bodies, as stipulated by part two of paragraph 3 of this Article. The following documents shall be attached to the application:

- 1) copy of identity card;
- 2) copy of a document, confirming technical and professional or higher education;
- 3) two color photographs with dimensions of 3.5 x 4.5 centimeters.

5. In passing the qualification examinations, the customs bodies stipulated by part two of paragraph 3 of this Article shall issue certificates of customs declaring specialist designation within 5 workdays from the date of passing the qualification examinations.

6. In case the certificate of customs declaring specialist or the badge is lost or damaged, or in the case of a change of the surname, first name and patronymic, it is

necessary to take to the customs body, which issued certificate of customs declaring specialist, an application prepared in any form, attaching the following documents:

- 1) copy of identity card;
- 2) two color photographs with dimensions of 3.5 x 4.5 centimeters.

7. The program, the procedure for holding qualification examinations, development and approval of the issues for the qualification examination, establishment of the deputy's knowledge evaluation criteria, form of the qualification certificate, and the badge and private number seal of the customs declaring specialist, shall be established by the authorized body in the customs issues.

8. The period of validity of the customs declaring specialist's certificate shall be 2 years.

9. The qualification certificate of customs declaring specialist shall be annulled, if:

- 1) the certificate is issued on the basis of incomplete or inaccurate data given by the applicant; or
- 2) the period of validity of the customs declaring certificate has run out.

10. The decision to annul the qualification certificate shall be documented by the order of the head (deputy) of the authorized body in the customs issues indicating the reason for annulment.

A reapplication for issuance of the qualifying certificate shall be considered by the authorized body in the customs issue upon termination of one year from the date of adoption of the annulment order.

Article 33. Customs Carrier

1. A legal entity of the Republic of Kazakhstan, satisfying the conditions established by Article 34 of this Code, shall qualify as a customs carrier.

The legal entity shall be deemed to be a customs carrier after inclusion in the Register of Customs Carriers.

The Register of Customs Carriers shall be maintained by the authorized body in the customs issues.

2. The customs carrier performs the transportation of goods under customs control, within the customs territory of the Customs Union and on the terms established by the customs legislation of the customs union and (or) the Republic of Kazakhstan.

3. Information contained in the Register of Customs Carriers, as well as data on exclusion of such entities from the register, shall be posted on the web-site of the authorized body in the customs issues.

The authorized body in the customs issues, on the basis of the registry maintained by the customs bodies, shall provide an updated register for publication at least once per month, including the use of information technology.

4. The status of customs carriers shall be confirmed by the document for the form specified by the decision of the Customs Union Commission.

The document referred to in the first part of this Paragraph shall be issued by the customs bodies in the customs issue.

Article 34. Conditions for Including in the Register of Customs Carriers

The conditions for including a legal entity in the Register of Customs Carriers shall be:

- 1) implementation of that person's activities for the carriage of goods for at least two years prior to the date of application to the customs body;
- 2) provide for the payment of customs duties and taxes equivalent to not less than two hundred thousand euros, according to exchange rates established in accordance with the laws of the Republic of Kazakhstan on the day of making such a provision;
- 3) availability of permits for activities on the transport of goods, if such an

activity requires the document in accordance with the laws of the Republic of Kazakhstan;

4) finding a property, economic management, operational management, and a lease for the carriage of goods vehicles, including vehicles suitable for the carriage of goods under customs seals and stamps;

5) the absence on the day of petition to the customs body of unfulfilled obligations to pay customs fees and penalties;

6) the absence of facts to be found guilty for administrative offences during one year prior to the day of petition to the customs body in accordance with the Articles 400 - 407, 410 - 412, 414, 415, 427 - 429, 434, and 438 of the Code of the Republic of Kazakhstan on Administrative Offences

7) availability of technical equipment on each transport vehicle, permitting the customs body to track the location of this vehicle through transmission of a signal.

Requirements with respect to technical equipment and the terms of using it shall be established by the Government of the Republic of Kazakhstan.

Article 35. The Procedure for Entry Into Register of Customs Carriers

1. An application to be entered into the register of customs carriers shall be completed in free-form and shall include:

1) a petition to the authorized body in the customs issues on inclusion into the register of customs carriers;

2) data concerning the title, location and opened bank accounts of an applicant;

3) data concerning the time period of carrying out the transportation of goods;

4) data on guarantee of payment of customs duties, taxes;

5) data on the existence of permits for the transport of goods, if such an activity requires the document in accordance with the laws of the Republic of Kazakhstan;

6) data on vehicles being used for international transport which are held (aggregate amount, technical character, technical characteristics), and which are proposed to be used in carrying on activity as a customs carrier, including vehicles suitable for the carriage of goods under customs seals and stamps;

7) data on presence of the technical equipment installed on each vehicle, which enables the customs body to track the location of a given vehicle through transmission of a signal.

1-1 The legal entity shall have the right to hand in an application to be included in the Register of Customs Carriers in an electronic form.

2. The following documents shall be attached to the application:

1) original or notarized copy of State Registration Certificate of the legal entity (on completion of processing an application, the customs body shall return the original document to the applicant);

2) original or notarized copy of the State Registration Certificate showing that the person is a tax payer entity (on completion of processing an application, the customs body shall return the original document to the applicant);

3) notarized copies of charter documents;

4) confirmation that there are bank accounts opened in their name;

5) documents confirming the guarantee of payment of customs duties and taxes in accordance with Chapter 16 of this Code;

6) notarized copies of the documents confirming the right to own international traffic vehicles, which are being used in the carrying activity as customs carrier;

7) copies of the certificates on admission of vehicles for international traffic for the carriage of goods under customs seals and stamps;

8) copy of authorization document for permits relating to the activities on the

transport of goods, if such an activity requires the document in accordance with the laws of the Republic of Kazakhstan;

9) decision of the territorial subdivision of the authorized body in the customs issues in the area of operations of which the body is registered, to meet the requirements specified by sub-paragraphs 4) and 7) of paragraph 1 of Article 34 of this Code.

2-1 The presentation of documents, as stipulated in paragraph 2 of this Article, shall not be necessary if the information contained in them may be taken from state information systems and (or) from the form of data.

3. The application and the documents attached to it shall be considered by the authorized body in the customs issues within fifteen calendar days from the date of its submission.

4. A decision to enter the legal entity into the register shall be documented by order of the head (deputy) of the authorized body in the customs issues and entered into force from the date of acceptance of the order.

5. A decision for the non-inclusion into the customs representatives register shall be given in the case of a failure to provide all documents (as stipulated in paragraph 2 of this Article), or if the applicant does not meet the requirements (as established by Article 26 of this Code). After the applicant eliminates these violations, the application shall be considered according to the procedure established by this Code.

6. In cases of either inclusion or non-inclusion of the person into the customs representatives register, the authorized body shall inform the applicant of its decision in written form.

Footnote. Article 35 as amended by the Law of the Republic of Kazakhstan dated 10.07.2012 No. 36-IV (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 36. Grounds for Removal From the Register of Customs Carriers

1. The grounds for removal of a legal entity from the Register of Customs Carriers shall be:

- 1) failure to comply with requirements of the roster of customs carriers, established by subparagraphs 2) - 4) and 7) of Article 34 of this Code;
- 2) violation of duties by the customs carrier contemplated in sub-paragraphs 1) - 3) of Article 37 of this Code;
- 3) application of from a customs carrier to be removed from the Register of Customs Carriers;
- 4) liquidation (termination) of a legal entity in accordance with legislation of the Republic of Kazakhstan;
- 5) reorganization of a legal entity, except where it is transformed.

2. Decisions on exclusion from the Register of Customs Carriers shall be documented by the order of the head (deputy) of authorized body in the customs issues and shall indicate the reason for removal.

3. Relevant information in writing shall be rendered to the stated person within five workdays from the date of adoption of the order.

4. In case the stated person is removed from the Register of Customs Carriers on the basis of those grounds stipulated by subparagraphs 1) - 3) of paragraph 1 of this Article, a re-application of the stated person to be included on the relevant register shall be considered by the authorized body in the customs issues once one year from the date of adoption of order on removal of body from such a register has elapsed.

Article 37. Duties of Customs Carrier

The customs carrier is obligated to:

1) comply with the conditions and comply with the requirements established by this Code, with respect to the transport of goods in accordance with the customs procedure of customs transit;

2) keep records of goods shipped in accordance with the customs procedure of customs transit and submit to customs bodies reports on the transport of such goods, including the use of information technologies, in accordance with the procedures, established by the Government of the Republic of Kazakhstan;

3) fulfill the obligation to pay customs duties and taxes in the cases stipulated in Articles 331 and 332 of this Code;

4) not disclose, not use for their own purposes, and not transfer to other persons, except in cases envisaged by legislation of the Republic of Kazakhstan, received from the sender of the goods, their beneficiary or when forwarding the information to the state, commercial, banking and other secrets protected by law (secrets), or other confidential information;

5) inform the customs body, including legal persons in the register of customs carriers, of changes to the information presented to them for inclusion in the Register of Customs Carriers, within five working days after the change of such information.

Article 38. Responsibility of the Customs Carrier

The customs carrier shall be liable in accordance with the laws of the Republic of Kazakhstan or the legislation of member states of the Customs Union for the non-performance of their duties with respect to the transport of goods in accordance with the customs procedures of customs transit.

Article 39. The Owner of Warehouse of Temporary Storage

1. The owner of a temporary storage warehouse that meets the conditions defined by Article 40 of the Code is a legal entity of the Republic of Kazakhstan, created in the territory of the Republic of Kazakhstan.

A legal entity shall be recognized as the owner of the warehouse of temporary storage according to the roster of owners of temporary storage warehouses.

2. The owner of a temporary storage warehouse shall provide storage of goods under customs control, in the circumstances and on the terms established by the customs legislation of the Republic of Kazakhstan.

3. The territorial subdivision of the authorized body in the customs issues shall transfer data contained in the register of the owners of temporary storage warehouses, as well as data on temporary suspension, renewal of relevant activity or exclusion of indicated persons from the register to the authorized body in the customs issues.

The authorized body in the customs issues shall provide postings of the updated register on the web-site of authorized body in the customs issues no later than on the 5th day of every month.

Article 40. Conditions for Inclusion in the Register of Owners of Temporary Storage Warehouses

1. The conditions to include a legal person in the register of holders of temporary storage warehouses shall be:

1) the location of property, economic management, operational management or lease, and (or) open areas intended for use as a temporary storage warehouse and meeting the following requirements:

the availability of control systems at the entrance for vehicles to the territory and departure from the territory, for the entrance of persons to the territory and (or) departure from the territory and premises, and departure from the territory or premises (where the documents, goods and vehicles, under the customs control are), to be equipped by video cameras, functioning day and night, and the availability of this video

information for the period of thirty calendar days in the warehouse territory;

the availability of necessary cargo handling equipment and special equipment, as well as certified weighing equipment that corresponds with the of goods and vehicles being placed on it, and in the case of storing gas in special storage facilities, the availability of special metering;

availability of technically operational access roads;

availability of a location for inspection of goods, including covered spaces, equipped by electric lights and video cameras, functioning day and night, and the availability to watch video information for the period of thirty calendar days;

an area, including adjacent loading platforms, which shall be marked in accordance with paragraph 3 of Article 186 of this Code and shall have asphalt coating;

buildings and structures unrelated to the activity of the warehouse are prohibited in the territory of warehouse;

territory, including adjacent loading platforms (one or several storages and spaces), shall be single and indivisible complexes and shall be located at the same post address and have a single enclosure running across the perimeter;

2) the existence of an insurance policy against civil liability, arising as a result of injury to goods of other persons held in custody, or violation of other conditions of storage contracts with other persons. The size of the sum insured is determined by the agreement;

3) the absence on the day of petition to the customs body of unfulfilled obligations to pay customs fees and penalties;

4) the absence of facts to be found guilty for administrative offences during one year prior to the day of petition to the customs body in accordance with the Articles 400, 405, 410-412, 414, 415, 417, 430, 434, 438 of the Code of the Republic of Kazakhstan on Administrative Offences.

2. If the ownership of the premises and (or) open area is carried out under the lease, such contract shall be concluded for a period of not less than one year as of the date of the application request for inclusion in the register of holders of temporary storage warehouses.

Article 41. The Procedure for Entry Into Register of Owners of Temporary Storage Warehouses

1. An application for entry into the register of customs carriers shall be completed in free-form and shall include:

1) a petition to the territorial subdivision of an authorized body in the customs issues where the warehouse is found, to be included into the register of owners of temporary storage warehouses;

2) data concerning the title, location and opened bank accounts of an applicant;

3) data on premises and (or) open spaces which are held by the applicant and meant for use as a temporary storage warehouse, on their location, equipment and material, and technical equipment;

4) data on the applicant's civil liability insurance policy;

5) data on the availability of necessary cargo handling equipment and special equipment, as well as certified weighing equipment that corresponds with the of goods and vehicles being placed on it, and in case of storing gas within special storage facilities, the availability of special metering.

2. The following documents shall be attached to the application:

1) original or notarized copy of the State Registration Certificate of the legal entity (on completion of processing an application, the customs body shall return the original document to the applicant);

2) original or notarized copy of the State Registration Certificate of the person

showing they are a tax payer entity (on completion of processing an application, the customs body shall return the original document to the applicant);

- 3) notarized copies of charter documents;
- 4) confirmation from the bank concerning the accounts opened in them;
- 5) notarized copies of the documents, confirming the right to own the premises and (or) open spaces that are meant for use as a temporary storage warehouse;
- 6) plans and schemes of the premises and territories to be declared as temporary storage warehouse;
- 7) documents confirming the availability of necessary loading mechanisms and special equipment, as well as certified weighing equipment, corresponding with the of goods and vehicles being placed on it, and in the case of storing gas within special storage facilities, availability of special metering;
- 8) the temporary storage warehouse owner's civil liability insurance contract.

3. The application and the documents attached to it shall be considered by the territorial subdivision of an authorized body in the customs issues where the warehouse is found within fifteen calendar days from the date of its registration.

4. The executive officer of the territorial subdivision of an authorized body in the customs issues shall inspect the premises and territories of the applicant according to paragraph 3 of Article 208 of this Code for compliance with the requirements, as specified by subparagraph 1) of paragraph 1 of Article 40 of this Code.

5. The decision to enter the applicant into a register shall be documented by order of the head (deputy) of the authorized body in the customs issues and shall enter into force from the date of acceptance of the order.

6. Decisions on the non-inclusion into the register of an owner of temporary storage warehouses shall be taken in the case of failure to provide all documents as stipulated in the paragraph 2 of this Article, or if applicant does not meet the requirements, as established by Article 40 of this Code.

A statement is considered after elimination of the violations by the applicant in the manner prescribed by this Code.

7. In the case of inclusion or non-inclusion of the person into the register of owners of temporary storage warehouses, the authorized body shall inform the applicant of its decision in written form.

Article 42. Suspension of Activity of Owner of Temporary Storage Warehouse

1. Upon a written notification to the owner of a temporary storage warehouse, his/her activity may be suspended for a period of six months.

2. The decision to suspend the activity of the owner of a temporary storage warehouse shall be documented by an order of the head (deputy) of the territorial subdivision of the authorized body in the customs issues in the area of activity in which is located the warehouse, within ten working days from the date of registration of the application of the indicated person and shall enter into force from the date of acceptance of the order.

3. From the date of acceptance of the order, as specified by paragraph 2 of this Article, the storage of goods in the temporary storage warehouse shall be prohibited.

4. Goods and international traffic vehicles under temporary storage shall be stored in other places of temporary storage and (or) be declared for storage for other customs procedures within thirty calendar days from the date of acceptance of the order, as specified by paragraph 2 of this Article.

5. Upon written notification of the owner of temporary storage warehouse (in following the requirements, specified by Article 40 of this Code), its activity shall be resumed by an order of the head (deputy) of the territorial subdivision of the authorized body in the customs issues within ten working days from the date of

registration of the notification of the indicated person.

6. Within ten working days from the date that an order has been accepted by an order of the head (deputy) of the territorial subdivision of the authorized body in the customs issues with respect to the suspension of the activity of the owner of a temporary storage warehouse, or on the resumption of relevant activities by the indicated owner, such information shall be addressed in written form to the indicated owner.

Article 43. Grounds for Removal From the Register of Temporary Storage Warehouses

1. The grounds for removal of a legal entity from the Register of owners of temporary storage warehouses shall be:

- 1) failure to comply with the conditions as established by sub-paragraphs 1) and 2) of paragraph 1 of Article 40 of this Code;
- 2) failure to comply with the carrier duties contemplated in subparagraphs 1) - 5), 7) and 8) of Article 44 of this Code;
- 3) receipt of an application from the customs carrier for his/her removal from the Register of owners of temporary storage warehouses;
- 4) liquidation (or termination) of a legal entity in accordance with legislation of the Republic of Kazakhstan;
- 5) reorganization of a legal entity, except where it is transformed.

2. A decision to remove the legal entity from the Register of owners of temporary storage warehouses shall be documented by an order of the head (deputy) of the authorized body in the customs issues and it shall indicate the cause of removal.

3. The relevant information shall be addressed to the stated person within five workdays from the date of the adoption of the order.

4. Where the exclusion of a legal entity from the Register of owners of temporary storage warehouses is based on one of those grounds stipulated by sub-paragraphs 1) - 3) of paragraph 1 of this Article, the reinstatement of the indicated person to the relevant register shall be considered by the authorized body in the customs issues upon completion of one year from the date of adoption of the order of removal of the person from such a register.

Article 44. Obligations of the Owner of Temporary Storage Warehouse

The owner of a temporary storage warehouse shall be obligated to:

- 1) comply with the conditions the requirements established by this Code for the temporary storage of goods;
- 2) ensure the safety of goods in a temporary storage warehouse;
- 3) keep records of stored goods and submit to customs bodies reports on them, including the use of information technology, according to the procedures established by the Government of the Republic of Kazakhstan;
- 4) prohibit access to the stored goods by unauthorized persons who are not employees of the warehouse of temporary storage and who have no authority in respect of goods, without permission from customs bodies;
- 5) comply with customs bodies with regard customs officials' access to the stored goods;
- 6) in the event of termination of the operation of a temporary storage warehouse, within three working days from the day following the day the decision to cease operation of the warehouse, to notify individuals who had stored goods at the temporary storage warehouse of such decision;
- 7) to fulfill the obligation to pay customs duties and taxes in cases covered by Article 270 of this Code;
- 8) inform the customs body, including the legal person in the register of holders

of temporary storage warehouses, of a change in the information presented to them for inclusion in the register of holders of temporary storage facilities, within five working days after the change of such information.

The territory of a temporary storage warehouse should be used only according to the requirements established by this Code. Use of the specified places for other purposes shall not be allowed.

Article 45. Responsibility of the Owner of Temporary Storage Warehouse

The owner of a temporary storage warehouse shall be liable for non-performance of their duties in accordance with the laws of the Republic of Kazakhstan.

Article 46. The Owner of Customs Warehouse

1. The owner of a customs warehouse is a legal entity of a Member State of the customs union that meets the conditions defined by Article 47 of this Code.

A legal entity shall be recognized to be the owner of a customs warehouse after inclusion in the register of owners of customs warehouses.

2. The owner of the customs warehouse shall provide storage of goods under customs control, in the circumstances and on the terms established by this Code.

3. Relations between the owner of a customs warehouse and the declarant or other interested parties are based on a contractual basis.

4. The territorial divisions of the authorized body in the customs issue shall send information contained in the register of customs warehouses owners, as well as data on suspension, renewal of the relevant activity, or an exclusion of the specified persons from the register, to the authorized body in the customs issue.

The authorized body shall provide an updated register monthly, and by no later than the fifth day of every month, on an Internet resource of the authorized body on customs issues.

Article 47. Terms for Inclusion in the Register of Owners of Customs Warehouses

1. The conditions to include a legal person in the register of owners of customs warehouses shall be:

1) the location of property, economic management, operational management or lease, and (or) open areas intended for use as a customs warehouse and meeting the following requirements:

the availability of control systems at the entrance for vehicles to the territory and departure from the territory, for the entrance of persons to the territory and (or) departure from the territory and premises, and departure from the territory or premises (where the documents, goods and vehicles, under the customs control are), to be equipped by video cameras, functioning day and night, and the availability of this video information for the period of thirty calendar days in the warehouse territory;

the availability of necessary cargo handling equipment and special equipment, as well as certified weighing equipment that corresponds with the of goods and vehicles being placed on it, and in case of storing gas in special storage facilities, the availability of special metering;

the availability of technically operational access roads;

the availability of a location for inspection of goods, including covered spaces, equipped by the electric lights and video cameras, functioning day and night, and the ability to watch video information for the period of thirty calendar days;

an area, including adjacent loading platforms, which is marked in accordance with paragraph 3 of Article 186 of this Code and shall have asphalt coating;

buildings and structures unrelated to the activity of the warehouse shall not be in the territory of the warehouse;

territory, including adjacent loading platforms (one or several storages and

spaces), shall consist of a single and indivisible complex and shall be located at the same post address and have a single enclosure running across the perimeter;

2) the existence of an insurance policy against civil liability, which may be incurred as a result of injury to goods of other persons held in custody or by a violation of other conditions of storage contracts with other persons. The size of the sum insured is to be determined by the agreement;

3) the absence on the date of petition to the customs body of unfulfilled obligations to pay customs fees and penalties;

4) the absence of facts to be found guilty for administrative offences during one year prior to the date of the petition to the customs body, in accordance with the Articles 400, 405, 410-412, 414, 415, 417, 430, 434, 438 of the Code of the Republic of Kazakhstan on Administrative Offences.

2. If the ownership of the premises and (or) open area is carried out under a lease, such contract shall be concluded for a period of not less than one year to the day of application for inclusion in the register of owners of customs warehouses.

Article 48. The Procedure for Entry Into the Register of Owners of Customs Warehouses

1. An application for entry in the register of customs warehouses shall be completed in free-form and shall include:

1) a petition to the territorial subdivision of an authorized body in the customs issues where the warehouse is found, to be included on the register of owners of customs warehouses;

2) data concerning the title, location and opened bank accounts of an applicant;

3) information about the of customs warehouse;

4) data on premises and (or) open spaces which are held by applicant and meant for use as a customs warehouse, on their location, equipment and material, and technical equipment;

5) data on the applicant's civil liability insurance policy;

6) data on the availability of necessary cargo handling equipment and special equipment, as well as certified weighing equipment that corresponds with the of goods and vehicles being placed on it, and in case of storing gas in special storage facilities, the availability of special metering units.

2. The following documents shall be attached to the application:

1) original or notarized copy of the State Registration Certificate of the legal entity (on completion of processing an application, the customs body shall return the original document to the applicant);

2) original or notarized copy of the State Registration Certificate of the person showing they are a tax payer entity (on completion of processing an application, the customs body shall return the original document to the applicant);

3) notarized copies of charter documents;

4) confirmation from the bank concerning the accounts opened with them;

5) notarized copies of the documents confirming the right to own the premises and (or) open spaces that are meant for use as a customs warehouse;

6) plans and schemes of the premises and territories to be declared as customs warehouse;

7) documents confirming the availability of necessary loading mechanisms and special equipment, as well as certified weighing equipment, corresponding with the of goods and vehicles being placed on it, and in the case of storing gas in special storage facilities, the availability of special metering;

8) a civil liability insurance policy contract of the customs warehouse owner.

3. The application and the documents attached to it shall be considered by the

territorial subdivision of an authorized body in the customs issues where the warehouse is found within fifteen calendar days from the date of its registration.

4. The executive officer of the territorial subdivision of an authorized body in the customs issues shall inspect the premises and territories of the applicant according to paragraph 3 of Article 208 of this Code for compliance with the requirements, as specified by subparagraph 1) of paragraph 1 of Article 47 of this Code.

5. The decision to enter the applicant into a register shall be documented by order of the head (deputy) of the authorized body in the customs issues and shall enter into force from the date of acceptance of the order.

6. Decisions on the non-inclusion in the register of an owner of customs warehouses shall be taken in the case of failure to provide all documents as stipulated in the paragraph 2 of this Article, or if applicant does not meet the requirements, as established by Article 47 of this Code.

A statement is considered after elimination of the violations by the applicant in the manner prescribed by this Code.

7. In the case of inclusion or non-inclusion of an owner into the register of owners of customs warehouses, the authorized body shall inform the applicant about it in written form.

Article 49. Suspension of Activity of Customs Warehouse

1. Upon providing written notification to the owner of a customs warehouse, his activity may be suspended for a period of six months.

2. The decision to suspend the activity of the owner of customs warehouse shall be documented by an order of the head (deputy) of the territorial subdivision of the authorized body in the customs issues in the area of activity of which is founded the warehouse within ten working days from the date of registration of the application of the indicated person, and shall enter into force from the date of acceptance of the order.

3. From the date of acceptance of the order, as specified by paragraph 2 of this Article, the placement of goods into the customs warehouse is prohibited.

4. Goods and international traffic vehicles under temporary storage shall be placed in other places of temporary storage and (or) be declared for placement for other customs procedures during thirty calendar days from the date of acceptance of the order, specified by paragraph 2 of this Article.

5. Upon providing written notification to the owner of a customs warehouse (in following the requirements specified by article 47 of this Code), its activity shall be resumed by an order of the head (deputy) of the territorial subdivision of the authorized body in the customs issues within ten working days from the date of registration of providing notification to the indicated person.

6. Within ten working days from the date that an order has been accepted by an order of the head (deputy) of the territorial subdivision of the authorized body in the customs issues with respect to the suspension of the activity of the owner of a customs warehouse, or on the resumption of relevant activities by indicated owner, such information shall be provided in written form to the indicated owner.

Article 50. Grounds for Removal From the Register of Owners of Customs Warehouses

1. The grounds for removal of a legal entity from the Register of owners of customs warehouses shall be:

1) failure to comply with the conditions as established by sub-paragraphs 1) and 2) of paragraph 1 of Article 47 of this Code;

2) failure to comply with the carrier duties contemplated in subparagraphs 1) - 6), 8) and 9) of Article 51 of this Code;

3) receipt of an application from the customs carrier for his/her exclusion from the Register of owners of customs warehouses;

4) liquidation (or termination) of a legal entity in accordance with legislation of the Republic of Kazakhstan;

5) reorganization of a legal entity, except where it is transformed.

2. A decision to remove a legal entity from the Register of owners of customs warehouses shall be documented by an order of the head (deputy) of the authorized body in the customs issues, and it shall indicate the cause for removal.

3. The relevant information shall be addressed to the stated person within five workdays from the day of adoption of the order.

4. Where the exclusion of a legal entity from the Register of owners of customs warehouses is made on the basis of those grounds stipulated by sub-paragraphs 1) - 3) of paragraph 1 of this Article, the reinstatement of the indicated person to the relevant register shall be considered by the authorized body in the customs issues upon the completion of one year from the date of adoption of the order of removal of the person from such a register.

Article 51. Obligations of the Owner of Customs Warehouse

The owner of a customs warehouse shall be obligated to:

1) ensure the safety of goods in the customs warehouse;

2) comply with the conditions and the requirements established by this Code for the storage of goods in the customs warehouse;

3) provide the possibility of customs control;

4) keep records of stored goods and submit to customs bodies reports on them, including the use of information technology, according to the procedures established by the Government of the Republic of Kazakhstan;

5) prohibit access to the stored goods by unauthorized persons who are not employees of the customs warehouse and who have no authority in respect of goods, without permission from customs bodies;

6) comply with the customs bodies with regard to access of customs officials to the stored goods;

7) in the event of termination of the operation of a customs warehouse, to notify individuals who had put goods at the customs warehouse of such decision within three working days of the day following the day the decision to cease operating the warehouse was made;

8) in the event that goods are lost, with the exception of losses due to destruction as a result of an accident or force majeure, or the release of goods without the permission of customs bodies, to pay import duties and taxes where the obligation to pay customs duties and taxes arises in accordance with this Code;

9) inform the customs body, including the legal person in the register of owners of customs warehouses, of a change in the information presented to them for inclusion in the register of owners of customs warehouses, within five working days after the change of such information.

The territory of a customs warehouse should be used only according to the requirements established by this Code. Use of the specified places for other purposes shall not be allowed.

Article 52. Responsibility of the Owner of Customs Warehouse

A customs warehouse owner is liable for non-performance of their duties when storing goods in a bonded warehouse in accordance with the laws of the Republic of Kazakhstan.

Article 53. The Owner of Duty Free Shop

1. The owner of a duty free shop is a legal entity of a Member State of the customs union that meets the conditions defined by Article 54 of this Code.

A legal entity shall be recognized to be the owner of a duty free shop after inclusion in the register of owners of duty free shops.

2. The owner of a duty free shop provides storage and sale of retail goods placed under the customs procedure for duty-free trade to individuals traveling from the customs territory of the customs union, as well as foreign diplomatic representatives, representatives of international organizations equivalent to them, consular institutions, or diplomatic agents, consular officials and the family members living together with him/her.

3. The territorial divisions of the authorized body in the customs issue shall send information contained in the register of customs warehouses owners, as well as data on suspension, renewal of the relevant activity, or an exclusion of the specified persons from the register to authorized body in the customs issue.

The authorized body shall provide an updated register monthly, and no later than by the fifth day of every month, on an Internet resource of the authorized body on customs issues.

Article 54. Terms for Inclusion of Owners of Duty Free Shops in the Register

The conditions for including a legal person in the register of owners of duty free shops are:

1) to possess premises under terms of property, economic management, operational management or rental, suitable for use as a duty free shop and being in compliance with the following requirements:

the salesroom shall be located outside of the bounds of the place, determined for execution of customs declaration of goods, exported by individuals in the process of their transit through the customs border of the Customs Union;

in the duty-free shop, there shall be areas meant for carrying out operations, as well as separate fenced areas intended to provide security for the goods and to prepare the goods for sale (unpacking, release from container etc.);

2) the registration or permits required for retail trade, as specified by the legislation of the Republic of Kazakhstan;

3) the absence on the day of petition to the customs body of unfulfilled obligations to pay customs fees and penalties;

4) the absence of facts to be found guilty for administrative offences during one year prior to the day of petition to the customs body in accordance with the Articles 400, 405, 409-415, 423, 429, 434, 438 of the Code of the Republic of Kazakhstan on Administrative Offences;

5) additional conditions for inclusion into the relevant register of duty free shops, as specified by sub-paragraph 2) of paragraph 1 of the Article 409 of this Code, as established by the Government of the Republic of Kazakhstan.

Article 55. The Procedure for Entry to Register of Owners of Duty Free Shops

1. An application to be entered into the register of owners of duty-free shops shall be completed in free-form and shall include:

1) a petition to the territorial subdivision of an authorized body in the customs issues, where the shop is found, to be included into the register of owners of duty free shops;

2) data concerning the title, location and opened bank accounts of an applicant;

3) data on the premises and (or) open spaces held by the applicant and meant for use as a duty free shop, on their location, equipment, material and technical equipment;

4) data on the registration or authorization documents required for retail business, if their receipt is required by the legislation of the Republic of Kazakhstan.

2. The following documents shall be attached to the application:

- 1) an original or notarized copy of the State Registration Certificate of legal entity (on completion of processing an application, the customs body shall return the original document to the applicant);
- 2) an original or notarized copy of the State Registration Certificate of person as tax payer entity (on completion of processing an application, the customs body shall return the original document to the applicant);
- 3) notarized copies of charter documents;
- 4) confirmation from bank concerning the accounts opened in them;
- 5) notarized copies of the documents, confirming the right to own premises that are meant for use as a duty free shop;
- 6) plans and schemes of the premises and territories that will be declared as a duty free shop;
- 7) notarized copies of the registration or authorization documents for retail business, if their receipt is required by the legislation of the Republic of Kazakhstan.

3. The application and the documents attached to it shall be considered by the territorial subdivision of an authorized body in the customs issues where the warehouse is found within fifteen calendar days from the date of its registration.

4. The executive officer of the territorial subdivision of an authorized body in the customs issues shall inspect the premises and the territories of the applicant according to the paragraph 3 of Article 208 of this Code for compliance with the requirements, as specified by subparagraph 1) of paragraph 1 of Article 54 of this Code.

5. The decision to enter the applicant into a register shall be documented by an order of the head (deputy) of the authorized body in the customs issues and shall enter into force from the date of acceptance of the order.

6. Decisions on non-inclusion into the register of owner of duty free shop shall be taken in the case of failure to provide all documents as stipulated in the paragraph 2 of this Article, or if applicant does not meet the requirements as established by Article 54 of this Code.

After the applicant corrects these violations, the application shall be considered according to the procedure established by this Code.

7. In cases of inclusion or non-inclusion of the person into the register of owner of duty free shops, the authorized body shall inform the applicant of its decision in written form.

Article 56. Suspension of Activity of Duty Free Shops

1. Upon providing written notification of the owner of duty free shop, his activity may be suspended for a period of six months.

2. The decision to suspend the activity of the owner of a duty free shop shall be documented by an order of the head (deputy) of the territorial subdivision of the authorized body in the customs issues, in the area of activity where the shop is registered, within ten working days from the date of registering the written notification of the indicated person, and shall enter into force from the date of acceptance of the order.

3. From the date the order is accepted, as specified by paragraph 2 of this Article, the placement of goods into the duty free shop shall be prohibited.

4. Goods which are in the duty free shop, shall be placed in other duty free shops and (or) be declared for placement in other customs procedures during thirty calendar days from the date of acceptance of the order, as specified by paragraph 2 of this Article.

5. Upon providing written notice to the owner of duty free shop (in following the requirements, specified by Article 54 of this Code), its activity shall be resumed by an

order of the head (deputy) of the territorial subdivision of the authorized body in the customs issues within ten working days from the date of registration of the application of indicated person.

6. Within ten working days after the acceptance of the order of the head (deputy) of the territorial subdivision of the authorized body in the customs issues regarding the suspension or resumption of the activity of the owner of duty free shop, such information shall be addressed to the authorized body in the customs issues.

Article 57. Grounds for Removal From the Register of Owners of Duty Free Shops

1. The grounds for removal of legal entity from the register of owners of duty free shops are:

1) failure to comply with the roster of owners of duty free shops, established by sub-paragraphs 1) and 2) of Article 54 of this Code;

2) failure to comply with the duties of an owner of a duty-free shop as specified under Article 58 of this Code;

3) application of the owner of duty free shop to be removed from the Register of owners of duty free shops;

4) liquidation (or termination) of a legal entity in accordance with legislation of the Republic of Kazakhstan;

5) reorganization of a legal entity, except where it is transformed.

2. A decision to remove from the Register of owners of duty free shops shall be documented by the order of the head (deputy) of authorized body in the customs issues, indicating the reason for the removal.

3. Relevant information in writing shall be rendered to the stated person within five workdays from the date of adoption of the order.

4. Where a person is removed from the Register of owners of duty free shops on the grounds stipulated by Sub-paragraphs 1) - 3) of paragraph 1 of this Article, the reinstatement of the indicated person to the relevant register shall be considered by authorized body in the customs issues upon completion of one year from the date of adoption of the order regarding removal of that body from such a register.

Article 58. Obligations of the Owner of Duty Free Shop

The owner of a duty free shop shall be obligated to:

1) ensure the safety of the goods placed under the customs procedure for duty free trade and not disposed of in accordance with this Code;

2) comply with the terms and requirements established by this Code;

3) provide the possibility of customs control;

4) keep a record of receipt of goods at duty-free shops and implement them in the store, as well as submit to customs bodies reports on such goods in accordance with the laws of the member states of the customs union;

5) pay customs duties and taxes in the event that the obligation to pay customs duties and taxes in accordance with Article 411 of this Code arises;

6) inform the customs body, including the legal person in the register of owners of duty-free shops, of changes to the information presented by him/her when originally included in the register of owners of duty free shops, within 5 five working days after the change of such information.

The Area of the duty free shops shall be used exclusively in accordance with the requirements, established by this Code. Usage of the indicated places for other purposes is prohibited.

Article 59. Responsibility of the Owner of the Duty Free Shops

The owner of a duty free shop shall be liable under the laws of Republic of Kazakhstan for failure to comply with the requirements for the storage and sale of goods

at duty free shops, as well as the requirements of the customs procedure of a duty free trade.

Article 60. Owner of the Free Warehouse

Relations between the customs bodies and owners of free warehouses shall be established by the international treaty of the Republic of Kazakhstan and (or) according to the procedure, established by the Government of the Republic of Kazakhstan.

Footnote. Article 60 as amended by the Law of the Republic of Kazakhstan dated 05.07. 2011 No. 452-IV (shall be enforced from the date of its first publication).

Article 60-1. Participant of the Special Economic Zone

Relations between customs bodies and participants of special economic area shall established by international treaty of the Republic of Kazakhstan and (or) according to the procedure established by the Government of the Republic of Kazakhstan.

Footnote. The Code is supplemented with the Article 60-1 in accordance with the Law of the Republic of Kazakhstan dated 05.07.2011 No. 452-IV (shall be enforced from 13.10.2011).

CHAPTER 6. AUTHORIZED ECONOMIC OPERATOR Article 61. Authorized Economic Operators

1. An authorized economic operator shall be a legal person meeting the conditions specified in Article 62 of this Code, which is entitled to special simplifications specified in Article 65 of this Code.

2. The status of authorized economic operator shall be assigned to a legal entity by customs bodies by way of issuing a certificate of inclusion in the register of authorized economic operators, and shall be recognized in the territory of the Republic of Kazakhstan.

The status of authorized economic operator shall be assigned to a legal entity created in accordance with the legislation of the Republic of Kazakhstan.

The form and procedure for issuing a certificate of inclusion in the register of authorized economic operators shall be determined by the authorized body in the customs issues.

Article 62. Terms for Awarding the Status of Authorized Economic Operator

The conditions under which an authorized economic operator may obtain legal entity status shall be:

1) providing for the payment of customs duties and taxes according to the procedure established by Chapter 16 of this Code, for a period of not less than one year and in the sum equivalent to not less than one million euros, in accordance with exchange rates established in the tax legislation of the Republic of Kazakhstan on the day of making such a provision, except for the cases as specified by part two of this subparagraph.

Persons producing goods and (or) exporting goods to which export customs duties do not apply, provided that they correspond to the criteria established by the decision of the Commission of Customs Union, shall provide a security (or guarantee) for the payment of customs duties and taxes in the amount equivalent to one hundred and fifty thousand euros, according to market exchange rates established as per the tax legislation of the Republic of Kazakhstan on the day of provision such a security;

2) implementation of foreign trade in the period not less than two years;

3) on the day of petition to the customs body, the absence of any unfulfilled obligations to pay customs fees, interest, or penalties in accordance with the customs legislation of the Republic of Kazakhstan;

4) the absence on the day of petition to the customs body of debt (arrears) in accordance with the legislation on taxes and charges (tax laws) of the Republic of Kazakhstan;

5) the absence on the day of petition to the customs body of an applicant, founders, shareholders, holding the control stake, of having a record of criminal conviction in accordance with Articles 209, 214, or 250 of the Criminal Code of the Republic of Kazakhstan, which has not been the subject of a pardon;

6) the absence of facts on the day of petition to be found guilty of administrative offences during one year before applying to the customs body in accordance with the Articles 405, 410, 417, 421, 423, 424, 426-434, 438 of the Code of the Republic of Kazakhstan;

7) the existence of an accounting system that allows for the comparison of data provided for customs bodies to carry out customs operations and business activities, meeting the following requirements:

the existence of an automatic system of declaration, control and accounting of customs declarations, including mandatory application of the program software, compatible with the program software, used by customs bodies;

the provision of information technology security measures in order to save documents and protect the computer system from break-ins from unauthorized persons;

the existence of systems for internal control in order to indicate a mismatch of data according to the documentation of the actual quantity of goods and vehicles.

Article 63. The Procedure for Issuing, Suspending and Recalling a Certificate of Authorized Economic Operator; Obligations of an Authorized Economic Operator

1. To get a certificate of inclusion in the register of authorized economic operators, the legal entity shall provide the authorized body in the customs issues with an application, signed by the head (or top manager of legal entity) and authenticated with the seal of the legal person, which shall contain data and confirm conformity of such a person to the requirements of the status of authorized economic operator, as well as the following documents:

notarized copies of constituent and statutory documents;

a completed application, which form shall be established by the authorized body in the customs issues;

one of the documents confirming a general guarantee of payment of customs duties and taxes in accordance with the Article 144 of this Code.

2. The authorized body in the customs issues shall check the data when considering the application and the documents attached to it, and also shall order the territorial subdivisions of the authorized body in the customs issues to hold travel custom inspection, provided by Chapter 24 of this Code, for compliance of the applicant with the requirements of assignment of the status of authorized economic operator.

Upon the results of consideration of the application and the documents attached to it, as well as holding travel customs inspection, the authorized body in the customs issues shall make a decision to issue a certificate of inclusion of the person to the register of authorized economic operators, or on the denial of same, a certificate indicating the cause of denial not later than ninety calendar days from the date of registration of the application,.

The decision to issue the certificate of inclusion of the person in the register of authorized economic operators shall be made by an order of the head (or his/her replacement) of the authorized body in the sphere of customs business.

In case the applicant has notified the authorized body in the customs issues of incomplete data in the statement or the questionnaire, or the absence of the documents provided by paragraph 1 of this article, the authorized body in the customs issue shall, no later than five working days from the date of adoption of the statement and documents enclosed to it, inform the applicant in writing of the refusal to issue the certificate, along with an indication of the causes of failure.

3. The authorized economic operator shall be obligated to:

1) inform the authorized body in the customs issues about amendments and (or) supplements to the data as declared by him/her in order to gain the status of authorized economic operator within five working days from the day of introduction of the amendments and (or) supplements, by providing the relevant documents and confirming such amendments and (or) supplements;

2) In case of the expiration of the period of validity of a general guarantee of payment customs duties and taxes, the authorized economic operator shall be obliged to provide to the authorized body in the customs issues the documents regarding an extension of the period of validity of the indicated general provision or new general provision of payment customs duties and taxes, not later than thirty calendar days prior to the date of the end of such an expiration period;

3) Adhere to the requirements of subparagraph 7) of Article 62 of this Code.

4. Validity of the certificate for inclusion in the register of authorized economic operator shall be suspended upon:

1) submitting an application (or notification) of an authorized economic operator on suspension of the validity of the certificate on inclusion into the register of authorized economic operator;

2) the existence of debts for customs payments, taxes and fines, at the end of the period, as established by paragraph 2 of Article 160 of this Code,;

3) the official initiation of criminal proceedings under Articles 209, 214, 250 of the Criminal Code of the Republic of Kazakhstan in relation to the applicant, from their inception until the final decision in accordance with the legislation of the Republic of Kazakhstan;

4) the official initiation of an administrative procedure under Articles 405, 410, 417, 421, 423, 424, 426 - 434, or 438 of the Code of the Republic of Kazakhstan on the administrative offences in relation to the applicant, before the final decision in accordance with the legislation of the Republic of Kazakhstan;

5) breach of duties, as established by paragraph 3 of this Article.

The authorized body in the customs issues shall, within five working days from the moment of suspension of the validity of a certificate for inclusion of the person in the register of authorized economic operators, inform him/her in written form.

5. Validity of the certificate of inclusion in the register of authorized economic operators shall be withdrawn upon:

1) submission of an application (or notification) by the authorized economic operator seeking his/her exclusion from the register of authorized economic operators;

2) liquidation of the legal person in accordance with the legislation of the Republic of Kazakhstan;

3) reorganization of the legal persons in accordance with the legislation of the Republic of Kazakhstan;

4) commencement of criminal proceedings against the applicant, its founders or shareholders in accordance with the Article 209, 214, 250 of the Criminal Code of the Republic of Kazakhstan;

5) commencement of administrative procedure against the applicant for administrative offences in accordance with the Articles 405, 410, 417, 421, 423, 424, 426 - 434, 438 of the Code of the Republic of Kazakhstan.

6. A decision on the discontinuation of the operation of the certificate of inclusion of the person in the register of authorized economic operators shall be documented by an order of the head (deputy) of authorized body in the customs issues and shall enter into force from the date of adoption of the order.

Article 64. Register of Authorized Economic Operators

Customs bodies shall keep a register of authorized economic operators and ensure its publication on the web-site of the authorized body in the customs issues on a monthly basis, by not later than the fifth day of each month.

The form of the register of authorized economic operators and the certificate of inclusion in such a register shall be determined by the authorized body in the customs issues.

Article 65. Special Simplifications Provided to an Authorized Economic Operator

1. Authorized Economic Operators may be given the following special simplifications:

1) temporary storage of goods in the premises, outdoor areas and other areas of the authorized economic operator;

2) release of goods prior to filing a customs declaration in accordance with Article 298 of this Code;

3) conducting customs operations related to the release of goods, facilities, outdoor areas and other areas of the authorized economic operator;

4) early submission of information in electronic form to customs bodies concerning the goods intended to be transported through the customs border of the customs union, international traffic vehicles transporting such goods, the time and place of arrival of goods to the customs territory of the customs union or departure from such a territory, passengers arriving in the customs territory of the customs union or departure from such a territory;

5) in carrying out the procedure of customs transit, customs bodies shall not require the provision of payment for customs duties and taxes, specified by the Article 321 of this Code, if an authorized economic operator is a declarant.

2. Special simplifications provided in this Article shall apply only in cases where the authorized economic operator is entitled to declare the goods for which the ad hoc facilitations are intended to be used.

3. The list of goods, provided in this article, to which special facilitations cannot be applied, is determined by the Commission's decision of the customs union.

Article 66. Introduction by Customs body of Prior Information

1. Authorized economic operators, carriers, including customs carriers, customs agents, and other interested persons may submit to customs bodies in electronic form prior information about the goods estimated to move across the customs border, the international carriage of vehicles transporting such goods, the time and place of arrival of the goods in the customs territory of the customs union or a departure from that territory, and passengers arriving in the customs territory of the customs union or departing from such territory.

2. Customs bodies shall exchange preliminary information with customs bodies (offices) of foreign countries in accordance with international treaties of the Republic of Kazakhstan.

3. Cases of mandatory reporting to customs bodies of preliminary information, the volume of the order, of its presentation and use for customs purposes, shall be determined in accordance with the international agreement of the Republic of Kazakhstan.

CHAPTER 7. INFORMATION SYSTEMS AND INFORMATION TECHNOLOGIES

Article 67. Information Systems, Information Technologies and Their Means of Support, Used by Customs bodies

1. Customs operations can be carried out with the use of information systems and information technologies, including those based on electronic means of communication, as well as their means of support.

2. The introduction of information systems and information technology is carried

out in accordance with relevant international standards and complies with the information security requirements of the Republic of Kazakhstan, as established by the legislation of the Republic of Kazakhstan.

3. The customs bodies shall employ information systems, information technologies and their means of support, developed, produced or acquired by the customs bodies in accordance with the legislation and (or) international treaties of the Republic of Kazakhstan.

4. Conditions and procedures on the use of information systems, information technologies and the means of their maintenance, and software technical information protection for customs purposes, as well as requirements for them in the organization of information exchanges, based on electronic information exchange, shall be determined by the authorized body in the customs issues.

Article 68. Program Software Under the Ownership of Declarants and Persons Carrying Out Activity in Customs Affairs

1. Requirements for program software, used by the declarants and persons in carrying out their activity in customs affairs, for submission of documents and data specified by this Code, shall be established by the Government of the Republic of Kazakhstan. Indicated requirements shall be posted on the official web-site and web-portal of the authorized body in customs affairs.

2. Use of program software for the customs purposes shall be allowed only after it has been checked for compliance with the requirements established by the Government of the Republic of Kazakhstan.

3. To check program software, the person indicated in paragraph 1 of this Article shall submit an application on performing a control test of the program software to the authorized body in the customs affairs, containing the following data:

1) details of the applicant: the surname, first name and patronymic name (upon availability) and his /her domicile (address) of the individual; the name and location (address) for any legal bodies involved; identification number;

2) the individual's identity card number, and the number of the State Registration Certificate for any legal bodies involved.

The application shall be signed by the person completing it, and shall be notarized by seal if the indicated person must have a seal according to the legislation of the Republic of Kazakhstan.

4. When submitting an application, the following documents shall be included:

1) a copy of an identity card for individuals; a State Registration Certificate for any legal entity involved (notarized copy);

2) a set of the programming and operating documentation for the program software;

3) documents confirming the use of licensed software in the development of the software;

4) samples of the electronic copies of the customs documents, documented in accordance with the rules of filling out customs documents by the developed program software.

5. Within a term not exceeding fifteen working days from the date of registration of the application, the authorized body in customs affairs shall consider and check the details stipulated in the application, as well as the documents as specified in paragraph 4 of this Article.

6. The authorized body in customs affairs shall keep a register of software publishers specializing in the generation of electronic copies of the customs documents, containing the following details:

1) the name of the person, and the software publisher;

2) the name of the program software;

- 3) the number of the program software's version;
- 4) the of the electronic customs document.

7. A decision on inclusion in the register of software publishers upon the provision of electronic copies of the customs documents shall be documented by an order of the leader (deputy) of the authorized body in customs affairs, and shall be submitted to the applicant within the term as specified by paragraph 5 of this Article. In case of a failure to include the software publisher in the register, the authorized body in customs affairs shall inform, in writing, the indicated person of the reason for this failure within five working days from the date of registration of the applicant. After implementation of the corrections, the applicant shall have the right to resubmit documents in accordance with the paragraphs 3 and 4 of this Article.

8. Information on inclusion in or removal from the register of software publishers, upon the provision of electronic copies, shall be posted on the official web-site and web portal of the authorized body in customs affairs within three working days from the date of acceptance of the appropriate order.

9. Changes to the requirements for the program software shall be published and posted on the official web-site and web portal of the authorized body in customs affairs.

Parties using program software previously scanned by the authorized body in customs affairs for their activities are required to bring them into line with the new statutory requirements in the manner provided by this Chapter.

Article 69. Grant of Permission to Make Electronic Copies of Customs Documents for Declarants and Customs Representatives

1. To obtain the permission of the authorized body in customs affairs to make electronic copies of customs documents, the customs representative shall submit to the authorized body in customs affairs the application for permission to make electronic copies of the customs documents, containing the following details:

- 1) details of the applicant: the surname, first name and patronymic name (upon availability) and his /her domicile (address) - for the individual: name and location (address) - for the legal bodies involved: identification number;

- 2) for private persons, their identity card number; for any legal entities involved, the number of the State Registration Certificate.

The application shall be signed by the person completing it, and shall be notarized by a seal, if the indicated person must have a seal according to the legislation of the Republic of Kazakhstan.

2. When submitting the application, the following documents shall be included:

- 1) for private persons, a copy of their identity card; for any legal entities involved, the State Registration Certificate (notarized copy);

- 2) a notarized copy of the agreement with the person included in the register of software publishers, except for the cases of usage of program products upon the creation of electronic copies of the customs documents owned by the authorized body in customs affairs.

3. The authorized body in customs affairs shall consider and check the details contained in each document, as well as the documents specified in the paragraph 2 of this Article, within five working days from the date of registration of the application.

4. If the documents are in compliance with the indicated details and the stated requirements, the authorized body in customs affairs shall inform the applicant in writing of its decision within the term specified by paragraph 3 of this Article. The assigned code, which is to be filled in to the specified line of each electronic copy of the customs document by the person submitting the application shall be specified in the written decision of authorized body in the customs issue.

5. The code assigned to the applicant shall not be used to make electronic copies of the customs documents for goods transported by other persons, except for persons carrying out activity as customs representatives.

6. In case of a failure to submit the documents indicated in paragraph 2 of this Article, the authorized body in customs affairs shall withhold permission for making electronic copies of the customs documents and shall inform the applicant in writing within the term as specified by paragraph 3 of this Article.

7. A written decision of an authorized body in customs affairs indicating the assigned code may be recalled by the authorized body in customs affairs in either of the following cases:

1) where there is a violation of the requirements specified by paragraph 5 of this Article by the applicant;

2) where there is an annulment of the agreement between the applicant and the software publisher, and the authorized body in customs affairs was not informed of the annulment.

8. A recall of the written decision of the authorized body in customs affairs indicating the assigned code shall result in the annulment of the code assigned to the applicant, and in the non-admission of electronic copies of customs documents formulated under such a code.

9. In changing the details in the documents specified in the paragraph 2 of this Article, the declarant or customs representative shall inform the authorized body in customs affairs in writing about the changes within ten calendar days of the date of changing the details.

10. The period of validity of the code assigned to the applicant shall be unlimited, except for the cases specified by the paragraph 7 of this Article.

Article 70. Information Resources of Customs bodies

1. The information resources of customs bodies formed on the basis of documents and information submitted when carrying out customs operations, as well as the documents necessary for carrying out operations, shall have limited access. The order forming information resources and limiting access to them shall be established by the laws of the Republic of Kazakhstan.

The information resources of customs bodies shall be understood to mean an organized set of documented information, including a database, created, processed and accumulated in the information systems of customs bodies.

Information resources of customs bodies relating to the customs legislation of the Republic of Kazakhstan shall be open and accessible.

Public information resources shall be available on the websites of customs bodies in customs affairs.

2. The order by which persons may receive information contained in information resources whose access is limited under the supervision of customs bodies shall be stipulated by legislation of the Republic of Kazakhstan.

Article 71. Security of Information and the Rights of the Subjects Participating in Information Processes and Informatization

1. Security of information and the rights of subjects participating in information processes and informatization shall be carried out in accordance with the legislation of the Republic of Kazakhstan.

2. Security shall be provided by introducing and using special software and hardware tools for the protection of information which are compatible with the program products, information systems and information technologies and is subject to compulsory certification according to procedure specified by the legislation of the Republic of Kazakhstan on technical regulations.

3. The level of security of information provided by means of information security should correspond to the category of information. Appropriate level of protection shall be provided to a certain category of information by customs bodies for the information resources under supervision.

Control for following the requirements on information security and exploitation of the information security products shall be carried out by the authorized body in customs affairs in accordance with the legislation of the Republic of Kazakhstan.

Article 72. Information Exchange of Customs bodies

Customs bodies are involved in the international exchange of information with other customs bodies in foreign countries, as well as international and other organizations according to conditions established by international treaties and the legislation of the Republic of Kazakhstan.

CHAPTER 8. CUSTOMS STATISTICS

Article 73. Customs Statistics of Merchandise Trade

1. In order to analyze the status, developments and trends of foreign trade, customs bodies shall collect and process information about the movement of goods across the customs border to form customs statistics of foreign trade.

2. Customs bodies shall collect customs statistics of foreign trade in accordance with the methodology approved by the Commission's decision of the Customs Union.

3. Customs bodies shall submit customs statistics of foreign trade to:

Government, public bodies and other organizations of the Republic of Kazakhstan in the manner prescribed by the legislation of the Republic of Kazakhstan;
international organizations in the manner prescribed by international treaties.

4. The Commission of the Customs Union will publish the customs statistics of the Customs Union's foreign trade of goods to government authorities of the member states of the Customs Union and international organizations in accordance with international treaties.

5. The Commission will publish the customs statistics of foreign trade of the Republic of Kazakhstan in the manner and terms which are defined by the authorized body in customs affairs.

6. The customs bodies may submit data on the customs statistics of foreign trade of goods that do not contain state, commercial, banking and other legally protected secrets (secrets) or other confidential information, for those who are interested in obtaining it for the organizations of the Republic of Kazakhstan in order and on the terms established by the legislation of the Republic of Kazakhstan.

Article 74. Special Customs Statistics

1. In order to execute the tasks entrusted to customs bodies, special customs statistics are to be collected (or kept) in accordance with the procedure established by the authorized body in customs affairs.

2. These special customs statistics shall be used by customs bodies solely for customs purposes.

Article 75. Documents and Information Used for Statistical Purposes

1. For statistical purposes, documents and information are submitted by the parties in accordance with the customs legislation of the Customs Union and (or) the Republic of Kazakhstan.

2. The information used for statistical purposes is subject to the provisions of Article 16 of this Code.

CHAPTER 9. SINGLE COMMODITY NOMENCLATURE OF FOREIGN ECONOMIC ACTIVITY. IFCATION OF GOODS

Article 76. Single Commodity Nomenclature of Foreign Economic Activity

Single Commodity Nomenclature for Foreign Economic Affairs (hereinafter - the Commodity nomenclature of foreign economic activity) shall be used to implement the measures of customs and the tariff or non-tariff regulation of foreign trade and other forms of foreign economic activity of the customs statistics.

Article 77. Maintenance of Commodity Nomenclature of Foreign Economic Activity

1. The Commodity Nomenclature of Foreign Economic Activity shall be based on the Harmonized system commodity description and coding of the World Customs Organization and the united Commodity Nomenclature for Foreign Economic Affairs of the Commonwealth of Independent States.

2. The Commodity Nomenclature of Foreign Economic Activities is approved by the Commission of the Customs Union.

3. Decisions about changes to the Commodity Nomenclature of Foreign Economic Activity are adopted by the Commission of the Customs Union on the basis of proposals of the customs services of the member states of the Customs Union.

The commodity nomenclature of foreign economic activity and decisions about modifications to it are published by the Commission of the Customs Union.

4. Technical management of the Commodity Nomenclature for Foreign Economic Activity shall be carried out in the manner established by paragraph 4 of Article 51 of the Republic of Kazakhstan.

Article 78. Theification of Goods

1. Goods with their customs declaration shall be classified by the Commodity Nomenclature for Foreign Economic Activity.

2. The verification of correctification of goods applied by the Customs declaration shall be carried out by customs bodies, except for the officials of checkpoints and special customs enterprises.

3. In the case of detection of incorrectification of goods, the customs body specified by paragraph 2 of this Article shall carry out theification of goods and decides on theification of goods in the form defined by the legislation of the Republic of Kazakhstan.

4. Under theification of goods, a phased allocation of the goods to specific headings and subheadings under the Commodity Nomenclature of Foreign Economic Activity shall be understood.

Theification of Goods shall be carried out on the assumption of the following basic criteria:

- 1) function for which the good was manufactured;
- 2) material from which the good is made.

The principle of unambiguous attribution of goods is to be followed (applied), taking into account the degree of their processing to the commodity subheading, on the basis of the application of fundamental interpretation rules of Commodity Nomenclature of Foreign Economic Activity and notes on theification divisions and groups (including notes for the commodity items, sub-items), as well as additional notes, explaining specificification issues.

5. Inifying goods, the customs bodies, declarant or the customs representative shall use basic rules of interpretation; notes for the divisions, groups, paragraphs; explanations for the Commodity Nomenclature of Foreign Economic Activity; digests ofification opinions of the Committee of the Harmonized System of the World Customs Organization; electronic databases of preliminary decisions onification of goods of the authorized body in customs affairs; explanations of the Customs Union Committee and the authorized body in customs affairs on theification of certain of goods.

6. Inifying goods, the customs body shall take into account the copies of the

customs declarations of the country of origin presented by the declarant, if the declarant can present them, and any conclusions and applications of independent expert organizations, as well as details set out in the forwarding documents.

7. In submitting a customs declaration, the declarant shall classify a good according to the Commodity Nomenclature of Foreign Economic Activity and shall declare the good's code in the customs declaration.

8. If the declarant submitted the codes of goods in the customs declaration correctly, the customs body official shall complete a check of the details on the goodsification without requesting additional documents.

9. If the declarant submitted the codes of goods in the customs declaration upon the Commodity Nomenclature of Foreign Economic Activity incorrectly, the customs body official shall request, in writing, additional documents that are necessary for verification of the goods within one working day. The customs body shall decide on the verification of goods in the form defined by the legislation of the Republic of Kazakhstan within five calendar days.

10. Where there has been a request for additional documents for verification of goods, the customs body shall carry out a conditional release of the following goods:

Goods subject to customs and taxes - where there has been a payment of customs duties and taxes;

Goods not subject to customs and taxes - where the declarant has a duty to present requested documents on time, established by the written request of the customs body.

The size of the sum of security of customs duties and taxes payment shall not be less than the sum of the customs duties and taxes payable upon the declaration of the customs procedure of release for domestic consumption.

The period of validity of the payment of customs duties and taxes shall be not less than thirty calendar days from the date of the conditional release of the goods.

11. If the declarant agrees with the decision of the customs body on verification of the goods, details submitted in the customs declaration shall be amended and supplemented by the declarant in accordance with paragraph 1 of Article 289 of this Code.

12. The decision of the customs body on verification of goods shall be documented in two copies and signed by the head (deputy) of the customs body carrying out customs declaring of goods.

13. Decisions of the customs body on verification of goods shall be subject to compulsory implementation.

14. In case of a disagreement with the decision on verification of goods taken by the customs body, the declarant or person carrying out activity in the customs issues or their representatives shall have the right to appeal the action (or inaction) of the customs body or the customs body's official in accordance with the legislation of the Republic of Kazakhstan.

15. In appealing the decision of the customs bodies on verification of the goods, the person making a complaint shall present to the authorized body in customs affairs the photographs, pictures, schemes, service lists, samples of goods, technical specifications, commercial characteristics of goods and other information, allowing for unambiguousification of the goods.

16. Decision forms of the customs bodies shall be the accountable reporting forms, have account series and numbers, and shall include the code of the customs body incorporated typographically.

17. The authorized body in customs affairs or the territorial division of the authorized body (its local division) in customs affairs shall make preliminary decisions on verification of goods according to the present Chapter, and shall provide

explanations on the identification of separates of goods by providing for their publication on an official Internet resource, a web portal of the authorized body in the customs issue.

Preliminary decisions on identification of goods shall be obligatory when declaring goods in the territory of the Republic of Kazakhstan.

18. The authorized body in customs affairs shall keep databases of preliminary decisions on identification of goods.

Article 79. Procedure for Making Preliminary Decisions

1. The procedure for making a preliminary decision on identification of commodities under the nomenclature of foreign economic activity shall be determined by Articles 80 - 83 of this Code.

2. The preliminary decision shall be taken on each item of goods, including a brand, model, article and modification.

3. The form of a preliminary decision shall be determined by decision of the Commission of the customs union.

4. The authorized body in customs affairs or a territorial subdivision of the authorized body in customs affairs shall issue a duplicate of the preliminary decision previously received by the applicant within five working days, in the event that the preliminary decision is lost by the applicant.

5. The authorized body in customs affairs shall carry out information exchanges of preliminary decisions on identification of goods, in accordance with Article 213 of this Code.

Article 80. Statement on Submission of the Preliminary Determination

1. A preliminary decision shall be taken by authorized bodies in customs affairs or a territorial subdivision of the authorized body in customs affairs on the basis of the application of a person (hereinafter in this Chapter - the applicant), submitted in writing or in the form of an electronic document.

2. The statement on submission of the preliminary decision on identification of goods shall contain the full commercial name, company name, major technical and commercial characteristics of the goods, and other information permitting them to uniquely identify the goods. If necessary, the photographs, drawings, blueprints, passports of the products, samples and specimens of commodities, and other documents for the adoption of a preliminary decision, authenticated with the seal of the applicant, shall be presented.

3. If the information submitted by the applicant is insufficient to make a preliminary decision, the authorized body in customs affairs or the territorial subdivision of the authorized body in customs affairs shall notify the applicant of the need to provide additional information within ten calendar days from the date of filing an application for an interim decision with the customs body. Additional information should be submitted within thirty calendar days after written notice to the applicant. If the information is not provided within the prescribed period, a statement of preliminary determination shall be rejected.

Article 81. Term of Acceptance and Validity of Preliminary Decision

1. A preliminary decision shall be taken within twenty calendar days from the date of registration of an application for an interim decision with the customs body. If necessary, submission of additional information in accordance with paragraph 3 of article 80 of this Code, within the time specified in the first part of this paragraph, shall be suspended and resumed from the date of receipt by the customs body of the latter document containing the requested information.

2. The preliminary decision shall be valid for three years from the date of its adoption, unless it is changed, withdrawn or its action is terminated, in accordance with Article 82 of this Code.

Article 82. Termination, Change or Withdrawal of a Preliminary Decision

1. An authorized body in customs affairs or a territorial subdivision of the authorized body in customs affairs may decide to terminate, modify or revoke its prior decision.

The decision to terminate, modify or revoke a preliminary decision shall be sent to the applicant no later than the day following the day on which the decision to terminate, modify or revoke a preliminary decision was made.

2. The decision to terminate a prior decision will be made where customs bodies find that the applicant for a preliminary determination presented false documents, inaccurate and (or) incomplete information.

The decision to terminate a preliminary decision takes effect from the date of adoption of this interim decision.

3. Changes to a preliminary decision are made in the following cases:

upon detection by customs bodies or territorial subdivision of the authorized body or the applicant of mistakes in making a preliminary decision;

upon adoption of decisions or clarifications on theification of certain goods by the Customs Union Commission.

A decision of the customs body or territorial subdivision of the authorized body to amend the preliminary decision shall enter into force on the date specified in the decision to amend the preliminary decision.

4. A preliminary decision shall be revoked if:

there are changes to the Commodity Nomenclature of Foreign Economic Activity affecting theification of goods for which the preliminary was decision submitted;

there is adoption by the Commission of the Customs Union of decisions on theification of goods applied by member states of the Customs Union;

there is adoption by the Commission of the Customs Union of decisions and explanations onification of separates of goods.

The decision to revoke a preliminary decision shall be made by the authorized body in customs affairs or a territorial subdivision of the authorized body in customs affairs within thirty calendar days after the publication of decisions and interpretations by the Commission of the Customs Union, and shall enter into force simultaneously with such decisions.

5. The decision to terminate, modify or revoke a preliminary decision shall be communicated to the customs bodies not later than the day following the day on which the decision to terminate, modify or revoke a preliminary decision is made.

Article 83. Transparency of Preliminary Decisions

Preliminary decisions, except for information constituting a state, commercial, banking or other secret protected by law (the secrets) or other confidential information relating to the person concerned, shall be placed on the official website of the Commission of the Customs Union.

Article 84. Decision Making Procedure on theification of Disassembled or Non-Assembled Goods, Including Incomplete or Unaccomplished Goods, Imported in Various Lots Within a Certain Period of Time

1. A decision on theification of disassembled or non-assembled goods, including incomplete or unaccomplished goods, import of which is executed in various lots within a certain period of time (further - decision onification of non-assembled goods), which declaration is provided by this Code, shall be made by the authorized body in customs affairs upon receiving the written application of the person.

2. A decision on theification of non-assembled goods shall be issued by the applicant subject to the following requirements:

foreign trade agreements (contracts) shall be made on behalf of the applicant; the applicant shall be the recipient of the goods.

3. The application for a decision on theification of non-assembled goods shall contain:

- notarized foreign trade agreement (contract);
- details on the applicant;
- details on the goods (name, list of the components of the goods);
- time of delivery of the goods;
- the customs procedure under which the goods are to be processed;
- the name of the customs body, where the goods will be declared.

Any documents subject to which the decision on theification of non-assembled goods shall be made (a technical description of goods and their components, indicating the principle function and ancillary functions, description of assembling and installation method, description of the materials from which the goods are made, and their components, assembly drawings, schemes, photographs, if possible, producers' catalogues, video material, detailed specification of goods).

4. The application shall be submitted before presenting the first lot of goods for customs declaration.

5. If the documents and details presented by the applicant are insufficient for making a decision on theification of non-assembled goods, an authorized body in customs affairs shall inform the applicant of the necessity to present additional information within fifteen calendar days from the date of submitting the application for the decision on theification.

Additional documents shall be presented within thirty calendar days from the date of written notification of the applicant.

If information is not presented at a stated time or the applicant refuses to present the documents and details necessary for theification of goods, the application for the decision on theification of non-assembled goods shall be rejected.

The application for the decision on theification of non-assembled goods shall be rejected:

- if the components of non-assembled or non-assembled goods, including incomplete or unaccomplished goods in accordance with the rules of theification, do not form goodsified according to the codes applicable to the assembled or complete goods;

- in the presence of contradictory information, specified in the application or in the documents attached to it.

Article 85. Term of Making a Decision on theification of Non-Assembled Goods

1. A decision on theification of non-assembled goods shall be taken within thirty calendar days from the date of registration of the application.

In case of the need to present additional information in accordance with paragraph 5 of Article 84 of this Code, the validity period specified in the first part of this paragraph shall be suspended and shall proceed from the date of acceptance of the last document containing the requested information by the authorized body in customs affairs.

2. The form of the decision on theification of non-assembled goods shall be established by the Government of the Republic of Kazakhstan.

Article 86. Period of Validity of the Decision on theification of Non-Assembled Goods

The decision on theification of non-assembled goods shall enter into force from the date of adoption and shall not exceed twelve calendar months.

Article 87. Change or Termination of the Decision on theification of Non-Assembled Goods

1. A decision on theification of the non-assembled goods shall be changed:

- 1) if the customs body in the customs issues makes a decision and specification on theification of certain goods, necessarily binding on customs bodies;

2) if mistakes or misprints are made in rendering the decision on theification of non-assembled goods;

3) if the Commodity Nomenclature of Foreign Economic Activity is changed.

The decision to change theification of the non-assembled goods shall enter into force on the date specified in the decision to change theification of the non-assembled goods.

2. A decision onification of non-assembled goods shall be terminated:

1) if the customs body determines that the applicant presented false or forged documents or inaccurate information upon which the decision on theification of non-assembled goods was based;

2) if the customs declaration is not submitted on the date specified by the customs legislation of the Republic of Kazakhstan;

3) if the applicant refuses the delivery of goods in writing, including conditionally released components of goods.

A decision as to the termination of a decision on theification of non-assembled goods shall not be accepted if the conditionally released components of goods, by operation of the rules ofification, refer to theification code of assembled and complete goods specified in the decision onification of the non-assembled goods.

A decision on the termination of a decision on theification of non-assembled goods shall enter into force on the date of theification decision.

