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Report Highlights:

This report contains summaries of relevant decisions and documents from the Armenia-Belarus-Kazakhstan-Kyrgyzstan-Russia Eurasian Economic Union (EAEU) published between November 18, 2016 and February 28, 2017 that impact EAEU food and agriculture policy. Key documents included herein are the draft Treaty on the Customs Code of the Eurasian Economic Union and the draft EEC Collegium decision "On the directory of quarantine objects of the Eurasian economic Union."

General Information:

This report contains summaries of relevant decisions and documents from the Armenia-Belarus-Kazakhstan-Kyrgyzstan-Russia Eurasian Economic Union (EAEU) published between November 18, 2016 and February 28, 2017 that impact EAEU food and agriculture policy. Key documents included herein are the draft Treaty on the Customs Code of the Eurasian Economic Union and the draft Eurasian Economic Commission (EEC) Collegium decision "On the directory of quarantine objects of the Eurasian economic Union." Official EAEU statistical information for 2016 is presented along with this.

The documents below are hyperlinked via automated translation services for readers seeking further details. Select "refresh" on your browser if the page does not translate to the end.

SPS/TBT MEASURES PUBLISHED FOR PUBLIC COMMENT

Publication Date: December 15, 2016

Tariff Regulations: Draft EEC Collegium order "On draft decision on establishing of import duties within unified EAEU tariff system for frozen fish, fish fillet and other types of fresh, chilled of frozen fish" – Russian.

Summary: The Russian Federation proposed reduction of import duties for certain types of frozen fish, fish fillets and fish meat to 0% of customs value on a temporary basis for a period of 2 years. Proposed measure should improve fish supply and "increase utilization of capacity of floating fish processing plants."

The public comment period for the draft closed on January 4, 2017.

Publication Date: January 24, 2017

Technical Regulations: Draft EEC Collegium recommendation "On the methodology of assessment of efficiency of state regulation of agricultural market and support of agro-industrial complex" – <u>Russian</u>.

Summary: The draft proposes a <u>unified methodology for complex assessment</u> of efficiency of state regulation of the agricultural sectors in EAEU member states. The draft EAEU Collegium recommends that member states of the Eurasian Economic Union use the proposed unified methodology for planning their national agricultural measures for sustainable development within the framework of the EAEU market, for monitoring of state regulation, and for supporting the agricultural sector of EAEU.

The public comment period for the draft closed on February 13, 2017.

Publication Date: January 24, 2017

Technical Regulations: Draft EEC Collegium order "On the methodology for price monitoring and competitive analysis of agricultural products and food stuffs produced in the member states of the Eurasian Economic Union" – Russian.

Summary: The draft suggests approval of <u>unified methodology for price monitoring</u> and competitive analysis of agricultural products and foods produced in the EAEU member states aiming for balanced development of common agricultural EAEU market. The public comment period for the draft closes on February 23, 2017.

Publication Date: February 6, 2017

Draft veterinary requirements: Draft EEC Collegium decision "On amending Chapter 34 of the Unified veterinary (veterinary and sanitary) requirements for goods subject to veterinary control (supervision)" – Russian.

Summary: On February 8, 2017, Russia notified this draft document to the WTO via <u>G/SPS/N/RUS/136</u>. According to the notification, "the draft of the Decision amends provision for total arsenic content in feed meal from fish, marine mammals, crustaceans, and invertebrates" from current allowance of 2.0 mg/Kg to 25.0 mg/Kg, provided the amount of inorganic arsenic content does not exceed 2 mg/Kg.

The public comment period for this document will expire on April 9, 2017.

Publication Date: February 6, 2017

Draft phytosanitary requirements: Draft EEC Collegium decision "On the directory of quarantine objects of the Eurasian Economic Union" – Russian.

Summary: The draft directory is new development of the Common list of quarantine items of the Eurasian Economic Union (See GAIN RS1666 for details). The draft decision contains list of quarantine pests including insects and mites, nematodes, fungi, bacteria and phytoplasma, viruses and viroids, and plants. Letter codes are assigned to each pest. All pests are divided into two groups: Pests absent from the territory of the EAEU and pests of limited distribution throughout the EAEU territory. The second part of the draft directory (the 'Passport') stipulates its use for member states' regulatory interactions and establishes its harmonization with EU standard 2000/29/EC and the Global database of the European and Mediterranean Plant Protection Organization (EPPO). The third part of the draft directory describes technical structure of the Directory.

