



#### LOGISTICS OF EXPORTING TO EURASIA

# **Customs Clearance Process in the Kyrgyz Republic**

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NOTE: This report should be used for general reference purpose only. As customs legislation and regulations are constantly changing, it is advised that exporters consult with customs officials or customs brokers from the country of importation to obtain accurate and current information that would pertain to their specific transaction.

### I. GENERAL MARKET INFO

#### Trade statistics

The Kyrgyz Republic adheres to an "open economy" philosophy and is the first CIS country to be a member of the World Trade Organization. The country's foreign trade liberalization policy has significantly expanded economic relations with foreign countries. The domestic market is saturated with imported goods, creating a competitive environment for local manufacturers.

The Kyrgyz Republic's major exports are gold, textiles, non-precious metals, electricity, footwear, tobacco, alcoholic beverages, and mechanical equipment. Major imports include fuel, natural gas, iron, machinery, chemical products, medicine, and food products.

The Kyrgyz Republic currently has trade relations with 123 countries. In 2006, total foreign trade turnover was \$2.5 billion. Trade turnover with CIS countries amounted to \$1.38 billion. Trade turnover with CIS countries exceeded trade with non-CIS countries by 23%. The structure of foreign trade turnover consists of trade with CIS countries (55.2%) and trade with non-CIS countries (44.8%).

The table below gives overall trade statistics for the period from 2003 to 2006 and also specifies imports from and exports to the United States.

|                     | 2003           | 2004           | 2005             | 2006             |
|---------------------|----------------|----------------|------------------|------------------|
| KG Total Imports    | \$ 716,959,769 | \$ 941,026,252 | \$ 1,101,333,676 | \$ 1,718,196,677 |
| KG Total Exports    | \$ 581,728,886 | \$ 718,840,513 | \$ 672,013,688   | \$ 794,082,107   |
| KG Exports to USA   | \$ 10,984,587  | \$ 10,803,923  | \$ 4,618,689     | \$ 4,237,828     |
| KG Imports from USA | \$ 39,055,159  | \$ 29,672,881  | \$ 30,878,470    | \$ 71,253,206    |

Source: <u>http://tse.export.gov</u>, National Statistics Committee of the Kyrgyz Republic (<u>www.stat.kg</u>)

#### **Customs environment**

In April 2004 a new customs code was adopted and entered into force on January 1, 2005. Unlike the previous customs code, the new code complies with WTO requirements and most international standards. It takes into account the regulations of the Kyoto Convention on Simplification and Harmonization of Customs Procedures. The new code includes procedures for speeding up customs inspections and creating favorable conditions for responsible businesses. The new code also legalized the activity of customs brokers. However, according to most customs brokers, the new code did not substantially influence the customs clearance procedure. It is planned to reduce the number of stages of the customs clearance process from three to one by the end of 2007.

The State Customs Inspectorate administers customs in the Kyrgyz Republic. There are eight regional customs centers (Southern, Northern, Osh, Jalal-Abad, Talas, Batken, Naryn, Issyk-kul), three city customs centers (Bishkek, Kara-balta, Tokmak), one railway, one Manas airport, one free economic zone, and one energy customs center. Each of the customs centers has its own posts that it administers.

There are currently 32 companies offering customs brokerage services in the Kyrgyz Republic. This number more than tripled with the introduction of the new customs code. The need for high quality customs clearance services has increased with the development of the Kyrgyz market economy. Such services are necessary to meet rapidly changing delivery demands. Customs brokers are critical to help avoid expensive and time-consuming delays during customs clearance. Customs brokers provide a range of services including: classification of goods, customs duty and tax assessment, consultancy services, import/export license, transit, and customs registration.

## II. CUSTOMS CLEARANCE

#### Procedure

#### a) Customary Course of Action

There are currently **three** stages of custom clearance that must be passed by all importers. The following procedure applies to the most common two-party scheme, where the sending party is a foreign company and the receiving party is a *locally registered* company. A locally registered company should always have the following documents on hand when going through the customs clearance process:

- Company charter and certificate of state registration and re-registration, if applicable;
- Certificate of registration with the National Statistical Committee of the Kyrgyz Republic;
- Taxpayer registration ("INN number");
- Confirmation from a bank as to the availability of a bank account;
- Reference from relevant tax inspection by location;

# Below are the mandatory documents the consignee (receiving party) should have on hand before proceeding to the customs clearance procedure:

- 1. Customs cargo declaration;
- 2. Waybill (CMR, railway, airbill, etc.);
- 3. Invoice;
- 4. Certificate of origin;

- 5. Contract;
- 6. License on imported product (if required);
- 7. Conformity certificate (if applicable).

Note: All of the documents should be in Russian or should have an official Russian translation.

#### Stage 1

The first stage of the customs clearance process begins with filling out the customs cargo declaration and handing over all necessary documents to the customs inspector, who checks to see if all necessary documents are present. The Kyrgyz customs bodies do not have the right to refuse acceptance of a customs declaration. After the inspector checks all the documents, he stamps them "checked" and then the consignee or customs broker proceeds to the next stage.

#### Stage 2

Following Stage 1, customs control passes to a customs payment inspector, who examines the following to ensure the accuracy of the calculations used to determine duty payments:

- Presence of debts on due payments on previous deliveries;
- Accuracy of the stated customs valuation and supporting documents;
- Accuracy of any data influencing customs payments' calculation;
- Validity of stated preferences and exemption from customs payments and supporting documents;
- Control of actual receipt of due payments to the account of customs authorities.

The customs payment inspector may require the following additional documents:

- Transportation bill or official calculation of transport expenses;
- Insurance documents.

At this stage, the control officer also records data for statistical analysis.

#### **Stage 2.5 (intermediary)**

During this intermediary stage, all due payments are made. Up to 5,000 soms (approximately \$130) can be paid in cash. All payments over 5,000 soms should be done via bank money transfer.

#### Stage 3

The final stage is the physical examination/inspection of the goods. The customs inspector identifies the goods, determines their quantity, and their conformity with the commodity nomenclature (similar to HS code nomenclature). To protect their rights, importers should consult with experts from the Kyrgyz Chamber of Industry and Commerce to obtain an official receipt for the imported goods. The Chamber compiles all necessary documents and ensures that all contract conditions are met.

Following completion of the final stage, the head customs official stamps the import documents and the goods can be released. The customs clearance process must be completed within three days of the initial filing of the customs declaration. If the process takes longer than this, the customs department becomes responsible for any losses the importer incurs because of the delay.

Simplified customs procedures are used for individuals importing goods for personal consumption.

A number of useful instructions and guidance from the Kyrgyz State Customs Inspectorate is available in English at <u>http://www.customs.gov.kg/content/utvinstr/eng</u>

#### b) Actors

There are several actors involved in the customs clearance process, including: customs officials, applicant/declarant (acting on behalf of the importer), the customs broker, and the importer himself.

#### 1) Applicant/declarant

Anyone transferring goods/transport vehicles (it may be an applicant or an importer) is free to use a customs broker to execute customs clearance procedures. Only a domestic Kyrgyz entity may be an applicant. The only exception to this is for persons carrying goods not intended for commercial use through the Kyrgyz customs border. An applicant executes all duties and bears full responsibility for the goods, regardless of if it is an entity, which transfers goods/transport vehicles through the Kyrgyz customs border.

