



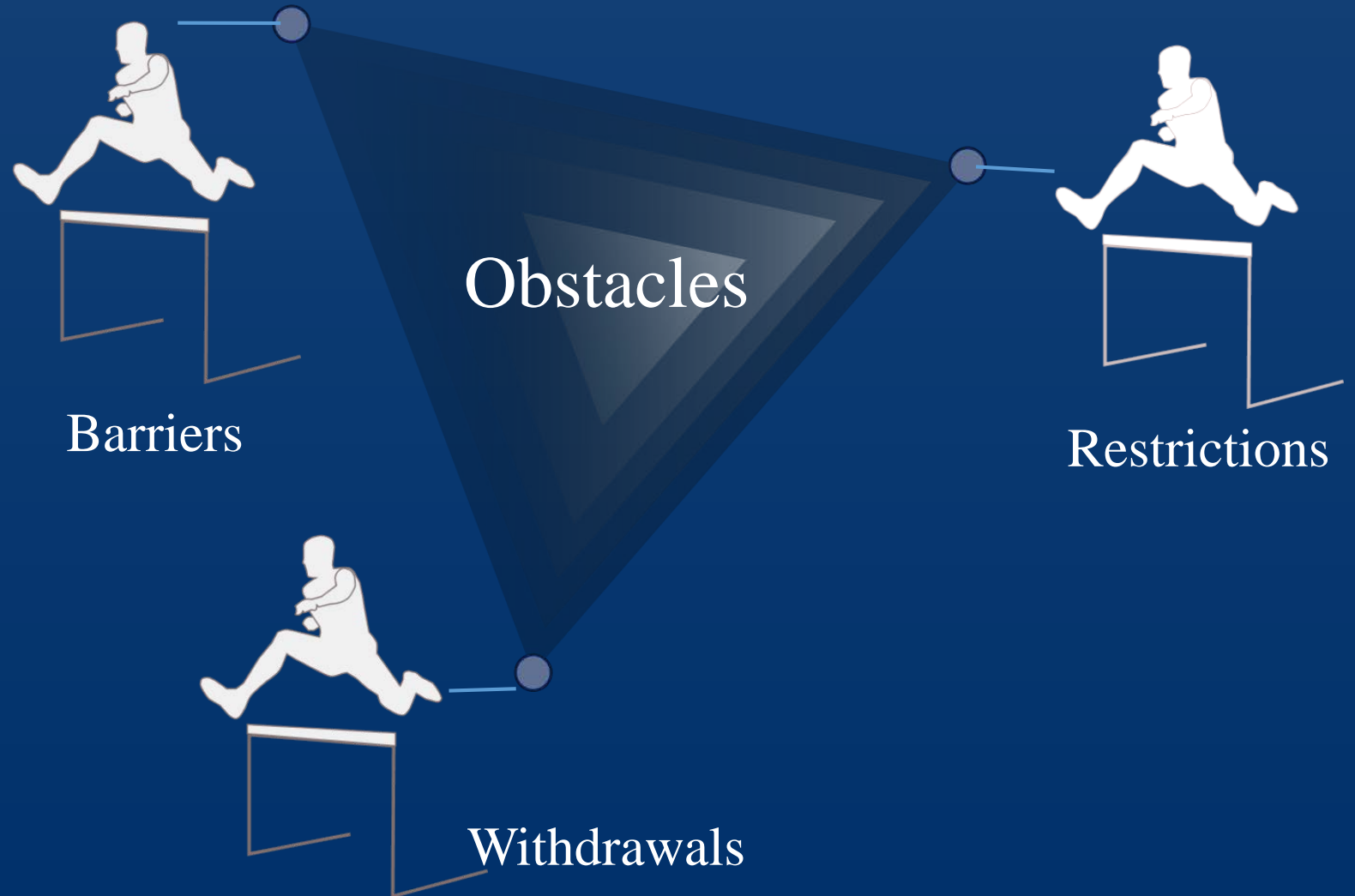
Removal of barriers to mutual trade with Eurasian Economic Union member states



2016



Eurasian Economic Union
internal market



Barrier is an obstacle for free movement of goods, services, capital and workforce within the Union internal market functioning framework, not complying with the Union provisions or any “gaps” in the Union law which were not eliminated within the time framework stipulated by the Union law.