Article 88. ification of Goods in the Event of Termination of a Decision onification of Non-Assembled Goods

In the event of the termination of a decision on theification of non-assembled goods, separate components of the goods shall be subject to customs declaring by submitting the customs declaration in an order specified by the customs legislation of the Customs Union and (or) of the Republic of Kazakhstan. The components of the equipment shall beified in accordance with the Commodity Nomenclature of Foreign Economic Activity of Customs Union as individual goods.

Article 89. Accounting of the Decisions onification of Non-Assembled Goods

Accounting of the decisions on theification of non-assembled goods shall be carried out by an authorized body in customs affairs.

Article 90. Extension of Validity of the Decision on theification of Non-Assembled Goods

1. The authorized body in customs affairs shall, in the presence of a written request of the applicant submitted within thirty calendar days before the end of the period of validity of the decision onification of non-assembled goods, extend the validity of the decision in question for the period covering the full delivery of specific components of the goods.

2. The applicant shall state the following details in the written request to the authorized body in customs affairs:

the number and the date of the decision on theification of non-assembled goods, based on which the customs declaration of the specific components of goods according to the single code of the Commodity Nomenclature of foreign economic activity of the Customs Union is carried out;

the requisites of the agreement, based on which the customs declaration of specific components of goods according to the single code of the Commodity Nomenclature of Foreign Economic Activity of the Customs Union is carried out;

the reasons for failure to complete the customs declaration for all specific components of goods during the period of the validity of the issued decision onification of non-assembled goods;

the name of the customs body carrying out customs declaration for all specific

components of goods;

the timeline for completion of the import of the last lot of the specific components of the goods.

3. Copies of the documented customs declarations presented for conditional issue of the import of the specific components of the goods shall be attached to the application seeking an extension of the validity of a preliminaryification decision.

4. The decision on the extension of the validity of a preliminaryification decision shall be considered within ten calendar days from the date of its registration with the authorized body in customs affairs.

5. The decision on the extension of the validity of a preliminaryification of non-assembled good shall be documented in two copies.

The first copy shall be directed to the applicant. The second copy shall be directed to the customs body carrying out the customs declaration of disassembled or non-assembled goods, including incomplete or unaccomplished goods, being imported in separate lots (or parties) within a certain period of time.

CHAPTER 10. COUNTRY OF ORIGIN OF GOODS

Article 91. General Provisions of the Country of Origin of Goods

1. The country of origin of goods is the country where the goods were wholly produced or sufficiently processed (processing) in accordance with criteria established by the customs legislation of the Customs Union. Thus, the country of origin of goods can be understood to be a group of countries or customs unions of countries or a region or a part of the country, if there is a need to separate them for the purposes of determining the country of origin of the goods.

2. The identification of the country of origin of the goods shall be made in all cases where the application of measures of customs and tariff and non-tariff regulations depends upon the country of origin of goods.

3. The identification of the country of origin of goods is carried out in accordance with the international agreements of the Republic of Kazakhstan and the regulatory rules for determining the country of origin of goods.

4. The authorized body in customs affairs or a territorial subdivision of the authorized body in customs affairs may make preliminary decisions about the country of origin of goods.

The authorized body in customs affairs or a territorial subdivision of the authorized body in customs affairs shall make a preliminary decision on the identification of the country of origin of the goods in the presence of details on the goods and under the application of the person (applicant).

A preliminary decision on the identification of the country of origin of goods shall be taken by an authorized body in customs affairs by applying preferential and non-preferential regimes. The form of accepting the preliminary decision on identification of the country of origin of goods shall be established by the Government of the Republic of Kazakhstan.

Article 92. Confirmation of the Country of Origin

1. In support of the country of origin of goods, the customs body may require the submission of documents proving the country of origin of goods.

2. Documents certifying the country of origin of goods are a declaration of origin or certificate of origin.

Article 93. Declaration of Origin

1. The declaration of origin is a statement about the country of origin of goods made by the manufacturer, seller or consignor in connection with the export of goods, provided that it lists the information necessary to determine the country of origin. As such, a declaration of commercial use or any other documents shall be submitted relating

to the goods.

2. If the declaration of the origin of goods contains the information on the country of origin based on other criteria than those which are provided by international treaties of the Republic of Kazakhstan, the country of origin of the goods shall be determined in accordance with the criteria set by these international treaties.

Article 94. Certificate of Origin

1. A certificate of origin is a document clearly indicating the country of origin of the goods and is issued by authorized agencies or organizations in that country or country of export, if the country's export certificate is issued based on information received from the country of origin.

If the certificate of origin of goods contains information on the country of origin based on other criteria than those provided by international treaties of the Republic of Kazakhstan, the country of origin of the goods shall be determined in accordance with the criteria set by these international treaties.

2. When exporting goods from the territory of the Republic of Kazakhstan, a certificate of origin shall be issued by the authorized bodies or organizations of the Republic of Kazakhstan, if the requested certificate is required under the contract pursuant to the national rules of the country of importation of the goods, or if the certificate is required by international treaties.

The authorized bodies and organizations issuing a certificate of origin must keep a copy and other documents certifying the origin of the goods for no less than five years from the date of its issuance.

3. The certificate of origin shall be submitted simultaneously with the customs declaration and other documents submitted with the placement of goods imported into the customs territory of the Republic of Kazakhstan, under the customs procedure. If the certificate is lost, its certified duplicate issued in an order specified by the legislation of the Republic of Kazakhstan shall be received.

4. If the certificate of origin is issued with violations of the requirements for its design and (or) completion, as set by the customs legislation of the Customs Union, customs bodies themselves shall decide not to consider such a certificate as a basis for granting tariff preferences.

5. When carrying out customs control, the customs body may apply to the authorized agencies or organizations in the country which issued the certificate of origin to submit additional documents or clarifying information. This treatment does not preclude the release of goods on the basis of information about their claimed country of origin, by placing the goods under the customs procedure.

Article 95. Submission of Documents Certifying the Country of Origin of Goods

1. When importing goods into the territory of the Republic of Kazakhstan, a document certifying the country of origin of goods shall be presented if the country of origin of those goods in the territory of the Republic of Kazakhstan are granted tariff preferences in accordance with legislation and (or) international treaties of the Republic of Kazakhstan. In this case, the document certifying the country of origin of goods is provided to customs bodies together with a customs declaration. In this case, the granting of tariff preferences could be due to the need to provide a certificate of origin for some goods in accordance with the legislation and (or) international treaties of the Republic of Kazakhstan.

If there are indications that the declared information relating to the country of origin of the goods which affects the application of customs duties, taxes and (or) non-tariff regulation measures is unreliable, the customs bodies may require a document be submitted certifying the country of origin.

2. Notwithstanding the provisions of paragraph 1 of this Article providing a

document confirming the country of origin of goods is not required:

1) if goods imported into the customs territory of the Customs Union are declared to the customs procedure of customs transit or temporary import customs procedure with full exemption from customs duties and taxes, except in cases where the customs body found signs that the country of origin is one where the goods are prohibited from be imported into or transiting through the customs territory of the Republic of Kazakhstan, in accordance with the customs legislation of the customs union or the law of the Republic of Kazakhstan;

2) if the goods are moved across the customs border by physical persons in accordance with the norms of international treaties of the Republic of Kazakhstan;

3) if the total customs value of goods crossing the customs border, sent in the same time and in the same way by the same consignor to one consignee does not exceed the amount set by the Commission of the Customs Union;

4) in other cases stipulated by the customs legislation of the Customs Union.

Article 96. Additional Conditions for Placing Goods Under the Customs Procedure in Determining the Country of Origin

1. In the absence of documents proving the country of origin of goods, if their submission is required for the application of tariff preferences, then such goods are subject to customs duties payable at rates applicable to goods originating from the territory of a foreign state (group of foreign countries), with which there are mutual contractual obligations to provide customs regime no less favorable than that accorded to other states (groups of) (hereinafter - the most-favored-nation), except as provided in subparagraph 1) of paragraph 2 of this Article.

2. In other cases, a lack of documents proving the country of origin, or where there are indications that the submitted documents are drawn up improperly and (or) contain inaccurate information, before submitting documents proving the country of origin, or specifying the details:

1) in respect to goods subject to customs duties at the rates applicable to goods originating in the territory of a foreign state (groups of foreign countries) with which there are no reciprocal agreements on granting most-favored-nation treatment, if the customs officers found signs that the country of origin is a foreign state (group of foreign states), with which no reciprocal agreements on granting the most favored nation, the security (or guarantee) for payment of customs duties on these rates shall be provided;

2) the placement of goods under customs procedure is subject to the submission by the declarant of documents confirming compliance with established limits, or ensuring the payment of special anti-dumping or countervailing duties if the customs bodies find indications that the country of origin is the country, on the import of goods for which limitations are set. Ensuring the payment of special anti-dumping or countervailing duties is performed in the manner prescribed by this Code to ensure the payment of import customs duties;

3) the placement of goods under customs procedures shall be carried out only if the customs bodies find signs indicating that the country of origin may be a country where the goods are prohibited to be imported into the customs territory of the customs union.

3. In respect of goods specified in paragraph 1 and subparagraph 1) of paragraph 2 of this Article, the regime of tariff preferences or most favored nation treatment shall be applied (restored), subject to confirmation of the country of origin of these goods before the expiration of one year from the date of registration of customs bodies of customs declaration. In this case, the sums paid on import duties may be returned (offset) in accord.

CHAPTER 11. THE CUSTOMS VALUE OF GOODS

Article 97. General Provisions on the Customs Value

1. The provisions of this Chapter regulate common rules for determining the customs value of goods, in order to apply common customs tariffs of the Customs Union, as well as other measures distinct from customs tariff regulations, introduced (or which may be introduced) to regulate commodity circulation within the Customs Union. Specified provisions shall be applied if the goods actually transit the customs border of the Customs Union when imported into the customs territory of the Customs Union. In relation to such goods the norms of customs procedure, declared when crossing the border, shall be applied.

2. The customs value of goods shall be determined by the declarant or customs agents acting on behalf of the declarant, and in cases prescribed by this Code, by the customs bodies.

3. If the exact value of the customs value of the goods cannot be established in view of the absence of documents confirming the exact details necessary for its calculation, the establishment of the exact value of the customs value of the good may be postponed. In such a case, an application based on the documents and details available to the declarant, and a calculation and payment of customs duties and taxes, based on the declared customs value, may be permitted.

The establishment of customs values in accordance with the first part of this paragraph, as well as the procedure for the declaration and control of the customs value, peculiarities of calculation and the payment of customs duties and taxes for such cases, shall be established by decision of the Commission of Customs Union.

4. The provisions of this Chapter shall not apply to goods for personal use transported across the customs border of the Customs Union.

5. Terms used in this Chapter shall have the following meanings:

"imported goods" - goods transported through the customs border of the Customs Union in order to be imported to the customs territory of the Customs Union;

"goods of the same or" - goods, referring to the common group or of goods, including identical and homogeneous goods, the production of which refers to the relevant of economic activity;

"consistently applied principles of accounting" - system of accounting rules, applied in the manner established by the Republic of Kazakhstan;

"identical goods" - goods that are exactly alike in every respect, including with respect to physical characteristics, quality and reputation. Insignificant differences in appearance shall not serve as a basis for the refusal to recognize goods as identical, provided such goods meet the requirements of this paragraph. The goods shall not be considered as identical if they are not produced in the same country as the valued (imported) goods, or if their development, engineering, artwork, design, sketches and drafting was not carried out in the customs territory of the Customs Union. The notion "produced" in the context of goods also means "extracted", "cultivated", "made" (particularly by way of assembling, or gathering the goods). Identical goods produced by a person other than the producer of the valued (imported) goods, shall be taken into account only in the cases where identical goods of the same producer have not been identified, or when the available information is not acceptable for use;

"similar goods" - goods, which although not identical, have similar characteristics and consist of similar components which allow them to perform the same functions as the goods being valued (imported), and to be commercially interchangeable. When determining the similarity of goods, the following features shall be taken into account: quality, availability of a trademark, and reputation on the market. Goods shall not be considered similar to those being valued (imported) if they are not manufactured

in the same country as the goods being valued, or if their development, engineering, artwork, design, sketches and drafts was not carried out in the customs territory of the Customs Union. The notion "produced" in the context of goods also means "extracted", "cultivated", "made" (particularly by way of assembling and disassembling). Similar goods produced by a person other than the producer of the valued (imported) goods, shall be taken into account only in the cases where goods of the same producer have not been identified, or the available information is not acceptable for use;

"place of arrival of goods in the customs territory of the customs union" - checkpoint across the customs border of the Customs Union, where the goods shall be delivered after the actual transit of the state border of the relevant state. Specifications of that concept in order to determine customs value may be implemented in accordance with the mutual decision of the authorities of the Customs Union;

"related parties" - persons (or entities) who meet one of the following criteria:

- 1) are employees or directors (heads) of one another;
- 2) are legally recognized business partners, i.e. are connected by contractual relations, operate with a view of extraction of profit and incur expenses and the losses connected with implementation of joint activity in common;
- 3) are the employer and the worker or the employee;
- 4) any person who directly or indirectly owns, supervises or is the holder of five or more percent of the issued voting shares of both companies;
- 5) one directly or indirectly supervises the other;
- 6) both are directly or indirectly supervised by a third party;
- 7) together they directly or indirectly supervise a third party;
- 8) are relatives or members of one family.

Persons who are partners in joint business or another activity, and one of them is the exclusive (unique) agent, the exclusive distributor, or the exclusive concessionaire of another, however it was presented, should be considered related for this Chapter if these persons meet at least one of the specified requirements;

"third countries" - states, which are not participants to the Agreement on the creation of a common customs territory and formation of Customs Union on 6 October 2007.

6. A person shall be considered to control another person, if he/she legally or practically applies restrictions or regulations in relation to this person.

Article 98. Determining the Customs Value of Goods Exported From the Customs Territory of the Customs Union

1. The customs value of goods exported from the customs territory of the Customs Union shall be determined on the basis of the transaction value, actually paid or due and payable when selling for export.

2. When determining the customs value of goods, the price of the transaction shall include the following expenses, if they were not included before:

- 1) expenses for delivery of goods to the airport, port or another place of transporting the goods from the customs territory of the Customs Union;
costs of transportation;
expenses related to loading, unloading, transshipment and shipment of the goods;
- 2) costs of insurance;
- 3) expenses incurred by seller:
commission and brokerage compensations;
costs associated with containers or returnable packaging, if they are considered an organic whole with the goods being valued, in accordance with the Commodity Nomenclature of Foreign Economic Activity;
costs of packing, including the cost of packing materials and the packing process;
- 4) royalty and licensing fees associated with the goods being valued, subject to

payment by the buyer, directly or indirectly, as a term of sale of the goods being valued, provided that those royalties and fees are not included in the price actually paid or payable;

5) the amount of direct or indirect income of the seller from any subsequent re-sales, transfer or use of the goods being valued, including the income collected by the state with preferential tax treatment taxable in accordance with the tax legislation of the Republic of Kazakhstan.

6) Taxes charged in the territory of the Republic of Kazakhstan, if in accordance with the tax legislation of the Republic of Kazakhstan or international treaties of the Republic of Kazakhstan, shall be non-compensable to the seller in connection with export of goods for the territory of the Republic of Kazakhstan.

3. When determining the customs value of goods, the following payments and expenditures shall not be included, provided that they are excluded from the price actually paid or payable for the imported goods:

1) expenditures associated with installation, assembly, setting up or rendering technical assistance after the import of equipment into the customs territory of the Republic of Kazakhstan;

2) expenditures associated with delivery of goods after import into the customs territory of the Republic of Kazakhstan;

3) costs of insurance for the delivery of goods after their export from the customs territory of the Customs Union;

4) customs duties and taxes paid in the country of import.

4. In the absence of the price of the transaction, the customs value of importing goods shall be determined based on the declarant's statement from accounting documents of the seller-exporter on expenses related to the production or acquisition, keeping, and transportation of exported goods. The expenditures specified in paragraph 2 of this Article should also be taken into account.

5. In the case of the absence of information, the customs price of the exporting goods shall be determined by the customs bodies on the basis of the available information on identification of identical or similar goods or on the basis of the results of an independent examination.

Article 99. Determination of the Customs Value of Goods Imported Into the Customs Territory of the Customs Union

1. The customs value of goods imported into the customs territory of the Customs Union shall be determined in accordance with the Agreement on the determination of customs value of goods transported through the customs border of the Customs Union (Moscow January 25, 2008), taking into account principles and provisions on the evaluation of goods for the customs purposes of the General Agreement on Tariffs and Trade 1994 (GATT, 1994).

2. The customs value of goods imported into the customs territory of the Customs Union shall be determined if the goods actually crossed the customs border and such goods are placed under the customs procedure for the first time after crossing the customs border of the Customs Union, with the exception of the customs procedure of customs transit. In case of a change of the customs procedure, the customs value of the goods shall be the customs value of the goods specified in accordance with the international treaty of the Republic of Kazakhstan regulating the issues on determining the customs value of goods transported through the customs border of the Customs Union, on the date of acceptance by the customs body of the customs declaration upon their first placement under the customs procedure after the actual crossing of the customs border of the Customs Union.

Article 100. Methods For Determining the Customs Value of Imported Goods

1. The customs value of goods imported into the customs territory of the Republic of Kazakhstan shall be determined through the use of the following methods:

- 1) the transaction value of imported goods;
- 2) the transaction value of identical goods;
- 3) the transaction value of similar goods;
- 4) the deduction of costs method;
- 5) the composition of costs method;
- 6) the reserve method.

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

3. When it is impossible to use the principal method, each of the methods listed above shall be used in sequence. In the process, each subsequent method shall be used when the customs value cannot be determined through the use of the preceding method. Upon the request of the declarant, the deduction method and the composition method may be applied in reverse sequence.

4. The information that is required to determine the customs value of goods in accordance with one of the methods stipulated by paragraph 1 of this Article shall be prepared according to the business accounting principles used in the Republic of Kazakhstan.

5. The customs value of goods and details concerning its determination shall be based on authentic, quantitatively determined and documentarily confirmed information. The procedure for determining the customs value of goods shall be generally applicable i.e. shall not differ depending on the source of delivery of the goods (country of origin, of goods, participants of the transaction and others).

6. The procedures of identification of the customs value of imported goods shall not be used as anti-dumping measures.

Article 101. Method of the Transaction Value of Imported Goods

1. The customs value of goods imported into the customs territory of the Customs Union shall be the price actually paid or payable when sold for export to the customs territory of the Customs Union and supplemented in accordance with the provisions of Article 102 of this Code, on condition that:

1) there is no limitation in relation to the rights of the buyer with respect to the use and disposal of the goods, except for the limitations which:

are established by the mutual decision of authorities of member states of the Customs Union;

- limit the geographical region where the goods may be resold;
- do not influence the price of the good;

2) the sale of goods or their price shall not depend on any conditions or obligations, if their influence on the goods' price cannot be determined quantitatively;

3) no part of the income or revenue obtained from a subsequent sale, disposal in any other way, or utilization of the goods by the buyer shall be due to the seller directly or indirectly, except for the cases when in accordance with the provisions of Article 102 of this Code additional payments may be implemented;

4) the buyer and seller shall not be related parties, or the buyer and seller shall be the related parties so that the price of the transaction involving imported goods is acceptable for customs purposes in accordance with paragraph 4 of this Article.

2. The factually paid or due value of imported goods shall be the total sum of all payments for those goods transferred or being transferred by the buyer directly to the seller or in favor of seller.

3. The fact that the seller and buyer are related parties shall not on its own be the basis for the recognition that the value of the transaction is unacceptable as a

means of identifying the customs value of the goods. In this case, conditions concomitant to the sale shall be considered. If the indicated relationship does not influence the factually paid or due value, the value of the transaction shall be considered acceptable for the purpose of identifying the customs code of the goods.

If the seller and buyer are related parties, and, based on information provided by the person who declares the goods or by any other way, the customs body reveals evidence that the relationship between the seller and the buyer has influenced the factually paid or due value, then the customs body shall inform the person declaring the goods in writing of the existence of this evidence.

4. When selling goods between related persons in the cases specified in paragraph 3 of this Article, the value of the transaction involving the imported goods shall be applied and the customs value of the goods shall be indicated in accordance with paragraph 1 of this Article only if the person declaring the goods proves that the value of the transaction involving the imported goods is close to one of the following checking features recorded at the same moment, or at the relevant moment, at which the imported goods crossed the customs border of the Customs Union:

1) The transaction value of identical or similar goods when such products are sold to customers that are not interconnected with the seller for export to the customs territory of the Customs Union;

2) the customs value of identical or similar goods determined under the provisions of Article 105 of this Code;

3) the customs value of identical or similar goods determined under the provisions of Article 106 of this Code.

5. When comparing the provisions of paragraph 4 of this Article, the following data provided by the person declaring the goods shall be taken into consideration: the differences in commercial levels of sales in the amount of goods, additional charges specified in Article 102 of this Code, as well as the differences in the costs usually borne by the seller in a sale where the seller and the buyer are not related persons, compared with the costs which are not borne by the seller in a sale, where the seller and the buyer are related persons (or entities).

6. The checking features specified in paragraph 4 of this Article shall be used at the initiative of the person declaring the goods, and exclusively with a view to comparison, and cannot be used as a basis for determining the customs value of the goods.

7. The price which is factually paid or due for the imported goods shall be related to the goods moved through the customs border of the Customs Union, and in this regard a transfer from the buyer to the seller of dividends or other similar payments when they are not related with the imported goods, shall not be a part of the customs value.

8. For the import into the customs territory of the Customs Union of data carriers (magnetic disks, magnetic tapes, compact discs, floppy-disks and others) with stored information, the customs value only includes the cost of the carrier of this information, except for cases when the subject of the transaction is information which has been stored on specified carriers

Article 102. Additional Charges

1. When determining the customs value of imported goods based on the transaction value, the following expenses shall be added to the cost of the price actually paid or payable for these goods:

1) the following costs in the amount in which they are transferred or due to be transferred by the buyer, but not included in the price actually paid or due payable for the imported goods:

compensation to intermediaries (agents) and compensation to brokers, except for compensation for the purchase paid by the buyer to the agent (intermediary) for rendering services for its representation abroad, connected with the purchase of the valued (imported) goods;

for the container if it is considered as an organic unit with the imported goods for customs purposes;

for packing, including cost of packing materials and packing services;

2) as appropriate, the distributed cost of the following goods and services provided directly or indirectly by the buyer to the seller free of charge or at a reduced price for use in connection with production and sale for export of the estimated (imported) goods in the customs territory of the Customs Union, in the amount included in the price actually paid or subject to payment for the imported goods:

raw materials, components, semi-finished products and volumes of similar items of which the imported goods consist;

tools, stamps, forms and other similar subjects used in the production of the imported goods;

the materials spent for production of the imported goods;

design, development, engineering, design work, decorating, sketches and drawings executed outside of the customs territory of the Customs Union, and the imported goods necessary for production;

3) a part of the income or revenue received as a result of the subsequent sale or any other disposal or utilization of the imported goods, which is directly or indirectly due to the seller;

4) shipping charges (transportation) of the goods to the airport, seaport or other place of arrival in the customs territory of the Customs Union;

5) expenses related to loading, unloading or transshipment of the goods and carrying out other operations connected with their transportation (transportation) to the airport, seaport or other place of arrival of the goods in the customs territory of the Customs Union;

6) expenses on insurance in connection with the operations specified in subparagraphs 4) and 5) of paragraph 1 of this Article;

7) royalties and other similar payments for the use of objects of intellectual property (including payments for patents, trademarks, copyright) which attach to the valued (imported) goods and which directly or indirectly were produced or are required to be produced as a condition of sale of the valued goods, in an amount not included in the price actually paid or subject to payment for these goods.

In determining the customs value of the imported goods, the following shall not be added to the price actually paid or subject to payment:

payments for the right of reproduction (replication) of the imported goods in the customs territory of the Customs Union;

payments for the right of distribution or resale of the imported goods if such payments are not a condition of sale of the imported goods for export in the customs territory of the Customs Union.

2. The customs value of the valued (imported) goods should not include the expenses listed below provided that they are allocated from the price actually paid or subject to payment by the person declaring the goods, and confirmed by documents:

on construction, erection, assembly, installation, service or rendering of technical assistance performed in relation to the valued (imported) goods, as plants, cars or equipment, after arrival of the goods in the customs territory of the Customs Union;

on transfer (transportation) of the goods carried out after their arrival in the

customs territory of the Customs Union;

customs payments and the taxes paid in the customs territory of the Customs Union in connection with the import or sale of the valued (imported) goods.

3. Additions to the price which is actually paid or subject to payment for the imported goods provided by paragraph 1 of this Article, shall be made on the basis of authentic, quantitatively defined documentarily confirmed information. In the absence of such information necessary for additional charges, the method of the transaction value of the imported goods shall not be applied.

4. In determining the customs value of imported goods, additions to the price actually paid or payable, except specified in paragraph 1 of this Article, shall not be made.

5. In implementing additions to the price actually paid or payable:

1) apportionment of the cost of tools, dies, molds and similar items used in the production of imported goods can be carried out by referring to the whole cost of the customs value of the first installment of the goods or to the customs value of another quantity of goods, specified by a person, declaring goods, that cannot be less than the number of declared goods. This apportionment should be done in a reasonable manner, applied to specific circumstances, depending on the documents available with the person declaring the goods, and in accordance with generally accepted accounting principles.

Thus the cost of the above specified items shall be recognized as their acquisition cost if the buyer purchased items from the seller when the buyer is not a related entity, or the cost of their production if the items are made by the buyer. If the specified items were used earlier by the buyer irrespective of whether they were acquired or made by this buyer, the initial price of acquisition or production shall be subject to reduction in order to determine (define) a cost of these subjects which takes into account their use;

2) with respect to the design, development, engineering, design work, decorating, sketches and the drawings executed outside of the customs territory of the Customs Union, and necessary for production of the imported goods which were acquired or rented by the buyer, in this case the additions are made as part of expenses for acquisition or rent of such elements; if the buyer is presented the elements that belong to governmental or municipal property, in this case the additional charges are made as part of cost (costs) for receiving a copy of them.

When calculating the additional charges according to sub-paragraph 2) of paragraph 1 of this Article, all expenses related with provision (delivery) of them to the seller (including their return if that is provided) are considered, except the cost of the goods (subjects) themselves.

Article 103. A Method of Cost of a Transaction Involving Identical Goods

1. If the customs value of the goods imported into the customs territory of the Customs Union cannot be defined according to Article 101 of this Code, the customs value of such goods shall be the cost of a transaction involving identical goods sold for export in the customs territory of the Customs Union and imported into the customs territory of the Customs Union in the same or in the corresponding period as the valued (imported) goods, or not earlier than ninety (90) calendar days prior to importation of the valued (imported) goods.

For determination of the customs value of the valued (imported) goods on the basis of the current article, the cost of a transaction involving identical goods sold at the same commercial level and in essence in the same quantity as the valued (imported) goods should be used. If such sales are not revealed, the cost of a transaction involving identical goods sold at the same commercial level, but in other quantities, shall be used. Information specified in this section shall be applied for carrying out

corresponding adjustments to the cost considering distinctions in commercial level of sale and (or) in number of the goods.

Such an adjustment shall be carried out on the basis of the data documentarily confirming the validity and accuracy of the adjustment, irrespective of whether it leads to an increase or reduction of the cost of the transaction involving identical goods. In the absence of such data, the method of value of a transaction involving identical goods shall not be used for the determination of the customs value of the goods.

2. Upon the determination of the customs value of the valued (imported) goods according to the present Article, if necessary, the adjustment of the cost of a transaction involving identical goods is executed for the purpose of accounting for a considerable difference in the expenses specified in subparagraphs 4) - 6) paragraph 1 of Article 102 of this Code, regarding the valued and identical goods, caused by differences in distances of their transfer (transportation) and the means of transportation.

3. If more than one cost for a transaction involving identical goods is revealed (taking into account the corresponding adjustments according to paragraphs 1-2 of this Article), the lowest cost shall be applied to determine the customs value of the valued (imported) goods.

Article 104. Method of Cost of a Transaction Involving Similar Goods

1. If the customs value of goods imported into the customs territory of the Customs Union cannot be defined according to Articles 101 and 103 of this Code, the customs value of such goods shall be the cost of a transaction involving similar goods sold for export in the customs territory of the Customs Union and imported into the customs territory of the Customs Union during the same period or the corresponding time period as the imported goods, or not earlier than ninety (90) calendar days before importation of the valued (imported) goods.

When determining the customs value of the valued (imported) goods according to the present article, the cost of a transaction involving similar goods sold at the same commercial level and in essence in the same quantity as the estimated (imported) goods should be used. If such sales are not revealed, the cost of a transaction involving similar goods sold at the same commercial level, but in other quantities, shall be used. If such sales are not revealed, the cost of a transaction involving similar goods sold at a different commercial level, but in the same quantities, shall be used. If such sales are not revealed, the cost of a transaction involving similar goods sold at a different commercial level and in other quantities shall be used. Information specified in this part shall be applied for carrying out the corresponding adjustment of the cost, considering differences in the commercial level of sale and (or) the quantity of the goods.

Such an adjustment shall be carried out on the basis of data which documentarily confirms the validity and accuracy of the adjustment, irrespective of whether it leads to an increase or reduction in the cost of a transaction involving similar goods. In the absence of such data, the method of the transaction value with similar goods shall not be used for determining the customs value of the goods.

2. When determining the customs value of the valued (imported) goods according to the current Article, an adjustment of the transaction value using similar goods shall be made if necessary to identify and take into account considerable difference in the costs specified in subparagraphs 4) - 6), paragraph 1 of Article 102 of this Code, associated with the distance and means of transport of the valued goods and similar goods.

3. If more than one cost of transaction involving similar goods is revealed (taking into account the corresponding adjustments according to paragraphs 1 and 2 of

this Article), the lowest of them shall be used to determine customs value of the valued goods.

Article 105. Method of Subtraction of Cost

1. If the customs value of the valued (imported) goods cannot be defined according to Articles 101, 103 and 104 of this Code, their customs value shall be defined according to this Article, except for cases where according to the statement of the person declaring the goods the order of application of this Article and Article 106 are to be reversed.

2. If either of the valued (imported), identical or similar goods are sold in the customs territory of the Customs Union in the same condition in which they were imported into the customs territory of the Customs Union, the commodity unit price at which the greatest cumulative quantity of the valued (imported), identical or similar goods is sold to unrelated persons shall be used as a basis for determining the customs value the valued (imported) goods, where such sale is carried out in the territory of the Republic of Kazakhstan during the same period of time, or corresponding to it, in which the valued (imported) goods crossed customs border of the Customs Union, under the condition that a deduction of the following sums shall be made:

1) compensation for the intermediary (agent) which is usually paid or subject to payment, or extra charges to the price which is usually made for receiving profit and to cover business and management expenses in values, usually taking place in connection with sale in the customs territory of the Customs Union of goods of the same or a;

2) usual expenses carried out in the customs territory of the Customs Union on transportation, insurance and other expenses connected with such operations;

3) the sums of customs payments, taxes and other taxes, subject to payment in connection with import and (or) sale of the goods in the territory of the Republic of Kazakhstan.

3. If neither valued (imported) nor identical or similar goods are sold in the customs territory of the Customs Union during the same or the corresponding period of time when the imported goods crossed the customs border of the Customs Union, then the customs value of such goods shall be determined based on the commodity unit price for which respectively valued (imported), or identical to the valued (imported), or similar to the valued (imported) goods are sold in the customs territory of the Customs Union in a quantity sufficient for the price determination for each unit of such goods, in the same condition in which they were imported, on the earliest date in relation to the date of arrival of the goods in the customs territory of the Customs Union, but no later than ninety (90) calendar days after that day.

4. If neither valued (imported) nor identical, or similar goods are sold in the customs territory of the Customs Union in the same condition as when they were imported into the customs territory of the Customs Union, then based on the application of the person, declaring the goods, the customs value of the valued (imported) goods shall be determined based on the unit price. This is the unit price of such goods, on which the most aggregate quantity of them is sold after processing (reprocessing) to persons who are not related to the persons from whom they buy these goods in the customs territory of the Customs Union, under condition of deduction of the cost added as a result of processing (reprocessing), and the values specified in subparagraphs 1) - 3) of paragraph 2 of this Article.

Deductions of the costs added as a result of processing (processing), shall be made on the basis of the authentic, quantitatively defined and documentarily confirmed information relating to the costs of processing (processing).

5. The provisions of paragraph 4 of this Article for the determination of customs value shall not be used, if:

as the result of further processing (re-processing) the valued (imported) goods lose their individual features, except for cases when despite the loss of the individual features of the goods, the amount of costs added as a result of processing (re-processing) can be precisely defined;

the valued (imported) goods do not lose their individual features, but comprise an insignificant part in the goods sold in the customs territory of the Customs Union such that the cost of the valued (imported) goods does not have any essential influence on the cost of the goods being sold.

The applicability of paragraph 4 of this Article shall be defined in each separate case depending on real circumstances.

6. When considering the estimated sales of the valued (imported) or identical or similar goods in the customs territory of the Customs Union, sales to persons shall not be taken into account who in connection with production and delivery for export in the customs territory of the Customs Union of the valued (imported) goods directly or indirectly, free or at a reduced price, renders services specified in subparagraph 2) of paragraph 1 of article 102 of this Code.

7. For the purposes of this Article, the value of profit and business and management expenses (direct and indirect costs for selling the goods) shall be considered as an extra charge to the goods' price, covering these expenses, and also providing a profit receipt in relation to the sale of valued (imported) goods of the same or.

The sum of profit, business and management expenses shall be considered as a whole and shall be defined on the basis of the data presented by the producer or on his behalf. If this data does not correspond to the available customs body data about common profit, business and management expenses upon the sale of goods of the same or a for export in the customs territory of the Customs Union, the customs body may define the sum of usual profit and general expenses on the basis of the data available to it.

If the customs body defines the sum of profit and business and management expenses on the basis of the data available to it, the customs body is obliged to specify in writing the source of such data, and also the calculations made on this basis.

8. For the purpose of this present Article, data on sale of goods of the same or the same kind produced in the same country as the valued (imported) goods are used. Whether the valued (imported) goods and the goods to which they are compared are goods of the same or a kind shall be determined separately in each case, taking into account the corresponding circumstances. For this purpose the sales for import into the customs territory of the Customs Union of a preferably targeted group or a range of goods of the same or, including the valued (imported) goods for which the information can be provided shall be considered.

Article 106. Method of Composition of Cost

1. In determining the customs value of goods according to this Article, the estimated value (or cost) of goods shall be considered as a basis, which is defined by adding:

1) expenses related to the manufacturing or acquisition of materials and expenses related to production, and also on other operations connected with production of the imported goods;

2) the sums of profit and the business and management expenses, equivalent to that size which is usually considered at the sale of goods of the same or as valued goods which are produced in the country of export for export in the customs territory of the Customs Union;

3) costs of the elements specified in subparagraphs 4) - 6) of paragraph 1 of Article 102 of this Code.

2. The expenses specified in subparagraph 1) of paragraph 1 of this Article are defined on the basis of data on the production of the valued (imported) goods presented by their producer, or on his behalf and confirmed by commercial documents of the producer, provided that such documents correspond to the standard principles of accounting applied in the country where the goods are produced.

3. The expenses specified in subparagraph 1) of paragraph 1 of this Article should include expenses of a container if for customs purposes it is considered as a unit with the imported goods, expenses on packing, including cost of packing materials and of packing services, as appropriately defined (on the corresponding components - according to provisions of paragraph 5 of Article 102 of this Code) the cost of each subject specified in subparagraph 2) of paragraph 1 of Article 102 of this Code which was directly or indirectly provided by the buyer for use in connection with production of the imported goods. The costs of the design, development, engineering, design work, decorating, sketches and the drawings executed outside of the customs territory of the Customs Union, and the imported goods necessary for production made in the customs territory of the Customs union, should be included only in the degree to which these subjects were paid for by the producer. Thus, expenses should not be considered repeatedly in the determination of estimated cost.

Both, direct and indirect costs of production and sales of the goods for export to the customs territory of the Customs Union, which are not included in subparagraph 1) of paragraph 1 of this Article, should be considered as commercial and administrative costs.

4. The value of profit, commercial and management expenses shall be considered as a whole and shall be defined on the basis of the data presented by the producer or on his behalf. If this data does not match the data available to the customs body on usual profit, commercial and administrative expenses for the sales of the goods of the same for export to the customs territory of the Customs Union, the customs body can define the sum of usual profit and general expenses on the basis of the data available to it.

If the customs body determines the value of profit, business and management expenses on the basis of the data available to it, the customs body is obligated to specify in writing the source of such data, and also the calculations made on its basis.

5. For the purposes of this Article, information on the sale of goods of the same or and produced in the same country as the imported shall be used. An option with respect to whether the valued (imported) goods and the goods to which they are compared are goods of the same or, shall be resolved specifically in each case taking into account the corresponding circumstances. For this purpose, sales for export from the customs territory of the Customs Union shall be considered as a preferably targeted group or a range of goods of the same or, including the valued (imported) goods in which regard the information can be provided.

6. A customs body is not entitled to demand from any person who is not a resident of member states of the Customs Union the submission of documents and data contained in its commercial documents on the production and sale of the valued (imported) goods. However, information provided by the producer of the goods for determination of their customs value according to provisions of this Article can be checked in another country by authorized bodies of the Republic of Kazakhstan with the consent of the producer. Verification of documents and the data presented by the foreign producer or on his/her behalf shall be carried out by customs bodies according to international treaties of the Republic of Kazakhstan and the standards of international principles and norms.

Article 107. Reserve Method

1. If the customs value of the goods cannot be defined according to Articles 101, 103 -106 of this Code, the customs value of the valued (imported) goods shall be defined

on the basis of the data which is available in the customs territory of the Customs Union, by use of the ways compatible with the principles and provisions of this Code.

2. Methods of determination of the customs value of the goods, used according to the present Article, shall be the same as provided in Articles 101, 103-106 of this Code. However, for the determination of customs value according to this Article, flexibility is allowed in their application. In particular, the following is allowed:

The cost of a transaction involving identical or similar goods made in a country other than the country in which the valued (imported) goods were made can be used as a basis for determination of the customs value of the valued (imported) goods;

For the determination of the customs value of the valued (imported) goods based on the value of a transaction involving identical or similar goods, a reasonable deviation shall be allowed as established by Article 103 or 104 of this Code with requirements that the identical or similar goods should be sold for export to the customs territory of the Customs Union and be imported to the customs territory of the Customs Union on the same period or corresponding period time as the valued (imported) goods, or not earlier than ninety (90) calendar days prior to import of the valued (imported) goods;

the customs value of identical or similar goods may be defined according to Articles 105 and 106 of this Code and can be used as a basis for determining the customs value of the valued (imported) goods;

For the determination of the customs value of the valued (imported) goods on the basis of a method stated in Article 105 of this Code, the deviation established by paragraph 3 of Article 105 of this Code of term of ninety (90) calendar days shall be allowed.

3. The customs value of the valued (imported) goods defined according to provisions of the present Article should at the maximum extent be based on earlier defined customs values.

4. The customs value of goods established according to this Article should not be defined on the basis of:

1) the prices for the goods in the domestic market of the Customs Union, made in the customs territory of the Customs Union;

2) the system providing acceptance for customs purposes of the higher of alternative costs;

3) the prices for the goods in the domestic market of the country of export;

4) other costs than those that are subject to inclusion in the estimated value of the goods in the determination of their customs value according to article 106 of this Code;

5) the prices of the goods delivered from the country of their export to third countries;

6) minimum customs value;

7) unconditioned or fictitious values.

If this Article is applied by a customs body, the customs body is required to specify in writing the source of the data used, and also the detailed calculation made on this basis.

Article 108. Declaration of Customs Value of Goods

1. Declaration of customs value of goods shall be carried by the declarant within frameworks of the customs declaration of goods in accordance with the standards established by Chapter 32 of this Code and this Chapter.

2. The declaration of the customs value of imported goods shall be carried out by a declaration of information on the method of determining the customs value of the goods, the value of the customs value of the goods, the circumstances and conditions of foreign trade transactions pertaining to the determination of the customs value of the

goods, as well as providing supporting documents.

Declaring of customs value of exported goods shall be carried out by means of a declaration of information on the customs value of goods, on the conditions and terms of the foreign economic transaction referring to the determination of the customs value of the goods, as well as submission of confirmation documents.

3. The information referred to in paragraph 2 of this Article shall be declared in the declaration of customs value and is the information required for customs purposes.

The procedure of declaration of customs value of goods, as well as the forms of declaration of customs value and the rules of completing it are established by the Customs Union Commission.

The declaration of customs value is an integral part of the declaration of goods.

If the declaration of customs value in cases specified by the Customs Union Commission's decision is not filled out, then information on the customs value of imported goods shall be declared in the declaration of goods. In identifying the indications that the statements in the declaration of information about goods on the customs value of goods may be inaccurate or not properly certified, the customs body may require the submission of a reasoned declaration of customs value.

4. The declared customs value of goods and information submitted relating to its definition should be based on reliable, quantitatively defined and documented information.

5. The declarant or an authorized representative acting on behalf of and for the declarant shall be liable for the inclusion in the declaration of customs value of false information and a failure to perform duties prescribed by Article 286 of this Code, in accordance with the laws of the Republic of Kazakhstan.

Article 109. Control of the Customs Value of Goods

Control of the customs value of goods shall be carried out by customs bodies in the framework of customs control, both before and after the release of goods, including the use of a risk management system.

The procedure for control of the customs value of goods shall be established by the Customs Union Commission.

Article 110. Decisions Regarding the Customs Value of Goods

According to the results of monitoring the customs value of goods, the customs body shall decide whether to accept the declared customs value of goods or an adjustment of the declared customs value of goods in accordance with the provisions of Article 111 of this Code brought to the declarant in the manner and forms as prescribed by the Customs Union Commission.

Article 111. Adjustment of the Customs Value of Goods

1. The decision to adjust the declared customs value of goods shall be made by customs bodies in the process of control of customs value, both before and after the release of the goods if the customs body or the declarant reveals that inaccurate information is declared about the customs value of goods, including the improperly chosen method of determining the customs value of the goods and (or) the (improperly) defined customs value of goods. The decision to adjust the declared customs value of goods made by customs bodies shall contain a justification and the timing of its execution.

2. In adopting the customs body decision on the adjustment of the customs value of goods prior to their release, the declarant shall be required to make adjustments to false information and to pay customs duties and taxes in an amount calculated from the adjusted data, in terms not exceeding the period of release of goods specified in Article 297 of this Code.

If the declarant does not accomplish the correction of false information and does

not pay additionally accrued customs duties and taxes within a time-period not exceeding the period of release of goods, then the customs agency shall refuse to release the goods.

3. In adopting the customs body's decision on the adjustment of the customs value of goods after their release, the declarant shall make corrections of the false information, and shall pay customs duties and taxes in the amount calculated from the adjusted data.

In case of a disagreement with this decision, the adjustment of the declared customs value of the goods and recalculation of payable customs duties and taxes is carried out by the customs body.

4. The adjustment of the customs value of goods and recalculation of due customs duties and taxes before and after the release of the goods, as well as their term of payment, shall be made according to the procedure and according to the form as prescribed by the decision of the Customs Union Commission.

Article 112. Carrying Out Additional Testing

1. In carrying out the inspection of the customs value of goods prior to their release, where customs bodies signs indicating that the information on the customs value of goods may be inaccurate or the declared information is not properly verified, the customs body shall conduct additional checks in accordance with this Code, the term and manner of which shall be established by decision of the Customs Union. The release of goods shall be subject to payment by the declarant of the customs duties and taxes, defined by the customs body according to Article 151 of this Code.

The decision of the customs body to carry out additional testing should be justified and contain a list of specific indications that the information about the customs value of goods may be inaccurate or that declared information is not properly verified. The order, timing and form of communicating the decision to conduct additional testing shall be established by decision of the Customs Union Commission.

Before the adoption by the customs body of solutions regarding the customs value of goods based on the results of additional testing, the control of customs value shall be considered incomplete.

2. If additional testing cannot be carried out within the terms for the release of goods established by Article 297 of this Code, the decision to conduct an additional test shall not constitute a ground for refusing release of the goods. The release of goods shall be performed under condition of provision by the declarant of a guarantee of payment for customs duties, taxes, calculated by the customs body in accordance with paragraph 5 of Article 151 of this Code.

3. To conduct further verification of information stated on the customs value of goods, the customs body is entitled to request additional documents and information from the declarant and set a date for their submission, which should be sufficient for this but which does not exceed the time limit prescribed in Article 268 of this Code.

The declarant shall submit to the customs body the requested additional documents and information or provide a written explanation of the reasons why they cannot be presented.

The declarant has the right to prove the legality of his/her chosen method of determining the customs value of goods, and the authenticity of documents and information provided.

4. If the declarant has not provided the requested documents and information to the customs body and (or) has failed to explain the reasons for which they cannot be presented, or where such documents and information do not eliminate the reasons for the additional inspection specified in paragraph 1 of this Article, the customs bodies shall decide on the adjustment of the declared customs value of the goods as a result of

additional tests, based on information available to it and with reference to the requirements of the international agreement of the member states of the Customs Union that governs the determination of the customs value of goods transported across the customs border of the Customs Union.

5. If upon additional inspection, the customs body decides to adopt the declared customs value of goods, then a return (offset) of the amount of security shall be carried out in accordance with Article 154 of this Code.

SECTION 2. CUSTOMS PAYMENTS

CHAPTER 12. GENERAL PROVISIONS OF CUSTOMS PAYMENTS

Article 113. Customs Payments and Taxes

1. The following terms shall refer to customs payments:

- 1) import customs duties;
- 2) export customs duties;
- 3) value added tax levied on goods imported into the customs territory of the Republic of Kazakhstan;
- 4) excise tax imposed on goods imported into the customs territory of the Customs Union;
- 5) customs duties (customs duties for the declaration of goods, customs escort, and payment for preliminary decisions).

2. Taxpayers, tax calculation and payment procedures, procedures for compensation (allowance) and levies, procedures for the computation of duties, as well as allowances on their payments, shall be set in compliance with the international agreement and (or) customs legislation of the Republic of Kazakhstan.

3. Taxpayers, tax calculation and payment procedures, procedures for compensation (allowance) and levies, procedures for computation of value-added tax, excises taxable by the customs bodies, as well as allowances on their payments, shall be set in compliance with this Code or tax legislation of the Republic of Kazakhstan.

4. Taxpayers, tax calculation and payment procedures, procedures for compensation (allowance) and levies, as well as allowances on their payments, shall be determined by this Code.

5. Special anti-dumping and countervailing duties taxable by the customs bodies shall be determined in accordance with international agreements of the Republic of Kazakhstan and shall be charged in the manner prescribed by this Code for levying import customs duties, unless otherwise established by this Code.

6. With regard to the transportation of goods for private purposes by physical persons, this Section shall be applied taking into account the peculiarities established by Chapter 56 of this Code and by international agreements of the Republic of Kazakhstan.

Article 114.s of Duty Rates

Customs duty rates are divided into the followings:

- 1) ad valorem - rates defined by a percentage of customs value of taxable goods;
- 2) specific - rates fixed depending on the physical characteristics of in-kind goods (by number, mass, volume or other characteristics);
- 3) combination - rates combinings of customs duties listed in sub-paragraphs 1) and 2) of this Article.

Article 115. Customs Charges

1. Customs duties are mandatory payments levied by customs bodies for their actions related to the production of goods, customs escort of goods, as well as other actions prescribed by this Code.

2. s and rates of customs duties shall be established by the legislation of the Republic of Kazakhstan.

3. The value of customs duties shall not exceed the estimated costs of customs bodies for execution of actions for which the customs duty is set.

Article 116. s of Customs Duties

The following terms shall refer to customs duties:

- 1) customs duties for the declaration of goods;
- 2) customs duties for customs escort;
- 3) payment for preliminary decision.

Article 117. Customs Duty for the Declaration of Goods

Customs duties for the declaration of goods paid to the state budget shall not be refunded to the payer.

Article 118. Customs Duties for Customs Escort

In the customs escort of goods transported by several vehicles, the sum of the customs duties shall be divided proportionally by the number of specified vehicles.

Article 119. Payment for a Preliminary Decision

A preliminary decision is a decision in which customs bodies determine the classification of goods and the country of origin of goods in accordance with Articles 79 and 91 of this Code. The payment for a preliminary decision by customs bodies shall be charged in the amount established by the Government of the Republic of Kazakhstan.

Article 120. Payers, Terms and Procedure for Payment of Customs Duties

1. Payers of customs duties and taxes shall be the declarant or other persons who, in accordance with this Code and (or) international agreements of the Republic of Kazakhstan, have the responsibility for payment of customs duties and taxes

2. Customs duties for the declaration of goods shall be paid before or at the moment of submitting the customs declaration, except for the cases specified in paragraph 5 of this Code.

3. Customs duties for customs escort shall be paid after the customs bodies make a decision on customs escort, but not later than on the first day for which the customs escort is organized.

4. Payment for a preliminary decision shall be made by the payer to the customs bodies prior to receiving the said decision.

5. A date upon which a person violates the limitations levied on the use and disposal of goods shall be recognized as the date on which the payment of customs duties for the declaration of goods becomes due. If it is impossible to determine the violation date, the date of registration of the customs declaration shall be recognized as the date of payment of customs duties for the declaration of goods.

The date of payment of customs duties for the declaration of goods in unauthorized movement across the customs border of the Customs Union shall be the date of the movement of goods across the customs border of the Customs Union. If it is impossible to determine the unauthorized movement date, the date of registration of the customs declaration shall be recognized as the date of payment of customs duties for the declaration of goods.

6. The payer shall have the right to pay customs duties in advance, for future customs duties.

7. Customs duties shall be paid to the customs bodies where the goods are released, except for goods released under the customs procedure of customs transit, or to the customs bodies in the territory in which the fact of unauthorized movement of goods across the customs border of the Customs Union is revealed.

8. Transferring the customs duties to the state budget shall be carried out according to the rules provided for transferring customs duties, taxes and fines, established in accordance with this Code.

CHAPTER 13. EXEMPTIONS FROM PAYMENT OF CUSTOMS DUTIES AND TAXES

Article 121. Exemptions From Payment of Customs Duties and Taxes

7. The exemptions from payment of customs duties and taxes under this Code include the following:

- 1) tariff preferences;
- 2) tariff concessions (privileges on payment of customs duties);
- 3) incentives to pay taxes;
- 4) benefits to pay customs fees.

2. Exemptions from payment of customs duties refer to exemptions from the payment of customs duties for the declaration of goods.

3. Tariff preferences are provided in accordance with the legislation and (or) international treaties of the member states of the Customs Union.

Types of tariff exemptions, their application and the cases where they are provided are determined in accordance with international treaties of the member states of the Customs Union.

Exemptions from taxes and customs duties are determined by this Code.

Exemptions from taxes and customs duties are determined by the tax statutes of the Republic of Kazakhstan.

4. Exemptions from customs duties and taxes shall be granted in relation to goods moving across the customs border without being charged.

5. Exemptions from customs duties may not be applied on case-by-case basis, except for the cases specified by Article 122 of this Code.

6. It is forbidden to grant privileges with regard to customs duties based upon other legal acts of the Republic of Kazakhstan.

Article 122. Exemptions From Customs Duties

1. The following goods shall be exempted from customs duties:

1) Vehicles carrying out regular international transportations of goods, luggage and passengers, as well as logistic resources, equipment, fuel, food and other equipment necessary for their use during transportation, during stopovers or for maintenance and repairs;

2) mechanical logistics, equipment, fuel, food and other properties, being transported beyond the customs territory of the Customs Union for provision of the activities by the Kazakhstani or rented (chartered) by Kazakhstani entities sea vessels, carrying out business on the sea, as well as the product of their business, imported into the territory of the Republic of Kazakhstan;

3) money and coins of national or international currency (except for money and coins of cultural significance), as well as securities;

4) goods, except for excisable goods, imported as humanitarian supplies;

5) goods, except for excisable goods (except for light motor vehicles specially designed for medical purposes), imported for humanitarian purposes under the humanitarian guidelines of foreign states, the Governments of the states, and international organizations, which includes technical support.

6) materials imported by the National Bank of the Republic of Kazakhstan and its branches, representative offices and organizations for the production of currency notes;

7) goods imported and exported for official use by international diplomatic representatives and representatives equivalent to them and consular institutions, as well as for private use of persons, referring to diplomatic or administrative and technical staff of these representatives, including the members of their families living with them who are not citizens of the Republic of Kazakhstan and released in accordance with the international agreements of the Republic of Kazakhstan;

8) goods declared in the customs procedure of abandonment to the state;

9) goods obtained through grants provided by foreign states, the Governments of

the states as well as international organizations determined in accordance with the tax statutes of the Republic of Kazakhstan.

2. The order of production of the documents to exempt the goods from the customs duties, specified in this Article, shall be established in accordance with the Government of the Republic of Kazakhstan.

Article 123. Tariff Preferences

1. Tariff preferences shall be understood to mean special advantages in foreign economic activity provided by the state by way of exemption or reduction of the rates of customs duties, or setting a quota for preferential import (or export) of goods.

2. Goods imported to the customs territory of the Customs Union and originating from the states that form a free trade zone with the Republic of Kazakhstan shall be exempted from customs duties. Goods exported from the customs territory of the Customs Union to the specified states and originating from the Republic of Kazakhstan shall also be exempted from customs duties.

3. Based on the system of preferences, goods imported to the customs territory of the Customs Union and originating from developing states shall be charged by customs duties under reduced rates. The list of such states and goods, as well as the corresponding rates of customs duties, shall be approved by a decision of the Customs Union Commission.

4. Based on the system of preferences, goods imported to the customs territory of the Customs Union and originating from the least developed states shall be exempted from customs duties. The list of such states shall be approved by a decision of the Customs Union Commission.

CHAPTER 14. CALCULATION OF CUSTOMS DUTIES AND TAXES

Article 124. The Subject of Customs Duties, Taxes and the Base (Tax Base) for the Calculation of Customs Duties and Taxes

1. The subject customs duties and taxes are goods transported across the customs border.

2. The basis for calculating customs duties depends on the of goods and the applicable rates is the customs value of goods and (or) their physical characteristics (quantity, weight, given its primary packaging, which is inseparable from the goods before consumption and which product is for retail sale, volume or other characteristics).

3. The basis for calculating the tax is determined in accordance with the laws of the member states of the Customs Union.

Article 125. Calculation of Customs Duties and Taxes

1. Customs duties and taxes are calculated by payers of customs duties and taxes alone, except for cases stipulated by this Code and (or) international treaties of the Republic of Kazakhstan.

2. Duties and taxes payable to customs bodies shall be calculated by the customs bodies receiving the said duties and taxes.

3. Payable customs duties and taxes shall be calculated in national currency, except in cases stipulated by international treaties of the Republic of Kazakhstan.

4. The amount of customs duties payable, and (or) recoverable, is determined by applying the base for calculation of customs duties and the appropriate kind of customs duties, unless otherwise prescribed by this Code.

5. The amount of taxes payable and (or) recoverable is determined in accordance with the tax statutes of the Republic of Kazakhstan.

6. In the case stipulated by part two of paragraph 2 of Article 138 of this Code, the amount of customs duties and taxes shall be calculated in accordance with the laws of the member states of the Customs Union in which they are payable.

7. Where foreign goods are produced for domestic consumption, the total amount of import duties and taxes on the goods cannot exceed the amount of customs duties and taxes payable. This does not take into account the benefits of paying the customs duties referred to in subparagraphs 2) and 3) of paragraph 1 of Article 121 of this Code (hereinafter - the benefits on payment of customs duties and taxes), penalties and interest, except in cases where the amount of customs duties and taxes increased due to changes in rates of customs duties and taxes,, tariffs and taxes, operating on the date of acceptance of the customs declaration by customs bodies, along with a statement of the customs procedure in respect of these foreign goods.

8. When the conditionally exempted commodity goods are used for a purpose other than for the goods completely or partly exempted from the payment of customs duties and taxes, the payable customs and taxes payments are calculated based on the rates of customs duties and taxes, being in force on the date of registration of the customs declaration by the customs body, along with the payment of fines according to Article 158 of this Code.

9. If the customs body identifies a violation of the calculation of customs duties, the duties and taxes shall be made payable to the customs body along with the payment of fines according to article 158 of this Code.

Article 126. Application of Customs Duties and Tax Rates

1. For the purpose of calculating customs duties and taxes, the rates shall be applied as of the day of registration of the customs declaration by customs bodies, unless otherwise provided by this Code and (or) international treaties of the Republic of Kazakhstan.

2. For the purpose of calculating import customs duties, the rates shall be applied as established by the Unified Customs tariff of the Customs Union, unless otherwise provided by this Code and (or) international treaties of the Republic of Kazakhstan.

3. For the purpose of calculating export duties, the rates shall be applied as established by the Government of the Republic of Kazakhstan with respect to the products included in the consolidated list of products formed by the Customs Union Commission in accordance with international agreements of the Republic of Kazakhstan governing the use of export duties with respect to third-party countries.

4. For the purpose of calculating taxes during customs procedure, or of identifying an illegal transfer of goods through the customs border of the Customs Union, the rates established by the tax statutes of the Republic of Kazakhstan shall be applied as established by paragraph 5 of this Article.

5. For tax purposes, if it is stipulated (approved) according to the procedure as prescribed by the international agreement of the member states of the Customs Union and the goods placed under the procedure of the customs transit are located in the territory of another member state of the Customs Union, the rates shall be applied as established by the laws of that member state of the Customs Union.

Article 127. Conversion of Foreign Currency for the Purposes of Calculating Customs Duties and Taxes

For the purposes of calculating customs duties and taxes, including for the customs valuation of goods which are subject to foreign economic activity in the customs area, the payer makes the exchange of foreign currency into national currency and (or) national currency into foreign currency in accordance with the exchange rate provided by the tax statutes of the Republic of Kazakhstan. The rate shall be defined as of the date of registration of the customs declaration by the customs body or at the date of customs payment by the payer not connected with the main customs declaration of the goods,

unless otherwise specified by this Code and (or) international treaties of the Republic of Kazakhstan.

CHAPTER 15. TIMING AND THE MANNER OF CALCULATION OF CUSTOMS DUTIES AND TAXES

Article 128. Payers of Customs Duties and Taxes

Payers of customs duties and taxes shall be the declarant or other persons to whom, in accordance with this Code, the international treaties of the Republic of Kazakhstan and (or) the tax statutes of the Republic of Kazakhstan has delegated responsibility for the payment of customs duties and taxes.

Article 129. The Commencement and Termination of the Obligation to Pay Customs Duties and Taxes

1. The obligation to pay customs duties and taxes arises in accordance with Articles 130, 253, 258, 270, 298, 315, 318, 331, 332, 341, 354, 365, 378, 387, 394, 404, 411 and 472 of this Code.

2. The obligation to pay customs duties and taxes is terminated in the following cases:

1) upon the payment or collection of customs duties and taxes in the amounts established by this Code;

2) upon the placement of goods under the customs procedure of release for domestic consumption with the provision of benefits for payment of customs duties, taxes not associated with restrictions on utilization and disposal options of these commodities;

3) upon the destruction (irrecoverable loss) of foreign goods by accident, by major force or as a result of natural loss under normal conditions of carriage (transportation), and (or) storage;

4) where the amount of unpaid customs duties and taxes does not exceed the equivalent of five Euro according to the market exchange rates established in accordance with the tax statutes of the Republic of Kazakhstan in force at the time of commencement of the obligation to pay customs duties and taxes;

5) upon the placement of goods under the customs procedure for abandonment in favor of the state if the obligation to pay customs duties and taxes arose before the registration of the customs declaration on the placement of goods under this customs procedure;

6) transfer of goods to the ownership of the state;

7) upon the repossession of goods, including at the expense of goods' value, in accordance with the statutes of the Republic of Kazakhstan;

8) refusal to release the goods under the declared customs procedure with respect to the obligation to pay customs duties and taxes incurred upon the registration of the customs declaration on placement of goods under this customs procedure;

9) when recognizing it to be uncollectible and written off according to the procedure, determined by this Code;

10) in case of the related circumstances which, according to the Code, are related to the termination of the obligation to pay customs duties and taxes.

3. Customs duties and taxes are not paid:

1) when goods are placed under customs procedures that do not impose such a payment, provided that the conditions of the relevant customs procedures are followed;

2) when goods imported to one recipient from one sender in accordance with one transportation (shipment) document, with the exception of items for personal use, for which the total customs value does not exceed an amount equivalent to two hundred Euro according to the market exchange rates established in accordance with tax statutes of the Republic of Kazakhstan in force at the time of commencement of the obligation to pay customs duties and taxes;

3) when goods are transferred for personal use in cases stipulated by

international agreements of the Republic of Kazakhstan;

4) if, in accordance with this Code, the laws and (or) international treaties of the Republic of Kazakhstan, goods are exempted from customs duties and taxes (not subject to customs duties and taxes), and are subject to the conditions on which such exemptions are granted.

4. The commencement and termination of the obligation to pay customs duties and taxes, when placing the goods under the customs procedures as specified in the subparagraphs 15) and 16) of paragraph 1 of Article 306 of this Code, shall be determined by the international treaties of the Republic of Kazakhstan.

Article 130. The Commencement and Termination of the Obligation to Pay Customs Duties, Taxes and the Timing of Payment of the Illicit Movement of Goods Across the Customs Border

1. The obligation to pay import duties and taxes for the illicit movement of goods across the customs border occurs when goods are imported into the customs territory of the Customs Union.

The obligation to pay export duties for the illicit movement of goods across the customs border occurs when goods are exported from the customs territory of the Customs Union.

2. The obligation to pay customs duties and taxes for the illicit movement of goods across the customs border of the Customs Union jointly arises for the individuals who illegally transported the goods and for persons participating in the illegal transportation, if they knew, or should have known, about the illegal nature of such transportation. With respect to goods imported into the customs territory of the Republic of Kazakhstan, the obligation to pay customs duties and taxes also arises for persons who have purchased for ownership or possession the illegally-imported goods, if at the time of purchase they knew, or should have known, of the illegal nature of the import.

3. The obligation to pay customs duties and taxes on illicit movement of goods across the customs border does not apply to persons referred to in paragraph 2 of this Article and (or) specified by paragraph 2 of Article 129 of this Code.

4. In case of the illegal transportation of goods across the customs border of the Customs Union, except for cases stipulated in part 2 of this paragraph, the date of payment of customs duties and taxes shall be the date on which goods crossed the customs border of the Customs Union, and if this day is not determined, then on the day of the illegal transportation of goods across the customs border of the Customs Union is discovered.

In case of illegal transportation of goods across the customs border of the Customs Union by means of a false declaration, the date of payment of customs duties and taxes shall be considered the day of registration by the customs body of the customs declaration submitted for placement of the goods under a customs procedure, with the exception of a customs procedure of customs transit.

5. With the exception of the cases specified in part two of this paragraph, customs duties and taxes are payable when goods are illegally transported across the customs border of the Customs Union, in the following cases:

1) When goods are imported into the Republic of Kazakhstan, customs duties and taxes are payable in the amount corresponding to the import customs duties and taxes payable for the placement of such goods under the customs procedure of release for domestic consumption, without tariff preferences and exemptions from payment of customs duties and taxes. The amount is calculated based on the rates of customs duties, taxes and currency exchange rate, determined in accordance with the tax laws of the Republic of Kazakhstan, and being in force on the day the goods cross the customs border, and if

this day is not determined, then on the day the illegal transportation of goods across the customs border of the Customs Union is discovered;

2) When goods are exported from the Republic of Kazakhstan, customs duties and taxes are payable in the amount corresponding to the export customs duties payable for placement of such goods under the customs procedure of export, without tariff preferences and exemptions from payment of customs duties and taxes. The amount is calculated based on the rates of customs duties and the currency market exchange rate established in accordance with the tax statutes of the Republic of Kazakhstan in force on the day the goods cross the customs border of the Customs Union, and if this day is not identified then on the day the illegal transportation of goods across the customs border of the Customs Union is discovered.

In case of the illegal transportation of goods through the customs border of the Customs Union by means of a false declaration, the customs duties and taxes shall be payable in the amount corresponding to the customs duties and taxes payable based on authentic information for the placement of such goods under the declared customs procedure on the day of registration of the customs declaration by the customs body, except for a customs procedure of customs transit. In this case the amount of customs duties and taxes paid in the course of the customs declaration shall not be paid (collected) a second time. Excess payments are subject to reimbursement according to Chapters 17 and 18 of this Code.

6. Customs duties and taxes on goods illegally transported across the customs border shall be calculated in accordance with this Chapter.

If it is impossible to determine the amount of customs duties and taxes to be paid due to failure to submit to the customs body the precise information regarding the nature of the goods, their name, quantity, country of origin and customs value, the amount of customs duties and taxes shall be determined based on the largest value of customs duties, taxes, and the number and (or) the cost of goods that can be determined on the basis of available information.

If the required information regarding the goods is revealed following the payment, the amount of customs duties and taxes paid in excess or that is outstanding will be reimbursed or collected by the customs body, executed in accordance with Chapters 17 and 18 of this Code.

Article 131. Deadlines of Payment of Customs Duties and Taxes

1. Terms of payment of customs duties and taxes are established by Articles 130, 253, 258, 270, 298, 315, 318, 331, 332, 341, 354, 365, 378, 387, 394, 404, 456 and 472 of this Code.

2. In determining the customs procedures in accordance with sub-paragraphs 15) and 16) of paragraph 2 of Article 306 of this Code, terms of payment of customs duties and taxes shall be determined in accordance with international agreements of the Republic of Kazakhstan.

3. The customs duties and taxes shall be paid before the release of the goods, except for the cases provided by articles 136, 293 and 294 of this Code.

4. In case of a violation of a deadline for submission of the customs declaration established according to Article 283 of this Code, the term of payment of the customs duties and taxes shall expire on the day of the expiry of the deadline for submission of the customs declaration.

5. In case of the utilization of conditionally released goods for purposes other than those for which the exemption from customs duties and taxes was provided, the date of payment shall be considered the day on which the person violated the restrictions regarding the utilization and disposal of the goods. If it is impossible to establish this date, the date of payment of the customs duties and taxes shall be considered the

day on which the registration of the customs declaration occurred.

6. Where a person submits an application with the intention to use conditionally released goods for purposes other than those for which the exemption from customs duties and taxes was provided, the date of payment shall be considered the day of registration of the specified application with the customs body.

Article 132. Limitation Period

1. The limitation period, established according to the requirements of customs bodies, or upon request of the payer, shall be the time period during which:

1) the customs body is entitled to charge extra to the payer, or to reconsider the extra added sum paid by the payer in customs duties, taxes, and fines;

2) the payer is entitled to demand that customs bodies perform the offset and (or) reimbursement of the sums of customs duties, taxes and fines;

3) the payer is obliged to pay the sum of the customs duties, taxes and fines at the request of custom bodies;

4) based on the statement of the payer, the customs body provides confirmation of the existence of unduly (wrongly) paid sums of customs duties, taxes and fines;

5) the payer is entitled to add to or modify its customs declaration according to the customs statutes of the Customs Union.

2. The limitation period shall be five years in respect of claims initiated by customs bodies or payers.

The expiry date of the limitation period is estimated as follows:

1) from the date of completion of the declaration of goods, except for the cases provided by paragraph 3 of this Article;

2) from the date of registration in the territorial division of the authorized body in customs affairs of the guarantee of payment of customs duties and taxes by way of transfer of the guarantee amount into the temporary deposit account;

3) from the date of acceptance by the customs body of preliminary decisions regarding theifification of the goods based on the country of origin of the goods;

4) from the date of acceptance by the customs body of the decision on customs support.

3. When the goods are under customs control according to the chosen customs procedure, the customs body has the right to calculate or reconsider the amount of customs payments, taxes and fines due during the period of placement of the goods under customs control and five years - after the termination of the period of finding of the goods under customs control.

4. In case of the expiration of the limitation period, with respect to the requirements established in paragraph 1 of this Article, during the customs control period, including after release of the goods, an appeal of the results of a customs inspection and (or) decisions of the higher customs body, made on the basis of consideration of the complaint filed by the payer in accordance with the procedure established by the legislation of the Republic of Kazakhstan, as well as an appeal of the decision, action (inaction) of a customs body and (or) the official of a customs body, then the term of the limitation period shall be extended until execution of the decision of the customs body, made on the basis of the results of customs control, including after the release of the goods, consideration of the complaint and (or) the claim.

Article 133. Changing the Date of Payment of Customs Duties and Taxes

1. The date of payment of customs duties and taxes may be changed. The payment may be deferred or paid in installments.

2. The terms, conditions and procedures for changing the date of payment of customs duties are determined by international agreements of the Republic of Kazakhstan.

3. The terms, conditions and procedures for deferring the payment of taxes are determined by customs statutes of the Republic of Kazakhstan.

Article 134. Definitions and Conditions of Change of the Terms of Customs Duties Payments

1. A change of the terms of payment of customs duties shall consist of an extension of the deadline for payment of import customs duties established by this Code.

2. When the terms of payment of the import customs duties are changed, interest shall not be charged.

3. A deferral is defined as the right of the payer to extend the deadline for payment of customs duties. A payment by installments is defined as the right of the payer to pay the customs duties stage-by-stage in equal installments according to the specified schedule of repayment.

4. A deferral of repayment or a payment by installments of customs duties shall be granted to the payer by the territorial division of the authorized body in customs affairs, or where customs are under condition of at least one of the conditions defined by international treaties of the Republic of Kazakhstan.

