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Report Highlights:

The report contains summaries of relevant decisions and documents from the Russia-Kazakhstan-Belarus Customs Union (CU) meetings in October - November 2012 that impact CU food and agriculture policy. The major documents include a number of SPS/TBT draft documents for public comment, announcements of additional meat and poultry tariff-rate quotas (TRQs) for 2012, CU TRQs for 2013, CU import tariff reductions for certain types of fish and crustaceans, a schedule for issuing CU technical regulations in 2012-2013, customs valuation methodology, and amendments to the unified veterinary requirements approved by the CU Commission's Decision No. 317. As of the date of publication of this report, FAS/Moscow does not believe these measures have been notified to the World Trade Organization.

General Information

The report contains summaries of relevant decisions and documents from the Russia-Kazakhstan-Belarus Customs Union (CU) meetings in October - November 2012 that impact CU food and agriculture policy. The major documents include a number of SPS/TBT draft documents for public comment, announcements of additional meat and poultry tariff-rate quotas (TRQs) for 2012, CU TRQs for 2013, CU import tariff reductions for certain types of fish and crustaceans, a schedule for issuing CU technical regulations in 2012-2013, customs valuation methodology, and amendments to the unified veterinary requirements approved by the CU Commission's Decision No. 317.

The documents below are hyperlinked via "Google Translate," for readers seeking further details. Select "refresh" on your browser if the page does not translate to the end. Please note that the CU is often delayed when publishing attachments to decisions. If there is an attachment in a decision that is not yet linked, please check back again.

As of the date of publication of this report, FAS/Moscow does not believe these measures have been notified to the World Trade Organization.

SPS MEASURES PUBLISHED FOR PUBLIC COMMENT

Publication Date: October 9, 2012

- 1. **Veterinary Requirements:** Draft Amendments to CU Decision No. 317 of June 18, 2010 "Uniform Veterinary (Veterinary-Sanitary) Requirements for the Goods Subject to Veterinary Control (Supervision)" (last amended on December 9, 2011) original in <u>Russian</u> and in English, please see GAIN report <u>RS1266 Customs Union Publishes SPS Measures for Public Comment.</u>
- 2. Exemptions from Veterinary Measures: Draft Amendments to CU Decision No. 810 of September 23, 2011 "On Exemptions from the Application of Veterinary Measures in respect of Goods Included in the Unified List of Goods Subject to Veterinary Control (Surveillance)" original in <u>Russian</u> and in English, please see GAIN report <u>RS1266 Customs Union Publishes</u> <u>SPS Measures for Public Comment</u>. There is a 60-day public comment period, starting October 9, 2012, and ending December 8, 2012.
- 3. **Sanitary Product Requirements:** Draft Amendments to CU Decision No. 299 of May 28, 2010 "Uniform Sanitary and Epidemiological and Hygienic Requirements for Goods Subject to Sanitary Epidemiological Supervision (Control)" (last amended on December 9, 2011.) original in <u>Russian</u> and in English, please see GAIN report <u>RS1266 Customs Union Publishes</u> <u>SPS Measures for Public Comment</u>. There is a 60-day public comment period, starting October 9, 2012, and ending December 8, 2012.

Summary: The first two draft documents above, i.e. draft amendments to CU Decisions No. 317 and No. 810, have been prepared in anticipation of Kazakhstan's accession to the World Trade Organization, while the third draft (amendments to CU Decision No. 299) contains various amendments for the following sections: "Requirements for safety and nutritional value of foods,"

"Requirements for Mineral Waters," "Safety requirements for food additives and flavors," and "Requirements for Safety of Technological Aids."

Publication Date: November 6, 2012

4. **Phytosanitary Border Control:** Draft Amendments to the Customs Union (CU) Regulation on Phytosanitary Control at the CU border – original in <u>Russian</u> and in English, please see GAIN report <u>RS1272 Draft Amendments to the CU Regulation on Border Phytosanitary Control</u>. The draft amendment was published on November 6, 2012, with a 60-day comment period.

Summary: The draft introduces various amendments in all chapters of the Regulation but one, which deals with phytosanitary exports. At least one of the proposed amendments, i.e. item 19, proposing the addition of "except for cases, specified by International Standard number 12," may have been prompted by USG comments, sent to the CU earlier in 2012. In particular, this amendment would grandfather issuance of replacement certificates as provided for by International Standard number 12.

