AGREEMENT
ON THE COMMON RULES FOR DETERMINING THE COUNTRY OF ORIGIN OF GOODS
(MOSCOW, JANUARY 25, 2008)

The Government of the Republic of Belarus, the Government of the Republic of Kazakhstan and the Government of the Russian Federation, hereinafter referred to as the Parties,

For the purpose of simplifying and harmonising the customs procedures in trade with states which are not participants of this Agreement (hereinafter, third parties),

Desiring to create favourable conditions for developing trade on the basis of mutual benefit and international law,

Striving to strengthen the multilateral trade system,

Have agreed as follows:

Article 1

On the common customs territory of the states of the Parties, with respect to goods originating from third countries, except for goods originating from developing and least developed countries and countries having free-trade treaties whose participants are all the states of the Parties, there shall be applied the Rules for Determining the country of Origin of Goods according to the Annex, which shall be an integral part of this Agreement.

The rules for determining the country of origin of goods from developing and least developed countries shall be approved with a separate agreement among the Parties.

With respect to goods originating from a country having a free-trade treaty whose participants are all the countries of the Parties, there shall be applied the Rules for Determining the Country of Origin of Goods established by this Treaty.

Article 2

Disputes connected with application or interpretation of the provisions of this Agreement shall be settled by consultations and negotiations among the Parties, and, if no consent has been reached, shall be transferred for consideration to the court of the Eurasian Economic Community.

Article 3

By arrangement of the Parties, into this Agreement there may be introduced amendments, which shall be formalised with separate protocols.

Article 4

The Russian Federation ratified this Agreement with Federal Law No. 257-FZ of December 22, 2008

This Agreement shall enter into force as of July 1, 2010

The original copy of this Agreement shall be deposited with the Integration Committee of the Eurasian Economic Community, which, being its depositary, shall send its certified copy to each Party.

For the Government
of the Republic of Belarus

(signature)

For the Government
of the Republic of Kazakhstan

(signature)

For the Government
of the Russian Federation

(signature)

Annex

Rules
for Determining the Country of Origin of Goods

1. The notions used in these Rules shall mean the following:
   added value - the difference between the price of goods on the "free factory" conditions and the value of the raw and other materials used for their manufacture;
   consignment of goods - goods which are sent by one transport document to the address of one consignee by one consignor, and also goods sent by one postal waybill or transferred as hand luggage by one natural person crossing the customs border;
   country of origin of goods - the country in which goods were completely manufactured or subjected to sufficient processing in accordance with the criteria of sufficient processing of goods established by these Rules. In this case, by the country of origin of goods there may be understood a group of countries, or customs unions of countries, or a region or part of a country if it is necessary to separate them for the purpose of determining the country of origin of the goods.
   price on the "free factory" conditions - the price of goods payable to their which carried out its last essential processing of the goods, minus all internal taxes which are paid or may be paid in their export.

2. Goods completely manufactured in a certain country, shall be:
   1) minerals extracted from the subsoil of the country, in its territorial sea (waters) or on the bottom of such sea;
   2) products of vegetable origin grown or gathered in that country;
   3) live animals born and reared in that country;
4) products obtained in that country from animals reared therein;
5) products obtained as a result of hunting or fishery in that country;
6) products of sea fishery and other sea products obtained by a vessel of that country;
7) products obtained on board a processing of that country exclusively from products mentioned in Subitem 6 of this Item;
8) products obtained from the sea bottom or from sea subsoil outside the territorial sea (waters) of that country on condition that that country has exclusive rights to develop the resources of that sea bottom or that sea subsoil;
9) waste and scrap (recyclable materials) obtained as a result of production or other operations of processing in that country, and also used articles collected in that country and fit only for recycling;
10) high-technology products obtained in open outer space on space objects if that country is the state of registration of the relevant space object;
11) goods manufactured in that country exclusively from products mentioned in Subitems 1) - 10) of this Item.

3. If two or more countries participate in the manufacture of goods, then the country of origin of the goods shall be deemed to be the country in which there were performed the last operations of the processing or manufacture of the goods meting the criteria of sufficient processing in accordance with these Rules.

4. If with respect to certain types of goods or a certain country the peculiarities of determining the country of origin of goods in accordance with Item 6 of these Rules are not specially stipulated, then the goods shall be deemed to be originating from the country if as a result of performing the operations of processing or manufacture of the goods the classification code of the goods under the Common Commodity Classification of Foreign Economic Activity has changed at the level of any of the first four signs.