5. A deferral of repayment or a payment by installments of customs duties shall be granted in relation to the goods which will be placed under a customs procedure of release for internal consumption, and under condition of guarantee of payment of customs duties according to the procedure as provided by Chapter 16 of the this Code.

Article 135. Decision to Grant a Deferral of Repayment or Payment by Installments of Customs Duties, and the Period of its Validity

1. The decision to grant or to refuse a deferral of repayment or a payment by installments of customs duties shall be taken within ten working days of the date the payer submits the written application and the documents required by the Government of the Republic of Kazakhstan.

The list of the information required in the application for granting a deferral of repayment or a payment by installments of customs duties shall be defined by the international treaties of the Republic of Kazakhstan.

2. The decision to grant or to refuse a deferral of repayment or a payment by installments of the customs duties shall be made in writing, signed by the head of territorial division of the authorized body in customs affairs, the customs office, the person, or his/her acting deputy. This decision shall be sent to the payer within a day, following the day of acceptance by the specified customs body of the decision to grant a deferral of repayment or payment by installments.

The schedule of the payment by installments made by the payer in coordination with the customs body granting the installments shall be attached to the decision granting payment by installments. The specified schedule shall establish the terms of payment of the customs duty and shall be an integral part of this decision.

3. The currency market rate, established according to the tax statutes of the Republic of Kazakhstan in force on the date of registration in the customs body of the application for a deferral of repayment or payment by installments of customs duties, shall be used to calculate the amount of the customs duties declared for a deferral or a payment by installments.

4. A decision refusing to grant a deferral of repayment or a payment by installments of customs duties should contain information on the reason for the refusal.

A decision refusing to grant a deferral of repayment or payment by installments of the customs duties shall be subject to cancellation in the cases specified by the international treaty of the Republic of Kazakhstan. The customs body canceling such decisions shall notify the person who submitted the application for a deferral of repayment or a payment by installments of customs duties in writing.

Article 136. Maturity Dates of Granted Deferral or Payment in Installments of Customs Duties

1. In case of a change with respect to the payment terms of customs duties, the payer shall repay the sums of customs duties:

1) when granting a deferral of repayment: no later than the day of the deferral term expiry;

2) when granting a payment by installments: within the terms of payment of customs duties stipulated in the schedule of payment by installments.

2. In case of late repayment by the payer of customs duties for which the date of payment was changed, or where the imported goods intended for utilization in industrial processing are sold without the implementation of the stipulated condition before the expiry of a period of deferral of repayment or a payment by installments, the territorial division of authorized body in customs affairs or the customs office shall take measures to collect all amounts of customs duties owing, according to the procedure as provided by Chapter 18 of this Code.

Article 137. Determination of the Decision to Grant a Deferral of Repayment or a Payment by Installments of Customs Duties

The decision to grant a deferral of repayment or a payment by installments of customs duty shall be determined according to the following terms:

1) upon termination of the validity period of a deferral of repayment or a payment by installments established by the customs body in its decision to grant the deferral of repayment or a payment by installments of customs duties;

2) in case of early repayment by the payer of all customs duties specified in the decision to grant a deferral of repayment or a payment by installments of customs duties;

3) where the payer sells the imported goods intended for utilization in industrial processing without the implementation of the stipulated condition before the expiry of the validity period of a deferral or payment by installments.

Article 138. The Order of Payment and Transfer of Customs Duties, Taxes and Fines

1. Customs duties, taxes and fines shall be paid (recovered) to the customs body by which the release of goods is arranged, except for goods released in the customs procedure of the customs transit or in the territory in which the illegal transportation of goods across the customs border of the Customs Union is discovered.

2. In case of the creation of an obligation to pay customs duties and taxes on goods placed under the customs procedure of customs transit, customs duties and taxes are payable to the customs body that produced the goods in accordance with the customs procedure of customs transit.

When it is determined (confirmed) as prescribed by the international agreement of the Republic of Kazakhstan that the goods are placed under the procedure of customs transit in the territory of another member state of the Customs Union, customs duties and taxes shall be payable in that member state Customs Union.

3. Customs duties, taxes and fines shall be paid to the budget by the payer by cash, by payment transfer method in the national currency or by way of assessments according to the procedure established by this Code.

4. Customs duties, taxes and fines shall be paid in accordance with the corresponding code of income of uniform budgetaryification of income of the Republic of Kazakhstan (hereinafter - codes of budgetaryification) according to a of the customs duties, taxes and fines.

5. Customs duties and taxes shall be paid through banks of the second level licensed by the National Bank of the Republic of Kazakhstan and through organizations

carrying out separates of banking operations. In the documents required for the payment of customs duties, taxes and fines, the payer shall indicate the payment transfer details of the tax office being in a place of registration of a customs body (further - tax body beneficiary).

6. In case of payment of customs duties, taxes and fines by third parties based on the payer's order, the full name of the payer in whose favor the payment of customs duties, taxes and fines is made shall be specified in a payment reference of the payment document.

7. The payer is entitled to transfer the advance payment for customs duties and taxes against the forthcoming obligations on the customs duties and taxes. Transfer of payment for customs duties and taxes based on theirs shall be made according to the codes of budgetaryification.

8. Paid (recovered) import customs duties shall be credited and apportioned among member states of the Customs Union in the manner prescribed by international agreements of the Republic of Kazakhstan.

9. When the payer or the third party pays the customs duties, taxes and fines in favor of the payer, the receipt report forms provided daily by Treasury bodies to the customs body and the tax beneficiary body, in accordance with the procedure established by the authorized body in customs affairs, shall serve as confirmation of payment, except for the cases provided by this paragraph.

When the payer or the third party pays the customs duties, taxes and fines using the debit (or credit) cards via electronic terminals (or ATM) of the second level banks found in the buildings of customs bodies, the receipt issued by the specified electronic terminal shall be the confirmation of their payment in the budget for release of the goods.

When the payer or the third party pays the customs duties, taxes and fines in favor of the payer through cash desks of the second level banks and the organizations carrying out certain of banking operations located directly on the premises of customs body, receipts issued by the specified cash desks shall serve as confirmation of payment into the state budget for release of the goods.

In this case the second level banks and the organizations carrying out certain of bank operations listed in this paragraph shall have the relevant contracts signed with customs bodies.

10. Those orders, forms, and conditions of payment and of discharge of the duty regarding payment of export customs duties not regulated by international treaty of the Republic of Kazakhstan shall be established by this Code.

11. Rules of transfer to the state budget, or (rules) of refund (offset) of the over-paid (wrongly paid) or unduly collected sums of customs duties, taxes and fines from the budget, in case they are not regulated by this Code and the Customs code of the Customs Union, shall be approved by the Government of the Republic of Kazakhstan.

12. To terminate the obligation of payment of customs duties and taxes with respect to the conditionally released goods specified in sub-paragraph 1) of paragraph 1 of Article 301 of this Code, the payment of customs duties and taxes shall be carried out on the basis of the application of the declarant or the person possessing powers with respect to the conditionally released goods submitted to the customs body executing the conditional release of the specified goods, attaching the payment document confirming payment of the corresponding amounts of customs duties and taxes, as well as the copies of the customs declaration according to which the conditional release of the goods was executed.

Customs duties and taxes shall be paid in the amount corresponding to the customs duties and taxes estimated in the customs declaration upon which the conditional release

of the goods occurred, and not paid due to the provision of privileges on payment of the customs duties and taxes.

Footnote. Article 138 as amended by the Law of the Republic of Kazakhstan dated 05.07.2012 No. 30-V (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 139. Obligations of Banks of the Second Level and the Organizations Carrying Out Certain Bank Operations, Regarding the Transfer of Customs Duties, Taxes, Charges and Fines to the Budget

Banks of the second level and the organizations carrying out certain of banking operations are obligated:

Note of the RCLI!

Action of sub-paragraph 1) is suspended until 01.01.2013 by the Law of the Republic of Kazakhstan dated 30.06.2010 No. 298-IV.

1) to supervise the accuracy of the identification number of the payer according to the rules of formation of identification numbers and information of the authorized state authority of the Republic of Kazakhstan carrying out the formation of identification numbers and maintaining the national registers of identification numbers when receiving payment documents to pay customs duties, taxes, charges and fines to the state budget from residents of the Republic of Kazakhstan;

2) to supervise the accuracy of the identification of the documents confirming the personal identification and other documents established by the statutes of the Republic of Kazakhstan, when receiving payment documents to pay customs duties, taxes, charges and fines to the state budget from nonresidents of the Republic of Kazakhstan;

3) not to detain execution of an order of the payer on transfer of customs duties, taxes, charges and fines and to carry it out within one business day, provided the payer's bank accounts have sufficient funds;

4) to transfer customs duties, taxes, charges and fines no later than the next business day from the date the payer deposits funds into the bank of the second level or the organization carrying out certain of bank operations;

5) to transfer customs duties, taxes, charges and fines no later than the next business day from the date of deduction of money from the bank account of the payer in cases when their payment is made with use of payment cards via electronic terminals of banks of the second level.

Article 140. Control of Payment of Customs Duties, Taxes and Customs Charges

1. Customs bodies shall supervise the correctness of the calculation and timeliness of customs payments and taxes to the state budget, which collection is assigned to the customs body.

2. The manner of accounting of receipts in the budget of customs duties, taxes, customs charges and fines, as well as maintaining personal accounts of the payer shall be established by this Code and where not regulated by this Code, by the Government of the Republic of Kazakhstan.

Article 141. The Calculation of Execution of the Obligation to Pay Customs Duties, Taxes, Customs Charges and Fines

1. The calculation of execution of the obligation to pay customs duties, taxes, customs charges and fines shall be carried out by the customs body, by maintaining a personal account for the payer.

2. The personal account of the payer is a document, including an electronic version, for the account of estimated, deposited (reduced), transferred and paid (taking into account offset and returned) customs duties, taxes, customs charges and fines.

3. Managing the personal account of the payer by customs body includes:

The opening of a personal account;

the subsequent reflection in the personal account of the estimated, deposited, reduced, transferred and paid, offset and returned sums of the customs duties, taxes, customs charges and fines;

the closure of a personal account.

4. The estimated (reduced) sum of the customs duties, taxes, customs charges and fines includes the increase or reduction of the customs duties, taxes, customs charges and fines, carried out:

by the payer in the customs declaration, when updating the customs declaration;

by the customs body according to Articles 290, 399 and 405 of this Code.

5. The transferred sum of the customs duties, taxes, customs charges and fines includes the increase or reduction of the sum of the customs duties, taxes, customs charges and fines, received by a customs body:

upon the results of customs control;

upon the results of consideration by a higher customs body or court of complaint of the payer of the notice of results of post-customs control, or of the decision, actions (inaction) of customs body and (or) the official of customs body;

upon the results of examination of the supervisory authorities;

when making a preliminary decision;

when making a decision on customs support of the goods and vehicles.

6. The personal account of the payer shall be conducted by the of customs duties, taxes, customs charges and fines in a manner and in forms established by the Government of the Republic of Kazakhstan.

7. The personal account of the payer is managed according to the codes of budgetaryification.

8. According to the written statement of the payer verification with customs body on the customs duties, taxes, customs charges and fines shall be carried out within ten business days from the date of registration of the specified statement by the customs body.

Upon completion of the verification, the report is arranged in 2 original copies in a form established by the Government of the Republic of Kazakhstan. One copy of the reconciliation report shall be handed over to the payer and the second copy shall remain with the customs body.

Article 142. Manner of Representation of Data on Absence and (or) Existence of Debt Related to Customs Duties, Taxes and Customs Charges

1. The payer has the right to submit to the territorial division of the authorized body in customs affairs or a statement for receiving data on the absence and (or) existence of debt related to customs duties, taxes and customs charges.

2. The customs body shall represent data about the absence and (or) existence of the specified debt by arranging in writing and shall issue to the payer:

1) the certificates on absence of debt related to customs duties, taxes and customs charges (hereinafter for the purpose of this article - the certificate of absence of debt), required in case of termination of the individual entrepreneur's operation or the state registration of elimination, reorganization of the legal entity;

2) the certificates of absence (existence) of debt related to customs duties, taxes and customs charges (hereinafter for the purpose of this article - the certificate of absence (existence) of debt), in other cases, exceptions established by sub-paragraph 1) of this paragraph).

3. The customs body composes the certificate of absence of debt, the certificate of absence (existence) of debt taking into account these personal accounts opened in customs bodies.

4. The certificate of absence of debt, the certificate of absence (existence) of

debt shall be certified by the signature of the director or his/her acting deputy, and the seal of the customs body issuing the certificate.

5. Where there is termination of activity of the individual businessman or liquidation or reorganization of the legal entity, the certificate of absence of debt and (or) the certificate of absence (existence) of debt shall be issued by the customs body on the basis of the application of the payer for receipt of one of the specified certificates and the reconciliation statement on customs duties, taxes and customs charges.

6. The customs body is obliged to issue the certificate of absence of debt and (or) the certificate of absence (existence) of debt no later than five business days from the date of registration of the statement of the payer upon receiving one of the specified references.

CHAPTER 16. GUARANTEEING THE PAYMENT OF CUSTOMS DUTIES AND TAXES

Article 143. General Terms for Guaranteeing the Payment of Customs Duties and Taxes

1. The obligation to pay customs duties and taxes shall be guaranteed in the following cases:

- 1) the carriage of goods under the customs procedure of customs transit;
- 2) deadlines modification for payment of customs duties, taxes, if it is stipulated by international treaties and (or) the law of the Republic of Kazakhstan;
- 3) placing goods under the customs procedure for processing goods outside the customs territory;
- 4) for the release of goods in accordance with Articles 299 and 300 of this Code;
- 5) placing goods under a customs procedure of a customs warehouse without the actual placement of the goods in a customs warehouse;
- 6) replacement of the foreign goods placed under a customs procedure of processing in the customs territory with equivalent goods;
- 7) the determination of the customs value when the release of the goods is allowed according to Article 112 of this Code;
- 8) periodic customs declaration;
- 9) the placement of goods in the warehouses of the recipient according to Article 265 of this Code;
- 10) carrying out activity as a customs carrier or a customs representative;
- 11) in order to be assigned the status of an Authorized Economic Operator and to carry out activity as an Authorized Economic Operator.

2. The guarantee of payment of customs duties and taxes shall not be required:

- 1) if the amount of payable customs duties, taxes and interest does not exceed the equivalent of five hundred (500) euros according to the market exchange rates established in accordance with the tax laws of the Republic of Kazakhstan and being in force on the day of the registration of the customs declaration; and if the customs declaration is not submitted, then on the day on which the decision not to grant security is made;
- 2) in other cases stipulated by this Code.

3. The guarantee of payment of customs duties and taxes shall be provided by the payer and the customs agent (or representative), and in cases of transportation of goods under the customs procedure of customs transit, any other person on behalf of the payer if this person has the right to possess, use and (or) dispose of the goods for which the provision of guarantee is made for the payment of customs duties and taxes, unless otherwise prescribed by this Code.

4. The guarantee for payment of customs duties and taxes shall be provided to the customs body that executes the release of the goods.

If the guarantee of the payment of customs duties and taxes is provided by the customs representative and (or) customs carrier, such a guarantee shall be granted to the customs body within the authorized area in which it is registered.

5. In case of carriage of goods under the customs procedure of customs transit, the guarantee (or security) for payment of customs duties and taxes may be provided to the customs body of departure or the customs body of destination.

The customs bodies which accept the guarantee (or security) for payment of customs duties and taxes shall issue the document confirming the acceptance of such security. The procedure and form of such a document, as well as its period of validity, are determined by international agreements entered into by the Republic of Kazakhstan.

6. The amount of the guarantee of payment of customs duties and taxes shall be returned on the condition that the customs body has been satisfied that the performance of the obligations has been secured, or when the obligation to secure the payment does not arise again.

7. The procedure of accounting and storage in customs bodies of ensuring payment of customs duties and taxes is established by the Government of the Republic of Kazakhstan.

Article 144. Methods of Guarantee of Payment of Customs Duties and Taxes

1. A guarantee of payment of customs duties and taxes may be provided in the following ways:

- cash (money);
- bank guarantee;
- bail (or collateral);
- pledge of property;
- insurance contract.

2. The payer has the right to choose any means for securing the payment of customs duties and taxes referred to in paragraph 1 of this Article.

3. Execution by the payer of the obligation to pay customs duties and taxes must be ensured continuously throughout the term of the obligation. The guarantee provided for the payment of customs duties and taxes should be valid for a period that is sufficient to ensure the timely submission by the customs body of the requirement to fulfill the commitment made before this customs body.

4. For terminology purposes in the present Chapter, guarantee of payment of the customs duties and taxes by money shall be understood as the depositing of the money into a cash control account held by the customs body where the money of physical and legal entities is temporarily held (hereinafter - depositing the amount of money into the temporary allocation account).

5. The guarantee of payment of the customs duties and taxes in the form of depositing the amount of money into the temporary allocation account of the customs body shall only be applied to those liabilities which arise for the payer against the customs body which has accepted the amount of the guarantee into the temporary allocation account specified by the customs body.

The guarantee of payment of customs duties and taxes in the form of a pledge of property shall cover only on those obligations which arise for the payer against the customs body which concluded the contract of pledge with this payer.

6. The guarantee of payment of the customs duties and taxes can be made by a combination of two or several ways provided by paragraph 1 of this Article.

Article 145. Depositing the Guarantee Funds Into the Temporary Allocation Account of the Customs Body

1. The temporary allocation account shall be opened by the central authorized body on budget performance for the territorial divisions of the authorized body in customs

affairs.

2. The temporary allocation account of customs body money is intended for the payer to deposit the guarantee of payment of customs duties and taxes. The deposit of the guarantee amount into the temporary allocation account shall be performed in the national currency of the Republic of Kazakhstan.

3. If the payer does not satisfy the obligations ensured by the money, the customs body, after identifying the default of the specified obligation, shall transfer from the temporary allocation account to the budget the sum of payable customs payments and taxes after fifteen (15) calendar days.

Article 146. Application of a Bank Guarantee as a Guarantee of the Payment of Customs Duties and Taxes

1. The customs body shall accept bank guarantees, issued by banks that are included in the register of banks having a license for performance of bank operations, as a guarantee of payment of the customs duties and taxes.

2. The content of a bank guarantee should correspond to the requirements established by the legislation of the Republic of Kazakhstan.

3. The customs body shall refuse to accept the bank guarantee as ensuring the payment of the customs duties and taxes in any of the following cases:

1) where the bank that has issued the bank guarantee is not included in the register of banks specified in paragraph 1 of this Article and does not possess the powers to issue a bank guarantee;

2) where the contents of the bank guarantee are noted with the legislation of the Republic of Kazakhstan;

3) where the sum of the customs duties and taxes provided by the bank guarantee exceeds the sum of the customs duties and the taxes confirmed by the bank guarantee;

4) where the termination date of the bank guarantee is less than the period of the required performance obligations of the payer for the guarantee of payment of customs duties and taxes.

When the customs body refuses to accept a bank guarantee as ensuring the payment of customs duties and taxes, the customs body shall notify the payer who has presented the specified bank guarantee in writing, within two (2) working days, and shall include the reasons for such refusal.

4. In case of a failure to fulfill the obligation to pay customs duties and taxes, the customs body shall send to the bank a demand for payment of the sums due for the customs duties and taxes within five (5) working days after the expiration of the dates of performance of the obligation provided by the guarantee of the bank. In this case, fines shall also be charged as of the day following the day of expiration of the period of performance of the obligation for guarantee of the payment of customs duties and taxes.

5. The bank is unconditionally required to pay the customs body the sums due for the customs duties, taxes and fines within two (2) working days from the date of obtaining such requirement. The bank bears the responsibility according to the laws of the Republic of Kazakhstan in default or violation of the terms of execution of the requirement of the customs body

Article 147. Application of the Contract of Guarantee (Deed of Suretyship) as a Guarantee of Payment of Customs Duties

1. The customs body shall accept a suretyship contract signed according to the civil legislation of the Republic of Kazakhstan as a guarantee of the payment of customs duties and taxes. A guarantor may be an individual entrepreneur registered in the Republic of Kazakhstan in accordance with the laws of the Republic of Kazakhstan, as well as a legal entity established under the laws of the Republic of Kazakhstan.

Individual businessmen registered in the Republic of Kazakhstan according to the legislation of the Republic of Kazakhstan, and also the legal bodies created in accordance with the legislation of the Republic of Kazakhstan, can act as a guarantor.

In this case the guarantor should provide payment of customs duties and taxes in one of the following ways:

- deposit of the guarantee amounts into the temporary allocation account;
- bank guarantee;
- pledge of property;
- insurance contract.

The guarantor bears the same level of responsibility as the payer, including with respect to the payment of fines before the customs body.

2. The customs body shall refuse to adopt the contract of guarantee as ensuring payment of the customs duties and taxes in any of the following cases:

- 1) the presented contract of guarantee does not correspond to the civil legislation of the Republic of Kazakhstan;
- 2) payment of customs duties and taxes is not provided by the guarantor;
- 3) the sum of the customs duties and taxes for which payment is confirmed by the contract of guarantee exceeds the sum of the customs duties and taxes confirmed by the contract of guarantee;
- 4) the expiration date of the contract of guarantee does not exceed the deadline for the fulfillment of the obligation on payment of customs duties and taxes.

3. If the payer does not fulfill his/her obligation to pay the customs duties and taxes, the customs body shall send the guarantor the claim to pay the amount of customs duties, taxes and fines due within five (5) working days after the termination of the dates of performance of the obligation provided by the guarantee. Fines shall be charged from the day following the day of the expiry of the time for performing the obligation being guaranteed for the payment of customs duties and taxes.

4. The guarantor must pay the unconditional and obligatory claim for customs duties, taxes and fines to the customs body within five (5) working days from the date of obtaining such demand.

In case of the non-fulfillment or violation of dates of performance of the demand of the customs body, the guarantor bears the responsibility of default according to laws of the Republic of Kazakhstan.

Article 148. Application of Pledge of Property as a Guarantee of Payment of Customs Duties and Taxes

1. The customs body, as security for payment of customs duties and taxes, shall accept a pledge of property based on the property pledge agreement.

2. The customs body shall accept a pledge of assets on the basis of the property pledge agreement as a guarantee of payment of the customs duties and taxes.

The asset pledge agreement shall be made between the payer and (or) the third party and customs body to which the payer is obliged to pay the customs duties and taxes.

The assets pledge agreement shall be signed within fifteen (15) calendar days from the date of the written application of the payer, attaching the report of the appraiser on the market value of the property provided as collateral. The cost, defined in the assessment report made under the contract between the appraiser and the payer according to the legislation of the Republic of Kazakhstan on estimation activity, shall be the market cost of a subject of pledge (mortgage/collateral) for the purpose of guaranteeing the payment of the customs duties and taxes.

The report of the appraiser on an assessment of the market cost of mortgaging property should be made not earlier than fifteen (15) calendar days before the date of

the written request by the payer to customs bodies regarding the conclusion of the contract of pledge.

3. The assets pledge agreement shall be signed in compliance with the following conditions:

1) the assets pledge agreement corresponds to the requirements established by the legislation of the Republic of Kazakhstan;

2) the asset provided as a deposit should be liquid, insured from loss or damage and its market price cannot be less than the value of the payment obligation owing to the customs duties and taxes and being guaranteed by the pledge, including expenses for its sale.

4. Any property, except for the following, can act as a pledge (subject of a collateral) with the view of ensuring the payment of customs duties and taxes:

1) objects of life support (vital facilities);

2) seized or confiscated property;

3) property on which state authorities have imposed restrictions;

4) property encumbered by the rights of third parties;

5) property that has been deemed restricted or prohibited according to the legislation of the Republic of Kazakhstan;

6) electric, thermal energy and others of energy;

7) perishable goods;

8) property rights;

9) property outside of the Republic of Kazakhstan.

5. The subject of a pledge remains in the pledger's possession unless the customs body makes a different decision.

The pledger shall not be entitled to dispose of the subject of the pledge until the day of fulfillment of the obligation accepted by the payer and guaranteed by the pledge.

6. Registration of the pledge shall be carried out according to the civil legislation of the Republic of Kazakhstan.

7. The pledge shall be enforced according to the civil legislation of the Republic of Kazakhstan.

Article 149. Application of an Insurance Contract as a Guarantee of the Payment of Customs Duties and Taxes

1. The customs body shall accept contracts issued by insurance companies, included in the register of the insurance companies having the license for implementation of insurance activity, as ensuring the payment of customs duties and taxes.

2. The contents of the insurance contract should correspond to the requirements established by the legislation of the Republic of Kazakhstan.

3. The customs body shall refuse to accept an insurance contract as guaranteeing the payment of customs duties and taxes in the following cases:

1) where the insurance company which has issued the insurance contract is not included in the register of insurance companies specified in paragraph 1 of this Article;

2) where the insurance contract does not meet the requirements established by the legislation of the Republic of Kazakhstan;

3) where the value of the customs duties and taxes, for which payment is provided with the insurance contract, exceeds the value of the customs duties and taxes guaranteed by the insurance contract;

4) where the expiration date of the insurance contract is sooner than the date of the performance of the obligation of the payer for which there is a guarantee of payment of customs duties and taxes.

When the customs body refuses to accept an insurance contract as ensuring payment of the customs duties and taxes, the customs body shall notify the payer presenting the insurance contract in writing, providing reasons for the refusal, within three (3) working days.

4. If the payer does not fulfill the obligation of payment of customs duties and taxes, the customs body shall send to the insurance organization a demand to pay the sums of the customs duties, taxes and fines due within five (5) working days after the expiration of the term of fulfillment of the obligation provided by the specified insurance contract. In this case, fines shall be charged as of the day following the day of the expiry of the term for fulfilling the obligation for which there is a guarantee of payment of the customs duties and taxes.

5. The demand of the customs body to pay the amounts payable for the customs duties, taxes and fines is subject to unconditional and obligatory execution by the insurance organization within two (2) working days from the date of obtaining such demand. The insurance organization is responsible for any default or failure to perform the demand according to laws of the Republic of Kazakhstan.

Article 150. General Security of Payment of Customs Duties and Taxes

1. If the same person in the territory of the Republic of Kazakhstan undertakes several customs operations at the same time, the customs body may be provided with a guarantee of payment of customs duties and taxes to perform all such operations.

The customs bodies shall accept the general security for payment of customs duties and taxes for the performance in the territory of the Republic of Kazakhstan of customs operations in several customs offices, if such general security of payment of customs duties and taxes can be used by any of the customs bodies in case of a breach of the obligations secured by this general security of payment of customs duties and taxes.

2. Upon the written statement of the payer, the customs bodies shall accept a general security of payment of the customs duties and taxes corresponding to one of the ways for providing a guarantee for payment of the customs duties and taxes established by Article 144 of this Code.

A general security for the payment of customs duties and taxes shall be provided by the payer upon the occurrence or existence of one or several obligations for guarantee of payment of the customs duties and taxes, arising in the cases established by Article 143 of this Code.

Specified general security of payment of the customs duties and taxes shall be accepted by customs bodies for the term defined in the application of the payer. In this case the period of validity of the general security of payment of the customs duties and taxes should exceed the dates of performance of the payer's obligations for guarantee of payment of the customs duties and taxes arising during the period, as specified in the application of the payer.

3. The procedure for applying for general security of payment of customs duties and taxes shall be defined by the Government of the Republic of Kazakhstan.

Article 151. Determining the Amount of the Security of Payment of Customs Duties and Taxes

1. The amount of security of payment of customs duties and taxes is determined based on the amount of customs duties and taxes payable when placing the goods under the customs procedure for the release for domestic consumption or exports, with no account for tariff preferences and exemptions from payment of customs duties and taxes, except for cases stipulated by paragraph 3 of this Article and Chapter 3 of this Code.

2. The amount of security of payment of customs duties and taxes, including the amount of general security of payment of customs duties and taxes, cannot be less than the amount of customs duties and taxes payable, in the same way as when applying for:

1) a customs procedure for the release for internal consumption in respect of goods and vehicles:
transported under procedures of customs transit regulations;
being declared under a customs procedure of a customs warehouse, without actual placement into a customs warehouse;
the excisable goods placed under a customs procedure of re-export;
in the determination of customs value of which the release of the goods is carried out according to article 112 of this Code;
at periodic customs declarations;
placement of goods and transport vehicles in a warehouse of the recipient, according to Article 265 of this Code;
release which is conducted according to Articles 96 and 298 of this Code;
for which the terms of payment of the customs duties and taxes have changed;
in respect of unassembled goods supplied in accordance with the article 84 of this Code;

placed under a customs procedure of processing in the customs territory;

2) a customs procedure for the export of goods placed under a customs procedure for processing outside of the customs territory.

3. When placing goods under a customs procedure of customs transit, the sum of guarantee of payment of the customs duties and taxes is determined by the amount of customs duties and taxes payable when placing the goods under the customs procedures of release for domestic consumption or export without tariff preferences and exemptions from payment of customs duties and taxes, but not less the amounts of customs duties and taxes which would be payable in other member states of the Customs Union as if the goods were located in the territories of these member states of the Customs Union under the customs procedures of release for domestic consumption or export without tariff preferences and exemptions from payment of the customs duties and taxes. The market rate of currencies shall be established according to the tax legislation of the Republic of Kazakhstan and be applied to identify the amount of the guarantee of payment of the customs duties and taxes.

4. If the amount of customs duties and taxes cannot be accurately determined because of a failure to represent to the customs body precise information about the nature of the goods, their name, quantity, country of origin and customs value, the amount of security shall be determined based on the highest rates of customs duties and taxes, the cost of the goods and (or) their physical characteristics (quantity, weight, volume or other characteristics) which can be defined on the basis of available information, according to the procedure established by the Government of the Republic of Kazakhstan.

5. When releasing the goods according to Articles 299 and 300 of this Code, the amount of customs duties and taxes owing shall be set at the amount of customs duties and taxes which can be additionally charged as a result of verification of information that affects the amount of payable customs duties and taxes in compliance with the requirements established by paragraphs 1, 3 and 4 of this Article.

6. With respect to certain goods, fixed amounts for the guarantee of payment of customs duties and taxes can be set in compliance with the requirements established by paragraphs 1, 3 and 4 of this article.

7. With the release of goods in accordance with Article 112 of this Code, the amount of customs duties and taxes shall be defined as the amount of customs duties and taxes that may be additionally charged as a result of additional verification of information that affects the amount of payable customs duties and taxes in compliance with paragraph 4 of this Article.

Article 152. Registration of the Guarantee of Payment of Customs Duties and Taxes

1. Registration of the guarantee of payment of customs duties and taxes, except for general security of the payment of the customs duties and taxes and ensuring of payment of the customs duties and taxes according to a customs procedure of customs transit, shall be made with the customs body which carries out control of the execution of the obligation of payments of customs duties and taxes by participants in foreign economic activity, or persons carrying out activity in the customs sphere.

Registration of the general security of payment of customs duties and taxes shall be carried out in one of the customs bodies where the customs operations demanding guarantee of payment of customs duties and taxes are carried out.

Registration of the guarantee of payment of customs duties and taxes, including general security of customs duties and taxes, shall be carried out no later than one (1) working day following the day of registration of the statement in the customs body.

2. For the registration of the guarantee of payment of customs duties and taxes of the payer, depending on the chosen method for guaranteeing the payment, shall present to the customs body the statement with one (1) of the following documents confirming the payment of customs duties and taxes:

1) copy of the payment document to confirm the transfer of money to the customs body's temporary allocation account;

2) contract for the pledge of property signed between the payer and customs body, and the report of the appraiser with an assessment of the market cost of mortgaging the property;

3) contract of a bank guarantee signed between the bank, the guarantor and the payer, and the bank guarantee;

4) contract of guarantee;

5) insurance contracts.

3. In the application, the following data should be specified:

1) for the individuals being payers:

surname, name, patronymic name (if possible), number and date of issue of the identification document;

address of a permanent residence;

the name of the customs body located in the place of a planned transit of the customs border of the Customs Union (in case of existence of such information);

identification number of the taxpayer;

method of payment of customs duties, taxes;

information about whether this guarantee is a general security for payment of customs duties and taxes;

number and date of the document confirming the method of guaranteeing the payment of customs duties and taxes;

2) for the legal entities who are payers:

name and legal address;

surname, name, patronymic name (if possible) of the head of the legal entity;

the name of the customs body located in the place of a planned transit of the customs border of the Customs Union (in case of existence of such information);

identification number of the taxpayer;

way of ensuring payment of the customs duties and taxes;

information on whether this guarantee is a general security for the payment of customs duties and taxes;

number and date of the document confirming a method of guaranteeing the payment of customs duties and taxes.

4. For record-keeping purposes, the customs body shall issue a card of guarantee of payment of the customs duties not later than one (1) working day following the day of registration of the specified application with the customs body.

CHAPTER 17. RETURN (OFFSET) OF OVERPAID (WRONGLY PAID) OR EXCESSIVELY COLLECTED AMOUNTS OF CUSTOMS DUTIES, TAXES, CHARGES AND OTHER MONIES

Article 153. Overpaid (Wrongly Paid) or Excessively Collected Amounts of Customs Duties, Taxes and Charges

1. Overpaid (wrongly paid) or over-recoveries of customs duties and taxes are customs duties, taxes, customs charges paid or collected that exceed the amounts payable in accordance with the Code and identified as specifics and amounts of customs duties and taxes for specific goods.

2. Mistakenly paid amounts of the customs duties, taxes, customs charges and fines to the state budget is the amount transferred as a result of any of the following mistakes:

1) in the payment document:

the name of the payer is incorrectly specified;

the identification number of the taxpayer is incorrectly specified;

the identification number from the tax authority of the Republic of Kazakhstan is incorrectly specified;

the payment purpose according to the text does not correspond to a code of a payment purpose and (or) to a code of budgetaryification;

2) the payer has incorrectly chosen the (kind) of customs duty, tax, or customs charge;

3) the payer has incorrectly chosen the of customs duty, tax, or customs charges when paying a fine;

4) the payment document of the payer is wrongly executed by the bank or the organization that is carrying the relevant bank operations, which results in a duplicate payment of customs duties, taxes, or fines;

5) the customs duties, taxes, and customs charges are mistakenly paid for goods which are subject to release from payment of the customs duties, taxes, customs charges according to this Code;

6) other mistakes that are connected with the payment of customs duties, taxes, and customs charges.

Article 154. Refund (Offset) of Overpaid or Over-Collected Customs Duties, Taxes and Customs Charges

1. The refund (offset) of overpaid or over-collected customs duties, taxes, and advance payments shall be performed in those cases and according to the procedure as established by the Government of the Republic of Kazakhstan.

Return (offset) of overpaid or over-collected amounts of import customs duties is carried out according to the procedure defined by the Government of the Republic of Kazakhstan, taking into account those considerations established by the international treaties of the Republic of Kazakhstan.

2. In order to have overpaid or over-collected customs duties, taxes, or customs charges and fines returned (offset), the payer may apply to the customs body which executed the customs declaration and customs registration of the goods and vehicles, to issue a preliminary decision no later than five (5) years from the date of overpayment of the paid amounts, with a statement confirming the existence of the overpaid sums of customs duties, taxes, or customs charges.

3. Copies of the following documents should be shown together with the statement providing confirmation of the existence of the overpaid amounts of customs duties, taxes, or charges:

1) the payment documents confirming payment of the amount of the customs duties, taxes, or customs charges;

2) the customs declaration for which the customs duties, taxes, and charges are based, transferred and paid;

3) other documents issued at the customs registration of the goods and vehicles and the preliminary decision onification of the goods or about the country of origin of the goods, for implementation of which the customs duties were paid, presented in cases when the payment was made without declaring the goods.

4. The term of consideration by the customs bodies of the statement providing confirmation of the existence of the overpaid amounts of the customs duties, taxes and customs charges should not exceed ten (10) working days from the date the payer files the application.

5. Registration of the confirmation of the existence of overpaid amounts of the customs duties, taxes and customs duties shall be made by customs bodies on the basis of the protocol of verification of calculations.

6. The return of the overpaid amounts of customs duties, taxes, customs charges and fines to the payer shall be made by the tax authority at the payment location, according to the tax legislation of the Republic of Kazakhstan.

The return of the customs duties, taxes, customs charges and fines shall be carried out by the tax authority on the basis of the tax application submitted by the payer for execution of offset and (or) tax refund, other obligatory payments, customs payments, fines and penalties (hereinafter referred to as - the tax application) with the attachment of the confirmation of the existence of (wrongly) over-paid amounts of customs duties, taxes and charges.

The tax application shall be submitted by the payer no later than fifteen (15) working days from the date of delivery of the confirmation of existence of overpaid amounts of customs duties, taxes and charges.

The offset of the amounts of customs duties overpaid to the budget, taxes, customs charges and fines shall be made by the tax authority according to the procedure and the terms established by Article 599 of the Tax Code for execution of the offset based on the tax application of the payer.

The return or offset of the amounts of the customs duties, taxes, charges and fines overpaid to the budget shall be carried out by the tax authority according to the procedure and the terms established by Article 601 of the Tax Code.

The return of over-paid amounts of customs duties, taxes, customs charges and fines is made by the tax authority according to the procedure and the terms established by Article 602 of the Tax Code, after execution of the offset provided by this paragraph.

7. Where the tax authority has registered its decision about the offset or the return of overpaid amounts of customs duties, taxes, charges and fines, the tax authority will arrange and transfer to the central authorized body for budget execution their conclusion, along with details confirming the existence of overpaid customs duties, taxes and charges, and the payment order on offset or refund of the overpaid (wrongly paid) amounts of customs duties, taxes, customs charges and fines.

8. After carrying out the offset or the return of overpaid amounts on the basis of the documents submitted by tax authorities, the central authorized body on budget performance shall return one (1) copy of the conclusion to the tax body beneficiary, and the second copy shall be transferred to the customs body.

Article 155. Other Cases Where Customs Duties and Taxes Will Be Returned

Customs duties and taxes will also be returned in cases of:

1) recall of the customs declaration (except for the return of customs duties for

customs declaration of the goods);

2) restoration of the most-favored-nation regime or tariff preferences;

3) the granting of tariff privileges in the form of return of paid customs duties;

4) where customs procedures provide for the return of paid amounts of customs duties and taxes upon the export of foreign goods beyond the customs territory of the Customs Union, or upon their destruction or refusal by the state, or upon the importation of Kazakhstan goods or products into the customs territory of the Customs Union;

5) changes to previously declared customs procedure of release for domestic consumption or for the export of goods, if the sums of the customs duties and taxes payable when the goods are placed under the newly selected customs procedure (a customs procedure of release for internal consumption or export of goods) is less than the amounts of the customs duties and the taxes paid at the initial customs procedure.

Article 156. Refund of the Guarantee of Payment of Customs Duties and Taxes

1. The payment guarantee for customs duties and taxes will be returned to the payer by the customs body, including the payment provided by the payer as general security of the payment of the customs duties and taxes, on the condition that the payer executes all of their customs obligations.

2. The guarantee amount held in a temporary allocation account will be returned to the payer by the customs body no later than ten (10) working days from the receipt of the written application submitted by the payer.

3. An application for the return of the guarantee amount from the temporary allocation account shall be submitted by the payer to the customs body after fulfilling their obligations, but no later than five (5) years from the date following the day of fulfilling those obligations, according to Article 132 of this Code.

4. Return of the guarantee amount from the temporary allocation account to the bank account of the payer is carried out by the customs body into whose temporary allocation account the specified amount was transferred, or in case of the elimination of such customs body, by its assignee.

5. The guarantee amount in the temporary allocation account will be returned to the payer after deducting any outstanding debts relating to customs payments, taxes and fines according to the procedure provided by Chapter 18 of this Code.

6. When returning the guarantee amount from the temporary allocation account, no interest shall be paid, the sums shall not be indexed, and bank charges associated with the rendering of bank services shall be covered by the customs body at the expense of the transferred amounts.

7. Based on the application of the payer, the guarantee amount in the temporary allocation amount shall be accepted by the customs bodies as a payment of customs duties, taxes and (or) as a guarantee payment of the customs duties and taxes for a separate obligation owed to customs bodies by the payer.

8. In the absence of the payer's application for return of the guarantee amount from the temporary allocation account, or offset of such amount for other obligations, the customs body shall transfer the guarantee amount from the temporary allocation account to the budget under the following conditions:

execution by the payer of their obligations;

expiration of the limitation period established by Article 132 of this Code.

9. The provisions of paragraphs 4-6 of this Article are also applicable to refunds for temporary anti-dumping, special and compensation duties.

10. If the payer provided an asset pledge agreement as security of payment of customs duties and taxes, upon submission of the written application of the payer on fulfillment of the obligations guaranteed by the pledge of assets, the customs body will

confirm the fulfillment of obligations by the payer within five (5) working days from the date of registration the payer's application.

11. The termination of an obligation subject to a bank guarantee shall be arranged no later than five (5) working days from the date the obligation is fulfilled. The termination of the bank guarantee provided by the payer as a general security of payment of customs duties and taxes shall be arranged by the customs body no later than five (5) working days from the date the last obligation has been fulfilled, and which has arisen for the payer during the period of validity of the general security of payment of customs duties and taxes.

12. The termination of an obligation subject to a suretyship contract shall be arranged by the customs body no later than five (5) working days from the date of fulfillment of the obligation. The termination of the obligation subject to a suretyship contract providing general security of payment of customs duties and taxes shall be arranged by the customs body no later than five (5) working days from the date the last obligation has been fulfilled, and which has arisen against the payer during the period of validity of the general security of payment of customs duties and taxes.

CHAPTER 18. COLLECTION OF DEBTS ON CUSTOMS DUTIES, TAXES AND FINES

Article 157. General Provisions on Collection of Debts on Customs Duties, Taxes and Fines

1. Debt is incurred in the case of non-payment or incomplete payment of customs duties and taxes within the stipulated periods. The debt shall be collected by the customs bodies from the payers according to the procedure established by this Chapter.

2. In the case of a failure to pay or an incomplete payment of customs payments and taxes within the stipulated periods, customs bodies shall collect customs payments and taxes forcibly (forced to be paid out of money stored) at the expense of money and (or) other property of the payer, including at the expense of over-paid customs payments and taxes and (or) the amounts of advance payments, and also at the expense of a guarantee payment of customs duties and taxes, unless otherwise established by the international treaties of the Republic of Kazakhstan.

3. In order for customs bodies to collect debt, the following actions shall be taken:

1) the payer shall be notified by an order provided by Article 159 of this Code;

2) collection of debt on customs payments, taxes and fines at the expense of over-paid amounts of customs payments and taxes, or at the expense of guarantee payment of the customs duties and taxes according to the procedure provided by Article 161 of this Code;

3) the following methods shall be applied as methods for ensuring repayment of debt:

charge of a penalty on the debt sum;

suspension of account transactions of the payer's bank accounts;

suspension of account operations on cash-flow;

adoption of the decision to restrict the payer's ability to dispose of property;

4) The measures of forcibly collecting debt shall be applied in the following order:

through the funds held in the payer's bank accounts;

from the accounts of the payer's debtors;

through the sale of the available property of the payer.

4. The actions provided by paragraph 3 of this Article are applied according to the order provided above, except for fines charged on the amount of debt outstanding for customs payments and taxes.

5. Collection of debt for customs payments, taxes and fines from an individual

entrepreneur and a legal entity shall be executed without recourse unless otherwise provided by this Code. Collection of debt and fines against the physical person shall be arranged by means of a judicial order.

6. Customs payments and taxes shall not be collected:

1) at the end of the limitation period of unpaid customs payments, the taxes, provided by this Code;

2) if the duty on payment of the customs duties and taxes has been terminated in the cases provided by paragraph 2 of Article 129 of this Code.

7. Customs payments, taxes and fines are collected by the customs body by whom the goods are released, except for a case provided by paragraph 8 of this Article concerning goods which have been illegally moved through the customs border of the Customs Union, at which point they will be collected by the customs body that discovered the illegal movement of the goods through customs border.

8. The customs duties and taxes which have not been paid according to the terms established by paragraph 3 of Article 331 of this Code shall be recovered at the expense of the guarantee of payment of customs duties and taxes by the customs bodies of the Member State of the Customs Union, which has been provided with such guarantee of payment.

Customs duties and taxes which have not been paid according to the terms established by paragraph 3 of Article 331 of this Code, and which are payable by an established customs carrier, shall be collected by the customs body of the member state of the Customs Union according to which legislation the person is recognized as a customs carrier.

9. The international treaty of the Republic of Kazakhstan defines the manner for the transfer of customs duties and taxes collected according to paragraph 8 of this Article, and to which member state of the Customs Union the customs duties and taxes are payable.

Article 158. Surcharge on Fines for Debt Outstanding on Customs Payments and Taxes

1. The payer shall pay a fine (surcharge) upon outstanding debt. The portion of the outstanding payments and taxes upon which the surcharge will be applied shall be established by paragraph 2.

2. A fine is charged per day of delay in the payment of customs payments and taxes, beginning on the day following the day of the expiration of the terms of payment of customs duties and taxes including day of payment, in value equal to 2.5 times the official refinancing rate established by the National bank of the Republic of Kazakhstan, per day of delay. The fine is charged and paid irrespective of application of methods of guaranteeing the payment of debt and debt enforcement measures, as well as other sanctions under the laws of the Republic of Kazakhstan.

3. No fine is charged for the amount of the debt incurred by a payer declared bankrupt, from the date of adoption of the court's decision to this effect, or in respect to which the decision on compulsory liquidation is made, or a determination is made on the application of rehabilitation procedure from the date of coming into effect of such a decision or determination.

4. A fine is not charged for debt from the date of entry into force of the court decision recognizing the physical person as a missing person valid by the date of cancellation of the specified decision.

5. A fine is not charged on a fine or on a penalty sum.

6. From the date of repayment, a fine is not charged on the portion of the debt extinguished by virtue of this repayment and covered by overpaid customs payments.

7. A fine is not charged in case of inclusion to the budget of transferred amounts

of customs payments and taxes:

- 1) from the date the money is written-off by banks or the organizations which are carrying out separates of banking operations from the bank account of the payer;
- 2) from the date the payment has been provided or executed by the payer via cash machines or other electronic devices;
- 3) from the date the payer deposits cash into a bank or an organization which is carrying out separates of banking operations.

8. A fine is not charged for outstanding customs payments and taxes, proportional to overpaid amount of customs duties and taxes for this of customs duty and tax, available in the personal account of the payer, from the date of the payment document on the basis of which the over-paid amount was date on personal account of the payer.

Article 159. The Notice of Debt Repayment on Customs Payments, Taxes and Fines

1. The written notice of the payer's obligation to make customs payments, taxes and fines given by customs body to the payer shall be recognized as the notice of repayment of debt on customs payments, taxes and fines. The form of the notice of repayment of debt on customs payments, taxes and fines is established by the authorized body in customs affairs.

2. The notice of repayment of debt on customs payments, taxes and fines based on the results of a customs inspection shall be addressed to the payer:

no later than five (5) working days from the date of delivery to the payer of the protocol (report) of customs inspection;

no later than two (2) working days from the date of identification by the customs body of a debt for outstanding customs payment, taxes and fines on the personal account of the payer.

3. The notice of repayment of debt of customs payments, taxes and fines shall be addressed to the payer irrespective of his/her administrative or criminal liability.

4. The notice of repayment of debt on customs payments, taxes and fines should specify the following:

- 1) the identification number of the taxpayer;
- 2) a surname, a name, a patronymic name (if possible) or a full name, and the legal address of the payer;
- 3) the name of the customs body;
- 4) the notice date;
- 5) the sum of debt owing for customs payments and taxes;
- 6) the sum of fines at the date of the notice;
- 7) the requirements and obligations for the repayment of customs payments, taxes and fines;
- 8) the reasons for sending the notice;
- 9) the procedure for calculating the penalty payments in the payment of customs duties and taxes (procedure for calculating the penalty payments in the payment of customs duties and taxes);
- 10) an appeal order;
- 11) a requirement for the registration and updating of the customs declaration and (or) adjustments of the customs cost of the goods and the terms of their registration.

5. When the payer repays the debt on customs payments and taxes without account of a fine, which is subject to charge from the moment of the registration of the notice of repayment of debt on customs payments, taxes and fines by the repayment date inclusive, the customs body shall submit an additional notice about the repayment of debt of customs payments, taxes and fines.

6. Where reasonable facts have been identified and require a change to the sum of

debt outstanding for customs payments, taxes and fines concerning which according to this Code the notice of repayment of debt on customs payments is directed to taxes and fines, the customs body shall issue a new notice of repayment of debt on customs payments, taxes and fines with a simultaneous review of the originally issued notice of repayment of debt on customs payments, taxes and fines.

7. The response and issuance of a new notice of repayment of debt on customs payments, taxes and fines should be directed no later than five (5) working days from the date of confirmation of the facts justifying the changes to the sum of debt outstanding on customs payments, taxes and fines.

Article 160. The Procedure for Delivering and Executing the Notification of Repayment of Debt on the Customs Payments, Taxes and Fines

1. The notice of repayment of debt on customs payments, taxes and fines should be handed over to the payer personally to obtain his/her signature upon delivery, or by registered mail with the notice. The notice of repayment of debt on customs payments, taxes and the fines as delivered by registered mail is considered received by the payer from the date of the payer's record of delivery in the notice of a mail service or other organization of communication.

2. The requirements contained in the notice of repayment of debt on customs payments, taxes and fines, shall be fulfilled during a term that is not more than twenty (20) calendar days following the date of provision of notification to the payer, except where the payer has appealed the specified notice.

3. An appeal of the notice of repayment of debt on customs payments, taxes and fines is to be made by the payer in an order and according to terms which are provided by Chapter 19 of this Code.

Where the notice of repayment of debt on customs payments, taxes and fines is appealed, the calculation of the date for performance of the requirements contained in the specified notice is suspended for the period from the date of submission of the appeal until a decision regarding the appeal has been made, inclusive. In this case, the appeal shall not suspend the charge of fines.

Article 161. Collecting Debt on Customs Payments, Taxes and Fines Using Over-Paid Customs Payments and Taxes or by a Guarantee of Payment of Customs Duties, Taxes

1. Upon default of the requirements contained in the notice of repayment of debt on customs payments, taxes and fines, the customs body will collect these debts at the expense of over-paid amounts of customs payments and (or) taxes or at the expense of a guarantee of payment of customs duties and taxes.

Thus, the debt on customs payments, taxes and fines using over-paid sums of customs payments and (or) taxes by other of customs payment and (or) a tax is collected by customs body by carrying out offset according to Chapter 17 of this Code.

2. According to this Article, the customs body in writing informs shall inform the payer in writing of the payer on the collection of sums of debt outstanding on customs payments, taxes and fines within two (2) working days from the date of their collection.

Article 162. Suspension of Payer's Bank Account Operations

1. In case of insufficiency of over-paid sums of customs payments and (or) taxes or the amounts of guarantee transferred into the temporary allocation account for repayment of debt, the customs body shall issue the order of customs body regarding the suspension of account transactions in respect of bank accounts of the individual entrepreneur or the legal entity according to the procedure established by the legislation of the Republic of Kazakhstan.

2. The suspension of account transactions on bank accounts extends to all account operations of the payer, except:

- 1) operations relating to debt and fine repayment by the payer;
- 2) specified cases of withdrawal of money:

according to the executorial (executorial/administrative) documents providing satisfactory proof showing indemnification, related to life and health, and also requirements for collecting alimony;- according to the executive documents providing withdrawal of money for payment of severance pay and compensation with persons working according to a labor agreement, payment of compensations under an author's contract, obligations of the client to transfer obligatory pension contributions to pension funds, and payments of social contributions to the State social insurance fund;

on debt and fine repayment, and also according to executive documents on collecting state income.

The order regarding the suspension of account transactions of bank accounts of the payer shall not apply to sums of money which are seized based on the decision of authorized state bodies or officials.

3. The order regarding the suspension of account transactions of bank accounts of the payer is taken out in a form established by the tax legislation of the Republic of Kazakhstan, and comes into force from the date of its receipt by the bank or the organization carrying out the bank operations.

4. The order about suspension of account transactions of bank accounts of the payer shall be executed by banks or the organizations which are carrying out separates of bank operations.

5. The cancellation of the suspension shall be implemented no later than one (1) working day following the remedy of those reasons for the suspension of account transactions of bank accounts.

Article 163. Suspension of Expenditure of Cash Operations of the Payer

1. Suspension of the payer's debt transactions in cash extends to all account operations in cash, except operations on delivery of money to the bank or to the organization performing certain of bank operations, for the subsequent transfer on account of the repayment of debt on outstanding customs payments, taxes and fines.

The resolution about suspension of expenditure operations in cash of the payer shall be made in duplicate, in a form established by the authorized body in customs affairs, one of which is handed over to the payer for his/her signature or execution by other means, confirming the fact of submission and receipt

2. The order of a customs body regarding the suspension of expenditure operations in cash must be executed by the payer.

3. The payer bears responsibility for any violation of requirements of the present article according to laws of the Republic of Kazakhstan.

4. The order of a customs body regarding the suspension of expenditure operations in cash will be cancelled by the customs body no later than one (1) working day after repayment by the payer of debt on customs payments, taxes and fines.

Article 164. Pronouncement of the Decision to Restrict the Payer's Disposal of Property, Targeted at the Repayment of Debt and Fines

1. In the case of a default on debt for outstanding customs payments, taxes and fines during the terms established by the notice of repayment of debt on customs payments, taxes and fines, the customs body shall impose limitations on the disposal of the payer's property.

2. The decision to restrict the payer's disposal of property shall be made by customs body in a form established by the tax legislation of the Republic of Kazakhstan.

3. The decision to limit the disposal of the payer's property shall be imposed in regard to the property owned by the right of ownership or economic control, which balance or market value, depending on the appraisal method, corresponds to the value of

the debt and fines. Where a decision to limit the disposal of the payer's property is adopted, and the property is a lease, including financial leasing and pledge, it shall be prohibited to transfer the ownership right for such property to the lessee and the mortgagee from the date of adoption by the customs body of the decision in respect of the property, and until its cancellation.

4. On the basis of such decision, the customs body shall arrange the protocol of the inventory of property restricted for disposal in a form established by the tax legislation of the Republic of Kazakhstan, and a warning is submitted to the payer about their responsibility for the violations of conditions of ownership, utilization and disposal of the property. The inventory of property restricted for disposal is arranged with the indication of its price defined on the basis of accounting documentation of the payer or an independent assessment, carried out according to the legislation the Republic of Kazakhstan on estimation activity, and is arranged in a form of protocol, made in two copies.

5. The customs body is obliged to hand over to the payer one (1) copy of the decision relating to the restriction of disposal of property and one (1) copy of the protocol of inventory of property.

6. The decision on restriction of property disposal can be cancelled by the customs body which passed such decision, no later than one working day following the day of elimination of the reasons of restriction of property disposal.

Article 165. Collecting Debt and Fines Using Funds Located in the Payer's Bank Accounts

1. Where the payer has defaulted on a debt and fine payment contrary to the terms established by the notice of repayment of debt on customs payments, taxes and fines, the customs bodies shall adopt the decision to collect the money from the bank accounts of the individual businessman or the legal entity in an irreversible order.

The provisions of this paragraph shall not extend to the amounts of money, being the guarantee funds for loans given out by the bank, in the value of an outstanding principal debt of the specified loan, and also on bank accounts which, according to legal acts of the Republic of Kazakhstan on provision of pensions, project financing, and securitization, the imposition of money collection is not allowed.

2. The decision on indisputable collection is adopted in a form of submission of the collection order issued by the customs body to the bank where the payer has an account, ordering the deduction or payment from the payer's account and to transfer the collected money to the state budget.

3. In cases where the bank executes a collection order of the customs body to recover debt from one of the payer's bank accounts, and the customs body issues a collection order in respect of another bank account of the payer, opened in the same bank, the bank shall return to customs body without effecting the attachment of the payment document confirming the fact of execution of the collection order of customs body if such collection orders are issued by customs body for the same amount and a of debt.

4. Collection of debts and fines in an indisputable procedure shall be made from the accounts in the national currency of the Republic of Kazakhstan and in foreign currency. Where the debt and fines are being collected from the accounts in foreign currency, it shall be made in the sum equivalent to the sum of customs payments subject to payment, taxes and fines in the national currency of the Republic of Kazakhstan at a market rate as of the date the debt and fines are collected from the accounts of the payer, according to the tax legislation of the Republic of Kazakhstan.

5. The bank shall execute the collection order of the customs body in order and on those terms which are established by the legislation of the Republic of Kazakhstan.

Footnote. Article 165 as amended by the Law of the Republic of Kazakhstan dated 12.01.2012 No. 539-IV (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 166. Collecting Debt and Fines of the Payer From the Accounts of its Debtors

1. In the event of where the payer - individual entrepreneur or a legal entity- has money in the bank accounts or has no cash lack, the customs body with debt or fines owing to them may collect the money from third parties who owe the payer money (further - debtors).

The payer, no later than ten (10) working days from the date of obtaining the notice of repayment of debt on customs payments, taxes and fines, is obliged to present to the customs body who has directed the notice, a list of debtors and the amounts receivable from those debtors, and, protocols of verifications and confirmations of the mutual transactions made together with debtors and the confirming sums of receivables, if applicable.

Where the payer has repaid the debt owing for customs payments, taxes and fines, the payer is no longer required to present the list of debtors or the protocols of verifications of the mutual transactions. In case of the presence of protocols of verifications and confirmations of the mutual transactions the customs body shall issue the transfer orders for the debtors' bank accounts for debt repayment in respect of customs duties, taxes and penalties after five (5) working days from the day of receipt of notification of debtors about imposing the collection of money from their bank.

Having performed verifications of mutual settlements, the customs body renders the bank accounts of debtors the collection orders for collecting debt for customs payments, taxes and fines after five (5) working days from the date the notification is received by debtors on the collection of money from the bank accounts of debtors.

2. On the basis of the presented list of debtors confirming the sum of receivables, the customs body shall send to debtors the notice on the collection of money from their bank accounts for the repayment of debt on customs payments, taxes and fines within values of accounts receivable. The form of notification about imposing money collection on bank accounts of debtors shall be established by the tax legislation of the Republic of Kazakhstan.

Not later than twenty (20) working days after receiving the notice, the debtor is required to provide to the customs body which has directed the notice the protocol of verifications and confirmations of the mutual transactions arranged together with the payer on the date of receipt of the notice.

3. The protocol of verifications and confirmations of the mutual transactions between the payer and his debtor should contain the following data:

- 1) name of the payer and his debtor, and their identification numbers;
- 2) the name of the customs body where the payer is registered and its debtor being listed in the register of its location;
- 3) requisitions of bank accounts of the payer and his debtor;
- 4) the sum of debt owing by the debtor to the payer;
- 5) the legal addresses, stamps and signatures of the payer and his debtor;
- 6) the date the reconciliation statement was made.

4. On the basis of the reconciliation statement of mutual settlements confirming the sum of receivables, the customs body shall send the collection order about the collection of debt and fines of the payer to the bank account of the debtor.

5. The bank or the organization performing the bank operations of the debtor and (or) payer are obliged to execute the collection order sent by customs body about the

collection of the amount of debt and fines of the payer according to the requirements defined by Article 165 of this Code.

Article 167. Collection Through Sale of Property Limited within Disposal of the Payer

1. Where there is no money or an insufficient amount of money being held by the payer in his/her bank accounts, or the cash and money in the bank accounts of his debtors, the customs bodies shall adopt, without payer's consent, the resolution to foreclose on the payer's property for which the disposal has been limited.

2. The resolution to foreclose on the payer's property for which the disposal has been limited shall be executed in two (2) copies in a form established by the tax legislation of the Republic of Kazakhstan, one of which shall attach a copy of the decision to restrict the disposal of the property and the protocol of the property inventory submitted to the authorized legal entity.

Footnote. Article 167 as amended by the Law of the Republic of Kazakhstan dated 28.12.2010 No. 368 - IV (shall be enforced upon expiry of ten calendar days after its official publication).

Article 168. The Procedure for Selling the Payer's Property for Which the Disposal is Limited to Account for the Debts for Customs Payments, Taxes and Fines

1. Where the payer's disposal of property has been limited, the sale of this property is carried out by the authorized legal entity.

2. Where the payer's disposal of property has been limited, the procedure for selling this property to account for debts in customs payments is established by the Government of the Republic of Kazakhstan.

Footnote. Article 168 as amended by the Law of the Republic of Kazakhstan dated 28.12.2010 No. 368 - IV (shall be enforced upon expiry of ten calendar days after its official publication).

Article 169. Recognition of the Payer as the Bankrupt

1. Where the payer has defaulted on paying the sum of debt owing in customs payments, taxes and fines after taking all measures provided by this Chapter, the customs entity has the right to take measures to declare him/her bankrupt according to legislative acts of the Republic of Kazakhstan.

2. The order to eliminate the payer's debt who has been declared bankrupt is carried out according to the legislation of the Republic of Kazakhstan on bankruptcy.

Article 170. The Publication of the Lists of the Payers Having Debts on Customs Payments, Taxes and Fines in the Mass Media

1. The bodies of customs service shall publish in the mass media the list of those payers who are in arrears on customs payments, taxes and the fines, and whose debt has not been extinguished within six (6) months from the date they were accrued.

The lists will contain the payer's the surname, a name, a patronymic (where applicable), their taxpayer identification number; a surname, a name, a patronymic (where applicable) of the head of the payer; and total amount of debt owing for customs payments, taxes and fines.

2. The list of those payers who are in arrears shall be placed on an Internet resource of the authorized body in the customs issues, and will be updated monthly no later than the twentieth (20th) date following the reporting month.

Article 171. Manner of Repayment of Debt and Fine

The order of repayment of debt on customs payments, taxes and fines is defined by the tax legislation of the Republic of Kazakhstan.

Article 172. Recognition that Customs Payments, Taxes and Fines are Uncollectable and the Write-off Those Sums of Customs Payments, Taxes and Fines

Where the collection of those sums of customs payments, taxes and fines appears impossible and are admitted hopeless, they shall be written off according to the procedure and on the basis as established by the legislation of the Republic of Kazakhstan.

CHAPTER 19. THE MANNER TO APPEAL NOTICES REGARDING THE PAYMENT OF DEBTS ON CUSTOMS PAYMENTS, TAXES AND FINES

Article 173. Right to the Appeal

1. The appeal of notices of repayment of debt on customs payments, taxes and fines (further - the notice of debt repayment) is carried out in an order established by the legislation of the Republic of Kazakhstan, taking into account the features provided by the present section.

2. The following individuals have the right to appeal notices of repayment of debt:

1) the customs applicant in whose respect the notice of debt repayment is issued, or its representative;

2) the person performing activity in the sphere of customs affairs in whose respect the notice of debt repayment is issued, or its representative.

Article 174. The Bodies Considering the Appeal Regarding the Notice of Debt Repayment

1. According to the provisions provided by this Code, a revision of the appeal regarding the notice of debt repayment (hereinafter - the appeal) submitted based on results of customs inspections, shall be executed by the customs body which has submitted the notice of redemption of debt, and (or) higher customs body.

2. The persons specified in paragraph 2 of Article 173 of by this Code, according to the legislation of the Republic of Kazakhstan, have the right to appeal against the notice of debt repayment in a judicial order.

Article 175. Order and Appeal Terms

1. The appeal shall be submitted to the customs body within twenty (20) calendar days from the date the notice of debt repayment has been delivered.

The registration of the appeal is carried out on the day that it is accepted by the customs body.

2. The person specified in paragraph 2 of Article 173 of this Code that submits the complaint to the higher customs body should send a copy of the appeal to the customs body which submitted the notice of debt repayment.

Article 176. Appeal Form and Content

1. The appeal shall be submitted in writing.

2. The appeal should specify:

1) the date the appeal is submitted;

2) the name of customs body to which the appeal is submitted;

3) a surname, a name, a patronymic (where applicable) or a full name of the person making the appeal, and their residence (location);

4) the name of the customs body which has issued the notice of repayment of debt;

5) the circumstances upon which the person making the appeal proves his claims, and also data confirming these circumstances;

6) a list of enclosed documents.

3. In the appeal, other important data that is to be considered can be specified.

4. The appeal shall be signed by the person submitting the complaint or his representative.

5. The following shall be attached to the appeal:

- 1) a copy of the notice of debt repayment;
- 2) the documents supporting the circumstances on which the person submitting the appeal is proving the facts that are claimed in the complaint
- 3) other documents concerning the case.

Article 177. Refusal in Appeal Consideration

1. The customs body may refuse to consider an appeal where:
 - 1) the submission of the complaint is in violation of the term of the appeal established by Article 175 of this Code;
 - 2) failure to meet the requirements of form and content of the complaint as established by Article 176 of this Code;
 - 3) the submission of the appeal by the person which has not been specified in paragraph 2 of Article 173 of this Code.
2. In considering the appeal, the customs body will inform the person who made the appeal on the refusal to hear the appeal within ten (10) working days from the date of registration of the appeal.
3. The refusal of the customs bodies to consider the appeal shall not exclude the person's right to repeatedly submit the appeal within the timeline established by Article 175 of this Code.

Article 178. Order of Consideration of the Appeal

1. Upon receipt of the appeal, the customs bodies must make their decision no later than thirty (30) calendar days from the date the appeal was registered, except for the cases provided by paragraph 2 and subparagraph 2) of paragraph 4 of this Article.
2. The term for considering the appeal can be suspended in an order defined by Article 180 of this Code.
3. Where the documents which have not been presented during customs control are attached to the appeal, customs bodies shall consider such documents.
4. In considering the appeal, the customs bodies have the right:
 - 1) to send inquiries to the person who submitted the appeal, and (or) to the customs body, in order to obtain additional (in writing) information or explanations regarding the issues/questions stated in the appeal;
 - 2) to send inquiries to the state authorities, and also to the appropriate bodies of foreign states with questions that are within the competence of such bodies;
 - 3) to request an explanation from officials of the customs body who were taking part in carrying out customs control for any questions which may arise.
5. Interference in the activity of the customs bodies reviewing the appeal, and which may impact the officials involved in consideration of the appeal, is forbidden.

Article 179. Decision-Making by Results of Consideration of the Appeal

1. Once the appeal consideration has been terminated, the customs bodies shall issue their decision in writing or in person, to the person making the appeal. In cases where the appeal is being considered by a higher customs body, a copy of the decision regarding the appeal goes to the customs body which has issued the notice of repayment of debt.
2. After the appeal has been considered, the customs bodies can accept one of the following decisions:
 - 1) to leave the complying notice of debt repayment unchanged, and to dismiss the appeal;
 - 2) to cancel completely or in a part the complying notice of debt repayment.
3. Where there has been a decision to completely cancel the notice of debt repayment, the customs body which has exposed the notice of repayment of debt must within five (5) working days from the date of decision and (or) from the date the decision of higher customs body has been received, withdraw the notice of debt

repayment.

Where there has been a decision to partially cancel the complying notice of debt repayment, the customs body which has issued the notice of repayment of debt must withdraw the notice of debt repayment, and take out the new notice of repayment of debt and send this new notice to the appellant no later than ten (10) working days from the date of the decision and (or) from the date the decision of the higher customs body has been received.

Article 180. Suspension of the Term for Consideration of the Appeal

1. The term of consideration of an appeal shall be suspended in cases of:

- 1) sending of inquiries to state authorities and to the appropriate bodies of foreign states and other organizations where the knowledge is within the competence of such bodies, up until the date the answers are received;
- 2) submission of a statement of claim into the court regarding questions stated in the appeal, up until adjudication.

2. The customs bodies shall inform the person in writing of any suspension of term of consideration of her/his appeal, with the reasons for the suspension of this term.

Article 181. Form and Content of the Decision of Customs Body

In the customs bodies' decision, the results of their consideration of the appeal should specify:

- 1) the decision-making date;
- 2) the name of the customs body which has considered the complaint;
- 3) a surname, a name, a patronymic (where applicable) or a full name of the person who made the complaint;
- 4) a summary of the complying notice of debt repayment;
- 5) summary of the complaint;
- 6) justification or reasons that make reference to the customs legislation of the Customs Union and (or) legislations of the Republic of Kazakhstan by which the customs body was guided in their pronouncement of the decision on the complaint.

Article 182. Consequences of Submission of the Appeal to the Customs Body and (or) to the Court

1. Where the appeal has been delivered to the customs body and (or) the court, there shall be a suspension of the execution of the notice of debt repayment.

2. Upon the submission of the appeal to the customs body, the execution of the notice of debt repayment of a disputed part shall be suspended until the written decision is rendered by the customs body and the expiration of the period specified in Article 180 of this Code.

Upon the submission of the appeal to the court, the execution of the notice of debt repayment in the appeal shall be suspended until the court decision is entered into force.

SECTION 3. CUSTOMS CONTROL

CHAPTER 20. CUSTOMS CONTROL: GENERAL PROVISIONS

Article 183. Principles of Customs Control

1. When exercising customs control, customs bodies shall proceed from the principle of selectivity, and limit themselves only to those forms sufficient to comply with the customs legislation of the Customs Union and the legislation of the Republic of Kazakhstan, the control over which is the responsibility of the customs bodies.

2. When choosing objects and forms of customs control, a system of risk management shall be used.

3. To improve customs control, customs bodies shall interact with the customs bodies of foreign states in accordance with international treaties of the Republic of Kazakhstan.

4. To improve the efficiency of customs control, customs bodies shall interact with other state regulatory agencies, as well as with foreign trade operators; authorized economic operators; customs brokers; customs carriers; and individuals, whose activities are associated with the development of foreign trade and professional alliances in the form of associations (unions).

5. Within its competence and in accordance with the legislation of the Republic of Kazakhstan, customs bodies shall exercise others of control, including export; currency; and radiological control.