When declaring goods/transport vehicles, an applicant must follow the procedures stipulated by the customs code. Customs authorities can demand that applicants present the declared goods/transport vehicles and any additional documents and information. The main obligation of the applicant is to make customs payments. Secondarily, the applicant has to assist the customs authorities throughout the customs process.

Prior to the submission of a customs declaration, an applicant has the right to inspect and measure goods/transport vehicles. This is done under customs supervision and with the permission of customs authorities.

#### 2) Customs Broker

A customs broker must be a legal entity and must be created in accordance with applicable Kyrgyz law. Customs brokers must also obtain a license from the Income Committee of the Ministry of Finance. The activities of customs brokers are regulated by the provision "On Customs Broker and the Customs Code". The State Customs Inspectorate must keep a register of customs brokers and ensure its periodic publication. Relations between a customs broker and an importer are governed by contract.

Customs brokers can carry out customs transactions under their own name and carry out intermediary functions for a represented entity at its expense. In executing customs clearance procedures, a customs broker must fulfill all relevant obligations and bears full responsibility for the process. The rights, obligations, and responsibility of customs brokers relative to customs bodies cannot be restricted by the agreement with the represented entity.

Current rates for customs brokerage services range from \$100 to \$400 per transaction. The amount usually depends on the amount of work required of the broker by the customs clearance process, not on the volume of goods arriving. Goods that do not require certificates or licenses, like apparel, generally cost less than, for example, mobile operator equipment, which requires several certificates. Additional required documentation increases the amount of work and consequently the cost of hiring a customs broker.

#### 3) Customs Clearance Specialists

Customs brokers must employ a customs specialist. Customs specialists obtain qualification from the Income Committee of the Ministry of Finance. A customs broker cannot limit the specialist's obligations to customs bodies during the customs clearance process. The Income Committee of the Ministry of Finance of the Kyrgyz Republic manages all aspects of issuing qualification certificates to specialists.

#### c) Temporary customs warehouse

Any goods can be temporarily stored in a warehouse. Goods, which can cause damage to other goods or require special storage conditions, can be stored in a special temporary customs warehouse. Temporary storage is carried out in specifically allocated and equipped premises. Temporary customs warehouses can be established either by Kyrgyz customs authorities or by domestic entities with the permission of the customs authorities.

Temporary customs warehouses may be open (accessible for all entities) or closed (intended for the custody of goods of certain entities only). Temporary customs warehouse established by customs authorities are always open. Closed warehouses may be established only if there is sufficient reason to believe that an open warehouse is not sufficient.

When placing goods and transport vehicles into a warehouse for temporary storage, customs bodies require documents to identify the goods, including those compiled in foreign languages (if the customs official knows the language).

Contracts are drawn up to govern the relationships between warehouse owners and users. The customs code and laws passed by the State Customs Inspectorate govern the relationships between customs bodies, warehouses owners, and warehouse users.

The owner of a temporary customs warehouse is obliged to do the following:

- Equip the warehouse in an appropriate manner to ensure customs control;
- Ensure that the goods and transport vehicles are not removed from the warehouse outside of customs control;
- Not impede the exercise of customs control;
- Keep an account of the goods and present reports to customs officials on the goods and transport vehicles in custody;
- Prevent third party access to the goods and transport vehicles while in custody;
- If necessary, equip the warehouse with double-latch devices, one of which is to be under the control of Kyrgyz customs;
- Ensure access for customs officials to the goods held in the warehouse. This includes free access to the premises and use of whatever equipment and mean of communication customs officials require to exercise customs control and customs clearance.

Kyrgyz customs officials determine the requirements for storage, equipment, and location of the warehouse. The Customs Services Department determines the types of goods that can only be stored at warehouses owned by the Kyrgyz Republic.

In most cases, the responsibility for making customs payments on goods stored at a temporary warehouse belongs to the warehouse owner. However, the warehouse owner and the person/entity

storing the goods can agree to make the storing party responsible for customs payments, though in this case the responsibility is technically born jointly by both parties. If the Kyrgyz Republic is the warehouse owner, then the responsibility for customs payments is the person/entity storing the goods. If this person is not available, the responsibility falls to the goods' owner.

The time period allowed for temporary storage is established by customs officials based on: the time required to submit a customs declaration, the nature of the goods, and the transport vehicle used. Customs officials can extend established deadlines, though the goods cannot stay in a warehouse for more than two months (the customs code gives shorter time periods for certain goods). The Customs Inspectorate can establish shorter storage periods for certain categories of goods.

Goods located in a temporary customs warehouse may be:

- Inspected and measured by the warehouse owner or by any other entity which has been given the authority to do so by the goods' representatives. With the permission of the customs body, samples of goods may be taken and tests can be run on them;
- Subject to operations required to ensure the safety of the goods and to keep them in an unchanged condition, for example, repairing damaged packaging.

Currently there are ten companies with the necessary licenses to operate temporary storage warehouses. Several such companies are listed below:

#### 1.1."Muza"

107 Kievskaya st. Bishkek, Kyrgyzstan Tel. +996 312 97 51 28 Fax. +996 312 61 11 13

#### 2.2."Madina"

18-1, Vostok-5 Bishkek, Kyrgyzstan Tel. +996 312 53 10 54 Fax. +996 312 53 10 35

#### 3.3."STF Service"

1 Kozhevennaya st. Bishkek, Kyrgyzstan Tel. +996 312 90 76 48

#### d) Internal Customs Transit

Internal customs transit from the customs point of departure to the customs destination is intended to ensure conveyance of the goods under supervision of a customs inspector. The internal customs transit procedure is free of charge. Goods conveyed in transit between two Kyrgyz customs bodies must:

- Remain unchanged, except for changes due to natural wear or loss from normal transport and storage conditions;
- Not be used for any purpose besides transit;

• Be transported to a customs destination within the terms established by the departure customs body in accordance with normal delivery terms. These terms are based on the capacity of the transport vehicle, planned route, and any other transport conditions.

Documents to be presented at the customs destination are to be delivered in the same order as the goods to which they apply.

#### e) Customs Carrier

A customs carrier may be a legal entity or organization created in accordance with applicable Kyrgyz legislation which has obtained permission from the State Customs Inspectorate to carry out the activities of a customs carrier. Contracts govern the relationship between the customs carrier and the consignor of the goods. Customs officials register customs carriers based on an application and register the carrier in the zone of the relevant customs body's activity. Each customs body maintains a public list of registered customs carriers.

In order to become registered as a customs carrier, the following requirements must be met:

1) Have transport vehicles and equipment which meet customs requirements;

2) Be covered by activity insurance of no less than the amount of 1,000 minimum monthly wages;

3) Own or lease (for at least 3 years) enough duly-equipped transport vehicles which can ensure the arrival within 24 hours of one transport vehicle to the place of customs clearance where the customs carrier is registered;

4) Comply with any other requirements established by Kyrgyz legislation.

Customs carriers must keep maintain the confidentiality of all documents and information related to the goods being transported. Use or disclosure of such information can result in a fine costing between 50 and 250 minimum wages. Violation of other terms of customs carrier activities can result in a similar fine.