5. Notwithstanding the provisions established by Item 4 of these Rules, the following shall not meet the criteria of sufficient processing:
   1) operations of ensuring the safety of goods during the time of their storage or transportation;
   2) operations of preparation of goods for sale and transportation (division of consignments, formation of shipments, sorting, repacking), of sampling of packings;
   3) simple assemblage operations and operations of sampling of goods, and also other operations whose carrying out does not essentially change the state of goods, by the list determined by the Commission of the Customs Union established in accordance with the Treaty on the Commission of the Customs Union of October 6, 2007;
   4) mixing of goods (or components) which does not lead to an essential difference of obtained goods from the initial constituents;
   5) slaughter of animals, cutting (sorting) of meat;
   6) washing, cleaning, dusting, covering with an oxide, oil or other substances;
   7) ironing or pressing of textile (any types of fibres and yarn, woven cloths of any types of fibres and yarn and articles thereof);
   8) dyeing or polishing operations;
   9) peeling, partial or full bleaching, grinding and polishing of cereals and rice;
   10) operations of dyeing sugar or of formation of lump sugar;
   11) removal of peel, extraction of seeds and cutting of fruit, vegetables and nuts;
   12) sharpening, simple grinding or simple cutting;
   13) sifting or screening, sorting, classification, selection, matching (including composition of sets of articles);
   14) bottling, packaging into jars, flasks, sacks, cases, boxes and other simple packing operations;
15) division of goods into components not leading to an essential difference of the obtained components from the initial goods;
16) combination of two or more of the indicated operations.

6. For determining the country of origin of goods there shall also be used, in the procedure determined by the Commission of the Customs Union, the following criteria of sufficient processing:
   1) fulfilment of certain conditions, production or technological operations which are sufficient for a country where such operations took place to be considered the country of origin of the goods;
   2) a change of the value of goods when the percentage share of the value of the materials used or the added value reaches a fixed share in the price of the end products (the rule of the ad valorem share).

7. In the event that the ad valorem share rule is used, then the value indicators shall be calculated:
   1) for imported materials - by the customs value of such materials in their importation into a country in which the end products are manufactured or (the origin of imported materials being unknown) by the documentarily confirmed price of their first sale on the territory of the country in which the end products are manufactured;
   2) for end products - at the price on the “free factory” conditions.

8. When determining the country of origin, goods in disassembled or unassembled form delivered as several consignments because they cannot be dispatched as one consignment due to production or transport conditions, and also goods whose consignment has been divided into several consignments as a result of an error, shall, if the declarant wishes so, be considered as single goods.

9. The rule stipulated by Item 8 of these Rules shall be applicable if the following conditions are simultaneously fulfilled:
   1) preliminary notification of the customs body of the country of importation about goods in disassembled or unassembled form delivered as several consignments, or about the division of goods into several consignments with indication of the reasons for such division, with attachment of the specification of each consignment with indication of the commodity codes according to the Common Classification of Foreign-Economic Activity, the value and country of origin of goods forming part of each consignment, or a documentary confirmation of the erroneous division of goods into several consignments;
   2) delivery of all consignments from one country by one supplier;
   3) declaring of all consignments of goods to one customs body;
   4) delivery of all consignments of goods within the framework of one contract;
   5) delivery of all consignments of goods within a period not exceeding one year from the day of acceptance of the customs declaration, or before the expiry of the periods of its submission with respect to the first consignment of the goods. By a motivated understatment of a declarant if it is impossible to deliver all consignments of goods for reasons not depending on the consignee of the goods, such periods may be prolonged by the customs body for a time necessary to deliver all the consignments of goods but not more than one year.

10. When determining the country of origin of goods, the origin of the thermal and electric energy, machines, equipment and tools used for their manufacture or processing, shall not be taken into account.

11. Devices, accessories, spare parts and tools intended for use together with machines, equipment, apparatus or transport means, shall be deemed originating from the same country as the machines, equipment, apparatus or transport means if such devices, accessories, spare parts and tools are imported and used together with such machines, equipment, apparatus or transport means in the completeness and in the number which are usually delivered with such
devices in accordance with the technical documents.

12. The packing in which goods are imported shall be considered originating from the same country as the goods themselves, except for the instances when the packing, taking into account the Common Commodity Classification of Foreign-Economic Activity, is subject to declaring separately from the goods. In such case the country of origin of the packing shall be determined separately from the country of origin of the goods.

If the packing in which goods are imported into the customs territory is considered originating from the same country as the goods themselves, then for determining the country of origin of the goods there shall be taken into account only that packing in which the goods are realised in retail trade, including in the application of the rule, stipulated by Subitem 2) of Item 6 of these Rules, of the ad valorem share.