6. Permissions, orders, or decrees, as well as their registration with other regulatory agencies shall not be required for the exercise of customs control, except for the cases provided for by this Code.

Article 184. Exercising Customs Control

1. The customs bodies shall exercise customs control in accordance with customs legislation of the Customs Union and the legislation of the Republic of Kazakhstan. Authorized customs officials shall exercise customs control in accordance with their official duties on behalf of the customs bodies.

2. Customs officials shall exercise customs control with regard to:

- 1) goods and vehicles transferred across the customs border of the Customs Union and subject to customs declarations in accordance with this Code;
- 2) customs declarations, documents and information on goods subject to declaration in accordance with the customs legislation of the Customs Union and the legislation of the Republic of Kazakhstan;
- 3) activities of individuals related to goods transferred across the customs border of the Customs Union; providing customs services; as well as other services provided under separate customs procedures;
- 4) individuals crossing the customs border of the Customs Union.

3. Customs control shall be exercised in the customs controlled areas as well as in other sites determined by the customs bodies where goods, vehicles and customs documents, including in the electronic form, are located.

Article 185. Goods Under Customs Control

1. When imported into the territory of the Republic of Kazakhstan, goods shall be deemed to fall under customs control from the moment of transfer across the customs border.

Goods manufactured and located in the customs territory of the Republic of Kazakhstan, and which acquired the status of foreign goods in accordance with this Code, shall be deemed under customs control from the moment of their formation.

2. The goods specified in paragraph 1 of this Article shall be deemed to fall under customs control until:

- 1) placement under the customs procedure of release for domestic consumption, except for conditionally released or re-imported goods;
- 2) conditionally released goods have acquired the status of goods of the Customs Union in accordance with paragraph 5 of Article 301 of this Code;
- 3) placement of goods under customs procedures of refusal in profit of the state, or their destruction in accordance with this Code and (or) the legislation of the Republic of Kazakhstan;
- 4) appropriation of the property in profit of the Republic of Kazakhstan in accordance with the legislation of the Republic of Kazakhstan;
- 5) actual export from the territory of the Republic of Kazakhstan;
- 6) ification of wastes generated as a result of processing operations of foreign goods on the customs territory as unfit for further commercial use;
- 7) acceptance of a part of foreign goods placed under the customs procedure of

processing in the customs territory or processing for domestic consumption, as production losses.

3. The goods specified in paragraph 1 of this Article shall not be deemed to fall under customs control after recognition by Customs bodies that their destruction (irretrievable loss) has occurred due to an accident or force majeure, or due to natural loss under the normal conditions of carriage (transportation) and storage, or as a result of the occurrence of other circumstances in the cases stipulated by international treaties and (or) the legislation of the Republic of Kazakhstan.

4. The goods shall fall under customs control when they are exported from the territory of the Republic of Kazakhstan with the registration of a customs declaration and other documents to be used as a customs declaration, or with the occurrence of an action directly aimed at the export of goods from the customs territory of the Customs Union and to the customs border.

5. The goods specified in paragraph 4 of this Article not actually removed from the territory of the Republic of Kazakhstan shall not be deemed to fall under customs control from the revocation date of the customs declaration in accordance with Article 290 of this Code.

6. Customs bodies shall supervise individuals in complying with the obligations to re-import or export the goods, including goods received as a result of the processing of goods, if such goods are subject to mandatory re-import or export in accordance with customs procedures set forth by this Code.

7. Customs bodies shall be entitled to stop vehicles and forcibly return sea, inland waterways ships and aircrafts which have left the territory of the Republic of Kazakhstan without permission of the customs agency. Actions to detain (return) foreign ships and vessels from other states shall be performed in accordance with the legislation and (or) international treaties ratified by the Republic of Kazakhstan.

In the event of a detention of a motor vehicle outside of customs controlled areas for the purpose of customs control of goods and documents, the time period of such detention shall not exceed two hours. To exercise such control procedure, a formal report shall be filed in the form provided for by the Customs Union Commission, a copy of which shall be delivered to the carrier.

Article 186. Customs Controlled Areas

1. To exercise customs control at checkpoints across the customs border of the Customs Union, as well as in facilities for customs declaration and other customs operations, customs bodies shall establish customs controlled areas. The temporary storage areas and the warehouses of temporary storage, customs and free warehouses, special economic zones and duty free shops shall be deemed customs controlled areas as well.

2. Customs control areas shall be established in accordance with the order of the head (or his deputy) of the territorial subdivision of the authorized customs body in the region of the customs control areas on the territories of the checkpoints, in the facilities of customs declaration and for carrying out other customs operations specified by this Code.

3. Borders of the customs controlled areas shall be limited by a conventional boundary and shall be marked:

1) in the places where customs procedures are executed: by signs, altitude - 50 centimeters; - 100 centimeters. The heading "Customs Controlled Area" shall be written on a blue field in white letters of altitude 10 centimeters and of 3.7 centimeters in three lines in three languages (Kazakh, Russian and English);

2) on the water - the heading "Customs Controlled Area" shall be made by red buoys and light-reflecting paint.

4. Access to customs controlled areas shall be provided on the basis of:

1) permanent passes for officials of the relevant regulatory agencies of the Republic of Kazakhstan serving in customs controlled areas, upon presentation of the service certificate.

2) orders for law-enforcement officials or special authorities according to the procedure established by the legislation of the Republic of Kazakhstan;

3) permanent passes for officials of the organizations whose activity is connected with direct presence in the customs controlled area.

Permanent passes shall be issued for a period of one year on the basis of a written statement from the relevant controlling authorities or organizations and shall be signed by the head of the territorial subdivision of the authorized customs body. Customs bodies that issue the specified pass shall register the passes in the special log book;

4) temporary passes for government officials to perform duties directly related to temporary presence of the indicated persons in the customs controlled areas;

Temporary passes shall be issued on the basis of a temporary presence of the person in the customs controlled area based of his/her written statement.

5. Access to the customs control areas without requiring passes shall be implemented in respect of:

1) the officials of the customs bodies performing their duties in the customs controlled areas during their working hours, upon presentation of the certificate of employment;

2) Persons presenting the goods and vehicles under the customs controlled areas, as well as individuals crossing the customs borders of the Customs Union.

Customs officials shall not be authorized to stay in the customs controlled areas beyond working hours unless authorized by the head of the customs body.

6. Transfer of goods and vehicles across the border of the customs controlled areas and within their boundaries shall be authorized by customs bodies.

7. Conducting manufacturing and other business activities, as well as discovery of sensitive projects in the customs controlled areas shall not be allowed, except for the cases when the specified activity corresponds to the designation of the temporary storage place or warehouse, free warehouse, customs warehouse, or duty free shop.

Article 187. Submission of Documents and Information Required for Customs Control

1. A declarant, persons providing customs services and other interested individuals are required to provide documents and information required for customs control to customs bodies, in verbal, written and (or) electronic forms.

2. The customs body shall be entitled to request information and documents required for customs control, in writing and (or) in electronic forms, and may set the submission deadline.

The submission deadline set by customs body shall be sufficient to present the documents and information requested.

3. For the purpose of customs control and in accordance with the legislation of the Republic of Kazakhstan, customs bodies shall be entitled to request documents and information on certain external financial transactions from banks and financial institutions.

4. For the purposes of customs control after the release of the goods, customs bodies shall be entitled to request and receive business and accounting documents, and other information, including in electronic form, with regard to the transfer of goods across the customs border as well as with regard to their production and use within or outside of the customs territory of the Customs Union.

5. Documents required for customs control shall be kept by individuals and customs bodies for five years from the closing date of the goods under customs control, unless otherwise provided for by the legislation of the Republic of Kazakhstan.

Individuals providing customs operations must keep the documents required for customs control for five years following the year in which the customs operations took place.

Article 188. Customs Control After the Release of Goods

Customs bodies shall exercise customs control after the release of goods within five years from the termination date of the goods under customs control.

Customs control after the release of goods shall be exercised in the form and procedure provided for by Chapters 21 and 24 of this Code.

Article 189. Customs Control on the Turnover of Goods Imported Into the Customs Territory of the Customs Union

Customs bodies shall exercise customs control on the turnover of the goods imported into the customs territory of the Customs Union, to verify the information confirming the fact of issuance of such goods in accordance with the terms and conditions of the customs legislation of the Customs Union, including check marks or other identification marks on goods used to confirm the legality of the importation of the goods into the customs territory of the Customs Union.

Article 190. Participation of an Expert in Conducting Customs Control

1. Where necessary for participation in the commission of specific actions in relation to customs control, professionals with expertise and skills necessary to assist the customs bodies, including the application of technical means are prohibited from holding any interest in the outcome of such actions.

2. Hiring of an expert shall be carried out on a contractual basis.

3. An expert shall be entitled:

1) to examine materials regarding the specific acts committed with his/her participation;

2) to examine the documents to be signed as the result of customs control and to make statements or comments on their actions.

4. Experts shall:

1) participate in the commission of acts that require special expertise, and provide explanations for his/her actions;

2) verify by his/her signature these committed acts, their content and results.

5. The receipt of information by an expert which constitutes commercial, banking or any other legally protected secret or other confidential information shall not be disclosed to experts, be used for other purposes, or be disclosed to third parties, except as provided by the law of the member states of the Customs Union.

6. Expenses incurred by the customs bodies associated with the engagement of an expert shall be reimbursed at the expense of the person against whom, or the goods for which customs control was exercised, if in the course of customs control infringements of the customs legislation of the Customs Union result. In other cases, such payment is to be drawn against the budget legislation of the Republic of Kazakhstan.

Article 191. Engagement of Experts From Other Government Agencies to Assist With Customs Control

1. Customs bodies shall be entitled to engage experts from other government agencies to assist with customs control.

2. Experts from other state agencies are required not to disclose information that constitutes state, commercial, or other secrets protected by law, or confidential information with regard to foreign trade operators and any other customs activities.

3. The costs associated with the engagement of experts from other government

agencies shall be reimbursed in accordance with the procedure provided for by paragraph 6 of Article 190 of this Code, if the work performed falls outside of their duty area.

Article 192. Interaction Between Customs bodies and Regulatory State Bodies at the Customs Border of the Customs Union

1. When carrying out customs control of goods transported across the customs border and subject to control by other regulatory state agencies, customs bodies shall ensure the overall coordination of such actions and their joint control holding it in the manner established by mutual acts.

2. To improve the efficiency of the customs control of goods to be transferred across the customs border, customs bodies and government agencies shall control the exchange of information (data) and (or) documents required for customs and others of state control with the use of information systems and technologies.

3. To expedite the procedures of state control when goods are transferred across the customs border, customs inspection may be held with the participation of all public bodies exercising control over the customs border. Herewith the customs clearance act shall be drawn up.

Note of the RCLI!

Paragraph 4 shall be enforced from 01.07.2011 (see Art. 1 of the Law of the Republic of Kazakhstan dated 30.06.2010 No. 298-IV).

4. Radiation control is the verification of the level of nuclear radiation coming from goods and (or) vehicles to be transferred across the customs border of the customs union and to be compared with its natural backdrop, in order to insure the security of the population and environment.

Radiation control shall be conducted by customs bodies located at the checkpoints of the customs border of the Customs Union, using technical facilities of radiation control in automatic or manual regime.

The procedure for the conduct of the radiation control shall be settled by authorized customs body in concurrence with the relevant authorized state bodies.

Note of the RCLI!

Paragraph 5 shall be enforced from 01.07.2011 (see Art. 1 of the Law of the Republic of Kazakhstan dated 30.06.2010 No. 298-IV).

5. Customs bodies shall hold customs control of goods falling under export control when transferring the indicated goods across the customs border of the Customs Union.

The authorized customs body shall participate in the development of statutory acts in the sphere of export control.

Customs bodies shall prevent and stop the illegal transfer of goods under export control across the customs border of the Customs Union.

Note of the RCLI!

Paragraph 6 shall be enforced from 01.07.2011 (see Art. 1 of the Law of the Republic of Kazakhstan dated 30.06.2010 No. 298-IV).

6. At the automobile checkpoints across the customs border of the Customs Union, state veterinary sanitary control shall be held to verify compliance with the requirements of the legislation of the Republic of Kazakhstan in the veterinary field and aimed to protect the customs territory of the Customs Union from the entry and expansion of agents of infectious and exotic diseases of animals from other states who non-participants of the Customs Union.

State veterinary sanitary inspectors of the authorized state bodies of the Republic of Kazakhstan in the veterinary field assigned to the customs bodies according to the procedures provided for by the Government of the Republic of Kazakhstan shall exercise veterinary control at automobile checkpoints across the customs border of the Customs Union.

Note of the RCLI!

Paragraph 7 shall be enforced from 01.07.2011 (see Art. 1 of the Law of the Republic of Kazakhstan dated 30.06.2010 No. 298-IV).

7. Plant quarantine control at automobile checkpoints across the customs border of the Customs Union shall be held to comply with the requirements of the legislation of the Republic of Kazakhstan in the plant quarantine field and aimed to protect the customs territory of the Customs Union from the entry and expansion of quarantined plants from other states, which are not participants of the Customs Union, and shall be assigned to customs bodies according to the procedure provided by the Government of the Republic of Kazakhstan.

Plant quarantine control at automobile check points across the customs border of the Customs Union shall be exercised by the state inspectors of the authorized state body of the Republic of Kazakhstan in the field of plant quarantine, assigned to customs bodies in an order determined by the Government of the Republic of Kazakhstan.

Note of the RCLI!

Paragraph 8 shall be enforced from 01.07.2011 (see Art. 1 of the Law of the Republic of Kazakhstan dated 30.06.2010 No. 298-IV).

8. Sanitary quarantine control is the control of the sanitary epidemiological status of goods (loads) and the state of health of people when transferring people and goods (loads) across the customs border of the Customs Union, to prevent from the entry into the customs territory of the Customs Union infections and infestations, as well as reagents and products potentially dangerous to human health.

Customs officials shall hold sanitary quarantine control at automobile checkpoints of the customs border of the Customs Union according to the procedure established by mutual acts between authorized customs bodies and the authorized body in the sphere of the sanitary and epidemiological welfare of the population.

In the case of a real risk of infections and infestations as well as reagents and products potentially dangerous to the human health entering from other states which are not the participants of the Customs Union, customs bodies shall involve territorial bodies in the sphere of the sanitary and epidemiological welfare of the population according to the procedure established by mutual acts between the authorized body in customs affairs and the authorized body in the sphere of sanitary and epidemiological welfare of the population, in order to carry out sanitary quarantine control.

Note of the RCLI!

Paragraph 9 shall be enforced from 01.07.2011 (see Art. 1 of the Law of the Republic of Kazakhstan dated 30.06.2010 No. 298-IV).

9. Transport control, carried out by customs bodies in the automobile checkpoints of the customs border of the Customs Union, shall be held to verify the compliance of private and legal persons with the requirements of the legislation of the Republic of Kazakhstan in automobile transport fields.

Transport control, carried out by customs bodies at automobile checkpoints of the customs border of the Customs Union shall be held by the customs officials and the authorized body in the transport field.

10. In order to comply with the currency legislation of the Republic of Kazakhstan, customs bodies:

1) shall provide controls to ensure the compliance of foreign trade operators and private persons, within the limits of its competence, with the legislation of the Republic of Kazakhstan;

2) shall inform the National Bank of the Republic of Kazakhstan on the transfer of goods across the customs border of the Customs Union in compliance with currency legislation of the Republic of Kazakhstan;

3) shall inform the National Bank of the Republic of Kazakhstan of violations of the requirements of the currency legislation of the Republic of Kazakhstan, found by customs bodies.

Article 193. Inadmissibility of Causing Undue Harm During Customs Control

1. When exercising customs control, it is not permitted to cause undue harm to the customs carrier, a declarant, their representatives, owners of temporary storage warehouses, bonded warehouses, duty-free shops or other interested persons whose interests are affected by the action (or inaction) and decisions of the customs bodies during customs control, and to goods and vehicles.

2. Losses caused by those illegal decisions, actions (or inaction) of customs bodies or their officials during the customs control shall be reimbursed in full under the legislation of the Republic of Kazakhstan.

3. Losses caused to persons by lawful decisions or actions of customs officials are not subject to reimbursement.

Article 194. Exemption From the Implementation of Certains of Customs Control by Customs bodies

1. Exemption from the implementation of certains of customs control is established by this Code, the international treaties of the member-states of the Customs Union and international treaties of the Republic of Kazakhstan.

2. Personal baggage is not subject to customs inspection if it belongs to:

- 1) the heads of state of the Customs Union and any accompanying family members;
- 2) the heads of government and members of government of the member-states of the Customs Union, if such persons are crossing the customs border of the Customs Union in connection with the performance of their official duties;
- 3) the heads of foreign states, heads of foreign governments and ministers of foreign affairs visiting the member-states of the Customs Union on an official visit;
- 4) other persons in accordance with international treaties of the member-states of the Customs Union and other international treaties.

3. Exemption from customs inspection applies to:

- 1) foreign war-ships (vessels) and combat aircraft and military equipment, travelling under their own power;
- 2) munitions crossing the custom border of the Customs Union in accordance with the special declarations of the relevant state bodies of the Republic of Kazakhstan.

Article 195. Collection by the Customs bodies of Information on Individuals During the Customs Control

1. For the purposes of customs control, customs bodies have the right to collect information on the individuals engaged in foreign economic activities related to the conveyance of goods across the customs border of the Customs Union, or related to business activities in respect of the goods under customs control, including information on:

- 1) the founders of a legal entity;
- 2) state registration as an individual entrepreneur or as a legal entity;
- 3) the composition of property used for entrepreneurial activity;
- 4) existing bank accounts;
- 5) the activities in the field of foreign economic activity;
- 6) the location of a company;
- 7) registration with the tax authorities as a taxpayer and the taxpayer identification number;
- 8) solvency of the persons included in the Register of persons involved in the customs-related activities;
- 9) with regard to individuals: citizens' personal details (surname, first name,

patronymic name (if available)), date and place of birth, gender, residence address, other identification card details, taxpayer identification number, as well as the frequency of conveyance of goods across the customs border.

2. The persons referred to in paragraph 1 of this Article shall have the right to access the information collected on them by customs bodies, as well as to update such information in order to ensure its completeness and accuracy.

3. The collection of information on individuals shall be executed by the customs bodies when exercising customs formalities over goods transferred across the customs border, as well as by obtaining this information from other government bodies of the Republic of Kazakhstan.

Article 196. The Use of Technical Means, Vessels and Aircrafts in Execution of Customs Control

1. With a view to reducing the time for execution of customs control and increasing its efficiency, customs bodies may use technical means for customs control, the list and the usage of which are set by the legislation of the Republic of Kazakhstan.

The said technical means should be harmless for the health and life of humans, animals and plants, and should be harmless for persons, goods and vehicles.

2. Customs control of goods crossing the customs border of the Customs Union can be performed with the use of vessels and aircrafts by customs bodies.

3. The use of vessels and aircrafts by customs bodies for the purposes of customs control shall be determined by the Government of the Republic of Kazakhstan

Article 197. Cargo Handling and Other Operations in Relation to Goods and Vehicles Required for Customs Control

1. At the request of the customs body, a declarant, owner of a warehouse, customs broker, or other authorized person shall be obligated to transport, weigh or perform other operations to determine the quantity of goods, effect loading, unloading, transshipment, repair of damaged packaging, opening of packaging, packaging or repackaging goods subject to customs control, as well as opening of premises, containers, and other utility facilities where said goods are located or may be stored.

2. The carrier shall be obligated to facilitate cargo handling and other operations in relation to the goods that are being carried and the vehicles that are used to carry the goods.

3. The customs bodies shall not incur any costs in connection to cargo handling and other operations in relation to goods and vehicles.

Article 198. Identification of Goods and Vehicles, Premises and Other Utility Facilities

1. Goods under customs control, vehicles, premises, containers and other utility facilities where the goods that are subject to customs control are located or may be stored shall be identified by the customs bodies.

Identification shall be performed by way of applying seals, stamps, alphanumeric and other markings, special identification marks, stamping, sampling, detailed descriptions of the goods, graphics, scale images, photographs, illustrations, shipment documents (waybills) and other documentation, as well as by other means.

2. The usage procedure and requirements regarding the production of identification means shall be established by the customs authorized body.

3. Seals, stamps or other means of identification applied by the customs bodies of foreign countries, as well as shippers of goods or carriers, shall be recognized as the means of identification for customs purposes.

4. The means of identification may be altered, removed or destroyed only by the customs bodies or with their permission, except in those instances when there is a real

threat of destruction, irrevocable loss or significant damage to the goods. The customs body shall be immediately notified of the alteration, removal or destruction of the means of identification and shall be presented with the evidence of the existence of such threat.

Any instance of the alteration, removal, destruction or replacement of the means of identification shall be reflected in the report filed by the customs body according to the form provided for by decision of the Customs Union Commission.

CHAPTER 21. CUSTOMS CONTROL: FORMS AND PROCEDURES

Article 199. Forms of Customs Control

Forms of customs control include:

- 1) documents and information verification;
- 2) recitation;
- 3) verbal explanations;
- 4) customs surveillance;
- 5) customs inspection;
- 6) customs survey;
- 7) personal customs screen;
- 8) checking labeling by special marks and the availability of identification tags;
- 9) customs inspection of premises and territories;
- 10) accounting of goods under customs control;
- 11) checking inventory systems and reporting; and
- 12) customs inspection.

Article 200. Documents and Information Verification

1. Customs bodies shall verify the customs documents and information provided to establish the adequacy of information, the authenticity of documents and (or) their propriety and (or) execution.

2. Verification of customs operation information provided for the customs bodies shall be compared against information retrieved from other sources, analyzed customs statistics, processed information using information technology, and by other means not prohibited by the customs legislation of the Customs Union.

3. When exercising customs control the customs body shall be entitled to make a reasoned request for additional written documents and information to verify the information provided for in customs documents.

4. Requests for additional documents and information in accordance with paragraph 3 of this Article and their verification shall not prevent the release of the goods, unless otherwise specifically provided for in this Code.

Article 201. Interview

When holding customs operations in accordance with this Code, customs officials may hold interviews of individuals, their representatives, as well as representatives of authorized organizations for the transport of goods across the customs border, without any formal written document issued.

Article 202. Explanations

1. Verbal explanations shall be provided to customs officials by the declarants and other persons who have knowledge of the circumstances for customs control and information necessary for customs activities.

2. Explanations shall be written in the form provided for by the Customs Union Commission.

3. Should an individual be called for the purpose of an explanation, the customs body shall issue a written notification to be delivered to that individual.

Article 203. Customs Surveillance

Customs surveillance shall be overt, targeted, regular or one-time, direct or indirect visual monitoring, including with the use of technical means by customs officials for the transportation of goods, including vehicles under customs control; cargo and other operations.

Article 204. Customs Inspection

1. Customs inspection shall be the external visual inspection of goods, vehicles, and individuals' baggage, as well as cargo containers, customs seals, stamps, and other means of identification without opening the vehicle the packaging of goods, and the dismantling and destroying the wholeness of the inspected items and their parts by other means.

2. Customs inspection of vehicles of international transport, international mail and personal baggage shall be carried out by customs officials to confirm the details of the nature, origin, condition and quantity of goods under customs control, and customs seals, stamps, and other means of identification affixed to goods, vehicles and cargo spaces.

3. In the customs controlled area, a customs inspection may be held in the absence of a declarant or other authorized person or representative, except when these individuals are willing to be present during customs inspection.

4. Customs inspection can be held with the use of technical means to ensure visualization of the internal structure of an object of inspection, and to provide the specific physical characteristics of an object.

5. According to the results of the customs inspection, customs officials shall file a report in the form provided by the decision of the Customs Union Commission, should the results of this inspection be used for customs purposes.

At the request of an authorized person, customs officials shall file a report, or put a custom mark on the transport (transportation), commercial or customs document.

A second copy of the customs inspection report shall be provided to an authorized person.

Article 205. Customs Screening

1. Customs screening shall be the actions of customs officials associated with the opening of: the packaging of goods, the cargo space of vehicles or tanks, containers and other facilities where goods with damaged customs seals or other means of identification, with dismantled, removed or damaged wholeness of the objects under examination and their parts can be contained.

2. Customs officials authorized to hold customs screening shall provide the place and time for the customs declarant or other authorized person, if these individuals are identified.

The declarant, other authorized persons or their representatives shall be entitled to be present during the customs screening, except as specified in paragraph 4 of this Article.

Reasonable time for arrival of these individuals shall be provided.

3. Customs screening held under customs inspection of premises and territories, and (or) customs inspection in the field may be held without establishment of customs controlled areas.

4. At the request of customs officials, a declarant or other authorized person and their representatives shall be present at the customs screening and provide cooperation to the extent possible to the customs officials. In the absence of a representative specifically authorized by the carrier, a natural person who drives the vehicle shall be deemed to be such a representative.

5. The customs body shall be entitled to hold a screening in the absence of the declarant and other authorized persons in the following cases:

- 1) where such persons fail to appear or they are unknown;
- 2) in the case of a national security threat, threat to the life and health of humans, animals or the environment, the preservation of the national cultural heritage of the Republic of Kazakhstan, the occurrence of an epizootic situation and any other urgent circumstances, or where there is evidence of flammables, explosives, toxic, hazardous chemical and biological substances, narcotics, psychotropic, virulent, toxic, or radioactive substances, nuclear materials and other similar goods, or if the goods smell bad;
- 3) carriage of goods by international mail;
- 4) retention of goods in the customs territory of the Customs Union in violation of the customs procedure provided for the export of the goods.

Customs screening in the cases specified in paragraph 5 of this Article shall be held in the presence of two witnesses.

6. According to the results of the customs screening, a formal report shall be filed in two copies in the form provided for by decision of the Customs Union Commission. The customs survey report shall contain the following information:

- 1) information on customs officials who hold a customs screening;
- 2) reasons for the customs screening in the absence of the declarant or other authorized person;
- 3) results for the customs screening; and
- 4) other information provided for in the formal report.

The second copy of customs report shall be provided to an authorized person or his/her representative if this is the case.

Article 206. Personal Customs Screen

1. A personal customs screen shall be an exceptional form of customs control held in accordance with a written decision of the head (deputy) of customs body and subject to reasonable grounds for believing that an individual crossing the customs border, or being in a customs controlled area or transit area of an international airport, holds and will not give back voluntarily the commodities to be transported in violation of customs legislation of the Customs Union.

The decision to hold a personal customs screen shall be made in writing with a resolution on a report provided for by a customs official, or a separate document shall be issued.

2. Prior to conducting a personal customs screen, a customs official shall provide the individual with the decision to hold a personal customs screen, and shall brief an individual on his rights and offer to return the goods voluntarily.

The reviewed decision on conducting a personal customs screen shall be signed by the individual to be screened. In the event of a refusal to hold such actions, an appropriate note shall be made on the decision to hold the personal customs screen, certified by the signature of the customs official responsible for this decision.

3. A personal customs screen held by a customs official shall not infringe the honor and dignity of an individual or cause unlawful injury and property damage of the individual who is screened.

4. An individual who is to be screened shall be entitled to:

- 1) review the decision and procedure of the personal customs screen prior to it being carried out;
- 2) be aware of his rights and responsibilities;
- 3) provide explanations and petitions;
- 4) voluntarily return the hidden goods to be transferred through the customs border in violation of customs legislation of the Customs Union;
- 5) make statements to be mandatorily recorded in the personal customs screen

report by the customs official who holds the personal customs screen;

6) speak his native language, as well as use the services of an interpreter if and when necessary;

7) review the personal customs post-screen report and make necessary statements to be included to the report;

8) appeal against the actions of the customs officials who holds the personal customs screen in accordance with this Code.

5. During the personal customs screen, a person to be screened or his legal representative shall comply with the legal requirements of the customs official who holds the personal customs screen.

6. Personal customs screens shall be conducted by customs officials of the same sex of the person to be screened, in the presence of two witnesses of the same sex in a separate room that meets health and safety requirements.

Access to the premises for other individuals and observation of the personal customs screen shall not be authorized. A body screen shall be held by a medical professional only, using special medical equipment if and when needed.

Medical professionals shall not shrink away from the execution of a personal customs screen.

Personal customs screen of a minor or an incapable individual shall be held in the presence of their legal representatives (parents, foster parents, guardians, and trustees) or accompanying persons.

7. Personal customs screen reports shall be made in two copies in the form approved by the decision of the Customs Union Commission. This formal report shall be made in the course of a personal customs screen, or immediately after it.

A formal report shall be signed by the customs official who held the personal customs survey, by an individual surveyed or by his legal representative, or by a person accompanying him, witnesses, and during the examination, by the medical practitioner.

An individual subjected to a personal customs screen, his legal representative or a person accompanying him, shall be provided with a second copy of the personal customs screening report immediately.

Article 207. Checking Labeling Special Stamps, the Availability of Identification Marks

1. Customs bodies shall check the availability of special stamps, identification marks or other indication on goods or their packaging used to confirm their legal importation into the customs territory of the Customs Union in the cases provided for by the customs legislation of the Customs Union and (or) the legislation of the Republic of Kazakhstan.

2. The absence of special stamps, identification marks or other indications will be regarded as an import of goods into the customs territory of the Customs Union without going through the required customs operations and the release of goods, unless the person from whom such goods are discovered a declarant or other interested person can prove otherwise.

Article 208. Customs Inspection of Premises and Territories

1. The customs inspection of premises and territories shall be held to confirm the availability of goods under customs supervision, including those conditionally released, in temporary storage, customs warehouses, the premises of duty free shops and other locations with goods under customs control, as well as for persons who shall keep the goods in accordance with the terms of the customs procedures provided for by this Code.

2. The customs inspection of premises and territories not specified in paragraph 1 of this Article may be held by customs bodies in facilities where goods are transferred across the customs border of the Customs union, the border zone, as well as of the

wholesalers or retailers and other owners and users who store goods in areas that are not considered customs controlled areas, and of other individuals owning and (or) using goods imported into the customs territory of the Customs Union and (or) are present therein in violation of the procedure provided for by this Code, for purposes of inspection of such information.

3. The customs inspection of premises and territories may also be held by customs bodies to verify compliance of the premises and territories with the requirements and conditions provided for by the legislation of the Republic of Kazakhstan in accordance with Articles 40; 47; 54; 185; 260; and 334 of this Code.

4. Customs inspection of residential premises is unauthorized.

5. Customs inspection of premises and territories shall be held under presentation of the order and the service certificate by a customs official.

The form of the order for inspection of premises and territories is provided for by the legislation of the member states of the Customs Union.

6. In the case where access to a territory or premises is denied, customs officials shall be entitled to enter the territory and premises, suppressing resistance and opening locked premises in the presence of two witnesses. All cases of entering premises with the suppression of resistance and by opening locked premises shall be reported by customs bodies to the prosecutor within twenty four hours. Individuals who prevent the access of customs officials to the territory and premises in question shall be liable in accordance with the legislation of the Republic of Kazakhstan.

7. A special procedure for the access of individual objects by government officials shall be provided for by legislation of the Republic of Kazakhstan.

8. The customs inspection of premises and territories shall be held in a minimum time period and cannot last more than one working day. The time period for a customs inspection may be extended by no more than five working days.

9. According to the results of the customs inspection of premises and territories, a formal report shall be filed in the form approved by the decision of the Customs Union Commission. A second copy of the report of the customs inspection of premises and areas shall be delivered to the person whose premises or area has been inspected.

Article 209. Accounting for Goods Under Customs Control

1. Customs bodies shall keep records of goods under customs control, and shall carry with them customs operations, including the use of information systems and technologies.

2. Order forms and the registration of goods under customs control is subject to determination by the Government of the Republic of Kazakhstan.

Article 210. Checking Inventory Systems and Reporting

1. Individuals providing customs services, enjoying the special simplifications, as well those who have knowledge of foreign goods held by the customs bodies are obliged to submit to customs bodies reports on stored, transported, sold, processed and (or) used goods.

2. The form and reporting procedures shall be provided for by the legislation of the Republic of Kazakhstan.

3. Checking the inventory systems as a form of customs control is to be carried out in the following cases:

- 1) upon application of a special simplification in accordance with this Code;
- 2) upon the conditional release of goods;
- 3) in respect to individuals engaged in customs activities;
- 4) in respect of goods placed under customs procedures, and subject to accounting.

Article 211. Customs Inspection

1. Customs inspection shall be held by customs bodies to verify compliance with the requirements of persons established by the customs legislation of the Customs Union and (or) the legislation of the Republic of Kazakhstan.

2. Customs inspection shall be held by the customs bodies of the member states of the Customs Union in respect of inspected entities established and (or) registered in accordance with the legislation of the Republic of Kazakhstan.

The following will be understood to fall within the category of persons to be inspected:

- 1) a declarant;
- 2) a customs representative;
- 3) a carrier, including customs carrier;
- 4) an authorized person in respect of goods after their release, or his/her representative;
- 5) a person providing the temporary storage of goods;
- 6) owners of duty-free shops, customs and other stores;
- 7) an authorized economic operator;
- 8) other persons, directly or indirectly involved in deals with goods placed under the relevant customs procedure;
- 9) a person against whom there is information that they have goods which are in violation of the procedure provided for by this Code in their possession and (or) use including the illegal transportation through the customs border.

3. The following shall be verified in the course of a customs inspection by customs bodies:

- 1) the fact of placing goods under the customs procedure;
- 2) authenticity of the information in the customs declaration and other documents provided with the customs declaration of goods that have affected the decision on the release of goods;
- 3) compliance with restrictions on use and disposal of conditionally released goods;
- 4) compliance with the requirements provided for by the customs legislation of the Customs Union and (or) the legislation of the Republic of Kazakhstan, in relation to individuals engaged in customs activities;
- 5) compliance with the requirements, necessary to obtain the status of an authorized economic operator;
- 6) compliance with customs procedures;
- 7) fulfillment of obligations to file documents within the period provided for by this Code.

4. Customs inspection shall be held by comparing the information contained in the documents submitted upon the placement of goods under customs procedures and other information available to the customs bodies, and data accounting and reporting of accounts and other information obtained in accordance with the legislation of the Customs Union and the legislation of the Republic of Kazakhstan.

5. Other forms of customs inspections can be applied as provided for by Article 199 of this Code.

6. Customs inspection should be preceded by preparatory work, during which a list of issues to be examined is defined and, if necessary, a program is held.

7. Customs inspection shall be held at a desk inspection or field inspection.

8. Customs bodies may invite other government regulatory authorities of the Republic of Kazakhstan to customs inspections to examine issues requiring special knowledge, expertise and consultations.

On written questions put by the customs officer, who is a party of customs

inspection, an invited official shall provide an expert statement to be used in the course of customs inspection. Copies of the statement shall be attached to the customs inspection report.

9. If the constituent elements of an administrative offence or a crime have been identified in the course of customs inspection, customs bodies may use efforts in accordance with the legislation of the Republic of Kazakhstan.

10. Customs inspection procedure is provided for in Chapter 24 of this Code.

11. Customs inspection results and the decision process based on customs inspection is provided for by the Chapters 18 and 24 of this Code.

CHAPTER 22. MUTUAL ADMINISTRATIVE ASSISTANCE OF CUSTOMS BODIES

Article 212. Mutual Administrative Assistance

1. For the purpose of this Chapter, mutual administrative assistance shall refer to the activities of customs bodies entrusted by the customs bodies of another member state of the Customs Union, committed on behalf of the customs bodies of another member state Customs Union or jointly with them to ensure compliance with the customs legislation of the Customs Union and to prevent, suppress, and investigate violations of the customs laws of the Customs Union.

2. Mutual administrative assistance includes:

1) exchange of information between customs bodies of member states of the Customs Union;

2) mutual recognition of decisions made by customs bodies;

3) use of certain forms of customs control provided for by this Code, the customs bodies of a member state of the Customs Union on behalf of the customs authorities of another member state of Customs Union.

Mutual administrative assistance may also include others of cooperation between customs bodies in accordance with the international treaties of the member states of the Customs Union.

Article 213. Exchange of Information Between Customs Bodies

Information exchange between customs bodies shall take place in accordance with the international treaties of the member states of the Customs Union, and shall include the use of information systems and information technology.

Article 214. Mutual Recognition of Decisions Made by Customs bodies

The decisions of customs bodies made under customs operations in respect of goods imported into the customs territory of the Customs Union or exported beyond its borders, goods under customs control, goods transported through the customs territory of the Customs Union in accordance with the customs procedure of customs transit and goods temporarily stored shall be mutually recognized by the customs bodies of member states of the Customs Union and have the same legal effect in the customs territory of the Customs Union in the cases provided for by the customs legislation of the Customs Union.

Article 215. Separate Forms of Customs Control on Behalf of the Customs Body of One of the Member

To ensure compliance with customs legislation of the Customs Union, as well as the prevention and suppression of violations of customs laws of the Customs Union, the customs body of one of the member states of the Customs Union shall be entitled to request customs bodies to hold the certain forms of customs control.

Grounds, form, and procedure for submitting and executing the order on certain forms of customs control shall be determined by international agreements of the Republic of Kazakhstan.

CHAPTER 23. RISK MANAGEMENT SYSTEM

Article 216. General Provisions and the Purposes of Risk Management Application

1. Customs bodies shall apply the risk management system to identify goods, vehicles of international transportation, documents and persons, which (who) are subject to customs control, and customs control forms applicable to such goods and vehicles of international transportation; documents and persons, and the extent of customs control procedures.

Application of the risk management system in the customs bodies of the Republic of Kazakhstan shall be determined by the Government of the Republic of Kazakhstan.

2. The goals of the risk management system are:

1) to establish, within the competence of customs bodies, measures to protect national (state) security, human life and health and environmental protection;

2) to focus on high-risk areas and to ensure a more efficient use of available resources;

3) to identify, predict and prevent violations of customs laws and the legislation of the Republic of Kazakhstan;

4) to create favorable conditions for declarants and individuals involved in customs activities who comply with customs legislation of the Republic of Kazakhstan for transporting goods across the customs border of the Customs Union;

5) to accelerate customs operations to transfer goods across the customs border.

3. Customs bodies shall exchange information on measures used to minimize such risks, as well as other information that would increase the efficiency of customs control, in accordance with the international agreement ratified by the Republic of Kazakhstan.

4. The Customs Control Commission can determine a risk sphere where customs bodies shall work out and apply measures to minimize risks.

Article 217. General Terms Used in Applying the Risk Management System

For the purposes of this Chapter the following general terminology shall be used:

1) identified risk - a known risk, where a violation of customs legislation may occur and about which customs bodies have information.

2) goods covered- goods, with sufficient degree of certainty likely to be declared instead of goods at risk;

3) randomization - random selection of the objects of customs control, carried out on a regular basis to reveal unknown risks

4) risk - the likelihood of non-compliance with the customs legislations of the Republic of Kazakhstan;

5) risk profile - a set of information on areas of risk, risk indicators, as well as guidance on how to apply necessary measures to prevent or minimize risks.

Depending on the region of application, risk profiles may be of twos: national (region of application: the territory of the Republic of Kazakhstan), or regional (region of application: the area of operations of one or several territorial subdivisions of the authorized customs bodies);

6) level of risk - determined depending on the likelihood of risk and possible consequences of risk;

7) risk indicators - risk criteria with parameters predetermined by the customs agency, which enable the selection of objects for customs control;

8) risk assessment - systematic identification of the potential for risks using indicators previously determined by customs bodies;

9) risk management - systematic development and implementation of measures to prevent and minimize risks, including performance evaluations, as well as monitoring of customs operations, which provide continuous updates, analysis, and review of the information available to customs bodies;

10) risk analysis - systematic use of available information to determine the

frequency of risks arising and the size of their potential impact upon occurrence of these risks. Risks are divided in twos: identified and potential;

11) area of risk - grouped objects of risk analysis which require certain forms of customs control, or a combination thereof;

12) risk of goods - goods transferred across the customs border with identified or potential risks;

13) potential risk - a risk that is not identified, but for which there are conditions for its appearance.

Article 218. Risk Analysis Objects

Objects of risk analysis include:

1) goods under customs supervision, or goods placed under the customs procedure of release for domestic consumption;

2) vehicles of international transport;

3) information contained in external agreements (contracts), sale or exchange agreements, or other documents relating to the right of possession, use and (or) disposal of goods;

4) information contained in transport (transport); commercial, customs, and other documents;

5) activity of declarants and other authorized persons responsible for goods under customs control;

6) the results from the application of customs control methods.

Article 219. Activities of Customs bodies to Assess and Manage Risks

1. Risk assessment and management activities of the customs bodies shall be as follows:

1) formation of a database to manage the risks of customs bodies;

2) risks analysis and assessment with systematic identification of:
risk analysis objects;

risk indicators for the objects of risk analysis, specifying the need for measures to prevent and minimize risks;

assessment of possible damage in case of risk;

3) establish and implement practical risk management measures with due regard for:
potential risks and possible consequences;

analysis of possible measures to prevent and minimize risks;

possible violations of the customs legislation of the Republic of Kazakhstan with regard to risk analysis objects.

2. Collection, processing, and analysis of information on the effectiveness of measures to minimize risks, and the results of specific customs control procedures applied to specific goods and (or) the vehicles, shall be carried out by customs bodies on a regular basis.

3. The collection and processing of information, risk analysis and assessment, and the development and implementation of risk management measures shall be established by the authorized customs bodies.

4. Risk profiles and risk indicators shall be used by customs bodies only; this information is confidential and shall not be disclosed to other parties except for the cases as provided in the legislation of the Republic of Kazakhstan.

CHAPTER 24. PROCEDURE FOR CUSTOMS INSPECTIONS

Article 220. Desk Customs Inspection

1. Desk customs inspections shall be held by examination and analysis of data contained in customs declarations, commercial, transport (shipping) and other documents submitted by an inspected entity, information provided by regulatory state authorities, and other documents and information on business activities of the said persons available

to customs bodies.

2. Desk customs inspections shall be held by the customs bodies at the location of the customs bodies in which no visit is paid to the inspected person, and no inspection order is issued in this case.

3. Desk customs inspections shall be held without constraints on their frequency.

Article 221. Field Customs Inspection

1. Field customs inspections shall be held by customs bodies in the location of the legal entity, the location of the individual entrepreneur and (or) in the location of actual operations (hereinafter - the objects of the inspected person).

2. Field customs inspections may be scheduled or unannounced.

Scheduled customs inspections shall be held on the basis of the inspection plans developed by the customs bodies.

3. Field customs inspections shall be held on the basis of an order.

4. The order shall be signed by the head (deputy) of the customs body. The form of the order shall be approved by the authorized customs body.

5. The order shall be registered by the prosecution authority in accordance with the procedure established by legislation of the Republic of Kazakhstan.

6. The following information shall be specified in the order provided by the customs bodies:

- 1) date and registration number of the customs bodies;
- 2) name of the customs bodies that issued the order;
- 3) full name of the party to be inspected;
- 4) TIN (Tax Identification Number);
- 5) subject of inspection;
- 6) position; last name; first name and patronymic name (if available) of the customs inspectors and officials of other regulatory state authorities involved;
- 7) duration of the inspection;
- 8) the legal basis for the customs inspection, including normative legal acts, in order to determine whether the requirements subject to inspection have been fulfilled;
- 9) inspected period of operation.

7. Only one inspection of the person to be inspected may be held on the basis of one order;

8. In the event the field customs inspection is extended or suspended, the appropriate record shall be made in the order and the person to be inspected shall be advised.

9. The basis for an unannounced customs inspections is:

1) an analysis of customs data authorities and state regulatory agencies of the member states of the Customs Union, specifying possible violation of customs legislation of the Customs Union and the legislation of the Republic of Kazakhstan;

2) any evidence of a possible violation of the customs legislation of the Customs Union and the legislation of the Republic of Kazakhstan;

3) an application of an individual, including those engaged in customs activities, for the status of an authorized economic operator;

4) the necessity for a customs on-site counter inspection in accordance with paragraph 11 of this Article;

5) a petition (request) by the competent authority of a foreign state to inspect an individual who engaged in foreign economic transactions with a foreign entity;

6) to retrieve information on possible violations of the customs legislation of the Republic of Kazakhstan, provided by state regulatory (oversight) authorities;

7) the verification of information obtained as a result of the exchange of information with tax, customs, and law enforcement agencies of foreign states;

8) cases provided for by the criminal procedure legislation of the Republic of Kazakhstan;

9) to control the execution of reports filed as a result of customs inspections, to control the execution of the notice of repayment of customs payments, taxes and penalties - and (or) the requirement to correct deficiencies;

10) to retrieve information and complaints from individual persons and legal persons, and state authorities, and Members of the Parliament of the Republic of Kazakhstan and other individual persons who provide evidence of possible violations of the legislation of the Customs Union and (or) legislation of the Republic of Kazakhstan;

11) counter inspection of third parties entered that into civil law relations with the persons being inspected, in order to obtain the information necessary to hold the inspection;

12) proactive request of a party to hold the customs inspection;

13) reorganization of the inspected party and (or) filing of documents on bankruptcy (liquidation).

10. A field customs inspection may be held on the basis of other forms of customs control, including the desk customs inspection.

11. Should the necessity arise to confirm the authenticity of information provided by an inspected party, the customs bodies may hold a counter customs inspection of the parties with the inspected party with regard to transactions with goods.

A field counter inspection of customs bodies shall be unannounced.

12. Scheduled field customs inspections shall be not be held more than 1 (one) time in a year in respect of the same inspected person.

Scheduled field customs inspections of authorized economic operators shall be held by customs bodies every three (3) years.

Unannounced field customs inspections shall be held without restricted frequency.

13. The selection of the parties to undergo scheduled field customs inspections shall be made based on information retrieved in the following ways:

1) from information sources of customs bodies;

2) in accordance with the results of previous inspections, including desk inspections;

3) from state authorities;

4) from banks and organizations doing certain of banking;

5) from customs and (or) other state regulatory authorities of member states of the Customs Union;

6) from the media;

7) from other official sources.

14. Prior to the scheduled field customs inspection, the customs bodies shall notify the inspected party by registered mail, return receipt requested, or notify the said party by other ways, and obtain a record of the receipt thereof.

Returned mail stamped as "undelivered" to the addressee due the absence of the inspected person at his residence shall not cancel the scheduled field customs inspection.

The scheduled customs inspection can be held no earlier than fifteen calendar days following the mail receipt by the inspector or from the customs office's receipt of the returned mail stamped as "undelivered".

15. The delivery date of a copy of the decision (order) to the inspected party shall be deemed as the starting date of the field customs inspection.

A copy of the decision (order) for a customs inspection shall be served on the party to be inspected by a customs officer or sent by registered mail, with a return receipt requested.

When accepting a copy of the decision on customs inspection, the head of the inspected party or his/her representative shall sign the original copy of the decision on the customs inspection and specify the date and time of receipt of the copy of said decision.

In the event of a refusal to receive a copy of the decision on the customs inspection, a customs official shall make an appropriate note in the decision on customs inspection.

The refusal of the party to be inspected to receive a copy of the decision on the customs inspection, and (or) the return of mail stamped as "undelivered" to the addressee in his absence at the place of residence, shall not cancel the scheduled customs inspection. In this case, the starting date of the inspection shall be deemed to be the date of the refusal to receive a copy of the decision on customs inspection, or the date of receipt by the customs body of the returned mail stamped as "undelivered".

Prior to the field customs inspection at the site of the party to be inspected, customs officials shall present the service certificate to the head of the party to be inspected, or its representative.

16. In the course of the field customs inspection, a party to be inspected shall not be entitled to make changes or additions to the audited documents with regard to his operations.

17. The time period of the field customs inspection shall not exceed 2 (two) months. This period shall not include the period between the delivery date of the requirement to provide the documents and information and the actual date of receipt of such documents and information.

The duration of the field customs inspection may be extended for another month in accordance with a decision of the customs body holding the customs inspection.

If necessary to carry out research or expertise, direct requests to the competent authorities of the member states of the Customs Union or the foreign states, restore the documents by the inspected party required for the inspection, provide additional documents related to the inspection period, affecting the conclusions on results of the inspection, performance of inspection may be suspended in accordance with the decision of the head (or the deputy) of the customs body or a person authorized by him/her for an unlimited period.

18. Upon completion of the customs inspection, the customs officials shall file the customs inspections report and specify:

- 1) the place of the customs inspection and the report date;
- 2) the position, last name, first name, and patronymic name (if any) of the customs officials that held the customs inspection;
- 3) the last name, first name, and patronymic name (if any) or the full name of the inspected party;
- 4) the place of residence, bank details and TIN (Tax Identification Number of the party to be inspected);
- 5) the position, last name, first name, and patronymic name (if any) of the the head and other officials of the inspected party, the persons in charge of customs and finance accounting and the payment of customs duties and taxes charged by customs bodies;
- 6) information from previous inspections and counter measures taken to prevent violations of the customs legislation of the Republic of Kazakhstan;
- 7) information on documents provided by the inspected party;
- 8) detailed description of identified customs violations with reference to relevant norms of the legislative acts of the Republic of Kazakhstan;
- 9) information on customs inspection results and decisions made in the course of

customs inspections;

10) the name of the customs body that held the customs inspection;

11) forms of the customs inspections.

19. The date of completion of a filed customs inspection shall be deemed to be the date of the inspection report filed in accordance with the results of the customs inspection, made in two (2) copies and signed by the customs officials who held the field inspection.

One copy of the report shall be attached to the documents of the field customs inspection; the second copy shall be provided to the inspected party or mailed by registered mail, with a return receipt requested no later than 5 (five) days from the completion date of the field customs inspection.

20. If no violations of the legislation of the Republic of Kazakhstan have been revealed, the relevant note shall be included in the inspection report.

21. Copies of the documents and estimations prepared by the customs bodies officials and other materials (or documents), developed in the course of customs inspection shall be attached to the customs inspections report.

22. The inspection report shall be registered in the special registration log to be numbered, bound, and sealed by the customs body.

23. If an inspected party does not agree with the results of the customs inspection, the relevant record shall be made in the inspection report.

24. In accordance with the results of a customs inspection in the course of which violations of the legislation of the Customs Union and (or) the legislation of the Republic of Kazakhstan have been revealed, the notice of amounts payable in customs duties, taxes, and fines and (or) the requirement to rectify a violation in the forms provided for by the authorized customs body shall be introduced.

The notification shall be made in cases where the results of the customs inspection revealed violations that affected the obligations to pay of customs duties and taxes.

Notification to eliminate violations identified during the customs inspection shall be made in cases where the results of customs inspection revealed violations, but do not affect the obligation to pay customs duties and taxes.

25. A notification shall be provided to the inspected person in accordance with the procedure provided for by Article 160 of this Code.

26. The requirement to rectify violations shall be served or mailed to the party inspected concurrently with the customs inspections act.

The time period to rectify violations shall not exceed thirty (30) calendar days from the day following the day of handing the requirement to the inspected person.

27. The inspected person shall be entitled to appeal the results of the inspection in accordance with the order and terms provided for by this Code.

28. This Article shall not apply to the cases provided for by Articles 201, 208, and 210.

Article 222. Access for Customs Officers to the Premises of an Inspected Party for the Execution of a Field Customs Inspection

1. The party to be inspected, upon presentation by customs officers of the decision (order) on the customs inspection and service certificates, shall ensure these officers have access to the site of the entity to be inspected (except dwelling premises) in order to hold the field customs inspection.

2. If the legislation of the Republic of Kazakhstan provides for a special procedure for the state officers' access to specific objects, such access shall be ensured in accordance with this legislation.

3. The party to be inspected shall be entitled to refuse to provide customs

officers with access to the site if:

1) the order on the appointment of the customs inspection and (or) service certificates are not presented;

2) customs officers and the officials of other regulatory state bodies engaged in the customs inspection are not specified in the order on the customs inspection appointment;

3) the officers have no special permit to access to the facility, if such authorization is required in accordance with the legislation of the Republic of Kazakhstan.

4. In the case of refusal of the party under inspection to provide access to the facility for the customs officials to conduct the field customs inspection, the protocol of the non-provision of access shall be drawn up.

5. The protocol shall be signed by the officials holding the customs inspection and the party under inspection, or his/her representative.

In the case of a refusal to sign the protocol, the inspected party shall provide his arguments in writing.

A copy of the protocol shall be provided to the inspected person or his/her representative.

In the case of unjustified refusal of the party under inspection to provide access for the customs officers and the officials of other regulatory state bodies engaged in the customs inspection, they shall be entitled to enter the premises with the use of force and open locked premises in the presence of two (2) witnesses. In cases of entering the premises with the use of force and the opening of locked premises, the customs bodies shall report to the prosecutor within twenty four (24) hours.

Article 223. Customs Officers' Rights and Duties in the Course of Customs Inspections

1. In the course of a customs inspection, the customs officers shall be entitled to:

1) request, receive and examine commercial transport documents; accounting and reporting documents (as well as in electronic form) and any other information with regard to the goods under inspection;

2) require that a party to be inspected provide the goods to be inspected;

3) require a party to be inspected to report to the customs officials for customs control purposes;

4) require and receive from banks information and documents on the flow of funds to the accounts of parties to be inspected, including thoseified by the bank as confidential, in accordance with the legislation of the Republic of Kazakhstan;

5) request and receive from tax and other state bodies information and documents including the details of commercial, banking, tax and other confidential information protected by law, in accordance with the legislation of the Republic of Kazakhstan;

6) hold an inventory (require for an inventory) of goods in accordance with the legislation of the Republic of Kazakhstan in the course of the customs inspection;

7) forward international inquiries with regard to the customs inspection;

8) access the premises of the party under inspection by presenting the order on the customs inspection and the service certificates;

9) select samples and specimens of the goods against arrangement of the (appropriate) protocol in the course of the customs inspection in accordance with the Chapter 25 of this Code;

10) seize documents or their copies from the party under inspection and to arrange the withdrawal protocol in the course of field customs inspections;

11) arrest or seize the goods in accordance with legislation of the Republic of

Kazakhstan, for the course of the field customs inspection to prevent the alienation or disposal otherwise of goods in respect of which the customs inspection is held;

12) seal the premises where the goods are located;

13) perform other actions under the legislation of the Customs Union and the legislation of the Republic of Kazakhstan;

14) seal the goods and the vehicles;

15) check the identity documents of the representatives of the inspected party in the course of the field customs inspection.

2. Customs officers in the course of customs inspections shall be obliged to:

1) respect the rights and legitimate interests of the party under inspection, and prevent any injury as a result of unlawful decisions and actions (or inaction);

2) not violate the established mode of operation of the inspected party in the course of field customs inspections;

3) use any information received in the course of the customs inspection exclusively for customs purposes;

4) not disclose confidential information and data with regard to tax, banking, and other confidential information protected by law which became known in the course of the customs inspections;

5) provide requested information the legal provisions of the Republic of Kazakhstan with regard to the procedure of field customs inspections upon the demand of the inspected party;

6) ensure the preservation of documents received and compiled in the course of the customs inspections, and not to disclose their contents without the consent of the inspected party, except in cases provided for by the legislation of the Republic of Kazakhstan;

7) inform the party under examination of his/her rights and responsibilities in the course of the customs examination after the release of goods, including the appointment and conduct of the examination (study) with samples of the goods;

8) perform other duties provided for by the customs legislation of the Customs Union and the legislation of the Republic of Kazakhstan.

Article 224. Rights and Obligations of the Inspected Party in the Course of Customs Inspection

1. In the course of the customs inspection, the inspected party shall be entitled to:

1) request and receive from the customs bodies the legislation of the Republic of Kazakhstan in the course of the customs inspections;

2) provide all the means at its disposal for the presentation of documents and information confirming the release of goods, as well as compliance with the customs legislation of the Customs Union and the legislation of the Republic of Kazakhstan;

3) appeal against decisions and actions (or inaction) of customs bodies in the procedure provided for by this Code;

4) exercise other rights provided by the legislation of the Customs Union and the legislation of the Republic of Kazakhstan.

2. In the course of the customs inspection, the inspected party shall be obliged to:

1) submit the goods to be inspected;

2) submit information and documents, regardless of information storage, with the attached hard-copy, in a timely manner upon the demand of customs bodies;

3) ensure unhindered access to the officers in order to conduct the customs inspection of the units and to provide them with office desks (and seats);

4) make a note on the receipt of the original decision (order) for a customs

inspection;

5) when necessary and for the purposes of customs inspection, provide translations to customs inspection officials of documents drafted in a language other than Kazakh or Russian;

6) identify the individuals, responsible for providing the information to the inspecting customs officials, not later than two calendar days from the date of the decision (order) on the customs inspection (the instrument of appointment checks);

7) provide access to those documents (information) necessary to hold the field customs inspection to the customs officials conducting the field customs inspection.

8) fulfill other duties provided for by the customs legislation of the Customs Union and the legislation of the Republic of Kazakhstan.

Article 225. Documents and Information Submission for Customs Inspection

1. By request of the customs body, tax and other state authorities of the member states of the Customs Union shall provide required documents and information with regard to the registration of legal entities, payment and tax calculations, financial statements, and documents and information including the details of commercial, banking, and tax-related confidential information in compliance with the legislation of the Republic of Kazakhstan to protect public, commercial, banking, tax, and other confidential information protected by law.

2. By request of the customs bodies, banks shall provide documents and information with regard to the movement of funds in the accounts of entities, as required in order to hold customs inspections, including documents classified as confidential by the bank in accordance with the legislation of the Republic of Kazakhstan.

CHAPTER 25. CUSTOMS EXAMINATION DURING CUSTOMS CONTROL

Article 226. Terms Used in This Chapter

In this Chapter, the following basic terms are used:

1) customs examination - the preparation and conduct of research carried out by customs experts, and (or) other experts in the use of special and (or) scientific knowledge to solve problems in customs affairs;

2) agency exercising customs examinations - the customs body (its regional subdivisions) and other organizations authorized to exercise customs examinations;

3) object of customs examinations - goods, vehicles, means of identification, customs, commercial and transport (shipping) documents and other documents, as well as information contained in these documents as they relate to the goods addressed in the examination;

4) customs expert - the customs official that is authorized to carry out a customs examination;

5) customs expert report - a document that contains the results of the examination and the conclusions of the customs examination in the form of answers to the questions, documented according to the procedure as established by the authorized body in the customs issues;

6) sample - a part or portion of the goods that is necessary to document the composition and properties of the goods;

7) model - a unit of the goods (products) that is representative of the structure, composition and properties of the goods (product), a series of products (goods) or a single object, which is submitted either in writing or by other forms of representation, and which is selected for further study and recorded in the prescribed manner.

Article 227. Assignment of Customs Examination

1. A customs examination can be held either at the organization's premises or offsite, if it is necessary, taking into account the peculiarities of the examination or the inability to deliver the object subject to the customs examination.

2. A customs examination shall be held in cases where special knowledge is required to clarify the issues arising in the course of customs operations.

3. A customs examination is assigned by the customs bodies and is held by customs experts, as well as any experts or specialists of other authorized entities designated by the customs bodies.

An appointment for customs examination in another organization is authorized only in cases where such an examination by customs experts is impossible.

Any person who has the required specialized knowledge for giving an opinion may be appointed as an expert.

The expert, who is not an officer of customs bodies, is engaged to carry out the customs examination in accordance with the laws of the Republic of Kazakhstan.

4. A customs examination is assigned in respect of goods, including vehicles, customs, transport (shipping), commercial and other documents required to carry out customs operations, and their means of identification.

5. An authorized official of the customs body will issue a written decision on the assignment of a customs examination, stating the grounds for holding the customs examination, the first name and patronymic name of the customs expert (s) or name of the organization holding the customs examination, the questions to be clarified by the customs expert (s), and a list of materials and documents available to the customs expert (s).

The decision shall also include a notification to the expert (experts) detailing his/her liability for knowingly giving false conclusions as a customs expert (experts), according to laws established by the Republic of Kazakhstan.

The form of the decision of the customs body on the assignment of the customs expert shall be approved by the authorized body in customs affairs.

6. The head of the organization, or his/her deputy performing the customs examination, shall return the materials, documents, samples and models presented in order to exercise the customs examination, but without issuing a decision on assignment of the customs examination, in the following cases:

- 1) lack of information before the customs examination;
- 2) improper drafting/registration of the decision to arrange customs examinations;
- 3) inconsistencies in the safety packaging of the samples or samples of the description specified in the decision to appoint a customs examination;
- 4) the absence of an expert with the required qualifications among the staff of the agency assigned for examination;
- 5) a lack of necessary materials and technical facilities, or the special conditions for the customs examination;
- 6) the damage, spoiling or partial loss of samples or models during their delivery or transportation to the customs examination;
- 7) the absence or lack of samples and models of goods for testing or examination.

7. A failure of the customs examination shall be noted in writing, indicating the reasons for failure. Submissions, documents, samples and specimens shall be returned to the customs bodies designated for customs examination.

8. The customs bodies, not later than the day following the day of the decision on the appointment of customs examination, shall notify the declarant or other person having authority with respect to the goods, of the assignment of a customs examination.

9. Costs of the customs examination shall be reimbursed from the state budget.

Article 228. The Order and Timing of the Customs Examination

1. The procedures for customs examinations will be determined by decision of the Commission of the Customs Union.

2. The term of the customs examination shall not exceed twenty (20) working days

from the day the materials are received by the customs experts.

Where the customs examination requires the examination of two (2) or more objects, a comparative (contrastive) examination method and the use of different scientific-technical means may be required, and the term of the customs examination may be extended with the written permission of the head of the customs body conducting the customs examination (or his deputy), indicating the reasons for such extension, for a period not exceeding the period of the temporary storage of goods, if the release of goods is not carried out prior to reporting the results of the customs examination.

3. The term of the customs examination shall be suspended:

upon any application from the customs expert (expert) before the customs bodies designated for customs examination of additional materials, as well as samples and specimens;

if there is a need to obtain written permission from the official of the customs body which has appointed the customs examination, for the necessary damage or destruction of the goods in order to carry out research or tests of the goods presented for customs examination, including documents, samples and models, which are subject to return to the customs bodies appointing customs examination;

where there is a justified absence (temporary disability, business trip) of the customs expert (expert) who has started carrying out the customs examination.

4. According to the results of the customs examination, the conclusion of the customs expert (specialist) shall be issued.

Article 229. The Procedure for Involving an Expert (Specialist) Who is Not an Official of the Customs Bodies in Order to Carry Out Customs Examination

1. The procedure for involving an expert (specialist) who is not an official of the customs bodies in order to carry out customs examination is defined by the authorized body in of customs affairs.

2. The expert (specialist) who is not an official of the customs body is obliged to present to the customs body which has appointed the customs examination documents confirming the existence of the expertise (specialist) necessary for that special and (or) scientific knowledge.

Article 230. The Rights and Duties of the Customs Expert

1. The customs expert is entitled to:

1) get acquainted with the materials related to the customs examination;

2) engage with the other experts to the customs examination, with the consent of the customs bodies;

3) refuse, within one (1) working day from day the materials are received for examination by customs for the customs examination, to answer questions that are outside its purview and not within its competence;

4) request in writing within three (3) working days from day of receipt the materials for the customs examination any additional materials needed for the Customs examination;

5) receive required materials and documents, including samples and examined probes required to develop a report;

6) edit, specify and finalize the questions to be posed to the expert in accordance with his/her special knowledge and competence, in coordination with officials of the customs body who appointed the customs examination;

7) use of scientific and technical information from specialized publications and other sources;

8) use results from their own tests and research, and (or) results from researching the probes and samples which have been carried out by other researchers or other expert organizations;

- 9) participate in the customs control;
 - 10) give consultations upon the request for customs examinations.
2. Customs experts must:
- 2) get acquainted with the materials related to the customs examination;
 - 3) include in the report any conclusions about the circumstances that may have value for customs purposes, about which no questions were put;
 - 4) conduct research on those samples and probes presented for the customs examination which, subject to research conducted respecting the principles of admissibility and reliability, develop and present conclusions on the basis of complete, comprehensive and objective evaluations of research results;
 - 5) not disclose information obtained as a result of the customs examination, not use it for other purposes and not disclose to third parties, except as provided by the laws of the Republic of Kazakhstan;
 - 6) comply with deadlines for the customs examination.
3. In the event of default or improper performance of his/her duties, the customs expert is liable in accordance with the laws of the Republic of Kazakhstan.

Article 231. The Rights of the Declarant, a Person With the Authority in Respect of Goods, and Their Representatives in the Appointment and Conduct of the Customs Examination

1. In the appointment and conduct of the customs examination of the declarant, other persons having authority or power in respect of the goods, and their representatives, are entitled to:
 - 1) make motions to the customs body who appointed the customs examination on the formulation of additional questions to customs expert to obtain an expert opinion on those questions;
 - 2) get acquainted with the conclusion of the customs expert and to receive a copy of such opinion from the customs body who appointed the customs examination;
 - 3) be present during the sampling of probes or samples by the customs bodies for customs examination;
 - 4) apply for an additional examination or re-examination of goods.
2. Where the petition by the declarant or other persons who possesses powers in respect of the goods or their representative is approved, the official of the customs body who has appointed the customs examination shall pass the relevant decision.

When refusing an application, the customs official shall notify the person who submits an application in writing.

Article 232. Conclusion of the Customs Expert (Expert)

1. In the customs expert's conclusions, the following must be specified:
 - 1) the place, the number and the date the customs examination was conducted;
 - 2) the basis for conducting the customs examination;
 - 3) the surname, name and patronymic name (if any) of the customs expert (expert) who carried out the customs examination, and his/her qualifications;
 - 4) a mark, certified by the signature of the customs expert (expert), that he is warned about the administrative or criminal liability for knowingly giving false conclusion during a customs examination which is sealed by the organization conducting the customs examination;
 - 5) those questions put to the customs expert (expert);
 - 6) a list of documents, materials, samples and specimens submitted to the customs expert (s) for the customs examination;
 - 7) the content and results of studies showing the techniques employed, evaluation of the research results, the conclusions on the issues raised and their substantiation.
2. Those materials and documents that illustrate the conclusion of the customs

expert (expert) shall be attached to the conclusion and are an integral part of these conclusions.

Appendices and (or) illustrative materials are signed by the customs expert (expert) and certified with the seal of the organization which was carrying out customs expertise.

If the customs examination was carried out with the participation of several experts, the conclusions will be signed by all the experts and sealed by the organization that carried out the customs examination.

The findings in the conclusion of the customs expert (expert) are stated in the form of answers to the pre-formulated questions, thus the sequence of answers should correspond to the sequence of those pre-formulated questions.

3. The conclusions of the customs expert (expert) shall be drawn up in writing in two copies; one copy remains with the organization that conducted the customs examination, and the second copy is sent to the customs body that designated the customs examination.

Article 233.s of Customs Examination

1. For the purposes of customs control, the following kinds of customs examinations shall be conducted: identification, merchandising, materials-science, technological, forensic and other examinations, as the need arises.

2. Depending on the number of experts involved, a sole, a one-person, commission or complex customs examination shall be appointed.

A one-person customs examination shall be conducted by the customs expert alone.

A commission customs examination shall be carried out by the commission of customs experts (experts) of one specialty.

In case of disagreement between customs expert (expert), each expert or part of the experts may submit a separate opinion.

Complex customs examinations shall be carried out by the commission of customs experts (experts) in cases where, to establish the circumstances relevant to the case, research on the basis of knowledge from various specialties within the competence of customs experts (experts) is needed. Each customs expert (s) shall sign the part of the conclusion on which he/she was involved in a customs examination.

3. There are three of customs examination: primary, additional and re-examination.

The primary examination shall be conducted based on the application of the customs body to examine the objects, samples and specimens.

Additional customs examinations shall be appointed where new circumstances are discovered. The development of supplementary customs examinations shall be assigned to the same or different customs expert (expert).

Re-examination shall be carried out in cases of disagreement between the declarant, the customs body which appointed the customs examination, and the conclusion of the customs expert (expert) on the results of the primary examination.

Re-examination shall be entrusted to a commission composed of two and more customs expert (expert), not including those customs experts (expert) who conducted the primary examination. Customs experts (experts) who conducted the primary examination may attend during the re-examination and give explanations to the commission, but cannot participate in the study or the drafting of the expert customs opinion.

The procedure for re-examination of a customs examination is determined by decision of the Commission of the Customs Union.

In conducting the additional and re-examination customs examinations, it is mandatory to submit the reporting results of the primary examination of the customs expert (expert).

Article 234. Samples and Models of Goods

1. In order to carry out the customs examination, the official of the customs body shall take samples and probes of the goods in the process of customs inspection and customs declaration, as specified by Articles 223 and 299 of this Code. The sampling of the goods shall be carried out in the presence of the customs applicant or the person carrying out activity in customs affairs, or their representatives, except for the cases specified in paragraph 2 of this Article. The procedure for sampling the goods by the officials of customs bodies shall be established by the Government of the Republic of Kazakhstan.

If the use of special and (or) scientific knowledge and the application of technical means is necessary, the sampling of the goods shall be carried out with the participation of the customs expert (expert). A petition from the official of customs body to the agency performing the customs examination shall serve as the basis for the participation of the customs expert in sampling the goods.

2. If the declarant or the person carrying out activity in the customs issue, or their representatives, are absent at implementation of this Code, an official of the customs body shall have the right to take an independent sampling of the goods in the presence of two witnesses.

In case of written refusal from the declarant or the participant of foreign economic activity when carrying out the customs inspection from sampling the goods, the official of customs body shall take an independent sampling of the goods in the presence of two witnesses.

3. Specimens and samples of goods in minimal quantities are selected, necessary to enable their study and in compliance with the requirements of the normative documentation for standardization, in accordance with the legislation of the Republic of Kazakhstan.

Upon the selection of samples and specimens of goods, the act of sampling shall be documented in three copies in the form established the decision of the Commission of the Customs Union.