Препятствие	Право Союза / Законодательство государств-членов
Barrier	<p>Right of the Union/ Legislation of the Member States</p> <p>Clause 3 of Article 28 of the Treaty on Union: In mutual trade of goods within the internal market functioning framework the Member States shall not apply export or import tax duties (or other duties, taxes and fees having equivalent effect), non-tariff regulatory measures, special safeguard, antidumping and countervailing measures except as provided for by the present Treaty.</p> <p>Section 10 of the Code of the Republic of Kazakhstan as of 10.12.2008 № 99-4 «On Taxes and Other Obligatory Payments to the Budget» (hereinafter as Tax Code of RK). According to Clause 300 of the Tax Code of RK the rent tax payees shall be natural and legal entities carrying out activities in the area of export of coal, oil and gas condensate. Article 301 of the Tax Code of RK: for rent tax purposes the export activities shall include, inter alia, export of goods from the territory of Kazakhstan to the other Member State territory.</p>
Rent tax collection in the Republic of Kazakhstan for coal export from its territory to the territory of other Union Member States.	<p>INADMISSIBLE OBSTACLE</p>



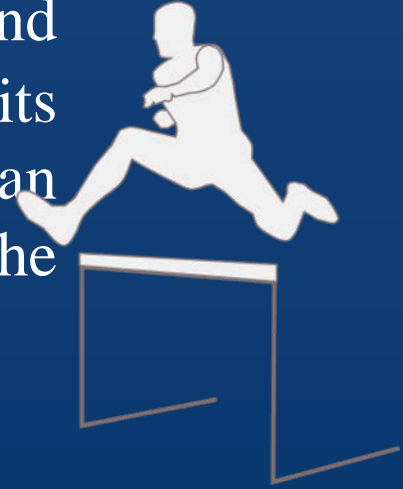
Free market

Withdrawal is an exception (deviation) stipulating non-use by the member state of certain provisions of the Union law which prevent or could hinder free movement of goods, services, capital and workforce within the Union internal market functioning framework.



Препятствие	Право Союза / Законодательство государств-членов
Barrier	Right of the Union/ Legislation of the Member States
Lack of mutual acceptance of documents on scientific degrees and academic titles issued by authorized bodies of the Member States	<p>Clause 3 of Article 97 of the Treaty on Union: Documents on scientific degrees and academic titles issued by authorized bodies of the Member States shall be recognized in accordance with the legislation of the state of employment.</p> <div>ACCEPTABLE OBSTACLE</div>

Obstacle is a barrier hindering free movement of goods, services, capital and workforce within the Union internal market functioning framework set up by its Member State in case if such an obstacle is stipulated by its legislation, or an obstacle occurred due to the lack of legal regulation of economic relations in the Union law.



Препятствие	Право Союза / Законодательство государств-членов
Barrier	Right of the Union/ Legislation of the Member States
Lack of recognition of samples by Assay Chambers of Member States in mutual trade in jewelry on the Union territory.	The Union provisions lack regulation of the matter under consideration.

**ACCEPTABLE
OBSTACLE**

DEPARTMENT OF THE INTERNAL MARKET FUNCTIONING



March 1, 2016

Interaction with business entities
and Member States



Provision of the internal market
functioning without barriers,
exceptions and restrictions



Current situation assessment
and analysis in the markets of
goods, services and
workforce.