The State Customs Inspectorate indicates only one customs carrier in the Kyrgyz Republic:

# "Askat Tash"

18-6, Vostok-5 Bishkek, Kyrgyzstan

#### **Customs regimes**

The importer has the right to choose any custom regime. Moreover, the importer can change its chosen custom regime irrespective of goods' type, quantity, and country of origin. Changes in the economy or changes in the reason for importing the goods can also require a change in the customs regime. According to the Kyrgyz customs code, there are 15 types of customs regimes for goods and transport vehicles:

- 1) Release for free circulation (import, or the so called 'import-40');
- 2) Re-import;
- 3) Transit;
- 4) Customs warehouse;
- 5) Duty free shop;
- 6) Processing in customs territory;
- 7) Processing under customs control;

- 8) Processing outside of customs territory;
- 9) Temporary import;
- 10) Temporary export;
- 11) Export;
- 12) Re-export;
- 13) Destruction of goods;
- 14) Transfer of goods in favor of the state;
- 15) Specific customs regimes.

Descriptions of the most commonly used customs regimes are given below:

#### a) Release for Free Circulation (Import)

This is the most commonly used regime in the Kyrgyz Republic. Free circulation means that imported goods stay constantly within the Kyrgyz Republic and can be used for production, sale or any other commercial purpose. Below are the requirements to release goods for free circulation:

- Pay customs duties, taxes, and other customs payments;
- Comply with economic policy measures and any other restrictions;
- Complete customs procedures.

#### b) Re-import

Re-import is a customs regime used for domestic Kyrgyz goods that were exported and then reimported into the Kyrgyz Republic. The goods must be re-imported within established deadlines. Such goods are not charged customs duties and taxes. Below are the requirements for using the reimport regime:

- The goods must remain in the same condition in which they were at the moment of export, except for changes due to depreciation, loss from normal transportation and storage, and any other reasons establish by Kyrgyz law;
- The goods must be imported to the Kyrgyz Republic within a specified period of time from the moment of their export.

If the goods are re-imported within three years of export, customs will refund export duties and taxes paid. However, the re-importing entity must repay any funds received as a refund or as a result of other export privileges.

#### c) Transit

Transit is a customs regime used for goods transferred under customs supervision either between two customs bodies of the Kyrgyz Republic or through the territory of a foreign state. Customs duties and taxes are not charged on transiting goods. However, goods in transit are subject to custom control at the place of their receipt.

Any good can be placed under this regime except those prohibited by the Kyrgyz law.

Transit of goods within the Kyrgyz Republic can be made in any direction and using any means allowed by customs authorities.

If an accident or other act of nature occurs during transit, the goods may be unloaded. In this case the carrier is obliged to:

- Adopt every necessary measure to ensure the safety of the goods and prevent unauthorized use;
- Immediately report to the nearest customs body the circumstances of the situation and the location of goods and transport vehicles;
- Ensure the transportation of the goods to the nearest customs body or bring customs officials to the goods' location.

Customs bodies will not reimburse the carrier for expenses incurred in taking any of the abovementioned measures.

The carrier is fully responsible for the transit of the goods. If the goods are issued without the permission of customs officials or if the carrier fails to deliver the goods to their customs destination, the carrier must pay all customs payments that would be due if the goods had been released for free circulation or export. This holds unless the goods were destroyed, lost due to an accident or act of nature, lost value or quantity due to depreciation during normal transportation, or were destroyed by the unlawful actions of foreign state bodies or officials.

#### d) Customs Warehouse

Customs warehouse is a regime under which imported goods are kept under customs supervision. The goods are not levied customs duties and taxes for the storage period. Goods destined for export in accordance with the export customs regime are also kept under customs supervision.

Any goods, except goods prohibited from import or export, may be placed in a customs warehouse. Goods which may cause damage to other goods or which require special conditions must be placed in specially equipped customs warehouses. A customs warehouse is any specifically assigned and equipped place intended for keeping goods in accordance with the customs warehouse regime. The customs warehouse may be open (accessible for use by any entities) or closed (intended for storage of goods and accessible only to certain entities). Customs warehouses can be established by Kyrgyz customs bodies without the permission of the State Customs Inspectorate or by domestic entities with the permission of customs authorities. Customs warehouses established by customs bodies can only be open warehouses.

Customs bodies require from warehouse owners that the warehouse be equipped in a due manner as required for ensuring customs supervision and, where necessary, be equipped with double-latch mechanisms, one of which would be under control of customs body. The warehouse owner must:

- Ensure that goods stored cannot be taken from the customs warehouse without customs control being performed on them first;
- Not impede customs supervision;
- Comply with the terms that established the customs warehouse and execute customs bodies' requirements, including providing customs officials with access to goods stored in the customs warehouse;
- Keep accounts of stored goods and present reports of the goods to customs bodies.

Warehouse owners are responsible for payment of all customs duties, taxes and other customs payments, unless the customs warehouse was established by a customs body, in which case the responsibility for making customs payments is born by the entity storing the goods.

Goods may be stored in a customs warehouse regime for up to three years. However, the State Customs Inspectorate can limit this time period for certain categories of goods and for certain entities, though not to less than one year. Upon the expiration of the established term, the goods must be declared under a different customs regime or placed into a temporary storage warehouse owned by a Kyrgyz customs body.

The following types of operations may be performed on goods placed under the customs warehouse regime:

- Any operation relating to ensuring the safety of the goods,
- The preparation of goods, with the permission of customs bodies, for sale and transportation, including: breaking into batches, formation of consignments, sorting, packaging, repackaging, marking, loading, unloading, re-loading, and other similar operations.

Goods intended for export that are placed under the customs warehouse regime are exempt from customs duties and taxes and any such fees paid should be refunded. If no customs duties are paid, the goods must be exported no later than three months after they are placed under the customs warehouse regime. If they are not exported within three months, customs duties and taxes must be paid.

If a customs warehouse is liquidated it becomes a temporary storage warehouse and the goods that were stored in the warehouse are subject to repeat customs clearance.

#### **Customs documentation**

Originals of all customs documentation must be submitted to customs officials. Only one copy is required of all documents except the cargo customs declaration, of which four copies are required (three for customs and one for the importer). Below is a list of required documentation for imports:

- 1. Cargo customs declaration;
- 2. Accompanying documents pertaining to cargo (waybills, packing sheets, customs declaration of departure country or transit country, etc.);
- 3. Contracts;
- 4. Invoice;
- 5. Safety certificates (if applicable);
- 6. Certificates of origin;
- 7. Certificate of conformance; (if necessary)
- 8. Letter/Power of attorney or other documents confirming that the individual completing customs processing and clearance is authorized to do so.

If necessary, the following should also be submitted:

- 9. Phyto-sanitary certificate;
- 10. Veterinary certificate;
- 11. License for import/export.

Contacts of corresponding organizations and agencies are listed below. Customs officers can request additional documents to confirm information indicated on the customs declaration form.

#### a) Customs cargo declaration

The customs cargo declaration form TD1 is filled out in four copies in compliance with instruction #961 of the Kyrgyz government dated December 28, 2004. The customs cargo declaration shall be submitted in Russian within deadlines established by the State Customs Inspectorate. They must be submitted within 15 days from the date the goods are presented to the customs body. This deadline may be extended with the permission of the customs body.