Publication Date: November 16, 2012

5. **Audits of Veterinary Systems of Third Countries:** Draft Guidelines for Inspectors for Confirming Equivalence of Applied Veterinary Measures during Inspections of Objects that are Subject to Veterinary Control in Third Countries – original in <u>Russian</u> and in English, please see GAIN report <u>RS1274 Customs Union Publishes Inspection Guidelines for Public Comment.</u>

Summary: The draft guidelines cover the inspection of products and establishments subject to CU veterinary control. There is a 60-day public comment period, starting November 16, 2012, and ending January 15, 2013.

TBT MEASURES PUBLISHED FOR PUBLIC COMMENT

Publication Date: November 7, 2012

1. **CU Technical Regulations:** Draft Amendments to the CU Technical Regulation (TR CU 029/2012) "Safety Requirements for Food Additives, Flavorings, and Technological Aids"—original in <u>Russian</u>

Summary: The draft amendments will fix a technical mistake in the current CU Technical Regulation TR TS 029/2012 "Safety Requirements for Food Additives, Flavorings, and Technological Aids" by supplementing the list of flavorings allowed for children over 5 months old with the previously omitted natural flavoring "vanillin." The tentative deadline for submitting comments to the Eurasian Economic Commission is January 10, 2013.

RECOMMENDATION No. 2 OF THE EURASIAN ECONOMIC COMMISSION COLLEGIUM of October 25, 2012

Publication Date: October 26, 2012

EEC Collegium Recommendation No. 2. On the Progress on Draft International Agreements in the Sphere of Non-Tariff Regulation - original in Russian

Summary: The EEC Collegium recommends the Republic of Kazakhstan to complete domestic clearance procedures of unidentified draft international agreements in the sphere of non-tariff regulation within a month.

Publication Date: October 30, 2012

EEC Collegium Recommendation No. 3. On the Regulatory Acts of the Russian Federation in the Sphere of State Support of Agriculture, which are Recommended for Amending - original in Russian

Summary: The EEC Collegium recommends that Russia amend three GOR resolutions on subsidies and agricultural support programs in the first quarter of 2013.

11th MEETING OF THE EURASIAN ECONOMIC COMMISSION COUNCIL October 12, 2012

Publication Date: November 2, 2012

EEC Council Decision No. 82. On the Participation of the Kyrgyz Republic in the Customs Union of the Republic of Belarus, the Republic of Kazakhstan, and the Russian Federation - original in Russian

Summary: The Decision will replace the EEC Council Decision No. 40 of June 15, 2012, "On the Working Group (WG) on the Issue of Participation of the Kyrgyz Republic in the Customs Union of the Republic of Belarus, the Republic of Kazakhstan, and the Russian Federation." The Decision contains a revised list of the WG members, including representatives from Belarus, Kazakhstan, Kyrgyzstan, the Russian Federation, and the Eurasian Economic Commission, as well as an action plan which foresees production by December 1, 2013, of a roadmap for Kyrgyz accession to the CU.

EEC Council Decision No. 83. On the List of Issues, on Which the Collegium of the Eurasian Economic Commission Shall Consult within the Framework of the Consultative Committee on Agricultural Sector - original in Russian

Summary: The Decision approves the list, which contains only two items: 1) drafting of annual report on implementation by the Parties of the CU Agreement on Agricultural State Support and 2) proposals on harmonization and unification of CU members' legislation in the sphere of agricultural policy.

EEC Council Decision No. 85. On Amending the Regulation on the Unified Veterinary Control at the Customs Border of the Customs Union and the Customs Territory of the Customs Union - original in Russian

Summary: The Decision approves the above-referenced amendments, which will implement a provision on pre-notification for meat imported by sea.

EEC Council Decision No. 86. On Liquidation of the Customs Union Commission - original in Russian

Summary: The decision approves a number of financial documents related to the liquidation balance sheet of the CU Commission and a corresponding draft decision of the Supreme Eurasian Economic Council at the level of heads of states.

Publication Date: November 20, 2012

EEC Council Decision No. 89. On Amending the Unified Commodity Nomenclature of Foreign Economic Activity of the Customs Union and the Unified Customs Tariff of the Customs Union in respect of Silicone Resins, Polymers of Ethylene, Certain Types of Organic Chemicals, and Fishoriginal in Russian

Summary: The decision approved the following import tariff changes for fish: (1) permanent cut of the CU tariff on imported coalfish (*Pollachius virens*, *CU HS 0302 53 000 0*) and capelin (*Mallotus villosus*, *CU HS 0302 89 900 1*) from the current 10% to 0%, and (2) temporary, from January 1, 2013, through December 31, 2013, cut of the CU tariff on imported cod (*CU HS 0302 51 100 0* and 0302 51 900 0) and haddock (*CU HS 0302 52 000 0*) from the current 10% to 5%. The tariff change comes into effect as of December 20, 2012.

