

INFORMATIONAL MATERIAL

about the Order of Temporary Importation to the Russian Federation of the Goods Intended for Demonstration at Exhibitions

In accordance with Chapter 19 of the Customs code of the Eurasian Economic Union (hereinafter referred to as "EAEU CC") the goods transferred through the customs border are placed under a specific customs procedure at the person's option in the order and on the terms stipulated in the EAEU CC and in the legislation of the member states of the Eurasian Economic Union (hereinafter referred to as "EAEU"). The person has the right to change the selected customs procedure to another in accordance with the EAEU CC.

In accordance with international practice, the goods intended for demonstration at exhibitions and other similar events are imported in accordance with the customs procedure of temporary importation (admission), in which foreign goods are used within the prescribed period (temporary admission period) in the customs territory of the EAEU with full or partial conditional exemption from payment of import customs duties and taxes and without applying non-tariff regulation measures with subsequent placement under the customs procedure of re-export.

The goods temporarily imported for demonstration at exhibitions, fairs, international meetings and other similar events (except for commercial exhibitions aimed at selling exported goods), as well as the auxiliary equipment and materials intended for use with such a demonstration of goods or for use at exhibitions, fairs, international meetings and other similar events within the temporary importation into the customs territory of the EAEU are provided full conditional exemption from payment of customs duties and taxes in accordance with article 4 of the Decision of the Customs Union Commission of 18 June 2010 No. 331 on the Approval of the List of Temporarily Imported Goods with Full Conditional Exemption from Payment of Customs Duties, Taxes, and also Conditions of Such Exemption, Including its Time-Limits.

If the shown samples are sold, they are subject to the customs procedure of release for internal consumption with full payment of customs duties and taxes. According to paragraph 4 of article 131(1) of the Federal law of 27 November 2010 № 311 on Customs Regulation in the Russian Federation the goods imported into the Russian Federation and exported from of the Russian Federation for the purpose of demonstration at international exhibitions and congresses, aerospace salons and other similar events at the decision of the Government of the Russian Federation are exempt from payment of customs duties charged for the actions connected with release of goods.

The authorization of importation of certain categories of goods into the Customs territory of the EAEU is determined by the Decision of the Board of the Eurasian Economic Commission of 21 April 2015 № 30 on Non-Tariff Regulation Measures.

The list of documents confirming information declared in the customs declaration is stipulated in article 108 of the EAEU CC.

Customs declaration of goods intended for demonstration at exhibitions may be performed on the basis of:

1) the Declaration on Goods (hereinafter referred to as "DG").

If the goods are placed under customs procedures, except for the customs procedure of customs transit, the DG is filed to the Customs Authority.

DG form and Instructions on the Order of Filling the DG are approved by the Decision of the Commission of the Customs Union of 20 May 2010 № 257;

2) the ATA Carnet.

Russian Federation has acceded to the Customs Convention on the ATA Carnet for the Temporary Admission of the Goods of 6 December 1961 and the Convention on Temporary Admission of 26 June 1990 with the adoption of a number of applications. Thus, the temporary importation of this category of goods into the territory of the Russian Federation and re-export from the above territory could be performed on the basis of the ATA Carnet.

In case of compliance with the terms and conditions of the temporary importation of goods based on the ATA Carnet the customs charges for the clearance of those goods shall not be imposed.

The requirements for customs declaration of goods based on the ATA Carnet imposed by the Russian Customs Authorities are stated in the Order of the Federal Customs Service of Russia on Approval of Methodological Recommendations on the Application of the ATA Carnet of 28 December 2012 № 2675.

The clearance of goods based on the ATA Carnets shall be implemented in the Customs Authorities defined by the Order of the Ministry of Finance of the Russian Federation of 31 January 2017 № 16n on the Establishment of the Competence of the Customs Authorities to Perform Customs Operations with Transferred Goods Based on the ATA Carnets (registered by the Ministry of Justice of Russia of the 20 February 2017 № 45710), with alterations by the Order of the Ministry of Finance of the Russian Federation of 31 January 2018 № 17n about alteration in appendix to the Order of the Ministry of Finance of the Russian Federation of 31 January 2017 № 16n on the Establishment of the Competence of the Customs Authorities to Perform Customs Operations with Transferred Goods Based on the ATA Carnets.

3) the List of Goods established by the Instruction on the Procedure of Application of Transport, Commercial and (or) Other Documents as the DG approved by the Decision of the Commission of the Customs Union of 20 may 2010 № 263 (hereinafter referred to as "List of Goods", "Instruction").

If a full conditional exemption from customs duties and taxes is granted in respect of goods intended for demonstration at exhibitions, it is possible to declare the customs procedure of temporary admission for up to one year, applying the List of Goods.

The List of Goods shall be completed in two copies in accordance with the Form specified in Annex 3 of the Instruction. If the goods are placed under customs procedures that are providing for their export from the territory of the Union the List of Goods shall be completed in three copies.

In case of customs declaration of goods intended for demonstration at exhibitions based on the DG, ATA Carnet or the List of Goods, prohibitions and restrictions are applied.

With regard to the question about the protection of intellectual property rights (hereinafter referred to as "IPR") of the rights holders, we inform about the following:

In accordance with the provisions of article 124 and chapter 52 of the EAEU CC, the Customs authorities shall protect IPR of right holders, if the goods are placed under a customs procedure, except for the customs procedure of customs transit, the customs procedure of the destruction and the special customs procedure which is subject to paragraph 2 of article 124 of the EAEU CC.

Based on statement of the member states of the EAEU Eurasian Economic Commission has the right to determine procedure of the protection of IPR on certain categories of goods with application to them the special customs procedure. In accordance with article 253 of the EAEU CC, the special customs procedure is the customs procedure which is applied to particular categories of foreign goods and goods of the EAEU, which are transferred through the customs border of the EAEU, are present and (or) are used in or out the customs territory of the EAEU without payment of customs duties, taxes, special or antidumping or compensation duties complying with the terms and conditions of placement and use of goods under this special customs procedure.

The special customs procedure is applied to various categories of goods, including the foreign goods transferred through the customs border of the EAEU, intended for the organization of official international exhibitions, the characteristics of which are determined by the Commission.

In accordance with article 124 CC of EAEU the basic Customs authority's measures to protect the rights of right holders are measures that are connected with the suspension of release of goods.

The Customs authorities have the right to suspend the release of goods containing intellectual property objects, that are not included in a Single customs register of intellectual property objects of member states or national customs register of intellectual property objects, which is maintained by the customs authority of the member state of whose territory where the goods are placed under customs procedures, without the right holder's application in accordance with the legislation on customs regulation of the member states.

Thus, the Customs authorities apply protection measures of IPR related to the suspension of release of goods placed under the customs procedure of temporary importation, except for those goods which the Eurasian economic Commission determines the appliance of the special customs procedure.