THE DEPARTMENT KEY ACTIVITIES

Monitoring and information
interaction with stakeholders and
detection of obstacles

Expertise of normative legal
acts and rendering of assistance
in dispute resolution

Planning and analytical
activities related to the
internal markets
functioning framework

-  The situation monitoring
activities within the
Union framework
-  • Interaction with business
entities with the purpose
of obstacle detection

-  • Monitoring of the
Member States' compliance with the
Treaty provisions
-  Arranging of
consultations
(negotiations) removal
of barriers
- 

-  • Analysis and barrier
impact assessment
on the internal
market functioning
-  Preparation of
country ratings

With the
purpose of
barrier
detection and
elimination

Monitoring of normative legal acts of the Union Member States, mass media and the Commission acts execution, etc.

Interaction with the member States, business communities, mass media and other Departments of the Commission.

Electronic registry of barriers development and maintenance

Support and development of information resource for interaction with business.

STATISTICAL DATA ON BARRIERS

As on October, 279 barriers were registered in the Barrier Registry:

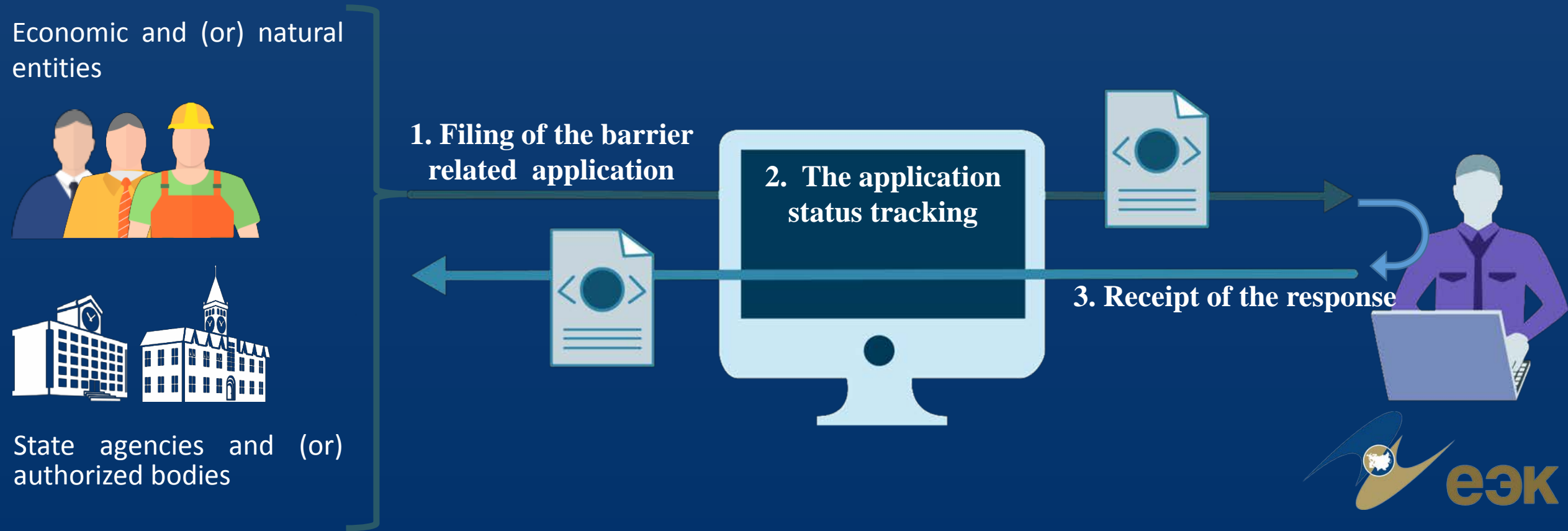
The Table presents the quantitative data on barriers created by the member States, herewith same barriers may be applied by a number of Member States at the same time:

Barrier type	Total
Barrier	49
Withdrawal	142
Restriction	88

The Member State	Barrier	Withdrawal	Restriction	Σ
Republic of Armenia	3	70	48	121
Republic of Belarus	7	72	56	135
Republic of Kazakhstan	12	115	53	180
Kyrgyz Republic	8	69	48	125
Russian Federation	14	93	58	165



INFORMATION RESOURCE TO APPLY ON BARRIER-RELATED MATTERS <https://barriers.eaeunion.org>



EXPERTISE AND MEDIATION



Consideration of applications of the Member States on arising disputes resolution

Consultations with the Member States' authorized representatives and profile departments

Monitoring of compliance of the Member States with international agreements and acts constituting the Treaty law.