12th MEETING OF THE EURASIAN ECONOMIC COMMISSION COUNCIL November 23, 2012

Publication Date: November 26, 2012

EEC Council Decision No. 91. On Amendments to the List of Sensitive Goods, which Require a Consensus Decision by the Customs Union Commission for Changing their Import Duty Rate - original in Russian

Summary: The document approves a respective draft decision of the Supreme Eurasian Economic Council at the level of heads of states, which would bring the above-mentioned list in accordance with the current CU Customs Tariff. Additionally, the draft decision of the Supreme Eurasian Economic Council at the level of heads of states will transfer the authority for changing import duty rates on sensitive goods to the EEC Council. Previously, the Customs Union Commission was authorized to take decisions on such changes by consensus only.

EEC Council Decision No. 93. On Amendments to the Treaty on the Terms and Mechanisms for Applying Tariff-Rate Quotas of December 12, 2008 - original in Russian

Summary: The document approves a draft Protocol on the respective amendments, and requests that CU member-states finish their domestic clearance procedures required for signing the Protocol by December 1, 2012. The amendments are aimed at making the mechanism for

distributing tariff-rate quotas among the CU member-states more flexible, in particular by removing reference to the principle of proportional distribution of quotas.

Publication Date: November 27, 2012

EEC Council Decision No. 103. On Approval of the Schedule for Development of Technical Regulations of the Customs Union in 2012-2013 - original in Russian

Summary: The document approves a respective schedule. In particular, the schedule for submission of draft technical regulations on agricultural-related goods to the EEC Commission for approval is as follows:

- On Safety of Alcohol Products IV quarter of 2012
- On Safety of Tobacco Products IV quarter of 2012
- On Safety of Meat and Meat Products I quarter of 2013
- On Safety of Milk and Dairy Products I quarter of 2013
- On Safety of Fish and Fish Products I quarter of 2013
- On Safety of Feeds and Feed Additives I quarter of 2013
- On Safety of Materials Contacting with Food Products III quarter of 2013
- On Safety of Poultry and Products of its Processing IV quarter of 2013

EEC Council Decision No. 105. On the Distribution between Third Countries of Additional Volumes of Tariff-Rate Quotas for the Import of Certain Types of Agricultural Goods to the Russian Federation in the Period through December 31, 2012 - original in Russian

Summary: The EEC Council authorizes the EEC Collegium to distribute between third countries the additional volumes of tariff-rate quotas that were approved by the EEC Collegium Decision No. 217 (see <u>below</u>).

27th MEETING OF THE EURASIAN ECONOMIC COMMISSION COLLEGIUM October 18, 2012

Publication Date: October 19, 2012

EEC Collegium Decision No. 191. On the Procedure of Implementation of the Technical Regulation of the Customs Union "On Safety of Certain Types of Specialized Food Products, Including Dietary Therapeutic and Dietary Prophylactic Nutrition" (TR TS 027/2012) - original in Russian

Summary: The decision contains a number of transitional provisions in effect through February 15, 2015, and approves the relevant list of standards for this Technical Regulation.

29th MEETING OF THE EURASIAN ECONOMIC COMMISSION COLLEGIUM October 30, 2012

Publication Date: October 31, 2012

EEC Collegium Decision No. 202. On the Application of Customs Valuation Methods Based on the Transaction Value of Identical Goods (Method 2) and the Transaction Value of Similar Goods (Method 3) - original in Russian

Summary: The decision approves the rules for application of the respective customs valuation methods, claiming that they were developed on the basis of the WTO Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994.

30^{th} MEETING OF THE EURASIAN ECONOMIC COMMISSION COLLEGIUM November 6, 2012

Publication Date: November 7, 2012

EEC Collegium Decision No. 206. On Amendments to Decision of the Customs Union Commission No. 299 of May 28, 2010 - original in Russian

Summary: The amendments cover samples of goods shipped by international mail in order to undergo expert analysis for state registration.

EEC Collegium Decision No. 207. On Amendments to the Regulations on Procedure of the State Sanitary and Epidemiological Surveillance (Control) for Persons and Vehicles Crossing the Customs Border of the Customs Union, the Controlled Goods Moved through Customs Border of the Customs Union and in the Customs Territory of the Customs Union - original in Russian

Summary: The document approves a respective draft decision of the EEC Council, which will add a clause to items 17 and 30 of the Regulations regarding the liability of the shipper or another person authorized to ship samples of goods imported for the purpose of state registration. These products must only be used to this purpose and not be offered for sale on the territory of the Customs Union until a certificate of state registration is received.

