WORLD TRADE ORGANIZATION

G/VAL/W/287

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Committee on Customs Valuation

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NOTIFICATION UNDER ARTICLE 22 OF THE AGREEMENT ON IMPLEMENTATION OF ARTICLE VII OF THE GENERAL AGREEMENT ON TARIFFS AND TRADE 1994

RUSSIAN FEDERATION

Questions from the United States to the Russian Federation regarding documents G/VAL/N/1/RUS/1, G/VAL/N/1/RUS/2 and G/VAL/N/2/RUS/1

The following communication, dated 7 April 2016, is being circulated at the request of the delegation of the United States.

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The United States would like to thank the Russian Federation for its notifications on its customs valuation legislation as set forth below, contained in G/VAL/N/2/RUS/1, G/VAL/N/1/RUS/1, and G/VAL/N/1/RUS/2. Having reviewed these notifications, we would like to seek answers to the following questions.

Question 1

In response to many questions on the Check-list of Issues (document G/VAL/N/2/RUS/1)[1], Russia referenced the following document: Federal Law on Customs Regulation, No. 311-FZ of 27 November 2010.

We note that this document was not provided as part of Russia's notifications. We repeat our request that this instrument be notified to the Committee so that we may understand how it implements the requirements of the CVA. Please indicate whether Russia will notify this document, and, if so, when.

Question 2

In G/VAL/N/1/RUS/1, Russia stated that the "Federal law on the Customs Tariff of the Russian Federation" was attached. Please clarify the citation of this measure. Is this the same document as Federal Law on Customs Regulation, No. 311-FZ of 27 November 2010? Or is this a reference to Law of the Russian Federation, No. 5003-1 of 21 May 1993, or to some other measure? If the cited measure has not been provided, please provide a copy.

- Questions concerning Check-list of Issues (Document G/VAL/N/2/RUS/1):

Question 3

The response to Question 1(a)(i) indicates that Articles 4.1.4 and 4.3 - 4.6 of Customs Union Agreement on the Determination of the Customs Valuation of Goods Transferred through the Customs Border of the Customs Union (hereinafter "the CU Agreement on Customs Valuation") contain provisions for determining the transaction value in sales

[1] Please see Russia's responses to Questions 9(b) (questions regarding implementation of Article 11 of the CVA); 14 (implementation of WTO Decision 3.1); and 15 (question relating to the implementation of WTO Decision 4.1).

between related persons as set out in Article 1 and the Interpretative Note to Article 1 of the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994.

Articles 4.1.4 and 4.3-4.6 of the CU Agreement on Customs Valuation do not appear to contain provisions with respect to the Interpretative Note to Article 1 of the WTO Customs Valuation Agreement ("CVA"). Specifically, Articles 4.1.4 and 4.3.4.6 do not appear to reflect:

1. **General Note, Use of Generally Accepted Accounting Principles (paragraphs 1 and 2);**
2. **Note to Article 1, price actually paid or payable, paragraph 2;**
3. **Notes to Article 1, paragraphs 1(a)(iii), 1(b), 2, 2(b).**

Could Russia please indicate where in Russian law or in the Customs Code of the Customs Union these interpretive notes are reflected, or how they will be implemented in the future?

Question 4

The response to Question 4 indicates that Article 6.2 of the CVA is implemented in Article 9.6 of the CU Agreement on Customs Valuation. It is not clear that Article 9.6 provides for the customs authorities of the country of importation to give sufficient advance notice to the government of the country of production or for an objection by that government. Please explain further how Article 9.6, or other provisions of Russian law, reflects these elements of Article 6.2 of the CVA.

Question 5

The response to Question 9 indicates that Article 9 of the CU Customs Code sets forth the right of economic operators to appeal actions or omissions of the customs administration, and that actions/omissions or decisions of customs officers can be appealed both to the court and to the customs administration. Please indicate how Russia provides for notice of the decision on appeal and reasons for such decision to be provided to the appellant in writing, as provided for in Article 11.3 of the CVA. Additionally, is the appellant informed of any rights of further appeal? Please indicate the applicable articles in Russian law.

Question 6

In addition to Interpretative Note to Article 1, referred to in Question 3 above, the following provisions of Annexes I and III do not appear to be reflected in Russia's legislation:

4. **Note to Article 2, paragraphs 3 and 5;**
5. **Note to Article 3, paragraphs 3 and 5;**
6. **Note to Article 5, paragraphs 2-4, 7, 8, 10;**
7. **Note to Article 6 paragraphs 1 and 5;**
8. **Note to Article 8, note to paragraph 1(b)(ii), paragraphs 3 and 4; note to paragraph 1(b)(iv) of the CVA, paragraphs 1, 3-7; note to paragraph 3;**
9. **Note to Article 9;**
10. **Annex III, paragraph 7.**

We understand that special EE Commission decisions will implement these provisions. Please confirm this is the case, and indicate when those EE Commission decisions (or other measures implementing these notes) will be effective. In order to complete the review of Russia's legislation on customs valuation, we request that Russia provide copies of the implemented decisions.

- Question regarding CU Agreement on Customs Valuation (Document G/VAL/N/1/RUS/1):

Question 7

Please confirm that Russia has implemented paragraph 4 of Article 8, which states that "no additions shall be made to the price actually paid of payable in determining the customs value except as provided in this article." Please identify the provisions in Russian law that implement paragraph 4 of Article 8 of the CVA.

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