

Part Two SELLING TO TAJIKISTAN

I. IMPORT POLICY, REGULATIONS AND PROCEDURES

A. General

Since its independence, Tajikistan has gone through fundamental social and economic reforms to introduce a market-oriented economy. The transition phase from a centrally planned economy included: (a) the liberalization of prices, with simultaneous suspension of subsidies to producers and consumers; (b) fiscal and monetary policy reforms; (c) the liberalization of foreign currency markets; and (d) the creation of a new legal-regulatory framework for the market economy. The Ministry of Economic Development and Trade was created by presidential decree in January 2001.

As a landlocked country, Tajikistan, in terms of trade, depends heavily on transit regimes and relationships with neighbouring countries. The Government has amended its trade policy in order to: (a) ensure more efficient trade and industrial development; (b) reduce protectionism; and (c) improve tariff structure. Tajikistan aims to comply with WTO principles, thereby facilitating the integration of its economy to the world economic system.

On 1 January 2005, the new Customs Code regulating import, export and transit activities was implemented.

B. Import approval

According to article 5 of Law No. 882 (3 September 1999) on Government Regulation of Foreign Economic Activity, after completing the required registration, any legal or physical person, including international organizations, operating on the territory of Tajikistan or abroad may engaged in foreign trade activities. The registration card and the certificate of participation in foreign economic activities are issued by the Ministry of Economic Development and Trade in accordance with the Council of Ministers decree No. 316 (11 July 1994). All participants engaged in foreign economic activity in Tajikistan must have a Taxpayer Identification Number, issued by the Tax Committee under the Government of Tajikistan.

C. Licensing, quotas and prohibitions

Most goods can be imported to Tajikistan without a license, but some categories of goods that could negatively affect human health or consumer well-being require a license. An import license is required for alcohol, tobacco products and some drugs, as listed in table 3. The license is valid for one year, and is non-transferable.

An application form for the license, specifying: (a) the full name, legal status and legal address of the entity; (b) the name and account number of the entity's bank for settlement; (c) the type of activity; and (d) the requested validity period of the license,

accompanied by a copy of the incorporation document of the entity and a certificate issued by an expert confirming the qualifications of the applicant to carry out the specific activity, must be presented to the Committee on Licensing for its review and approval.

Upon receipt of notification that a license has been issued, the applicant pays the license fees, which amounted to \$300 as of the end of 2008.

There are no quantitative restrictions and bans on the import of goods, except those on products subject to import licensing.

Table 3. Products subject to import licensing

<i>Commodity code</i>	<i>Commodity name</i>
1302 11 000 0	Opium
2203 00	Malt beer
2204	Grape wines, natural wines, including fortified; stum, except for that mentioned in merchandise position 2009 (including wine materials)
2205	Vermouths and natural wines, other wines with vegetation and aromatic substances
2206 00	Other fermented drinks (for example, cider, pear cider, and honey drink); mixes from fermented drinks, and mixes from fermented drinks and soft drinks not listed elsewhere
2207	Non-denatured ethyl alcohol with ethyl concentration of no less than 80 per cent or more; ethyl alcohol and other denatured alcohols of any concentration
2207 10 000 0	Non-denatured ethyl alcohol with ethyl concentration of no less than 80 per cent or more
2207 20 000 0	Ethyl alcohol, other denatured alcohols of any concentration
2208	Ethyl non-denatured alcohol with ethyl concentration of no less than 80 per cent; alcohol liqueurs, liqueurs, and other alcoholic drinks
2402	Cigars, cigars with cut ends, cigarillos (thin cigars), and cigarettes from tobacco or its substitutes
2402 10 000 0	Cigars, cigars with cut ends, and cigarillos containing tobacco;
2402 20	Filter cigars containing tobacco
2402 20 100 0	Containing cloves
2402 20 900 0	Others
2403	Other industrially produced tobacco and industrial tobacco substitutes; "homogenized" or "restored"; tobacco extracts and essence
2806 10 100 0	Hydrogen chloride (hydrochloric acid)
2807 00 100 0	Sulphuric acid
2841 61 000 0	potassium permanganate
2902 30	Toluene
2909 11 000 0	Diethyl ether
2914 11 000 0	Acetone
2914 12 000 0	Butanone (methyl ethyl ketone)
2914 31 000 0	Phenylacetone (phenylpropane-2-on)