If the shipment consists of goods classified under more than one category of the commodity nomenclature (HS code), the declaring party does not need to complete a separate customs cargo declaration for each product. He/she may include information on additional goods on sheet TD2 attached to the customs cargo declaration. In one declaration up to 100 commodity types can be declared provided that the shipment arrives within the bounds of one contract with one consignee and one supplier indicated.

Kyrgyz customs officials do not have the right to fill in, amend, or supplement any information in the customs declaration. The only exceptions to this are the introduction to the customs declaration (it specifically mentions Kyrgyz customs authorities) and coding any information already in the declaration for machine processing.

Documents compiled in a foreign language known to customs officials may be presented in the foreign language with the permission of the customs body.

If the applicant is unable to submit a complete customs declaration, customs official may accept an incomplete or temporary declaration as long as the principal information is present and missing information is given with established deadlines. If one entity accepts shipments on a regular basis, the customs body may allow a single customs declaration to cover all goods received by that entity during a set time period. Such cases and the procedures for submitting a periodic customs declaration are governed by the State Customs Inspectorate.

#### b) Commercial invoice

An original plus one copy of the commercial invoice must be given to customs authorities. In most cases, customs officials require an official notarized translation of all documents into Russian done by a specialized translation company or by the Ministry of Foreign Affairs of the Kyrgyz Republic

#### c) Contract

Contract conditions are considered as a presence of certificate and mark of accordance to the Kyrgyz authorities.

#### d) Transaction passport

Transaction passports are not necessary for trade with the Kyrgyz Republic. A contract between companies should be presented to the customs body instead.

#### e) Packing list

A packing sheet should also be submitted to customs officials. It should provide a list of all goods in the shipment with information on their quantity, weight, number of places occupied, lot number, and other markings.

#### f) Certificate of Origin

The country of origin of the goods must be identified for the purpose of implementing tariff and non-tariff regulatory measures. The principles used to identify the country of origin are based on those used by many other countries. The country of origin is deemed to be the country in which goods were fully manufactured or subjected to sufficient processing, the definition of which is established in the customs code. The country of origin may be understood to be a group of countries, a customs union, a region, or a region of a country (if there is a need to separate them for the purposes of identifying origin).

The following goods are considered as entirely manufactured in a country:

a) Minerals mined in its territory, its territorial waters, on its continent shelf, or in the sea bottom subsurface, provided the country has exclusive rights to develop that subsurface;

- b) Vegetables grown or collected on its territory;
- c) Live animals born and grown in it;
- d) Goods obtained in that country from animals grown there;
- e) Products of hunting, fishing and sea-trade produced there;

f) Production of sea trade, obtained and/or manufactured in the world ocean by vessels of that country or vessels leased or chartered by it;

g) Secondary raw materials and wastes which result from production or any other operations performed in that country;

h) Production of high technologies obtained in open space in spacecrafts which belong to that country or are leased by it;

i) Goods manufactured in that country exclusively from production indicated in paragraphs a)-i).

If two or more countries participate in the manufacture of goods, then the origin is identified based on sufficient processing. Sufficient processing of goods in a certain country is defined as follows:

a) Change of commodity heading (classification code of the goods) according to the commodity nomenclature at the level of any of the first four digits, which occurs as a result of processing of the goods;

b) Execution of industrial or technological operations which are sufficient to consider the goods as originating from the country where those operations took place;

c) Ad-valorem share rule - change in the value of goods such that the percent share of the value of materials used or value added reaches the fixed share of the price of the goods supplied.

The following are not considered sufficient processing:

- Operations relating to the safety of the goods during storage or transportation;
- Operations associated with preparation of goods for sale and transportation (breaking up of consignments, formation of shipments, sorting, re-packing, etc.);
- Simple assembly operations;
- Mixing of goods (components) without imparting to the resulting products features which substantially differentiate them from their initial components;
- A combination of two or more of the aforementioned operations;
- Slaughter of cattle.

In cases where the sufficient processing criteria are not specifically outlined, a general rule applies, where processing is considered sufficient if it alters the first four digits of the good's HS code.

Unassembled goods that arrive in several shipments or goods that arrive in several shipments by mistake are, at the discretion of the applicant, considered as a single shipment for purposes of determining the country of origin. The following conditions apply to this rule:

- If the goods are to arrive in several shipments, the customs authorities must be notified beforehand and reason must be given for why the goods are arriving unassembled. For each shipment, the HS code, value, and country of origin of the goods must be given;
- If it was a mistake that led to the goods arriving unassembled in several shipments, documents must be provided that show the mistake;
- The shipments must be delivered from one country by one supplier;
- The same customs body must handle all shipments;
- The batches of goods must be delivered within six months of the date the customs declaration was accepted or of the date of the deadline to submit a customs declaration for the first batch of goods.

When exporting goods from the Kyrgyz Republic, the relevant authorities issue a certificate of origin when required. The certificate is confirmed by relevant contracts, national rules of the country of import, or is stipulated by international obligations of the importing country.

When importing goods to the Kyrgyz Republic, a certificate of origin must be presented without fail in the following cases:

- The goods originate from countries granted preferential tariff rates;
- The goods originate from a country from which imports are regulated by quantitative restrictions (quotas) or any other measures that regulate foreign economic activities;
- The goods fall under categories stipulated in international treaties and Kyrgyz legislation in the areas of the protection of the environment, public health, protection of rights of domestic consumers, public order, national security and any other vitally significant interests;
- In cases where documents presented for customs clearance do not contain information on the origin of goods or customs officials believe that the information concerning the origin of the goods is unreliable.

Certificates of origin must unequivocally witness that the indicated goods originate from a certain country and must contain the following:

- A written application of the consignor that goods comply with relevant criteria of origin;
- A written assurance of an authorized body of the exporting country issuing the certificate that the information in the certificate is true.

If the original certificate is lost, an officially notarized copy is acceptable.

In the event that doubts arise about the authenticity of the certificate or of the information contained within, including information concerning the country of origin, customs authorities may appeal to the bodies which issued the certificate or to authorized organizations of the country indicated as the country of origin to request additional information.

Customs officials may deny the release of goods through the customs border only in cases where there are sufficient reasons to believe that the goods originate from a country from which goods are not subject to release in accordance with Kyrgyz legislation and international treaties to which the Kyrgyz Republic is a party. In cases when a duly formulated certificate of origin or information on origin is not presented, this alone cannot be the basis to deny the release of goods. When identifying country of origin, the origin of energy, machines, equipment, and tools used for their manufacture are not considered.

Kyrgyz legislation identifies special consideration in identifying the country of origin of goods imported from third countries and from Kyrgyz free economic zones. This includes the procedure for applying the rules of "direct shipment and direct purchase".

All goods presented for certification to be imported to the Kyrgyz Republic must have information on the goods and rules regarding their use in English or an inter-state language (Russian) (labels, instructions of how to use, and other accompanying documentation).