The public comment period for the draft regulations will close on February 26, 2017.

As of the date of publication of this report, FAS/Moscow does not believe this measure has been notified to the World Trade Organization.

Publication Date: February 9, 2017

Draft veterinary requirements: Draft EEC Council decision "On amendments to the decision of the Customs Union Commission of 28 may 2010 № 299" – <u>Russian</u>.

Summary: On February 13, 2017, Russia notified this draft document to the WTO via G/SPS/N/RUS/137. The draft amends Addendum No. 4, "The procedure of state sanitary-epidemiological supervision (control) at the customs border and at the customs territory of the Eurasian economic Union" of the Customs Union Decision No. 299 of May 28, 2010, "On the application of sanitary measures in the Customs Union" (See GAIN RS1645). The draft decision amends wording in compliance with current EAEU regulations and focuses on the Part VI of the Regulation, "The implementation of the state sanitary and epidemiological supervision (control) for controlled goods on customs territory of the Union". The draft clarifies procedures between member states in case of quality disputes over goods shipped within the EAEU customs territory.

The public comment period for this document expires on April 14, 2017.

MEETING OF THE EURASIAN INTERGOVERNMENTAL COUNCIL NOVEMBER 16, 2016

Publication Date: November 22, 2016

EEC Intergovernmental Council Order No. 19 "On the draft Treaty on the Customs Code of the Eurasian Economic Union" – original in <u>Russian</u>.

Summary: The Order approved the draft Treaty on the Customs Code of the Eurasian Economic Union to be signed by the EEC Supreme Council at the Heads of State Level during December 2016 meeting in St.-Petersburg. The draft EAEU Customs Code (See <u>GAIN RS1511</u>) is based on the Customs Union Customs Code (See <u>GAIN RS1036</u>) and it was amended in parts of electronic processing of documents and preliminary information procedures.

Update on approval of the EAEU Customs Code during EEC Supreme Council at the Heads of State level in St.-Petersburg on December 26, 2016.

According to the EAEU <u>press release</u>, only four EAEU member states, Armenia, Kazakhstan, Kyrgyzstan, and Russia, signed the Treaty approving the Unified Customs Code on December 26, 2016. The document was passed to Belarus, which has not yet signed it - Russian.

MEETING OF THE EURASIAN ECONOMIC COMMISSION COUNCIL May 16, 2016

Publication Date: February 15, 2017

EEC Council Decision No. 149 "On inter-action of authorized bodies of member states of the Eurasian economic Union in case of introduction of temporary sanitary, veterinary and quarantine phytosanitary measures" – original in <u>Russian</u>.

Summary: The decision establishes rules for implementation and coordination of temporary sanitary, veterinary-sanitary and quarantine measures between the EAEU member states.

MEETING OF THE EURASIAN ECONOMIC COMMISSION COUNCIL November 30, 2016

Publication Date: December 23, 2016

EEC Council Decision No. 119 On the draft decision of the Supreme Eurasian Economic Council "On the start of negotiations with the Islamic Republic of Iran on conclusion of a temporary agreement leading to the formation of a free trade zone" – original in <u>Russian</u>.

Summary: The decision approved draft decision of the Supreme Eurasian Economic Council "On the start of negotiations with the Islamic Republic of Iran on conclusion of a temporary agreement leading to the formation of a free trade zone". A final decision on negotiations with Islamic Republic of Iran should be approved by decision of the Supreme Eurasian Economic Council.

Publication Date: December 23, 2016

EEC Council Decision No. 120 On the draft decision of the Supreme Eurasian Economic Council "On the start of negotiations with the Republic of India on conclusion of agreement on free trade zone" – original in <u>Russian</u>.

Summary: The decision approved draft decision of the Supreme Eurasian Economic Council "On the start of negotiations with the Republic of India on conclusion of agreement on free trade zone". Final decision on negotiations start with India should be approved by decision of the Supreme Eurasian Economic Council.

Publication Date: December 23, 2016

EEC Council Decision No. 121 On the draft decision of the Supreme Eurasian Economic Council "On the start of negotiations with the Republic of Singapore on conclusion of agreement on free trade zone" – original in <u>Russian</u>.