2915 24 000 0	Acetic anhydride
2916 34 000 0	Phenylacetic acid and its salts
2922 14 000 0	Dextropropoxiphen and its salts
2922 31 000 0	Amphetamine, methadone, and normethadone; salts of these compounds
2922 43 000 0	Anthranilic acid and its salts
2922 44 000 0	Tilidine and its salts
2924 29	Others: (acetyl anthranilic acid)
2924 29 100 0	Lidocaine
2924 29 300 0	Paracetamol
2926 30 000 0	Propoxyphene and its salts; methadone
2932 91 000 0	Isosafrole
2932 92 000 0	1-(1,3-Benzodioxol-5-yl) propan-2-one
2932 93 000 0	Piperonal
2932 94 000 0	Safrole
2933 11 100 0	Propiphenazone
2933 32 000 0	Piperidine and its salts
2933 33 000 0	Alfentanil, anileridine, bezitramide, bromazepam, diphenoxine, diphenoxilate, dipipanone, fentanyl, ketobemidone, methylphenidate, pentazocine, pethidine, pethidine – an interim A product, phencyclidine, phenoperidine, pipradrol, piritramide, propirame, and trimeperidine; salts of these compounds
2939 11 000 0	Concentrates from poppy straws; buprenorphine, codeine, dihydrocodeine, ethylmorphine, ethorphine, heroin, hydrocodone, hydromorphone, morphine, nicomorphine, oxycodone, oxymorphone, folicodine, tebacone, and tebaine; salts of these compounds
2939 41 000 0	Ephedrine and its salts
2939 42 000 0	Pseudoephedrine and its salts
2939 61 000 0	Ergometrine and its salts
2939 62 000 0	Ergotamine and its salts
2939 63 000 0	Lysergic acid and its salts
2939 91	Cocaine, ecgonine, levomethamphetamine, methamphetamine, methamphetamine racemate; salts, esters, and other derivative substances; cocaine and its salts
2939 91 110 0	Unrefined cocaine

D. Import requirements

Imported goods must be declared within 15 days of the date of arrival to the port of entry with all required documents. Most import activities require the opening of a letter of credit through a foreign exchange bank. Currently, imports of goods are subject to the following fees: custom duty, value added tax (VAT), excise duty and customs charges, to be cleared at the border. The taxation regime for imported goods is the same as that for national products.

Imports of products subject to licenses require a certificate and/or authorization from the related ministry, such as health or agriculture. A phytosanitary certificate is required for the import of live plants. Imports of live animals require a valid veterinary certificate declaring that the animals are free of contagious diseases. Other goods, such as food and consumer products, require a certificate of quality, in order to protect the safety, health and property of citizens, as well as the environment.

E. Packing and labelling requirements

All goods should be packed to withstand the continental climate of Tajikistan and a potentially rough journey over the mountainous routes and poor road conditions found throughout the country.

Labels must be in Russian and must include the names of the country of origin, product and producer. Specific labelling requirements are in effect for some goods. For example, food products must include information such as the country of origin, manufacturer, weight and volume of the commodity, manufacturing date, expiration date, storage information and usage requirements. The name of the consignee, as well as the destination, weight, quantity of goods and country of origin must be marked on all packages of the shipment.

F. Inspections

Tajikistan has not yet implemented the pre-shipment inspection. Upon receipt of the shipment, the customs inspector verifies that the contents comply with the description of the customs declaration and licensing requirements, if applicable.

II. TARIFF SCHEDULE AND CUSTOMS

A. General

The Customs Committee under the Government of Tajikistan was created by Presidential Decree No. 9 on 30 November 2006. The new Customs Code of Tajikistan, which entered into force on 1 January 2005, regulates all import and export activities. The current customs tariff scheme of Tajikistan is contained in Government Resolution No. 450 of 25 October 2003, as well as in Government Decree No. 187 on the customs tariff of 30 April 2002.

B. Classification

The Commodity Classification of Foreign Economic Activity for CIS used in Tajikistan is based on the Harmonized Commodity Description and Coding System.

C. Customs duties

The customs tariffs of Tajikistan consist of general, most favoured nation and preferential rates. Customs tariffs are calculated ad valorem on c.i.f. values of import. The average tariff is about 7 per cent. Tariff rates are between 0 and 15 per cent.

Members of the Eurasian Economic Community, namely, Belarus, Kazakhstan, Kyrgyzstan and the Russian Federation, as well as the least developed countries, are exempt from import tariffs. Safeguards, as well as anti-dumping and countervailing duties are applied on an ad hoc basis as determined by the Government to protect the economic interests of the country.

D. Taxes and surcharges

As per article 114 of the Customs Code, the customs charges are currently fixed at 1.5 per cent of the customs value of the commodity.