EEC Collegium Decision No. 208. On Amendments to Chapter II of the Unified Sanitary-Epidemiological and Hygienic Requirements for Goods Subject to Sanitary Surveillance (Control) - original in Russian

Summary: The Decision approves the following three amendments to the Requirements that were published for public comments in April 2012:

- In Section 1 "Safety and nutrition requirements for food products":
 - Para. 7.4 "Oilseeds (....)" is supplemented with a separate, less restrictive than before, MRL for cadmium for sunflower seeds that are for direct consumption as food.
 - Appendix No. 5 regarding daily intakes of food and biologically active substances for adults as part of specialized food products and biologically active additives to food the intake levels for Astaxanthin in salmon, crabs, and prawns are increased from 1mg (adequate level) and 3mg (max. level) to 2mg and 6mg, respectively.

- In Section 9 "Requirements for packaged potable water":
 - a minor stylistic amendment, in sub-para. 4.5, is introduced regarding the content of fluoride-ion.

Publication Date: November 8, 2012

EEC Collegium Decision No. 210. On the Procedure for Submission to the Eurasian Economic Commission of Petitions from the Member-States of the Customs Union and Single Economic Space on the Introduction of the State Price Regulation and their Consideration by the Eurasian Economic Commission - original in Russian

Summary: The Procedure approved by this decision will serve as a de facto dispute settlement mechanism between the CU members in case of complaints regarding price regulation by one of the CU members. In particular, the Procedure will apply in the following agricultural-related cases:

- state procurement and commodity interventions;
- regulation of prices on alcoholic products over 28% (minimum prices); and,
- ethyl spirits from food raw materials (minimum prices).

Publication Date: November 20, 2012

EEC Collegium Decision No. 212. On the Regulation on the Unified Procedure of Expert Review of Legal Acts in the Area of Application of Sanitary, Veterinary, and Phytosanitary Measures - original in Russian

Summary: The decision approves a new version of the Regulation to replace the one that was approved by Customs Union Commission Decision No. 801 of September 23, 2011. The change reflects the development of the Single Economic Space and Eurasian Economic Commission. In its draft form, the new version of the Regulation was published for public comments in April 2012.

31st MEETING OF THE EURASIAN ECONOMIC COMMISSION COLLEGIUM November 13, 2012

Publication Date: November 14, 2012

EEC Collegium Decision No. 214. On the Application of Customs Valuation Method Based on Deduction (Method 4) - original in Russian

Summary: The decision approves the rules for application of the respective customs valuation method, claiming that they were developed on the basis of the WTO Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994.

EEC Collegium Decision No. 215. On the Tariff Rates of the Unified Customs Tariff of the Customs Union for certain types of crustaceans and products prepared thereof - original in Russian

Summary: The decision will reduce the CU import tariff on some crustaceans and products prepared thereof (CU HS codes 0306 16 100 0, 0306 17 100 0, 0306 26 100 0, 0306 27 100 0, 1605 21 100 0, 1605 21 900 0, 1605 29 000 0) from the current 20%, but not less than 2 Euro per kg to 17%, but not less than 0.34 Euro per kg. The tariff change will come into effect on January 1, 2013.

EEC Collegium Decision No. 217. On the Lists of Goods, which are Subject to Tariff Rate Quotas, and the Volume of Tariff Rate Quotas for Imports of these Goods into the Member States of the Customs Union - original in Russian

Summary: The decision implements an increase to the 2012 tariff rate quotas (TRQs) for imports of meat and poultry into Russia. These increases are being applied to the 2012 TRQs released in January 2012, and must be utilized by December 31, 2012. For additional details, please see GAIN report <u>RS1273 Additional 2012 Meat and Poultry TRQ Volumes for Russia</u>.

EEC Collegium Decision No. 218. On Amendments to the List of Standards Containing Rules and Methods of Analysis (Tests) and Measurements, Including Sampling Rules, Necessary for the Application and Compliance with the Requirements of the Technical Regulation of the Customs Union "Technical Regulation on Juice Products from Fruits and Vegetables" (TR TS 023/2012) and Carrying out of Assessment (Confirmation) of Compliance of the Products - original in Russian

Summary: The decision amends the respective list of standards by adding an additional Belarusian standard to the list.