The first copy remains with the customs body; the second copy together with the selected tests and samples of the goods shall be addressed to the organization authorized to carry out customs examinations; the third copy is to be delivered (direction) to the declarant, and other person possessing powers concerning the goods, or their representatives.

4. The declarant, and others person having authority in relation to goods, or their representatives, shall take part in the selection of samples and specimens of goods before the customs officials. These persons are obliged to assist the officials of customs bodies in the selection of samples and specimens of goods, including the execution, at their own expense, of the necessary cargo (or loading) and other operations. In the absence of the declarant, the person possessing powers concerning the goods, or their representative, officials of the customs body can select those samples and modes of the goods, upon the expiration of ten (10) calendar days after representation of the goods, and also under urgent circumstances. In such cases, the sampling of goods shall be carried out in the presence of two (2) witnesses and arrangement of the protocol on sampling of the probes and samples of the goods.

Samples and product samples may be collected by customs bodies in the absence of the declarant a person with the authority in respect of goods, or their representatives, in the cases provided for in paragraph 5 of Article 205 of this Code.

In such cases, the sampling of goods is carried out in the presence of two witnesses.

5. Samples and models shall be packed so that they cannot be taken without

breaking the seal of the packaging.

6. The customs body will not reimburse costs incurred by the declarant, a person with the authority in respect of goods, or their representatives, as a result of sampling the goods.

7. Upon completing the customs examination, the samples and models shall be returned to the official of the customs body who has appointed the customs examination, except for cases where:

the samples and models of the goods were used up in the course of research or destroyed as a result of researches and (or) tests;

there has been a mismatch between the contents of the goods specified in goods shipping documents, as compared to the content of the goods revealed during customs examination, and therefore such tests and samples are submitted for storage, the terms of which are defined by standards regulations, and the samples and models and models of the goods are subject to destruction or utilization according to the legislation of the Republic of Kazakhstan.

Footnote. Article 234 as amended by the Law of the Republic of Kazakhstan dated 05.07.2011 No. 452-IV (shall be enforced from 13.10.2011).

Article 235. Cooperation in the Field of the Expert Activity

The organization carrying out the customs examinations shall have the right to establish communications with the organizations and the services which are carrying out the expert activity for the purpose of carrying out: joint scientific researches, an exchange of scientific and methodical information, vocational training and professional development of customs experts according to this Code.

Article 236. Carrying Out Customs Examination With the Involvement of Customs Experts of Member States of the Customs Union

1. The customs body which has appointed the customs examination is entitled to petition for involvement of customs experts of member states of the Customs Union in the field of customs examination in a manner established by this Code, on its own initiative or according to the petition of the head of the organization making customs examinations.

2. The carrying out of customs examinations with the participation of customs experts of member states of the Customs Union shall be carried out in the manner established by this Code.

CHAPTER 26. THE DETENTION OF GOODS AND THEIR DOCUMENTS DURING CUSTOMS CONTROL

Article 237. Goods and Documents to be Detained During the Customs Control

1. When carrying out customs control in the cases stipulated in Articles 244, 268, 283, 290, 312, 335, 338, 410 and 466 of this Code, the customs officials that detained the goods and documents on them, are not subject to administrative offences or crimes.

2. In the case of a detention of goods and documents presented to them, the protocol shall be drawn by customs bodies in the form established by the Customs Union Commission's decision.

3. Detained goods and their shipment documents shall be exempted and stored by customs bodies within the time limits prescribed by this Code.

Detained goods shall be placed in temporary storage warehouses or other locations designated by the customs body.

4. During the detention of goods by customs body bodies in accordance with paragraph 3 of this Article, the cost of storing the detained goods shall be reimbursed by the persons specified in Article 239 of this Code, to whom the goods are to be returned. Storage of detained goods which are not reclaimed by such persons within the time limits set forth in paragraphs 1 and 2 of Article 238 of this Code shall be reimbursed from the amounts received from the sale of such goods, subject to the

provisions of paragraph 1 of Article 241 of this Code.

5. The order of reimbursement for the storage of detained goods is determined by the Government of the Republic of Kazakhstan.

Article 238. The Shelf Life of Detained Goods and Their Related Documents

1. Detained goods and their related documents, except for the goods specified in paragraph 2 of this Article, shall be stored by the customs bodies within one (1) month, and perishable goods within in twenty four (24) hours.

2. Goods that are prohibited from importation into the customs territory of the Customs Union, or exportation outside of such territory, and the documents associated with them, shall be stored by the customs bodies within three (3) days.

3. The shelf life of detained goods shall be calculated from the date of their detention.

Article 239. Return of Detained Goods and Their Related Documents

1. Return of detained goods and documents on them is made to the declarants, and if the declaration of goods has not taken place, then - to the owner of the goods, and in cases where the owner is a foreign person or information about the owner of goods is missing, - to those in whose possession the goods were at the time of arrest taking into account the specifications prescribed in this Article.

2. Goods that are prohibited from moving across the customs border, and their related documents, detained upon importation into the customs territory of the Customs Union shall be returned to any of the persons referred to in paragraph 1 of this Article, who shall be the first to contact the customs bodies with request to return such goods for further re-export outside of this territory.

3. Any goods and their related documents that were prohibited and (or) limited from moving across the customs border and detained when exporting from the customs territory of the Customs Union, shall be returned to the declarant or other persons for use in the customs territory of the Customs Union, if the possession of the goods are permitted under the laws of the Republic of Kazakhstan.

4. The goods whose transfer through the customs border of the Customs Union is restricted, and the documents relating to them, that were detained upon importation into the customs territory of the Customs Union, shall be returned to the declarant or other persons for re-exportation outside this territory, or for use at the customs territory of the Customs Union, under the condition that the customs body is provided with the documentary confirmation showing adherence with the set restrictions and placement of goods under the customs procedure in accordance with this Code.

5. In other cases not referred to in paragraphs 2 - 4 of this Article, detained goods shall be returned to the person who placed these goods under the customs procedure, or their representatives, after they were placed under one of the customs procedures.

6. If it is necessary to place the goods under the customs procedure based on a request from a person authorized to perform customs operations related to the placement of goods under customs procedures, then the documents retained with the goods are to be returned by the customs bodies to such person prior to the release of goods.

Article 240. Actions With Respect to Detained Goods Where the Storage Term Has Expired

1. Goods detained by customs bodies and not demanded by the persons specified in Article 239 of this Code, as foreseen in paragraphs 1 and 2 of Article 146 of this Code, shall be sold, and in cases specified by paragraph 3 of these articles will be subject to destruction or reuse.

2. Purchase, destruction or other use of the goods referred to in paragraph 1 of this Article shall be exercised in the manner prescribed by the legislation of the

Republic of Kazakhstan.

3. Goods for which the cost of storage and sale exceeds their value, as well as in other cases stipulated by Government of the Republic of Kazakhstan shall be destroyed.

Destruction, as well as reimbursement of costs associated with storage and transportation of such goods shall be exercised by the declarant or another person, and in the absence of these individuals, from the budget of the Republic of Kazakhstan, unless otherwise provided in certain categories of goods.

Article 241. The Disposal of the Amounts Received From the Sale of the Detained Goods Where The Storage Term Has Expired

1. From the amounts received from the sale of goods specified in paragraph 1 of Article 148 of this Code, primarily - the amounts of customs duties and taxes are withheld, which would be payable when the detained goods are placed under the customs procedure of release for domestic consumption, and calculated on the day of the detention of these goods, secondly - the cost of transportation, storage of goods and other costs associated with the sale of these goods are withheld.

2. The amounts received from the sale of goods, calculated with regard to deductions as stipulated by paragraph 1 of this Article, shall be returned to the declarant, and if the declaration of goods has not taken place, to the owners of the goods if the customs bodies have information about them, and provided that these individuals will apply to the customs bodies within three (3) months from the day following the day of receipt of funds from the sale thereof, in the manner prescribed by the Government of the Republic of Kazakhstan.

The customs bodies shall notify the persons referred to in the first part of this paragraph, of any available refund amounts received from the sale of the goods.

SPECIAL PART

SECTION 4. CUSTOMS OPERATIONS PRIOR TO SUBMISSION OF CUSTOMS DECLARATION

Chapter 27. GENERAL PROVISIONS FOR THE MOVEMENT OF GOODS ACROSS THE CUSTOMS BORDER OF THE CUSTOMS UNION

Article 242. Movement of Goods Across the Customs Border of the Customs Union

1. All persons shall have an equal right to move goods across the customs border of the Customs Union with the provisions, as established by the customs legislation of the Customs Union and this Code.

2. Goods must be transported across the customs border of the Customs Union in the manner prescribed by customs legislation of the Customs Union.

For certain categories of products, including supplies, items for personal use, and the transport of international vehicles, this Code and (or) international treaties of the member states of the Customs Union may establish particular specifications for their movement across the customs border.

3. Goods moved across the customs border of the Customs Union shall be subject to customs control in the manner prescribed by the customs legislation of the Customs Union and this Code.

During customs control, customs bodies and their officials shall not impose requirements and restrictions which are not provided for under the customs legislation of the Customs Union and this Code.

4. When importing into or exporting from the customs territory of the Customs Union goods which are necessary for disaster control, natural and man-made emergency situations, military equipment needed to perform peacekeeping actions or conduct exercises, as well as perishable goods, live animals, radioactive materials, explosives, international mail, express cargo, humanitarian and technical assistance, information and materials to the media and other similar goods, these customs operations performed

prior to the submission of customs declarations and dealing with such kinds of goods are executed on a priority basis.

Article 243. Places for the Movement of Goods Across the Customs Border of the Customs Union

Places for the movement of goods across the customs border of the Customs Union are checkpoints or other places, as determined by the Government of the Republic of Kazakhstan.

Article 244. Compliance with Prohibitions and Restrictions on the Movement of Goods Across the Customs Border of the Customs Union

1. Moving goods across the customs border of the Customs Union shall be subject to prohibitions and restrictions, unless otherwise prescribed by this Code, under the international treaties of the member states of the Customs Union, the decisions of the Commission of the Customs Union and the normative legal acts of the Republic of Kazakhstan, issued in accordance with international treaties of the Republic of Kazakhstan which establish such prohibitions and restrictions.

2. Goods that are prohibited from importation into the customs territory of the Customs Union, but which arrive in the customs territory of the Customs Union, are subject to immediate removal from the customs territory of the Customs Union, unless another course of action is provided for by law and (or) the international treaties of the Republic of Kazakhstan.

Taking measures for the export of goods is entrusted to the carrier or the owner of goods, unless otherwise provided by this Code and (or) international treaties of the Republic of Kazakhstan.

3. Goods that are prohibited to be exported from the customs territory of the Customs Union are not subject to actual export from the customs territory of the Customs Union, unless otherwise provided for by international treaties of the Republic of Kazakhstan.

4. If during the importation into the customs territory of the Customs Union, or exportation from that territory, goods restricted for import or export are not presented with documents confirming compliance with the restrictions, then the provisions of paragraphs 2 and 3 of this Article shall be applied.

5. If it is impossible to export the goods, as specified in paragraphs 3 and 4 of this Article, or to exercise their immediate removal, the goods shall be detained in accordance with Chapter 21 of this Code.

Article 245. Use and (or) Disposal of Goods Moved Across the Customs Border of the Customs Union

1. The use and (or) disposal of goods moved across the customs border of the Customs Union, prior to their release by customs bodies, shall be carried out in the manner and under the conditions established by the customs legislation of the Customs Union.

2. Use and (or) disposal of goods after their release by customs bodies is carried out in accordance with the terms of the declared customs procedure or in accordance with the conditions, as established for certain categories of goods that are not subject to compliance with this Code under the customs procedure.

Article 246. Goods That Have Become Unusable, Spoiled and Damaged

Goods imported into the customs territory of the Customs Union that have become unusable, spoiled or damaged due to: an accident or force majeure prior to the customs operations, or their placement under the customs procedure, including the period of their temporary storage and transportation of goods according to the customs procedure of customs transit, are considered in the further execution of customs operations as if

they were imported into the customs territory of the Customs Union deteriorated, spoiled or in damaged condition.

Article 247. Taking Samples and Specimens of Goods by Stakeholders

1. Interested persons and controlling state bodies, with the permission of the customs body, may take samples and specimens of goods in those cases stipulated by this Code and (or) and the legislation of the Republic of Kazakhstan.

2. Permission for taking samples and specimens of goods shall be issued by the customs body, if such taking:

- 1) is not difficult to carry out customs control;
- 2) does not change the characteristics of the goods;

3) does not lead to an evasion of customs duties, taxes or non-compliance with the prohibitions and restrictions.

3. A separate customs declaration for samples and probes of goods is not required, provided that they will be included in the declaration of goods.

Chapter 28. ARRIVAL OF GOODS IN THE CUSTOMS TERRITORY OF THE CUSTOMS UNION

Article 248. Place and Time of Arrival of Goods in the Custom Territory of the Customs Union

1. The arrival of goods in the customs territory of the Customs Union shall be at the location where the goods have moved across the customs border (hereinafter - the place of arrival) and during the hours of operation of customs bodies at these places.

Certain categories of goods may arrive at the customs territory of the Customs Union only in certain locations as designated by the Government of the Republic of Kazakhstan.

Goods may arrive at the customs territory of the customs union in other places, which is not a place of arrival, according to those cases and procedures as defined by the Government of the Republic of Kazakhstan.

The list of places of arrival is sent by the customs bodies to the Customs Union Commission for publication, and may be sent using information technology.

2. After crossing the customs border of the Customs Union, the imported goods must be delivered by the carrier to the place of arrival or other locations, as specified in paragraph 1 of this Article, and submitted to the customs body. A change in the state of commodities or a violation of their packaging shall not be allowed, nor can there be any change, deletion, destruction or damage to the sealing, and other means of identification.

3. Customs bodies are obliged to provide information on the places of arrival, on the restrictions and the operation hours of customs bodies, and may use information technology to do so.

4. The provisions of this Chapter shall not apply to goods carried by water and aircraft that cross the customs territory of the Customs Union without stopping at a port or airport located in the customs territory of the Customs Union, as well as those commodities transported by pipeline transport and power transmission lines.

Article 249. Measures Taken in the Case of Accident, Force Majeure or Other Circumstances

1. If, after crossing the customs border of the Customs Union, delivery of goods to the place of arrival is interrupted, and if the vessel or aircraft makes an emergency stop or landing on the customs territory of the Customs Union as a result of the accident, force majeure or other circumstances, which prevents the delivery of goods as a result of an implementation of a stop or landing in designated locations, the carrier must take all measures to ensure the preservation of the goods, they must immediately inform the nearest customs body about the circumstances and the location of the goods, and transport the goods or provide for their transportation (if their vehicle of

international transport is damaged) to the nearest customs body or other place, specified by the customs body.

2. Expenses incurred by the carrier in connection with the fulfillment of the requirements in this Article shall not be reimbursed by the customs bodies.

Article 250. Notice Upon Arrival of Goods Into the Customs Territory of the Customs Union

1. The carrier shall notify the customs bodies upon arrival in the customs territory of the Customs Union by providing the documents and information stipulated in Article 159 of this Code, depending on the mode of transport by which the goods are transported.

On behalf of the carrier, documents may be submitted by the customs representative or other persons acting on the instructions of the carrier.

2. The carrier, customs representative, or other person is entitled to submit information on goods to the customs bodies in advance of their actual arrival in the customs territory of the Customs Union. In these cases, as provided by law and (or) international treaties of the member states of the Customs Union, the carrier must provide preliminary information about the goods.

3. The carrier is entitled to submit electronic documents.

4. Where documents are presented in a language other than the official language of the member states of the Customs Union, a translation of the information contained in such documents must be provided by the carrier or other interested person.

Article 251. Documents and Information Submitted to the Customs Body, Depending on the Means by Which the Goods are Transported

1. Upon the arrival of goods into the customs territory of the Customs Union, the carrier shall submit the following documents and information:

1) for the international transport by road:

documents:

documents on the vehicle of international transport transportation (shipment) documents;

documents accompanying the international postage during their transportation, as defined by certain acts of the Universal Postal Union available to the carrier's business records for the transported goods;

information:

state registration of the vehicle of international transport;

name and address of the carrier of the goods;

name of the country of origin and the country of destination;

name and address of the sender and the receiver of the goods;

seller and the recipient of goods in accordance with the existing carrier's business records;

the number of packages, their labeling and types of packaging products;

name, as well as codes of goods in accordance with the Harmonized System of Commodity description and Coding system or the Commodity Nomenclature of Foreign Economic Activity at a level not less than the first four digits;

gross weight of goods (in kilograms) or volume of goods (in cubic meters), except for large loads;

the availability of goods whose import into the customs territory of the Customs Union is prohibited or restricted;

the place and date of preparation of international waybill;

2) for the international transport by water:

documents:

general declaration;

cargo declaration;
ship's stores declaration;
declaration of personal belongings of the crew;
crew list;
list of passengers;
documents accompanying the international postage during their transportation, as defined by the acts of the Universal Postal Union;
transportation (shipment) documents;
available to the carrier, the business records for the transported goods;
information:
on registration of the vessel and its national identity;
the name and description of the vessel;
master's name;
name and address of the ship agent;
the number of passengers on board, their full names, nationality (citizenship), date and place of birth, the port of embarkation and disembarkation;
the number and composition of the crew;
name of the port of departure and port of arrival of the vessel;
name, total number and description of the goods;
the number of packages, their labeling and types of packaging of the products;
the name of the port of loading and port of unloading the goods;
number of bills of lading or other documents confirming the existence and the content of maritime (river) contract for transportation of goods which shall be unloaded in the port
name of unloading ports of the goods remaining on boards;
the name of the original port of shipment of the goods;
name of ship supplies available on the ship, and an indication of the quantity;
description of the placement of goods on board;
the presence (the absence) of international mail on board of a ship of;
the presence (the absence) of goods on board that are prohibited or restricted from importation into the customs territory of the Customs Union, including the currency of the member states of the Customs Union and currency values that are currently possessed by the crew members, and any medicines containing drugs, potent (or drastic) substances, psychotropic substances and poisons, weapons and ammunition;
3) during international transport by air:
documents:
standard documents of the carrier, under international treaties in the field of civil aviation (general declaration);
documents containing information about the goods transported on-board the aircraft (cargo sheet);
documents containing information about the aircraft's stores;
transport (conveyance) documents;
business records for the transported goods available to the carrier;
documents containing information about the passengers and their luggage transported on-board (passenger list);
documents accompanying the international postage for their transportation, defined by certain acts of the Universal Postal Union;
information:
signs for nationality and registration marks of the vessel;
flight number, an indication of the route of flight, point of departure, and point of arrival of the aircraft;

the name of the operator of the aircraft;
the number of crew members;
the number of passengers on board, their names and initials, name of embarkation and disembarkation;
description of the goods;
the bill of lading number, the number of places on each bill of lading;
the name of the loading and the unloading locations of the goods;
the quantity of on-board supplies, loaded onto the aircraft or unloaded from it;
the presence (absence) on board of international mail;
the presence (absence) on board of goods whose importation into the customs territory of the Customs Union is prohibited or restricted, including the currency of the member states of the Customs Union and crew members' currency values, medicines, consisting of drugs, potent substances, psychotropic substances and poisons, weapons and ammunition;

4) during the international transport by rail:

documents:

transportation (shipment) documents;

transfer sheet on railway rolling stock;

documents containing information about the stores;

documents accompanying the international postage for their transportation, defined by certain acts of the Universal Postal Union;

commercial documents of the carrier for the goods transported;

information:

the name and address of the sender of the goods;

the name and address of the consignee;

the name of the departure station and destination station of the goods;

the number of packages, their labeling and types of packaging products;

the name, as well as codes of goods in accordance with the Harmonized Commodity Description and Coding System or the Commodity Nomenclature of Foreign Economic Activity at least at the level of the first four digits;

gross weight of goods (in kilograms);

identification numbers of containers.

2. Regardless of the mode of the transportation vehicle used, when notifying the customs body on the arrival of goods into the customs territory of the Customs Union, the documents confirming compliance with the prohibitions and restrictions, with the exception of non-tariff regulation in accordance with paragraph 1 of Article 244 of this Code, shall be presented

Article 252. Customs Transactions Occurring in Places of Arrival

1. In places of arrival, there may be unloading and reloading (transshipment) of goods, and a replacement of the vehicle delivering the goods to the customs territory of the Customs Union, to another vehicle.

2. The unloading and reloading (transshipment) of goods to another vehicle, in order to substitute the vehicle delivering the goods to the customs territory of the Customs Union, is performed during the operation hours of the customs body and in places specially designed for that purpose, under the permission of the customs body issued by the request of the interested person.

3. At places of arrival, customs operations related with the temporary storage of goods are allowed, including their customs declaration and their release in accordance with the declared customs procedure.

4. A carrier or other interested person shall perform customs operations, involving the placement of goods in temporary storage or its customs declaration in

accordance with the customs procedure, within three (3) hours after the presentation of the goods to the customs body at the place of arrival.

In respect of the goods transported by rail or water transport, a carrier or other interested person shall perform a customs operation provided for under the first part of this item, no later than the end of the next working day of the customs body after the presentation of the goods to the customs body at the place of arrival.

5. Delivery of goods from the point of arrival at the place specified by the customs body shall be carried out in accordance with the customs procedure of customs transit, if such goods at the place of arrival are not placed under another customs procedure or in respect of such goods other customs operations foreseen by the customs legislation of the Customs Union are not committed.

Article 253. The Commencement and Termination of the Obligation to Pay Import Duties, Taxes and the Term of Their Payment Upon the Arrival of Goods at the Customs Territory of the Customs Union

1. Upon the arrival of goods into the customs territory of the Customs Union, the obligation to pay import duties and taxes accrues to the carrier at the time of crossing the customs border of the Customs Union.

2. The obligation to pay import duties and taxes upon the arrival of goods into the customs territory of the Customs Union shall be terminated in respect of the carrier, where:

1) in case of delivery of the goods to the place of arrival and placement in temporary storage or the placement of the goods under the customs procedure at the place of arrival, as well as the departure of goods from the customs territory of the Customs Union, if the goods did not move from the border crossing point of the Customs Union after arrival in the customs territory of the Customs Union;

2) in the cases specified by paragraph 2 of Article 129 of this Code.

3. Upon the arrival of goods into the customs territory of the Customs Union, the date of payment of import customs duties and taxes shall be:

1) for failing to deliver the goods to the destination: the day of crossing the customs border of the Customs Union, and if that date is not known, then the day the non-delivery of goods to the place of destination is identified;

2) for loss of goods in the place of arrival, except for destruction (irretrievable loss) due to an accident or force majeure, or due to natural loss under the normal conditions of carriage (transportation) and storage: the day of crossing the customs border of the Customs Union, and if this day is not known, then the day the loss of the goods is identified;

3) for the export of goods from the point of arrival to another territory of the Customs Union without temporary storage, or placing the goods under the customs procedure in the place of arrival: the day of crossing the customs border of the Customs Union, and if this date is not known, then the day such export is identified.

4. Import customs duties and taxes shall be payable in the amount corresponding to the amount of import customs duties and taxes that would be payable when the goods are placed under the customs procedure for release for domestic consumption, which are calculated based on the rates of customs duties, taxes, customs value, their physical characteristics (number, weight, volume and other characteristics) and market exchange rates, as established in accordance with the tax laws of the Republic of Kazakhstan. They take effect on the day of crossing the customs border of the Customs Union, and if that day is not known, then the day when non-delivery of goods to the place of arrival has been identified, or their loss at the place of arrival or removal from the place of arrival to the customs territory of the Customs Union without placement for temporary storage, or placing them under the customs procedure in the place of arrival.

Chapter 29. DEPARTURE OF GOODS FROM THE TERRITORY OF THE CUSTOMS UNION

Article 254. The Place and Time of Departure of Goods From the Customs Territory of the Customs Union

1. The departure of goods from the territory of the Customs Union is carried out at the location where the goods move across the customs border of the Customs Union (hereinafter - the place of departure) and during the business hours of the customs bodies at these places.

Certain categories of goods may depart from the customs territory of the Customs Union only at these places of departure, as determined by the Government of the Republic of Kazakhstan.

The goods may depart from the customs territory of the Customs Union in other places, which are not the places of departure, in conformity with cases and procedure defined by the Government of the Republic of Kazakhstan.

The list of places of departure shall be sent by the customs bodies to the Customs Union Commission for publication, including the use of information technology.

2. Customs bodies are obliged to provide information about the places of departure, about the restrictions and the business hours of the customs bodies, and this information can be provided through the use of information technology.

3. The provisions of this Chapter shall not apply to goods transported by water or aircraft, and that cross the customs territory of the Customs Union without stopping in a port or airport located in the customs territory of the Customs Union, as well as those goods transported by pipelines and power lines.

Article 255. Customs Transactions Occurring in Places of Departure

1. For the departure of goods from the customs territory of the Customs Union, the carrier is obliged to submit to the customs bodies the customs declaration or other document permitting their removal from the customs territory of the Customs Union, as well as the documents and information stipulated by Article 251 of this Code, depending on the of transport by which the goods are transported, unless another is prescribed by this Code.

Regardless of the of transport by which the shipment is made, for the departure of goods from the customs territory of the Customs Union, the customs body shall submit proof of compliance with the prohibitions and restrictions in accordance with paragraph 1 of Article 244 of this Code.

A customs declaration or other document permitting the export of goods from the customs territory of the Customs Union shall not be submitted for the departure of goods from the customs territory of the Customs Union if the goods did not move across the customs border of the Customs Union after arrival in the customs territory of the Customs Union.

2. The carrier is entitled to submit documents in electronic form.

3. Documents may be submitted by the customs representative or another person acting on behalf of the carrier.

4. The departure of goods from the customs territory of the Customs Union shall be allowed by the customs body.

Permission from the customs body for the departure of goods from the customs territory of the Customs Union is made by filling out a customs declaration or other document that enables their removal from the customs territory of the Customs Union, and any transportation (shipping) documents with appropriate written remarks of the customs bodies.

Article 256. Requirements for Goods at Their Departure From the Customs Territory of the Customs Union

1. Goods must be actually exported from the customs territory of the Customs Union in the same quantity and condition in which they were when they were placed under a customs procedure, or at the time of arrival in the customs territory of the Customs Union if the goods do not move from the place of movement of goods across the customs border of the Customs Union, except as required by the second part of this paragraph.

Changes in the number and (or) condition of the goods as specified in the first part of this paragraph due to normal wear and tear, or loss as a result of changes in the natural properties of the goods under the normal conditions of carriage, transport and storage, as well as changes in the quantity of goods due to the presence of un-drainable residues in the vehicle, are allowed.

2. Individuals will not be liable for failing to comply with the provisions of this Article if the loss or change in the state of the commodities has occurred due to accident or force majeure, and in those cases stipulated by technical regulations and national standards, where the change of the information about the number of goods is as a result of errors caused by measurement methods.

3. Goods of the Customs Union can be exported from the customs territory of the Customs Union in a number fewer than originally claimed, when they are placed under a customs procedure, regardless of the reasons for the decrease in the number of goods.

Footnote. Article 256 as amended by the Law of the Republic of Kazakhstan dated 10.07.2012 No. 36-V (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 257. Measures Taken in Cases of Accident, Force Majeure or Other Circumstances

1. If the delivery of goods from the place of departure to the point of crossing the customs border was suspended as a result of an accident, force majeure or other circumstances preventing the delivery of such goods, the carrier shall take all measures to ensure the preservation of the goods, immediately inform the nearest customs body about the circumstances and the place of the goods, and will transport the goods or provide for their transportation (if their vehicle of international carriage is damaged) to the nearest customs body or other place specified by a customs body.

2. Expenses incurred by the carriers or other persons in connection with the requirements of this Article shall not be reimbursed by the customs bodies.

Article 258. The Commencement and Termination of the Obligation to Pay Import Duties, Taxes and the Term of Their Payment Upon the Departure of Foreign Goods From the Customs Territory of the Customs Union

1. When foreign goods are departing from the customs territory of the Customs Union, the obligation to pay import duties and taxes accrues to the carrier from the time that permission has been issued by the customs bodies for the departure of goods from the customs territory of the Customs Union.

2. The obligation to pay import duties and taxes for the departure of foreign goods from the customs territory of the Customs Union is terminated to the carrier:

- 1) upon the goods actually crossing the customs border of the Customs Union;
- 2) in cases as specified by paragraph 2 of Article 80 of this Code.

3. For foreign goods departing from the customs territory of the Customs Union, if prior to the actual crossing of the customs border of the Customs Union the goods were lost, except in cases of destruction (irretrievable loss) due to an accident or force majeure or as a result of natural loss under normal conditions of transport (transportation) and storage, the date of payment of import customs duties and taxes shall be the day when the goods were lost, and if that day is not known, then the day permission is issued by the customs bodies at the departure of the goods from the customs territory of the Customs Union.

4. Import customs duties and taxes shall be payable in the amount corresponding to the amounts of import customs duties and taxes that would be payable when the goods are placed under the customs procedure for release for domestic consumption, which is calculated based on the rates of customs duties, taxes, customs value, their physical characteristics (quantity, weight, volume or other characteristics) and the market exchange rates, as established in accordance with the laws of the Republic of Kazakhstan, and in effect as of the day the goods were lost, and if that date is not known, then the day when permission was granted for the departure of the goods from the customs territory.

Chapter 30. TEMPORARY STORAGE OF GOODS

Article 259. General Provisions on the Temporary Storage of Goods

1. The temporary storage of goods is the storage of foreign goods under the customs control in temporary storage places, until they are released by customs bodies in accordance with the declared customs procedure, or until commission of other actions in accordance with the customs legislation of the Customs Union without the payment of customs duties and taxes.

2. The temporary storage of goods shall not apply in respect of goods transported by pipelines and electricity lines, as well as in other cases stipulated by the customs legislation of the Customs Union.

3. Persons with authority in relation to the goods, or their representatives, may not use goods in temporary storage, including an export from the place of temporary storage, until their release in accordance with the declared customs procedure or until commission of other actions provided by this Code.

Article 260. Temporary Storage of Goods

1. Places for temporary storage of goods include:

- 1) temporary storage warehouses;
- 2) warehouses for the storage of owner's own goods;
- 3) customs and free warehouses;
- 4) facilities, open spaces and other areas of the authorized economic operator;
- 5) other places in accordance with Article 265 of this Code.

2. Warehouse for the storage of owner's own goods is a place and (or) an outdoor area of the owner of goods, intended for the temporary storage of owner's own goods, which is under customs control.

Warehouses for the storage of owner's own goods shall meet the following requirements:

1) they shall be in the ownership, economic management, operational control or rental of premises and (or) in open areas;

2) the availability of the necessary cargo handling equipment and special equipment, as well as certified weighing equipment, appropriate and corresponding to the natural characteristics of the goods and vehicles in question, as in the case of gas storage in special storage facilities where the availability of appropriate metering devices are required;

3) the territory, including the adjacent loading and unloading areas, shall be designated in accordance with paragraph 3 of Article 186 of this Code, and shall be paved with concrete or asphalt;

4) the availability of technically serviceable driveways as well as sites for the inspection of goods, including indoor venues equipped with electric lighting;

5) the territory, including the adjacent loading and unloading areas (one or more storage areas and sites), must be an indivisible complex with one mailing address and having a continuous fence around the perimeter.

Part of the premises and the free customs warehouse may be used as a warehouse for

storing own goods without being included in the roster of owners of warehouses for storing owner's own goods.

If part of the premises of the customs or free warehouse is used as a warehouse for storing own goods, it must be isolated from the rest of the premises by a continuous fence.

Warehouses for storing own goods must be used solely in accordance with the requirements of this Code. The use of these warehouses for other purposes is not permitted.

3. Temporary storage is a customs control zone.

4. Goods that may cause damage to other goods or require special storage conditions must be kept in temporary storage specially adapted for the storage of such goods.

If there is no area in the customs body for temporary storage adapted for the storage of such goods, the goods shall be placed in temporary storage at a place determined by the recipient, under his (her) responsibility with the mandatory payment of customs duties and taxes.

5. Placing goods in temporary storage shall be confirmed in a manner determined by the Government of the Republic of Kazakhstan.

Article 261. The Order for Registration of the Owners of Warehouses for Storage of Own Goods

1. A legal entity shall be recognized as the owner of the warehouse for storing own goods after being included in the register of owners of warehouses for storing own goods.

2. To be included in the register of owners of warehouses for storing own goods, the person shall submit a statement in any form to the territorial division of the authorized body on customs issues within the area of operations where the warehouse for storage of own goods is established, with detailed information about the name of the applicant and the location of the warehouse being established.

3. The owner shall submit the following documents with his (her) request:

1) the original certificate of state registration (at the end of the application the customs body shall return the original to the applicant) or a notarized copy of same;

2) an original document confirming the registration of the person as a taxpayer (at the end of consideration of the application the customs body shall return the original to the applicant) or a notarized copy of same;

3) notarized copies of constituent documents;

4) documents confirming the fulfillment of the requirements specified by paragraph 2 of Article 260 of this Code;

5) site plans, plans and drawings of the room or outdoor space designed to establish a warehouse for storing own goods.

4. The application shall be considered by a territorial unit of the authorized body on customs issues within fifteen (15) calendar days from the date of its registration.

An official of the territorial division of the authorized body in customs affairs shall examine the applicant's premises and territories belonging to him under paragraph 3 of Article 208 of this Code, according to the requirements specified by paragraph 2 of Article 260 of this Code.

5. A decision to include an applicant in the register shall be made by the head (or his/her deputy) of the territorial office of the authorized body in customs affairs, and shall take effect from the date of the order.

6. A decision to refuse to include the individuals and/or legal entities in the

register of owners of warehouses for the storage of the owner's own goods shall be made when the documents specified by paragraphs 2 and 3 of this Article have not all been provided, or when the applicant does not comply with the requirements of this Code. When the violations are corrected by the applicant, the application shall be considered in the manner prescribed by this Code.

7. In the case of inclusion or non-inclusion of a person in the register of owners of warehouses for storing own goods, a territorial division of the authorized body in customs affairs shall notify the applicant in writing.

8. When a person is re-registered, the owner of the warehouse for storing own goods shall notify the territorial division of the authorized body in customs affairs.

Article 262. Duties of the Owners of Warehouses for Storage of Own Goods

Owners of storage warehouses for own goods shall:

1) equip a room or outdoor area properly, as necessary for customs control in accordance with the requirements established in Article 260 of this Code;

2) eliminate the possibility of withdrawal of the goods and vehicles from the room or open area without customs control;

3) ensure the safety of goods and (or) means of transport that are in the room or in the open air;

4) facilitate the implementation of customs control;

5) keep records (including the use of automated forms of control and accounting) and provide customs bodies with reports on incoming, stored, and exported goods and (or) means of transport in accordance with the procedure established by the Government of the Republic of Kazakhstan;

6) avoid unauthorized access to stored goods and (or) means of transport, without the permission of the customs bodies;

7) meet the requirements of the customs bodies, including providing access to stored goods and (or) vehicles of customs officials upon their request;

8) pay customs duties and taxes when goods are lost or transferred to other parties without the permission of the customs bodies;

9) notify the customs body in writing regarding repair work, the increase or decrease in the area of the warehouse for storing own goods, and specifying the period in which they plan to carry out these works.

Article 263. Suspension of the Activity of the Owner of Warehouses for Storage of Own Goods

1. The activity of the owner of a warehouse for storing owner's own goods shall be suspended by a territorial subdivision of the authorized body in customs affairs, in which authority area the warehouse is established (registered):

1) in case of the request (application) of the owner of a warehouse for the storage of the owner's own goods for execution of repair works, for increase or decrease of the area of the warehouse for storage of the owner's own goods: for a period specified by the owner of the warehouse for storage of the owner's own goods;

2) when the owner of the warehouse for storage own goods does not meet the requirements and obligations specified by this Code on the warehouse for own goods, for a term of up to one month.

2. The decision to suspend the activity of an owner of a warehouse for the storage of own goods shall be made by the head (or her/his deputy) of the territorial division of the authorized body in customs affairs, where established, and the reasons for such suspension shall be included.

3. The activity of the owner of warehouse for storing of own goods shall recommence when the reasons for suspension of his (her) license are eliminated.

Article 264. Removal From the Register of the Owners of Warehouses for Storage of the Owner's Own Goods

1. The grounds for removing the owners of a warehouse for storing their own goods from the register shall be:

- 1) repeated violations of the requirements and obligations established by this Code for six consecutive months;
- 2) the termination of the legal entity in accordance with the laws of the Republic of Kazakhstan;
- 3) the reorganization of the legal entity, except for cases of a transformation;
- 4) the non-elimination of reasons for which the effect of the decision was suspended earlier, during the period specified in sub-paragraph 2 of paragraph 1 of Article 263 of this Code;
- 5) the termination or change of property rights over the warehouse for the storage of the owner's own goods;
- 6) an application of the owner of warehouse for storage of the owner's own goods.

2. The decision to exclude the owner of a warehouse for storing their own goods from the register shall be made by the head (or her/his deputy) of the territorial division of the authorized body in customs affairs in the area where the warehouse is set up, indicating the reasons for such termination. The owner shall be notified of the relevant information within five (5) working days from the date of the order.

3. Upon the exclusion of a person from the register of owners of warehouses for storing their own goods, the stored goods shall be subject to displacement into temporary storage within thirty (30) calendar days of the day following the date of the order, as defined by paragraph 2 of this Article.

Article 265. Temporary Storage of Goods and Vehicles in Other Places

1. At the written request of a person with authority in respect of the goods, the temporary storage of goods and vehicles shall be:

- 1) at the recipient's warehouse, which is not included in the register of owners of storage places or warehouses for temporary storage;
- 2) in an automotive vehicle, with the condition that the vehicle is on land, belonging to or rented by the recipient;
- 3) on rail vehicles in the area of a railroad section/track which is the property of, or is used or rented by, the person with authority in respect of the goods.

2. Temporary storage of goods and vehicles in accordance with paragraph 1 of this Article shall be implemented with the obligatory payment of customs duties and taxes in accordance with Chapter 16 of this Code.

3. Temporary storage of goods on vehicles, in compliance with the requirements of Article 325 of this Code, shall be carried out by ensuring the integrity of means of identification throughout the period of the temporary storage of such goods.

4. For the temporary storage of goods and means of transport in accordance with paragraph 1 of this Article, a person having authority in respect of the goods shall ensure the requirements provided by Article 260 of this Code are complied with.

Article 266. Documents Confirming the Placement of Goods and Vehicles for Temporary Storage

1. The customs body located at the checkpoint shall make a copy of transport (shipping) and commercial documents confirming the placement of goods and means of transport for temporary storage, and the customs body of the destination shall take the transit declaration or other documents stipulated by international treaties of the Republic of Kazakhstan.

2. The reception and registration of the documents confirming the placement of

goods and means of transport for temporary storage shall follow the procedure established by the Government of the Republic of Kazakhstan.

Article 267. Customs Operations Involving the Placement of Goods in Temporary Storage

1. For placing goods in temporary storage, the carrier, other persons with authority in relation to goods, or their representatives shall present the customs body with the transport (conveyance), commercial and (or) customs documents containing information on the goods, the sender (receiver) of goods, and their country of departure (destination).

Such documents may be submitted to the customs bodies in electronic form.

2. The customs bodies shall register documents, submitted for placing goods in temporary storage, within a period not exceeding one hour after the submission of such documents to the customs body followed by the issuance of the documents of confirmation of registration to the person specified in paragraph 1 of this Article.

3. Goods shall be in temporary storage from the date of registration by the customs body of documents submitted for placing the goods in temporary storage.

Article 268. The Period of Temporary Storage of Goods

1. The period of temporary storage of goods shall be two months.

2. The customs body may extend this period upon the written request of the person with the authority in respect of goods or his (her) representative. The period for the temporary storage of goods shall not exceed four months, and in the case of international mail that is stored in the place of (agency), international postal exchange, and baggage which is not received or claimed by a passenger transported by air, shall not exceed six months. For certain categories of goods, the Customs Union Commission may decide to set a period of temporary storage for less than the period specified by paragraph 1 of this Article.

3. The period of temporary storage of goods shall be calculated from the day following the date of registration by the customs body of the documents submitted for placing goods in temporary storage.

4. At the expiration of the period of temporary storage of goods, goods which are not placed under the customs procedure shall be detained by customs bodies in accordance with Chapter 26 of this Code.

Article 269. Operations With Goods in Temporary Storage

1. Persons with a mandate in relation to goods, or their representatives, shall be entitled to perform normal operations necessary to preserve the goods in their original state, including inspecting and measuring the goods and moving them within the temporary storage place.

2. Operations that are not specified in paragraph 1 of this Article, including the taking of samples and specimens, correction of damaged packaging, and operations necessary to prepare for the subsequent transport of the goods, may be made with the permission of the customs body. The customs body shall refuse to issue a permit for such operations if their implementation would lead to the loss of the goods or a change in their status.

Article 270. The Origin and Termination of the Obligation to Pay Import Duties and Taxes and Their Term of Payment for the Temporary Storage of Goods

1. The obligation to pay import duties and taxes for foreign goods placed in temporary storage of goods arises when:

1) for the carrier or other person having authority over the goods at the time of registration of the documents for placing the goods in temporary storage: after registering the customs body documents submitted for placing the goods in temporary storage;

2) for the owner of a temporary storage warehouse: from the moment of placing the goods in temporary storage;

3) for a person engaged in the temporary storage of goods in places other than warehouse of temporary storage: after registering the customs body documents submitted for placing the goods in temporary storage.

2. The obligation to pay import duties and taxes on foreign goods placed (placed) in temporary storage shall be terminated:

1) for the carrier or other person having authority over the goods at the time of registration of the documents submitted for placing the goods in temporary storage: when placing the goods in temporary storage or upon acceptance by another person for temporary storage in a place other than a warehouse of temporary storage;

2) for the owner of a temporary storage warehouse: upon issuance of the goods from the warehouse of temporary storage in connection with placing them under the customs procedure;

3) for a person engaged in the temporary storage of the goods at a place other than a warehouse of temporary storage: when the goods are placed under the customs procedure;

4) for the persons specified in sub-paragraphs 1) and 3) of this paragraph: when the goods are detained in accordance with Chapter 26 of this Code and in the cases stipulated by paragraph 2 of Article 129 of this Code.

3. For the temporary storage of goods, the period of payment of import customs duties and taxes shall be:

1) for the carrier or other person having authority over the goods at the time of registration of the documents submitted for placing the goods in temporary storage:

in the case of loss of goods placed in temporary storage prior to placing them in temporary storage, or another person taking them to temporary storage in a place other than a warehouse for temporary storage, except for destruction (irretrievable loss) due to an accident or force majeure, or due to natural loss under normal conditions of carriage (transportation) and storage, the day of such loss, and if that date is not known, then the date of registration by the customs body of the documents submitted for placing the goods in temporary storage;

in the case of transfer of goods placed in temporary storage to the recipient or another person without the permission of the customs body prior to placing them in temporary storage, or taking them by another person to temporary storage in a place other than a warehouse of temporary storage: the day of the transfer, and if that day is not known, then the day on which the documents submitted for placing the goods in temporary storage with the customs body are registered;

2) for a person engaged in the temporary storage of the goods at a place other than a warehouse for temporary storage:

in the case of loss of goods placed in temporary storage prior to placing them in a place other than a warehouse for temporary storage, except for destruction (irretrievable loss) due to an accident or force majeure, or due to natural loss under the normal conditions of carriage (transportation) and storage: the day of such loss, and if that date is not known, then the date on which the documents submitted for placing the goods in temporary storage with the customs body are registered;

in the case of the transfer of goods placed in temporary storage to the recipient or to another person without the permission of the customs body prior to place them in a place other than a temporary warehouse: the day of the transfer, and if that date is not known, then the date on which the documents submitted for placing the goods in temporary storage with the customs body are registered;

3) to the owner of a temporary storage warehouse or a person engaged in the

temporary storage of goods at a place other than a warehouse for temporary storage:

in the case of the loss of goods stored in temporary storage or in a place other than a temporary warehouse, except for destruction (irretrievable loss) due to an accident or force majeure or due to natural loss under the normal conditions of carriage (transportation) and storage: the day of such loss, and if this date is not known, then the day of on which the goods are placed in temporary storage or in a place other than a warehouse of temporary storage;

in the case of the transfer of the goods stored in temporary storage or in a place other than a warehouse of temporary storage, to the recipient or another person without the permission of the customs body: the day of the transfer, and if that date is not known, then the day on which the goods are placed in temporary storage or in place other than a warehouse of temporary storage;

in the case of use of the goods stored in the warehouse of the recipient of goods other than for temporary storage of the goods: the day of such use, and if that date is not known, then the date on which the documents submitted for placing the goods in temporary storage are registered with the customs body.

4. Import duties and taxes in the cases provided by paragraph 3 of this Article shall be payable in the amount corresponding to the amount of import duties and taxes that would be payable when the goods are placed under the customs procedure of release for domestic consumption without tariff preferences and exemptions from the payment of customs duties and taxes, which shall be calculated based on the rates of customs duties, taxes, customs value, their physical characteristics in physical terms (quantity, weight, volume or other characteristics) and market exchange rates established in accordance with the laws of the Republic of Kazakhstan and in place on the day of the term of payment of import duties and taxes imposed by paragraph 3 of this Article, respectively.

SECTION 5. CUSTOMS OPERATIONS RELATED THE PLACEMENT OF GOODS UNDER CUSTOMS PROCEDURES

Chapter 31. GENERAL PROVISIONS ON CUSTOMS OPERATIONS RELATED TO THE PLACEMENT OF GOODS UNDER A CUSTOMS PROCEDURE

Article 271. The Procedure for Performing Customs Operations Related to the Placement of Goods Under a Customs Procedure, and the Clearance of Goods

1. Customs operations related to the placement of goods under customs procedures, and the customs clearance of goods, shall be carried out in the manner and under the conditions determined by the customs legislation of the Customs Union and the Republic of Kazakhstan.

The customs clearance of goods means the customs operations, established by the customs legislation of the Customs Union and the Republic of Kazakhstan, necessary for the introduction of goods into domestic consumption for export or for the application of any other customs procedure.

The methods of performing the clearance of goods by customs officials shall be determined by the Government of the Republic of Kazakhstan.

2. The procedure and technology of customs operations involving the placement of goods under the customs procedure shall be established according to the of goods transported across the customs border of the Customs Union, the of transport used for such a move (auto, air, rail, sea, river, etc.), and the categories of persons transporting the goods.

3. Customs operations involving the placement of goods under a customs procedure shall be performed by customs officials authorized by the commission of such customs operations in accordance with their official (functional) responsibilities, on behalf of the customs bodies.

4. The requirements of customs bodies when carrying out customs operations involving the placement of goods under the customs procedure must be justified and limited to the requirements necessary to ensure compliance with the customs legislation of the Customs Union.

5. Customs operations involving the placement of goods under the customs procedure shall be applied equally, regardless of the country of origin or the destination of the goods.

Article 272. Placement of Goods Under a Customs Procedure

1. The placement of goods under a customs procedure begins with filing the customs declaration and (or) the documents required for placing the goods under the customs procedure, in the cases stipulated by this Code, with the customs bodies.

2. Goods subject to veterinary, phytosanitary and other forms of state control may be placed under a customs procedure only after the implementation of appropriate controls.

3. The placement of goods under a customs procedure is completed upon the release of goods in accordance with the declared customs procedure.

Article 273. The Place and Time of Customs Operations Involving the Placement of Goods Under a Customs Procedure

1. Customs operations involving the placement of goods under a customs procedure shall be performed at the location of the customs bodies during their working hours.

2. Upon a reasoned request of the declarant or customs representative, an individual customs operation related to the placement of goods under a customs procedure may be performed outside the location and working hours of the customs bodies.

Article 274. Documents and Information Required for Placing Goods Under a Customs Procedure

1. When placing goods under a customs procedure, the persons defined by this Code are required to submit the documents and information necessary for the presentation of goods to the customs bodies.

In carrying out customs operations involving the placement of goods under a customs procedure, customs bodies may only require the documents and information that are necessary to ensure compliance with the customs legislation of the Customs Union, the presentation of which is stipulated by the customs legislation of the Customs Union.

2. The list of documents and information required for the release of goods, and the submission deadlines, shall be established by this Code.

3. Customs bodies may not refuse to accept documents on the basis of the existence of typographical, technical or grammatical errors, which do not alter the data contained in the documents in a way that would influence the customs bodies' decision to release the goods.

4. Documents required for the release of goods may be submitted in electronic form in accordance with this Code.

5. Forms of customs documents shall be determined by a decision of the Commission of the Customs Union.

Customs documents shall be completed in Kazakh or Russian, unless another option is provided by this Code.

6. In accordance with the international agreements of the member states of the Customs Union and the international treaties of the member states of the Customs Union with other states, the release of goods may be simplified and accelerated by using customs documents of other states that are used for customs purposes.

Article 275. The Presence of Persons Concerned or Their Representatives in Carrying Out Customs Operations Involving the Placement of Goods Under a Customs Procedure

1. Interested persons or their representatives may be present during the performance of customs operations involving the placement of goods under a customs procedure.

2. At the request of the customs body, the persons concerned or their representatives must be present during the performance of customs operations, involving the placement of goods under a customs procedure, in order to facilitate the customs bodies with their operations.

Article 276. The Priority Order of Placing Certain Categories of Goods Under a Customs Procedure

Goods needed for disaster management, natural and man-made emergency situations, military equipment needed to perform peacekeeping actions or military exercises, as well as perishable goods, live animals, radioactive materials, explosives, international postal departures, express cargo, humanitarian and technical aid, communications and materials for the media, parts, engines, supplies, equipment and tools required for the repair of vehicles of international transportation, and other similar goods shall be a matter of priority under a customs procedure.

Chapter 32. CUSTOMS DECLARATION OF GOODS

Article 277. General Provisions on the Customs Declaration of Goods

1. Goods are subject to customs declaration when placed under a customs procedure or in other cases specified in accordance with this Code.

2. A customs declaration of goods shall be made by the declarant or customs agents acting for and on behalf of the declarant.

3. A customs declaration shall be made in writing and (or) in electronic forms using the customs declaration form.

Article 278. Customs Declarations

1. Depending on the declared customs procedures and persons transporting the goods, the followings of customs declarations shall be applied on the customs declaration of goods:

- 1) the declaration of goods;
- 2) the transit declaration;
- 3) the passenger customs declaration;
- 4) a declaration of the vehicle.

The forms and procedures for completing the customs declaration shall be determined by decision of the Customs Union Commission.

2. The list of information that must be stated on the customs declaration shall be limited to the information necessary for the calculation and collection of customs duties and taxes, collection of customs statistics and the application of the customs legislation of the Customs Union and other laws of the Republic of Kazakhstan.

3. The information to be listed (filled in, or indicated, or provided) in the customs declaration for the goods and in the transit declaration, depending on customs procedures, categories of goods and the persons transporting them, and the of transport, may be reduced (shortened) according to the decision of the Customs Union Commission, or the laws of the Republic of Kazakhstan, if it is stipulated by decision of the Commission of the Customs Union.

The information must be listed in the passenger customs declaration and the declaration of the vehicle.

4. A customs declaration can be used by transport (carriage), commercial and (or) other documents containing the information necessary for the release of goods under the customs procedure in cases and under the procedure established by this Code or by decision of the Commission of the Customs Union.

5. A customs declaration may be submitted in the form of an electronic document in

accordance with this Code.

The order of presentation and use of a customs declaration in the form of an electronic document shall be determined by decision of the Commission of the Customs Union.

6. The submission of a customs declaration in writing must be accompanied by an electronic copy to be presented to the customs bodies, unless otherwise stipulated by the Customs Code of the Customs Union, a decision of the Commission of the Customs Union or the laws of the Republic of Kazakhstan in the cases stipulated by a decision of the Commission of the Customs Union.

The structure and format of electronic copies of customs declarations, as well as the order of their presentation and use shall be determined by the decision of the Commission of the Customs Union.

Article 279. Declaration of Goods

1. When placed under a customs procedure, except for the customs procedure of customs transit, the declaration of goods shall be submitted to the customs bodies.

2. The declaration of goods shall contain the following basic information, including a coded form:

1) the declared customs procedure;

2) information about the declarant, customs representative, the sender and the recipient of the goods;

3) information about the vehicles used for the international transport of goods and (or) their transportation through the customs territory of the Customs Union under customs control;

4) information about vehicles of international transport and (or) means of transport on which the goods were transported (will be transported) in the customs territory of the Customs Union under customs control;

5) information about the goods, including:

name;

description;

classification code of the goods according to the Commodity Nomenclature of Foreign Economic Activity;

name of the country of origin;

name of the country of departure (destination);

description of packages (number, identification and serial numbers);

quantity in kilograms (gross and net weight) and other units;

customs value;

statistical value;

6) information on the calculation of customs duties and taxes, including:

rates of customs duties and taxes;

application of preferential customs duties and taxes;

the calculated amount of customs duties and taxes;

market exchange rates established in accordance with the laws of the Republic of Kazakhstan and used for the calculation of customs duties and taxes in accordance with this Code;

7) information on foreign trade transactions and their basic conditions;

8) information on compliance with the restrictions;

9) information about the manufacturer of the goods;

10) information demonstrating compliance with the conditions for placing goods under the customs procedure;

11) information on the documents submitted in accordance with Article 281 of this Code;

12) information about a person, who filled out (or arranged) a declaration of goods;

13) place and date of the declaration of goods.

Article 280. Transit Declaration

1. When goods are placed under the customs procedure of customs transit, the transit declaration shall be presented to the customs body of departure.

2. The transportation (carriage), commercial and (or) other documents may be submitted as a transit declaration, including those which are defined by international treaties of the Republic of Kazakhstan that contain the information specified by paragraph 3 of this Article.

3. The transit declaration shall contain the following information (about):

1) information regarding the sender and the recipient of the goods, according to the conveyance (carriage) documents;

2) the country of origin and country of destination of the goods;

3) information about the declarant;

4) information about the carrier;

5) information about the vehicle of international transport by which the goods are transported;

6) the name, quantity and value of the goods in accordance with the commercial, transport (carriage) documents;

7) the code of goods in accordance with the Harmonized System of Commodity Description and Coding or the Commodity Nomenclature of Foreign Economic Activity, including at least the first six digits;

8) the goods' gross weight or volume as well as the number of goods in additional units (if possible) for each code of the Commodity Nomenclature of Foreign Economic Activity or the Harmonized System of Commodity Description and Coding;

9) the number of packages;

10) the destination of the goods in accordance with the conveyance (carriage) documents;

11) documents confirming compliance with the restrictions associated with the movement of goods across the customs border of the Customs Union, if such transfer is permitted on presentation of these documents;

12) planned reloading of goods or cargo operations en route.

If the documents specified by paragraph 2 of this Article do not contain all the information specified in this paragraph, the missing information must be attached to a transit declaration or subsequent documents submitted to the customs bodies.

4. The customs body may not require the submission of other information from the declarant, except for the information specified in paragraph 3 of this Article.

5. The transit declaration shall be registered by customs bodies, including with the use of information systems and information technology employed by the customs bodies.

The procedure for filing and registering the transit declaration shall be determined by decision of the Commission of the Customs Union.

Article 281. Submission of Documents for the Customs Declaration of Goods

1. The submission of a customs declaration must be accompanied by the submission of the documents on the basis of which the customs declaration is filled to the customs body, unless otherwise provided by this Code.

These documents include:

1) the credentials of the person making the customs declaration;

2) the documents confirming the commission of foreign trade transactions, or other documents confirming the right of possession, use and (or) disposal of goods not within

the foreign trade transactions, and other commercial documents available to the declarant;

3) conveyance documents.

2. If necessary, the following documents shall be presented with the documents specified in paragraph 1 of this Article:

1) proof of compliance with the requirements of foreign exchange controls, in the cases provided by the currency legislation of the Republic of Kazakhstan;

2) proof of compliance with the prohibitions and restrictions, including restrictions on the use of special protective, antidumping and countervailing measures in cases stipulated by international treaties of the Republic of Kazakhstan, the decisions of the Commission of the Customs Union and the legal regulations of the Republic of Kazakhstan, issued in accordance with international treaties of the Republic of Kazakhstan;

3) proof of the payment of customs duties and taxes in accordance with Article 138 of this Code;

4) documents confirming the guarantee of payment of customs duties and taxes if the goods are released on the terms of such a guarantee;

5) documents confirming the full or partial exemption from customs duties and taxes in accordance with the customs procedures established by this Code, as well as in other cases stipulated by the legislation of the Republic of Kazakhstan.

3. The list of electronic documents and the manner of their presentation shall be determined by the Government of the Republic of Kazakhstan.

4. If some documents could not be submitted at the time of submitting the customs declaration, the customs body may authorize the filing of such documents prior to the release of goods at the request of the declarant.

When certain documents cannot be submitted within a specified time requested by the declarant, the customs bodies shall permit the submission of copies with further submission of the documents by the period required to obtain them, but no later than thirty (30) calendar days after the registration of the customs declaration if the document is not required to make a decision on release of the goods. The declarant shall be responsible for a failure to file the documents in a timely manner, or for any unreliable information contained in the previously filed copies of the documents.

5. The original documents or copies shall be submitted with the customs declaration of goods. The customs body may verify the compliance of copies of the documents with the originals.

If the documents were previously used for a customs declaration, it is enough to provide copies of these documents or information about these documents to the customs body.

6. On the customs declaration of goods, documents may be submitted in the form of electronic documents in accordance with this Code.

The manner of presentation and the use of electronic documents shall be determined by the customs legislation of the Customs Union.

7. Submission of a customs declaration in electronic form may not be accompanied by the documents on the basis of which the customs declaration was filed, including the documents specified by Articles 344, 357, 369, 398, 403 and 413 of this Code, if such documents were previously submitted to the customs body or may be presented later in accordance with the customs legislation of the Republic of Kazakhstan.

8. The customs body may accept and use the customs declaration documents and information compiled in the official languages of the member states of the Customs Union and foreign languages. The customs body is entitled to require a translation of the information contained in the documents into Kazakh or Russian.

9. For the purposes of registration of the declarant or customs representative in electronic (computer-based) form, the following documents shall be submitted to the customs body:

1) for legal entities:

a notarized copy of the state registration of the legal entity or the certificate of registration for its structural unit;

certificate from the bank to open a corporate account;

identification number;

2) for individuals:

identification card;

certificate from the bank to open a bank account (if any);

identification number.

Article 282. Additional Documents Submitted During the Customs Declaration in Accordance With the Terms of the Customs Procedures

Upon the customs declaration of goods in accordance with the terms of the declared customs procedure, the following documents shall be presented in addition to the documents specified in Article 281 of this Code:

1) for the customs procedure for processing in the customs territory: the document on the conditions for processing in the customs territory in accordance with paragraph 1 of Article 344 of this Code;

2) for the customs procedure for processing outside the customs territory: the document on the conditions for processing outside the customs territory, except in cases where the purpose of recycling is maintenance;

3) for the customs procedure of processing for domestic consumption: the document on the conditions of processing of goods for domestic consumption;

4) for the customs procedure of re-importation: the customs declaration, adopted by the export of goods and documents confirming the date of the movement of the goods across the customs border of the Customs Union when exported;

5) for the customs procedure of re-exports of goods previously placed under the customs procedure for release for domestic consumption: documents containing information about:

the circumstances of the importation of goods into the customs territory of the Customs Union (based on the documents evidencing the foreign trade);

the non-fulfillment of the conditions of foreign trade;

placing these goods under the customs procedure of release for domestic consumption;

use of these products after being placed under the customs procedure of release for domestic consumption;

6) for the customs procedure for destruction: the conclusion of the authorized body in the field of environmental protection about the feasibility of destruction of the goods;

7) for the customs procedures for the free customs zones and free warehouses; documents in accordance with the international treaties of the member states of the Customs Union.

Article 283. Deadline for Submission of the Customs Declaration

1. The customs declaration for goods imported into the customs territory of the Customs Union, shall be submitted before the expiration of the temporary storage of goods, unless otherwise prescribed by this Code.

2. The customs declaration for goods exported from the customs territory of the Customs Union shall be submitted before their departure from the customs territory of the Customs Union, unless otherwise prescribed by this Code.

3. The customs declaration for goods which are weapons or provide the means for committing a crime or an administrative offence, and in regard to which it was decided to return them and they are subject to customs declaration in accordance with this Code, shall be filed within thirty days from the date of entry into force of:

- 1) the court's dismissal of the criminal (administrative) responsibility;
- 2) the decision of the customs body (official) to release from administrative liability;
- 3) the decision of the court or the customs body (official) on the dismissal of the criminal (administrative) proceedings;
- 4) the decision of the court or the customs body (official) on administrative or criminal liability.

4. If the customs declaration for the goods specified in paragraph 3 of this Article is not filed within the prescribed period, the goods shall be detained by customs bodies in accordance with Chapter 26 of this Code.

Article 284. Declarant

Declarants may be:

- 1) a person of a member state of Customs Union:
who has entered into a foreign trade transaction or on behalf of (on behalf) of whom the transaction is concluded;
who has the right to possess, use and (or) dispose of the goods - in the absence of foreign trade transactions;
- 2) foreign persons:
who are physical persons transporting goods for personal use;
persons enjoying customs privileges in accordance with Chapter 52 of this Code;
organizations having a representative office, established in the territory of a member state of the Customs Union according to the prescribed procedure - in case of the declared customs procedures for temporary importation, re-export, and customs procedure of release for domestic consumption only in respect of goods imported for such representatives' own use;
persons entitled to dispose of the goods, which are not part of the transaction, and where one of the parties acts in favor of a member state of a Customs Union;
- 3) for the application of the customs procedure of customs transit - the persons, specified by sub-paragraphs 1) and 2) of this Article, and:
the carrier, including customs carrier;
the forwarder, if he (she) is a member state of the Customs Union.

Article 285. The Rights of the Declarant

For the customs declaration of goods and performance of other customs operations necessary for placing goods under the customs procedure, the declarant shall be entitled to:

- 1) inspect, measure and perform cargo operations with goods under customs control;
- 2) take samples of goods under customs control, with the permission of the customs bodies, under the conditions stipulated by Article 247 of this Code;
- 3) be present during customs inspections and customs clearance of goods by customs bodies and persons taking samples and specimens of the goods;
- 4) get acquainted with the existing results of research samples and specimens of the declared goods in the customs bodies;
- 5) provide, in accordance with this Code, the documents and information in an electronic form;
- 6) appeal against decisions, and actions (inaction) of customs bodies or their officials;

- 7) engage experts to refine the details of the declared goods;
- 8) exercise other rights provided by this Code.

Article 286. Duties of the Declarant

For the customs declaration of goods and the performance of other customs operations required for placing goods under the customs procedure, the declarant shall:

- 1) make customs declaration of goods;
- 2) submit to the customs bodies the documents on which the declaration for customs is based, unless otherwise stipulated by the customs legislation of the Customs Union;
- 3) present the declared goods in cases prescribed by this Code, or at the request of the customs bodies;
- 4) pay customs duties and taxes, and (or) ensure their payment in accordance with this Code;
- 5) comply with the requirements and conditions of the use of the goods in the customs procedure;
- 6) comply with other requirements of this Code.

Article 287. Responsibility of the Declarant

The declarant shall be responsible in accordance with the laws of the Republic of Kazakhstan for the non-performance or improper performance of duties under Article 286 of this Code and for the inclusion of false information stated in the customs declaration, including the adoption of the customs body of the decision on release of the goods using the risk management system.

Article 288. Filing and Registration of the Customs Declaration

1. The customs declaration shall be filed by the declarant or customs agents with the customs body competent to register the declaration in accordance with the customs legislation of the Republic of Kazakhstan.

2. The date and time of filing the customs declaration and an electronic copy of necessary documents shall be recorded by customs bodies, including with the use of information technology.

3. The customs body shall register or refuse to register the customs declaration within a period of no more than two (2) hours from the moment of submission of the customs declaration according to the procedure determined by the decision of the Commission of the Customs Union.

4. The customs body shall refuse to register the customs declaration if:

- 1) the customs declaration is submitted to a customs body that is not be entitled to register the customs declaration;
- 2) the customs declaration is submitted by an unauthorized person;
- 3) the necessary information required by Articles 278 - 280 of this Code is not provided in the customs declaration;
- 4) the customs declaration is not signed or properly certified or is lacking in due form;
- 5) acts related to the declared goods that were not committed and, in accordance with this Code, must be performed prior to, or simultaneously with, the filing of the customs declaration

5. The refusal to register the customs declaration shall be made by a customs body in writing, specifying the reasons for said refusal.

In case of a refusal to register the customs declaration, the customs declaration and the documents shall be returned to the declarant or customs agent.

6. If a customs declaration is not registered by the customs body, such a declaration shall not be filed for customs purposes.

7. From the moment of its registration, the customs declaration shall become a document testifying to the facts of legal significance.

8. The provisions of paragraphs 2 and 3 of this Article shall not apply when the customs declaration of goods is placed under the customs procedure of customs transit.

Article 289. Amendments and Supplements to the Information Stated in the Customs Declaration

1. Information stated in the customs declaration may be amended or supplemented prior to the release of goods with the permission of the customs body on a reasoned written request of the declarant, with consideration of the following conditions:

if making changes and additions do not affect the decision on release of goods and do not involve the need to change the information affecting the determination of the amount of customs duties and taxes, except for adjustment of the customs value of goods, and compliance with applicable prohibitions and restrictions;

if at the time of receipt of the declarant's application, the customs body has not informed him (her) of the time and place of customs examination and (or) there is no decision on holding other forms of customs control of the goods.

Amendments and additions to the information stated in the registered customs declaration cannot result in the application of information to products other than those that were specified in the registered declaration.

2. Changes and additions to the customs declaration after the release of goods is allowed in cases and procedures which are determined by decision of the Commission of the Customs Union.

3. Customs bodies may not, on their own initiative, order or request a person to fill in the customs declaration, or to change or supplement the information contained in it, except for the entries which are within the competence of the customs bodies, adjustments of the customs value of goods, and (or) after the release of goods changes of other information affecting the determination of the amount of customs duties and taxes and prohibitions and restrictions made in accordance with the provisions of the customs legislation of the Customs Union.

Article 290. Withdrawal of the Customs Declaration

1. At the written request of the declarant, the registered customs declaration for foreign goods may be withdrawn prior to the adoption of the customs bodies' decision to release the goods.

When a customs declaration is withdrawn, a new customs declaration must be filed within the period of temporary storage of goods.

Upon failure to file a new customs declaration within the period specified in the second part of this paragraph, the goods shall be detained by the customs bodies in accordance with Chapter 26 of this Code.

2. Upon the written request of the declarant, the customs declaration for the goods of the Customs Union may be withdrawn prior to the actual departure of the goods from the customs territory of the Customs Union, including after the decision to release the goods.

To revoke a customs declaration for the goods of the Customs Union in the treatment of revocation, the location of the goods must be specified.

3. The withdrawal of the customs declaration shall be allowed with the written permission of the customs body, if, prior to receipt of the application by the declarant, the customs body has not informed the declarant about the place and the time for the customs clearance of goods declared in the customs declaration, and (or) has not found a violation of the customs legislation of the Customs Union, involving administrative or criminal responsibility.

Customs declarations may be withdrawn after a customs inspection of goods, if during the course of that examination no violations of the customs legislation of the Customs Union were discovered which involve administrative or criminal liability.

Article 291. Preliminary Customs Declaration of Goods

1. Customs declarations can be filed against foreign goods before their importation into the customs territory of the Customs Union.

2. If, for customs purposes, conveyance or commercial documents accompanying the goods should be used with the previous customs declaration of goods, the customs body shall accept certified copies of the documents or information from these documents in electronic form provided by the declarant, and after the presentation of goods to the customs bodies, the customs bodies shall compare the information contained in the copies of these documents with the information contained in the original documents, including electronic documents.

3. In a preliminary customs declaration, the customs declaration may be missing information which cannot be known by the declarant before the importation of goods into the customs territory of the Customs Union and (or) presentation to the Customs Union.

Such information should be included in the customs declaration before the decision to release the goods as determined by a decision of the Commission of the Customs Union is made.

Customs duties and taxes shall be paid prior to the release of the goods.

4. In case of a change of cost, quantity or weight indicators, other than previously claimed, copies of conveyance (transport) or commercial documents must be submitted confirming the change of value, quantity or weight.

5. If, after the import of goods into the customs territory of the Customs Union, the declarant found a discrepancy of cost, quantity or weight indicators other than previously claimed, the declarant is entitled to revoke the customs declaration in accordance with the procedure provided by Article 290 of this Code.

6. In a preliminary customs declaration of goods, the legal regulations in force on the date of registration of the customs declaration by the customs bodies shall be applied.

7. If the goods are not submitted to the customs body that registered the customs declaration, or any other customs body as defined in accordance with the customs legislation of the Republic of Kazakhstan, within thirty (30) calendar days following the date of its registration, or within that period in which the prohibitions and restrictions are introduced, the customs body shall refuse to release such goods.

Article 292. Incomplete Customs Declaration of Goods

1. If for reasons beyond his/her control, the declarant does not have all the information needed to complete a customs declaration, the incomplete customs declaration of goods is allowed by filing an incomplete customs declaration on the condition that it states the information necessary to produce the goods for the calculation and for payment of customs payments and taxes.

The information should confirm compliance with applicable prohibitions and restrictions, and allow the customs body to identify the goods on the totality of their quantitative and qualitative characteristics.

2. An incomplete customs declaration can be used in cases where the movement of imported goods shall be:

1) in an open vehicle - if the application cannot identify the exact weight of the goods on the date of registration of the customs declaration by the customs body;

2) in special containers and vehicles - if it is impossible to identify the exact number of goods without operations with the goods.

