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Russian Federation

Trade Policy Monitoring

Changes in Export and Import Tariffs for Round Wood

2006

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Report Highlights:

On March 24, 2006, the Russian Government issued Resolution # 158 that amended the Customs Tariffs of the Russian Federation for imports and exports of round wood. These changes are aimed at reducing the current rate of exports of unprocessed woods and to increase the efficiency of Russia's processing wood industry.

Includes PSD Changes: No Includes Trade Matrix: No Unscheduled Report Moscow [RS1] [RS]

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Summary

On March 24, 2006, the Russian Government issued Resolution # 158 that amended the Customs Tariff of the Russian Federation and set new import and export tariffs on round wood. These tariff changes are in response to strong criticism made by President Putin about the lack of effective government policies aimed at developing the wood processing industry. It also represents an effort by his government to decrease exports of unprocessed wood from Russia.

According to German Gref, Minister of Economic Development and Trade, the increase in export tariffs is necessary to stimulate exports of high value wood products, thus reducing the current high rate of exports of unprocessed wood and increase the efficiency of forestry resources. The Minister also emphasized the need for a gradual increase in export tariffs to avoid further burden on forestry enterprises and increase unemployment in forestry regions.

Russia is the world leader in exports of round wood, accounting for nearly 26 percent of the world export value. However, according to the data provided by Russian Federal Statistics Service (Rosstat), exports of unprocessed wood are trending downwards from 11 million cubic meters in February 2005 to 9.7 million cubic meters in February 2006.

Text of Resolution # 158 of March 24, 2006

Begin Text.

"On Including Changes into Resolution # 830 of the Government of the Russian Federation of November 30, 2001, and into Resolution # 1364 of December 9, 1999, regarding some species of rough wood"

The Government of the Russian Federation decrees the following:

- 1. To include into the Customs Tariff of the Russian Federation that was approved by Resolution # 830 of the Government of the Russian Federation of November 30, 2001 "On Customs Tariff of the Russian Federation and Foreign Trade Nomenclature of Goods" (Collection of Laws of the Russian Federation, 2001, #50, Article 4735), the following changes:
 - a) Expel from Foreign Trade Nomenclature of Goods of the Russian Federation sub items according to attachment # 1;
 - b) To include into Foreign Trade Nomenclature of the Russian Federation: Sub items according to attachment # 2;

Additional comments to Group 44 shall be revised to read:

- " Additional comments of the Russian Federation:
- (1) Include into sub items 4403 20 110 1, 4403 20 110 2, 4403 20 310 1, 4403 20 310 2, 4403 20 910 1, 4403 20 910 2, 4403 209103, 4403 20 910 4, 4403 99 510 and 4403 99 510 2, round wood with diameter in upper crosscut end (the smallest diameter in the length of log) is in compliance with the value specified in the text for sub items. Logs of these sub items are intended to be used as the round wood, also for sawing (or for cleft) along the grain for lumber production, or for production of railway or tramp crossties, or for production of rotary-cut or knife-cut veneer.
- (2) Include into sub items 4403 20 190 1, 4403 20 390 1, 4403 20 990 1 and 4403 99 590 1 round wood with diameter in the upper crosscut end (the smallest diameter in length of the wood) is in compliance with the value specified in the text for sub items";
 - c) To approve the attached import customs tariff rates.

- 2. Include into the export customs tariff for the goods, exported from the territory of the Russian Federation out of the boundaries of states members of agreements of Customs Union, approved by Resolution # 1364 of the Government of the Russian Federation of December 9, 1999 (Collection of Laws of the Russian Federation, 199, # 51, article 6340; 2000, # 13, article 1379; 2001, # 50, article 4735; 2002, #, article 225), the following changes:
 - a) Expel item:
 - "4403 20 coniferous wood in the rough, whether or not stripped of bark or sapwood, 6.5, but not less than 2.5 euros per 1 m³" or roughly squared, and;
 - b) Approve attached export customs tariff rates.
- 3. The present Resolution enters into force two months from the date of its official publication.