32nd MEETING OF THE EURASIAN ECONOMIC COMMISSION COLLEGIUM November 20, 2012

Publication Date: November 21, 2012

EEC Collegium Decision No. 227. On Amendments to the List of Standards Containing Rules and Methods of Analysis (Tests) and Measurements, Including Sampling Rules, Necessary for the Application and Compliance with the Requirements of the Technical Regulation of the Customs Union "On Safety of Grain" (TR TS 015/2011) and Carrying out of Assessment (Confirmation) of Compliance of the Products - original in Russian

Summary: The decision amends the respective list of standards by adding 12 more standards (Russian, Belarusian, and Kazakh) to the list.

EEC Collegium Decision No. 229. On the List of Goods, which are Subject to Tariff-Rate Quotas in 2013, and the Volume of Tariff-Rate Quotas for Imports of these Goods into the Member States of the Customs Union and Common Economic Space - original in Russian

Summary: The decision determines list of commodities subject to tariff rate quota (TRQ) regulations in 2013 and the volumes for the tariff-rate quotas for imports of these goods into the Customs Union territory (i.e., Russia, Kazakhstan, and Belarus). Russia's TRQ volumes appear

consistent with its WTO commitments. The EEC Decision shall enter into force 30 days from the date of its official publication (i.e., December 21, 2012). For additional details, please see GAIN report RS1275 Eurasian Economic Commission Announces 2013 Meat and Poultry TRQs.

33rd MEETING OF THE EURASIAN ECONOMIC COMMISSION COLLEGIUM November 27, 2012

Publication Date: November 30, 2012

EEC Collegium Decision No. 238. On the Distribution between Third Countries of Additional Volumes of Tariff-Rate Quotas for the Import of Certain Types of Agricultural Goods to the Russian Federation in the Period through December 31, 2012, Inclusively, and on Amending Decision of the Collegium of the Eurasian Economic Commission No. 217 of November 13, 2012 - original in Russian

Summary: The Collegium of the Eurasian Economic Commission distributes additional 10,000 MT of poultry quota for 2012 as part of Russia's WTO accession obligations. The quota only covers boneless poultry meat; 80% assigned to the EU, and 20% to other countries.

34th MEETING OF THE EURASIAN ECONOMIC COMMISSION COLLEGIUM December 4, 2012

Publication Date: December 5, 2012

EEC Collegium Decision No. 246. On Amendments to the Technical Regulation of the Customs Union "On Safety of Packaging" (TR TS 005/2011) - original in Russian

Summary: The document approves a respective draft decision of the Council of the Eurasian Economic Commission, which would amend "Sanitary and Hygienic Safety Indicators and Standards for Substances Migrating from Packaging (Closures) that Come into Contact with Food Products" in Annex No. 1 to the Technical Regulation of the Customs Union "On Safety of Packaging," and supplement it with a new Annex 5 "List of packaging and closures, which are subject to the Technical Regulation of the Customs Union "On Safety of Packaging" (TR TS 005/2011)."

EEC Collegium Decision No. 254. On Amendments to the Unified Veterinary (Veterinary and Sanitary) Requirements for Goods Subject to Veterinary Control (Surveillance) - original in Russian

Summary: The document approves some of the amendments to the Unified veterinary requirements approved by the CU Commission's Decision No. 317 of June 18, 2010 that were published for public comment on November 24 and December 9, 2011. In particular, the approved amendments will affect the following chapters of the CU Veterinary requirements:

- Chapter 3: "VETERINARY REQUIREMENTS for the import of bovine embryos on the customs territory of the Customs union and/or transfer between the Parties"
- Chapter 8: "VETERINARY REQUIREMENTS for the import of semen of stud-boars in the customs territory of the Customs union and/or transfer between the Parties"

- Chapter 10: "VETERINARY REQUIREMENTS for the import of breeding, usage and sport horses (other than sport horses for participation in competitions) on the customs territory of the Customs union and/or transfer between the Parties"
- Chapter 11: "VETERINARY REQUIREMENTS for temporary import of sport horses for participation in competitions on the customs territory of the Customs union and/or transfer between the Parties"
- Chapter 12: "VETERINARY REQUIREMENTS for the import of semen of stud stallions in the customs territory of the Customs union and/or transfer between the Parties"
- Chapter 13: "VETERINARY REQUIREMENTS for the import of slaughter horses in the customs territory of the Customs union and/or transfer between the Parties"
- Chapter 17: "VETERINARY REQUIREMENTS for the import of live fish, fertilized fish eggs, aquatic animals, crustaceans, mollusks, invertebrates and other aquatic organisms on the customs territory of the Customs union and/or transfer between the Parties."