3. When the declarant presents an incomplete customs declaration, the same terms and conditions provided by this Code shall apply, including the method of calculation and payment of customs duties and taxes which would apply if initially the full and properly filled out customs declaration was provided.

4. Where an incomplete customs declaration has been used, the declarant shall submit a complete customs declaration with the adjusted and updated information within a period not exceeding thirty (30) days from the date of registration by the customs body of the incomplete customs declaration.

Article 293. Periodic Customs Declaration of Goods

1. When the same goods are regularly moved across the customs border of the Customs Union by the same person, the customs official may authorize submission of the customs declaration for the goods across the customs border of the Customs Union within thirty (30) calendar days.

2. Goods shall be considered as one and the same if they have the sameification code under the Commodity Nomenclature of Foreign Economic Activity.

3. Goods shall be considered as regularly moved across the customs border of the Customs Union by the same person if the same person makes three (3) or more shipments of the same goods within thirty (30) calendar days.

4. For customs purposes, a single shipment is considered as:

for the export of goods from the customs territory of the Customs Union: the movement of the same goods through the same checkpoint and their customs declarations are made in the same customs body within thirty (30) calendar days of one foreign trade agreement (contract), regardless of the number of individual shipments;

for the import of goods into the customs territory of the Customs Union: the same goods, where the customs declaration is made in the same customs body within thirty (30) calendar days of one foreign trade agreement (contract), regardless of the number of individual shipments.

5. Customs duties and taxes shall be paid prior to the release of goods for a full customs declaration, except for excisable goods

6. Customs duties and taxes on excisable goods shall be paid prior to the release of goods on periodic customs declaration.

7. In periodic customs declarations, the legal regulations of the Republic of Kazakhstan shall be applied which are in effect on the date of registration by the customs body of the periodic customs declaration.

8. A periodic customs declaration shall be made by filing a periodic customs declaration prior to the delivery period, on condition of the payment of customs duties and taxes. Requiring the payment of customs duties and taxes shall not apply to participants in foreign economic activity included in the register of authorized economic operators in accordance with Chapter 6 of this Code. In this case, a periodic customs declaration shall be filled for a single consignment.

9. The customs body exercises the effective accounting and control of the movement of each delivery of goods within the term of validity of the periodic customs declaration.

10. A full customs declaration shall be presented and filed with the actual number of imported or exported goods no later than ten (10) calendar days after the end of the delivery period.

In the case of import (or export) of goods in amounts other than the amounts stated in the periodic customs declaration, a full customs declaration shall be filed with the actual quantity of imported (exported) goods. The periodic customs declaration for the next delivery period shall be filed with these changes.

11. The customs body shall refuse the application of a periodic customs declaration in the following cases:

1) where the alleged movement of goods is not eligible for periodic customs declaration procedures;

- 2) for persons who are in arrears on payment of customs duties and taxes;
- 3) for persons against whom bankruptcy proceedings have been initiated.

Article 294. Temporary Customs Declaration of Goods

1. When transferring goods across the customs border of the Customs Union by pipeline transport, and accurate information on the number and (or) the customs value cannot be provided, a temporary customs declaration shall be permitted by filing a temporary declaration of goods.

2. The period of time during which the supply of goods in accordance with the declared customs procedure is produced from the place of customs operation or departure on export from the territory of the Republic of Kazakhstan, as well as from the point of arrival or import into the territory of the Republic of Kazakhstan, shall not exceed one (1) calendar month. In this case, the place of departure and the place of entry shall be the places of installation of metering of goods transported by pipelines in the territory of the Republic of Kazakhstan or elsewhere, in accordance with Article 449 of this Code. The temporary declaration of goods shall be adopted by the customs bodies no earlier than within fifteen (15) calendar days.

3. After delivery of the goods, the declarant shall submit a full declaration for the goods which are produced in the stated period of time.

Filing a complete declaration of goods shall be carried out no later than ninety (90) days from the day following the last day of the time period provided for the delivery of goods, and declared in the temporary declaration of goods.

4. In the temporary declaration of goods, the statement of information on the approximate number of goods and their preliminary customs value on the day of application, which is determined based on the estimated price of the goods stipulated by the foreign trade agreement (contract) on the basis of which the movement of goods is carried out, shall be permitted.

The number of replaced goods shall not exceed the quantity declared in the temporary declaration of goods.

5. The laws of the Customs Union and the Republic of Kazakhstan in effect on the day of registration by the customs body of the temporary declaration of goods shall apply to the customs declaration of goods using the procedure for temporary customs declaration.

6. If by the time of application of the temporary customs declaration a particular buyer (receiver) is not defined, then the declarant shall submit a temporary customs declaration for goods within a single trade agreement (contract) with further subsequent submissions of several complete customs declarations equal to the number of actual customers (recipients).

7. Customs duties and taxes shall be paid prior to the release of goods by customs bodies. If the amount of payable customs duties and taxes increased due to a clarification of the information specified in paragraph 4 of this Article, the extra payment shall be executed upon submission of the complete declaration for the goods before they are released by customs bodies. Fines are not charged in this case. Excessively or erroneously paid customs duties and taxes shall be returned in accordance with Chapter 17 of this Code.

8. If upon the expiration of ninety (90) days after the end of the time period provided for the supply of goods, the goods are not moved across the customs border of the Customs Union, the temporary declaration of goods in which the goods were declared shall be subject to recall in accordance with the procedure specified in Article 290 of this Code.

Article 295. Features of Customs Declarations of Goods in an Unassembled or Disassembled Form, Including Incomplete or Unfinished Form, Moved Within a Specified of Period Time

1. Goods in an unassembled or disassembled form, including the incomplete or unfinished, which are expected to be imported by various consignments over a period longer than the period specified in Article 268 of this Code, may be declared with the sameification code under the Commodity Nomenclature of Foreign Economic Activity in the presence of permission of the customs body.

2. Permission shall be issued by the customs bodies on the basis of a justified written application by the declarant before the importation of the goods.

3. The permission shall include:

1) information about the declarant;

2) a preliminary decision on theification of the goods in accordance with the Commodity Nomenclature of Foreign Economic Activity issued to the declarant by the authorized body in customs affairs, and supporting theification of goods in an unassembled or disassembled, including the incomplete or unfinished form by theification code of the finished or complete product;

3) the period of importation of the goods;

4) other information determined by the authorized body in customs affairs.

4. The term of validity of the permission shall be one (1) year, and this term may be extended upon the reasoned written application of the declarant, for a term not exceeding six (6) months.

5. The procedure for issuance, renewal, suspension and withdrawal of permission shall be determined by the Government of the Republic of Kazakhstan.

6. Customs declaration of goods shall be carried out in accordance with the terms of the declared customs procedure.

7. The procedure for customs declaration and clearance of goods in a non-assembled or disassembled, including in incomplete or unfinished form transported over a set period of time, shall be determined by the Government of the Republic of Kazakhstan.

Chapter 33. RELEASE OF GOODS

Article 296. The Grounds and Manner for Releasing Goods

1. Goods can be released by customs bodies under the following conditions:

1) the customs bodies are presented by the licenses, certificates, permits and (or) any other documents, necessary for the release of goods in accordance with this Code and (or) other international agreements of the member states of the Customs Union, except in cases where in accordance with this Code, the specified documents can be submitted after the release of the goods;

2) the necessary requirements and conditions for placing goods under the chosen customs procedure in accordance with this Code are met, and on establishing the customs procedures in accordance with paragraph 2 of Article 306 of this Code, they are regulated by the international agreements of the member states of the Customs Union and the legislation of the Republic of Kazakhstan;

3) the customs duties and taxes for the goods have been paid, or security for their payment has been given in accordance with this Code.

2. The goods are to be released by the customs bodies within a period not exceeding the period specified by Article 297 of this Code.

3. Goods shall be released by the customs body in the manner prescribed by this Code, unless otherwise specified by decision of the Commission of the Customs Union, and relevant notes must be made in (on) the customs declaration, commercial and transport (shipping) documents, and the corresponding information must be inserted into the information systems of the customs body.

Article 297. The Term of Release of Goods

1. The goods must be released by the customs body not later than one (1) working day following the date of registration of the customs declaration, unless otherwise provided by this Code.

Where the goods being released are not subject to export duties upon being placed under the customs procedure for exports, and for those goods placed under the customs procedure of temporary exportation (the list of which is determined by the Commission of the Customs Union), the release should be completed by the customs body not later than four (4) hours after the registration of the declaration for the goods. In cases where the declaration for goods is registered less than four (4) hours before office closing hours of the customs body, release of the goods must be completed not later than four (4) hours from the opening hours of the customs body. The time for the customs control procedures is included in this timeframe.

2. When using the preliminary customs declaration of goods procedure in accordance with Article 291 of this Code, the release of goods shall be completed by the customs body not later than one (1) working day following the day the goods were presented to the customs body which registered the customs declaration.

3. The release of goods may be suspended in accordance with Articles 440 and 441 of this Code.

4. The date for the release of goods may be extended with the written permission of the head of the customs body, the deputy head of the customs body, or persons replacing them, to account for the time required to conduct or complete the customs control with the written permission of the head of the customs body, and cannot exceed ten (10) working days from the day following the day of registration of the customs declaration, unless otherwise provided by this Code.

Article 298. Release of Goods Prior to Filing the Customs Declaration

1. When placed under a customs procedure, except for the customs procedure of customs transit imported (having been imported) into the customs territory of the Customs Union of certain categories of goods specified in Article 276 of this Code, using the special simplified terms for authorized economic operators in accordance with paragraph 2 of Article 65 of this Code, the goods may be released before filing the customs declaration if the declarant presents:

1) commercial or other relevant documents that contain information about the sender and recipient of the goods, the country of origin and destination of goods, the name, description,ification code of goods under the Commodity Nomenclature of Foreign Economic Activity for at least the first four digits, the quantity, total weight and value of the goods;

2) a covenant in writing filed with the customs declaration, along with the submission of required documents and information, not later than on the tenth (10th) day of the month following the month of the release of goods with information about the purpose of the use of the goods and the customs procedure under which the goods are placed;

3) the documents and information demonstrating compliance with the prohibitions and restrictions, except where such documents and information may be submitted at the time of filing the customs declaration.

2. When goods are released prior to filing the customs declaration, there is a covenant to pay import duties and taxes on these products:

1) to be paid by the declarant from the date of such release;

2) terminated in cases specified by sub-paragraphs 1) - 7), 9) and 10) of paragraph 2 of Article 129 of this Code, and when records are made (per records) in (on) a customs declaration on the release of goods;

3) to be executed:

before the expiration of the term specified in sub-paragraph 2) of paragraph 1 of this Article. In addition, for the purposes of calculating the import customs duties and taxes, the customs duties, taxes, and market exchange rates established in accordance with the laws of the Republic of Kazakhstan and in force on the date of registration of the customs declaration;

in cases if, within the term specified in sub-paragraph 2) of paragraph 1 of this Article in respect of goods released before submission of the customs declaration, the customs body did not include (put down) in (on) a customs declaration records about the release of goods - (the covenant to pay import duties and taxes on these products is to be executed) on the last day of the term specified in sub-paragraph 2) of paragraph 1 of this Article. In this case, for the purposes of calculating the import customs duties and taxes, the customs duties, taxes, and market exchange rates established in accordance with the tax laws of the Republic of Kazakhstan being in force on the last day of the term specified in sub-paragraph 2) of paragraph 1 of this Article, shall be applied.

3. In respect of goods specified in Article 276 of this Code, insurance on the payment of customs duties and taxes must be provided for them to be released prior to customs declarations, except for those goods needed for disaster management, natural and man-made emergency situations, military equipment needed to perform peacekeeping actions or to conduct exercises, as well as humanitarian and technical assistance.

4. Where the declarant shall act as the authorized economic operator, the release (of goods) prior to the customs declaration of goods is applied on the condition that the payable amount of customs duties and taxes shall not exceed the amount of customs duties and taxes provided by the authorized economic operator in accordance with Article 62 of this Code.

Article 299. Release of Goods in Case of the Need to Research Documents, Samples and Specimens of Goods or Obtaining the Opinion of an Expert

1. If the customs bodies decide that they need to study samples of goods, a detailed technical documentation, or that they require an examination to verify the reliability of the information indicated in the customs declaration and other documents submitted to the customs bodies, the goods shall be released until the results of customs examination are issued, under the condition that the declarant guarantees the payment of customs duties and taxes in the amount of customs duties and taxes, which can be further additionally assessed following the results of such studies and examinations.

2. Goods will not be released where the customs bodies have found indications that the goods may be subject to prohibitions and restrictions, and where the evidence to verify that they are abiding by these prohibitions and restrictions is not provided by the declarant.

Article 300. Release of Goods in the Detection of a Crime or Administrative Offence

1. In the event of a crime or administrative offence, the release of goods may be made before the end of the proceedings or upon the completion of the administrative process, if such goods are not removed or seized in accordance with the laws of the Republic of Kazakhstan.

2. Chapter 16 of this Code may provide for a guarantee of payment of customs duties and taxes, which may be additionally charged.

Article 301. Conditionally Released Goods

1. Conditionally released goods are those that are placed under the customs procedure to be release for domestic consumption, and for which:

1) privileges (discounts on payment) are provided upon payment of import duties

and taxes associated with restrictions on the use and (or) disposal of goods;

2) there are restrictions on the use and (or) disposal related to the provisions of the documents specified in sub-paragraph 1) of paragraph 1 of Article 296 of this Code, after the release of the goods;

3) the lesser amount between the rates of import duties and the amount of import duties established by the Common Customs Tariff shall apply.

2. Conditionally released goods, as specified by sub-paragraph 1) of paragraph 1 of this Article, may be used only for those purposes consistent with the terms of the privileges granted.

Conditionally released goods, as specified by sub-paragraph 2) of paragraph 1 of this Article, shall not be transferred to third parties by sale or any other disposal method, and in cases where restrictions on the importation of goods are set to ensure the quality control and safety of these goods, their use (operation, consumption) in any form is prohibited.

Conditionally released goods specified by sub-paragraph 3) of paragraph 1 of this Article may only be used within the territory of the Republic of Kazakhstan.

3. Conditionally released goods have the status of foreign goods and are under the customs control.

4. Goods specified by sub-paragraph 1) of paragraph 1 of this Article are deemed to be conditionally released before the termination of the obligation to pay the outstanding amounts of import customs duties and taxes, unless otherwise provided by this Code.

5. Conditionally released products acquire the status of goods of the customs union after:

termination of the obligation to pay the outstanding amounts of import customs duties and taxes in respect of goods specified by sub-paragraph 1) of paragraph 1 of this Article;

the submission of the documents, as specified by sub-paragraph 1) of paragraph 1 of Article 296 of this Code, in respect of goods specified by sub-paragraph 2) of paragraph 1 of this Article;

payment of import customs duties, which is the difference between the import duties calculated at the rate of import duties establishing by a Common Customs Tariff, and the amounts of import duties paid for the release of goods in relation to the goods specified by sub-paragraph 3) of paragraph 1 of this Article.

International treaties of the Republic of Kazakhstan and (or) the decisions of the Commission of the Customs Union may establish other circumstances in which the conditionally released goods shall acquire the status of the Customs Union goods.

6. To obtain the status of Customs Union goods, conventionally-produced goods cannot be repeatedly placed under the customs procedure of release for domestic consumption.

The procedure for payment of customs duties, taxes or submission of documents specified by sub-paragraph 1) of paragraph 1 of Article 296 of this Code, in the cases mentioned by the first part of paragraph 5 of this Article, shall be governed by this Code.

7. International agreements of the member states of the Customs Union or the customs legislation of the Republic of Kazakhstan may establish other cases and the procedure for theification of goods to be released conditionally.

Article 302. Refusal to Release Goods

1. Failure to comply with the conditions of release of the goods stipulated by paragraph 1 of Article 296 of this Code, and in the cases provided by paragraph 7 of Article 291 of this Code, and by paragraph 2 of this Article, the customs body refusing

the release shall list all of the reasons that give rise to such failure and recommendations to address them, not later than by the expiration of the release of the goods.

The procedural formalities for refusing to release goods are determined by decision of the Commission of the Customs Union.

2. The customs body shall refuse to release the goods if customs control revealed violations of the customs legislation of the Customs Union, except if:

the violations, not constituting the offence, are eliminated;

the violations are eliminated, and the declared goods are not removed or seized in accordance with the laws of the Republic of Kazakhstan.

3. The customs body shall refuse to release the goods if it is found that the declarant claims false information which affects the determination of the amount of customs duties and taxes owed, including incorrect coding under the Commodity Nomenclature of Foreign Economic Activity, country of origin, the rates and the amount of customs duties and taxes, payment method and other information related to the payment of customs duties and taxes, except for the adjustment of the customs value of goods.

Chapter 34. TRANSFER OF GOODS AND (OR) VEHICLES INTO STATE OWNERSHIP

Article 303. Transfer of Goods and (or) Vehicles Into State Ownership

Goods and (or) vehicles are transferred into the state ownership where:

1) a court decision has been issued to confiscate the goods and (or) vehicles for offences in the field of customs affairs;

2) a customs declaration in respect of goods placed under the customs procedure contains a waiver in favor of state ownership, and the goods in question are transferred and accepted by the state.

Article 304. The Order Transferring the Goods and (or) Vehicles Into State Ownership Under the Decision of a Court

1. Goods and (or) vehicles shall be transferred into state ownership from the date of entry into force of the court decision on the confiscation of goods and (or) vehicles.

2. The customs body, following a decision of a court, shall transfer the confiscated goods and (or) vehicles to the designated authorized state body of the Republic of Kazakhstan in accordance with the laws of the Republic of Kazakhstan.

Article 305. The Manner of Transferring Goods Placed Under Customs Procedure With a Waiver in Favor of State Ownership Into State Ownership

Goods placed under the customs procedure with a waiver to the state shall be transferred to state ownership by the customs declaration, and the transfer and acceptance of the goods from the declarant by the designated authorized state body of the Republic of Kazakhstan shall be made in accordance with the laws of the Republic of Kazakhstan.

SECTION 6. CUSTOMS PROCEDURES

Chapter 35. GENERAL PROVISIONS ON CUSTOMS PROCEDURES

Article 306.s of Customs Procedures

1. The followings of customs procedures shall be used to execute customs controls in respect of goods:

1) release for domestic consumption;

2) export;

3) customs transit;

4) customs warehouse;

5) processing in the customs territory;

6) processing outside the customs territory;

7) processing for domestic consumption;

- 8) temporary import;
- 9) temporary export;
- 10) re-import;
- 11) re-export;
- 12) free trade;
- 13) destruction;
- 14) waiver in favor of the state;
- 15) the free customs zone;
- 16) free warehouse;
- 17) special customs procedure.

2. The customs procedures specified in paragraphs 15) and 16) of paragraph 1 shall be established by international treaties of the Republic of Kazakhstan and (or) in an order determined by the Government of the Republic of Kazakhstan.

Footnote. Article 306 as amended by the Law of the Republic of Kazakhstan dated 05.07.2011 No. 452-IV (shall be enforced from the first day of the official publication).

Article 307. Selecting and Changing the Customs Procedures

1. At the person's option, the goods transferred across the customs border of the Customs Union shall be placed under a customs procedure on the terms and conditions provided by this Code.

2. A person is entitled to change the selected customs procedure to another in accordance with this Code.

Article 308. Placement Under the Customs Procedure

The date of release of goods by a customs body in the manner prescribed by this Code shall be considered to be the day on which goods are placed under the customs procedure.

Article 309. Duty to Confirm Compliance With the Conditions for Placing Goods Under the Customs Procedure

The duty to confirm compliance with the conditions for placing goods under the customs procedure is assigned to the declarant.

Article 310. Customs Control Over the Conditions of the Customs Procedures

1. When goods placed under the customs procedures cannot acquire the status of goods of the Customs Union, customs control shall observe the conditions of customs procedures and ensure that they are held by the customs bodies in the manner prescribed by this Code.

2. Customs control of goods specified in paragraph 1 of this Article shall be carried out in accordance with Chapter 20 of this Code when located in the territory of another member state of the Customs Union than the state and the customs body by whom the goods were released.

Article 311. Responsibility for Failing to Comply With the Conditions and Requirements of Customs Procedures

1. The declarant shall be responsible for failing to comply with the conditions and requirements of the customs procedure, as established by this Code in accordance with the laws of the Republic of Kazakhstan.

The persons shall not be liable in cases where the conditions and requirements of customs procedures are not observed due to the fact that the goods under customs control, until they are released or until their actual export from the territory of the Republic of Kazakhstan, are irretrievably lost, damaged or destroyed as a result of accident or force majeure, or where the quantity or condition of the goods has changed as a result of normal wear or loss under the normal conditions of transport, storage, and use (operation).

2. The persons shall not be liable for goods or by-products exported for processing outside the customs territory of the Customs Union, in the following circumstances:

- 1) upon a failure to return the goods or by-products because of their irretrievable loss or destruction due to an accident or force majeure;
- 2) due to a change in the number of goods or by-products as a result of wear or natural loss under the normal conditions of transportation, storage and use (operation);
- 3) due to the loss of the right of ownership of goods or by-products, as a result of actions of state bodies or officials of a foreign state.

3. The duty to confirm the circumstances that led to the irretrievable loss, damage or destruction of goods, and changes in the quantity and condition shall be borne by the persons specified in this section. Circumstances that occur in foreign countries shall be confirmed by diplomatic missions and consular offices of the Republic of Kazakhstan, as well as the competent authorities of the state, where such circumstances occur.

Article 312. Consequences of Seizure (Arrest) of Goods Placed Under the Customs Procedure

1. Where goods are seized and placed under a customs procedure, or where there is a seizure of such goods in accordance with the laws of the Republic of Kazakhstan, the customs procedures in respect of such goods shall be suspended.

If the decision to cancel the withdrawal of goods or their arrest is adopted, the customs procedure shall be continued.

When the customs procedure is resumed, the accrual and payment of interest are provided in accordance with this section, and interest does not accrue and is not payable for the period where the customs procedures were suspended.

2. Where there is a seizure or other transfer to state ownership of goods placed under a customs procedure, the customs procedure in respect of such goods is terminated or otherwise transferred to state ownership, and the foreign goods shall acquire the status of goods of the Customs Union.

3. If a person is involved in administrative or criminal liability under the laws of the Republic of Kazakhstan due to non-compliance with the customs procedure, and this non-compliance results in an inability to continue the execution of the customs procedures, the customs procedure must be completed within fifteen (15) calendar days following the date of the entry into force of the decision to hold the person liable.

Goods in respect of which the customs procedure is not completed in accordance with the first part of this paragraph shall be detained by customs bodies in accordance with Chapter 26 of this Code.

Chapter 36. CUSTOMS PROCEDURE FOR RELEASE FOR DOMESTIC CONSUMPTION

Article 313. The Substance of the Customs Procedure for Release for Domestic Consumption

Release for domestic consumption is the customs procedure under which foreign goods are placed and used in the customs territory of the Customs Union without restrictions on their use and disposal, unless otherwise provided by this Code.

Article 314. Conditions for Placing Goods Under the Customs Procedure for the Release for Domestic Consumption

1. Goods shall be placed under the customs procedure for the release of goods for domestic consumption until the following conditions are satisfied:

- 1) payment of import customs duties and taxes, if the tariff preference and privileges on payment of customs duties and taxes are not set;
- 2) compliance with applicable prohibitions and restrictions;
- 3) submission of documents confirming compliance with restrictions on the use of

special protective, anti-dumping and countervailing measures.

2. After fulfilling these conditions, goods acquire the status of the goods of the Customs Union.

3. In granting exemptions on the payment of customs duties and taxes associated with the restrictions on the use and (or) disposal of goods, the goods subject to conditional release in accordance with Article 301 of this Code shall retain the status of foreign goods.

Article 315. The Origin and Termination of the Obligation to Pay Import Duties, Taxes and the Term of Their Payment in Respect of Goods Placed (Placed) Under the Customs Procedure for the Release of Goods for Domestic Consumption

1. The declarant shall have the obligation to pay import duties and taxes in respect of goods placed under the customs procedure for the release of goods for domestic consumption, as of the date the customs declaration is registered by the customs bodies.

2. The declarant's obligation to pay import duties and taxes is terminated:

- 1) in respect of goods placed under the customs procedure of release for domestic consumption, in the cases stipulated by paragraph 2 of Article 129 of this Code;
- 2) in respect of goods placed under the customs procedure for release of goods for domestic consumption using privileges granted with respect to the payment of customs duties and taxes, associated with restrictions on the utilization and (or) disposal (options) of these goods:

after five (5) years from the date the goods were released under the customs procedure for the release for domestic consumption, unless another period is set for the restrictions on the use and (or) disposal of goods, provided that this is not a due period for payment of import customs duties and taxes stated by sub-paragraph 2) of paragraph 3 of this Article;

after a prescribed period of restriction on the use and (or) disposal of goods, provided that there are no customs duties and taxes due in this period as stipulated by sub-paragraph 2) of paragraph 3 of this Article;

when such goods are placed under the customs procedures of waiver in favor of the state or destruction, confirmation of acceptance of the goods into state ownership or destruction must be given within five (5) years from the release of goods under the customs procedure of release for domestic consumption or for any period of set privileges, and from the moment of submission to the custom authority of the documents;

in the cases stipulated by paragraph 2 of Article 129 of this Code, which occur during five (5) years or during any other specified period when privileges are performed, from the date of release of goods in accordance with the customs procedure for domestic consumption;

by placing the conditionally released goods under the customs procedure of re-export, provided that prior to such placement a period for payment of customs duties and taxes stipulated by sub-paragraph 2) of paragraph 3 of this Article has not become due.

3. Import duties and taxes shall be payable on the following dates:

1) in respect of goods placed under the customs procedure of release for domestic consumption: before the release of goods under the customs procedure of release for domestic consumption;

2) in respect of goods placed under the customs procedure for the release for domestic consumption using the privileges granted on payment of customs duties, taxes associated with the restrictions on the use and (or) disposal of these goods:

in the case where the use of such privileges is rejected- prior to filing a customs declaration for placing goods under the customs procedure of release for domestic consumption, or amendments to the section of the non-application of the use of

privileges;

in the case of actions with respect to the goods in violation of the restrictions on the use and (or) disposal of these goods, set regarding the use of such privileges or in violation of the goals appropriate for providing such privileges: the first day of the commission of such acts, and if that day is not known, then the day of registration of the customs declaration by the customs bodies, filed for placing the goods under the customs procedure of release for domestic consumption.

Chapter 37. CUSTOMS PROCEDURE FOR EXPORT

Article 316. Contents of the Customs Export Procedure

1. Exports are the customs procedure under which the goods of the customs union are exported outside the customs territory of the Customs Union and are intended to be permanently located outside of the country.

2. It is possible to place goods that were previously placed under the customs procedure of temporary export or processing outside the customs territory under the customs procedure for the export of goods, without actually presenting them to the customs bodies.

Article 317. Conditions for Placing Goods Under the Customs Procedure of Export

1. Goods shall be placed under the customs procedure for export on the following conditions:

- 1) with the payment of export customs duties, if privileges on payment of export duties are not granted;
- 2) compliance with the prohibitions and restrictions;
- 3) upon the presentation of a certificate of origin for the goods, included in the consolidated list of products formed by the Commission of the Customs Union in accordance with the international treaties of the member states of the Customs Union, governing the use of export duties in relation to third countries.

2. Goods placed under the customs procedure of export and actually exported from the customs territory of the Customs Union shall lose their status as goods of the Customs Union.

Article 318. The Origin and Termination of the Obligation to Pay Export Customs Duties, and the Term of Their Payment in Respect of Goods Placed Under the Customs Procedure of Export

1. The declarant shall have the obligation to pay export duties on goods placed under the customs procedure for exports, as of the date of registration of the customs declaration by the customs bodies.

2. The declarant's obligation to pay export duties on goods placed under the customs procedure for exports is terminated in the cases stipulated by paragraph 2 of Article 129 of this Code.

3. Export duties shall be payable before the release of goods under the customs procedure of export, unless otherwise provided by this Code.

Chapter 38. CUSTOMS PROCEDURE FOR CUSTOMS TRANSIT

Article 319. General Provisions on Customs Transit

1. Customs transit is a customs procedure whereby goods are transported under customs control in the customs territory of the Customs Union, including through the territory of a non-member of the Customs Union, from the customs body of departure to the customs bodies of the destination state, without payment of customs duties and taxes and applying non-tariff regulations.

2. Customs transit is used for the transport of:

- 1) foreign goods from the customs body in the place of arrival to the customs body in the place of departure;

2) foreign goods from the customs bodies in the place of arrival to the local customs body;

3) foreign goods, as well as goods of the Customs Union, if provided in accordance with paragraph 5 of this Article, from the local customs body to the customs bodies in the place of departure;

4) foreign goods from one local customs body to another local customs body;

5) goods of the Customs Union from the customs bodies in the place of departure to the customs bodies in the place of arrival in the territory of a non-member of the customs union.

3. Customs transit shall not apply in respect of goods transported by air, if at the time of the voyage the aircraft makes an intermediate or an emergency (technical) landing without partial discharge (discharge) of goods.

Customs transit for goods transported by international mail, pipelines and power lines, shall be applied taking into account the specifications set forth in this Code.

Features of customs transit for goods transported by rail through the customs territory of the Customs Union shall be defined by international agreement of the members of the Customs Union.

Features of customs transit for goods transported by sea, as well as for transportation of goods in accordance with sub-paragraphs 2) and 4) of paragraph 2 of this Article, which are only transported through a member state of the Customs Union may be established by the legislation of the member states of the Customs Union.

4. The persons specified by sub-paragraphs 1) and 3) of Article 284 of this Code shall perform the customs declaration of goods placed under the customs procedure of customs transit.

5. Goods placed under the customs procedure for exports are transported through the customs territory of the Customs Union without being placed under the customs procedure of customs transit, unless otherwise provided by this Code and (or) by decision of the Commission of the Customs Union.

6. For the purposes of this Chapter, a vehicle of international transport is understood as the vehicle by which goods are transported through the customs territory of the Customs Union, without leaving its borders.

Article 320. Conditions for Placing Goods Under the Customs Procedure of Customs Transit

The placement of goods under the customs procedure of customs transit is subject to the following conditions:

1) The goods are not prohibited from being imported into the customs territory of the Customs Union, or exported from this territory;

2) in respect of goods, documents are presented confirming compliance with the restrictions associated with the movement of goods across the customs border of the Customs Union, if such transfer is permitted in light of these documents;

3) in respect of imported goods, border control and other forms of state control are implemented if the goods are subject to such control in the place of destination;

4) transit declaration is presented;

5) in respect of goods, measures are taken to ensure compliance with customs transit in accordance with Article 321 of this Code;

6) ensure identification of the goods in accordance with Article 198 of this Code;

7) the vehicle for international transportation is properly equipped where the goods are transported under customs seals and stamps.

Article 321. Measures to Ensure Compliance with Customs Transit

1. Measures to ensure compliance with customs transit include:

1) ensuring the payment of customs duties and taxes on foreign goods in accordance

with Chapter 16 of this Code;

- 2) customs escort;
- 3) a route for transportation of the goods.

2. Customs transit customs bodies do not require payment of customs duties and taxes provided by sub-paragraph 1) of paragraph 1 of this Article if:

- 1) a customs carrier or authorized economic operator acts as a declarant;
- 2) the goods are transported by rail and pipeline or power lines;
- 3) it is stipulated by international treaties of the Republic of Kazakhstan;
- 4) the goods are transported under customs escort;

5) other provision established by this Code and (or) international treaties of the Member States of the customs union apply.

3. The measure to ensure compliance with customs transit specified in sub-paragraph 3) of paragraph 1 of this Article may only be applied in addition to other measures to ensure compliance with customs transit when necessary, as determined on the basis of a risk management system.

Routes are determined by the customs body of departure based on the information specified in the conveyance (shipping) documents.

Rerouting shall be allowed with the written permission of the customs body of departure or any of the customs bodies en route.

Article 322. Customs Escort

1. A customs escort is an escort of vehicles carrying goods under the customs procedure of customs transit which is carried out by customs bodies or other organizations in accordance with the laws of the Republic of Kazakhstan, in order to ensure compliance with the customs procedure of customs transit.

2. The customs body may decide on a customs escort in the following cases:

- 1) as necessary, determined on the basis of risk management;
- 2) where there is a failure or insufficiency of payment of customs duties and taxes in accordance with Chapter 16 of this Code;
- 3) where there is a repeated failure to comply with carrier duties for the transportation of goods under the customs procedure of customs transit, which were established by legally effective regulations to administrative liability where at least one of these actions is not fulfilled;
- 4) failure by the carrier to pay customs duties and taxes in accordance with Article 331 of this Code;

5) as established by international treaties of the Republic of Kazakhstan.

3. If the customs bodies make a decision to establish a customs escort, the customs body will organize it within twenty four hours of the decision.

4. The order of the customs escort is determined by the Government of Kazakhstan.

Article 323. Term of the Customs Transit Period

1. The term of the customs transit period from the customs body of departure to the customs body of destination is established by the customs body of departure according to the usual terms of the carriage of goods, on the basis of the mode of transport and capacity of the vehicle, the set route, the other conditions of carriage and (or) by the application of the declarant or the carrier, if the carrier did not act as a declarant in the customs procedure of customs transit, as well as the driver's requirements of work and rest in accordance with international agreements, but not exceeding the time limit of customs transit.

2. The deadline for customs transit may not exceed a period determined at the rate of two thousand kilometers a month.

3. The customs transit period, established by the customs body on a reasoned request of the declarant or the carrier (if the carrier did not act as a declarant of

the customs procedure for customs transit) can be extended within the period specified by paragraph 2 of this Article.

Article 324. Place of Delivery of Goods

1. The place of delivery of goods under customs transit is determined by the customs body of departure based on the information about the destination specified in the conveyance (shipping) documents.

2. The customs body of departure may establish the place of delivery, regardless of the information specified in the conveyance (shipping) documents in the following cases:

- 1) on a reasoned request of a person with authority in respect of the goods, on the condition of submitting documents confirming the basis for establishing the place of delivery, regardless of the data specified in the conveyance (shipping) documents;
- 2) as necessary, determined on the basis of risk management.

In cases specified by sub-paragraph 2) of this paragraph, the cost of the carrier for the delivery of goods to the place of delivery specified by the customs body must meet the costs for the delivery of the goods to the place of delivery specified in the conveyance (shipping) documents.

3. The place of delivery of goods is a customs control zone located in the region of the customs body of destination. In this case, the goods transported from the place of arrival are delivered to the location of the customs body, unless otherwise provided by this Code.

The place of delivery of goods transported by rail is the area of customs control at the destination station (access roads).

4. If, during customs transit, the destination varies according to the laws of the Republic of Kazakhstan on the transport, the carrier is entitled to apply to the customs body to change the delivery location of the goods. In this case, the carrier must present an application in any form to any customs body which is en route, with a request to change the destination and confirming the change of destination and transit declaration and other documents for the goods.

The decision to change the delivery location of goods accepted by the customs body shall not be made later than the day following the date of receipt of the application and the documents specified in the first part of this paragraph. This decision is implemented by completing the customs procedure of customs transit for goods, the place of delivery of which is changed, and by the issuance of a new transit declaration. Goods shall be placed under the customs procedure of customs transit on the day of the decision by the customs bodies to change the place of delivery of the goods.

Article 325. Equipment for International Transportation in the Transit of Goods Under Customs Seal and Stamps

1. For the transport of goods under customs seal and stamps, vehicles for international carriage must be designed and equipped to meet the following requirements:

- 1) customs seals must be capable of being applied in a simple and reliable way;
- 2) the goods cannot be removed from the sealed portion of the cargo spaces of vehicles for international carriage or inlaid without leaving visible traces of their opening or without breaking the customs seals and stamps;
- 3) there are no hiding places in which goods may be hidden;
- 4) contain places where goods are easily accessible for the customs inspection of the goods.

2. Vehicle requirements of international carriage, established by paragraph 1 of this Article shall be deemed to be met if a vehicle meets the requirements for construction and equipment, established by international treaties of the Republic of Kazakhstan.

3. Compliance with international carriage requirements specified in paragraphs 1 and 2 of this Article may be confirmed in advance by obtaining a certificate of approval for the international carriage for the carriage of goods under customs seal and stamps.

The certificate of approval for the international transit of goods under customs seal may be issued:

- on an individual basis;
- by design (series) of the vehicles.

A certificate of approval for the international transit of goods under customs seals and stamps is issued by customs bodies at the request of an interested person within three working days of receipt of the declaration. This certificate remains valid as long as there have not been changes to the design of the international carriage, but for no longer than two years.

A certificate of approval for the international transit of goods under customs seal and stamps remains valid on transition of the ownership of the vehicle to another person.

The form of the certificate of approval of international transit for the transportation of goods under customs seal and stamps, and the procedure for its issuance and use, are established by a decision of the Commission of the Customs Union.

4. Customs bodies shall not require advance approval of international transit for the transportation of goods under customs seal and stamps, except in the cases, where:
carriage of goods is carried out by a customs carrier;
early approval is required by international agreements.

Article 326. Unloading, Reloading (Transshipment) and Other Cargo Operations with Goods, and the Replacement of Vehicles for International Transport Carriage in Customs Transit

1. Unloading, reloading (transshipment) and other cargo operations with goods which are transported in accordance with the customs procedure of customs transit, as well as the replacement of vehicles for international transportation carrying such goods, shall be allowed with the permission of the customs body of departure or the customs body in the area in which the relevant cargo operation is executed, except as provided in the second part of this paragraph.

If the operations referred to in part one of this Article, in relation to goods and means of transportation for international transportation, can be made without damaging the customs seals and stamps, or where the goods are without customs seals and stamps, performance of such operations shall be allowed after notification of the customs body in writing and (or) in electronic form.

2. The customs bodies may refuse to issue a permit for cargo operations with goods in the event that their implementation could result in the loss of goods or change their properties, or if there is the ban on such operations in the conveyance (shipping) documents certifying compliance with the restrictions or other documents, issued by the controlling state bodies.

3. At the request of a person, the customs body may permit cargo operations with goods under customs control outside the working hours of customs bodies.

Article 327. Duties of the Carrier at the Customs Procedure of Customs Transit

In the transportation of goods under the customs procedure of customs transit, the carrier, regardless of whether he (she) is the declarant of this customs procedure, shall:

1) deliver the goods and their documents within the terms established by the customs body to the place of delivery of goods, following a certain route if one is specified;

2) ensure the safety of goods, customs seals and stamps, or other means of identification, if any;

3) except with the permission of the customs bodies, or in the cases provided in paragraph 1 of Article 326 of this Code, prevent the unloading, reloading (transshipment) and other cargo operations with goods which are transported in accordance with the customs procedure of customs transit, as well as the replacement vehicles for international transport carrying such goods.

Article 328. Responsibility of the Carrier

1. Where goods and their documents are not delivered to the customs office of destination, the carrier shall be liable in accordance with the laws of the Republic of Kazakhstan or the law of a member state of the Customs Union, by customs bodies by which the goods are placed under the customs procedure of customs transit.

2. The carrier shall be liable in accordance with the laws of the Republic of Kazakhstan for failure to perform or improper performance of duties on the transportation of goods in the territory of the Republic of Kazakhstan in accordance with the customs procedure of customs transit, except in the situations specified by paragraph 1 of this Article.

Article 329. Completion of the Customs Procedure of Customs Transit

1. The customs procedure of customs transit ends after delivery of the goods to the place of delivery, as established by the customs body of departure.

2. In the place of delivery of the goods prior to the completion of the customs procedure of customs transit, the goods are placed in customs control.

Placing the goods in the customs control zone is permitted at any time.

3. To complete the customs procedure of customs transit, the carrier shall submit to the customs bodies of destination a transit declaration, as well as other documents available to him (her):

in respect of goods transported by road within one hour from the arrival time to the place of delivery of goods, and in case of delivery of goods outside the working hours of the customs body - within two hours from the start of working hours of the customs body;

in respect of goods transported by the water, aircraft and rail - in the period specified as the working hours of the port, airport or train station, but no later than the end of the next working day of the customs body of destination, from the arrival of the vehicle at the place of delivery of goods.

At the request of the customs body, the carrier is required to produce the goods.

4. The customs body of destination, within one hour after the presentation by the carrier of the documents specified by paragraph 3 of this Article, shall register them in the order established by the Government of the Republic of Kazakhstan.

5. The customs body of destination will complete the customs procedure of customs transit as soon as possible, but no later than twenty-four hours after registration of the documents by stamping the transit declaration or other documentation recognized as a transit declaration, upon completion of the customs procedure of customs transit.

The order of registration of the completion of customs procedure of customs transit by the customs body is determined by a decision of the Commission of the Customs Union.

6. Within three hours after the completion of the customs procedure of customs transit, the carrier or another interested person must implement customs operations involving the placement of the goods in temporary storage, or must proceed with their customs declaration in accordance with the customs procedure.

After the completion of the customs procedure of the customs transit of goods transported by rail or water, the carrier or another interested must make customs

operations related to the placement of goods in temporary storage or their customs declaration in accordance with the customs procedure by no later than the end of the next working day of the customs body of the destination.

Prior to placing the goods in temporary storage or their customs declaration in accordance with the customs procedure, the goods must be in an area of customs control.

The provisions of this paragraph shall not apply to the completion of customs procedures in the place of departure in respect of goods exported from the customs territory of the Customs Union.

Article 330. Measures to be Taken in the Event of an Accident, Force Majeure or Other Circumstances at the Customs Procedure of Customs Transit

1. When an accident, force majeure or other circumstances prevents the transport of goods under the customs procedure of customs transit, the carrier is obliged to take all measures to ensure the safety of goods and means of transport, immediately inform the nearest customs body about the circumstances and location of the goods, as well as carry goods or provide transportation (if the vehicle is damaged) to the nearest customs body or other place specified by Customs bodies. The customs body which has received notice of such circumstances shall notify the customs body of departure and the customs body of the destination on experiencing any circumstances that prevent the transport of goods in accordance with the customs procedure of customs transit.

2. The customs bodies shall not reimburse the costs incurred by the carrier in connection with the requirements of paragraph 1 of this Article.

Article 331. The Origin and Termination of the Obligation to Pay Import Duties, Taxes and the Term of Payment in Respect of Foreign Goods Placed Under the Customs Procedure of Customs Transit

1. The declarant shall have the obligation to pay import duties and taxes on foreign goods placed under the customs procedure of customs transit upon the registration of the transit declaration by the customs body.

2. The obligation to pay import duties and taxes on foreign goods placed under the customs procedure of customs transit is terminated by the declarant:

1) upon the completion of the customs procedure of customs transit in accordance with paragraph 6 of Article 329 of this Code, except when during this procedure the payments of customs duties and taxes is due;

2) in cases specified by paragraph 2 of Article 129 of this Code.

3. In the case of the non-delivery of foreign goods at the place of delivery established by customs bodies, the date of payment of customs duties and taxes shall be considered:

1) if the non-delivery of foreign goods occurred due to transfer of the goods by the carrier to the recipient or to any other person without the permission of the customs bodies: the day of the transfer, and if that date is not set, then the date of registration of the transit declaration by the customs bodies;

2) if non-delivery of foreign goods has occurred due to loss of the goods, except for destruction (irretrievable loss) due to an accident or force majeure, or due to natural loss resulting from the normal conditions of carriage (transportation) and storage - the date of such loss, and if that day is not set, then the day of registration of the transit declaration by the customs bodies;

3) if non-delivery of foreign goods is due to various reasons: the day of registration of the transit declaration by the customs bodies.

4. Import duties and taxes shall be payable in the amount corresponding to the amount of import duties and taxes that would be payable when the goods are placed under the customs procedure of release for domestic consumption, and will be calculated as of the date of registration of the transit declaration by the customs bodies.

5. Upon termination in accordance with sub-paragraph 1) of paragraph 2 of this Article, the obligations to pay import duties and taxes which are paid or recovered in accordance with paragraphs 3 and 4 of this Article, shall be returned (offset) in the manner prescribed by this Code.

6. If customs duties and taxes in accordance with paragraph 3 of Article 143 of this Code are provided by a person other than the declarant of the customs procedure of customs transit, in the cases specified by paragraph 3 of this Article, the obligation to pay import duties and taxes shall arise to such a person jointly and severally with the declarant.

Article 332. The Origin and Termination of Obligations to Pay Export Customs Duties and the Term of Payment in Respect for Goods of the Customs Union Placed Under the Customs Procedure of Customs Transit

1. The declarant shall have the obligation to pay export duties for goods of the Customs Union placed under the customs procedure of customs transit in accordance with sub-paragraph 5) of paragraph 2 of Article 319 of this Code, upon the registration of the transit declaration by the customs bodies.

2. The obligation to pay export duties for goods of the customs union placed under the customs procedure of customs transit is terminated to the declarant:

1) at the completion of the customs procedure of customs transit, in accordance with paragraph 6 of Article 329 of this Code, except when during this procedure payments of customs duties and taxes are due;

2) in the cases specified by paragraph 2 of Article 129 of this Code.

3. In the case of non-delivery of goods at the place of delivery established by customs bodies, the date of payment of export customs duties shall be the date of registration of the transit declaration by the customs bodies.

4. Export duties shall be payable in the amount corresponding to the amounts of export duties which would be payable when the goods are placed under the customs procedure for exports, and will be calculated as of the date of registration of the transit declaration by the customs bodies.

5. Upon termination in accordance with sub-paragraph 1) of paragraph 2 of this Article, the obligation to pay export duties which are paid or recovered in accordance with paragraphs 3 and 4 of this Article, shall be returned (offset) in the manner prescribed by this Code.

Chapter 39. CUSTOMS PROCEDURE FOR CUSTOMS WAREHOUSE

Article 333. Contents of the Customs Procedure for Customs Warehouses

A customs warehouse is a customs procedure under which foreign goods are stored under the customs control in a customs warehouse within the prescribed period, without payment of customs duties and taxes and applying non-tariff regulations.

Article 334. Conditions for Placing Goods Under the Customs Procedure of Customs Warehouses

1. Any foreign goods may be placed under the customs procedure of customs warehouses, except for:

goods of which the shelf life and (or) the realization that on the day of customs declaration in accordance with the customs procedure of customs warehouses is less than 180 (one hundred and eighty) calendar days;

products, a list of which is determined by decision of the Commission of the Customs Union.

2. Goods previously placed under other customs procedures may be placed under the customs procedure of customs warehouses.

3. Foreign goods may be placed under the customs procedure of customs warehouses with the goal of suspending customs procedures for temporary importation or inward

processing in the cases provided by this Code,

4. It is possible to place goods under the customs procedure of customs warehouses without actually placing the goods in a customs warehouse, where due to their large size could not be placed in a customs warehouse, if permission is granted by the customs body in writing.

The ensured payment of customs duties and taxes in accordance with Chapter 16 of this Code is given when the goods are placed under the customs procedure, without actually placing the goods in a customs warehouse.

Article 335. Term for Storage of Goods in a Customs Warehouse

1. The term for storage of goods in a customs warehouse shall not exceed three years from the date of placement of goods under the customs procedure of customs warehouses.

2. Goods with a limited shelf life and (or) implementation should be placed under another customs procedure not later than one hundred and eighty days prior to the expiration of that period.

3. When the goods storage period expires in a customs warehouse, the goods shall be detained by customs bodies in accordance with Chapter 26 of this Code.

4. The repeated placement of goods under the customs procedure of customs warehouses, including where the declarants of the procedure are different individuals, the general term for storage of goods in a customs warehouse shall not exceed the period provided by paragraph 1 of this Article.

Article 336. Operations with Goods Placed Under the Customs Procedure of Customs Warehouse

1. Persons with a mandate in relation to goods or their representatives may engage in the usual operations with the goods placed under the customs procedure of customs warehouses, as necessary to ensure their safety, including to inspect and measure goods and move them within the customs warehouse, on the condition that these operations do not entail a change in the state of goods, violation of their packaging and (or) means of identification.

2. With the permission of the customs bodies, simple assembly operations may be performed on the goods placed under the customs procedure of customs warehouse. The following operations shall also be permitted:

Selection of probes and sampling;

preparation of goods for sale and transportation, including splitting the consignment, shipments, sorting, packaging, repackaging, labeling, and steps to improve the presentation.

3. Any operations with goods placed under the customs procedure of customs warehouses must not change the characteristics of the products which relate to the identification code under the nomenclature of foreign economic activity.

4. In respect of all or part of the goods placed under the customs procedure of customs warehouses, a transaction involving the transfer of ownership, use and (or) handling of these products may be executed.

Article 337. Customs Warehouses and Theirs

1. A customs warehouse is a specifically defined and equipped building, premises and (or) open space for the storage of goods under the customs procedure of customs warehouses.

2. Customs warehouses may be open or closed.

Customs warehouses shall be open warehouses, if they are intended for the storage of any goods or use by any person having authority over the goods.

Customs warehouses shall be closed warehouses if they are intended for storage of goods of the owner of the customs warehouse.

3. Requirements for the location, amenities and facilities of customs warehouses, as well as their establishment and operation, are set out in Articles 46 - 51 of this Code.

4. Customs bodies shall maintain registers of the owners of customs warehouses and provide periodic publications, including with the use of information technology.

Article 338. Storage of Goods in a Customs Warehouse

1. Goods that may cause damage to other goods or which require special storage conditions should be placed in customs warehouses equipped in accordance with the conditions of storage for these goods.

2. The goods of the Customs Union placed under the customs procedure of export may be stored in a customs warehouse for a period of six months.

3. In the event of termination of the operation of the customs warehouse, the goods placed under the customs procedure of the customs warehouses shall be moved to another customs warehouse or placed under another customs procedure in accordance with this Code within sixty calendar days following the date of the decision to cease operation of the warehouse.

In the event of non-performance of the action mentioned in part 1 of this paragraph, the goods shall be detained by the customs body in accordance with Chapter 26 of this Code.

Article 339. Placement Under Another Customs Procedure of Degraded, Deformed or Damaged Goods During Their Storage in a Customs Warehouse, Due to Force Majeure

Goods that have become unusable, deformed or damaged due to force majeure during their storage in a customs warehouse shall be placed under the customs procedure chosen by the declarant, as if they were imported in a worn out, damaged or defective condition.

Article 340. Completion of the Customs Procedure of Customs Warehouse

1. The customs procedure of customs warehouses is completed by placing the goods under another customs procedure before the expiry of the storage of goods in a customs warehouse.

Goods placed under the customs procedure of customs warehouses may be placed under another customs procedure in whole or in parts.

2. After placing the goods under another customs procedure, the goods shall be transported from the customs warehouse within three business days following the day they were placed under another customs procedure.

Article 341. The Origin and Termination of the Obligation to Pay Import Duties and Taxes for Goods Placed Under the Customs Procedure of Customs Warehouses, and Their Term of Payment

1. The obligation to pay import duties and taxes on foreign goods placed under the customs procedure of customs warehouses shall apply to:

1) the declarant - after registering the customs declaration by the customs bodies;

2) the owner of a customs warehouse - after placing the goods in a customs warehouse.

2. The obligation to pay import duties and taxes on foreign goods, placed under the customs procedure of customs warehouses, is terminated for:

1) the declarant - in placing the goods in a customs warehouse or in a placement of goods under another customs procedure if the storage of goods is not carried out in a customs warehouse;

2) the owner of a customs warehouse - when issuing the goods from the customs warehouse in connection with placing them under another customs procedure;

3) the persons specified by sub-paragraphs 1) and 2) of this paragraph - when goods are detained in accordance with Chapter 26 of this Code, and in the cases stipulated by paragraph 2 of Article 129 of this Code.

3. The deadline for payment of customs duties and taxes shall be:

1) for the declarant:

in the case of loss of the goods, before placing them in a customs warehouse, except for destruction (irretrievable loss) due to an accident or force majeure or natural loss under the normal conditions of carriage (transportation) and storage: the day of such loss, and if that day is not known, then the date of registration by the customs bodies of the customs declaration, filed for placing goods under the customs procedure of customs warehouses;

in case of loss or transfer to another person prior to placing the goods under another customs procedure, if the storage of goods is not carried out in a customs warehouse, except for destruction (irretrievable loss) due to an accident or force majeure or natural loss under the normal conditions of carriage (transportation) and storage: the day of such loss, and if the date is not known, then the day of registration by the customs bodies of the customs declaration filed for placing goods under the customs procedure of customs warehouses;

2) for the owner of the customs warehouse:

in the case of loss of goods, except for destruction (irretrievable loss) due to an accident or force majeure or natural loss under the normal conditions of storage: the day of loss of the goods, and if that date is not set, then the day of placement of the goods in the customs warehouse;

in the case of delivery of goods from the customs warehouse without presentation of documents confirming their placement under a customs procedure: the day of issue, and if that day is not known, then the day of placing the goods in a customs warehouse.

4. Import duties and taxes shall be payable in the amount corresponding to the amount of import duties and taxes that would be payable when the goods are placed under the customs procedure of release for domestic consumption, without tariff preferences and exemptions from payment of customs duties and taxes, and calculated by the customs bodies on the date of registration of the customs declaration filed for placing goods under the customs procedure of customs warehouses.

Article 342. Features for Calculating Customs Duties and Taxes When Placing the Goods Under the Customs Procedure of Release for Domestic Consumption After Storage in a Customs Warehouse

For the purpose of the calculation of customs duties and taxes in accordance with this Code after the storage of goods in a customs warehouse for their placement under the customs procedure of release for domestic consumption, the customs value of the goods and (or) their physical characteristics in-kind (number, mass, volume or other characteristics) are determined on the date of registration by the customs bodies of the customs declaration filed for placing the goods under the customs procedure of release for domestic consumption, as if they were imported into the customs territory of the Customs Union on this day.

Chapter 40. CUSTOMS PROCEDURE FOR PROCESSING AT THE CUSTOMS TERRITORY

Article 343. Contents of the Customs Procedure for Processing in the Customs Territory

1. Processing in the customs territory is the customs procedure under which foreign goods are used to perform processing operations in the customs territory of the customs union in a timely manner, with complete exemption from the payment of import duties and taxes and applying non-tariff regulations, followed by the export of the processed products outside the customs territory of the customs Union.

2. Goods placed under the customs procedure for processing in the customs territory shall retain the status of foreign goods, and goods derived from the transaction of processing of products shall acquire the status of foreign goods.

3. When performing the operations on processing of foreign goods, goods of the Customs Union are allowed to be used.

Article 344. Conditions of Placing Goods Under the Customs Procedure for Processing in the Customs Territory

1. Placement of goods under the customs procedure for processing in the customs territory shall be allowed, on the condition that:

1) a document on the conditions of processing in the customs territory issued by the competent authority of a member state of the Customs Union and containing the information specified in Article 348 of this Code is provided.

If the goods were placed under the customs procedure for processing in the customs territory for repair, the declarant has the right to use the customs declaration as the document specified in the first part of this sub-paragraph;

2) it is possible for customs bodies to identify the foreign goods within the processed products, with the exception of their replacement with equivalent goods in accordance with Article 352 of this Code.

2. The Commission of the Customs Union is entitled to establish a list of goods prohibited to be placed under the customs procedure for processing in the customs territory.

Article 345. Processing Operations in the Customs Territory

1. Operations for the processing of goods under the customs procedure for processing in the customs territory include:

1) refining or processing of goods, pursuant to which foreign goods lose their individual characteristics;

2) manufacture of goods, including the installation, assembly, disassembly and fitting of goods;

3) repair of goods, including the restoration and replacement of parts;

4) use of the goods as a raw material which contributes to or facilitates the production of processed products, even if the goods are wholly or partially consumed in the recycling process. This operation must be performed in conjunction with one of the operations specified by sub-paragraphs 1) - 3) of this paragraph.

2. Operations for the processing of goods does not include:

1) operations to ensure the safety of goods in their preparation for sale and transportation;

2) the breeding, rearing and fattening of animals, birds, fish, and the cultivation of crustaceans and mollusks;

3) the cultivation of trees and plants;

4) copying and reproducing information, audio and video on any of media;

5) use of foreign goods as an aid in the process (equipment, machinery, tools, etc.).

Article 346. Identification of Foreign Goods in Goods Processing

In order to identify foreign goods in the processed products, the following methods can be used:

1) stamping by the declarant, the person performing the processing, or officials of customs bodies using seals, stamps, digital and other markings on the original foreign goods;

2) a detailed description, photograph or image to scale of the foreign goods;

3) comparison of pre-selected samples, and samples of foreign goods and products;

4) the use of existing labeling, including in the form of serial numbers;

5) other methods that may be applied depending on the nature of the goods and the processing of goods, including the study of detailed information on the use of foreign goods in the technological process of product processing, as well as production technology of products for processing or by implementation of customs control at the time of their processing.

Article 347. Term for the Processing of Goods in the Customs Territory

1. The term for the processing of goods in the customs territory may not exceed three years.

The term for the processing of goods begins on the day they were placed under the customs procedure for processing in the customs territory and the date on which the first consignment was placed under the customs procedure.

By a decision determined by the Commission of the Customs Union, certain categories of goods can have a longer term for processing at the customs territory.

2. Duration of processing of goods at the customs territory includes:

1) the duration of the production process for the processing of goods;

2) the time required for the actual export of processed products and the completion of customs operations involving the disposal of waste and remnants of foreign goods.

3. The deadline for processing of goods at the customs territory may be extended within the period specified by paragraph 1 of this Article.

4. To receive an extension of the deadline for the processing of goods within three years, the declarant must submit a written statement outlining the need for the extension accompanied by documents confirming the feasibility of extending the processing period not later than the end of processing to the customs body responsible for supervising.

The declarant's statement to extend the processing of goods shall be examined by the customs bodies within ten working days from the date of the registration of statement by Customs. The time period shall be suspended during this period. If the customs bodies decide to extend the time limit for processing, the specified period shall be extended from the end of the previous term, regardless of the date of the decision.

An extension for the processing of goods may be refused in cases where the declarant does not comply with the conditions and limitations of this Chapter.

The declarant shall be notified in writing of the decision by the customs body to extend the time limit for processing in the customs territory of the Customs Union or to, or of the decision to refuse the extension.

When the processing of goods in the customs territory of the Customs Union is extended, the back of the first sheet of the copy of the customs declaration held by the customs bodies will contain a note confirming this extension and the date. The note shall be also verified by the signature and personal numbered stamp of the customs official.

If the extension for processing the goods placed under the customs procedure for processing in the customs territory is refused, the goods shall be placed under a different customs procedure within fifteen working days from the date of acceptance by the customs bodies of the decision to issue a refusal.

Article 348. Document Regarding the Conditions for the Processing of Goods in the Customs Territory

1. Any person may have a document regarding the conditions for the processing of goods in the customs territory, issued by the competent authorities of the Republic of Kazakhstan.

2. The document on the conditions for the processing of goods in the customs

territory shall contain the following information (about):

- 1) the person to whom the document is issued;
- 2) the person(s) who will directly perform the processing operations;
- 3) the name, identification of foreign goods and products processed in accordance with the Commodity Nomenclature of Foreign Economic Activity, their quantity and value;
- 4) documents confirming the commission of foreign trade transactions or other documents confirming the right of possession, use and (or) disposal of goods not under the foreign trade transaction;
- 5) the rate of yield of manufactured products;
- 6) operations, products and methods of manufacturing the goods;
- 7) how to identify the goods;
- 8) the name and identification of remnants and wastes in accordance with the Commodity Nomenclature of Foreign Economic Activity, their quantity and value;
- 9) the term for processing in the customs territory;
- 10) replacement by equivalent goods, if such replacement is permitted;
- 11) the possibility of further commercial use of waste;
- 12) the customs body (customs bodies) where the goods are expected to be placed under the customs procedure for processing in the customs territory, and the completion of this customs procedure.

3. The document on the conditions for the processing of goods in the customs territory, except for information required by paragraph 2 of this Article, may contain other information if it is established by legislation of the Republic of Kazakhstan.

Where goods of the Customs Union are used, for the export of which non-tariff measures are applied and (or) customs duties are charged, the document specifying the conditions of the processing of goods in the customs territory of the authorized state body of the Republic of Kazakhstan should be given the name and identification of goods in accordance with the Commodity Nomenclature of Foreign Economic Activity of the Customs Union, the rate of yield of processed products, and the quantity and value of the goods.

4. The form and procedure of issuing the document on the conditions for the processing of goods in the customs territory, making any changes or additions to it, as well as its revocation (cancellation) are established by the Government of the Republic of Kazakhstan.

5. The release of foreign goods under the customs procedure for processing in the customs territory is carried out by the customs bodies of the member state of the Customs Union, the authorized body of which issued the document on the conditions for processing in the customs territory.

Article 349. Rate of Yield of Processed Products in the Customs Territory

1. The rate of yield of processed products means the quantity or percentage of processed products formed as a result of processing a certain quantity of foreign goods.

2. If the processing operations performed in the customs territory are in relation to goods whose characteristics remain practically constant, usually carried out in accordance with clearly defined technical requirements and result in refined products of consistent quality, the competent authorities of the Republic of Kazakhstan may establish standard norms for refined products.

Article 350. Waste Generated as a Result of Processing of Goods at the Customs Territory, and Production Losses

1. Waste, generated in the processing of foreign goods in the customs territory, shall be placed under another customs procedure, except in cases when this waste is recycled in the state and is not suitable for further commercial use. Waste is product that is a result of processing operations of foreign goods in the customs territory, except for refined products.

2. For customs purposes, these wastes are considered as goods imported into the customs territory of the customs union in this state.

Criteria for determining the customs value of waste are established by a decision of the Commission of the Customs Union.

3. Production losses generated and (or) lost irretrievably as a result of the processing operations do not fall under a different customs procedure. Under the loss of production, the products generated and (or) lost irretrievably as a result of the processing operations are considered.

Article 351. Remains of the Goods Placed Under the Customs Procedure for Processing in the Customs Territory

The remains of goods formed as a result of processing operations, in accordance with the rate of yield, shall be placed under a different customs procedure. The term "remnants" refers to the goods that were not used in the processing operations.

Article 352. Replacement by Equivalent Goods

1. With the permission of the customs bodies, the replacement of foreign goods placed under the customs procedure for processing in the customs territory by equivalent goods is allowed.

2. Equivalent goods mean the goods of the Customs Union, which by their description, quality and technical characteristics coincide with the foreign goods.

In case of import for warranty repair of defective parts, equivalent goods means components or assemblies which were part of the goods previously exported under the customs procedure of export, the goods of the customs union, which by their description, quality and technical characteristics coincide with imported goods and are considered as equivalent products, without taking into consideration the status of their serviceability and (or) wear.

3. Goods derived from the processing of equivalent goods shall be considered as the products of processing of foreign goods in accordance with the provisions of this Chapter.

4. Equivalent products receive the status of foreign goods and the products they replaced - the status of the goods of the customs union.

5. If the replacement of foreign goods with equivalent goods is permitted, the export of processed products obtained from the equivalent goods shall be allowed prior to the import of foreign goods into the customs territory of the Customs Union.

6. If the customs bodies permitted the replacement of foreign goods with equivalent goods, the goods of the Customs Union shall be placed under the customs procedure for processing in the customs territory before the entry of the foreign goods into the customs territory of the Customs Union. Processed products, manufactured from equivalent goods shall be considered as products processed out of foreign goods.

7. Foreign goods must comply with the description, quality, quantity and characteristics of equivalent goods. The prerequisite of such a replacement is to ensure the payment of customs duties and taxes in accordance with Chapter 16 of this Code.

8. Processed products obtained from equivalent goods are exported in the customs procedure of re-exports, while imported foreign goods are imported in the customs procedure of re-import.

9. When foreign goods are imported, the customs body shall compare the quantity, quality and technical characteristics of the goods with the processed products obtained from equivalent goods.

10. Excluded by the Law of the Republic of Kazakhstan dated 05.07.2011 No. 452-IV (shall be enforced from 13.10.2011).

Footnote. Article 352 as amended by the Law of the Republic of Kazakhstan dated 05.07.2011 No. 452-IV (shall be enforced from 13.10.2011).

Article 353. Completion of Customs Procedures for Processing in the Customs Territory

1. The validity of the customs procedure of inward processing shall be completed before the expiry of the processing of goods by placing for processing foreign goods which have not undergone processing operations, remnants and wastes generated from processing, under the customs procedure of re-export according to the terms and conditions provided by this Code.

The validity of the customs procedure for processing in the customs territory may be completed before the expiry of the processing of goods by placing for processing foreign goods which have not undergone processing operations, remnants and wastes generated from processing, under the customs procedure of release for domestic consumption or under another customs procedure, except for the customs transit procedure, on the terms and conditions provided by this Code. Non-tariff measures shall not be applied in regard to the processed products.

2. Before the deadline for the processing of goods, the validity of the customs procedure for processing in the customs territory (for the processing of goods) may be suspended in case of the placement of products to be processed under the customs procedure of customs warehouses or temporary admission. The order of suspension and resumption of the customs procedure for processing in the customs territory is determined by the decision of the Commission of the Customs Union.

3. Processed goods may be placed under the customs procedure for re-export and (or) other customs procedures by one or more parties (sending).

Non-tariff measures shall not be applied to the processed products.

4. The person who placed the goods under the customs procedure for processing in the customs territory is required to submit to the controlling customs body the report on the application of the customs procedure for processing in the customs territory, within thirty calendar days of the end of processing.

The form of the report on the application of the customs procedure for processing in the customs territory is approved by the Government of the Republic of Kazakhstan.

Article 354. The Origin and Termination of the Obligation to Pay Import Duties, Taxes and the Period of Payment in Respect of Goods Placed Under the Customs Procedure for Processing in the Customs Territory

1. The obligation to pay import duties and taxes in respect of goods placed under the customs procedure for processing in the customs territory arises for the declarant when the customs declaration is registered by the customs bodies.

2. The obligation to pay import duties and taxes on goods placed (placed) under the customs procedure for processing in the customs territory is terminated by the declarant:

1) at the completion of the customs procedure for processing in the customs territory, before the end of the processing of goods specified by paragraph 1 of Article 347 of this Code, except the case where the payment of customs duties and taxes was due at this time;

2) in the cases specified by paragraph 2 of Article 129 of this Code.

3. The date for payment of customs duties and taxes shall be:

1) for the transfer of foreign goods to a person other than the person who issued the document on the conditions of processing in the customs territory, and (or) a person who directly performs the processing operations without the permission from the customs bodies: the day on which the goods were transferred, and if that date is not set, then the day of registration of the customs declaration by the customs bodies, filed for placing goods under the customs procedure for processing in the customs territory;

2) for the loss of foreign goods before the expiration of the processing of goods,

except for destruction (irretrievable loss) due to an accident or force majeure or natural loss under normal conditions of carriage (transportation) and storage: the day the goods were lost, and if that date is not set, then the day of registration of the customs declaration by the customs bodies, filed for placing goods under the customs procedure for processing in the customs territory;

3) for the incomplete processing of customs procedure in the customs territory before the expiry of the processing of goods, established in accordance with paragraph 1 of Article 347 of this Code: the expiry date of processing of goods.

4. Import duties and taxes shall be payable in the amount corresponding to the amount of import duties and taxes that would be payable when the goods are placed under the customs procedure of release for domestic consumption, excluding exemptions from payment of customs duties and taxes, and calculated on the date of registration of the customs declaration by the customs bodies, filed for placing goods under the customs procedure for processing in the customs territory.

5. In case of a failure to export processed products placed under the customs procedure of re-export from the customs territory of the Customs Union, the interest shall not be calculated in accordance with paragraph 2 of Article 134 of this Code from the amounts of import customs duties and taxes, payable in accordance with the second part of paragraph 4 of Article 404 of this Code by a person specified in paragraph 1 of this Article.

Article 355. Features of Placement of Foreign Goods Under the Customs Procedure of Release for Domestic Consumption

1. When placing products for processing under the customs procedure of release for domestic consumption, the amount of the import duties and taxes shall be paid, calculated in regard to foreign goods placed under the customs procedure for processing in the customs territory and used for the manufacture of processed products in accordance with the rules of their release.

2. When undertaking the processing of goods and (or) foreign goods which have not undergone operations for processing under the customs procedure of release for domestic consumption, the rates of import customs duties, taxes and market exchange rates established in accordance with the tax laws of the Republic of Kazakhstan, shall be determined on the date of registration of the customs declaration by the customs body, filed for placing goods under the customs procedure for processing in the customs territory.

3. The interest shall not be paid in accordance with paragraph 2 of Article 134 of this Code from the amounts of import customs duties and taxes to be paid for placing products for processing and (or) foreign goods, which have not undergone operations for processing under the customs procedure of release for domestic consumption.

CHAPTER 41. CUSTOMS PROCEDURE FOR PROCESSING GOODS OUTSIDE THE CUSTOMS TERRITORY

Article 356. Contents of the Customs Procedure for Processing Goods Outside the Customs Territory

1. Processing outside the customs territory is the customs procedure where the goods of the Customs Union are exported from the territory of the Customs Union in a timely manner, with complete exemption from payment of export customs duties and the application of a non-tariff regulation, followed by the re-importation of the refined products into the customs territory of the Customs Union.

2. Goods placed under the customs procedure for processing outside the customs territory and exported from the customs territory of the Customs Union shall lose their status as goods of the Customs Union.

Article 357. Conditions for Placing Goods Under the Customs Procedure for Processing Outside the Customs Territory

1. Goods can be placed under the customs procedure for processing outside the customs territory provided that:

1) the document describing the conditions of the processing of goods outside the customs territory is issued by the competent authority of a member state of the Customs Union and contains the information specified in Article 361 of this Code.