M. Fradkov

Chairman of the Government of the Russian Federation

Attachment # 1

Sub items, expelled from Foreign Trade Nomenclature of Goods of the Russian Federation

Code TN VED	Item	Measure unit
4403 20 110 0	- logs	M^3
4403 20 190 0	- other	M^3
4403 20 310 0	- logs	M^3
4403 20 390 0	- other	M^3
4403 20 910 0	- logs	M^3
4403 20 990 0	- other	M^3
4403 99 510 0	- logs	M^3
4403 99 590 0	- other	M^3

Import Customs Tariffs

Code TN VED	Item <*>	Rate of Import Tariff (percent of customs value or in Euros)
4403 20 110	- logs:	
4403 20 110 1	- not less than 15 cm in diameter, but not more than 24 cm, not less than 1,0 m in length	15
4403 20 110 2	- more than 24 cm in diameter, not less than 1, 0 m in length	15
4403 20 190	- other:	
4403 20 190 1	 wood in the rough, whether or not stripped of bark or sapwood, or roughly squared, less than 15 cm in diameter 	15
4403 20 190 9	- Other	15
4403 20 310	- Logs:	
4403 20 310 1	- not less than 15 cm in diameter, but not more than 24 cm, not less than 1,0 m	15

	in length	
4403 20 310 2	- more than 24 cm in	15
	diameter, not less than 1,0	
	m in length	
4403 20 390	- other:	
4403 20 390 1	- Wood in the rough,	15
	whether or not stripped of	
	bark or sapwood,	
	or roughly squared, less than	
	15 cm in diameter	
4403 20 390 0	Other	15
4403 20 910	- logs:	
4403 20 910 1	- of other spruce, except for	15
	common spruce of the kind	
	"Picea abies Karst.", or other	
	fir, except for white European fir (Abies alba Mill.), not less	
	than 15 cm in diameter, not	
	more than 24 cm, not less	
	than 1,0 m in length	
4403 20 910 2	- of other spruce, except for	15
	common spruce of the kind	
	"Picea abies Karst.", or other	
	fir, except for white European	
	fir (Abies alba Mill.), more	
	than 24 cm in diameter, not	
	less than 1,0 m in length	
4403 20 910 3	- of other pine, except for	15
	common pine "Pinus	
	sylvestris L.", not less than 15 cm in diameter, but not	
	more than 24 cm, not less	
	than 1,0 m in length	
4403 20 910 4	- of other pine, except for	15
	pine common "Pinus	
	sylvestris L.", more than 24	
	cm in diameter, less than 1,0	
	m in length	
4403 20 910 9	- other	15
4403 20 990	- other:	
4403 20 990 1	- Wood in the rough,	15
	whether or not stripped of	
	bark or sapwood,	
	or roughly squared, less than	
4403 20 990 9	15 cm in diameter - other	15
4403 99 510	- logs:	10
4403 99 510 1	- less than 15 cm in	15
4403 77 310 1	diameter, but not more than	15
	24 cm, not less than 1,0 m	
	in length	
4403 99 510 2	- more than 24 cm in	15
	diameter, not less than 1,0	
	and the transfer of the transf	I .

	m in length	
4403 99 590	- other:	
4403 99 590 1	- Wood in the rough, whether or not stripped of	15
	bark or sapwood, or roughly squared, less than 15 cm in diameter	
4403 99 590 9	- other	15

<*> The commodities are defined exclusively by codes of the Customs Nomenclature of the Russia's Foreign Trade Activity Russia's TN VED.

Attachment # 2
Sub items included in Foreign Trade Nomenclature of Goods of the Russian Federation

Code TN VED	Item <*>	Measure unit
4403 20 110	- logs:	
4403 20 110 1	- not less than 15 cm in diameter, but not more than 24 cm, not less than 1,0 m in length	m ³
4403 20 110 2	- more than 24 cm in diameter, not less than 1, 0 m in length	m ³
4403 20 190	- other:	
4403 20 190 1	 wood in the rough, whether or not stripped of bark or sapwood, or roughly squared, less than 15 cm in diameter 	m ³
4403 20 190 9	- Other	m ³
4403 20 310	- Logs:	
4403 20 310 1	- not less than 15 cm in diameter, but not more than 24 cm, not less than 1,0 m in length	m ³
4403 20 310 2	- more than 24 cm in diameter, not less than 1,0 m in length	
4403 20 390	- other:	
4403 20 390 1	 Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared, less than 15 cm in diameter 	m ³
4403 20 390 0	Other	m ³
4403 20 910	- logs:	m ³
4403 20 910 1	- of other spruce, except for common spruce "Picea abies Karst.", or other fir, except for white European fir (Abies alba Mill.), not	m ³