Preparation of draft decisions of the Commission Board relating to the Member States fulfillment of obligations and commitments within the Union internal market functioning framework

Monitoring and control over the decisions adopted by the Commission Board on notification of the Union Member States

CURRENT PERFORMANCE DATA OF THE DEPARTMENT ON INTERNAL MARKETS FUNCTIONING BARRIER REMOVAL



Number of decisions made by the
Commission Board

4

Number of draft decisions made by the
Commission Board

5

Number of consultations held

8

Number of dispute resolution applications in process

15

DETECTED BARRIER CASE PRESENTED ON THE COMMISSION WEBSITE

Key words	Kyrgyz Republic, Republic of Kazakhstan, Казахстан, quarantine phytosanitary control (code 06 of the Tax Code of Foreign Economic Activity of the EEU)
Appellant	Kyrgyz Republic
Responder	Republic of Kazakhstan
Application brief content	On maintenance of quarantine phytosanitary control by the Republic of Kazakhstan on the Kazakh-Kyrgyz state border
Contested act (document)	Non-enforcement of the Decision of the High Eurasian Economic Union as of May 8, 2015 № 6 and the Decision of the Tax Union Commission as of June 18, 2010 № 318
The EEU legal act provision	Sub-clause 5, Clause 1, Article 25 of the Treaty on Eurasian Economic Union dated May 29 2014
Decisions made	Decision of the Board of the Eurasian Economic Commission dated October 4, 2016 № 114 «On fulfillment of commitments by the Republic of Kazakhstan within the Eurasian Economic Union internal market functioning framework»
Current status	Monitoring and control over fulfillment of the Decision of the Board of the Eurasian Economic Commission dated October 4, 2016 № 114 «On fulfillment of commitments by the Republic of Kazakhstan within the Eurasian Economic Union internal market functioning framework»



DETECTED BARRIER CASE PRESENTED ON THE COMMISSION WEBSITE

Key words	Republic of Kazakhstan, ferrous metals waste and scrap (code 7204 of the Tax Code of Foreign Economic Activity of the EEU), except for the alloy steel waste and scrap, including the stainless steel (codes of the Tax Code of Foreign Economic Activity of the EEU 7204 21 100 0, 7204 21 900 0) and other activity (code 7204 29 000 0 of the Tax Code of Foreign Economic Activity of the EEU)
Appellant	Business community of the Republic of Kazakhstan
Responder	Republic of Kazakhstan
Application brief content	According to Clause 1 of the draft Decree of the Ministry on Investments and Development of Republic of Kazakhstan «On introduction of ban on export of ferrous metals waste and scrap from the Republic of Kazakhstan» it was stipulated to introduce a six-month ban on export of ferrous metals waste and scrap (code 7204 of the Tax Code of Foreign Economic Activity of the EEU), except for the alloy steel waste and scrap, including the stainless steel (codes of the Tax Code of Foreign Economic Activity of the EEU 7204 21 100 0, 7204 21 900 0) and other activity (code 7204 29 000 0 of the Tax Code of Foreign Economic Activity of the EEU)
Contested act (document)	Clause 1 of the draft Decree of the Ministry on Investments and Development of Republic of Kazakhstan «On introduction of ban on export of ferrous metals waste and scrap from the Republic of Kazakhstan»
The EEU legal act provision	Article 28 of the Treaty on Eurasian Economic Union dated May 29



CASE
STUDY



THANK YOU FOR ATTENTION!