If the purpose of placing goods under the customs procedure for processing outside the customs territory is to repair the goods, the customs declaration can be used as the document required in the first part of this sub-paragraph.

2) it is possible to identify the goods of the Customs Union by customs bodies in the refined products, except for cases where the refined products are replaced by foreign goods in accordance with Article 363 of this Code.

2. The Commission of the Customs Union has the right to determine the list of goods that are prohibited from being placed under the customs procedure for processing outside the customs territory.

3. Goods placed under the customs procedure for release for domestic consumption with privileges granted on the payment of customs duties and taxes associated with the restrictions on the use and (or) disposal of goods, may be placed under the customs procedure for processing outside the customs territory to carry out operations for their repair.

Article 358. Operations for Processing Outside the Customs Territory

Those operations for processing goods in the customs procedure for processing outside the customs territory include:

1) the refining or processing of goods, where the goods lose their individual characteristics;

2) the manufacture of goods, including the installation, assembly, disassembly and fit;

3) the repair of goods, including restoration and replacement of parts.

Article 359. Identification of the Goods of the Customs Union in Goods Subject to Processing

In order to identify the goods of the Customs Union, the following methods can be used in processed products:

1) affixing stamps, digital and other markings on the original products of the Customs Union by the declarant, the person engaged in processing or by customs officials;

2) a detailed description, photographic image and scale image of the goods of the Customs Union;

3) a comparison with refined products of the pre-selected samples and specimens of goods of the Customs Union;

4) the use of existing labeling, including serial numbers;

5) other methods that can be applied, depending on the nature of the goods and the goods processing operations, including the study of presented detailed information about how the goods of the Customs Union are used in the technological process of processing the products, as well as the technology for producing the refined products.

Article 360. Duration of Processing Goods Outside the Customs Territory

1. The processing of goods outside the customs territory may not exceed two (2) years.

The goods processing period begins on the day they were placed under the customs procedure for processing outside the customs territory, and if the customs declaration of the goods is done by installments (multiple parties), the goods processing period

begins on the date of placement of the first consignment (lot) under the customs procedure.

2. The duration of processing goods outside the customs territory shall include:

1) the duration of the production process for processing goods;
2) the time required for the actual importation of the processed products and their placement under customs procedures, and finishing the customs procedure for processing outside the customs territory.

3. The duration of processing goods outside the customs territory may be extended within the period specified by paragraph 1 of this Article.

4. A resolution on extension of the term for processing goods beyond the standard two (2) years may be granted, if the declarant shall present to the customs body responsible for supervising processing a written statement of the need for such extension with the documents confirming the feasibility of an extension of the processing period, not later than by the end of the processing.

The declarant's request for an extension for processing goods shall be examined by the customs bodies within ten (10) working days from the date the statement is registered by the customs body. The processing operations shall be suspended for this period. If the customs bodies decide to extend the time limit for processing, the specified period shall be extended from the date of completion of the previous term, regardless of the date the decision is made.

If the declarant does not comply with the conditions and limitations of this Chapter, an extension for processing goods may be refused.

The declarant shall be notified in writing of the customs body's decision to extend the time limit for processing goods outside the customs territory of the Customs Union, or the refusal of such an extension. When extending the processing of goods outside the customs territory of the Customs Union, the back of the first sheet of the copy of the customs declaration held by the customs bodies shall be stamped and marked with a note on the extension and the date. The specified mark shall be verified by the signature and personal numbered stamp of the customs official.

Article 361. Document on the Conditions of Processing of Goods Outside the Customs Territory

1. Any person may have a document specifying the conditions for processing goods outside the customs territory issued by the competent authorities of the Republic of Kazakhstan.

2. The document on the conditions of processing goods outside the customs territory shall contain the following information (about):

- 1) the person to whom the document is issued;
- 2) the person(s) who is (are) (will be) carrying out the processing operations;
- 3) the name,ification of goods of the Customs Union and related products under the Commodity Nomenclature of Foreign Economic Activity, their quantity and value;
- 4) documents confirming the accomplishment of foreign trade transactions or other documents confirming the right of possession, use and (or) disposal of goods not in the foreign trade;
- 5) standards for releasing the processed products;
- 6) the processing operations and methods of processing;
- 7) how to identify the goods;
- 8) the term of the processing of goods outside the customs territory;
- 9) replacement of the processed products by foreign goods, if such substitution is permitted;
- 10) the customs body (customs bodies) where the goods are expected to be placed under the customs procedure for processing outside the customs territory, and the

completion of the customs procedures.

3. The form and procedure for issuing a document on the conditions of processing goods outside the customs territory, which includes making any changes or additions and its revocation (cancellation), are established by the Government of the Republic of Kazakhstan.

4. The release of goods of the Customs Union in accordance with the customs procedure for processing outside the customs territory is carried out by the customs bodies of the member state of the Customs Union, and more specifically the authorized body which issued the document that specified the conditions of processing goods outside the customs territory.

Article 362. The Standards for Releasing Processed Products Outside the Customs Territory

1. The norm/rate of yield of processed products means the quantity or percentage of processed products formed as a result of processing a certain amount of goods of the Customs Union.

2. If the processing operations outside the customs territory are committed in relation to goods whose characteristics remain practically constant, and are usually carried out in accordance with clearly defined technical requirements where the results obtained in the refined products are of consistent quality, the authorized state bodies of the Republic of Kazakhstan may establish standard norms/rates of yield for such refined products.

Article 363. Replacement of Processed Products by Foreign Goods

1. With the approval of the customs body, replacement of processed products with foreign goods is permitted, which by their description, quality and technical characteristics match the processed products, in such cases, if the processing operations are to repair, as well as the movement of products through pipelines.

2. Replacement of processed products for repair operations shall be allowed on the condition that the goods are identical or homogeneous to the goods being repaired, according to the customs procedure for processing outside the customs territory. The replacement parts of the goods may be either new or second-hand.

3. The replacement of processed products is not allowed in the repair of goods, when such repairs can give the resulting product characteristics which are significantly different from those of the original product.

4. The grounds for the replacement of processed products in the repair process of the goods are the relevant provisions of the agreement (contract) and the warranty of the person performing the repair of the goods.

Article 364. Completion of the Customs Procedures for Processing Outside the Customs Territory

1. The customs procedure for processing goods outside the customs territory is completed before the expiration of the term for processing the goods by placing the processed products under the customs procedure of re-importation, or the production of goods for domestic consumption in the manner and on the terms provided by this Code.

The customs procedure for processing outside the customs territory may be completed before the expiration of the term for processing the goods by placing goods which have not undergone processing operations under the customs procedure for re-import or re-export, in the manner and conditions provided by this Code.

The customs procedure for processing outside the customs territory cannot be completed by the customs procedure for exportation if, according to the laws of the Republic of Kazakhstan, the goods placed under the customs procedure for processing outside the customs territory and (or) their respective products are subject to mandatory return to the Republic of Kazakhstan.

2. Processed products may be placed under the customs procedure of re-importation and production for domestic consumption by one or more parties (sending).

3. Waste generated as a result of processing outside the customs territory shall be placed under another customs procedure, except when the waste is recycled in the state, and is not suitable for further commercial use. The waste is those products that are the result of processing operations of goods outside the customs territory.

4. Production losses generated and (or) lost irretrievably as a result of the processing operation shall not be placed under another customs procedure. The production losses are those products generated and (or) lost irretrievably as a result of the processing operation.

5. Any remains of products formed as a result of the processing operations in accordance with the rate of yield shall be placed under another customs procedure. The remains of products are those goods that are not used in the course of their processing.

6. The person who placed the goods under the customs procedure for processing outside the customs territory is required to submit to the supervising customs body a report on the implementation of the customs procedure of processing outside the customs territory within thirty (30) calendar days from the expiry of the processing period.

The form of the report shall be established by the Government of the Republic of Kazakhstan.

Article 365. The Origin and Termination of the Obligation to Pay Export Customs Duties and the Term of Payment in Respect of Goods, Placed Under the Customs Procedure for Processing Outside the Customs Territory

1. The declarant shall have the obligation to pay export duties on goods placed under the customs procedure for processing outside the customs territory, from the moment the customs declaration is registered by the customs bodies.

2. The declarant's obligation to pay export duties on goods placed (placed) under the customs procedure for processing outside the customs territory is terminated:

1) at the completion of the customs procedure for processing outside the customs territory before the expiry of the processing of the goods in accordance with paragraph 1 of Article 360 of this Code, except for cases where this procedure is in effect, in which case it will be the date on which payment of export customs duties fell due;

2) in cases provided by paragraph 2 of Article 129 of this Code.

3. The export customs duties shall be paid on the following dates:

1) for the transfer of goods to a person other than the person who is involved in the processing operations, without permission of the customs bodies: on the day of transfer of goods, and if that date is not known, then the day identified by the customs body that the goods have been transferred;

2) for the loss of goods prior to the expiry of processing of goods, except for destruction (irretrievable loss) due to an accident or force majeure or natural loss under the normal conditions of carriage (transportation) and storage: the day the goods were lost, and if that date is not known, then the date on which the customs bodies have detected the loss of goods;

3) on the incompleteness of the customs procedure for processing outside the customs territory prior to the expiry of processing of the goods in accordance with paragraph 1 of Article 360 of this Code: on the expiry date of the processing period.

4. Export duties shall be payable in the amount corresponding to the amounts of export duties which would be payable if the goods were placed under the customs procedure for exports, calculated on the date the customs declaration for placing goods under the customs procedure for processing outside the customs territory is registered by the customs bodies.

Article 366. Features of Placement of Goods for Processing Under the Customs Procedure of Release for Domestic Consumption

When placing goods for processing under the customs procedure of release for domestic consumption, the import customs duties and taxes shall be payable in the following manner:

1) the amount of import duties payable is determined on the basis of the cost of the goods processing.

If it is not possible to establish the cost for processing the goods, it is defined as the difference between the customs value of the processed products and the customs value of the goods placed under the customs procedure for processing outside the customs territory, as if the goods were exported from the customs territory of the Customs Union on the day the refined products were placed under customs procedure of release for domestic consumption.

If specific rates of import duties are applied to the products of processing, the amount of import duties payable shall be determined as the sum of customs duties calculated on the specific rate of processed products, on the correlation of the cost of processing operations to the customs value of processed products, as if the products of processing are placed under the customs procedure of release for domestic consumption;

2) the amount of value added tax (VAT) payable is determined based on the cost of the processing operations, which in the absence of documents confirming the value of these operations, can be defined as the difference between the customs value of processed products and the customs value of the goods exported for processing;

3) the amount of excise in relation to the processed products is payable in full, except in those case where the goods processing is for the repair of exported goods.

Article 367. Specific Features of the Placement of Goods Under the Customs Procedure of Export When Placing the Goods Under the Customs Procedure for Processing Outside the Customs Territory

1. When goods placed under the customs procedure for processing outside the customs territory are placed under the customs procedure of export, the customs value of the goods and (or) the physical characteristics in physical terms (quantity, weight, volume or other characteristics), the rates of export customs duties and the market exchange rate are established in accordance with the laws of the Republic of Kazakhstan, and are determined as of the date the customs declaration for placing goods under the customs procedure for processing outside the customs territory is registered by the customs body.

2. The customs procedure can be changed from the customs procedure for processing outside the customs territory to the customs procedure of export without the actual import of goods into the customs territory of the Customs Union.

The customs export procedure can be applied to the total volume of goods placed under the customs procedure for processing outside the customs territory as well as to each single consignment of goods.

3. The reasons for changing the customs procedure for processing outside the customs territory to the customs procedure of export shall be:

1) an agreement (contract) to transfer title to the processed products or goods that have not yet undergone processing, to a foreign person registered and operating outside the customs territory of the Customs Union;

2) the documents of the processor on the number of processed products, including the number of goods that have not undergone processing on the date of filing the application of the customs procedure of export.

Chapter 42. CUSTOMS PROCEDURES FOR PROCESSING FOR DOMESTIC CONSUMPTION

Article 368. Contents of the Customs Procedure for Processing for Domestic Consumption

Processing for domestic consumption is the customs procedure whereby foreign goods are used for processing operations in the customs territory of the Customs Union within the prescribed time, without the payment of import duties, the application of prohibitions and restrictions, and restrictions on the use of special protective, antidumping and countervailing measures, on the condition that the processed goods will be subsequently placed under the customs procedure of release for domestic consumption with the payment of import duties, at the rates applied to processed products.

Article 369. Conditions for Placing Goods Under the Customs Procedure of Processing for Domestic Consumption

1. Processing for domestic consumption is permitted in respect of goods pursuant to a list which is determined by the legislation of the Republic of Kazakhstan.

2. Placement of goods under the customs procedure of processing for domestic consumption is permitted by providing:

1) the document describing the conditions for processing goods for domestic consumption, issued by the competent authority of a member state of the Customs Union and containing the information specified by Article 373 of this Code;

2) the possibility of identification by customs bodies of the foreign goods in the processed products;

3) the amount of import duties payable in respect of the processed goods is less than those which would be payable on the date the foreign goods are placed under the customs procedure of processing for domestic consumption, if they were placed under the customs procedure for the release for domestic consumption;

4) processed products cannot be restored to their original state in a cost-effective way.

3. Goods placed under the customs procedure of processing for domestic consumption will retain the status of foreign goods, and the goods obtained from the processing operations shall acquire the status of foreign goods.

4. Foreign goods which were earlier placed under the customs procedures may be placed under the customs procedure of processing for domestic consumption, subject to the terms and conditions provided by this Code.

Article 370. Processing Operations for Domestic Consumption

1. Operations for the processing of products in the customs procedure of processing for domestic consumption include:

1) refining or processing of goods where foreign goods lose their individual characteristics;

2) the manufacture of goods, including installation, assembly, disassembly and fit.

2. Operations for the processing of goods do not include:

1) operations to ensure the safety of goods to prepare them for sale and transportation;

2) the breeding, rearing and fattening of animals, birds, fish, and the cultivation of crustaceans and mollusks;

3) the cultivation of trees and plants;

4) copying and reproducing information, either in audio and video form on any of media storage.

Article 371. Identification of Foreign Goods in Processed Products

In order to identify foreign goods in the processed products, the following methods can be used:

1) affixing stamps, numbers and other markings on the original foreign goods by

the declarant, the person engaged in the processing, or officials of customs bodies;

2) a detailed description, photographic image and scale image of the foreign goods;

3) a comparison with refined products of the pre-selected samples and specimens of the foreign goods;

4) the use of existing labeling, including those in the form of serial numbers;

5) other methods that can be applied, depending on the nature of the goods and the processing operations, including the study of presented detailed information about the use of foreign goods in the technological process of processing the products, as well as on technology of production of the refined product at the time of processing the goods.

Article 372. Duration of Processing Goods for Domestic Consumption

1. The period for processing goods for domestic consumption may not exceed one (1) year.

The goods processing periods begins either: on the day they were placed under the customs procedure for processing for domestic consumption, or in the case of the customs declaration of goods by installments (multiple parties), the date of placement of the first consignment under the customs procedure.

Following the decision of the Commission of the Customs Union, a longer period for processing goods for domestic consumption may be defined for certain categories of goods.

2. The duration for the processing of goods for domestic consumption shall include:

1) the duration of the production process for processing goods;

2) the time required to place the processing products under the customs procedure of release for domestic consumption.

3. The duration of the processing of goods for domestic consumption may be extended within the period specified by paragraph 1 of this Article.

4. For the decision to extend the term for processing goods within one year period, the declarant must present to the customs body responsible for supervising processing not later than by the end of the processing period, a written statement of the need for such extension with the documents confirming the feasibility of extending the processing.

A statement of the declarant to extend the processing of goods shall be examined by customs bodies within ten (10) working days from the date of the registration of the statement by the customs body. During this period the processing operations shall be suspended. If the customs body's makes the decision to extend the time limit for processing, the specified period shall be extended from the date of the completion of the previous term regardless of the date the decision is made.

The extension of processing of goods may be refused, if the declarant does not comply with the conditions and limitations of this Chapter.

The declarant shall be notified in writing of the customs body's decision to extend the time limit for processing goods for domestic consumption, or the decision to refuse such extension.

When extending the processing of goods for domestic consumption, the back of the first sheet of the copy of the customs declaration located in the customs bodies shall be stamped and marked with a note on the extension and the date. The specified mark shall be verified by the signature and personal numbered stamp of the customs official.

In the case of refusal to extend the time limit for processing, the goods placed under the customs procedure of processing for domestic consumption shall be placed under another customs procedure, and processed products shall be placed under the customs

procedure of release for domestic consumption within fifteen (15) working days from the date of acceptance by the customs body of the decision on refusal.

Article 373. Document on the Conditions for the Processing of Goods for Domestic Consumption

1. Any person may receive a document specifying the conditions of processing goods for domestic consumption, issued by the competent authorities of the Republic of Kazakhstan.

2. The document on the conditions of processing goods for domestic consumption shall contain the following information (about):

- 1) the person to whom the document is issued;
- 2) the person (s), who is (are) directly carrying out the processing operations;
- 3) the name,ification of foreign goods and products in accordance with the Commodity Nomenclature of Foreign Economic Activity, their quantity and value;
- 4) documents confirming the accomplishment of foreign trade transactions or other documents confirming the right of possession, use and (or) disposal of goods, not in the foreign trade;
- 5) standards for releasing of processed products;
- 6) the processing operations and methods of processing;
- 7) how to identify the goods;
- 8) the name,ification of remnants and waste in accordance with the Commodity Nomenclature of Foreign Economic Activity, their quantity and value;
- 9) the term of processing the goods for domestic consumption;
- 10) the possibility of further commercial use of waste;
- 11) the customs body (customs bodies), where the goods are expected to be placed under the customs procedure of processing for domestic consumption and the completion of the customs procedures.

3. The form and procedure for issuing a document on the conditions of processing goods for domestic consumption, which includes making any changes or additions, as well as its revocation (cancellation), are established by the Government of the Republic of Kazakhstan.

4. The release of foreign goods under the customs procedure of processing for domestic consumption is carried out by the customs bodies of the member state of the Customs Union, the authorized body of which issued the document that specified the conditions of processing goods for domestic consumption.

Article 374. The Standards for Releasing Processed Products for Domestic Consumption

1. The norm/rate of yield of processed products means the quantity or percentage contained in the processed products, formed as a result of processing a certain amount of foreign goods.

2. If the processing operations for domestic consumption are committed in relation to goods whose characteristics remain practically constant, are usually carried out in accordance with clearly defined technical requirements and result in obtaining refined products of consistent quality, the authorized state bodies of the Republic of Kazakhstan may establish standard norms/rates of yield for such refined products.

Article 375. Waste Generated as a Result of Processing Goods for Domestic Consumption and Production Losses

1. Waste generated as a result of processing foreign goods for domestic consumption shall be placed under another customs procedure, except when the waste is recycled in the state, and is not suitable for further commercial use. The waste is the products that are the result of the processing operations of the foreign goods for domestic consumption, except for refined products.

2. For customs purposes, the waste products are considered as goods imported into the customs territory of the Customs Union in this condition.

The specific features for determining the customs value of waste are established by decision of the Commission of the Customs Union.

3. Production losses are the products generated and (or) lost irretrievably as a result of processing operations. Production losses generated and (or) lost irretrievably as a result of the processing operations shall not be placed under another customs procedure.

Article 376. Remnants of the Goods Placed Under the Customs Procedure of Processing for Domestic Consumption

Remnants of the goods formed as a result of the processing operation for domestic consumption in accordance with the norms of yield prior to the expiration of processing shall be placed under another customs procedure. The remnants of the goods are those goods that are not used in the course of processing.

Article 377. Completion of the Customs Procedure for Domestic Consumption

1. The customs procedure of processing for domestic consumption is completed before the expiration of the term of processing of goods by placing products of processing under the customs procedure of release for domestic consumption in the manner and on the conditions provided by this Code.

In this case, non-tariff regulatory measures are not applied to the processed products.

2. The person who placed the goods under the customs procedure of processing for domestic consumption is required to submit to the customs body a report on the application of the customs procedure of processing for domestic consumption within thirty (30) calendar days of the end of processing.

The form of the report on the implementation of the customs procedure of processing for domestic consumption shall be approved by the Government of the Republic of Kazakhstan.

Article 378. The Origin and Termination of the Obligation to Pay Import Duties, Taxes and Term of their Payment in Respect of Goods Placed Under the Customs Procedure of Processing for Domestic Consumption

1. The declarant shall have the obligation to pay import duties and taxes on the goods placed under the customs procedure of processing for domestic consumption from the moment the customs declaration has been registered by the customs bodies.

2. The declarant's obligation to pay taxes in respect of goods placed under the customs procedure of processing for domestic consumption is terminated in those cases provided by paragraph 2 of Article 129 of this Code.

3. The obligation to pay import duties on goods placed (placed) under the customs procedure of processing for domestic consumption is terminated against the declarant:

1) upon the completion of the customs procedure of processing for domestic consumption prior to completion of processing of goods, as established in accordance with paragraph 1 of Article 372 of this Code, except for cases where during the validity of this procedure, the payment of import customs duties becomes due;

2) in the cases specified by paragraph 2 of Article 129 of this Code.

4. Taxes on foreign goods are payable before the release of goods under the customs procedure of processing for domestic consumption.

5. Import customs duties shall be paid on the following dates:

1) for the transfer of foreign goods to a person other than the person who is issued the document describing the conditions for processing goods on the customs territory, and (or) a person who is involved in processing operations without the permission of the customs bodies: the day of transfer of goods, and if that day is not

known, then the day the customs declaration is registered by the customs bodies and filed for placing goods under the customs procedure of processing for domestic consumption;

2) for the loss of foreign goods prior to the expiration of the goods processing period, except for destruction (irretrievable loss) due to an accident or force majeure or natural loss under the normal conditions of carriage (transportation) and storage: the day the goods were lost, and if that date is not known, then the day the customs declaration is registered by the customs bodies and filed for placing goods under the customs procedure of processing for domestic consumption;

3) for the incompleteness of the customs procedure of processing for domestic consumption before the expiry of processing of goods specified in paragraph 1 of Article 372 of this Code: the expiration date for processing of goods.

6. Import duties in the cases provided by paragraph 5 of this Article shall be payable in the amount corresponding to the amount of import duties which would be payable at the placement of foreign goods under the customs procedure of release for domestic consumption, and calculated as of the date the customs declaration is registered by the customs bodies and filed for placing the goods under the customs procedure of processing for domestic consumption.

Article 379. Specific Features for Placing Processed Products Under the Customs Procedure of Release for Domestic Consumption at the End of the Customs Procedure of Processing for Domestic Consumption

1. In order to develop the economic sectors of the member states of the Customs Union and to encourage import substitution of investment goods in the territories of the member states of the Customs Union, the Commission of the Customs Union is entitled to define certain goods and (or) their products if, with the goal to use import duties on processed products, the customs value and (or) its physical characteristics in physical terms (quantity, weight, volume or other characteristics) defined on the day of registration of the customs declaration by the customs bodies and filed for placing of such goods under the customs procedure of processing for domestic consumption, may be applied.

2. In respect of processing products, the rates of import duties in the country of origin where the goods are placed under the customs procedure of processing for domestic consumption shall apply. When foreign goods from different countries were used in the processing, the application of import duties shall be based on the following features:

1) if as a result of the processing the classification code of the goods under the Commodity Nomenclature of Foreign Economic Activity has changed to the level of the first four digits, the rates of customs duties applied to the processed products imported from countries with the most-favored-nation status shall apply;

2) in other cases, the rates of customs duties of the country of origin of the foreign goods shall apply, the customs value of which is the highest.

Article 380. Specific Features for Placing Foreign Goods Which Have Not Undergone Operation for Processing Under Customs Procedure of Release for Domestic Consumption at the Completion of the Customs Procedure of Processing for Domestic Consumption

1. When placing foreign goods that have not undergone operations for processing under the customs procedure of release for domestic consumption prior to the processing of goods being complete, the import duties and market exchange rates as established in accordance with the tax laws of the Republic of Kazakhstan are determined as of the date the customs declaration has been registered by the customs bodies, and filed for placing foreign goods under the customs procedure of processing for domestic consumption.

2. Interest is not charged in accordance with paragraph 2 of Article 134 of the

Code on the amount of import duties paid by placing foreign goods that have not undergone operations for processing under the customs procedure of release for domestic consumption.

CHAPTER 43. CUSTOMS PROCEDURE FOR TEMPORARY IMPORTATION (ADMISSION)

Article 381. Contents of the Customs Procedure for Temporary Importation (Admission)

Temporary importation (admission) is a customs procedure under which foreign goods are used within a specified period in the customs territory of the Customs Union with a conditional exemption, full or partial, from import duties and taxes and applying non-tariff regulations, followed by the placement of the foreign goods under the customs procedure of re-export.

Article 382. Conditions for Placing Goods Under the Customs Procedure of Temporary Importation (Admission)

1. Placement of goods under the customs procedure of temporary importation (admission) is permitted, subject to the possibility that the goods under this customs procedure can be identified with their subsequent declaration, in order to complete the customs procedure of temporary importation (admission).

The goods do not need to be identified in cases where, in accordance with the international treaties of the member states of the Customs Union, replacement of the temporarily imported goods is allowed.

2. The following shall not be placed under the customs procedure of temporary importation (admission):

1) food, beverages, including alcohol, tobacco and tobacco products, raw materials and semi-finished products, materials and samples, unless they are imported in single copies for advertising and (or) demonstration purposes or as exhibits or industrial samples (designs);

2) waste, including industrial waste;

3) goods that are prohibited from importation into the customs territory of the Customs Union.

3. Foreign goods that were previously placed under other customs procedures may be placed under the customs procedure of temporary importation (tolerance) in compliance with the requirements and conditions provided by this Code.

Article 383. Restrictions on the Use and Disposal of Temporarily Imported Goods

1. Goods placed under the customs procedure of temporary importation (admission) (hereinafter - the temporarily imported goods) shall remain unchanged, excepting normal wear or natural loss under the normal conditions of carriage (transportation), storage and (or) use (operation).

Actions (transactions) with temporarily imported goods which are required to ensure their safety, including repair (except for major repairs and upgrades), maintenance and other operations required to maintain the goods in good condition are allowed. These goods are subject to identification by customs bodies when re-exported.

Carrying out tests, research, checking, experimentation or experiments with temporarily imported goods are allowed, or they may be used in probations, research, testing, checking, experimentations or experiments.

2. Temporarily imported goods must be in the actual possession and use of the declarant.

3. The declarant may transfer possession and use of the temporarily imported goods to any other person:

1) for the purpose of maintenance, repair (except for overhaul and (or) upgrades), storage, transportation, the temporary import of reusable (returnable) containers

intended for packaging and protecting the goods offered for sale and circulation, if in accordance with foreign trade contract the packaging, shall be returned in order to hold testing, inspection, experiment and display their properties and characteristics of the temporarily imported goods, if, according to the foreign trade contract, the goods shall be returned and for other purposes in those cases determined by law and (or) international treaties of the member states of the Customs Union: without the permission of the customs bodies;

2) in other cases: with the permission of the customs body.

The transfer of temporarily imported goods in the possession and use of other persons shall not exempt the declarant of the customs procedure of temporary importation (tolerance) from the requirements and conditions established in this Chapter.

Persons to whom the declarant has transferred possession and use of temporarily imported goods are jointly and severally liable with the declarant for the obligation to pay customs duties in the full amount of the customs payments.

The customs body is entitled, in accordance with paragraph 2 of Article 187 of the Code, to request documents and information about the actual location of the temporarily imported goods and, where such goods were transferred in accordance with sub-paragraph 1) of paragraph 3 of this Article to another person, the information about that person in writing and (or) electronic forms. They are also entitled to establish the term for their presentation, which must be sufficient time to provide the requested documents and information.

4. In order to obtain permission of the customs body to transfer possession and use of the temporarily imported goods to other persons, the declarant of these products shall submit to the customs body where they were placed under the customs procedure, a written statement specifying the reasons for the transfer of temporarily imported goods to another person, and information about that person.

The transfer of possession and use of the temporarily imported goods to other persons shall not exempt the declarant of the customs procedure of temporary importation (admission) from the requirements and conditions, as established by this Chapter, and shall not suspend or extend the period of temporary importation.

5. The use of temporarily imported goods and vehicles is allowed outside the customs territory of the Customs Union as a vehicle for international transportation, in the manner prescribed by Chapter 55 of this Code.

Article 384. The Period of Temporary Importation of Goods

1. The period of temporary importation of goods is established by the customs bodies based on the declarant's statements and goals and circumstances of such import, and cannot exceed two (2) years from the date of placement of the goods under the customs procedure of temporary importation, unless otherwise provided by this Article.

Pursuant to the written request of the declarant, the period of temporary importation of goods may be extended by customs bodies within the period specified in the first part of this paragraph, or the period specified in paragraph 2 of this Article.

2. For certain categories of goods, depending on the purpose of their entry into the customs territory of the Customs Union, the Commission of the Customs Union may set a shorter or longer period of temporary importation than the period specified in the first part of paragraph 1 of this Article.

3. In order to obtain a decision about whether the temporary import limits established by this article can be extended, the declarant, no later than the end of the period of temporary importation, must present to the customs body carrying out customs control a written statement of the need for such extension with supporting documents. The term of the application for extension of temporary import cannot exceed ten (10)

working days from the date the application is registered by the customs body. The time period shall be suspended during this period. If the customs bodies decide to extend the temporary importation period, the specified period shall be extended from the end of the previous term, regardless of the date of the decision.

The decision of the customs body to extend the period of temporary importation, or the refusal of such extension is presented to the declarant in writing. If the temporary importation is extended, the back side of the first sheet of the copy of the customs declaration held by the customs bodies will be stamped with a mark of the extension and the date. The specified mark shall be verified by a signature and personal numbered stamp of the customs official.

4. If the declarant does not comply with the conditions and limitations of this Chapter, the customs bodies shall decide to refuse to extend the period of temporary importation.

5. When the declarant submits an application to extend the period of temporary importation, the customs body shall undertake a customs inspection to verify the availability of goods in their unchanged (original) state, and shall prepare a report stating the result of such customs inspection. Where the goods are found outside the customs body carrying out the customs declaration, a report on the results of the customs inspection shall be made by the customs body, within the activity area where the specified goods are located.

6. Where goods are being repeatedly placed under the customs procedure of temporary importation (admission), including where the declarants of customs procedures are different individuals, the total period of temporary importation shall not exceed the period specified in the first part of paragraph 1 of this Article, or a time period determined in accordance with paragraph 2 of this Article.

Article 385. Completion and Suspension of the Customs Procedure for Temporary Importation (Admission)

1. The customs procedure of temporary importation (admission) shall be completed before the expiration of the temporary importation by placing the temporarily imported goods under the customs procedure of re-export on the terms and conditions provided by this Code.

The customs procedure of temporary importation (tolerance) can be completed before the expiration of the temporary importation by placing the temporarily imported goods under another customs procedure, except for the customs procedure of customs transit, on the terms and conditions provided by this Code.

2. Before the expiration of the term of the temporary importation, the customs procedure of temporary importation (admission) can be suspended, in the event of the placement of temporarily imported goods under the customs procedure of customs warehouse, or other customs procedure, determined by a decision of the Commission of the Customs Union. The order of suspension and resumption of the customs procedure of temporary importation (admission) is determined by the decision of the Commission of the Customs Union.

3. Temporarily imported goods may be placed under the customs procedure of re-export or under another customs procedure by one or more parties.

Article 386. Full Conditional and Partial Conditional Exemption From the Payment of Customs Duties, Taxes

1. The list of goods temporarily imported with full exemption from payment of customs duties and taxes, as well as the conditions for such exemption (including the time limits) is determined in accordance with the international treaties of the member states of the Customs Union and (or) the decisions of the Commission of the Customs Union.

2. Temporarily imported goods with full conditional exemption from payment of customs duties and taxes shall be used within the territory of a member state of the Customs Union, by the customs bodies by which the goods are placed under the customs procedure of temporary importation (admission), unless otherwise decided by the Commission of the Customs Union.

3. Where those goods have not been granted full conditional exemption from import duties and taxes, and they are non-compliant with the conditions of the full conditional exemption from import duties and taxes imposed in accordance with paragraph 1 of this Article, a partial conditional exemption from import duties and taxes shall apply.

In case of partial conditional exemption from customs duties and taxes for each full or partial calendar month that the goods are in the customs territory of the Customs Union, three percent of the amount of import customs duties and taxes shall be paid. It would be payable if the goods were placed under the customs procedure of release for domestic consumption on the day the customs declaration is registered, and filed for placing such goods under the customs procedure of temporary importation (admission).

4. With partial conditional exemptions from import duties and taxes, the amount of import duties and taxes must be paid when goods are placed under the customs procedure of temporary importation (admission) for the entire term of the period of the customs procedure or periodically on the declarant's choice, but not less than once every three (3) months. The frequency of payments of import duties and taxes shall be determined by the declarant with the approval of the customs body.

5. The total amount of customs duties and taxes levied for the temporary importation with partial exemption from payment of import duties and taxes, shall not exceed the amount of import customs duties and taxes that would be payable if the goods were placed under the customs procedure of release for domestic consumption on the day of registration of the customs declaration, and filed for the placement of such goods under the customs procedure of temporary importation (admission), excluding privileges to pay import duties and taxes.

6. At the completion of the customs procedure for temporary importation (admission) in accordance with paragraph 1 of Article 385 of the Code, the amount of import duties and taxes paid in partial conditional exemption from customs duties and taxes shall not be eligible for return.

Article 387. The Origin and Termination of the Obligation to Pay Import Customs Duties, Taxes and the Term of Payment in Respect of Goods Placed Under the Customs Procedure of Temporary Importation (Admission)

1. The declarant shall have the obligation to pay import duties and taxes on goods placed under the customs procedure of temporary importation (admission), upon the registration of the customs declaration by the customs bodies.

2. The obligation to pay import duties and taxes on goods placed under the customs procedure of temporary importation (admission) is terminated against the declarant:

1) at the completion of the customs procedure of temporary importation (admission) in accordance with paragraph 1 of Article 385 of this Code, unless at the time of the procedure payment of customs duties and taxes is due;

2) in the cases specified by paragraph 2 of Article 129 of this Code.

3. Import duties and taxes on the partial conditional exemption from customs duties and taxes shall be payable on the following dates:

1) before the release of goods under the customs procedure of temporary importation (admission): upon payment of the full amount of import customs duties and taxes payable for a specified period of temporary importation, or the first part of the amount of import duties and taxes is payable, in the case of periodic payments;

2) in the case of periodic payments: prior to the period for which payment of import customs duties and taxes is made;

3) in respect of goods placed under the customs procedure of temporary importation (admission) with discounts on the payment of customs duties and taxes associated with the restrictions on the use and (or) disposal of these products:

in the case of rejection to use such incentives (discounts): before making changes in the customs declaration, according to which the goods are placed under the customs procedure of temporary importation (admission);

there is a violation of the restrictions on the use and (or) disposal of these products, when the goods have been given such privileges (discounts);

the first day such an act was committed, and if that date is not set, the day the customs declaration is registered by the customs bodies, according to which the goods are placed under the customs procedure of temporary importation (admission);

4) in case the conditions on which goods are placed under the customs procedure of temporary importation (admission) with full exemption from import duties and taxes are violated: the day the customs declaration is registered by the customs bodies, according to which the goods are placed under the customs procedure of temporary admission (admission).

4. The date for payment of customs duties and taxes in respect of goods placed under the customs procedure of temporary importation with full or partial conditional exemption from payment of customs duties and taxes shall be:

1) for the transfer of temporarily imported goods to other persons without the permission of the customs bodies: the day of the transfer, and if that date is not known, then the day the customs declaration is registered by the customs bodies and filed for placing the goods under the customs procedure of temporary export (admission);

2) for the loss of temporarily imported goods during the period of temporary importation of goods, except for destruction (irrecoverable loss) due to an accident or force majeure or natural loss under the normal conditions of carriage (transportation) and storage: the day the goods were lost, and if this date is not known, then the day the customs declaration is registered by the customs bodies, and filed for placing the goods under the customs procedure of temporary import (admission);

3) for the incompleteness of the customs procedure of temporary importation (admission) in accordance with paragraph 1 of Article 385 of this Code: the date the temporary importation of goods expires.

5. Import customs duties and taxes in the cases established by paragraph 4 of this Article shall be payable in the amount corresponding to the amount of import duties and taxes that would be payable by placing such goods under the customs procedure of release for domestic consumption, without tariff preferences and exemptions from payment of customs duties and taxes, calculated on the date of registration by the customs bodies of the customs declaration according to which the goods are placed under the customs procedure of temporary importation (tolerance), with less the amount of customs duties and taxes, paid during partial exemption from payment of customs duties and taxes.

Article 388. Features of the Placement of Temporarily Imported Goods Under the Customs Procedure for Release for Domestic Consumption

1. When temporarily imported goods are placed under the customs procedure for release for domestic consumption, the rates of import customs duties, taxes, and market exchange rates, as established in accordance with the laws of the Republic of Kazakhstan, shall be determined as of the date the customs declaration is registered by the customs bodies and filed for placing the goods under the customs procedure of temporary importation (admission).

2. When placed under the customs procedure for release for domestic consumption

after the customs procedure of temporary importation (admission) of the goods, where the declarant of the customs procedure of release for domestic consumption in the customs procedure of temporary importation (admission) paid customs duties and taxes with partial conditional exemption from customs duties and taxes., the import duties and taxes shall be paid in the amount of the difference of the calculated amounts of customs duties and taxes, payable when placed under the customs procedure of release for domestic consumption, and the customs duties and taxes paid in accordance with the customs procedure of temporary importation (admission).

The provisions of the first part of this paragraph shall also apply if, prior to placing the goods under the customs procedure of release for domestic consumption as specified in the first part of this paragraph, these goods were placed under the customs procedure(s) of the customs warehouse, temporary importation (admission) or placed in temporary storage.

3. When goods are placed under the customs procedure for release for domestic consumption which are subject to the full conditional or partial conditional exemption from customs duties and taxes for the period, interest shall not be charged in accordance with paragraph 2 of Article 134 of this Code.

Chapter 44. CUSTOMS PROCEDURE FOR TEMPORARY EXPORT

Article 389. Contents of the Customs Procedure for Temporary Export

Temporary export is a customs procedure under which goods of the customs union are exported and used within a specified period outside the customs territory of the Customs Union, with a total exemption from the payment of export customs duties, without the application of non-tariff regulations and followed by placement under the customs procedure for re-importation.

Goods placed under the customs procedure of temporary export and actually exported from the customs territory of the Customs Union shall be deprived of the status of the goods of Customs Union.

Article 390. Conditions for Placing Goods Under the Customs Procedure of Temporary Exportation

1. Placement of goods under the customs procedure of temporary export is allowed, provided it is possible to identify the goods placed under the customs procedure with the subsequent completion of the customs procedure of temporary export.

Identification of goods is not required in cases where, in accordance with the international agreements of the Member States of the Customs Union, replacement of the temporarily-exported goods is permitted.

2. The following items shall not be placed under the customs procedure of temporary export:

1) food, beverages, including alcohol, tobacco and tobacco products, raw materials and semi-finished products, materials and samples, except for their removal in single copies for advertising and (or) for demonstration purposes or as exhibits or industrial designs;

2) waste, including industrial waste;

3) prohibited goods exported outside the customs territory of the Customs Union.

Article 391. Restrictions on the Use and Disposal of Temporarily Exported Goods

1. Temporarily exported goods shall remain unchanged, except for changes due to normal wear or natural loss under the normal conditions of carriage (transportation), storage and (or) use (operation).

2. The execution of certain operations is allowed as required to ensure the goods' safety, including repair operations (except for major repairs and upgrades), maintenance and other operations required to maintain the goods in good condition, under the

condition of assurance of identification of goods by customs bodies in case of re-importation.

Article 392. Period for the Temporary Export of Goods

1. The period for temporary export of goods shall be determined by the customs bodies on the basis of statements made by the declarant with respect to the objectives and circumstances of such export, except for the case provided by paragraph 2 of this Article.

Pursuant to the written application of the declarant, the period for the temporary export of goods may be extended by the customs bodies, subject to paragraphs 2 and 3 of this Article.

2. To extend the period of temporary export within the period established by this Article, the declarant shall submit a written application addressing the need for such extension, including supporting documents, to the customs body carrying out customs control not later than by the expiration date of the period of temporary export. The term of the application for the extension of temporary export shall not exceed ten working days from the date of registration of the application by the customs body. The time period for temporary export shall be suspended during this period. If the customs bodies make the decision to extend the period of temporary export, the specified period shall be extended from the end of the previous term, regardless of the date of the decision.

The declarant shall be provided with a written version of the decision of the customs body extending the period for temporary export or refusing the extension. Where there is an extension of the period of temporary export, the extension record and dates shall be stamped on the back of the first sheet of the copy of the customs declaration held by the customs bodies. The specified mark shall be verified by the signature and the personal numbered stamp of the customs official.

If the declarant does not comply with the conditions and limitations of this Chapter, the customs bodies shall decide to refuse to extend the period of temporary export.

3. For certain categories of goods, depending on the purpose of their export from the territory of the Republic of Kazakhstan, as well as for certain goods where re-importation of the temporary export is mandatory in accordance with the laws of the Republic of Kazakhstan, the Government of the Republic of Kazakhstan may establish deadlines for the temporary export of such goods.

4. Goods exported for official and personal use by Kazakh diplomatic missions and their staff, including members of their families that are living with them, are allowed to be temporarily export from the Republic of Kazakhstan for the entire term of accreditation in a foreign country of such offices and such persons.

5. In the case of the transfer to a foreign person of the right of ownership for the temporarily exported goods in respect of which the legislation of the Republic of Kazakhstan has not set their mandatory return to the territory of the Republic of Kazakhstan, the period for temporary export of these goods shall not be extended and these goods shall be placed under the customs procedure of export in accordance with the provisions of the second part of paragraph 1 of Article 347 of this Code.

Article 393. Completion of the Customs Procedure for Temporary Export

1. The customs procedure of temporary export is completed before the expiration of the temporary export period by the placement of the temporarily-exported goods under the customs procedure for re-import, according to the terms and conditions provided by this Code.

The customs procedure of temporary export may be completed before the expiration of the temporary export period by placing the temporarily-exported goods under the

customs procedure of export, processing outside the customs territory or temporary export without actually bringing them to the customs body in the manner and conditions provided by this Code, except for the cases when in accordance with the laws of the Republic of Kazakhstan, the temporarily exported goods are subject to mandatory re-import into the customs territory of the Customs Union.

2. Temporarily exported goods may be placed under the customs procedure of re-importation or under a different customs procedure by one or more parties.

Article 394. The Origin and Termination of the Obligation to Pay Export Customs Duties and the Term of Payment in Respect of Goods Placed (Placed) Under the Customs Procedure for Temporary Export

1. The declarant shall have the obligation to pay export duties on goods placed under the customs procedure of temporary export as of the date of registration of the customs declaration by the customs bodies.

2. The declarant's obligation to pay export duties on goods placed under the customs procedure of temporary exportation is terminated:

1) upon the completion of the customs procedure for temporary export in accordance with paragraph 1 of Article 393 of this Code;

2) in the cases provided by paragraph 2 of Article 129 of this Code.

3. In case the customs procedure for temporary export is incomplete by the expiration of the temporary export period in accordance with paragraph 1 of Article 393 of this Code, except for destruction (irretrievable loss) due to an accident or force majeure, or due to natural loss under the normal conditions of carriage (transportation) and storage, and utilization (operation): the date of payment of export customs duties shall be the day of the expiry of the period for temporary export established by the customs.

4. Export duties shall be payable in the amount corresponding to the amounts of export duties which would be payable if the goods were placed under the customs procedure for exports, calculated on the date of registration of the customs declaration by the customs bodies, filed for placing the goods under the customs procedure of temporary export.

Article 395. Peculiarities of the Placement of Temporarily-Exported Goods Under the Customs Procedure of Exports

1. When placing temporarily-exported goods under the customs procedure of export, the customs value of goods and (or) their physical characteristics in physical terms (quantity, weight, volume or other characteristics), the rates of export customs duties and market exchange rates established in accordance with the tax laws of the Republic of Kazakhstan shall be determined on the date of registration of the customs declaration by the customs bodies, filed for placing the goods under the customs procedure of export.

2. Interest shall not be paid on the amounts of export duties paid when placing the goods under the customs procedure of export, in accordance with paragraph 2 of Article 134 of this Code.

Chapter 45. CUSTOMS PROCEDURE FOR RE-IMPORT

Article 396. Contents of the Customs Procedure for Re-Import

1. Re-import is the customs procedure under which goods previously exported from the customs territory of the Customs Union are brought back into the customs territory of the Customs Union within the period specified by Article 397 of this Code, without the payment of customs duties and taxes and without applying non-tariff regulations.

2. Goods placed under the customs procedure for re-import shall acquire the status of goods of the Customs Union, except for goods specified by sub-paragraph 4) of paragraph 1 of Article 397 of this Code, which are the products of the processing of

goods exported from the customs territory of the Customs Union in accordance with paragraph 3 of Article 357 of this Code.

Article 397. Conditions for Placing Goods Under the Customs Procedure of Re-Importation

1. The previously exported goods may be placed under the customs procedure of re-importation:

1) which are placed under the customs procedure for export or are the product of processing of goods placed under the customs procedure for processing in the customs territory, and exported from the customs territory of the Customs Union in accordance with the customs procedure of re-export if:

the goods are placed under the customs procedure of re-import within three years from the day following the date of their movement across the customs border of the Customs Union upon exportation from the customs territory of the Customs Union or another period specified by paragraph 2 of this Article;

the goods are unchanged, except for changes due to normal wear and tear or natural loss under the normal conditions of carriage (transportation), storage and (or) use (operation);

if the documents are submitted to customs bodies in accordance with Article 398 of this Code;

2) which are placed under the customs procedure of temporary export, if the goods are imported within the period of temporary export and are in the same condition except for normal wear and tear or natural loss under the normal conditions of carriage (transportation), storage and (or) use (operation), and except for changes that are allowed in respect of such goods when they are used in accordance with the customs procedure of temporary export;

3) which are placed under the customs procedure for processing outside the customs territory, unless these products are imported during the processing period and are in the same condition as when they were exported from the customs territory of the Customs Union, except for changes of normal wear and tear or natural loss under the normal conditions of carriage (transportation), storage and (or) use (operation);

4) which are the products of the processing of goods placed under the customs procedure for processing outside the customs territory, if the purpose of processing was free of charge (warranty) repair and these goods are to be placed under the customs procedure of re-import during the period of processing, except of those goods that are processed products which, when they were released under the customs procedure for domestic consumption, the existence of defect (defects) was taken into account, that was (were) the reason for free of charge (under warranty) repair of such goods.

2. For certain categories of goods, a period exceeding the period specified in sub-paragraph 1) of paragraph 1 of this Article may be established by decision of the Customs Union Commission.

3. In cases of re-importation where the taxes due to export the goods from the customs territory were not paid or have been refunded, the tax refund shall be made according to the procedure and under the conditions established by the tax legislation of the Republic of Kazakhstan.

4. The declarant of the customs procedure of re-importation may be a person who was the declarant of one of the customs procedures specified in paragraph 1 of this Article, according to which the goods were exported from the customs territory of the Customs Union.

The customs legislation of the Customs Union may establish circumstances in which a different person may act as the declarant for the purposes of the customs procedure of re-importation.

5. Goods shall be placed under the customs procedure of re-importation in the member state of the Customs Union where they were placed under one of the customs procedures specified by paragraph 1 of this Article.

Article 398. Documents and Information Required for Placing Goods Under the Customs Procedure for Re-Import

1. For placing goods under the customs procedure for re-import, the declarant shall submit to the customs bodies the details about the circumstances of the exportation of goods from the customs territory of the Customs Union, as well as information about operations to repair the goods, if such operations were performed with the goods outside the customs territory of the Customs Union.

2. To confirm the information specified in paragraph 1 of this Article, the declarant provides the customs declaration registered during the export of the goods and the documents confirming the date of movement of the goods across the customs border of the Customs Union when they were exported.

Article 399. Return (Offset of Export Duties)

In respect of the goods specified in sub-paragraph 1) of paragraph 1 of Article 397 of this Code, and placed under the customs procedure of re-import, there shall be a return (offset) of the export customs duties paid if such goods are placed under the customs procedure of re-import not later than six months from the day following the day they were placed under the customs procedure of export.

Chapter 46. CUSTOMS PROCEDURE FOR RE-EXPORT

Article 400. Contents of the Customs Procedure for Re-Export

Re-export is a customs procedure under which goods previously imported into the customs territory of the Customs Union, or the products of processing of goods placed under the customs procedure for processing in the customs territory, are exported from this territory without payment and (or) with a refund for paid customs duties and taxes, and applying non-tariff regulations.

Article 401. Conditions for Placing Goods Under the Customs Procedure of Re-Export

The following goods may be placed under the customs procedure for re-export:

1) foreign goods, located in the customs territory of the Customs Union, including those goods imported in violation of non-tariff regulations, and the products of good processing placed under the customs procedure for processing in the customs territory;

2) goods placed under the customs procedure of release for domestic consumption, if these goods are returned due to non-fulfillment of the conditions of foreign trade transactions, including with respect to the quantity, quality, description or packaging, provided by the following conditions:

goods are placed under the customs procedure for re-export within one year from the day following the date of release for domestic consumption;

documents submitted to customs bodies, in accordance with Article 403 of this Code;

goods not used or repaired in the customs territory of the Customs Union with the exception of cases where the use of the goods was necessary to detect defects or other circumstances that led to the return of the goods;

goods that can be identified by the customs body.

Article 402. Features of the Transport of Goods Placed Under the Customs Procedure for Re-Export

Goods placed under the customs procedure for re-export shall be exported from the customs territory of the Customs Union in accordance with Chapter 38 of this Code.

Article 403. Documents and Information Required for Placement Under the Customs Procedure for Re-Export of Goods Previously Placed Under the Customs Procedure of Release for Domestic Consumption

When placing goods previously placed under the customs procedure of release for domestic consumption under the customs procedure for re-export, the declarant shall submit to the customs bodies documents containing details concerning:

- 1) the circumstances of the importation of goods into the customs territory of the Customs Union (on the basis of documents confirming the execution of foreign trade transactions);
- 2) failure to comply with the requirements of foreign trade transactions;
- 3) the placement of the goods under the customs procedure of release for domestic consumption;
- 4) the use of the goods after placement under the customs procedure of release for domestic consumption.

Article 404. The Origin and Termination of the Obligation to Pay Import Customs Duties, Taxes and the Term of Payment in Respect of Foreign Goods Placed (Placed) Under the Customs Procedure for Re-Export

1. The declarant shall have the obligation to pay import duties and taxes on foreign goods placed under the customs procedure for re-export upon registration of the customs declaration by the customs bodies.

2. The declarant's obligation to pay import duties and taxes on foreign goods placed (being placed) under the customs procedure for re-export shall be terminated:

- 1) upon the actual export of foreign goods from the customs territory of the Customs Union, confirmed by the customs body at the place of departure in the manner determined by a decision of the Commission of the Customs Union;
- 2) in cases specified by paragraph 2 of Article 129 of this Code.

3. In case of a failure to export foreign goods placed under the customs procedure for re-export, with the exception of cases of destruction (irretrievable loss) due to an accident or force majeure or natural loss under the normal conditions of carriage (transportation) and storage, from the customs territory of the Customs Union, the period of payment of import duties and taxes shall be the date of registration of the customs declaration by the customs bodies, filed for placing the goods under the customs procedure of re-export.

4. Import duties and taxes in the cases established by paragraph 3 of this Article shall be payable in the amount corresponding to the amount of import duties and taxes that would be payable at the placement of foreign goods under the customs procedure of release for domestic consumption, excluding exemptions from payment of customs duties and taxes, calculated on the date of registration of the customs declaration by the customs bodies, filed for placing the goods under the customs procedure for re-export.

In respect of products of processing the goods placed under the customs procedure for processing on the customs territory, the import customs duties and taxes shall be payable in the amount corresponding to the amount of import duties and taxes that would be payable in respect of foreign goods placed under the customs procedure for processing on the customs territory and used in the manufacture of processed products in accordance with the rules of their release.

5. Upon termination in accordance with sub-paragraph 1) of paragraph 2 of this Article, the obligation to pay import duties and taxes paid or recovered in accordance with paragraph 3 of this Article, import customs duties and taxes shall be refunded in the procedure established in accordance with this Code.

6. Export customs duties and taxes in respect of goods placed under the customs procedure for re-export shall not be paid.

Article 405. Return (Offset) of the Amounts of Import Customs Duties and Taxes

In respect of the goods specified in sub-paragraph 2) of paragraph 1 of Article 401 of the this Code and placed under the customs procedure of re-export and actually exported from the customs territory of the Customs Union, the paid amounts of import customs duties and taxes shall be refunded (offset) in accordance with Chapter 17 of this Code.

Chapter 47. CUSTOMS PROCEDURE OF DUTY FREE TRADE

Article 406. Contents of the Customs Procedure of Duty-Free Trade

Duty-free trade is the customs procedure under which goods are sold at retail in duty free shops to individuals who are leaving the customs territory of the Customs Union, or to foreign diplomatic missions, equivalent representative offices of international organizations, consular office and diplomatic agents, consular officials and members of their families, who live with them, without payment of customs duties and taxes, and applying non-tariff regulation.

Article 407. Conditions for Placing Goods Under the Customs Procedure of Duty-Free Trade

1. Any goods may be placed under the customs procedure for duty-free trade, except for goods prohibited from being imported into the customs territory of the Customs Union, or prohibited from being exported outside the customs territory of the Customs Union, and prohibited for circulation in the territory of the Republic of Kazakhstan.

The Commission of the Customs Union may establish a list of other goods that cannot be placed under the customs procedure of duty-free trade.

2. The declarant of the goods placed under the customs procedure for duty-free trade can only be the owner of a duty free shop where the goods will be sold.

3. Goods used for the operation of a duty-free shop are not subject to the customs procedure of free trade.

4. Goods of the Customs union shall be placed under the customs procedure of duty-free trade by submitting the customs declaration.

Article 408. Duty-Free Shops

1. The method of operating duty-free shops, the requirements for their arrangement and their trading equipment shall be determined by the Articles 53-58 of this Code.

2. Duty-free shops are located:

1) in the points of transfer through the customs border of the Customs Union - for individuals leaving the customs territory of the Customs Union;

2) in the capital - for foreign diplomatic missions, equivalent representative offices of international organizations, consulates and diplomatic agents, consular officers and their family members who live with them.

Article 409. Sale of Goods and Procedures of Customs Control in the Duty-Free Shops

1. The sale of the goods placed under the customs procedure of duty-free trade shall be performed under customs control:

1) in retail for individuals leaving the customs territory of the Customs Union against presentation of the passenger's travel documents with mandatory use of cash registers in accordance with the requirements established by the tax legislation of the Republic of Kazakhstan;

2) for foreign diplomatic missions, equivalent representative offices of international organizations, consulates and diplomatic agents, consular officers and their families members, who live with them, against presentation of the document confirming accreditation of such a person by the Ministry of Foreign Affairs of the Republic of Kazakhstan, in accordance with the requirements established by the

legislation of the Republic of Kazakhstan. Procedure for the sale of goods in duty-free shops is established by the Government of the Republic of Kazakhstan.

2. Customs control in respect of the goods placed under the customs procedure of duty-free trade shall be executed by the customs body in which authorized area the duty-free shop is situated.

Article 410. Completion of the Customs Procedure for Duty-Free Trade

1. Effect of the customs procedure for duty-free trade is terminated by the sale of goods placed under the customs procedure in retail in duty-free shops to individuals, persons specified in Article 406 of this Code, or by placing the goods under other customs procedures in accordance with this Code.

2. In the event of the closure of the duty-free shop, goods placed under the customs procedure of duty-free trade shall be placed under another customs procedure within one month from the day following the date of closure of the said store.

In case of non-performance of actions specified by the first part of this paragraph, the customs bodies shall detain the goods in accordance with Chapter 24 of this Code.

Article 411. The Commencement and Termination of the Obligation to Pay Import Customs Duties, Taxes and Term of Their Payment in Respect of Foreign Goods Placed (Being Placed) Under Customs Procedure of Duty-Free Trade

1. The declarant shall have the obligation to pay import duties and taxes on foreign goods placed under the customs procedure of duty-free trade, with the registration of the customs declaration by the customs bodies.

2. The obligation of the declarant to pay import duties and taxes on foreign goods placed (placed) under the customs procedure of duty-free trade is terminated:

- 1) upon selling of these goods to the persons specified by Article 406 of this Code;
- 2) when placing these goods under another customs procedure;
- 3) on the detention of goods by customs bodies in accordance with Chapter 26 of this Code;
- 4) in the cases specified by paragraph 2 of Article 129 of this Code.

3. The date for payment of customs duties and taxes shall be:

- 1) for use and disposal of foreign goods in violation of the terms and conditions of the customs procedures for free trade - the day of the statutory requirements and conditions were violated, and if that date is not set - the day of registration of the customs declaration by the customs bodies, filed for placing goods under the customs procedure of duty-free trade;
- 2) in case of the loss of foreign goods, except for their destruction (irretrievable loss) due to an accident or force majeure, or as a result of natural loss under normal conditions of carriage (transportation) and storage - the day the goods were lost, and if that date is not set - the day of registration of the customs declaration by the customs bodies, filed for placing the goods under the customs procedure of duty-free trade.

4. Import duties and taxes in the cases specified by paragraph 3 of this Article shall be payable in the amount corresponding to the amount of import duties and taxes that would be payable when the goods are placed under the customs procedure of release for domestic consumption, without regard to tariff preferences and exemptions from payment of customs duties and taxes, calculated on the date of registration of the customs declaration by the customs bodies, according to which the goods are placed under the customs procedure of duty-free trade.

Chapter 48. CUSTOMS PROCEDURE FOR DESTRUCTION

Article 412. Contents of the Customs Procedures for Destruction

Destruction is the customs procedure under which foreign goods are destroyed under customs control without payment of customs duties and taxes and without applying non-tariff regulation.

The destruction of goods means deactivation, the complete destruction or turning goods into a state where they partially or completely lose their consumer and (or) other properties and cannot be restored to their original state in a cost-effective way.

Customs procedure for destruction can also be used in relation to goods which have been destroyed, irretrievably lost due to an accident or force majeure.

Article 413. Conditions for Placing Goods Under the Customs Procedure for Destruction

1. Placement of goods under the customs procedure for destruction shall be permitted on the basis of the conclusion on the possibility of the destruction of the relevant territorial office of the authorized body in the field of environmental protection, which shall include the method and place of destruction.

The conclusion of the territorial office of the authorized body in the field of environmental protection is not required in cases where the goods are irretrievably lost due to accident or force majeure. Documents must be submitted that prove irretrievable loss of the goods due to an accident or force majeure in order to place such goods under the customs procedure of destruction.

2. The following categories of goods cannot be placed under the customs procedure for destruction:

- 1) cultural, archaeological, historical valuables;
- 2) animals and plants related to species protected under the laws of the Republic of Kazakhstan and (or) international treaties, their parts and derivatives, except when required to destroy them in order to prevent epidemics and epizootics and spread of quarantine facilities;
- 3) goods taken by the customs bodies as a pledge until termination of the terms of mortgage;
- 4) confiscated goods, or the goods that are seized, including those being physical evidence, in accordance with the laws of the Republic of Kazakhstan;
- 5) other goods as determined by a decision of the Commission of the Customs Union.

3. Destruction of goods shall not be permitted, unless such destruction:

- 1) can harm the environment or endanger human life and health;
- 2) is produced by the consumption of goods in accordance with their common purpose;
- 3) may result in costs for the public authorities of the Republic of Kazakhstan.

4. Destruction of goods is executed by the declarant of the customs procedure for destruction.

5. Destruction of goods is executed within the period established by the customs bodies based on the time required for the actual destruction of the goods, the method and the place of their destruction.

Article 414. Peculiarities of the Application of Customs Procedures for Destruction

1. Destruction is executed under the presence of the commission formed by the customs body, supervising the placement of goods under the customs procedure for destruction, out of the representatives of the customs body, and of the territorial office of the authorized body in the field of environmental protection, and with the participation of the declarant. If necessary, the customs body responsible for supervising the placement of goods under the customs procedure for destruction is entitled to involve specialists from other government agencies and independent experts.

The destruction is performed:

1) by thermal, chemical, mechanical or other effects (burning, destruction, burial and other), in which goods are completely destroyed. The method of destruction of goods shall ensure their inability to restore, bringing them to original condition for their intended use;

2) by the de-installation, disassembly, mechanical damage, including perforation, rupture, causing damage in other ways, provided with the condition that such damage preclude subsequent restoration of products and ability for their utilization.

For the goods that require special storage conditions, which due to technological reasons cannot be extracted from storage and used, the destruction is considered to be effected on the conclusion of the territorial division of the authorized state body of the Republic of Kazakhstan that withdrawal of goods from storage and their further use is impossible.

2. Waste generated as a result of the destruction of goods, in case of the possibility of their further utilization, should be placed under the relevant customs procedure, and are treated as foreign goods imported into the customs territory of the customs union in this condition for the purpose of levying import duties and taxes.

If the wastes generated as a result of the destruction of the goods are in an unsuitable condition for further commercial use in the customs territory of the Customs Union, and cannot be restored to their original state in a cost-effective manner, they are treated as goods of the Customs Union.

Article 415. Completion of the Customs Procedures for Destruction

1. The customs procedure for destruction is completed by the actual destruction of goods with arrangement of the protocol of destruction, containing the following information:

date and place of the destruction of the goods;

details of the person, who declared the customs procedure for destruction;

information on the persons who were present at the destruction;

names of the destroyed goods and their quantity in units of measurement;

method of destroying the goods;

the availability and amount of waste after the destruction, as well as the possibility of its further use.

2. The act of destruction is certified by the signatures of all committee members and present persons, and is made in triplicate: one copy is kept by the customs body, the second copy is for the territorial division of the authorized body in the field of environmental protection, and the third copy is kept by the declarant.

3. The destruction of goods is recorded using a photo and (or) video, and the results are attached to the protocol of destruction that is stored in the customs body.

Chapter 49. CUSTOMS PROCEDURE OF ABANDONMENT IN FAVOR OF THE STATE

Article 416. Content of the Customs Procedure of Abandonment in Favor of the State

1. The abandonment in favor of the state is a customs procedure under which foreign goods are transferred free of charge in the ownership of a member state of the Customs Union, free from paying customs duties and taxes and without applying non-tariff regulation.

2. Goods placed under the customs procedure for abandonment in favor of the state shall acquire the status of goods of the Customs Union.

Article 417. Conditions for Placing Goods Under the Customs Procedure of Abandonment in Favor of the State

1. Foreign goods, except for the goods prohibited for importation into the customs territory of the Customs Union, and prohibited for circulation in the territories of the member states of the Customs Union may be placed under the customs procedure of

abandonment in favor of the state.

2. The abandonment in favor of the state should not give rise to any customs charges.

3. The Commission of the Customs Union can decide to establish a list of other goods that cannot be placed under the customs procedure of abandonment in favor of the state.

Article 418. The Procedure of Abandonment of Goods in Favor of the State

1. The customs procedure of abandonment in favor of the state shall be completed by the transfer of goods by the declarant to the appropriate authorized state body of the Republic of Kazakhstan in accordance with the laws of the Republic of Kazakhstan. In this case the protocol of transfer is arranged, a copy of which is attached to the customs declaration. After the completion of customs declaration, any change of this customs procedure shall not be allowed.

After the completion of the customs declaration of the goods placed under the customs procedure of abandonment in favor of the State, such goods shall belong to the state in accordance with Chapter 34 of this Code.

Chapter 50. SPECIAL CUSTOMS PROCEDURE

Article 419. Contents of a Special Customs Procedure

A special customs procedure is a customs procedure that defines for customs purposes the requirements and conditions for use and (or) disposal of certain categories of goods in the customs territory of the Customs Union or elsewhere without payment of customs duties and taxes and applying non-tariff regulation.

Special customs procedure are established by this Code in accordance with the conditions and in respect of categories of goods defined by a decision of the Commission of the Customs Union.

SECTION 7. FEATURES OF MOVING ACROSS THE CUSTOMS BORDER OF THE CUSTOMS UNION AND CUSTOMS OPERATIONS FOR CERTAIN CATEGORIES OF GOODS

Chapter 51. FEATURES OF CUSTOMS OPERATIONS IN RELATION TO GOODS SENT BY INTERNATIONAL MAIL

Article 420. International Postage

1. International mail includes parcels and letter-post items, which are objects of postal exchange in accordance with the Acts of the Universal Postal Union.

2. Sending international mail must be accompanied by the documents provided by Acts of the Universal Postal Union.

3. International mail cannot be handed over by operators of postal services to their recipients or sent out of the customs territory of the Customs Union without the permission of the customs body.

Article 421. Features of Shipping Goods by International Mail

1. Goods, prohibited for postage by international mail:

1) prohibited for importation into the customs territory of the Customs Union or export from this territory;

2) prohibited to transfer in accordance with the Acts of the Universal Postal Union;

3) which are subject to restrictions, if such goods are prohibited for postage by international mail in accordance with a decision of the Commission of the Customs Union.

2. Non-tariff measures shall not apply to goods for personal use sent by international mail to individuals, as well as in other cases determined by the decision of the Commission of the Customs Union.

3. Disposal of goods, prohibited and (or) restricted for postage by international mail, is performed in accordance with the laws of the Republic of Kazakhstan.

Article 422. Features of Customs Operations in Relation to Goods Sent by International Mail

1. Customs operations in respect of goods sent by international mail, are performed by customs bodies in places (agencies) of international postal exchange or in other locations specified by the customs bodies.

Places (agencies) of international postal exchange are other places for temporary storage and must comply with the requirements of Article 260 of this Code.

The place (agencies) of international mail exchange is a place of processing and sorting of international mail and presentation of the mail for customs control and customs declaration to officials of the customs body in which authority area this place (agency) is located.

Places (agencies) of international postal exchange are determined in accordance with the laws of the Republic of Kazakhstan on postal services.

2. Customs declaration of goods sent by international mail is made by using the documents provided by the Universal Postal Union, accompanying the international mail or the declaration of goods.

3. Goods sent by international mail, except for goods sent by individuals for personal use, are subject to customs declaring with the declaration of goods in the following cases:

- 1) subject to payment of customs duties and taxes;
- 2) in respect of goods where special protective, antidumping and countervailing measures are applied and the prohibitions and restrictions are followed;
- 3) the actual export of goods from the customs territory of the Customs Union should be confirmed by the sender of goods to the customs and (or) the tax authorities;
- 4) goods placed under the customs procedure other than the customs procedure of release for domestic consumption.

4. In cases not referred to in paragraph 3 of this Article, the customs declaration is performed with application of the documents defined by the Universal Postal Union, accompanying international mail and containing the information required for the release of goods under the declared customs procedure.

5. Customs declaration of the goods sent by international mail and exported from the customs territory of the Customs Union is performed up to its submission by the postal operator for the postage.

6. Customs declaration of goods, which shall be returned to the sender in the cases established by the Universal Postal Union, shall be performed by the operator by submitting a written application and documents defined by the Universal Postal Union accompanying international postage to the customs body.

Article 423. Customs Control of International Mail

1. Mail operators, at the request of the customs body, present international postage for customs inspection and customs clearance. Methods of such presentation are determined by customs bodies.

2. Customs bodies should not require presentation of the followings of imported mail:

- aerogrammes;
- postcards and letters;
- secogrammes (literature for the blind).

If there is sufficient reason to believe that these postings contain goods that are prohibited or restricted for import into the customs territory of the Customs Union, as well as during the customs inspection and customs clearance on the basis of selective or random checks, the customs bodies are entitled to require these mailings to be presented (for control).

3. The customs bodies are entitled to require a postal service operator to present (for control) exported international mail, in respect of which customs bodies carry out customs inspection and customs clearance on the basis of selective or random checks.

4. International mail, submitted to the place (agency) of international postal exchange in damaged condition with a discrepancy in weight, with a broken attachment or without the necessary supporting documents, are presented (for control) to the customs bodies with the application of the protocol, arranged by the operator.

5. When there is a discrepancy in the quantities and non-compliance with attachments revealed during the customs inspection of international mail, the mail operator, together with a customs body official, shall arrange and sign the protocol of the customs clearance inspection.

6. During the customs inspection and customs clearance of goods sent by international mail, the customs bodies shall use technical means of customs control.

Article 424. Application of Customs Duties and Taxes in Respect of Goods Sent by International Mail

1. In respect of goods sent by international mail, if submitting the declaration of goods is not required, customs duties and taxes are calculated and charged by customs bodies conducting customs operations in a place (institution) of international mail exchange with the customs receipt voucher, the form and manner of filling of which are determined by a decision of the Commission of the Customs Union.

Customs duties and taxes are calculated on the basis of the information on the value of the goods specified in the documents, defined by the Universal Postal Union and used for customs purposes.

In relation to international mail with a declared value, the amount of customs duties and taxes shall be calculated on the basis of this declaration of value only if it exceeds the value specified in the documents used for customs purposes.

2. The operator submits the international mail to their recipients, under the condition of payment of customs duties and taxes in respect of goods sent in these international mail.

3. Customs duties and taxes on goods sent by international mail are payable in the amount specified in this Code and international treaties of the member states of the Customs Union.

4. In case of loss of international mail, or their submission to the recipient without the permission of the customs body, the mail operator who lost or submitted the postage bears the obligation to pay the customs duties and taxes.