	less than 15 cm in	
	diameter, not more than	
	24 cm, not less than 1,0 m	
	in length	
4403 20 910 2	- of other spruce, except	m ³
	for common spruce "Picea	
	abies Karst.", or other fir,	
	except for white European	
	fir (Abies alba Mill.), more	
	than 24 cm in diameter,	
	not less than 1,0 m in	
	-	
4400 00 010 0	length	3
4403 20 910 3	- of other pine, except for	m ³
	common pine "Pinus	
	sylvestris L.", not less than	
	15 cm in diameter, but not	
	more than 24 cm, not less	
	than 1,0 m in length	
4403 20 910 4	- of other pine, except for	m ³
	pine common "Pinus	
	sylvestris L.", more than 24	
	cm in diameter, less than	
	1,0 m in length	
		2
4402 20 010 0	othor	m ³
4403 20 910 9	- other	m^3
4403 20 990	- other:	m ³
	- other: - Wood in the rough,	
4403 20 990	other:Wood in the rough,whether or not stripped of	m ³
4403 20 990	other:Wood in the rough,whether or not stripped of bark or sapwood,	m ³
4403 20 990	 other: Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared, less 	m ³
4403 20 990 4403 20 990 1	 other: Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared, less than 15 cm in diameter 	m ³ M ³
4403 20 990 4403 20 990 1 4403 20 990 9	 other: Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared, less than 15 cm in diameter other 	m ³ M ³
4403 20 990 4403 20 990 1 4403 20 990 9 4403 99 510	 other: Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared, less than 15 cm in diameter other logs: 	m ³ M ³ m ³ m ³
4403 20 990 4403 20 990 1 4403 20 990 9	- other: - Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared, less than 15 cm in diameter - other - logs: - less than 15 cm in	m ³ M ³
4403 20 990 4403 20 990 1 4403 20 990 9 4403 99 510	 other: Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared, less than 15 cm in diameter other logs: 	m ³ M ³ m ³ m ³
4403 20 990 4403 20 990 1 4403 20 990 9 4403 99 510	- other: - Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared, less than 15 cm in diameter - other - logs: - less than 15 cm in	m ³ M ³ m ³ m ³
4403 20 990 4403 20 990 1 4403 20 990 9 4403 99 510	- other: - Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared, less than 15 cm in diameter - other - logs: - less than 15 cm in diameter, but not more	m ³ M ³ m ³ m ³
4403 20 990 4403 20 990 1 4403 20 990 9 4403 99 510	- other: - Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared, less than 15 cm in diameter - other - logs: - less than 15 cm in diameter, but not more than 24 cm, not less than	m ³ M ³ m ³ m ³
4403 20 990 4403 20 990 1 4403 20 990 9 4403 99 510 4403 99 510 1	- other: - Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared, less than 15 cm in diameter - other - logs: - less than 15 cm in diameter, but not more than 24 cm, not less than 1,0 m in length - more than 24 cm in	m ³ M ³ m ³ m ³ m ³
4403 20 990 4403 20 990 1 4403 20 990 9 4403 99 510 4403 99 510 1	- other: - Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared, less than 15 cm in diameter - other - logs: - less than 15 cm in diameter, but not more than 24 cm, not less than 1,0 m in length - more than 24 cm in diameter, not less than 1,0	m ³ M ³ m ³ m ³ m ³
4403 20 990 1 4403 20 990 1 4403 20 990 9 4403 99 510 4403 99 510 1	- other: - Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared, less than 15 cm in diameter - other - logs: - less than 15 cm in diameter, but not more than 24 cm, not less than 1,0 m in length - more than 24 cm in diameter, not less than 1,0 m in length	m ³ M ³ m ³ m ³ m ³
4403 20 990 1 4403 20 990 1 4403 20 990 9 4403 99 510 4403 99 510 1 4403 99 590	- other: - Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared, less than 15 cm in diameter - other - logs: - less than 15 cm in diameter, but not more than 24 cm, not less than 1,0 m in length - more than 24 cm in diameter, not less than 1,0 m in length - other:	m ³ M ³ m ³ m ³ m ³
4403 20 990 1 4403 20 990 1 4403 20 990 9 4403 99 510 4403 99 510 1	- other: - Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared, less than 15 cm in diameter - other - logs: - less than 15 cm in diameter, but not more than 24 cm, not less than 1,0 m in length - more than 24 cm in diameter, not less than 1,0 m in length - other: - Wood in the rough,	m ³ M ³ m ³ m ³ m ³
4403 20 990 1 4403 20 990 1 4403 20 990 9 4403 99 510 4403 99 510 1 4403 99 590	- other: - Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared, less than 15 cm in diameter - other - logs: - less than 15 cm in diameter, but not more than 24 cm, not less than 1,0 m in length - more than 24 cm in diameter, not less than 1,0 m in length - other: - Wood in the rough, whether or not stripped of	m ³ M ³ m ³ m ³ m ³
4403 20 990 1 4403 20 990 1 4403 20 990 9 4403 99 510 4403 99 510 1 4403 99 590	- other: - Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared, less than 15 cm in diameter - other - logs: - less than 15 cm in diameter, but not more than 24 cm, not less than 1,0 m in length - more than 24 cm in diameter, not less than 1,0 m in length - other: - Wood in the rough, whether or not stripped of bark or sapwood,	m ³ M ³ m ³ m ³ m ³
4403 20 990 1 4403 20 990 1 4403 20 990 9 4403 99 510 4403 99 510 1 4403 99 590	- other: - Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared, less than 15 cm in diameter - other - logs: - less than 15 cm in diameter, but not more than 24 cm, not less than 1,0 m in length - more than 24 cm in diameter, not less than 1,0 m in length - other: - Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared, less	m ³ M ³ m ³ m ³ m ³
4403 20 990 1 4403 20 990 1 4403 20 990 9 4403 99 510 4403 99 510 1 4403 99 590	- other: - Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared, less than 15 cm in diameter - other - logs: - less than 15 cm in diameter, but not more than 24 cm, not less than 1,0 m in length - more than 24 cm in diameter, not less than 1,0 m in length - other: - Wood in the rough, whether or not stripped of bark or sapwood,	m ³ M ³ m ³ m ³ m ³