#### g) Necessary certificates

The following Kyrgyz entities are partly responsible for the control of products imported into the Kyrgyz Republic: the State Customs Inspectorate under the Revenue Committee of the Ministry of Finance, National Institute of Standards and Metrology of the Kyrgyz Republic, State Committee of the Kyrgyz Republic on Protection of Nature, Ministry of Health, Ministry of Agriculture, Water Resources and Processing Industry, and the Chamber of Trade and Commerce of the Kyrgyz Republic

A list of goods subject to obligatory certification is prepared by the National Institute of Standards and Metrology and approved by the government of the Kyrgyz Republic. It is updated annually and takes into account proposals of the aforementioned state agencies and is formed in accordance with the requirements of the commodity nomenclature of foreign economic activity. Goods produced in and/or imported into the Kyrgyz Republic that are currently subject to mandatory certification include:

- Machinery and industrial products;
- Woodworking machinery for home use;
- Home appliances operating on coal, liquid, and gas fuels;
- Electric hand tools;
- Abrasive tools for metal working and woodcutting tools;
- Firearms for nonmilitary use;
- Ammunition;
- Pneumatic hand tools;
- Equipment for automobiles, tractors, and agricultural machines;
- Products of inter-industry application;
- Technological equipment for the food service industry; and
- Pumps.

The following electrical equipment requires certification:

- Household electrical appliances;
- Cables and cords;
- Manual and automatic switches;
- Spare parts and connecting layouts and/or systems;
- Lighting products and accessories;
- Low-voltage control equipment;

- Low capacity transformers and similar equipment;
- Electrical mechanical hand tools and portable machines;
- Low capacity electrical motors;
- Measuring devices;
- Radio and electronic equipment for home use;
- Technological equipment for food, meat and dairy industry;
- Protection equipment for electrical apparatus;
- Mobile electrical power generators;
- Electrical tools for construction industry;
- Chemical sources of electricity;
- Video, television, and display equipment;
- Information technology and office equipment;
- Telecommunications equipment;
- Electrical engineering, radio, and electronic equipment for electromagnetic compatibility and safety testing;
- Transformers and similar equipment;
- Equipment for farms and farmsteads; and
- Electrical hand tools.

The following agricultural and food products require certification:

- Meat and meat byproducts;
- Fish, crawfish, shellfish and other sea food;
- Milk and dairy products, birds eggs, natural honey, food products of animal origin;
- Vegetables and edible tubers;
- Coffee, tea, spices;
- Grain crops and products;
- Flour and other grain products, malt, starch, insulin, and wheat gluten;
- Fats, butters, vegetable oils and their products;
- Meat, fish and seafood products;
- Sugar, sweets and pastry products;
- Cocoa and cocoa products;
- Products from grain, flour, starch and milk, also pastries made from flour;
- Processed vegetables, fruits and nuts;
- Other food products;
- Alcoholic and non-alcoholic beverages, and vinegar;
- Tobacco and industrial substitutes of tobacco;
- Feed products for animals; and
- Graded seeds according to annually approved list.

The following light industry products require certification:

- Linen fabric for children;
- Knitted linen products for children;
- Sewn linen products for children;
- Outer garments/clothing for children (dresses, jackets, etc.);
- Children shoes;

- Toys;
- Wool and semi-wool textiles for children's clothes;
- Knitted outer garments for children; and
- Outdoor clothing for children;
- Yurts with canvas cover.

The following manufactured consumer goods require certification:

- Plastic food dishes;
- Packing materials for food products;
- Molding clay for children;
- Tires
- Beauty products and perfumes;
- Toiletries;
- Paint and lacquer products;
- Petroleum products;
- Food dishes made of ferrous and non-ferrous metals;
- Mineral fertilizers;
- Chemical weed-killers, pesticides;
- Particle boards and veneer;
- Furniture;
- Wallpaper;
- Porcelain and delftware/glazed products;
- Non-cooking oils (aromatic, ether, etc.);
- Cleaning products and detergents;
- Semi-delftware and majolica/earthenware dishes;
- Glass ware;
- Assorted ware;
- Polymer ware;
- Household chemical products;
- Flares and fireworks.

The following medical industry goods require certification:

- Medical electrical apparatuses;
- Medical equipment, including electrical;
- Medical syringes and needles;
- Surgical and non-surgical medical tools;
- Eyesight correction accessories (lenses, contact lenses, etc.);
- Eyesight correcting glasses;
- Oxygen for medical use;
- Drugs.

The following construction goods (materials, products, structures) require certification:

- Concrete products;
- Ferro-concrete structures and products;
- Steel framework;

- Enforcement rods;
- Wooden structures and lumber;
- Wall and partition materials;
- Mineral astringent materials (cement, lime, gypsum, raw materials for production of astringent materials), fillers and additions for astringent materials.

If the carrier of the goods has documents confirming that the goods conform to the safety requirements of the state body of the importing country, the National Institute of Standards and Metrology will confirm these documents and issue its own certificate of conformity.

If there are no documents confirming the safety of the goods, the carrier may apply to customs authorities to assume the responsibility and liability for the goods' safety. This does not exempt the carrier from obtaining certification for the goods (e.g., hygienic, veterinary, and ecological).

A certificate of accordance, issued by the National Institute of Standards and Metrology or other authorized body, confirms goods' compliance with safety requirements and allows for their import and sale. A certificate of accordance must be issued whenever a hygienic, phytosanitary, veterinary, or ecological certificate is also required for the goods.

Goods imported from countries with unfavorable radiation conditions are subject to an obligatory radiation examination. The results of this exam are recorded in a hygienic certificate. The Ministry of Health keeps the list of countries that require this exam.

Goods are imported from countries with quarantine infections must receive a document confirming their safety. The Ministry of Health keeps the list of countries that require this.

The following bodies are responsible for certification:

• Kyrgyz Chamber of Commerce and Industry

107 Kievskaya st. Bishkek, Kyrgyzstan, 720001 Tel. +996 312 21 05 73 Fax. +996 312 21 05 75 Email. <u>info@cci.kg</u> Web. http://cci.kg

• National Institute of Standards and Metrology (Kyrgyzstandard)

197 Panfilova st. Bishkek, Kyrgyzstan, 720040 Tel. +996 312 626870 Fax. +996 312 661367 Email. <u>nism@nism.gov.kg</u> Web. <u>http://www.nism.gov.kg/eng/</u>

 State Department of Sanitation and Epidemiological Surveillance under the Ministry of Health Isakov Tolo Baidalievich

General Director

535 Frunze st. Bishkek, Kyrgyzstan Tel. +996 312 66 11 07 Web. <u>www.med.kg</u>

• State Agency on Plant Quarantine under the Ministry of Agriculture and Water Resources

Argynbaev Artvai Gapyrovich 241 Bokonbaeva st. (crossing Molodaya Gvardiya blvd.) Tel. +996 312 61 16 65 Email. <u>dephim@mail.ru</u>

• Veterinary Department 247 Budenogo st. (crossing Jibek Jolu) Tel. +996 312 63 14 43

#### • State Department of Medicine Provision and Medical Equipment

Jumalieva Nazgul Jumanalievna, Chief of Registration Division 25, 3 Liniya Street (2nd Municipal Hospital), Bishkek, 720000, Kyrgyz Republic Tel/fax. +996 312 54 28 43 Reception +996 312 54 30 90

#### Transaction terms - buyer/seller responsibilities

Contracts on the supply of goods between Kyrgyz entities and foreign parties are based on the Incoterms terms adopted in 1953 and revised in January 2000.