Chapter 52. PECULIARITIES OF MOVEMENT OF GOODS BY CERTAIN CATEGORIES OF FOREIGN PERSONS

Article 425. Scope of This Chapter

1. The provisions of this Chapter shall apply in relation to goods transported across the customs border of the Customs Union by diplomatic missions, consular offices, other official representatives of foreign governments, international organizations, staff of these offices, institutions and organizations, as well as in respect of goods intended for the personal use of certain categories of foreign persons benefiting from the privileges.

2. By a decision of the Commission of the Customs Union, peculiarities of the customs declaration of goods, baggage of certain categories of goods transported by diplomatic missions, consular offices, other official representatives of foreign governments, international organizations, staff of these offices, institutions and organizations for official and personal use can be defined.

Article 426. Movement of Goods by Diplomatic Representatives of Foreign States

Foreign diplomatic missions, located in the Republic of Kazakhstan may import into the customs territory of the Customs Union and export from this territory goods intended for the official use of diplomatic missions with exemption from the payment of customs duties and taxes and applying non-tariff regulation.

Article 427. Movement of Goods by the Head of a Diplomatic Mission of a Foreign State and Members of the Diplomatic Staff of Diplomatic Missions of a Foreign State

1. The head of a diplomatic mission of a foreign state and members of the diplomatic staff of the diplomatic missions of foreign states, as well as their families staying with them, if they do not reside permanently in the receiving state and are not nationals of the receiving state, may import goods for their personal use, including goods for their initial accommodation, into the customs territory of the Customs Union, and export goods for their personal use from the customs territory of the Customs Union with exemption from the payment of customs duties and taxes and applying non-tariff regulation.

2. The personal baggage of a head of the diplomatic mission of a foreign of state, members of the diplomatic staff of the diplomatic missions of foreign states, as well as family members living with them, if they do not reside permanently in the receiving state and are not nationals of the receiving state, shall be exempt from customs inspection in the absence of serious grounds to believe that it contains goods that are not for personal use, or goods prohibited to be imported into the Republic of Kazakhstan or exported from the Republic of Kazakhstan or goods regulated by quarantine regulations. Customs inspection of such goods shall be conducted only in the presence of such persons or their representatives.

Article 428. Movement of Goods by Members of Administrative and Technical Staff of a Diplomatic Representation of a Foreign State

Members of the administrative and technical staff of a diplomatic mission of a foreign state and their family members staying with them, if these individuals and their families do not reside permanently in the receiving State and are not nationals of the receiving State, may import into the customs territory of the Customs Union, goods for their personal use, including products for their initial accommodation, with exemption from the payment of customs duties and taxes and applying non-tariff regulation.

Article 429. Coverage of Customs Privileges Granted to Members of the Diplomatic Staff of Diplomatic Missions of a Foreign Country, on the Members of Administrative, Technical and Service Staff

On the basis of an international treaty of the Republic of Kazakhstan with a foreign country, customs exemptions provided by this Code to members of the diplomatic staff of the diplomatic mission of a foreign state may be extended to the members of the administrative, technical and service staff of the diplomatic mission, as well as to their family members, who do not reside permanently in the receiving State and are not citizens of the host State, on the basis of reciprocity in respect to each foreign country.

Article 430. Movement of Goods by Consular Office of Foreign Governments and Their Employees

1. Consular offices of foreign countries, consular officials of foreign governments, including the head of the consular office of foreign countries, and consular servants of foreign countries, as well as their family members are granted customs privileges stipulated by this Code for the diplomatic missions of foreign states or the staff of diplomatic missions of foreign states.

2. On the basis of an international treaty of the Republic of Kazakhstan with a

foreign state, customs exemptions provided by this Code to members of the diplomatic staff of the diplomatic mission of a foreign state may be extended to the of the members of the administrative, technical and service staff of the diplomatic mission, as well as to their family members, who do not reside permanently in the receiving State.

Article 431. Movement of the Diplomatic Pouch and Consular Valise of Foreign States Across the Customs Border of the Customs Union

1. The diplomatic pouch and consular valise of foreign countries, moved through the customs border of the Customs Union, shall be neither opened nor detained.

If there are serious grounds to believe that the consular valise contains documents and (or) goods that are not intended exclusively for official use, the customs body is entitled to require that the consular valise be opened by authorized persons of the represented foreign country in the presence of a customs body. In case of refusal, consular valise shall be returned to the place of departure.

2. The packages constituting the diplomatic pouch and consular valise should have visible external marks identifying their nature.

3. A diplomatic pouch may contain only diplomatic documents and goods, intended exclusively for official use, and consular valise - only official correspondence and documents or goods, intended exclusively for official use.

Article 432. Customs Privileges for Foreign Diplomatic and Consular Couriers

1. Foreign diplomatic and consular couriers may import into the customs territory of the Customs Union and export from this territory goods intended for their personal use, based on the principle of reciprocity in respect to each foreign country with exemption from customs inspection, customs duties and taxes and applying non-tariff regulation.

2. Diplomatic and consular couriers must be provided with an official courier sheet, indicating their status and the number of packages constituting the diplomatic pouch and consular valise. The courier's sheet shall be signed and sealed by the office sending the diplomatic pouch and consular valise.

3. Diplomatic pouch and consular valise may also be entrusted to a temporary diplomatic or consular courier designated to carry only this pouch or consular valise and provided with an official courier sheet.

Article 433. Customs Privileges for Representatives and Members of Foreign Delegations

Representatives of foreign states, members of parliamentary and governmental delegations, as well as on the basis of reciprocity to members of foreign delegations who come to the member states of the Customs Union to participate in international negotiations, international conferences and meetings or other official missions, are granted the customs exemptions provided by this Code for members of the diplomatic staff of the diplomatic mission of a foreign state.

The same privileges are granted to family members accompanying such persons.

Article 434. Movement of Goods by Members of the Diplomatic Staff, Consular Officials, Representatives and Members of Foreign States Delegations in Transit Through the Customs Territory of the Customs Union

Members of the diplomatic staff of the diplomatic missions of foreign states and consular officials of the consular offices of foreign countries, their families and the persons specified in Article 319 of this Code, in transit through the customs territory of the Customs Union, are granted the customs privileges under this Code for members of the diplomatic staff of the diplomatic mission.

Article 435. Customs Privileges for International, Interstate and Inter-Governmental Organizations, Representatives of Foreign Countries (Under These

Organizations) and to the Staff of These Organizations and Representative Offices

Customs privileges for international, interstate, and inter-governmental organizations, representatives of foreign countries (under these organizations), and to the staff of these organizations and representative offices and their family members, are determined by the appropriate international treaties.

Chapter 53. MEASURES TO PROTECT THE RIGHTS IN RESPECT OF THE OBJECTS OF INTELLECTUAL PROPERTY, TAKEN BY THE CUSTOMS BODY

Article 436. Grounds for Measures to be Taken by Customs Bodies to Protect the Rights of the Objects of Intellectual Property

1. The customs bodies shall take measures to protect the rights of intellectual property holders, related to the suspension of release of goods in accordance with the customs legislation of the Customs Union and the present Chapter.

2. The customs bodies shall take measures to protect the rights in respect of the objects of intellectual property holders, included in the customs registry of intellectual property, and objects of intellectual property included in the unified customs registry of intellectual property of the member states of the Customs Union, and those which are not included in these customs registers.

3. Measures to protect the rights in respect of the objects of intellectual property shall not be applied by the customs bodies in respect of those goods moved across the customs border of the Customs Union:

- 1) by individuals for personal use, including those sent to their address by international mail;
- 2) in accordance with the customs procedure of customs transit;
- 3) for official or personal use by diplomatic missions, consular offices, or other official representatives of foreign governments, international organizations, and staff of these offices, institutions and organizations.

Article 437. Period of Protection by Customs bodies of the Intellectual Property Owner's Rights in Respect of the Objects of Intellectual Property

The period of the protection of an owner's rights in respect of the objects of intellectual property shall be determined upon the inclusion of the objects of intellectual property in the customs registry of intellectual property objects and the unified customs registry of intellectual property objects of the Member States of the Customs Union with regard to the period specified by the right-holder (owner) in the application, and the validity of the period of the attached documents, but not longer than two (2) years from the date of inclusion in the registers.

Based on an application by the owner, this period may be extended an unlimited number of times, but each time for not more than for two (2) years, on the condition of compliance with the requirements of this Chapter.

The period of protection of the owner's rights in respect of the objects of intellectual property may not exceed the validity of the term of the owner's rights in respect of the appropriate intellectual property objects.

Article 438. Procedure for Maintaining the Customs Register of Intellectual Property Objects

1. In order to take measures to protect intellectual property rights, the authorized body in the field of customs shall maintain a customs registry of intellectual property objects and ensure its publication, including on the official website of the authorized body in customs affairs.

2. The form and procedure of maintaining the customs registry of intellectual

property objects shall be established by the authorized body in the field of customs affairs.

Article 439. Procedure for the Inclusion of Objects of Intellectual Property in the Customs Register, and Their Removal From the Customs Register

1. The inclusion of objects of copyrights and related rights, trademarks, service marks and appellations of the origin of the goods (hereinafter - the intellectual property objects) into the customs registry of intellectual property shall be carried out by the authorized body in customs affairs at the request of the intellectual property owner.

2. The owner or other person representing the interests of owner, who has reasonable cause to believe that the movement of the goods across the customs border of the Customs Union may violate their rights to the intellectual property, is entitled to submit a written application requesting the protection of their intellectual property rights to the authorized body in customs affairs.

3. The application shall contain the following information:

1) the applicant's request to protect their intellectual property rights;

2) information on the applicant;

3) information, including in electronic form, in respect of the relevant objects of intellectual property, the period during which the rights holder will require the assistance of the customs bodies to protect his (her) rights, and a description of goods containing the objects of intellectual property, with indications of the product codes on a level of the first six digits in accordance with the unified Commodity Nomenclature for Foreign Economic Activity of the Customs Union, and details about the goods from the owner which enable the customs bodies to identify goods in violation of intellectual property rights;

4) the obligation of the applicant for compensation of damages to the declarant and other persons, and the costs of customs bodies which may arise in connection with the suspension of the release of the goods containing the objects of intellectual property, in respect of which it is assumed that they are the goods in violation of intellectual property rights - in cases, where it is proved that the goods are not commodities in violation of intellectual property rights.

4. The application must come attached with documents (originals or notarized copies) confirming the presence and ownership of intellectual property rights (certificate, license agreement), a power of attorney issued by the legal owner to a person representing his (her) interests, the insurance policy (contract) protecting against civil liability of the applicant in cases of injury to third persons. In this case, the insured amount shall not be less than 1000 times the monthly calculation index established for the appropriate financial year by the law on the national budget.

A description of the distinguishing features of the goods in violation of intellectual property rights shall be submitted simultaneously with the submission of the application.

If possible, samples of the goods containing the objects of intellectual property and products in violation of intellectual property rights, including their electronic images, shall also be submitted.

5. The authorized body in customs affairs will review the application within a period not exceeding (30) days from the date of its receipt, and will issue a decision on whether the intellectual property will be included in the Customs Register.

In order to verify the reliability of the applicant's documents and information, the authorized body in customs affairs may request from third parties, as well as the relevant state bodies of the Republic of Kazakhstan, documents confirming the applicant's submitted documents and information. Said persons and public authorities of

the Republic of Kazakhstan shall submit to the authorized body in customs affairs those documents that have been requested within ten (10) calendar days of receiving the request.

If there are sufficient grounds, the authorized body in customs affairs is entitled to extend the period for reviewing the application, but for not more than up to three (3) months.

The decision to include the intellectual property in the Customs Register shall be issued by the authorized body in customs affairs by an order of the head of the authorized body in customs affairs.

Where an applicant gives incomplete or inaccurate information, or where the applicant fails to describe the distinguishing features of the goods in violation of their intellectual property rights, the authorized body in customs affairs shall decide not to include the intellectual property in the customs register.

The applicant shall be notified in writing of the relevant decision of the authorized body in customs affairs.

6. Where the information has changed from what is specified in the application or the attached documents, the applicant shall inform the authorized body in customs affairs not later than fifteen (15) days from the date the information changed.

7. Intellectual property may be removed from the customs register:

1) at the request of the applicant;

2) where the applicant has submitted incomplete or false information when applying for the inclusion of intellectual property in the Customs Register;

3) upon the applicant's non-compliance with the requirements established by item 6 of this Code;

4) upon termination of the right to appropriate intellectual property;

5) upon the applicant's non-compliance with the provisions of this Chapter.

The decision of the authorized body in customs affairs to remove intellectual property from the customs register shall be issued by an order of the head of the authorized body in customs affairs.

8. The authorized body in customs affairs shall notify the applicant of the decision to remove intellectual property from the customs registry in writing, within three (3) working days of their decision.

9. In the event that the owner's intellectual property rights are terminated, the owner shall notify the authorized body in customs affairs in writing within three (3) working days of the date of termination.

Article 440. Suspension of the Release of Goods Containing the Objects of Intellectual Property

1. If, in the course of carrying out customs operations involving the placement of goods containing the objects of intellectual property included in the customs registry of intellectual property, and the unified customs registry of intellectual property of the member states of the Customs Union, under the customs procedure of goods, the customs bodies reveal evidence of a violation of intellectual property rights, then the release of such goods shall be suspended for a period of ten (10) working days.

This period may be extended by the customs body upon the request of the owner or a person representing his (her) interests, but for not more than ten (10) working days.

The decision to suspend the release of goods and to extend the suspension of the release of goods shall be made in writing by the head of the customs body or his (her) authorized representative.

2. The customs body, not later than one (1) business day following the day of the decision to suspend the release of goods containing the objects of intellectual property, shall notify the declarant and the owner or persons representing them of such

suspension, the causes and period of the suspension. The customs body shall also inform the declarant of the surname, name, patronymic name (if available) and the location (address) of the owner and (or) a person, representing his (her) interests, and shall inform the owner (right-holder) or a person representing his (her) interests, of the name, surname, first name, patronymic (if any) and place of location (address) of the declarant.

3. Upon the expiration of the suspension period for the release of goods containing objects of intellectual property, the release of such goods shall be renewed and made in accordance with this Code, except in cases where the customs bodies are presented with documents confirming the seizure of goods, their arrest or confiscation, or the decision of a judge upon initiation of civil proceedings regarding the violation of the owner's rights in respect of the objects of intellectual property. In case of pronouncement of a judge's decision on the initiation of civil proceedings in accordance with the claim of violation of the owner's rights in respect of the objects of intellectual property, the suspension terms for the release of goods, containing objects of intellectual property, defined by paragraph 1 of this Article, as well as the period of temporary storage of these goods, shall be extended until the entry into force of the court's decision in respect of the claim.

Article 441. Suspension of the Release of Goods Containing the Objects of Intellectual Property, Which are Not Included in the Customs Register of Intellectual Property or the Unified Customs Registry of Intellectual Property of the Member States of the Customs Union

1. The customs bodies are entitled to suspend the release of goods containing the objects of intellectual property which are not included in the customs registry of intellectual property or the unified customs registry of intellectual property of the member states of the Customs Union, when there are indications that the goods moving across the customs border of the Customs Union are goods that are in violation of intellectual property rights.

The decision to suspend the release of goods in accordance with this Article and the reversal of the decision to suspend the release of goods shall be made in writing by the head of the customs body or his (her) authorized representative.

2. In order to implement its mandate to protect the trademarks, service marks and appellations of origin of goods, the customs bodies may use the information obtained from the State Register of the authorized state body of the Republic of Kazakhstan in the field of intellectual property rights. The registers are publicly available, posted on the official web-site and the web site of the authorized state body of the Republic of Kazakhstan in the field of intellectual property rights.

The powers of the customs bodies for the protection of rights to works and objects protected by copyright and related rights, shall be undertaken in collaboration with the competent authorities of the Republic of Kazakhstan in the field of intellectual property rights.

3. Once a violation of the owner's intellectual property rights has been detected during the performance of customs operations involving the placement of goods under customs procedures, the customs body shall suspend the release of goods containing the objects of intellectual property, in accordance with the procedure provided in this Article, and shall immediately notify the owner and declarant. The rights holder, upon receipt of such notice, shall send to the customs bodies within the period prescribed by paragraph 4 of this Article, a written response of his (her) measures in respect of the declarant.

To determine the location of the owner of the trademark, service mark, and appellations of origin of goods or copyright and related rights whose rights may have

been violated the customs bodies:

in the absence of information on trademarks, service marks and appellations of origin of goods and their legal owner, shall send a request to the authorized body of the Republic of Kazakhstan in the field of intellectual property rights to provide from the relevant public registry of intellectual property information about the trademarks, service marks and appellations of origin of the goods and their legal owner and give notice to the rights holder to take the necessary measures;

shall send a request to the authorized state body of the Republic of Kazakhstan in the field of intellectual property rights to determine the registration of copyright and related rights, and further notify the holder of the rights of the need to take action. The request shall contain information about the customs body and the goods in respect of which the customs body takes measures to protect the rights associated with the objects of intellectual property.

The customs body and the authorized state body of the Republic of Kazakhstan in the field of protection of intellectual property rights shall immediately take all necessary measures to identify the location of the owner and notify him/her within twenty-four (24) hours.

If within twenty-four (24) hours the customs body cannot determine the location of the owner, the decision to suspend the release of goods shall be revoked and the goods that are subject to the customs declaration shall be immediately released in compliance with this Code.

4. The release of goods upon the detection of a violation of the rights of intellectual property shall be suspended for up to three (3) working days to allow for notification of the owner and to adopt the decision on cancellation or extension of the suspension period of the release of goods.

5. The decision to suspend the release of goods shall be cancelled and the goods will be subject to the customs declaration and immediate release according to this Code if, within the period specified in item 4 of this Article, the rights holder submits any of the following to the customs body:

has submitted a written request to extend the period of suspension of release of goods to ten (10) working days;

submits a written application for cancellation of the decision to suspend the release of goods.

6. If within the period specified in item 4 of this Article the customs bodies receive an application from the rights holder to extend the suspension of the release of goods, the release of goods shall be suspended for up to ten (10) working days from the date of the initial suspension of the release of the goods. In this case, the rights holder shall submit to the customs bodies the following:

1) a decision of a judge on initiating civil proceedings in accordance with a claim on a violation in respect of the objects of intellectual property, associated with the movement of the goods across the customs border of the Customs Union, which release is suspended;

2) when the court makes a decision that the goods are not goods in violation of the rights of intellectual property, compensation for damages to the declarant and other persons, and the costs of customs bodies, which may arise in connection with the suspension of the release of goods containing the objects of intellectual property;

3) written evidence supporting the application of the right holder to the authorized body in customs affairs for the inclusion of goods in the customs registry of objects of intellectual property in accordance with the procedure established by Article 439 of this Code.

7. In case of submission by the owner of the documents specified in item 6 of this

Article, within ten (10) working days from the date of the initial suspension of release of the goods, the period of suspension of the release of goods, and the period of temporary storage of goods shall be extended until the entry into force of the court's decision in respect of the lawsuit.

If, within ten (10) working days from the date of the initial suspension of the release of the goods, the rights holder does not comply with the provisions established by paragraph 6 of this Article, the customs body shall cancel the decision to suspend the release of the goods and shall carry out the customs declaration of goods, according to the procedure specified by this Code. The costs of the declarant and the customs bodies associated with suspension of release of goods for a period up to ten (10) working days shall be assigned to the rights holder.

8. The procedure of interaction and exchange of information between customs bodies and authorized state bodies of the Republic of Kazakhstan in the field of intellectual property rights shall be established by joint acts.

Article 442. Liability for Property Damage (Harm)

Rights holders are responsible, in accordance with the Civil Code of the Republic of Kazakhstan, for property damage (harm) suffered by the declarant, owner, and (or) consignee of the goods containing the objects of intellectual property, as a result of the suspension of the release of goods in accordance with this Chapter, if there is not a violation of the owner's rights.

Article 443. Revocation of the Decision of the Customs Body to Suspend the Release of Goods Containing Intellectual Property

1. The customs body's decision to suspend the release of goods containing the objects of intellectual property shall be subject to cancellation if, during the term of the decision:

- 1) the customs body receives an application from the applicant upon the cancellation of the decision to suspend the release of the specified goods;
- 2) the objects of intellectual property are removed from the customs register in accordance with Article 439 of this Code;
- 3) the applicant, within the period specified by the customs body for the suspension of release of goods containing the objects of intellectual property, does not present a judge's decision on initiation of a civil case regarding a claim of the violation of intellectual property objects, associated with the movement of goods across the customs border of the Customs Union.

Where any of these cases exist, the goods shall be subject to immediate customs declaration and release in the manner provided by this Code.

2. The revocation of the decision to suspend the release of goods shall be executed in writing by the head of the customs body or his (her) authorized representative.

3. The release of goods containing the objects of intellectual property does not preclude the owner's right to appeal to the appropriate authorized state body of the Republic of Kazakhstan or the court to protect their rights to objects of intellectual property.

Article 444. Provision of Information, and the Collection of Samples and Specimens

1. The customs body shall provide to the declarant and the rights holder or a person representing his (her) interests the information about the goods in respect of which they have made the decision to suspend the release.

2. Information received by the declarant or the rights holder or a person representing his (her) interests shall be confidential in accordance with this Article and shall not be disclosed by them to third parties, or government agencies except as

required by law of the Republic of Kazakhstan.

3. Based on the written permission of the customs body, the rights holder and the declarant or their representatives have the right under customs control to collect samples and specimens of the goods in respect of which the decision is made to suspend their release, to conduct research, and also to examine, take photos or otherwise record such goods.

Article 445. Additional Provisions Relating to the Protection of Rights in Respect of the Objects of Intellectual Property by the Customs Body

Customs bodies shall deliver goods that are found to be in violation of intellectual property rights, which are to be destroyed according to the court's decision, to the appropriate authorized state body of the Republic of Kazakhstan.

If the court orders the destruction of goods which are in violation of intellectual property rights, the appropriate authorized state body of the Republic of Kazakhstan shall immediately take steps to destroy them in accordance with the laws of the Republic of Kazakhstan, and the regulatory resolutions of the Government of the Republic of Kazakhstan.

Chapter 54. MOVEMENT OF GOODS BY PIPELINE TRANSPORT AND POWER LINES

Article 446. Scope of This Chapter

This Chapter defines the features of the movement of goods across the customs border of the Customs Union by pipeline transport and power transmission lines, which are not specified by other provisions of this Code.

In cases which are not regulated by this Code, the procedure for moving goods across the customs border of the Customs Union by pipelines and power transmission lines is determined by the laws of the Republic of Kazakhstan and (or) international treaties of the member states of the Customs Union.

Article 447. Features of the Import, Export and Customs Declaration of Goods Transported by Pipeline

1. Import into the territory of the Republic of Kazakhstan and export of goods from this territory by pipeline transport shall be allowed after the release of the goods in accordance with the declared customs procedure.

2. When submitting the customs declaration, the customs body does not require the actual presentation of the goods being transported by pipelines.

3. Import into or export from the territory of the Republic of Kazakhstan of goods transported by pipelines, the mixing of products, as well as changes in quantity and condition (quality) of the goods, due to the technological features of transportation and the specific characteristics of the goods are allowed in accordance with the technical regulations and national standards in the Republic of Kazakhstan.

4. Features of the customs declaration of goods transported by pipelines are determined in accordance with Article 294 of this Code.

5. If at the expiration of the foreign trade agreement (contract) on the basis of which the goods were transported, a new foreign trade agreement (contract) for the next period is not concluded, the declarant may submit a written request for a temporary declaration of goods for the subsequent calendar month under the existing foreign trade agreement (contract). The deadline for submitting a new foreign trade agreement (contract) is limited to the date of the registration by the customs body of the complete declaration of the goods.

6. The quantity of goods transported by pipelines shall be determined on the basis of the records of measuring devices, installed at technologically specified places, in accordance with Article 449 of this Code, and on the basis of the protocols of the actual delivery of goods under the respective foreign trade contracts, transfer and acceptance certificates, certificates of quality of goods and other similar documents

confirming targeted distribution of volumes of produced, delivered and consumed goods transported by pipelines over one calendar month of delivery.

7. In the process of the customs declaration of goods transported by pipelines and exported from the territory of the Republic of Kazakhstan, the records of measuring devices located in the Republic of Kazakhstan shall be used or the records of measuring devices located in the territory of neighboring states shall be used, in accordance with paragraph 1 of Article 449 of this Code.

When the customs declaration of goods, transported by pipelines and imported to the Republic of Kazakhstan, the readings of meters, located in the Republic of Kazakhstan, or metering devices in the territory of neighboring States are used in accordance with paragraph 1 of Article 449 of this Code.

Article 448. Features of the Import, Export and Customs Declaration of Goods Transported by Power Lines

1. Goods transported by power lines (referred to in this Chapter as electrical energy) are allowed to be imported and exported into the territory of the Republic of Kazakhstan before the customs declaration to the customs body. The customs declaration shall be performed by subsequent submission of the customs declaration for placement of electrical energy under the customs procedure of release for domestic consumption and export, respectively, not later than on the twentieth (20) day of the month following each calendar month of its actual delivery.

2. When submitting the customs declaration, the actual presentation of electrical energy to the customs body is not required.

3. The actual amount of imported or exported electrical energy shall be subject to customs declaration. The amount of electrical energy shall be determined on the basis of records of measuring devices installed at places technologically specified, and the recorded transfer of electrical energy, and on the basis of protocols of actual supply of electrical energy under the relevant foreign trade agreement (contract), and on the basis of transfer and acceptance certificates, and other documents confirming the actual transfer of electrical energy, such as a balance of power flow of electrical energy (the algebraic sum of power flows in opposite directions for all operational interstate transmission lines of all voltages) for each calendar month, in the parallel operation of the power systems of the two neighboring countries.

The calculated value of the balance of power flow shall be adjusted for the value of loss of electrical energy during the transfer of electrical energy in grids in accordance with the technical regulations and national standards in force in the Republic of Kazakhstan.

Persons transporting electrical energy shall notify the customs bodies about adjustments of energy systems into parallel operation, in writing within ten (10) working days after the conclusion of a contract for parallel operation, upon the presentation of such a contract and an indication of interstate transmission lines.

4. The electrical energy supplied under one foreign trade agreement (contract) within one calendar month of delivery shall be deemed to be a single consignment.

5. Customs declarations for unscheduled (technological) power flows in parallel operation of power systems shall be made no later than the tenth (10th) calendar day after the signing of the protocols on the actual delivery of electrical energy, arranged in accordance with the agreements of economic entities, which indicate the volumes of unscheduled (technological) power flows. The period for filing the declaration must not exceed two (2) calendar months after the end of the calendar month of its actual delivery.

6. In the process of the customs declaration of electrical energy and export from the territory of the Republic of Kazakhstan, the records of measuring devices which are

located in the Republic of Kazakhstan shall be used, or the records of measuring devices which are located in the territory of neighboring States shall be used, in accordance with paragraph 1 of Article 449 of this Code.

In the process of the customs declaration of electrical energy and import into the territory of the Republic of Kazakhstan, the records of measuring devices which are located in the Republic of Kazakhstan shall be used, or the records of measuring devices which are located in the territory of neighboring States shall be used, in accordance with paragraph 1 of Article 449 of this Code.

Article 449. The Place of Installation for Electrical Energy Meters and Goods Transported by Pipeline Transport

1. Electrical energy meters and goods transported by pipelines shall be set in the territory of the Republic of Kazakhstan.

Electrical energy meters and (quantity of) goods transported by pipelines may be installed outside the territory of the Republic of Kazakhstan on the condition that international agreements that define the procedure for the officials of customs bodies of the Republic of Kazakhstan to access them are available between the Republic of Kazakhstan and the neighboring States.

2. The authorized body in customs affairs shall approve the places for installing the meters defined by paragraph 1 of this Article, upon the written request of the carrier, the system operator or the regional electricity net company.

3. The customs bodies may put identification labels on devices (meters) in order to prevent the unauthorized access and change of information records of meters for electrical energy and (quantity of) goods transported by pipelines.

Article 450. Identification of Electrical Energy and Goods Transported by Pipelines

The identification of electrical energy and goods transported by pipelines does not need to be carried out, but this shall not prevent the customs bodies from determining for customs purposes the quantity, quality and other characteristics of the goods, by using the information contained in documents, meters and other measuring devices.

Article 451. Customs Declaration in Case of Transit of Electrical Energy and Goods Transported by Pipeline

1. The customs transit of foreign goods transported by pipelines through the territory of the Republic of Kazakhstan between two points located in the place of installation of metering devices shall be implemented in accordance with the international treaties of the Republic of Kazakhstan and this Code.

2. The movement of foreign goods by pipelines in accordance with the procedure of customs transit through the territory of the Republic of Kazakhstan shall be carried out after registration by the customs bodies of the temporary declaration for the goods, the procedure for the submission of which is determined in accordance with Article 294 of this Code.

3. Based on the reasoned request of the declarant to the customs body of departure, the period of customs transit for goods transported by pipelines, may be extended up to ninety (90) days.

4. Electrical energy transferred by power lines across the territory of the Republic of Kazakhstan in the parallel operation of power systems cannot be placed under the customs procedure of customs transit. In this case, not later than on the twentieth (20th) day of the month following each calendar month of the actual transfer of electrical energy, a written statement shall be submitted to the customs body containing information on the volume of transfer over the billing period, the conditional value of the electrical energy, and other prescribed data.

5. Changes to the specific characteristics of goods transported across the customs territory of the Customs Union by pipeline transport, as a result of the technological features of transport, shall be allowed in accordance with the technical regulations and national standards in force in the member states of the Customs Union.

Chapter 55. MOVEMENT OF INTERNATIONAL TRANSPORT VEHICLES IN THE INTERNATIONAL TRANSPORT OF GOODS, PASSENGERS AND BAGGAGE

Article 452. Sphere of Application of This Chapter

1. This Chapter regulates the temporary import of vehicles for international transportation (including where empty) registered in foreign countries into the customs territory of the Customs Union, for finishing or commencement of the international transportation inside or outside such territory, and the temporary export from such territory of vehicles for international transportation, registered in the member states of the Customs Union (including empty) for finishing or commencement of the international transportation of transport vehicles of international transportation, with the exception of vehicles for personal use.

2. The provisions of this Chapter shall also apply to the following vehicles that are temporarily exported from the customs territory of the Customs Union and re-imported back into this territory:

water vessels used for fishing, exploration and development of mineral and other non-living resources of the seabed and subsoil, pilotage and icebreaking escorts, search, saving and towing operations, recovery of sunken assets, hydraulic engineering, underwater engineering and other similar activities, sanitary, quarantine and other control, protection and conservation of the marine environment, carrying marine scientific research for educational, sports and cultural purposes, and for other purposes related to merchant shipping;

civil and state aircraft, aircraft used in experimental aviation (carrying out test flights), but which are not used for international transport of goods and passengers;

railway rolling stock used for repair and other work not related to entrepreneurial activity.

Article 453. The Procedure for the Movement of Vehicles of International Transport

1. Vehicles of international transport crossing the customs border of the Customs Union shall be stopped and parked at the points of movement of goods across the customs border of the Customs Union to perform the customs operations provided in this Code.

2. The parking period of vehicle of international transport, on the basis of the time required for customs operations, shall not exceed eight (8) hours for air, rail and road transport three (3) hours, and for water transport, except in cases where:

1) the beginning or ending of customs operations cannot be performed due to circumstances beyond the control of the customs bodies;

2) the placement under the customs procedure of goods transported on these vehicles of international transport, is performed exactly in the places of movement of goods across the customs border of the Customs Union;

3) in respect of goods transported by means of vehicles using international transport, the customs tracking (or convoy) is applied as a measure of customs transit;

4) temporary storage of vehicles of international transport is carried out at the temporary storage sites located in the territory of the movement of goods across the customs border of the Customs Union.

3. Vehicles of international transport shall depart from their parking places and move to the places of the movement of goods across the customs border of the Customs Union after the completion of the customs operations performed upon the entry of goods

into the customs territory of the Customs Union, or upon departure of the goods from such territory, as provided in Articles 26 and 27 of this Code respectively.

4. Vehicles of international transport shall be subject to customs declaration in accordance with Article 462 of this Code, without being placed under customs procedures.

5. Vehicles of international transport shall cross the customs border of the Customs Union without the application of non-tariff and technical regulations.

Article 454. Temporary Import of Vehicles of International Transport

1. Vehicles of international transport may be temporarily imported into the customs territory of the Customs Union without paying customs duties and taxes if they comply with the following conditions:

1) if a vehicle of international transport is registered in the territory of a foreign country under the ownership of a foreign individual;

2) if a vehicle of international transport is imported into the customs territory of the Customs Union and used by a foreign person, except when the vehicle of international transport is used by a person of a member state of the Customs Union, authorized by a foreign individual, for finishing or commencement of the international transport of goods and passengers and (or) luggage inside or outside the customs territory of the Customs Union.

2. Vehicles of international carriage temporarily imported into the customs territory of the Customs Union shall have the status of foreign goods.

3. The temporary import of vehicles of international transport shall be considered as finished upon their export from the customs territory of the Customs Union within the time limits provided in Article 455 of this Code, or by placement under the customs procedure, except for the customs procedure of customs transit.

4. Temporarily imported vehicles of international transport can be exported from the customs territory of the Customs Union via any customs body.

Article 455. Period for Temporary Import of Vehicles of International Transport

1. Vehicles of international transport that are temporarily imported into the customs territory of the Customs Union must be exported from this area after the completion of the carriage operations in respect of which such vehicles were imported into the customs territory of the Customs Union, within the period calculated pursuant to Article 323 of this Code, unless otherwise stipulated by international treaties of the Republic of Kazakhstan.

2. If it is impossible to export a vehicle of international transport within the period specified in paragraph 1 of this Article, the customs body may extend the period of temporary import of the vehicle of international transport by the time required to eliminate the obstacles which prevent the export of said vehicle, upon a reasonable request from an interested person.

Article 456. Operations With Temporarily Imported Vehicles of International Transport

1. Temporarily imported vehicles of international transport are allowed to perform common operations for their maintenance or repair which occur in said territory or are necessary on their way to the customs territory of the Customs Union.

2. The following shall not be permitted in the customs territory of the Customs Union:

the use of temporarily imported vehicles of international transport for carriage of cargo, baggage, and (or) passengers, commencing and finishing within the customs territory of the Customs Union (hereinafter for the purposes of this Chapter - domestic transportation in the customs territory of the Customs Union);

the transfer of temporarily imported vehicles of international transport to other

persons, including by way of lease or sublease, except transfers relating to their repair, maintenance, storage, or a transfer for the purpose of finishing the operation of carriage through immediate export of the vehicle of international transport.

Features of the operation of international transport vehicles transporting passengers, and of the railway for general use in transporting goods and (or) luggage for domestic transportation within the customs territory of the Customs Union, shall be determined by international agreements of the member states of the Customs Union.

3. The use of temporarily imported vehicles of international transport or their transfer to other persons as specified in paragraph 2 of this Article shall be permitted if these vehicles are placed under customs procedures.

In the event that such actions are taken without the placement of the temporarily imported vehicles of international transport under customs procedures, customs duties and taxes shall be subject to payment in the amount corresponding to the amount of import duties and taxes that would be payable in case of placing such vehicles of international transport under the customs procedure of release for domestic consumption without application of tariff preferences and exemptions from payment of customs duties and taxes, calculated on the date of registration of the customs declaration for the vehicle. Customs duties and taxes shall accrue as of the first day of such actions, and if that date is not known, then as of the date the customs declaration for the vehicle is registered by the customs bodies.

Article 457. Temporary Export of Vehicles of International Transport

1. Vehicles of international transport may be temporarily exported, provided that the vehicle of international transport is a good of the customs union and registered in the territory of member states of the Customs Union to a person of a member state of the Customs Union, except as provided in paragraph 4 of this Article.

2. Vehicles of international transport which are the goods of the customs union and which are temporarily exported from the customs territory of the Customs Union, shall retain the status of goods of the Customs Union in case of actual export from this territory, and the vehicles of international transport specified in paragraph 4 of this Article shall retain the status of foreign goods.

3. Vehicles of international transport may be temporarily exported from the customs territory of the Customs Union without the payment of export duties.

4. The temporary export of vehicles of international transport previously placed under the customs procedure of temporary importation (admission) or being the conditionally released goods shall be allowed in accordance with Article 301 of this Code.

5. Vehicles of international transport may be temporarily exported, regardless of how or for what purpose the person intends to use it outside the customs territory of the Customs Union.

Article 458. Period for Temporary Export of Vehicles of International Transport

The period for the temporary export of vehicles of international transport is not limited.

Article 459. Operations With Temporarily Exported Vehicles of International Transport

1. Temporarily exported vehicles of international transport are allowed to carry out:

1) maintenance operations, and (or) current repairs required to ensure their safety, operation and maintenance in the condition in which they were on the day of export, if those operations are required during the use of international transport vehicles in international transportation;

2) operations on free (warranty) repair;

3) repair operations, including major repairs undertaken to rework the vehicle of international transport after an accident or force majeure which took place outside the customs territory of the Customs Union.

2. Repair operations and (or) other operations that are not specified in paragraph 1 of this Article related to the temporarily exported vehicles of international transport shall be allowed, under condition of the placement of these vehicles under the customs procedure of processing outside the customs territory.

In case of these operations without the placement of temporarily exported vehicles of international transport under the customs procedure of processing outside the customs territory, customs duties and taxes shall be subject to payment during the importation of such vehicles of international transport in accordance with Article 366 of this Code.

Article 460. Import of Temporarily Exported Vehicles of International Transport

1. Temporary export of vehicles of international carriage shall be completed upon their import into the customs territory of the Customs Union or upon placement of the vehicles of international transport, which are goods of the Customs Union, under the customs procedure of export or processing outside the customs territory, and the placement of vehicles of international transport specified in paragraph 4 of Article 457 of this Code under the customs procedure of re-export.

Where ownership of the temporarily exported vehicles of international transport has been transferred to a foreign person, the person who exported such vehicle of international transport shall place the vehicle of international transport which is a good of the customs union under the customs procedure of export, and other vehicles of international transport under the customs procedure of re-export, within thirty (30) calendar days from the date of transfer of ownership of the exported vehicle of international transport.

A customs declaration for these goods shall be allowed without their actual presentation to the customs body.

2. In case of the import of vehicles of international transport into the customs territory of the Customs Union, which is considered as the completion of their temporary export, such vehicles of international transport shall be imported into the customs territory of the Customs Union without payment of customs duties and taxes.

3. Import into the customs territory of the Customs Union of temporarily exported vehicles of international transportation can be made via any customs body.

Article 461. Temporary Import and Temporary Export of Equipment and Spare Parts

1. Special equipment for loading, unloading, handling and protection of goods or services to passengers and (or) luggage which is temporarily imported with the vehicle of international transportation and transported by this vehicle of international transport, whether it can be used separately from the vehicle of international transport or not, shall be imported into the customs territory of the Customs Union without payment of customs duties and taxes and application of non-tariff and technical regulations.

2. Spare parts and equipment for the repair, technical maintenance or operation of a vehicle of international transport shall be imported into the customs territory of the Customs Union without payment of customs duties and taxes and applying non-tariff and technical regulations.

3. Spare parts suitable for use in the repair or technical maintenance of the exported vehicles of international transport for the purpose of replacing parts and equipment, installed in the temporarily exported vehicles of international transport, in

case of their export from the customs territory of the Customs Union, shall be exported from the customs territory of the Customs Union without paying export customs duties and without applying non-tariff and technical regulations.

Import into the customs territory of the Customs Union of the replaced parts and equipment shall be permitted without payment of customs duties and taxes applicable to the customs procedure of re-importation.

Article 462. Customs Declaration of Vehicles of International Transport, Spare Parts and Equipment

1. Customs declaration of vehicles of international transport shall be carried out in the case of the temporary import into the customs territory of the Customs Union of vehicles of international transport and the export of such temporarily imported vehicles from the territory, as well as temporary export from the customs territory of the Customs Union of vehicles of international transport and import of such temporarily exported vehicles of international transport into such territory, by submitting the customs declaration for the vehicle by the carrier to the customs body.

2. The standard documents of the carrier provided by international treaties in the field of transport to which member states of the Customs Union participate, shall be used as customs declaration for the vehicle if they contain information on: the vehicle of international transport, its route, cargo, stores, the crew and the passengers, and information about the purpose of the import (export) of the vehicle of international transport and (or) the name of spare parts and equipment which are moved for repair or operations of international carriage specified in Article 251 of this Code, depending on the mode of transport.

If the submitted standard documents of the carrier do not contain all the required information, the customs declaration of vehicles of international transportation shall be carried out by presenting the prescribed form of the customs declaration for the vehicle. The submitted standard documents of the carrier shall be considered as an integral part of the customs declaration for the vehicle.

In case of export from the customs territory of the Customs Union of temporarily imported vehicles of international transport and import into such territory of temporarily exported vehicles of international transport, the customs body shall be allowed to use the same customs declaration for the vehicle submitted for customs declaration of the temporarily imported or temporarily exported vehicles of international transport respectively.

In case of customs declaration of vehicles of international transport, the customs body shall not be entitled to request submission of other information.

3. If spare parts and equipment are transported across the customs border of the Customs Union at the same time as the vehicle of international transport in accordance with Article 461 of this Code, the customs declaration for the vehicle shall include information about those spare parts and equipment.

4. The customs body shall register a customs declaration for the vehicle.

5. After checking the customs declaration for the vehicle, the customs body shall process the temporary import or temporary export of a vehicle of international transport or the completion of the temporary export or temporary import of vehicles of international transport by incorporating records into the customs declaration for the vehicle according to the form and procedure determined by the decision of the Commission of the Customs Union.

6. Used and non-exported spare parts and equipment shall be placed under the customs procedures in compliance with the requirements and conditions set by this Code.

Chapter 56. FEATURES OF MOVEMENT OF GOODS FOR PERSONAL USE

Article 463. The Basic Definitions Used in This Chapter

In this Chapter, the following definitions are used:

1) unaccompanied baggage - goods for personal use belonging to an individual, that are transferred to the carrier under a contract of international carriage (freight forwarding) for the actual movement across the customs border of the Customs Union in connection with the entry of that person into the territory of the Customs Union or a departure from the customs territory of the Customs Union;

2) accompanied baggage - goods for personal use, including hand baggage, transported directly by an individual who is crossing the customs border of the Customs Union;

3) goods for personal use, delivered by a carrier - goods for personal use, transferred or being transferred to a carrier under a contract of international carriage (against the invoice, bill of lading or other documents) for the actual movement across the customs border of the Customs Union to the individual or from an individual who has not crossed the customs border of the Customs Union;

4) a vehicle for personal use - auto, motor vehicle, trailer, boat or aircraft along with spare parts and normal accessories and equipment, lubricants and fuel contained in its conventional tanks, which are in the ownership or possession of a physical person transporting the vehicles across the customs border of the Customs Union, solely for personal use and not for the transport of persons for remuneration, industrial or commercial transport of goods for payment or free of charge.

Article 464. General Provisions on the Movement of Goods for Personal Use

1. Goods for personal use shall be moved across the customs border of the Customs Union in accordance with the provisions of this Chapter, and those parts which are not regulated by this Chapter, shall be moved across the customs border of the Customs Union in accordance with the procedure established by the customs legislation of the Customs Union.

2. Goods for personal use transported across the customs border of the Customs Union are not subject to application of non-tariff and technical regulations.

3. The criteria for theification of goods transported across the customs border of the Customs Union as goods for personal use are set by international agreement of the member states of the Customs Union. This includes the cost, quantity and weight standards of the movement of goods for personal use with the exemption from payment of customs duties and taxes. The cases of exemptions from customs duties and taxes of certain categories of goods for personal use, as well as the procedure of application of customs duties and taxes shall be set by international agreement of the member states of the Customs Union.

Article 465. Methods of the Movement of Goods for Personal Use

Goods for personal use can be moved across the customs border of the Customs Union as accompanied or unaccompanied baggage, as the goods delivered by the carrier, or by international postage in accordance with Chapter 51 of this Code.

Article 466. Customs Operations Performed in Respect of Goods for Personal Use

1. Customs operations in respect of goods for personal use transported across the customs border of the Customs Union shall be performed in accordance with the procedure specified in this Code and (or) international treaties of the member states of the Customs Union.

2. Customs operations in respect of goods for personal use shall be carried out depending on the methods of movement at the places of arrival to or departure from the customs territory of the Customs Union, or in the customs office of the member state of the Customs Union where the individual who has the right to act as a declarant of such goods permanently (or temporarily) lives.

3. When individuals transfer goods for personal use, the customs bodies shall allow these persons to perform the customs operations without leaving their vehicles, except when it is necessary for compliance with the customs legislation of the Customs Union.

4. Goods for personal use, when crossing the customs border of the Customs Union, shall be subject to a customs declaration in accordance with Article 467 of this Code and shall be subject to release for personal use, without being placed under customs procedures provided by this Code. The procedure of customs operations related to the production of goods for personal use shall be determined by the customs legislation of the Customs Union.

At the request of the person who is transporting the goods for personal use, the customs operations may be carried out in respect of such goods related with their placement in temporary storage, placement under the customs procedure in accordance with this Code, as well as export from the customs territory of the Customs Union, if they do not leave the place of arrival.

Where the customs operations fail to be performed as specified in parts one and two of this item, the goods shall be detained in accordance with Chapter 26 of this Code.

5. Customs control of goods for personal use transported across the customs border of the Customs Union shall be performed in accordance with this Code and (or) international treaties of the member states of the Customs Union.

Article 467. Customs Declaration of Goods for Personal Use

1. The customs declaration of goods for personal use shall be performed by individuals in the process of crossing the customs border of the Customs Union, at the same time the goods are presented to customs bodies.

2. A written customs declaration shall be submitted for:

1) goods for personal use transported in unaccompanied baggage or delivered by a carrier to the individual;

2) goods for personal use transportable in any way, which are subject to the prohibitions and restrictions, except for non-tariff and technical regulations;

3) goods for personal use transportable in any way, including temporarily imported goods, the cost and (or) the number of which exceed the exemption from payment of customs duties and taxes as established by international agreement of the member state of the Customs Union;

4) vehicles for personal use transportable in any way, except for the vehicles for personal use registered in a territory of the member state of the Customs Union, temporarily exported from the customs territory of the Customs Union, and imported back to this territory;

5) the currency of a member state of the Customs Union, securities and (or) currency values in the cases established by the laws and (or) international agreements of the member states of the Customs Union;

6) cultural valuables;

7) goods for personal use imported as accompanied baggage, if the person who transported them has unaccompanied baggage;

8) other goods as determined by the customs legislation of the Customs Union.

3. The customs declaration of goods for personal use shall be performed in writing with the use of the passenger's customs declaration form.

The form of the passenger customs declaration, the procedure for its completion, and the filing and registration of it shall be determined by the decision of the Commission of the Customs Union.

4. An individual is entitled upon his (her) own request to perform customs

declaration of goods for personal use, which is not subject to a customs declaration in writing.

5. A customs declaration of goods for personal use of an individual who has not attained the age of sixteen (16), shall be made by a person accompanying him (her) (one of the parents, adoptive parents or guardians of the person) other accompanying person or representative of the carrier in case of absence of accompanying persons, and in an organized departure (entry) of minors without their parents, adoptive parents or guardians, or other persons, by the team leader or representative of the carrier.

6. When coffins containing bodies (remains) and ashes of the dead are moved across the customs border of the Customs Union, the customs declaration is made by submitting a request in a free form by the person accompanying the coffin (remains) or urn (ashes) of the deceased, along with those documents specified in the second and third parts of this paragraph.

In cases where ashes and coffins containing bodies (remains) of the dead are exported from the customs territory of the Customs Union, the following documents shall be presented:

1) the death certificate issued by the registry office in the manner established for civil registration in the member states of the Customs Union, or a medical certificate of death or notarized copies of these documents;

2) conclusion (report) in a free form from local state health inspectorates on the possibility of exhumation in case of reburial;

3) the report (certificate) in a free form from a specialized organization that carried out the funeral services on sealing of zinc coffins, with indication that they had no external objects, with an attachment of inventory of belongings and valuables of the deceased person, in case of their transportation along with the body (remains) of the deceased person.

When ashes and coffins containing bodies (remains) of the dead are imported into the customs territory of the Customs Union, the following documents shall be presented:

1) the death certificate, issued by an authorized agency of the country of departure, or a medical death certificate or copies of these documents;

2) the report (certificate) in a free form from of the organization that carried out the funeral services on sealing of zinc coffins, with indication that they had no external objects, with attachment of inventory of belongings and valuables of the deceased person in case of their transportation along with the body (remains) of the deceased person.

Article 468. Submission of Documents for Customs Declaration of Goods for Personal Use

1. The submission of a customs declaration filed by a passenger must be accompanied by the following documents presented to the customs body, in order to confirm the information in the customs declaration.

These documents include:

1) identification documents (including for a minor);

2) documents confirming adoption, guardianship, patronage of a minor;

3) documents proving the value of the declared goods for personal use;

4) transportation (shipment) documents;

5) documents confirming the entitlement to the benefits in case of payment of customs duties and taxes, including the confirmation of the temporary import (export) of goods for personal use by an individual, as well as confirming the recognition of an individual as a refugee, an internally displaced person, or as an individual moving to a permanent place of residence according to the procedure determined by the legislation of the Republic of Kazakhstan;

- 6) documents confirming compliance with the prohibitions and restrictions, except for non-tariff and technical regulations;
- 7) documents containing information that enables identification of a vehicle for personal use;
- 8) documents confirming the right of ownership, use and (or) disposal of a vehicle for personal use;
- 9) other documents and information, as required in accordance with the customs legislation of the Customs Union.

2. For a customs declaration of goods for personal use transported in unaccompanied baggage, an original copy of the passenger's customs declaration, arranged by the customs body, shall be submitted (to the customs body), as issued to the individual when crossing the customs border of the Customs Union, in addition to the documents specified in paragraph 1 of this Article.

Where the passenger fails to submit such customs declaration because of its loss or for other reasons, the import of unaccompanied baggage goods for personal use shall be considered as imported in excess of the cost, quantity, and weight norms for the import of goods which are exempted from customs duties and taxes, if the individual does not prove otherwise.

Article 469. Application of the Double Corridor System During the the Customs Declaration of Goods for Personal Use

1. In places of arrival to or departure from the customs territory of the Customs Union, the double corridor system can be used for customs declaration of goods for personal use.
2. Application of the double corridor system provides the individual crossing the customs border of the Customs Union with an independent choice of the customs declaration of goods for personal use in writing, and the appropriate corridor ("green" or "red") for performance of customs operations.
3. The requirements applied for arranging the double corridor in places of arrival of goods to and departure from the customs territory of the Customs Union shall be defined by the decision of the Commission of the Customs Union.

Article 470. Temporary Import of Goods for Personal Use

1. Foreign individuals are entitled to temporarily import into the customs territory of the Customs Union goods for personal use, the list of which is determined by international agreement of the member states of the Customs Union with the exception of vehicles, and with an exemption from payment of customs duties and taxes for the period of their stay in the area.

In cases where the temporarily imported goods for personal use are subject to customs declaration in writing, the temporary importation period of such goods shall be determined by the customs bodies on the basis of the foreign individual's statements and the duration of his (her) stay in the customs territory of the Customs Union.

2. Foreign individuals are entitled to temporarily import into the customs territory of the Customs Union vehicles for personal use registered in foreign countries, and shall be exempt from paying customs duties and taxes, for the period of his (her) temporary stay, but for no more than one (1) year.

The term of the temporary importation of vehicles for personal use may be extended by the customs bodies within one (1) year of the temporary importation of such vehicles upon a reasonable application by a foreign individual.

3. The rights of use of temporarily imported goods for personal use, including vehicles, and (or) their disposal, may be transferred to another person in the customs territory of the Customs Union, provided that there is a customs declaration and payment of customs duties and taxes in accordance with the customs legislation of the Customs

Union.

4. Temporarily imported goods for personal use may be re-exported from the customs territory of the Customs Union through any customs body.

5. If the temporarily imported goods for personal use are located in the customs territory of the Customs Union due to a failure to export after the expiration of the defined period, then the customs duties and taxes shall be paid in respect of such goods in accordance with the customs legislation of the Customs Union.

6. In the case of an irreparable loss of the temporarily imported goods for personal use by accident or force majeure, the re-exportation of goods from the customs territory of the Customs Union need not be performed upon condition of recognition of the accident or force majeure by the customs bodies.

Article 471. Temporary Export of Goods for Personal Use by Individuals

1. Individuals of the member states of the Customs Union are entitled to an exemption from payment of customs duties and taxes for the temporary export from, and re-import to, the customs territory of the Customs Union of goods for personal use during the period of their temporary stay in a foreign country.

2. At the request of an individual, the customs body shall identify the temporarily exported goods for personal use, if such identification promotes their re-importation with exemption from payment of import duties and taxes. A record shall be made in the passenger's customs declaration about the identification of the goods, and one original copy of declaration shall be issued to the individual who exports the goods.

The absence of such identification does not preclude the re-import of these goods for personal use by individuals, with an exemption from the payment of import duties and taxes, upon condition of confirmation to the customs body that the goods are re-imported after temporary export from the customs territory of the Customs Union according to the procedure specified by the customs legislation of the Customs Union.

3. Temporarily exported vehicles for personal use are allowed to make any maintenance operations or repairs required when they are outside the customs territory of the Customs Union.

4. When repairs of temporarily exported vehicles for personal use include the replacement of the vehicle parts, which are subject to record (registration) in the appropriate authorized state bodies, then the replaced part shall be subject to customs declaration, except for repairs under warranty or service under a contract concluded pursuant with the civil legislation of the Republic of Kazakhstan, or repairs required to restore the vehicle for personal use after an accident or force majeure.

Article 472. Payment of Customs Duties and Taxes in Respect of Goods for Personal Use

1. Individuals shall pay customs duties and taxes on the customs declaration in writing of goods for personal use on the basis of the customs receipt voucher, form and procedure for filling of which is determined by the decision of the Commission of the Customs Union.

One copy of the customs receipt voucher shall be handed to the person who paid the customs duties and taxes.

The customs official shall fill out the customs receipt voucher and shall charge the customs duties and taxes on the goods for personal use moving across the customs border of the Customs Union.

2. Individuals shall pay those customs duties and taxes on goods for personal use moving across the customs border of the Customs Union based on the uniform rates of customs duties and taxes, or in the form of aggregate customs payments equal to the amount of customs duties and taxes, calculated based on the rates of customs duties and

taxes applied in accordance with Article 126 of this Code.

3. The uniform rates of customs duties and taxes shall be set by the international agreement of the member states of the Customs Union.

4. The procedure to apply the uniform rates of customs duties and taxes, the commencement and termination of the obligation to pay customs duties and taxes on goods for personal use, and the terms for their payment, shall be determined by international agreement of the member states of the Customs Union.

Article 473. The Customs Value of Goods for Personal Use

1. The customs value of goods for personal use shall be determined on the basis of the value declared by the individual, as confirmed by the original documents containing the information on the cost of the goods for personal use.

When goods are imported for personal use by individuals into the customs territory of the Customs Union, the cost of transportation and insurance of goods before and after their arrival into the customs territory of the Customs Union shall not be included in the customs value of the goods.

2. In the absence of an individual transporting goods for personal use, the required documents and (or) information about their value, or if there is reasonable cause to believe that the documents and (or) the information submitted by the person are not accurate, the customs body is entitled to determine the customs value of the goods based on information available to the customs bodies relating to the pricing information for similar goods, including the data referred to in the catalogs of foreign companies involved in retail sales of similar goods.

An individual has the right to prove the accuracy of the information submitted to determine the customs value of goods for personal use.

For the purposes of this Article, "similar goods" means goods which have similar characteristics to those of the imported goods and which are comparable to the imported goods in their intended purpose, use, quality, technical and other characteristics.

Article 474. Spare Parts and Fuel for Vehicles Transported by Individuals for Personal Use

1. Spare parts required for the repair of vehicles for personal use and temporarily imported by individuals into the customs territory of the Customs Union may be temporarily imported and are exempt from customs duties and taxes for a period not exceeding the period of the vehicle's temporary import.

2. Fuel in the tanks of vehicles designed for personal use and transported across the customs border of the Customs Union by individuals, may be imported into the customs territory of the Customs Union, or respectively exported from this territory, without the payment of customs duties and taxes.

Chapter 57. FEATURES OF CUSTOMS OPERATIONS IN RESPECT OF SUPPLIES

Article 475. Scope of This Chapter

1. Moving supplies across the customs border of the Customs Union shall be carried out in accordance with the provisions of this Chapter, and the parts which are not regulated by this Chapter shall be regulated in accordance with the procedure established by the customs legislation of the Customs Union.

2. Moving supplies across the customs border of the Customs Union shall be carried out without payment of customs duties and taxes and applying non-tariff regulations.

3. The provisions of this Chapter shall not apply to goods in vehicles operated by individuals for personal use.

Article 476. Features of Customs Operations in Respect of Supplies

1. Customs operations in respect of supplies for importation into the customs territory of the Customs Union are made in places of arrival, and upon exportation from the customs territory of the Customs Union, then in the places of international

transportation or places of departure.

2. Supplies are subject to a customs declaration, without placing goods under the customs procedure.

When declaring supplies on the customs declaration, the declaration of goods, transportation (shipping), commercial and (or) other documents can be used.

The list of information that must be stated in the customs declaration on the customs declaration of goods is determined by a decision of the Commission of the Customs Union.

3. Customs operations in respect of supplies are made the same way, regardless of the country of registration or nationality of the ships, aircraft or trains.

Article 477. Using of Supplies

1. Supplies intended for use by passengers and crew members on ships, and supplies necessary for the proper operation and maintenance of these vessels, can be consumed and used on these ships during their stay in the customs territory of the Customs Union in the amount corresponding to the number of passengers and crew members and the duration of mooring, including during repairs of ships at docks, shipyards or dockyards, if crews at this time do not leave the ship.

2. When making the planned landing of aircrafts at one airport or several airports that are in the customs territory of the Customs Union, supplies designed to ensure the normal operation and maintenance of these vessels, and supplies intended for consumption by the crew and passengers during the stay of the aircrafts at the points of embarkation and during flights between them, may be used by the aircrafts at landing points and during flights between them.

3. Supplies intended for sale to passengers and crew members of aircraft without their consumption on board of these ships may be sold while the aircraft is in the customs territory of the Customs Union, provided that their sale takes place on board these vessels.

4. Supplies intended for consumption by passengers of the train and train staff, and supplies necessary for the proper operation and maintenance of these trains, can be consumed and used in these trains en route or at stopping points, or terminals in the customs territory of the Customs Union in the amount corresponding to the number of passengers and crew aboard the train, as well as the duration of parking and travel time.

5. The customs bodies are entitled to order the carrier to take the measures necessary to ensure compliance with the use of supplies, provided by this Chapter during the stay (location) on the ships, aircraft or trains in the customs territory of the Customs Union. According to the decision of the customs bodies, the place where the supplies are kept may be affixed with the customs seals and stamps.

6. Supplies, with the permission of the customs bodies, may be temporarily unloaded and transferred to other vessels or other trains that execute international transportation of cargo, passengers and (or) luggage, if the conditions set out in this Chapter are observed.

7. The use of supplies for purposes not provided for in this Chapter shall be allowed when they are placed under the customs procedure of release for domestic consumption or export.

SECTION 8. PROCEDURE FOR SERVING IN THE CUSTOMS BODIES

Chapter 58. PROCEDURE FOR SERVING IN THE CUSTOMS BODIES

Article 478. Serving in the Customs bodies

1. Service in the customs bodies is a special of public service for the citizens of the Republic of Kazakhstan, exercising professional activities to implement the tasks, rights and duties of customs bodies, as well as performing the functions of law

enforcement agencies within its jurisdiction in accordance with the laws of the Republic of Kazakhstan, and acts of the President and the Government of the Republic of Kazakhstan.

2. The procedure for serving in the customs bodies shall be regulated by this Code, the Law of the Republic of Kazakhstan "On Enforcement Service" and shall not operate in conflict with this Code and the Law of the Republic of Kazakhstan "On Enforcement Service", the labor legislation of the Republic of Kazakhstan and the legislation of the Republic of Kazakhstan on public service.

Footnote. Article 478 as amended by the Law of the Republic of Kazakhstan dated 06.01.2011 No. 379-IV (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 479. Recruitment to the Customs Service

1. The capable (sui juris) citizens of the Republic of Kazakhstan able to perform assigned duties with personal, moral, business abilities, professional skills, who are healthy and possess a high level of physical and educational development, are recruited to the customs service.

2. The following requirements are to be met when hired into the customs service:

- 1) a medical certificate from a Military Medical Commission of the law enforcement agencies on suitability for service;
- 2) a mandatory special check;
- 3) compliance with the qualification requirements established by the legislation of the Republic of Kazakhstan on the public service.

3. Upon admission to the customs service, there shall be a three month probation period where no ranks shall be assigned to the newly hired specialist.

4. Persons cannot be hired to the customs service on the grounds determined by the laws of the Republic of Kazakhstan on the public service, nor can persons earlier dismissed from the public service by negative motives.

5. **Excluded by the Law of the Republic of Kazakhstan dated 06.01.2011 No. 379-IV (shall be enforced upon expiry of ten calendar days after its first official publication).**

Article 480. Features of Service of Newly Hired Officers in the Customs Service

Newly hired individuals who have joined the customs service shall undergo mandatory internships at customs points, the customs and the territorial subdivisions of the authorized body in customs affairs in the manner specified by the authorized body in customs affairs.

Article 481. The Procedure for Appointment and Dismissal From the Office of the Officials of the Customs bodies

1. The head of the authorized body in customs affairs, his (her) deputies and the heads of territorial divisions of the authorized body in customs affairs shall be appointed and removed from office in accordance with the laws of the Republic of Kazakhstan.

2. Other customs officials are appointed and removed from office in accordance with the laws of the Republic of Kazakhstan on the public service.

3. Customs officials are given a service certificate (service ID) and personal numbered seal (date stamp) in accordance with the authorized body in customs affairs.

Article 482. The Oath of a Customs Official

An official of the customs service shall take the oath of allegiance to the people of Kazakhstan in accordance with the authorized body in customs affairs.

Article 483. Uniform of Officials in the Customs Service

1. The customs officials, acting as law enforcement bodies, are assigned a special rank. The list of customs officials, acting as law enforcement bodies, who are assigned special ranks and corresponding special titles, are approved by the Government of the Republic of Kazakhstan.

2. Customs officials, with the exception of officers specified in paragraph 1 of this Article, are provided with a uniform (without shoulder straps).

3. The Government of the Republic of Kazakhstan approves of the samples of uniforms and the uniforms (without shoulder straps), their established ratios of provisions and insignia of grade.

The manner of wearing uniforms and uniforms (without shoulder straps) is established by the authorized body in customs affairs.

Footnote. Article 483 as amended by the Law of the Republic of Kazakhstan dated 06.01.2011 No. 379-IV (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 484. The Procedure for Giving Special Ranks to Customs Officials

Footnote. Article 484 is excluded by the Law of the Republic of Kazakhstan dated 06.01.2011 No. 379-IV (shall be enforced after ten calendar days after its first official publication).

Article 485. Period of Stay in Special Ranks

Footnote. Article 485 is excluded by the Law of the Republic of Kazakhstan dated 06.01.2011 No. 379-IV (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 486. Procedure for Early Awarding of the Next Special Rank

Footnote. Article 486 is excluded by the Law of the Republic of Kazakhstan dated 06.01.2011 No. 379-IV (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 487. The Manner of Suspension of Awarding of the Next Special Rank

Footnote. Article 487 is excluded by the Law of the Republic of Kazakhstan dated 06.01.2011 No. 379-IV (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 488. Deprivation of Special Rank

Footnote. Article 488 is excluded by the Law of the Republic of Kazakhstan dated 06.01.2011 No. 379-IV (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 489. The Manner of Rotation of Customs Officials

1. Rotation of a customs official in the same customs body or to another customs body in the same area or to serve in another location shall be in accordance with the procedure established by the authorized body in customs affairs.

2. Heads of the departments of the authorized body in customs affairs, as well as heads of regional departments of the authorized body in customs affairs, heads of specialized customs institutions and their deputies may be subject to rotation in the same customs body or at another customs body at the end of five years of continuous residence in positions of leadership.

3. When rotating the customs official to serve in another area, the payment of compensation and reimbursement to the specified official of other expenses are executed in accordance with the laws of the Republic of Kazakhstan.

Footnote. Article 489 as amended by the Law of the Republic of Kazakhstan dated 09.11.2011 No. 490-IV (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 490. Grounds for Termination of Service in the Customs Service

1. Grounds for termination of service in the customs service shall be based on one of the following cases:

- 1) the dismissal of a customs official in the manner prescribed by paragraph 2 of this Article;
- 2) the customs official's loss of citizenship in of the Republic of Kazakhstan;
- 3) recognition of the customs official as legally incapable or as missing in accordance with the laws of the Republic of Kazakhstan;
- 4) the death of a customs official;
- 5) a customs official's failure to comply with the duties and restrictions associated with being in the public service;
- 6) the entry into force of a court decision of conviction or termination of the criminal case due to non-rehabilitating grounds in respect of an official of customs body.

2. Customs officials shall be dismissed:

- 1) for health reasons;
- 2) due to staff reduction;
- 3) at personal will;
- 4) in connection with incompetency stated as a result of evaluation
- 5) if found to be unfit for service during the probation period in the customs service;
- 6) when a customs official commits a defamatory act;
- 7) if the customs official systematically violates the official discipline;
- 8) in other cases provided by the laws of the Republic of Kazakhstan.

3. Excluded by the Law of the Republic of Kazakhstan dated 06.01.2011 No. 379-IV (shall be enforced upon expiry of ten calendar days after its first official publication).

Footnote. Article 490 as amended by the Law of the Republic of Kazakhstan dated 06.01.2011 No. 379-IV (shall be enforced upon expiry of ten calendar days after its first official publication).

Chapter 59. USE OF PHYSICAL FORCE, SPECIAL MEANS AND FIREARMS

Footnote. Chapter 59 is excluded by the Law of the Republic of Kazakhstan dated 06.01.2011 No. 379-IV (shall be enforced upon expiry of ten calendar days after its first official publication).

Chapter 60. MATERIAL SUPPLY AND SOCIAL PROTECTION FOR CUSTOMS OFFICIALS

Article 496. Payment for Labor of Customs Officials

1. The compensation of customs officials is established by a single system of compensation for employees of state agencies in the Republic of Kazakhstan, financed by the budget funds and the budget estimate (budget) of the National Bank of the Republic of Kazakhstan, approved by the President of the Republic of Kazakhstan, and includes salaries and allowances for special conditions of service in accordance with the legislation of the Republic of Kazakhstan

2. Excluded by the Law of the Republic of Kazakhstan dated 06.01.2011 No. 379-IV (shall be enforced upon expiry of ten calendar days after its first official publication).

Article 497. Reward for Customs Officials

1. For exemplary performance of duties and high professional rates on execution of duties, the followings of incentives are foreseen for customs officers:

- gratitude;
- payment of a one-time monetary compensation;
- awarding with valuable gift;
- awarding of certificate of honor;

awarding by badge "Excellent customs official";
awarding of the medal "Honored customs officer";
intradepartmental awards of the medal "For Distinguished Service in customs" 3, 2,
1 degrees;
intradepartmental awards of the medal "For the development of customs
cooperation";
intradepartmental awards of the medal "Veteran customs";
other forms of incentives provided by the legislation of the Republic of
Kazakhstan.

2. Early withdrawal of a previously imposed disciplinary action may be applied as
a reward.

**Footnote. Article 497 as amended by the Law of the Republic of Kazakhstan dated
06.01.2011 No. 379-IV (shall be enforced upon expiry of ten calendar days after its
first official publication).**

Article 498. The Customs Officials' Vacations

Customs officials are granted annual paid vacation of thirty days with the payment
of benefits for health improvement in the amount of two salaries.

Article 499. The Customs Officials' Pension Provision

Pension provision for customs officials is carried out in accordance with the
legislation of the Republic of Kazakhstan on pensions.

Article 500. The Customs Officials' Legal and Social Protection

**Footnote. Article 500 is excluded by the Law of the Republic of Kazakhstan dated
06.01.2011 No. 379-IV (shall be enforced upon expiry of ten calendar days after its
first official publication).**

Article 501. The Customs Officials' Housing Rights, Including Retired Persons

**Footnote. Article 501 is excluded by the Law of the Republic of Kazakhstan dated
06.01.2011 No. 379-IV (shall be enforced upon expiry of ten calendar days after its
first official publication).**

Article 502. The Customs Officials' Medical Benefits, Including Retired Persons

Customs officials and their family members, who reside with them, and those who
have retired, shall use the medical care service in the appropriate public health
agencies of the Republic of Kazakhstan in the manner established by the Government of
the Republic of Kazakhstan.

Chapter 61. RESPONSIBILITIES OF CUSTOMS BODIES AND THEIR OFFICIALS

Article 503. Responsibilities of Customs bodies

1. Customs bodies which violate the customs legislation of the Republic of
Kazakhstan shall be liable in accordance with the laws of the Republic of Kazakhstan.

2. The harm caused by the customs bodies' commitment of acts contrary to the laws
of the Republic of Kazakhstan shall be reimbursed by the customs bodies in accordance
with the Civil Code of the Republic of Kazakhstan.

Article 504. Responsibility of Customs Officers

The customs officials bear the disciplinary, administrative, criminal or other
liability in accordance with the laws of the Republic of Kazakhstan for unlawful
decisions and actions (or inaction).

*President of
the Republic of Kazakhstan*

N. Nazarbayev

© 2012. Republican Center of Legal Information of the Ministry of Justice RSE on the basis of economic control rights