Export Customs Tariffs

Code TN VED	Item <*>	Rate of Export Tariff
		(percent of customs

		value or in Euros)
4403 20 110	- logs:	· ·
4403 20 110 1	- not less than 15 cm in diameter, but not more than 24 cm, not less than 1.0 m in length	6.5, but not less than 4 Euros per 1 m ³
4403 20 110 2	- more than 24 cm in diameter, not less than 1. 0 m in length	6.5, but not less than 4 Euros per 1 m ³
4403 20 190	- other:	
4403 20 190 1	 wood in the rough, whether or not stripped of bark or sapwood, or roughly squared, less than 15 cm in diameter 	6.5, but not less than 4 Euros per 1 m ³
4403 20 190 9	- Other	6.5, but not less than 4 Euros per 1 m ³
4403 20 310	- Logs:	
4403 20 310 1	- not less than 15 cm in diameter, but not more than 24 cm, not less than 1.0 m in length	6.5, but not less than 4 Euros per 1 m ³
4403 20 310 2	- more than 24 cm in diameter, not less than 1.0 m in length	6.5, but not less than 4 Euros per 1 m ³
4403 20 390	- other:	
4403 20 390 1	 Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared, less than 15 cm in diameter 	6.5, but not less than 4 Euros per 1 m ³
4403 20 910 2	- of other spruce, except for common spruce of the kind "Picea abies Karst.", or other fir, except for white European fir (Abies alba Mill.), more than 24 cm in diameter, not less than 1.0 m in length	6.5, but not less than 4 Euros per 1 m ³
4403 20 910 3	- of other pine, except for common pine "Pinus sylvestris L.", not less than 15 cm in diameter, but not more than 24 cm, not less than 1.0 m in length	6.5, but not less than 4 Euros per 1 m ³
4403 20 910 4	- of other pine, except for pine common "Pinus sylvestris L.", more than 24 cm in diameter, less than 1,0 m in length	6.5, but not less than 4 Euros per 1 m ³
4403 20 910 9	- other	6.5, but not less than 4 Euros per 1 m ³
4403 20 990	- other:	

4403 20 990 1	- Wood in the rough,	6.5, but not less than 4
	whether or not stripped of	Euros per 1 m ³
	bark or sapwood,	
	or roughly squared, less	
	than 15 cm in diameter	
4403 20 990 9	- other	6.5, but not less than 4
		Euros per 1 m ³
4403 99 510	- logs:	
4403 99 510 1	- less than 15 cm in	6.5, but not less than 4
	diameter, but not more	Euros per 1 m ³
	than 24 cm, not less than	
	1,0 m in length	
4403 99 510 2	- more than 24 cm in	6.5, but not less than 4
	diameter, not less than 1,0	Euros per 1 m ³
	m in length	
4403 99 590	- other:	
4403 99 590 1	- Wood in the rough,	6.5, but not less than 4
	whether or not stripped of	Euros per 1 m ³
	bark or sapwood,	
	or roughly squared, less	
	than 15 cm in diameter	
4403 99 590 9	- other	6.5, but not less than 4
		Euros per 1 m ³

<*> The commodities are defined exclusively by codes of the Customs Nomenclature of the Russia's Foreign Trade Activity Russia's TN VED.

End Text.