According to article 247 of the Tax Code, excisable goods in Tajikistan include the following: spirits; alcoholic and non-alcoholic beverages; vinegar; tobacco and tobacco products; combustibles and lubricants; automobile tires; cars; and jewellery made of gold, platinum and silver. Excise duty also applies to goods produced in Tajikistan, and is calculated as a percentage of the value of the dutiable goods or in United States dollars per unit product. The rates of excise duty on excisable goods are established by Resolution of the Government of the Republic of Tajikistan No. 126 of 2 April, 2005. The rates vary according to the type of product.

Currently, the VAT rate for the import of goods is 20 per cent. However, according to article 211 of the Tax Code, the following types of import goods shall be exempted from VAT, subject to certain conditions:

- (a) Imports of domestic and/or foreign currency as well as securities;
- (b) Imports of gold, silver, platinum, palladium and other valuable metals by the National Bank of Tajikistan or the Tajikistan Ministry of Finance for the State Valuables Repository;
- (c) Imports of goods as humanitarian assistance for the purpose of dealing with the after-effects of natural disasters, accidents and catastrophes, and imports of goods transferred on an unrequited basis to government bodies of Tajikistan;
- (d) Imports of manufacturing and industrial equipment and components thereof for the purpose of establishing or adding to the authorized capital of an enterprise or the technical retooling of an existing production facility, as well as personal property imported into Tajikistan by foreign employees of enterprises with foreign investment directly for their own needs;
- (e) Imports of agricultural equipment and spare parts thereof, as well as medicines, based on a list established by the Government of Tajikistan in accordance with the foreign economic activity commodity nomenclature;
- (f) Imports of goods for the implementation of targeted projects approved by the Government of Tajikistan (within the limits) funded through grants and/or credits (loans)

provided by legal entities or individuals, foreign States, Governments of foreign States, or international organizations;

(g) Imports of goods for the construction of high-priority projects. A list of such goods and high-priority projects shall be established by the Government of Tajikistan;

(h) Imports (with the exception of excisable goods) of basic types of raw materials, supplies, energy resources, and equipment based on a list and in quantities established by the Government of Tajikistan, effected directly by the Tajik Aluminium Plant for the production of primary aluminium;

(i) Imports of specialized products for individual use by disabled persons based on a list established by the Government of Tajikistan.

III. TRADE DOCUMENTS

A. All shipments

All customs transactions, namely, import, export and transit, require a customs declaration form. It must be duly completed to be accepted by the Tajik customs authorities.

Importers can use the services of customs brokers, who can handle all documentation and other formal procedures on their behalf. Regulations on the operation of customs brokers are provided in the Customs Code of 2005.

B. Import documents

The documents that must be submitted in the process of customs clearance are listed in table 4.

Table 4. Documents for import clearance

<i>Document</i>	<i>Number of copies</i>	<i>Body concerned</i>
Bill of lading/air waybill	1	Shipping company/airline company
Certificate of Origin	1	Chamber of Commerce
Customs Declaration Form	1	Customs
Foreign trade contract	1	
Invoice	1	Exporter
Power of attorney authorizing physical entity to handle customs clearance	1	Line ministries
Packing list	1	Exporter
Prior permission for permissible import	1	Line ministries
Receipt for payments of customs duties	1	Income Tax Department
Certificate of quality		Tajikstandart
Phytosanitary certificate		Ministry of Agriculture
Letter of application for customs clearance		

According to article 65 of the Customs Code, all documents for custom clearance can be presented in a foreign language known and understood by customs officials, if approved by the authorized body on customs affairs. However, the customs cargo declaration must be filled out in Russian or Tajik for countries of the Eurasian Economic Community.

IV. STANDARDS AND INSPECTION

The metric system is commonly used in Tajikistan. Therefore, all weights are expressed in kilograms and metric tons.

The Tajikistan Agency for Standardization, Metrology, Certification and Trade Inspection (Tajikstandart) is the Government agency charged with managing standardization issues.

The Law of the Republic of Tajikistan on Certification of Products and Services regulates the technical, pharmacological, sanitary, veterinary, phytosanitary and environmental standards and requirements that imports must meet. A certificate is mandatory for the following:

- Children's goods
- Food products, certain goods of agricultural origin, pharmaceuticals, herbal plants
- Consumer goods that contact the skin, food products or drinking water;
- Fuel, oil and oil products, gas, electrical and heat energy
- Consumer chemicals, perfumes and cosmetics
- Chemical weed killers
- Mineral fertilizers
- Domestic appliances
- Agro-industrial machinery
- Items of individual protection
- Appliances for compatibility and safety
- Building materials
- Communications equipment
- Materials for fire and explosion alarms
- Aircraft and spare parts
- Railway trucks
- Signalling and communications systems
- Automotive vehicles
- Mining equipment
- Quarry appliances
- Explosive and explosion equipment
- Apparatus under pressure
- Lifting machines