There are 13 transaction terms used in the Kyrgyz Republic and are indicated by letter codes in the customs cargo declaration: EXW, FCA, FAS, FOB, CFR, CIF, CPT, CIP, DAF, DES, DEQ, DDU, DDP. The most frequently used is CIF Bishkek, which involves submitting a document demonstrating an average cost associated with transporting a shipment to Bishkek.

#### Customs payments

# The list of tariff rates is available in Russian at the following web address: <a href="http://www.customs.gov.kg/content/zakon/custax/rus">http://www.customs.gov.kg/content/zakon/custax/rus</a>

Customs payments are paid at the good's time and point of entry. They are calculated and paid in the national currency of the Kyrgyz Republic, the Kyrgyz som. Conversion of foreign currency into the som is carried out at the exchange rate of the National Bank of the Kyrgyz Republic in effect as of the day when the customs declaration is received.

Three methods are used to calculate custom payments:

- -- Ad valorem, calculated as a percentage of the price of the goods;
- -- Specific, calculated at a standard amount per unit;
- -- Combined, using both of the above methods.

All funds obtained by customs bodies from customs duties, VAT, and excises must be transferred to the state budget of the Kyrgyz Republic. The resources received for the presentation of information and consultation on issues of customs business are used to improve the pay of Kyrgyz customs workers, customs laboratories, and educational institutions. Customs levies, fines, and other such payments are transferred to the non-budget Fund for Development of the Customs System of the Kyrgyz Republic. This fund is used to strengthen the technical base and social sphere of Kyrgyz customs bodies, customs laboratories, and educational institutions. These payments are also used to provide certain social benefits to customs employees.

Generally there are 4 types of customs payments:

- 1. Customs processing fee -0.15%;
- 2. Customs tariff ranges from 0% to 35% (this top amount is extremely rare);
- 3. Excise tax varies (see the table below);
- 4. VAT 20%.

#### a) Mechanism of calculating customs payments

Example (taxes and procedures are subject to change):

Value of the imported good - \$100

Customs fee (0.15%) = \$0.15

Example customs tariff of 10% = \$10

Example excise tax of 1% = \$1

VAT is calculated based on the sum of the value plus the tariff plus the excise tax. Thus, in our example, the value used to calculate VAT is \$111, so VAT =  $111 \times 0.2 = 22.2$ . The total customs payment on our \$100 of imports would be 10+1+0.15+22.2=33.35. This means that 33.35% is added to the value during the customs clearance. When excise tax is not applicable, only customs tariff is taken into account when calculating VAT.

#### b) Commodity Classification and Customs Valuation

Kyrgyz customs authorities maintain the commodity nomenclature of foreign economic activities and must:

- Ensure monitoring of amendments and additions to the international rules of the commodity nomenclature of foreign economic activities, international explanations, and any other decisions concerning interpretation of that basis;
- Bring the commodity nomenclature into conformity with international standards;
- Publish the commodity nomenclature;
- Elaborate and approve explanations and other decisions concerning interpretation of the commodity nomenclature and provide for their publication;
- Exercise any other functions required for maintenance of the nomenclature.

Kyrgyz customs bodies classify goods and categorize specific goods according to the headings indicated in the commodity nomenclature of foreign economic activities. The decision of customs

bodies concerning classification of goods is obligatory. Other bodies and institutions are not allowed to make decision concerning classification of goods for customs purposes.

According to the Article 227 of the custom code, the customs value of goods imported to the Kyrgyz Republic is determined through one of the following six methods:

- 1) Transaction value of imported goods;
- 2) Transaction value of identical goods;
- 3) Transaction value of similar goods;
- 4) Deductive method;
- 5) Computed method;
- 6) Provisional method.

The transaction value method is the most often used method. If this cannot be used, the other methods may be used and are listed in order of preference (each subsequent method can be applied when the customs value cannot be determined by using a previous method). When determining customs value, it is not acceptable to simply take the higher of two alternative values. The deductive and computed methods may be used interchangeably.

The calculation of customs value must be based on reliable, quantitatively determinable, and well-documented information.

If it is necessary to prove customs value, the applicant must provide the customs authorities with any requested information. If customs officials doubt the accuracy of the information used to prove customs value, the applicant has the right to defend the information. If no proof of accuracy is given, however, customs officials have the right to reject the customs value method used by the applicant. If it is necessary to ensure the precision of the customs value, the applicant has the right to request a guarantee of the customs value from customs authorities. He/she may also decide to make customs payments according to a customs valuation carried out by customs authorities.

Any additional costs that arise from customs valuation are born by the applicant. The applicant cannot use any extension of the time period to clear customs caused by conducting customs valuation to defer payment of customs duties.

#### c) Import Duty

Rates of import duties and the terms of their payment are developed by the cabinet of ministers and approved by the Jogorku Kenesh of the Kyrgyz Republic every year.

Import tariffs of the Kyrgyz Republic range from 0% to 30%. 0% tariffs comprise 47.3% of all goods in the commodity nomenclature; 5% tariffs – 13.3% of all products; 10% tariffs – 32.1%; 12% tariffs – 3.1%; 15% tariffs – 2.6%; and others – 1.41%. The maximum tariff rate that exists is 35%.

Kyrgyzstan has an agreement with the Commonwealth of Independent States (CIS – most former Soviet republics) for free import of goods (CIS countries do not pay import tariffs). This exemption does not cover excisable goods. Members of the WTO are treated according to WTO regulations.

#### d) Excise Tax

Excise tax rates for excisable goods imported and produced by legal and physical entities in the Kyrgyz Republic are revised every year. Excisable goods imported by individuals are not subject to excise, within limited norms approved by the Government of the Kyrgyz Republic. According to Article 172 of the Tax Code of the Kyrgyz Republic, the goods listed below are exempt from excise:

- 1. Excisable goods necessary for the operation of vehicles engaged in international cargo, luggage, and passenger freight during transit and in intermediary stopping points. This includes any goods purchased abroad for repairs;
- 2. Goods rendered unusable as a result of damage sustained before crossing the customs border of the Kyrgyz Republic;
- 3. Goods imported as humanitarian aid within the procedures established by the government of the Kyrgyz Republic;
- 4. Goods imported for charity purposes under state and government programs and programs of international organizations. This includes rendering technical assistance;
- 5. Confiscated and disowned valuables, including valuables inherited by the state;
- 6. Goods imported for official use by foreign diplomatic representations and representations with similar status for the personal use of their staff and family members;
- 7. Goods crossing the customs border of the Kyrgyz Republic that are exempt under the customs regimes established by Kyrgyz customs legislation, with the exception of the regime "Release of Goods for Free Circulation".

