

# *New restrictions on the transit of cargo from Ukraine to Kazakhstan through Russia*

edition №2



## **The ban on the transit of cargo from Ukraine to Kazakhstan through Russia**

On 1 January 2016, the President of the Russian Federation issued a Decree “On measures to ensure economic security of Russia's national interests upon international transit of goods from Ukraine to Kazakhstan through Russia” (“the Decree №1 dated 1 January, 2016”).

This Decree stimulates that international transportation of goods from Ukraine through Russia should be carried out only through the territory of Belorussia provided that at the location of goods identification means (stamp) are available, including those which are operating on the basis of global navigation satellite system GLONASS (“GLONASS technology”). Another obligatory condition is that drivers responsible for transportation should have registered vouchers.

However, on 1 July 2016 the President of the Russian Federation signed a Decree that amends Decree №1. According to the new Decree, a temporary ban transportation by road and rail is introduced for the goods is applied on a custom duties higher than 0 % under the Common Customs Tariff of the Eurasian Economic Union (“CCT EEU”) are applicable, as well as on the goods that are included in the list of agricultural products, raw materials and food approved by the Decree №560 of Russian President of 6 August 2014.

Therefore, starting from 1 July 2016, only goods to which 0% customs duty rate is applicable under the CCT EEU, can be transited through the Russian territory.

As of today, 0% customs duty rate applies to 1908 goods, of which 0% rate to 80 goods is applied on a temporary basis. Allocation of goods with 0% customs duty rate by groups based on the CCT EEU looks as follows:

- engineering – 1103 products;
- agricultural and food-processing industries – 161 positions;
- chemical industry – 159 positions;
- non-precious metals and related products – 120 positions;
- vehicles – 111 positions;
- light industry – 46 positions;
- mineral products – 31 positions;
- wood processing industry – 21 positions;
- precious and base stones – 11 positions;
- other industrial products – 144 positions.

From 1 July 2016, this Decree also applies to the shipments from Ukraine to Kyrgyzstan. The Decree will remain valid until 31 December 2017.

According to the introduced changes Kazakhstan Government, the Russian Government may allow the transportation of certain goods currently under the restriction imported to Kazakhstan. This applies to only sensitive products of industrial group.

## How PwC can help you

Upon your request, we can analyse your current chain of supply of goods, imported to Kazakhstan from Ukraine through the territory of Russia and suggest solutions to your customs and transport logistics needs. In addition, we may assist with obtaining a permission of the Government of Russia for the transit of goods where applicable.

**Michael Ahern, Partner**  
*michael.ahern@kz.pwc.com*

**Nazira Nurbayeva, Director**  
*nazira.nurbayeva@kz.pwc.com*

34 Al-Farabi Ave.  
Building A, 4th floor  
Almaty, Kazakhstan, A25D5F6  
Tel.: +7 (727) 330 32 00  
Fax: +7 (727) 244 68 68  
[www.pwc.kz](http://www.pwc.kz)

**Timur Zhursunov, Partner**  
*timur.zhursunov@kz.pwc.com*

**Nikolay Yefimchuk, Manager**  
*nikolay.yefimchuk@kz.pwc.com*

15/1 Kabanbay batyr Ave.  
Business Centre "Q2", 4th floor  
Astana, Kazakhstan, Z05M6H9  
Tel.: +7 (7172) 55 07 07  
Fax: +7 (7172) 55 07 08  
[www.pwc.kz](http://www.pwc.kz)