Summary: The order approved draft decision of the Supreme Eurasian Economic Council "On the start of negotiations with the Republic of Singapore on conclusion of agreement on free trade zone". Final decision on negotiations start with the Republic of Singapore should be approved by decision of the Supreme Eurasian Economic Council.

Publication Date: February 14, 2017

EEC Council Order No. 28 On the draft decision "On handling of seeds of agricultural plants within the framework of the Eurasian Economic Union" – original in <u>Russian</u>.

Summary: The order approved draft decision "*On handling of seeds of agricultural plants within the framework of the Eurasian Economic Union*" (See GAIN RS1666). According to the order all member states should finalize their own procedures by April 3, 2017 in order to be ready to sign the agreement.

The draft decision proposes framework agreement for handling of non-GMO seeds within the customs territory of the Union. The draft stipulates unification of rules for handling seeds among all member states, including certification, testing, and registration of seeds. The draft decision proposes the creation of a common EAEU register for seeds species.

MEETING OF THE EURASIAN ECONOMIC COMMISSION COLLEGIUM January 31, 2017

Publication Date: February 3, 2017

EEC Collegium Order No. 10 On the draft decision of the Council of the Eurasian Economic Commission "On amendments to the decision of the Commission of the Customs Union \mathbb{N}_2 318 of June 18, 2010" – original in <u>Russian</u>.

Summary: The EEC Collegium order proposes the draft decision for approval by the EEC Council. The draft suggests corrections to wording and clarifies sampling procedures regulated by the EAEU Decision "On Assurance of Plant Quarantine in the Customs Union" (See GAIN RS1618).

Publication Date: February 9, 2017

EEC Collegium Decision No. 18 "On requirements for an agricultural subsystem within the framework of integrated information system of the Eurasian Economic Union and the rules for its joint creation" – original in <u>Russian</u>.

Summary: According to the Requirements the Subsystem should be able to provide 24/7 on-line information on the following data from the EAEU member states:

- A single register of species of agricultural plants,
- Agriculture forecast and target information,
- Price monitoring data of agricultural and food products,
- National development programs for production of sensitive agricultural products,
- Agricultural scientific research programs,
- Breeding animal data and livestock breeding achievements,
- Agriculture state support information.

Each member state can develop its national component for the integrated system or develop it based on an existing national system provided it conforms to unified EAEU requirements.

MEETING OF THE EURASIAN ECONOMIC COMMISSION COUNCIL January 13, 2017

Publication Date: February 28, 2017

EEC Council Decision No. 7 "On the Procedure for payment of compensation in the event of a breach by a member state of the Eurasian Economic Union of obligations in the field of state support for agriculture" - original in <u>Russian</u>.

Summary: The Protocol 29 "On the state support measures for agriculture" to the EAEU Treaty (See <u>GAIN RS1611</u>) stipulates responsibility of the member states for breach of rules of agricultural support in form of money compensation. The decision establishes rules for calculation and distribution of such compensation.

OFFICIAL STATISTICAL PUBLICATION

The EAEU preliminary trade statistics for January-December 2016 was published on February 15, 2017 - in <u>Russian</u>.

Summary: According to <u>preliminary data</u>, the volume of foreign trade of the Eurasian Economic Union member states with third countries in January to December 2016 was USD 509.7 billion, including exports USD 308.4 and imports USD 201.3 billion. Compare to the same period of 2015 the total foreign trade volume decreased by 12 percent. Export of goods declined by 17.5 percent (by USD 65.4 billion) and imports by 2 percent (by USD 4.2 billion.)

Mutual trade of the EAEU member states, January-December 2016

	USD, million	Change from 2015, %
EAEU	42,536.40	93.3
including:		
Armenia	392.1	153.0
Belarus	11,255.10	102.2
Kazakhstan	3,917.60	76.5
Kyrgyzstan	417.5	104.4
Russia	26,554.10	78.9

The share of agricultural products and food trade in the total mutual EAEU trade was 16.1 percent in 2016 (USD 6,847.2 billion.) Agricultural exports from the EAEU member states to third countries increased by 4.0 percent (USD 16,941 million in 2016.) Import of agricultural products from third countries into the EAEU member states declined by 8.6 percent (USD 26,491.6 million in 2016.)