The table below shows current rates approved in December 2005 for the year 2006.

| Excisable goods                                                     | Rate of excise tax as a percentage of |  |
|---------------------------------------------------------------------|---------------------------------------|--|
|                                                                     | value of goods or their physical      |  |
|                                                                     | volume in kind (in Kyrgyz Som)        |  |
| Ethyl alcoholic (drinkable) and ethyl alcoholic refined             | 70 Som / 1 liter                      |  |
| Vodka                                                               | 21 Som / 1 liter                      |  |
| Liquor-vodka products                                               | 21 Som / 1 liter                      |  |
| Fortified beverages, fortified juices and balsam                    | 21 Som / 1 liter                      |  |
| Wines                                                               | 6 Som / 1 liter                       |  |
| Cognac                                                              | 27 Som / 1 liter                      |  |
| Champagne wines                                                     | 22 Som / 1 liter                      |  |
| Bottled beer                                                        | 5 Som / 1 liter                       |  |
| Beer in bulk                                                        | 5 Som / 1 liter                       |  |
| Wine materials                                                      | 2 Som / 1 liter                       |  |
| Tobacco products: - filter cigarettes (depending on the brand)      | 25, 70, 170, 270 Som / 1,000 pieces   |  |
| - non-filter cigarettes                                             | 10 Som / 1,000 pieces                 |  |
| Other commodities, containing tobacco, except fermented tobacco     | 4 Som / 1 kg                          |  |
| Jewelry made of gold, platinum or silver                            | 25%                                   |  |
| Processed and unprocessed fur skins (except skins of mole, rabbit,  | 5%                                    |  |
| deer, dog, sheep and cattle)                                        |                                       |  |
| Goods made of natural fur including coat, short coat, jacket, cape, | 5%                                    |  |
| tippet, boa, scarf, hat and collar, fur coat (except goods made of  |                                       |  |
| skins of mole, rabbit, deer, dog, sheep and cattle)                 |                                       |  |
| Coat, short coat, jacket, cape with fur decoration (except fur of   | 5%                                    |  |
| mole, rabbit, deer, dog, sheep and cattle)                          |                                       |  |
| Genuine leather clothes                                             | 5%                                    |  |

Note: exchange rate is 37.98 Som/USD as of May 2007.

| Crystal ware, crystal light devices                                            | 20%               |
|--------------------------------------------------------------------------------|-------------------|
| Firearms and gas weapons (except when buying for state agencies)               | 20%               |
| Oil products:                                                                  |                   |
| <ul> <li>petrol, light and medium distillate and other petrol</li> </ul>       | 800 Som / 1 ton   |
| <ul> <li>jet fuel</li> </ul>                                                   | 0 Som / 1 ton     |
| <ul> <li>diesel fuel</li> </ul>                                                | 200 Som / 1 ton   |
| <ul> <li>mazut</li> </ul>                                                      | 200 Som / 1 ton   |
| <ul> <li>oils and gas distillate</li> </ul>                                    | 1,400 Som / 1 ton |
| <ul> <li>crude oil and oil products crude, received from bituminous</li> </ul> | 600 Som / 1 ton   |
| materials                                                                      |                   |
| Carpets and carpet goods (except carpeting and carpets half-woolen             | 10%               |
| – marking of goods OC–1-БЛ                                                     |                   |
| Coffee and cacao                                                               | 5%                |

#### e) Value Added Tax (VAT)

VAT in the Kyrgyz Republic is 20% of the customs value of goods. The following items are exempt from VAT:

- Equipment that is being imported as a fixed asset for a company;
- Goods supplied for rendering assistance following a natural disaster, war, or accident;
- Goods and grants supplied as humanitarian aid in the manner determined by the government of the Kyrgyz Republic;
- Previously exported goods that are imported by the same importer;
- Goods imported temporarily with a guarantee that they will be exported during the next 12 months without alteration;
- Incorrect delivery being returned to the original exporter;
- Goods in transit via the territory of the Kyrgyz Republic;
- Goods for officials (diplomatic, consular representatives) and members of their families for personal purposes (not for resale);
- Excise banderoles;
- Pharmaceuticals;
- Educational supplies, school accessories, and scientific publications. These must agree with a list approved by the government of the Kyrgyz Republic;
- Baby food;

According to Article 139-1 of the tax code of the Kyrgyz Republic, shipment and export of gold alloy and refined gold are designated as VAT-exempt shipments.

#### f) Customs Fees for Customs Clearance

0.15% of the customs value of the good is charged as a customs processing fee. Customs payments are charged and calculated in Kyrgyz som at the exchange rate of the National Bank of the Kyrgyz Republic. The fee is doubled if the clearance process occurs outside of normal working hours or outside of the usual place of customs clearance. Fees charged must not exceed the approximate cost of services rendered.

#### g) Seasonal import tariffs

Seasonal import tariffs are a special type of tariff and are solely regulated by the government and the parliament. They are applied in certain cases when the import of certain products needs to be

regulated. Import tariffs do not apply in this case. The maximum term for seasonal import tariffs is six months.

#### h) Special types of import duties

There are 3 types of special import duties:

- 1) Special;
- 2) Anti-dumping;
- 3) Compensative;

These types of import duties are only applied after an investigation is carried out in accordance with the laws 'On Protective Measures', 'Anti-dumping', 'Subsidies and Compensative Measures'.

#### Preferential tariff regimes

Kyrgyzstan offers preferential tariff regime to WTO member countries, CIS countries, and to other countries with which it has a preferential tariff agreement. The list of countries with which Kyrgyzstan has preferential tariff agreements is listed in the appendix to the "Law on the Customs Tariff" dated 29.03.2006 #81.

#### Prohibited or restricted imports

Narcotics and pornography are prohibited from import and export.

Import of the following goods is subject to licensing: cipher equipment; military armament and armaments techniques; equipment to combat toxic agents/poison gases; nuclear materials and technologies; dual-use materials, equipment and technologies; precious metals and alloys; natural precious stones; narcotic remedies, psychotropic substances and precursors; powerful poisons; dangerous wastes; medical remedies; alcohol and alcohol products; official (law enforcement) and civilian arms; tobacco.

Goods deemed dangerous to the health of the population and to the environment are subject to be returned to the supplier or to be destroyed. The decision to return goods is made by a committee of experts from the Ministry of Health, the National Institute of Standards and Metrology, the Veterinary Department of the Ministry of Agriculture and Food, and the Chamber of Commerce and Industry.

#### Membership in free trade agreements

The Kyrgyz Republic has free trade agreements with almost all the CIS countries. On April 15,1994, the CIS states (Azerbaijan, Armenia, Belarus, Georgia, Kazakhstan, the Kyrgyz Republic, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, Uzbekistan) signed an agreement to establish a free trade zone. According to the agreement, imports from within the CIS bearing respective certificates of origin are not subject to any customs tariffs in the Kyrgyz Republic. This exemption does not cover excise goods, furniture, video, television, computer equipment, or any accessories to the above electronic equipment.

Within the Eurasian Economic Union established in 1995, Russia, Belarus, Kazakhstan, the Kyrgyz Republic, and Tajikistan have signed an agreement on customs. In February 2004, they signed an agreement forming a single customs tariff and agreed to create working groups on coordinating the plans and actions of EEU members for joining the World Trade Organization on a monthly basis.

The creation of a customs alliance should simplify customs procedures and reduce or even abolish customs tariffs within the EEU. This would be a significant step towards economic integration.

Since December 20, 1998, the Kyrgyz Republic has been a full member of the World Trade Organization (WTO). The legal regime of trade policy in the Kyrgyz Republic was adjusted to the conditions of the World Trade Organization. The Kyrgyz Republic is the only country in Central Asia and the CIS that has joined the WTO. Trade relations with neighboring China follow the most favored nation regime based on WTO agreements as China is also a member.

#### Applicable legislation

The main governing legislation that affects and regulates customs clearance process in the Kyrgyz Republic is the customs code signed by the president of the Kyrgyz Republic on April 13, 2004. In cases not covered by the customs code, the next governing legislation to be applied is the tax code. Finally, in cases not covered by either of these laws, the third legislation to be applied is the civil code.

Other legislation that regulates the customs clearance process are decrees, regulations, and legal acts of the central government and the State Customs Inspectorate. A full list of all applicable customs legislation is available at <a href="http://www.customs.gov.kg">www.customs.gov.kg</a>.

#### POINT OF CONTACT

An English-speaking point of contact is:

Globalink Logistics Group 53, Aitmatova st. room 47, Bishkek Tel. +996 312 68 06 02, +996 312 90 84 55 Fax. +996 312 68 00 74 Email. <u>Bishkek@globalink.bz</u> Web. <u>http://www.globalink.bz</u> Globalink offers transportation, customs brokerage and other services.

#### **BISNIS Representative in Kyrgyzstan**

Artyom Zozulinsky 171 Prospect Mira Bishkek, 720016 Tel. +996 312 55 12 41, ext. 4403 Fax. +996 312 55 12 64 Email. ZozulinskyA@state.gov

Other companies that offer customs brokerage services are:

#### 1. "SVTS – Broker" LLC

4a, Baytik Baatyra st. (Customs Building), room 207 Tel./Fax. +996 312 51 19 61 Mob. +996 517 71 42 97 Email. <u>svtsbroker@list.ru</u> Web. (Rus-lang) <u>http://www.atb.kg/svts\_broker.htm</u>

# "Nuris Tranzit Service" LLC Bokonbaeva st., room 2 Bishkek, Kyrgyzstan, 720000 Tel. +996 312 29 84 59 Mob. +996 312 97 77 10 Web. (Rus-lang) <u>http://www.atb.kg/nuris.htm</u> "Customs Cargo Service" LLC Toktogula st., room 104 Bishkek, Kyrgyzstan, 720021 Tel. +996 312 28 06 36, +996 312 66 58 72 Email. kdinna@yandex.ru

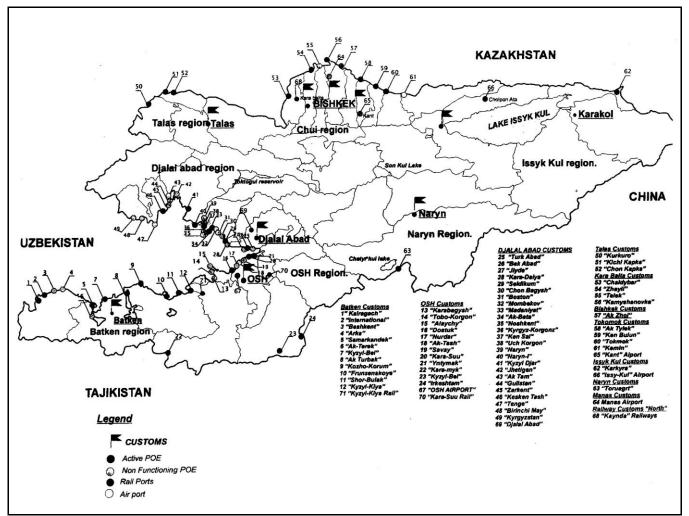
## Web. (Rus –lang) <u>http://www.atb.kg/cutom\_cargo.htm</u>

#### **4.** "B.D.A. Logistics" LLC Director: Koylubaev Mars Kubanychbekovich 282a, Frunze, room 110 Tel. +996 312 69 68 68 Mob 1. +996 543 94 9999 Mob 2. +996 312 97 37 50

5. "Muza" (DHL) LLC 107, Kievskaya st., Bishkek, Kyrgyzstan Tel. +996 312 61 11 16 Fax. +996 312 21 07 44 Email. <u>lh@muza.com.kg</u> Web. <u>http://muza.com.kg/eng/news/</u>

## III PORTS OF ENTRY

All goods delivered by railway transport are controlled by customs "Severnaya" and "Yuzhnaya". All goods delivered by auto transport are controlled by customs "Bishkekskaya", "Tokmakskaya" and "Karabaltinskaya" in Chui Oblast (*Oblast* is an administrative unit in the Kyrgyz Republic), "Karakolskaya" and "Issyk-Kulskaya" in Issyk-Kul Oblast, "Narynskaya" and "Torugart" in Naryn Oblast, "Talasskaya" in Talas Oblast, "Oshskaya" and "Irkeshtam" in Osh Oblast, "Jalal-Abadskaya" in Jalal-Abad Oblast. All goods delivered by air transport are controlled by customs "Manas".



Picture 1. Customs Posts of the Kyrgyz Republic

#### **Contacts**

#### a) Customs

#### **Bishkek Customs**

Mr. Abdyldabek Kemelovich Akuluev, Head 1-A, Sovetskyi Tupik, Nizhnayay Ala-Archa village, Bishkek 720000, Kyrgyz Republic Tel: +996 (312) 90 74 00, 90 76 30, 90 74 07 Fax: +996 (312) 907408, 907406 E-mail: <u>bishkek.customs@bishkek.gov.kg</u> Web-site: <u>www.customs.gov.kg</u>

#### **Manas Customs**

Mr. Nurlanbek Makeev, Head Manas International Airport, Bishkek 720062, Kyrgyz Republic Tel: +996 (312) 903694, 693569, Fax: +996 (312) 903569 E-mail: <u>manas.customs@bishkek.gov.kg</u> Web-site: <u>www.customs.gov.kg</u>

#### Severnaya Customs

Mr. Talaibek Masabirov, Head 103A Lev Tolstoi Street, Bishkek 720062, Kyrgyz Republic Tel: +996 (312) 647593, 647058 Fax: +996 (312) 647061 E-mail: north.customs@bishkek.go.kg Web-site: www.customs.gov.kg

#### **State Customs Inspectorate**

4a, Baytik Baatyra st., Bishkek, Kyrgyzstan Tel. +996 312 51 06 51 Fax. +996 312 51 24 63 Email. papers@customs.gov.kg Web. http://customs.gov.kg/content/start/Eng

#### b) Useful Contacts

#### National Statistics Committee of the Kyrgyz Republic

374, Frunze Street, Bishkek 720033, Kyrgyz Republic Tel: +996 (312) 626084 Fax: +996 (312) 660138 Web-site: <u>http://www.stat.kg</u>

#### Kyrgyz Chamber of Commerce and Industry

107 Kievskaya st. Bishkek, Kyrgyzstan, 720001 Tel: +996(312) 210565, 210573, 210564 Fax. +996 312 21 05 75 Email. <u>info@cci.kg</u> Web. http://cci.kg

#### c) Certification and Conformity Institutions

#### National Institute of Standards and Metrology (Kyrgyzstandard)

197 Panfilova st. Bishkek, Kyrgyzstan, 720040 Tel. +996 312 626870 Fax. +996 312 661367 Email. <u>nism@nism.gov.kg</u> Web. <u>http://www.nism.gov.kg/eng/</u>

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Isakov Tolo Baidalievich

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#### d) USG Resources

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For more information on Kyrgyz Republic, visit BISNIS online at <u>http://bisnis.doc.gov/bisnis/country/kyrgyzstan.cfm</u>

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